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REPUTATION MANAGEMENT

– a study of leading Finnish companies



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REPUTATION MANAGEMENT

Today competition on the markets is harder than ever. In addition corporate responsibility is emphasized in media and in corporate strategies more and more. For these reasons reputation has become a new meter for a company's success and a way to increase competitive advantage.

Reputation consists of people's opinions and perceptions of things. This is why reputation has been a difficult issue to classify or to specifically explain in academic literature: people are different, and an action that is thought of as justified by one person can be seen as unethical by another. The reality is, nonetheless, that good reputation can increase a company's profitability and interest among customers. Still, a company's reputation does not consist of only what the customers' opinions of it are. Also employees, investors, and even analytics have an impact on how the company's reputation is seen as a whole. Building a reputation can be a long and complicated process, but to break it down it only takes, for example, few dissatisfied and loud enough employees.

In this thesis Finnish managers from companies that have had good reputations for the past decade have been interviewed. As well the theories in this thesis as well as the interviewees agree on the fact that the base for a good reputation is trust and honesty between all parties involved. Also to build a good reputation the company needs good and functioning products or services as well as a functioning corporate strategy. Values are the core of a good corporate strategy and a company that is interested in its reputation takes them seriously.

Good reputation gives a company premise for better economic results. In addition good reputation attracts educated and knowledgeable work force as well as the right types of investors.

Reputation management should be a part of the corporate strategy and its values. Reputation is a multi-dimensional phenomenon and during these tough competitive times its effect on the company's success should not be underestimated. In reputation management all stakeholders should be taken into account as well as cultural aspects, whether it was about a corporate culture or a national or regional culture. Social corporate responsibility has been on the surface for a while now but it can be seen as a part of reputation management as well: a company with good reputation cares about its environment and society.

KEYWORDS:

Reputation, reputation management, corporate strategy, success, competitiveness, opinion, values, corporate responsibility

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MAINEENHALLINTA

Tänä päivänä kilpailu markkinoilla on kovempaa kuin koskaan ennen. Lisäksi yritysten vastuullisuutta korostetaan mediassa ja yritysstrategioissa yhä enemmän. Näistä syistä yritysten maineesta on tullut uusi mittari yritysten menestykselle sekä tapa lisätä kilpailukykyä.

Maine koostuu ihmisten mielipiteistä ja käsityksistä asioista. Tämän vuoksi mainetta on ollut vaikea luokitella tai selittää tarkkaan tieteiskirjallisuudessa: ihmiset ovat erilaisia, ja jokin teko voi yhden mielestä olla oikeutettu kun taas toisen mielestä toiminta saattaa olla epäeettistä. Todellisuutta kuitenkin on, että maineella voidaan huomattavasti lisätä yrityksen tuottavuutta ja kiinnostavuutta asiakkaiden silmissä. Siitä huolimatta yrityksen maine ei koostu pelkästään siitä, mitä asiakkaat siitä ajattelevat. Myös yrityksen työntekijöillä, sijoittajilla ja jopa analyytikoilla on valtaa siinä, miltä yrityksen maine lopulta näyttää. Maineen rakentaminen saattaa olla vaikea ja pitkä prosessi, mutta sen hajottamiseen tarvitaan vain esimerkiksi muutama tyytymätön ja tarpeeksi suulas työntekijä.

Tässä opinnäytetyössä on haastateltu suomalaisten yritysten johtohenkilöitä yrityksistä joilla on viimeisen kymmenen vuoden ajan ollut tutkimusten mukaan hyvä maine. Sekä tämän työn teorian, että haastateltavat ovat samaa mieltä siitä, että hyvän maineen perustana on luottamus ja rehellisyys kaikkien osapuolten välillä. Lupaukset on pidettävä. Lisäksi maineen rakentamiseen tarvitaan hyvä ja toimiva tuote tai palvelu sekä toimiva ja selkeä yritysstrategia. Arvot ovat yritysstrategian ydin ja maineestaan kiinnostunut yritys ottaa ne tosissaan.

Hyvä maine antaa yritykselle edellytyksiä parempiin taloudellisiin tuloksiin. Lisäksi hyvä maine houkuttelee koulutettua ja osaavaa työvoimaa yrityksen palkkalistoille, sekä tuo mukana oikeanlaisia sijoittajia.

Maineenhallinnan tulisi olla osa yrityksen johtamisstrategiaa ja arvoja. Maine on moniulotteinen ilmiö, ja näinä kilpailun kovimpina aikoina sen vaikutusta yrityksen menestykseen ei pitäisi aliarvioida. Kaikki sidosryhmät tulee ottaa maineenhallinnassa huomioon, samoin kuin kulttuuriset seikat, oli kyseessä sitten yrityksen sisäinen kulttuuri tai jonkin maan tai alueen. Yritysvastuu on ollut pinnalla jo pitemmän aikaa, mutta se voidaan nähdä myös osana maineenhallintaa: hyvämaineinen yritys välittää ympäristöstään sekä yhteiskunnastaan.

ASIASANAT:

Maine, maineenhallinta, yritysstrategia, menestys, kilpailukyky, mielipide, arvot, yritysvastuu

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1 INTRODUCTION

1.1 Objective of this thesis

Reputation is a complex matter that includes opinions and perspectives of an object or a subject. In other words, other people define your reputation as a person or as a company. For a long time reputation was thought of as not so relevant in business management, but lately its effect on competitiveness has been studied vastly and reputational strategies have found their way into corporate values and operations.

Businesses are getting more and more global, and competitiveness is at the same time getting more brutal. One of the key factors with which companies are able to compete is their reputation. A company has to have a good reputation from the start and they also have to be able to maintain that good reputation through years. Nonetheless there are companies that struggle with their reputation from the very beginning. This does not mean, though, that they have completely lost the game. A reputation may be recovered if the company as a whole is ready to work for it. Especially in the light of numerous corporate scandals worldwide in the 21st century alone reputation management has become essential for companies.

Reputation management means that a company's actions are tracked as well as its customers', co-operation partners' (such as suppliers), and competitors' opinions monitored and reported. (Fombrun & van Riel, 2004, Heinonen, 2006, Aula & Mantere, 2005, etc.) All in all reputation management is a very debated matter, its definition is not fully agreed on, but it has rapidly become a popular subject in corporate management literature and strategies. (Smaiziene & Jucevicius, 2009). But before we can go deeper into the theories of reputation management, we have to define what is reputation. According to Oxford Dictionary reputation is "the beliefs or opinions that are generally held about someone or something; a widespread belief that someone or something has a particular characteristic." So, basically reputation is what other people think about you, their opinion. This shows how come a reputation can be a very vast matter and cannot be limited easily; people think differently and while one person might think another person's actions unethical, another may think their actions as justified.

Reputation is something that cannot be measured on a balance sheet but it still creates value when managed properly and thus is a considerable asset for a company (CIMA, 2007). Couple decades ago, when talking about reputation, it was all about the corporate image and marketing, but these days reputation is seen more as a public relations tool. In other words it is all about aiming to keep the environment, in which the company is operating, favorable. Conceptions that the public and the stakeholders have of the company are the base for a good reputation so companies have to pay attention on what kind of picture the people outside the company perceive. This has everything to do with networking, keeping the stakeholders content (Pitkänen, 2001). Note that in this thesis, when referring to stakeholders the author means all important parties involved in reputation creation and management: such groups as employees, investors, consumers,

financiers, etc.

Reputation management and strategies are usually referred to when talking about big, international companies. They have the resources and the time to create ideas on improving and developing the corporate reputation, whereas smaller companies are usually focused around the personality of the CEO (Pitkänen, 2001).

The purpose of this thesis is to explain how and why reputation management is so important to companies in the 21st century. Also the aim is to showcase the theoretical findings by using Finnish companies and their views on corporate reputation as an example. These companies are Vaisala; a measuring equipment manufacturer, Konecranes; a lift manufacturer and retailer, Nokian Renkaat; a tire manufacturer, Fiskars; a consumer products company, Marimekko; a design store chain, and Stockmann; a big retail store chain. This research will be focusing around three questions; firstly how have these companies (in their own opinions) reached such a good reputation. Secondly this thesis's purpose is to explain whether or not reputation can be thought of as a success factor, and thirdly whether reputation can be managed or not.

What makes this topic interesting is the fact that these companies are Finnish companies who have managed to break through in the global markets, and also because ever since social media became a big player in the business world reputation management has become a hit phenomenon in which companies are investing more time and money all the time. Also, the amount of corporate scandals in the past two years, in Finland alone, has been big, and some of them have been so severe that it has resulted in their good reputations, and at the same time success, to crumble away. What are these companies doing wrong and what should they do differently? Reputation is a very current issue in corporate management that should not be ignored because when dealt with correctly, it can be a major advantage in the markets.

1.2 Research questions

This thesis aims to answer the following research questions:

1. How can good corporate reputation be achieved?
2. Is reputation an important success factor?
3. Should reputation be actively managed and how?

1.3 The structure of this thesis

In the second chapter I shall explain the theoretical framework for this thesis. The studies for reputation management are rather new, since reputation management really became relevant when social media became a major player and influencer in organizations' operations and strategies. Still, reputation as a corporate asset has been studied in literature for decades (Aula & Mantere, 2005). Although a common conceptualization for the term "reputation" is still not found, most researchers agree on the value that

reputation management can bring to a company. The studies were chosen for their relevance to this study and their principality.

The third chapter is to explain the methodology of this study, including the data collection and research design. In this chapter I shall also discuss the validity, reliability and generalization of this thesis.

In the fourth chapter I shall go through the findings of the research. These findings will be based on interviews and referenced to the theories introduced in chapter two, the theoretical framework.

The fifth and final chapter concludes all the findings and theories in the previous parts and brings all the research findings together. In this chapter I shall also go through the answers to the research questions and also present ideas generated by this study as well as suggest further studies that could be made of this subject.

2 THEORETICAL FRAMEWORK

2.1 Reputation as a management tool

Science does not recognize any cohesive reputation theories. Thus reputation has no official, scientific definition but instead different fields (for example, economics, marketing, strategic researchers, etc.) see reputation in different ways, but on one thing they all agree; what a company's reputation has been, is now, and will be in the future all play an important role. The past reputation (assuming it is positive) benefits the company, the current reputation improves its possibilities to succeed now and in the future (Aula & Mantere, 2005). For example companies with family-related backgrounds, companies that have been "handed down" from generation to generation, are seen in a positive light from the very beginning. Still, few researches find a common note when it comes to corporate reputation. Despite the fact that reputation has become one of the strongest fighting points in the business world in the 21st century, it still lacks proper conceptualizing as a research object (Smaiziene & Jucevicius, 2009).

Reputation as a managerial field inside organizations is a rather new phenomenon. Yes, reputation and its consequences to a company's success has been researched for decades, but, for example, between the 1950's and 1970's reputation was mainly looked at as an image-based theme and was mainly used in marketing and in psychological researches. In the 80's the focus shifted inside the organisations. It was realized that a more efficient way of benefiting from a reputation was to first implement the appropriate strategies inside a company by concentrating on the company's identity, culture, and personality. (Aula & Mantere, 2005) One of the earliest examples of reputation management being used in a company's strategy is from 1997 when a company called Shandwick claimed to have "coined the term reputation management". In the beginning this was intended to widen the company's public relations outside of media. (Jai, 1999)

"Rising sophistication of the stakeholders and environment, sharp competition, growing demand for corporate transparency and social responsibility" are the main reasons for reputation management becoming such a big issue in corporate management scenes. (Smaiziene & Jucevicius, 2009) Nonetheless, different sectors see the reputational value differently; the public sector concentrates on keeping investors happy and confident. They realize that damaged reputation would mean decrease in share value as well as in market value. In the public sector the public's trust towards a service provider (including health, education, transport, etc. services) is of the essence. Professional services, on the other hand, have to invest on reputation in order to attract and maintain their clients. The trust of these clients is vital to these businesses. (CIMA, 2007) When competition gets tougher the stakeholders' expectations grow, differentiating from other similar companies becomes more difficult and the chances of falling out of the game become greater. (Pitkänen, 2001) So, even though reputation as a concept already is a rather complex matter, it also covers many different actors and fields that have to be taken into account in reputation management. One should be very much aware, for example, of what fields to concentrate harder on.

Now then, what is reputation from the corporate point of view and why is it something worth taking in to account? First of all reputation collects and thus marks out conceptions and images of a company. Reputation also reflects a company's strategies, goals, and directions. Attraction is used to indicate the impact that a good reputation has on the company's performance in the markets; attraction is a base for economical success. So, a company's reputation affects how attractive the company is for customers, stakeholders, and staff. (Aula & Mantere, 2005). Fombrun and van Riel point out that the truth is that people do not make decisions based only on realistic issues, but they also very much rely on "perceptions of reality, whether accurate or not." These perceptions can be affected by many things in everyday life: packaging, hear-say, advertisements, a critic's opinion, etc. But the important point to remember is that reputation does not only interest customers but also stakeholders, employees, and even analysts. If customers have to choose between two identical products that are from different companies, they will most probably choose the one that has a good reputation. When it comes to employees, for a company that has a good reputation it is easier to hire new people as well as keep the current employees still "on board". For investors and stakeholders a company with a good reputation is a far more interesting target than a company with insecure reputation. What Fombrun and van Riel discover on analytics is interesting: a good reputation has an effect on what sort of language the analytics use while talking about this certain company as well as on their recommendations (Fombrun & van Riel, 2004).

The conceptions that people have about a company cannot be affected the same way that the company can affect how the public sees, for example, their brand. But since conceptions have a major role in reputation this is something that companies should concentrate on. For example, if a company promotes itself as environmentally friendly it should show in all of their actions and decision making as well as in their supplier chains and other operations. The companies that are interested in the conceptions that their reputation is forming take into account all of their operations and actions as a whole to support the favourable spirit in their environment. In the end, though, it does not matter how truthful the reports of a company's exemplary actions are unless the public believes this conception that is offered to them. Social responsibility plays a big role here and it is usually justified by its ability to minimize the reputational risks and to improve the corporate image. By being socially responsible the company is able to increase its "reputation capital" (Pitkänen, 2001). So, a good or a bad reputation consists of others' perceptions of a company and all in all a company with a good reputation is better able to find quality work force, the right investors, and the most customers, as well as better reviews than the companies that do not reach their level of reputation.

A factor, that is too often forgotten, but that has a major impact on reputation is culture. No matter if it is corporate culture, national culture, or a community culture, culture has had a different role on corporate reputations according to different eras and environments. Cultural issues have to be considered when thinking about the reputation of a company! Ignoring the impact that culture has on reputation can be fatal in some areas. (Heinonen, 2006, 31-32) This should be rather obvious, since today cultural differences are rather widely recognized and respected. Thus it is curious that in reputation management cultural aspects are so often ignored.

There are many different classifications for reputation explaining what it consists of. Here are a few of them;

Dowling marks out four factors that build a reputation: a company's presence in the markets, prowess and effectiveness, responsibility, and personality.(Dowling, 2001 cited in Heinonen, 2006, 30) Whereas a wide Finnish research brings out six dimensions that contribute to a reputation: corporate culture and management, products and services, ability to change and develop, public image, social responsibility, and success (Heinonen, 2006, 30-31). Alternatively Pitkänen (2001) suggests that forming a reputation is a three-stage process: on the first stage reputation is formed individually with direct and personal perceptions of a company; on the second stage reputation is formed with hear-say and discussions with other individuals; on the third stage reputation forms with what individuals see and hear in different medias. Even though all of these examples seem to concentrate on different aspects, eventually they are all about giving the right kind of image of their operations in order to enhance their reputation to all who are working in the company as well as the people outside it, customers and stakeholders.

Eventually trust is a key factor in corporate reputation: if a customer does not trust the product or the producer there will not be a deal; if employees do not trust the company they will leave as soon as it is possible or the company will be unable to hire new people in the first place; if authorities do not trust the company, its operations will be monitored closely and restrictions can be made; if media does not trust the company it will be the next big hobby for journalists and reporters to bring out the company in the most unfavourable light in public, which tends to cause doubts among stakeholders. Strong corporate identity can be of assistance in building a solid and trustworthy reputation, since it is usually based on clear corporate values; the strongest features of a company, factors that make the company unique, and ability to recognize and take advantage of competitors' strengths (Pitkänen, 2001, 16-17). The media factor, though, can be more destructive for big, well-known, international companies, rather than small, national enterprises. If bad things about a big company spread in the media, it reaches countries on the other side of the globe in no time, whereas the impact for a smaller company would not be as major. This does not mean, though, that a smaller impact would not be destructive for the smaller company, but it is more probable that the media concentrates on big international companies when it comes to scandals, rather than smaller ones that are not well known outside the country's borders.

2.1.1 Corporate image vs. corporate reputation

In the 1950's and 1960's, and even in the 21st century, when corporate reputation was discussed in literature, it was often confused with corporate image. The two things were handled as synonymous. Still there is no commonly known, academically approved separation between these two concepts (Smaiziene & Jusevicius, 2009, 96-97). Nonetheless, today there are many different views on how image differs from reputation and generally reputation and image are not thought of as same thing.

Reputation can firstly be separated from image by considering what it is usually associated with; reputation has to do with "esteem and favorability towards the company". Whereas image is most often connected to the brand (Weiss & MacInniss, 1999 cited in Smaiziene et. al. 2009). As Smaiziene and Jusevicius point out:

"Corporate image is tightly related to brands and marketing, impression management and public relations decisions and actions; as reputation of a company is associated with its character and credibility, and none of the departments may be segregated. (Smaiziene & Jusevicius, 2009)

There is also the fact that image can be built and changed in a rather short time, whereas reputation takes a long time to evolve. And in case a company's reputation is harmed it takes a lot of effort as well as time to bring it back to where it used to be. (Aula & Mantere, 2005) Image and reputation are also targeted in different ways to different parties; image is usually indicated for consumers whereas reputation takes into account all: consumers, employees, business partners, investors, communities, etc. (Jackson, 2004 cited in Smaiziene et. al. 2009).

Final note on separating reputation from image: While a company image can be created, reputation must be earned (Dalton, 2005 cited in Smaiziene et. al. 2009). No matter how hard you try to convince the outside world of your company's good reputation, if people do not believe your message, your reputation cannot carry the company. On the other hand, image is something that nobody has to believe in, it is just something that consumers see. Whether they like what they see is another matter.

In the end image and reputation have a base in the same thing: both are defined by how people perceive, interpret and evaluate a target (Pitkänen, 2001, 19).

2.2 Measuring reputation

Reputation is built on evaluations that are made by stakeholders who concentrate on certain criteria in the company. These criteria make up the dimensions of a good reputation. (Aula & Mantere, 2005, 36) Stakeholders in this case mean all parties involved in reputation creation: management, employees, consumers, investors, business partners, etc. So this in mind it can be said that all these parties think differently, focus on different aspects, which makes measuring their evaluations rather complicated.

When analyzing or measuring a company's reputation one must keep in mind that reputation is a multi-dimensional phenomenon and evaluations on a company's reputation are made based on these dimensions. The basic points to remember are that reputation has different definitions depending on the positions and industries of the people making those definitions; to make sure that the right issues are dealt with at the right time, which requires understanding the anatomy of reputation; and that right managerial actions are taken to ensure that the preferred features become stronger and the bad features improve. (Aula & Mantere, 2005, 49) What is problematic is that good reputation has a great value for a company but this value cannot be measured on a balance sheet. (CIMA, 2007) Measuring reputation's economic value is thus difficult.

It is still possible to assess reputation but it is based on different sorts of observations of what reputation is and what does it consist of (Aula & Mantere, 2005, 36). First I will explain listings and their effect on corporate reputation:

For example, an economic journal, Fortune, lists America's Most Admired Companies every year and the

evaluation criteria consists of eight factors; capacity of the management, quality of the products and services, social responsibility, know-how of the employees, innovativity, economic stability, the value of the company as an investment target in the long run, and the utilization of the company's existing assets. This evaluation system is very straight forward: a group of economic experts is selected to evaluate a company of their own expertise on these eight factors. This listing determines many companies' reputation for a year to come and in a way ensures a good reputation. Similar listings are made by many other influential economic papers, such as Financial Times, Asian Business, Management Today, etc. (Aula & Mantere, 2005, 39) The level of analysis, in listings of this kind, is limited to a couple of indexes and it might be accused of being a biased game of economic leaders playing together for each other's benefit. But this just brings us back to the importance of stakeholders and solid networks. Aula & Mantere point out in their book (2005) that evaluation systems that concentrate on the conceptions of the stakeholders are justified, reasonable, and believable. On the negative side the cultural points are often left unnoticed.

Before listings became a key factor in defining corporate reputation there have been studies on how corporate reputation should be measured. One of the earliest theories is a Reputation Quotient by Fombrun et. al. (2000). Reputation Quotient is a multi-stakeholder (for example, investors, customers, employees, etc.) measure of corporate reputation and it consists of six dimensions:

- Emotional Appeal: Stakeholders are content with the company and the way it executes its strategies and operations. They trust the company.
- Products and Services: In the stakeholders' opinion the products and services that the company provides are of high quality, innovative, and valuable.
- Financial Performance: Stakeholders are confident that the company's future prospects are solid, the company is profitable and able to outperform competitors, and it is a low risk investment.
- Vision and Leadership: The company has a clear vision which helps it to prosper in the future as well as take advantage of market opportunities. In order to execute the vision the company's leadership has to be on point as well.
- Workplace Environment: Stakeholders agree on the fact that the company has well educated and efficient employees who are well managed, and that the company is able to attract new and able employees.
- Social Responsibility: Stakeholders are aware of the company's activities as "a good citizen" which includes supporting good causes, environmental responsibility, and taking into account what the local communities might need and providing them with it.

This model is one of the first ones in researching corporate reputation. Which means that it also has some faults; for example "the six reputation dimensions identified in the RQ, although conceptually distinct, did not factor together empirically", "the dimensions of "emotional appeal" has proven to be very highly correlated

with a measure of overall reputation, suggesting the possibility that they are merely components of a single dimensions” and ”all attributes in the RQ carry equal weights, despite their demonstrably different impacts on overall reputation.” (Fombrun & van Riel, 2007) So, even though the attributes might not be equal from their values in the RQ they are considered as equal when measuring them. This leads to minor inconsistencies in the results.

As a solution to these issues, found in the Reputation Quotient, the Reputation Institute (reputation studies since 1997) introduced a RepTrak system. The system’s main goal is to track and analyze corporate reputation. A research conducted in six countries created seven core drivers (leadership, performance, products/services, innovation, workplace, governance, citizenship) from which 23 key performance indicators could be tracked (Fombrun & van Riel, 2007).

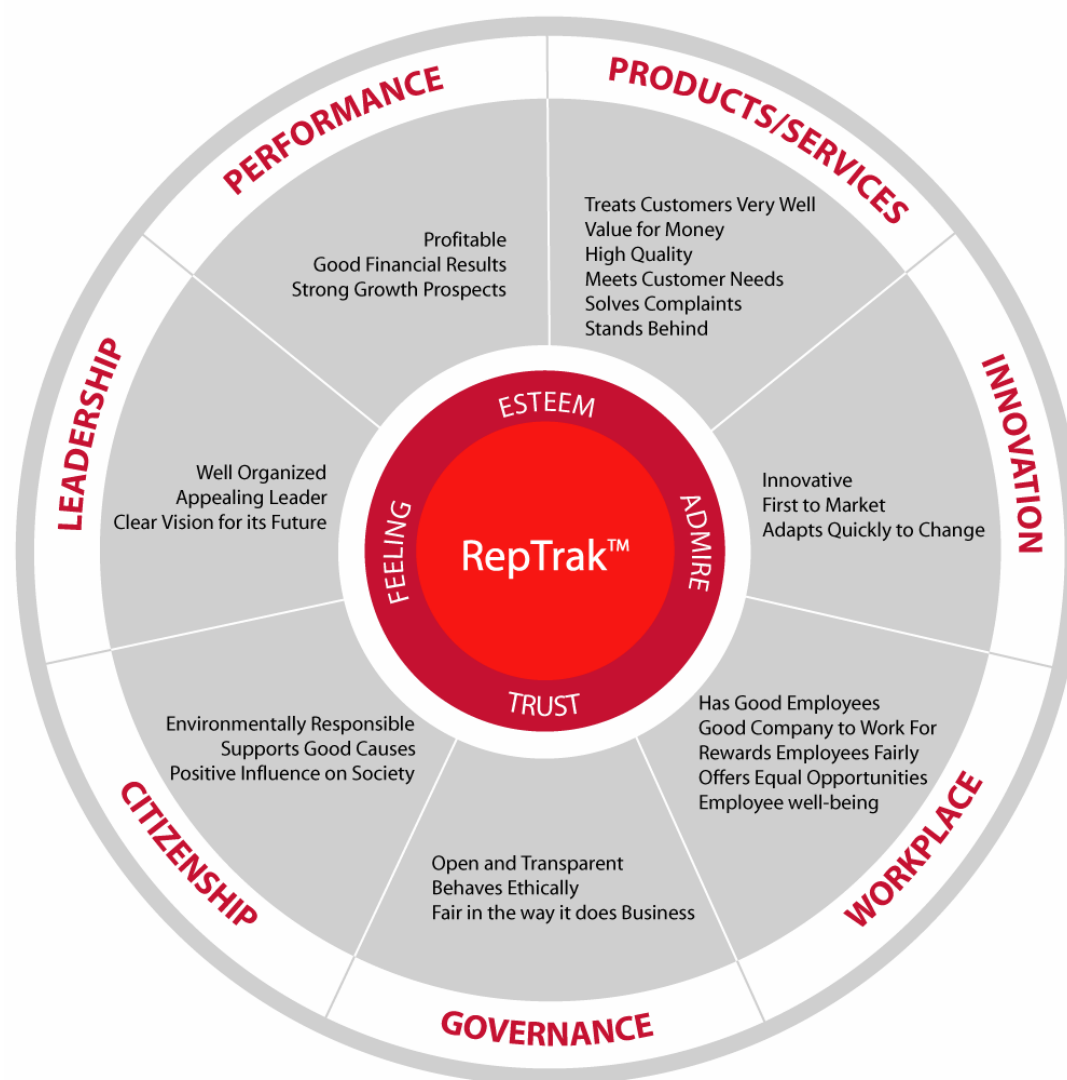


Figure 1.: Reputation Institute, 2008

In the figure the outer circle of the seven core drivers provide separate compartments for classifying the 23 key performance indicators into an understandable and usable theory. Performance compartment includes the following indicators: profitable, good financial results, and strong growth prospects. These three focus on the economic factors that affect a company’s reputation. Products/Services compartment (treats customers very well, value for money, high quality, meets customer needs, solves complaints, and stands behind) gives tools for keeping one’s customers happy and thus keeping the company’s reputation in good condition. Innovation compartment tracks innovativeness, the ability to be the first in the markets, and adaptation skills of a company. These are also very important especially because first impressions are always important in reputation building. Workplace compartment includes good employees, the company’s likeability as a

workplace, rewarding employees fairly, offering equal opportunities, and employee well-being. No matter how strict the professional secrecy might be, the employees still talk about work outside work with friends and family and thus, probably without knowing to do so, spread a certain picture of the company. This is why the employees should always be taken good care of, because they can be a critical help in a bad reputational situations. Governance might be thought of at first as the most important compartment in the theory, but in truth, to make a reputation strategy work all of the compartments have to be implemented equally and with care, because it is not only the things that show on the outside that matter. The indicators in this compartment are openness and transparency, ethical behaviour, and fairness in doing business. Citizenship compartment includes environmental responsibility, supporting good causes, and creating positive influence on a society. All these indicators are meant to make the company look like a good citizen, who is taking care of the fellowmen as well. The last compartment is leadership. It emphasizes good organizing when it comes to a company's actions and operations, leaders that are appealing, positive, and encouraging, as well as having a clear vision for the future. All of these compartments with the indicators have to be implemented into a company's reputation strategy equally so that it may work. None of the compartments should be underestimated.

The RepTrak system provides managers with concrete tools to take into account and enhance every department of their operations in order to improve their reputation. This system also brings to light areas that a company might not have been leveraging but that could profit them (Fombrun & van Riel, 2007). This system is also rather valid regardless of the country and cultural aspects: the 23 performance indicators can be applied anywhere in any company.

The truth is that reputation is a multi-national phenomenon that affects the success of organizations everywhere, but the content of the reputation changes by economic, cultural, and social values from one business environment to another. So, because most indicators in analysing a reputation are based on reputation being a universal phenomenon, applying these indicators in a national or regional scale is very difficult (Aula & Mantere, 2005, 40).

Nonetheless, there are ways to measure reputational impact on a company in a national scale; a research method developed in Finland for Finnish markets, RepMap, evaluates the reputation of Finnish companies and it relies on six dimensions: corporate culture and management, products and services, success, social responsibility, public image, and the ability to change and develop. (Pohjoisranta Oy) According to RepMap the dimensions of reputation are not equal; for one company the focus on products and services is the most important value creator, whereas another company spends more resources and time perfecting the corporate culture and management and thus aim for a better reputation (Aula & Mantere, 2005, 44).

2.3 Managing Reputation

More and more executives appreciate the positive impact that reputation can have on a company's success (Heinonen, 2006, 93). The fact that corporate reputation is one of the most important value creators to a

company in today's markets makes it clear that it should be treated as a valuable asset. Solid management, strategies and execution is needed to take full advantage of this factor that might be the key for sustainable competitive advantage (Smaiziene & Jucevicius, 2009). Managing reputation can be a very hard job since all the stakeholders have to be taken into account and treated well, but at the same time it is important to know how and when to prioritise who should be treated a little better and when. The same goes for the content of the corporate reputation; which areas should be given more attention and when (Aula & Mantere, 2005, 49).

In essence reputation management is active interaction between the real activities and the perceptions that the public has of these activities. Stakeholders are in a leading role here, which is why stakeholders relations should be carefully managed (Aula & Mantere, 2005, 50). In the business world today business strategies and applying them in everyday business has become essential in governing a company. The companies with good reputations understand the importance of good and clear strategies and the ability to communicate these strategies to the stakeholders. In these companies they have also succeeded in emphasizing the interaction of the process and made it clear that staff is welcome to participate in the process. Trust and appreciation between the executives and the staff is a thing that reputation leaders have also accomplished in their companies (Heinonen, 2006, 94-99). As Heinonen (2006) says "Leading from an ivory tower is not part of a reputation manager's arsenal of means."

Basically what reputation management requires is ability to recognize changes in the markets and react to them in the correct way; clear vision and strategy; ability to evolve and adapt; understanding the business environment as well as the company's internal operations, for which the SWOT analysis is a good tool, etc. (Heinonen, 2006, 102 and Aula & Mantere, 2005, 171). Many aspects have to be taken into account at the same time, which requires skills and patience.

In situations where reputation is threatened, the correct reputation management is crucial. These situations usually include the company being brought to a wide public awareness in a very negative light, for example if a company is firing a considerable amount of employees when at the same time it is paying millions of euros of extra dividends to stakeholders. In these crisis situations the important thing to remember is that honesty is the best currency. Saving a company from big blunders where reputation is badly tarnished is possible if the communication is honest and thorough and saves the company from additional awkward revelations (Aula & Mantere, 2005, 169).

2.3.1 Eight reputation strategies by Aula & Mantere, 2005

Businesses operate in different fields and their reputations can be harmed in different ways, which means that there is not one recovery strategy that could be applied everywhere. That is why Aula and Mantere have come up with eight strategies that give tools to companies that might be struggling; tools that help a company to maintain a stable situation, tools to react "peacefully" if troubles emerge, and tools to fight back hard if needed. Misters Aula and Mantere have divided these eight strategies into four categories to describe the situation these strategies could be used in. The categories are called piece, defence, attack and riot and

each category consists of two strategies. Things that affect which strategy a company should choose include the quality of a relationship between the company and its audience, the type of economic environment that the company is operating in, and the status that the reputation has at the moment (peace, defence, attack, riot). As in most reputation strategies, also in this one relationships and communication between the stakeholders and the company is vital.

Peace

Strategy 1: Senator

A company is enjoying a peaceful period with a solid and good reputation with no imminent threats. The company can focus on communicating its strategies and messages rather freely and thus make the public and the stakeholders aware of their image and reputation. A good example of such a company is the Finnish Red Cross, which has been able to maintain its status as a representor for social responsibility and conscience. It is governed by public law and the President can deal out their honorary medals as well as act as a protector for the organization. It's reputation is unequalled.

Strategy 2: The Good Brother

The Good Brother strategy focuses on networking which mainly happens in cabinets with limited participant lists. Basically it means maintaining and creating relationships with influential people who are then able to "spread the word" of the company as an appealing target for investments, etc. This strategy may be applied at times when a company is rather stable reputation-wise. A drawback of this strategy is that it concentrates on a minor portion of the public, in other words stakeholders, which makes losing even one of these Good Brothers a risk for the company's reputation. Nevertheless, having influential connections is vital in today's businesses. This strategy is easier to maintain in smaller businesses where the transactions are usually made with people that are relatively familiar. But even big and institutional companies have taken this strategy as their own. Aula and Mantere give medical companies as an example: A relationship between doctors and the medicine sales people is very important since the doctors are seen as "gate keepers" for medicine brands to get to the markets. Thus medicine companies attempt to create good relationships with doctors who are in charge of medicine purchases in a hospital.

Defence

Strategy 3: Defence Attorney

If a company's reputation is threatened they must make sure that the messages they are communicating, inside as well as outside the company, are of positive nature and that the (false) accusations about them are being corrected visibly and as transparently as possible. Basically the point is to direct the blame somewhere else instead, for example on the media. An example of successful use of the Defence Attorney strategy can be found from a Finnish meat producer Oy Snellman Ab. They were accused of falsifying the results of a Mad Cow Disease inspection. Inspectors working for a foodstuff safety organization, EVIRA (Elintarviketurvallisuusvirasto), had replaced broken and unfit samples with practice samples. Even a minor

accusations of health regulation violations can be fatal for foodstuff companies, but in this case Snellman was able to show honestly and transparently that they were not the ones to blame. The culprits were employed by another company and Snellman had not been aware of their actions.

Strategy 4: Lobbyist

In times of hardship a company must be able to overrule the conflicting views of others with their own version of things. At the same time they must focus on being in contact and in good terms with their stakeholders in order to spread their own version of things outside the company. The classic kind of lobbying is not public, within a small portion of influential people, and nobody really knows who is communicating what, to whom, and with what consequences. Typical for lobbyist is the ability to explain decisions after the things, that they had been lobbying for, have happened as wished. An invisible process is attempted to be made public with briefings to explain the decisions and in private statements. But as has been said in reputation management openness and honesty are keys, so this secretive strategy can sometimes be risky. These days it is hard to know who to trust.

Attack

Strategy 5: Champion

If a company's reputation has been damaged, this strategy gives them the tools to fight back: the company must first challenge the unflattering and stubborn issues by being loud and visible in its own views. They have to be able to communicate their message better and more clearly than the other side is doing with the negative messages. One way of doing this is to use considerable amounts of money to improve the company's Social Responsibility status and make sure that everybody knows about it. This takes time but has been successfully applied by several companies, Hennes & Mauritz clothing company for example. They were caught in 2000 and 2007 using child labour in their factories in Uzbekistan. As a result H&M has applied the international Code of Conduct in its factories and is supervising the use of the Code with 60 inspectors. Also, the Fair Labour Association conducts independent inspections to H&M's factories.

Strategy 6: Stirrer

This strategy is basically a "silent" way to attack reputational threats; it includes planting incoherent views of the company's story to carefully selected parties, for example journalists, in order to make the foundations the bad reputation crumble so that there would be space to build a new one. Media's power over people is rather big and if media is willing to play along this strategy can bring immense relief to a bad situation. Nonetheless, using the Stirrer strategy is ethically sensitive and should thus be treated very carefully. If it is done wrong, consequences could be fatal for a company. But still it should be remembered that good reputation is always based on true actions, and even if the means might be questionable the end result is usually the one that matters.

Riot

Strategy 7: Shapeshifter

With the Shapeshifter strategy the point is to send out mixed messages in order to form a larger platform for the public to draw up a reputation for a company. It is done by sending out a certain image of the company, and just when the public has started to get the picture of the company they send another, completely different message. This ensures attention. This strategy is largely seen in TV advertisements; mobile subscriptions are advertised with a slogan "Life is" or with a British sort of overly wealthy family, sport drinks are advertised with monkeys, and Italian clothing brand is advertised with pictures of mothers who have AIDS. There are only few industries that rely on the Shapeshifter strategy and they can be found mainly in culture, art, and fashion industries where "fitting into a box" is not preferable. A fairly unique example of a company that has used the Shapeshifter strategy is Nokia, who started up by making wellington boots and then converted into one of the biggest internationally known mobile phone manufacturers.

Strategy 8: Oracle

This strategy is an extreme version of the Shapeshifter: the point is to say one thing but do the other. It is based on a view that everything must look good despite what the reality is. A good example of this strategy is cigarette company Philip Morris International. They promote that people who are worried about their health should stop smoking. The other way round it could be understood as if they were encouraging people who do not pay so much attention to their health to just smoke away. How many other industries, but the cigarette industry, can you think of that can put warning texts on their packaging warning the public from buying their products but still manage to make millions? This is a very bold strategy and cannot be embraced by many companies.

These reputation strategies give a good picture of what tools companies have in different situations but it should be remembered that these strategies also differ according to culture and time. Also the fault in these strategies is that they assume that the public and the company are active as well in creating as in destroying a reputation. They do not take into account the fact that the public can in some places be very passive or that there could be many varying groups that have to be considered in the decision making process. Nonetheless, in good reputation management all the things mentioned in the pages before have to be taken into account and measured carefully before any strategies are taken into use. (Aula & Mantere, 2005, 182-198)

3 RESEARCH METHOD

3.1 Research methodology

Research has many definitions but they all mean the same: researching is about collecting data, interpreting it and presenting the findings to the public. Creswell (2008) has a very clear definition for research: "Research is a process of steps used to collect and analyze information to increase our understanding of a topic or issue." So, simply put research is about asking the questions, gathering data to find an answer to the questions and then presenting the answer. There are multiple techniques for conducting a research, such as questionnaires, interviews, and observation. These techniques can be divided into two categories, which are qualitative and quantitative research methods (Saunders et. al. 2007).

Conducting a research can be divided into two categories; primary research and secondary research. Primary research stands for research methods that aim to find answers to questions through original documents and data that is collected by the researcher. (Lewis et. al. 2009) This data can be either qualitative or quantitative:

Qualitative research is described as a systematic search for "meaning" (Shank, 2002) or as means to understand and interpret human behaviour (Creswell, 2008). Using this method the researcher must ask broad questions to identify and gather opinions/impressions of the wanted issue. In qualitative research the amount of people participating into the research is not of big importance. It is more about the researcher's ability to interpret the findings correctly in order to prove a point. The positives for using a qualitative method are flexibility; researcher can go deeper into the subject by presenting extra questions, sensitivity to contextual factors; theoretical framework is a base for this research method, which is limited to a single set of research questions, and the ability to explore social meaning (Ospina, 2004).

Quantitative research, on the other hand, focuses on collecting information from a large group of participants. It is all about numerical data, and the bigger the group of participants the more valid are the results. Using quantitative method the researcher asks narrow questions and analyzing the findings happens through statistics. Usually in this research method the group of participants is selected randomly, but the results are examined structuredly. The results should be easy to summarize, compare, and generalize (Creswell, 2008).

Secondary research, on the other hand, is about data found in already published researches, literature, or discussions. The researcher draws his/her own conclusions by collecting data from different sources and interpreting it. (Lewis et. al. 2009) Secondary research sources include such sources as "government reports, industry studies, archived data sets, and syndicated information services as well as the traditional books and journals found in libraries." (Kamins & Stewart, 1993)

Secondary data sources have expanded majorly since the information technologies have evolved in a rather

short period of time. People can now access more information more easily, which was not possible two decades ago, which could have been one reason why primary research method was so much preferred back then. Using secondary data is bound to keep expanding now that information is available for everyone. (Kamins & Stewart, 1993)

In this thesis I shall be using the secondary research method. I will examine researches and interviews of how big Finnish companies see their reputation, whether they recognize reputation as a competitive tool, and whether they manage their reputation or not. The research questions that I aim to find answers for are:

1. How can good corporate reputation be achieved?
2. Is reputation an important success factor?
3. Should reputation be actively managed and how?

I chose to use secondary research method because the subject has already been studied in earlier years and it is interesting to see whether the findings from ten years ago are still up-to-date or not. I also aim to further analyse the findings that have been made by others before.

Corporate reputation has been researched internationally for several decades already and probably the best known indicator for the results is published yearly by the economic paper Fortune: The Most Admired Companies. Whereas in Finland corporate reputation research has been on the surface for about a decade. These researches have been made by a PR company Pohjoisranta Oy and an economic paper Arvopaperi since 2001. They have conducted the researches by using the RepMap technique. In the RepMap technique a selected group of readers of the Arvopaperi paper is given 24 propositions to which they then take a stand. This group of participants consists of active private investors as well as professionals in the financial sector. (Heinonen, 2006, 58)

Jouni Heinonen (2006) has interviewed Finnish executives in companies that have proven good reputations (according to the yearly researches by Pohjoisranta Oy and Arvopaperi since 2001). In his book he explains how those executives saw reputation and its affect on how succesful the company could be. He also wanted to understand how companies that have good reputations are run and what it takes to reach a good reputation, in the executives' opinion.

The six companies that have been interviewed are big, Finnish companies with long histories, and most of them are operating around the world, even though they are not well known abroad. They are; Vaisala, an internationally operating company that has a leading position in the markets worldwide with their measuring equipment for circumstances and industries; Konecranes, a leading company in the lift industry worldwide; Nokian renkaat, a tire manufacturer for the Nordic weather conditions; Fiskars, a strong, globally operating consumer goods company, known for the orange-coloured gardening tools; Marimekko, a globally expanding fashion brand and design store chain; Stockmann, a quality retail store chain with 16 stores around the world.

Below are the reputation listings from 2012 and from 2001-2005 by Pohjoisranta Oy and Arvopaperi. The

companies involved in this thesis are marked with yellow:

TOP 20 Companies with Good Reputation in Finland in 2001-2005

1.	Nokia
2.	Marimekko
3.	Kone
4.	Ponsse
5.	Vaisala
6.	Nokian Renkaat
7.	UPM-Kymmene
8.	F-Secure
9.	SanomaWSOY
10.	Technopolis
11.	Vacon
12.	Jaakko Pöyry
13.	Exel
14.	Rapala VMC
15.	Fiskars
16.	KCI Konecranes
17.	Stockmann
18.	Stora Enso
19.	Amer Sports
20.	TietoEnator

(Mainetutkimus, Pohjoisranta Oy & Arvopaperi-lehti, 2001-2005)

TOP 20 Companies with good Reputation in Finland in 2012

1.	Kone
2.	Vaisala

3.	Ponsse
4.	Konecranes
5.	Wärtsilä
6.	Nokian Renkaat
7.	Cargotec
8.	Vacon
9.	F-Secure
10.	Outotec
11.	Olvi
12.	Rapala VMC
13.	Fiskars
14.	Marimekko
15.	Metso
16.	Stockmann
17.	Sampo
18.	Huhtamäki
19.	PKC Group
20.	Aspo

(Mainetutkimus, Pohjoisranta Oy & Arvopaperi-lehti, 2012)

As we can see in these tables all of the companies, except Marimekko, have improved their position on the list since 2005. Konecranes has been the biggest gainer. Marimekko's drop can be explained, for example, with the change of the CEO in 2008 as well as with the financial crisis, which resulted in expensive designer clothes and interior articles losing their appeal in the eyes of the customer. It should also be noted that even though Marimekko's sales in Finland have dropped, it is doing very well, for example, in North America. (Taloussanomat, 2008)

3.2 Research Design

I have studied the interviews made by Jouni Heinonen (2006) and chosen the relevant ones according to which companies, that were successful then, are still strongly positioned in the markets with their reputation. The opinions that the interviewees had back then are justified still today; their views can be seen in the operations of many companies today. Especially since the financial crisis, and the problems it brought, have damaged many companies structurally as well as reputation-wise. It is vital for companies to reach their customers' trust again in order to get back on their feet.

Since the interviews were made almost ten years ago, after which the business world has encountered major challenges brought up by the financial crisis all over the world, the relevance of these interviews may be questioned. But subject-wise the interviews are still very valid, even if years have passed. Reputation is nowadays just as, and maybe even more important than then. Also the companies whose interviews I will be researching in the next chapter are such that were listed reputationally very high in the first research in 2001-2004 and have been able to maintain the high listings to this date.

I will interpret these chosen interviews in the order of my research questions. First I will analyse the respondents' views on why they consider their reputation to be as good as it is, whether they see reputation as an important success factor, and how they see reputation to be managed.

3.3 Reliability, Validity and Generalization

Reliability of a research means considering whether the data and the analyzes are consistent. Easterby-Smith et. al (2002, cited in Saunders et. al. 2007, 53) have suggested three simple questions with which a researcher can check the reliability of their research:

1. Will the measures yield the same results on other occasions?
2. Will similar observations be reached by other observers?
3. Is there transparency in how sense was made from the raw data?

The main threats to reliability are subject or participant error, subject or participant bias, observer error and observer bias. (Saunders et. al. 2007)

Validity includes both design and methods and is about whether or not a relationship between two variables is a casual one. In other words it describes whether a change in one variable is going to affect the other or not. The main threats for validity are history, testing, instrumentation, mortality, maturation and ambiguity about causal direction. (Saunders et. al. 2007)

Whether the research findings can be applied in other researches and circumstances later on is a matter of generalization. The findings must be valid enough to be used again. (Saunders et. al. 2007)

The findings and analyzes of this research can only be reliable, valid, and generalized inside this thesis. In order to generalize these findings in a wider scale a researcher should conduct an interview with wider

population selection from other countries but just one.

It needs to be mentioned here that this research was conducted in terms of Finnish companies, in terms of their reputation. That is to say that the only generalization that can be made here concern the aforementioned population selection.

4 EMPIRICAL ANALYSIS OF THE RESEARCH

4.1 Introduction

In this section I will go through the aforementioned interviews and analyze them according to the theoretical findings which can be seen in the chapter 2 THEORETICAL FRAMEWORK. I will analyze the interviewees' answers according to the research questions of this thesis and draw conclusions that can be applied in later researches.

4.2 How can good corporate reputation be achieved?

Corporate reputation can be thought of as a varying phenomenon, its form depending on the industry. But eventually the things that affect reputation are the same everywhere.

Marimekko's Kirsti Paakkanen states that there are two things behind the good reputation that Marimekko has achieved: first is the mental state of the company, the second one is how they are able to show that mental state outside the company. "That moral atmosphere that I have built into Marimekko added to the visual factors create Marimekko's reputation." She also emphasizes the importance of the employees and their views of the company. She is proud to know that their employees talk willingly about where they work. "It is a sign of respect for this company. When the mental state of the company is in shape and the rules are clear it is difficult not to succeed."

Stig Gustavson, a former CEO and a current Chairman of the Board in Konecranes, focuses more on the products and integrity when thinking about what good reputation consists of. "When the products are being used for tens of years, like our lift equipment, reputation has a big impact. Still, it is rather that if a company has a bad reputation it will not even get to the catch." He is quite right even though, as said in the theoretic part of the thesis, even bad reputation can be salvaged.

An advantage that Finnish people may have above foreign companies is their respect for honesty and integrity. Especially in making business this is considered a major factor to be considered in reputation management. Now retired former CEO of Vaisala, Pekka Ketonen says: "For Vaisala the most important building block for reputation has been unlimited honesty. When something is promised, that promise has to be kept. If mistakes are made, they are taken responsibility for. When the world-class know-how is added to this, that is how the good reputation is made." He also mentions how in the technology industries one can see a lot of empty promises. He reminds that one gets caught rather quickly for such things. "I have emphasized in all contexts to our crew that they should not promise too much, just what we know we can deliver. Customers talk together and if you have failed to fulfill a promise the word spreads quickly. In this sense all nationalities behave the same way." Stig Gustavson looks at honesty from the stakeholders' point of view: "When there are several investor meetings it is impossible to keep in mind what you have said to whom. That is why it is important to be genuine and always talk about things as they are. That is where reputation comes from." Hannu Penttilä, CEO of Stockmann summarizes: "Reputation and trust improves among stakeholders if you deliver what you have promised."

Honesty alone cannot build a reputation, though. Just as important are the products and services that the company is providing. Good quality is essential. Kirsti Paakkanen agrees: "Quality is a number one issue for us, so taking care of it is important. We have 40 subcontractors and they have exactly the same ground rules as we all in Marimekko do." Service-wise Hannu Penttilä points out how the customers who feel like they are cared for return again and again.

Having quality products is not enough. The company must be able to answer the challenges that the changing markets bring and answer to the growing demands. Pekka Ketonen explains: "It may be that some people see that business is all about selling, but if what you are selling never develops you will hit the wall. We are a premium-quality maker in our customer promises, not a discounter. Also, the developing process for us does not stop at just products, but we want to constantly develop our service processes as well. We have always had a strong belief in the fact that with research and product development we can make better products." Stig Gustavson also mentions the importance of investing in the right technological choices, as well as in academic researches. Thus they have been able to rise the traditionally low status of their field of technology.

Kim Gran, the CEO of Nokian Renkaat, thinks that having good communication skills aids a company to get and maintain a good reputation. "It is about how the markets believe in us, not just about track records, but about the story and vision. Can we deliver what we have promised to the markets? I think that one reason why we have made the grade so well is that we have invested in public relations. A strategy cannot be realized unless everyone understand their place in the company, right? It is important to communicate a direction and make everyone understand what they can do in order to achieve the common goal and be proud of their role. Goals must be clearly set. Success can be reached if you can make the staff work for the common goal." Kirsti Paakkanen also recognizes good relations with the media to be beneficial for a company. She emphasizes openness in reaching such a good relationship with the media: "I have nothing to hide."

To sum up, the interviewees see four major factors on which companies aiming for a good reputation should concentrate: the mental state of the company as well as how it is seen by "outsiders"; honesty, being able to keep the promises that have been made; quality products and services that are developed all the time; good public relations and a positive relationship with the media. The interviewees also recognize the fact that sometimes luck may be needed as well, but in the end good reputation is possible to be reached if a company is ready to work for it.

4.3 Is reputation an important success factor?

The interviewees were of the same mind in the matter of reputation as a success factor. Having a good reputation ensures good set-ups for economic performance as well as reaching the correct people staff-wise.

Hannu Penttilä from Stockmann sees economic benefit brought up by good reputation as a positive thing, not just for the company but for the staff as well. "Stockmann has always been a very result-oriented

company. When the economy is in order you can guarantee a good future and a good atmosphere for the people committed to the company. This is not in controversy in any way with being customer-oriented because the economic wealth comes from understanding the customer's needs.”

Marimekko's Kirsti Paakkanen agrees with the customer-oriented view: “For me personally it is important that the product that I have bought into my home and into my life breaths good things. It is important to know that I have made the purchase from a company that is valued or from a person who can provide genuine service. If I experience thus I believe that many of Marimekko's customers think the same way. Good reputation brings additional value to the purchase.” Pekka Ketonen from Vaisala thinks the same way but he also looks at this as an opportunity to earn a little extra. “We sell to those who appreciate high quality and are ready to pay for it. Of course this varies between customer segments but if you go and ask a professional meteorologist they will answer that Vaisala is the number one – good but expensive.”

Heikki Allonen, a former CEO of Fiskars, is along the same lines with Mr. Ketonen about being able to charge a little bit more when the company's reputation allows it: “If someday snowfall surprises it is essential to get the snow shovels into the stores the next day. If they are at that point being loaded into a ship in China the snow will be gone before they make it to the destination. When a company has a good reputation in keeping the store shelves full, it justifies a little premium also on the price.”

It is not only product pricing that is seen as a major benefit that reputation can bring. Stakeholders are also a group that needs to be looked after. They want to know that what they are investing in can be trusted. If that trust is let down the consequences on the reputation, and thus to entire company, can be severe. “I would say that stakeholders put weight on the role of the executives' reputation. It can be seen in the fact that they are very eager to meet the company's management in person. The management's trustworthiness is an important factor when making investment decisions, can the management, and its ability to take the strategy forwards, be trusted.”

With good reputation a company may also ensure the best selection of people applying for a job from them. Valued companies are appealing for young people eager to show what they can do. This has been noticed by Kim Gran from Nokian Renkaat as well: “Good reputation can be seen in the fact that we get quantitatively and qualitatively good feedback for any occupation. Also we get spontaneous contacts all the time from people who want to come and work for us.”

According to these executives reputation can be a major success factor if one understands how to leverage it. The biggest areas where reputation can have a positive impact on, according to them, are the economic well-being of the company, the right people investing into the company, and the large amount of quality job applications from which the company can select the best ones. Pekka Ketonen sums up this chapter rather well: “When a company is successful, people would rather be among them than among the losers.”

4.4 Should reputation be actively managed and how?

From the interviewees' answers one thing is very transparent: reputation should definitely be taken seriously and managed. They talked about what issues should be considered in reputation management and also how

they have managed corporate reputation in their own companies.

Corporate culture is mentioned as one of the key issues in managing a reputation. When the corporate culture is in good condition, it has positive effects outside the company as well. Kim Gran from Nokian Renkaat says: "What shows outside the company as accomplishments and good reputation is a result of corporate culture. Corporate culture and derivation is important. Every company has a corporate culture, whether they wanted it or not. It is about whether or not it has been acknowledged and taken as a management tool."

Stig Gustavson explains how he manages corporate culture with values: "In all leadership trainings I go through what our values mean, but also what they do not mean, hands-on. With examples I can take them to a concrete level." This is very clever since values are one of the base elements for a functioning company these days. They are a fundamental part of the corporate culture, which then affects the corporate reputation in time.

It is important to also include the employees, not just the management, into managing the corporate culture. Marimekko's Kirsti Paakkanen thinks it is important for staff to be able to communicate with the management honestly. "We have such a culture where people dare to speak their minds to other people. Even though I am a strong person and put my persona into the game we are still here together to think and do things. Trust comes from me being along doing things, not just managing."

As Ms. Paakkanen said trust is important, not just outside the company among customers but also inside the company between the management and staff. As a leader of a company one must not underestimate what trust issues inside the company can do for the overall reputation. "There cannot be trust if everybody do not understand their role in the ensemble. All good and bad things trickle and filter downwards in the organization creating a certain culture. When the management acts openly and discusses honestly it will stick to others as well." Stig Gustavson has a bit more strict view on trust inside the company: "We believe in people but that includes the fact that if you are not worth our trust then even a second is too long a time in our service. One must be loyal."

Corporate social responsibility has become a major factor in organizations' operations that has a big impact on reputation as well. All interviewees' admit the importance of corporate social responsibility and none of them say that they do not consider such things in their management, but the way they apply it to their operations differ.

Ms. Paakkanen sees CSR as an obvious and a very important thing in Marimekko's, as well as all other companies', operation. "In my opinion, as an entrepreneur you are accountable to your society. Thus the responsibilities included in it must be dealt with, and not the other way around where the society comes to do my job for me. Secondly one must look after the staff. A company is indirectly responsible also for the employees' happiness at home. With this I mean that the employee can happily close the door in the evening when leaving from work and take those good feelings with them. That is everyday happiness in which a company can have an effect." She continues: "A company that is selfish and thinks only of their own

success without paying attention to anything else does not succeed. The responsibility of a manager is much wider than how the company makes profit. We have a moral responsibility for what we leave to the later generations. Of course money has power but more important is the responsibility it brings.”

None of the other interviewees were quite as strong in their opinions on CSR. Mr. Gran thinks of CSR as an ability to answer the consumers’ needs. “Of course we follow all the laws, take care of environmental issues, and pay all our taxes, but above all we aim to predict the needs that are rising in the society. We also aim to have influence on developing education and actively co-operate with different academies. We want to take part and influence these things.”

Hannu Penttilä from Stockmann recognizes the importance of CSR but has not seen any need to think about the issue much further: “We have not “ballyhooded” much or made any separate social responsibility programs because we already have an incorporated responsible approach that initiates from values. On the part of the customers we have not experienced any demands for any more, at least at the moment. Obviously we monitor the situation continually.”

Vaisala’s Pekka Ketonen thinks the issues included in the CSR are things that should be an obvious part of a company’s operations from the start, not something that has to be considered all over again now that such programs have gotten so much public attention. “Corporate social responsibility – I find it sometimes hard to understand what is meant by it. We pay our taxes, make a good profit, operate ethically and according to laws, we are involved in the business of measuring environment, educate our staff, and co-operate closely with research facilities. Should we do even more?”

Public relations and the interviewees’ views on media were already discussed in the first question (How can good corporate reputation be achieved?) but media relations should be taken into account in the long term managing as well. Nonetheless, there are again different opinions on this matter among the interviewees. Mr Ketonen sees public relations as something that does not require so much attention, since their public relations are in good condition as they are: “We have not really seen any need to invest on publicity any more than what we do right now. Our view is that it is in relatively good condition as it is. Maybe it comes from these other factors, such as market positioning and business success. Also regular exchange communications has created our image enough.”

Ms. Paakkanen, on the other hand, takes public relations as a serious issue among other management issues. The public image of a company should not be tarnished by the managers just because they underestimate the power that media has these days. “Because Marimekko is a listed company and it is followed in the media I cannot personally go to the nightclubs to dance rock’n’roll until the morning even if I wanted. It means that I have to exercise personal control with my own life because I am accountable also for others but myself. Corporate management’s behavior reflects on the staff and the whole company. I want my staff to be able to look at their chief proudly. Inspiring and creating positivity is my mission in this company.”

When it comes to managing, reputation is considered as something that should be integrated into the company’s strategy. After all, strategy is the stone base of any company. Mr. Gran emphasizes the

importance of a proper strategy: "One must be dedicated reins along. The management must act as the preacher of strategy and approaches, speak and live according to the values. I have taken it as a principle that if shredding of values is seen in our executive team I will remark on it once and there will not be a second time." Heikki Allonen from Fiskars agrees with Mr. Gran on the affect that management can have on employees and the company as a whole: "The management's behavior and example affects whether, for example, values will work or not. If you do not act according to them the whole thing is over."

Marimekko's Ms. Paakkanen has had a rather clear approach on the company strategy-wise from the very start: "At the time I listed down all the things that are needed to reach success and in which I have always believed in in my managing. Every little thing mentioned in the corporate philosophy has an effect on the birth of Marimekko's reputation and the message that we send outside."

The rapid changes in markets have to be included into the strategy as well in order to keep the good reputation stable. Mr. Ketonen from Vaisala explains how they have taken this issue into account in their strategy: "We have a planning system that concern rather large areas. We have over a hundred people from different businesses and support functions making the strategy. This way we have been able to make people understand strategy in a wider perspective. A bigger group understands what affects what, and on the other hand when there are more pairs of eyes making observations we are able to approach changes in time."

Ms. Paakkanen talks about "relationship-oriented marketing world": "With this I mean the fact that the consumers' sets of values have changed. It has required Marimekko to get to know its customers again and thus re-evaluate itself and its doings. Old attitudes had to be forgotten." Mr. Penttilä from Stockmann does not see the changeability of markets as much of a challenge: "It has not been a big challenge for us to do changes because the staff's attitude is right. Open discussion and proper justifying of things is enough. I cannot remember ever having stumbled on any bigger problems in organizational changes or other such things. When changes are done according to values and the strategy it is not difficult to get the staff along."

When talking overall about managing reputation the comments from the interviewees suggest that they all believe reputation to be a result of many years of hard work. Mr. Ketonen sums up: "If we are everyday realists, we have companies that at the moment have a good reputation even though they are not managed so well. We also have companies that are not making good profits even though they are managed extremely well. It depends on the time span where success is measured." Ms. Paakkanen also reminds that money should not be the number one reason for starting a business: "My principle has always been that money does not mean anything. The essential thing is how I carry out my job, products, and affairs. When one is focused on these things money starts pouring in through windows and doors. The day you start going with dollar signs in your eyes you will not succeed." In short she advices that patience is fundamental in a successful business.

What are the interviewees' views on repairing a damaged reputation, then? Mr. Allonen from Fiskars sums up: "If a company has a bad reputation I would approach it from the CEO demonstrating his/her conviction and belief for change. To be actively involved in and do legwork among all stakeholders. At least in small and medium sized enterprises the CEO must put him/herself into the game." So, the change for better has to

start from the management.

All of the interviewees are from companies with good reputations. But all of them have not been in such situation always. For example Ms. Paakkanen entered Marimekko when the company was ripe for bankruptcy. So she has hands-on experience on how a company can survive even with their reputation shattered. "When a company has a bad reputation one must start with the fact that one issue should be fixed at a time. It is about working hard, not some game. The basic question was to get the staff to believe in me and in our future together. To win the staff's trust a Shanghai-Lilly-like lady like me needed also the support of external experts with whom I achieved a change of spirit in people. Of course major changes were required in the organization and approaches, but returning the mental strength was the most important thing." In this comment she sums up the most important factors that managers should consider when their company's reputation is threatened: considering what are the issues that require attention, attacking those issues one by one, being prepared to work hard, putting their own persona into the game and realizing their own possible weak spots as well as finding ways to take advantage of them, and dealing with the mental issues inside the company.

All interviewees were rather cohesive in their opinions, even though some people emphasized some issues more than others. Overall, they had very clear opinions on how their companies have reached such good reputations, and how they were able to maintain the reputations. All of them consider reputation to be a beneficial factor competitively and having a good reputation can only bring along more customers, better applicants for jobs, new investors, and maybe even new markets. In their opinion reputation is an important factor that should be implemented into the company's strategy from the beginning and managed just like all other aspects in a company. They also agree that there can be recovery from bad reputation and the challenges brought up with it.

5 CONCLUSIONS OF THE STUDY

The objective of this thesis was to showcase that reputation can aid a company to reach a better competitive advantage in today's rough competitive markets and also to explain how such intangible factor could be managed. In order to narrow down the subject and keep the content in the limits of what I was interested in researching, a set of research questions was created. These research questions were the following:

1. How can good corporate reputation be achieved?
2. Is reputation an important success factor?
3. Should reputation be actively managed and how?

The research questions were chosen for their relevance to the subject and the objective of this thesis. They have been thoroughly answered as well in the theoretical section of the thesis as well as in the interviews. In the following chapter I aim to bring the findings together in order to answer these research questions.

5.1 The Research Findings

Firstly it can be said that the findings of this research are consistent with the theories presented in the chapter 2 THEORETICAL FRAMEWORK. The interviews are interpreted in more detail in chapter 4 EMPIRICAL ANALYZES OF THE RESEARCH.

The first matter studied was how companies may acquire good reputation. The theories studied suggest that good reputation is something that can be reached only by working hard and long, but at the same time reputation can be destroyed in a matter of minutes. The interviewees in chapter 4 agreed with these theories. Also it should be remembered that reputation is a multi-dimensional phenomenon, which means that in order to reach and maintain a good reputation all these dimensions must be accounted for. Culture, no matter if it concerns corporate or national culture, is a matter that is often not considered when it comes to reputation, but the fact that culture effects all business operations everywhere, reputation as well, should certainly not be underestimated.

In the interviews strategy was emphasized by all interviewees. A strategy that includes aspects of corporate reputation maintenance from the very beginning was considered to be of importance. Especially the values in the strategy were discussed much. This fact also came through in the theories in chapter 2. These days reputation strategies might be seen by companies as an obvious thing, but it was only three decades ago when reputation was seen as an image-based theme, something that did not affect matters inside the company but was a tool rather in marketing and outer operations. It has been realized since that a good

reputation originates from the inner identity and the mental state of a company.

Managers are all different and thus reputation is seen differently depending on the industry. This could also be seen in the interviews since some emphasized more the fact that good reputation enables a company to charge a little bit higher prices than other similar companies, whereas others put more stake on the well-being of their staff and the happiness of the customers, who are eventually the ones that bring along the money.

Corporate social responsibility is the word of the day. Down-shifting and other similar public phenomenon have made people appreciate free time more and work is seen as something that should to be enjoyable, not something that has to be done. All such things have an effect on corporate reputation. The word of a company that treats its employees badly spreads around the world in under an hour through the social networking medias and one big enough mistake can be the downfall of an entire organization. That is why the reputation should start from inside of the company; happy employees keep up the good name and promote the company, which is essential since reputation is all about people's perceptions and images. Social responsibility is not just a way that concerns a company's inner operations but it can also be a way of influencing customers directly by taking part in regional issues such as education, health care, environmental projects, etc. Social responsibility has been on the surface for many years now and many companies have already integrated such programs into their operations, which could also be seen in the interviews. Some interviewees even thought that the social responsibility is an obvious part of doing business and acting ethically, and it does not require specific programs in order to work.

From personal experience, Finnish people are thought of abroad as trustworthy people. This in mind it does not come as a surprise that in the theories as well as in the interviews trust is named as the single most important factor in having a good reputation. Trust between the management and the staff as well as between the management and the stakeholders, as well as between the company and its customers. Without trust there can be no transactions between the parties.

An interesting observation is that a company does not have to be majorly successful profit-wise in order to have a good reputation. But good reputation almost always ensures economic benefits.

Regarding the second research question the above sentence answers it rather thoroughly. Reputation in today's extremely competitive markets is considered as a great competitive advantage theory-wise as well as according to the executives interviewed. And by economic benefits I do not mean only profit creation but also the fact that good reputation brings along quality work force as well as investors.

A good reputation is a reflection of the company's strategies, goals, and directions, so if these matters are in good order, the message leaving from the company gives consumers a good impression, and impression is what reputation is all about. As mentioned in the theories listed in chapter 2, people do not make purchasing decisions rationally but more based on emotions. Thus having a good reputation is the best way for a company to ensure that the customer chooses their products/services over a competitor's. The more attractive the company is perceived the more probable is the economic success.

The third issue was about the necessity of management when it comes to reputation. Should companies have separate strategies and programs for reputation management or is reputation something that would take care of itself?

Industries, and the ways to operate in them, differ quite a lot from each other. This also means that reputation might be thought of as easier to acquire and maintain in some industries than it would be in others. For example, Nokia, one of the biggest mobile phone manufacturers in the world, is a global company that can be seen in the news (stock market news), on the streets (advertising on bus stops and billboards), their products in homes all around the world, as well as enormous launching events when new products come to markets. Everybody knows Nokia, their products are for everyday use as well for the regular public as for corporate use. Then again Vaisala, a globally operating Finnish company, that makes electronic measuring equipment, for example, for environmental sciences and meteorology, is very well known in its own industry, but not so much outside of it. Their markets are concentrated on B2B level.

Nokia is a perfect example of a company that was thriving at the top of the mountain one day, and on the other day fell down hard. In Pohjoisranta Oy and Arvopaperi's list of Finnish companies with good reputation in 2001-2005 (see chapter 3 RESEARCH METHOD) Nokia is number one. In the 2012 list Nokia cannot be found. When the time came for a change in the company's operations they concentrated on the products and completely disregarded their reputation as a popular employer and the messenger of Finnish skills in the technology industries around the world. They made too many mistakes right from the very start when the CEO was replaced in 2010 and now they are struggling in a way that Finns would never have expected their business leader to do. It took years and years for Nokia to build a globally appreciated reputation but only a few months to bring it down.

Whereas Vaisala has been able to keep their position at the top of the Pohjoisranta Oy and Arvopaperi's list year after year. As their former CEO, Pekka Ketonen was interviewed in this thesis, we know that he appreciates their reputation and believes that managing it is necessary in order to succeed. They appreciate their customers, deliver what they have promised, and focus on their staff as well.

Some might argue that it is easier for Vaisala to maintain a good reputation since they are so much smaller than Nokia, but this is not true. Just like Nokia, Vaisala is also a leading company in their industry globally. The only difference between them is that Nokia makes consumer goods whereas Vaisala's products and services are for industrial use. This fact does not make reputation management any easier for them.

The basic point to be made here is that corporate reputation these days should not be underestimated and it should be considered in the company's strategy and in all operations, inside the company as well as outside. This fact can be seen repeatedly in the interviews in chapter 4 as well as in the theories in chapter 2. It is important for companies to know exactly who their customers are and what they most value in the company, in order to choose the correct tools to manage their reputation. It takes time and resources but eventually the benefits that follow are undeniable.

In order to conclude it can be said that, according to the interviewees in this research as well as the theories,

in today's brutally competitive markets reputation can provide a company a real edge, and if managed correctly over the years the good reputation may ensure continuous economic success now and in the future.

5.2 Suggestions for Further Research

Due to the limited amount of time and the fact that the subject has been researched much in the past decade alone, I decided to use secondary research method by comparing two studies from either ends of the decade. I focused on how certain companies see reputation in Finland. For this reason it can be suggested that for further research the scale of interviewees could be wider country-wise.

Also in order to get an understanding of how corporate reputation is perceived by business leaders today a further research should be made. This way the findings could be generalized more widely and currently.

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Figures

Figure 1. Reputation Institute, 2008. RepTrak System. Online, referred to 26.9.2012. Available on the web at http://www.reputationinstitute.com/events/10Apr08_Reputation_Management_Munich.pdf

Appendix 1. Original interviews

Heinonen, J. 2006. *Mainejohdaja*, WSOY Helsinki, Finland.

Marimekko: Kirsti Paakkanen

"Minulle on henkilökohtaisesti tärkeää, että tuote jonka olen kotiini tai elämäni ostanut henkii hyviä asioita. On tärkeää tietää, että olen tehnyt ostokseni arvostetusta yrityksestä tai ihmiseltä, joka osaa aidosti palvella. Jos itse koen näin, niin uskon, että moni Marimekon asiakaskin ajattelee samalla tavalla. Hyvä maine tuo yhden lisäarvon mukaan ostokseen."

"Marimekon hyvän maineen takana on kaksi asiaa. Ensimmäinen on yrityksen henkinen tila. Toinen on se, miten me näytämme sen ulospäin. Se moraalinen ilmapiiri, jonka olen rakentanut Marimekkoon yhdistettynä ulkoiseen visuaalisuuteen luo Marimekon maineen."

"Minun periaate on aina ollut ettei raha merkiste mitään. Olennaista on miten hoidan työni, tuotteeni ja asiani. Kun keskittyy niihin niin rahaa alkaa virrata ikkunoista ja ovista. Sinä päivänä kun lähdet rahankiilto silmissä liikenteeseen, et onnistu."

Olen todella ylpeä siitä että meidän ihmiset sanoo mielellään ja ylpeänä olevansa Marimekosta. Se on merkki, että he arvostavat tätä yritystä. Kun yrityksen henkinen tila on kunnossa ja pelisäännöt ovat selvät niin on vaikea olla menestymättä."

"Listasin aikanaan sellaiset asiat, joiden avulla saavutetaan menestys ja joihin itse olen aina uskonut johtamisessani. Jokainen yritysfilosofiassa mainittu asia vaikuttaa osaltaan Marimekon maineen syntymiseen ja siihen viestiin, joka täältä lähtee ulkopuolelle."

"Koska Marimekko on pörssiyhtiö ja sitä seurataan julkisuudessa niin en voi henkilökohtaisesti tanssia yökerhoissa rock 'n' rollia aamuun asti vaikka haluaisinkin. Se tarkoittaa että minun on harjoitettava yksityistä kontrollia oman elämäni kanssa, koska olen vastuussa muistakin kuin omasta itsestäni. Yritysjohdon käyttäytyminen heijastuu henkilöstöön ja koko yritykseen. Haluan että henkilökunta voi katsoa ylpeänä päällikköänsä. Innostaminen ja positiivisuuden luominen on minun tehtävä tässä yrityksessä."

"Meillä on sellainen kulttuuri, että ihmiset uskaltavat sanoa suoraan myös muille. Vaikka olen vahva ja persoonani peliin laittava johtaja, niin yhdessä täällä asioita mietitään ja tehdään. Luottamus syntyy siitä että olen mukana tekemässä enkä vain johtamassa."

"Laatu on meille ykkösasia, joten siitä huolehtiminen on tärkeää. Meillä on yli 40 alihankkijaa ja heille on ihan samat pelisäännöt kuin kaikille Marimekkolaisillekin."

"Me puhumme suhdeorientoituneesta markkinointimaailmasta. Tarkoitin sillä sitä että kuluttajien arvomaailmat ovat muuttuneet. Se on vaatinut Marimekossa sitä että olemme tutustuneet asiakkaisiimme uudelleen ja sitä kautta avioineet itsemme ja tekemisemme. On ollut pakko unohtaa vanhat asenteet."

”Olen sitä mieltä että yrittäjänä olet vastuussa yhteiskunnalle. Silloin siihen liittyvät velvollisuudet on hoidettava eikä niin päin, että yhteiskunta tulee hoitamaan minun töitäni. Toiseksi on pidettävä huolta henkilöstöstä. Yritys on vastuussa välillisesti myös henkilöstön kodin onnesta. Tarkoitan tällä sitä että työntekijä voi onnellisena sulkea oven illalla, kun hän lähtee kotiin ja viedä ne hyvät fiilikset mukanaan. Se on arkionnellisuutta johon yritys voi vaikuttaa.”

”Minulla on mielestäni aina ollut hyvä suhde mediaan. Hyvä suhde on ollut mahdollinen siksi, että avoimuus on ollut lähtökohtanani, minulla ei ole mitään salattavaa. Tein myös alusta asti selväksi, että minulla on oma reviiri. Tarvitsen yksityisyyteni jaksakseni vetää Marimekkoa. Sitä on kunnioitettu.”

”Yritys joka on itsekäs ja ajattelee vain omaa menestystään eikä kiinnitä huomiota muihin, ei menesty. Yritysjohdajan vastuu on paljon laajempi kuin se miten yritys tekee tulosta. Meillä on moraalinen vastuu siitä mitä jätämme jälkipolvillemme. Rahalla on tietysti valtaa, mutta tärkeämpää on sen mukanaan tuoma vastuu.”

”Kun tulin tähän taloon, Marimekko oli konkurssikypsä. Yritys oli tehnyt tappiota jo kuusi vuotta. Kun on huono maine on lähdettävä siitä että laitetaan yksi asia kerrallaan kuntoon. Kysymys on kovasta työn tekemisestä, ei mistään pelistä. Kynnyskysymys oli saada henkilöstö uskomaan minuun ja yhteiseen uuteen tulevaisuuteen. Voittaakseni henkilöstön luottamuksen tällainen Shanghia-Lillyn näköinen nainen tarvitsi tuekseen myös ulkopuolisia asiantuntijoita, joiden avulla sain aikaan ihmisissä henkisen muutoksen. Tottakai tarvittiin myös merkittäviä muutoksia organisaatiossa ja toimintatavoissa, mutta henkisen kunnon palauttaminen oli se tärkein asia.”

Konecranes: Stig Gustavson

”Kun tuotteita käytetään kymmeniä vuosia kuten meidän nostolaitteita, niin maineella on suuri merkitys. Kuitenkin lähinnä niin, että jos yrityksellä on huono maine, niin et pääse edes apajille. Se on sillä lailla, että jos ei ole hyvä maine, niin ei ne asiakkaat korvaansa lopsauta.”

”Kun sijoittajatapaamisia on paljon on mahdotonta pitää muistissa mitä olet sanonut kenellekin. Siksi pitää olla aito ja puhua aina niin kuin asiat ovat. Siitä se maine tulee.”

”Jokaisessa esimieskoulutuksessa käyn läpi ihan kädestä pitäen mitä meidän arvot tarkoittavat, mutta myös sen, mitä ne eivät tarkoita. Esimerkkien avulla vien ne konkreettiselle tasolle. Ja jos arvot eivät mahdu puoleen liuskaan niin voit unohtaa koko homman.”

”Me uskomme ihmisiin mutta se pitää sisällään sen että jos et ole luottamuksen arvoinen niin silloin sekuntikin on liian pitkä aika meidän palveluksessa. On oltava lojaali.”

”Me olemme siinä mielessä hyvässä asemassa että meidän tuotteiden ominaisuudet pystytään mittaamaan ja arvioimaan hyvin pitkälle. Takana on tietysti sarja onnekkaitakin teknologiavalintoja, mutta ennenkaikkea ymmärsimme panostaa akateemisiin tutkimuksiin ja hankkeisiin sekä diplomitöihin joiden kautta nostimme alan perinteisen matalan tekniikan statuksen pari pykälää ylöspäin.

”Suurin vaara on se että olettaa kaikkien asiakkaiden olevan samanlaisia. Asiakas valitsee aina sopivimman vaihtoehdon ja sen mukaan on toimittava.”

Vaisala: Pekka Ketonen

”Me myymme niille jotka arvostavat korkeaa laatua ja ovat valmiita siitä myös maksamaan. Toki tämä vaihtelee asiakassegmenteittäin, mutta jos menet kysymään meteorologian ammattilaiselta, niin vastaus on että Vaisala on ykkönen – hyvä, mutta kallis.”

”Kun yritys on menestyvä, niin ihmiset mieluummin haluavat olla niiden joukossa kuin häviäjien.”

”Kyllä Vaisalan kohdalla tärkein mainetta rakentanut asia on ääretön rehellisyys. Kun luvataan jotain, niin se myös pidetään. Jos tulee mokia, niin otetaan myös vastuu silloin. Kun tähän yhdeistetään maailmanluokan osaaminen, niin siitä se hyvä maine syntyy.”

”Meillä on ollut voimakas usko siihen että vain tutkimuksen ja tuotekehityksen keinoin voidaan tehdä parempia tuotteita. (Vaisalan perustaja Vilho Väisälä ei juuri osinkoja itselleen jakanut, vaan mitä ruokarahoista jäi yli niin se kaikki laitettiin tuotekehitykseen. Näin alkoi syntymään maailmanluokan tuotteita.)”

”Ylimmän johdon käyttäytyminen ja esimerkki vaikuttaa siihen lähtevätkö esimerkiksi arvot toimimaan vain eivät. Jos ei itse toimi niiden mukaan, niin koko homma päättyy siihen.”

”Meillä on aika laajoja piirejä koskettava suunnittelujärjestelmä. Strategiaa on tekemässä yli sata ihmistä eri liiketoimintayksiköistä ja tukifunktioista. Tätä kautta olemme saaneet porukan ymmärtämään strategiaa laajemmin. Isompi joukko ymmärtää mikä vaikuttaa mihinkin ja toisaalta kun on monta silmäparia enemmän tekemässä havaintoja niin osataan tarttua ajoissa muutoksiin.”

”Vuosi on lyhyin ajanjakso jolla meidän tulosta voidaan arvioida. Ei meidän toimiala ole nopeasyklistä sillä tavalla kuin esimerkiksi vaateteollisuus tänä päivänä.”

”Voi olla että joku näkee asiat niin että liiketoiminta on vain myyntiä, mutta jos se mitä myyt ei koskaan kehity niin seinä tulee vastaan. Me olemme asiakkaan arvolupauksissa premium-laadun tekijä, emme mikään diskauntteri. Eikä meillä kehittäminen pysähdy vain tuotteisiin, vaan haluamme kehittää jatkuvasti myös palveluprosessejamme.”

”Tälläkin toimialalla on havaittavissa ylilupaamista ja alitoimittamista. Siitä jää nopeasti kiinni. Meillä sellaista ei ole. Olen korostanut kaikissa yhteyksissä meidän porukoille että asiakkaalle ei saa luvata liikaa, vaan se mikä tiedetään pystyvämme toimittamaan. Asiakkaat puhuvat keskenään ja jos olet pettänyt lupauksesi, niin sana leviää nopeasti. Tässä mielessä kaikki kansallisuudet käyttäytyvät samalla tavalla.”

”Yhteiskuntavastuu – minun on joskus vaikea ymmärtää mitä sillä tarkoitetaan. Me maksamme verot, teemme hyvää tulosta, toimimme eettisesti ja lakien mukaan, olemme mukana ympäristömittausbisneksessä, koulutamme henkilökuntaa ja teemme tiivistä yhteistyötä tutkimuslaitosten kanssa. Pitäisikö tämän lisäksi tehdä vielä jotain muuta?”

”Meillä ei oikein ole nähty tarvetta panostaa julkisuuteen enempää mitä nyt teemme. Meillä on sellainen kuva että se on kohtalaisen hyvässä kunnossa muutenkin. Ehkä se tulee näistä muista tekijöistä kuten markkina-asemasta ja bisnesmenestyksestä. Myös normaali pörssiviestintä on luonut riittävästi kuvaa meistä.”

Nokian Renkaat: Kim Gran

”Hyvä maine näkyy siinä että tehtävään kuin tehtävään tulee määrällisesti ja laadullisesti hyvä palaute. Lisäksi meille tulee koko ajan spontaaneja yhteydenottoja ihmisiltä jotka haluavat meille töihin – mukaan hakkapeliittajengiin.”

”Kysymys on siitä millä tavalla markkinat uskovat meihin, eikä pelkästään track recordiin, vaan tarinaan ja visioon. Pystytäänkö me lunastamaan ne lupaukset, joita me markkinoille olemme antaneet.”

”Se mikä näkyy ulospäin tuloksena ja hyvänä maineena on seurausta yrityskulttuurista. Yrityskulttuuri ja johtaminen on tärkein asia.”

”Jokaisella yrityksellähän on yrityskulttuuri, halusi tai ei. Kysymys on siitä onko se tiedostettu ja nostettu johtamisen välineeksi.”

”Jos ollaan arkirealisteja niin meillä on yrityksiä joilla on tällä hetkellä hyvä maine, vaikka niitä ei johdeta erityisen hyvin. Meillä on myös yrityksiä jotka tekevät tällä hetkellä huonoa tulosta, vaikka niitä johdetaan äärimmäisen hyvin. Se riippuu

aikajänteestä, missä menestymistä tarkastellaan.”

”Pitää olla munaskuitaan myöten sitoutunut. Ylimmän johdon tulee toimia strategian ja toimintatapojen saarnamiehinä, puhua ja elää arvojen mukaisesti. Olen ottanut periaatteeksi että jos meidän johtoryhmässä esiintyy perusarvojen silppuamista niin huomautan siitä kerran ja toista kertaa ei tule.”

”Luottamus ei voi syntyä ellei jokainen ymmärrä omaa rooliaan kokonaisuudessa. Kaikki hyvä tai huono valuu ja suodattuu organisaatiossa alaspäin ja luo tietyn kulttuurin. Kun yrityksen johto toimii avoimesti ja keskustelee aidosti niin se tarttuu myös muihin.”

”Luulen että yksi syy siihen miksi me olemme pärjänneet niin hyvin on se että olemme panostaneet viestintään. Eihän strategia voi mitenkään toteutua ellei jokainen ymmärrä rooliaan yrityksessä. On tärkeää viestiä suunta ja saada jokainen ymmärtämään mitä kukin voi tehdä yhteisen tavoitteen eteen ja olemaan ylpeä omasta roolistaan. Tavoitteet tulee olla selkeästi asetettu. Menestys syntyy kun saat henkilöstön toimimaan tavoitteiden hyväksi.”

”Tottakai noudatamme kaikkia lakeja, huolehdimme ympäristökysymyksistä ja maksamme kiltisti kaikki verot, mutta ennenkaikkea pyrimme ennakoimaan yhteiskunnassa nousevia tarpeita. Pyrimme myös vaikuttamaan koulutuksen kehittämiseen ja teemme aktiivista yhteistyötä eri oppilaitosten kanssa. Haluamme osallistua ja vaikuttaa näihin asioihin.”

”En vastusta ajatusta ”mainejohtajasta, CRO:sta” jos se tehostaa tekemistä. Olemmehan jo nyt kytkeneet viestinnän ja markkinoinnin samaan yksikköön. Tarkoituksena on ollut että pystymme paremmin koordinoimaan ja varmistamaan maineen mukaisen toiminnan mainittujen funktioiden osalta.”

Fiskars: Heikki Allonen

”Meillä on jossain määrin perhyritysmäinen omistustausta, mutta on hyvä muistaa, että kaikki ovat vapaita tekemään osakkeillaan mitä tahansa. Näin ei ole vain käynyt. Kasvallinen omistaja tuo tyypillisesti jatkuvuutta, mikä on johtamisen kannalta erinomainen asia.”

”Meillä muutokset ovat olleet ehkä jonkin verran hitaampia mutta ei se ole useinkaan huono asia. Ja kun katsoo Fiskarsin historiaa taaksepäin niin huomaa että transformaatiota on tapahtunut.”

”Jos jonain päivänä lumisade yllättääkin, niin on olennaista saada lumilpiot seuraavaksi päiväksi kauppaan. Jos niitä siinä vaiheessa vasta lastataan Kiinassa laivaan niin lumi on jo sulanut ennen kuin ne ovat perillä. Kun yrityksellä on hyvä maine siinä, että se pystyy pitämään hyllyt täynnä, niin kyllähän se oikeuttaa myös hinnan suhteen pieneen preemioon.”

”Julkinen kuva ei mielestäni ole symmetrinen akselilla hyvä ja huono, vaan jos yrityksellä lähtee menemään huonosti julkisuudessa, niin se menee eksponentiaalisesti huonosti. Puolestaan hyvässä saman parannuksen saaminen on paljon vaikeampaa ja vaatii paljon työtä.

”Jos on huono maine niin lähtisin kyllä siitä että toimitusjohtajan pitää osoittaa oma vakaumuksensa ja uskonsa muutokselle. Olla aktiivisesti mukana ja tehdä jalkatyötä kaikkien sidosryhmien parissa. Ainakin pienemmissä ja keskisuurissa yrityksissä toimitusjohtajan täytyy panna itsensä peliin.”

Stockmann: Hannu Penttilä

”Kun asiakas näkee että hänestä välitetään niin hän tulee uudestaan ja uudestaan.”

”Maine ja luottamus paranee sijoittajien keskuudessa jos toimitat sen mitä olet luvannut.”

”Stockmann on aina ollut hyvin tulorientoitunut talo. Kun talous on kunnossa, pystyt takaamaan firmaan sitoutuneille ihmisille hyvän tulevaisuuden ja hyvän ilmapiirin. Asia ei ole mitenkään ristiriidassa asiakaslähtöisyyden kanssa, koska

taloudellinen menestys tulee siitä että ymmärrät asiakkaan tarpeet.”

”Ei meillä ole ollut suuria vaikeuksia tehdä muutoksia, koska henkilöstön asenne on oikeanlainen. Avoin keskustelu ja asioiden hyvä perustelu riittää. En muista että olisimme koskaan törmänneet suurempiin ongelmiin organisaatiomuutoksissa tai muissa vastaavissa asioissa. Kun muutokset ovat arvojen ja strategian mukaisia niin ei henkilöstön mukaan saaminen ole vaikeaa.”

”Ei me olla hirveästi lähdetty lyömään rumpua ja tekemään erillisiä yhteiskuntavastuuohjelmia, koska meillä on jo arvoista lähtevä vastuullinen toimintatapa sisäänrakennettuna. Asiakkaiden taholta emme ole kokeneet että he vaatisivat enemmän, ainakaan tällä hetkellä. Tietenkin seuraamme asiaa jatkuvasti.”

”Uskon enemmän että jos tehdään jotain negatiivisia asioita niin silloin vaikutus voi olla enemmänkin kuin 50%. Varmaan ylimmällä johdolla on joku merkitys, muttei missään tapauksessa mainittua suuruusluokkaa.”

”Kyllä sijoittajat varmaan laittaa sille painoarvoa (=ylimmän johdon maineen rooli). Se näkyy siinä että haluavat mielellään tavata yritysjohtoa henkilökohtaisesti. Johdon luotettavuus on tärkeä tekijä sijoituspäätöksiä tehtäessä, luotetaanko johtoon ja sen kykyyn viedä strategiaa eteenpäin. Sijoittajakohderyhmässä ylimmän johdon maineen merkitys on suurempi kuin muissa sidosryhmissä.”