

REPUTATION MANAGERS



intangible capital: five things you should know

- 1 Reputation is the new bottom line of business** – Yesterday's profits are no guarantee of tomorrow's results. For that, reputation is a much better indicator. A good reputation represents trust of your stakeholders and their willingness to continue to support your organization into the future.
- 2 This is fueled by the growing realization of the decline of the industrial era** – In the industrial era, people were taught to put corporate profits and shareholder value before all other factors. While corporate success is still considered vital, there is a growing realization that our society cannot condone profits of a company that pollutes the environment or fails to support its community.
- 3 Reputation is also fueled by the nature of competitive advantage in the knowledge era** – Information technology has already changed the nature of competitive advantage. Today, 70% of the value of the average company resides in knowledge intangibles. It's about what you *know* as an organization rather than what you *own*.
- 4 Communication is an important aspect of reputation management** – Transparent and proactive communication is critical to management of a corporate reputation. But communication alone is not enough.
- 5 Ultimately, the real driver of reputation is excellence in intangibles management** – The only way to ensure a continued strong reputation is excellence in management. Given the importance and nature of knowledge, intangibles management is the real driver of successful relationship management—having in place the right people, the right relationships and the right processes to deliver consistent and reliable results year after year.

Of Special Interest: Ch 10 (reputation is the new bottom line), Ch 2 (the key role of process in contemporary business management), Ch 5 (the challenges of managing in a world where command and control management is ineffective)