9-2008

Organizational credibility counts

Christine G. Springer
University of Nevada, Las Vegas, christine.springer@unlv.edu

Organizational Credibility Counts

By Christine G. Springer

As economic stressors increase and voting participation decreases, it is important for public administrators to find ways to minimize the negative consequences of distrust in government and to rebuild credibility by making the necessary changes to organizational culture, improving business practices, working with the media to build new more positive relationships, and by accentuating the good news about progress made. Events like Hurricane Katrina tragically teach us how long lasting one negative event can truly be because it is truly a disaster not only for those directly affected but also for those indirectly involved due to its negative affect on the system's, their organization's and their own credibility.

Credibility is defined by how positively or negatively an institution and those representing it are perceived by its key stakeholders – the people or entities that the institution relies on for its success. Organizations that are burdened by a lack of credibility have less opportunity to engage in business as usual because they are spending more time responding to criticism and this hampers recovery as well as commitment and morale. Once key stakeholders view the organization's credibility as diminished, pessimism sets in and those stakeholders cling to negativism and distrust which takes time to overcome. To recover credibility is a step-by-step process requiring great energy involving *organizational rescue, rewind, restoration and recovery*.

Organizational rescue requires the addressing and minimization of damage by someone in a leadership position who steps up and is heard so that the crisis is faced head on. This means that communication is engaged in tirelessly, decisions are made with transparency, criticism is taken seriously and strategic agendas are redefined to focus more on what has to happen next and less on what went wrong in the first place. Having one person in a leadership position act as the primary communicator is important to re-establishing credibility because then focused, consistent, and proactive messages can be delivered without conflict or the risk of misstatements. Sometimes that requires having the leader make an apology effectively – acknowledging the mistake, taking responsibility quickly, expressing regret, and providing assurance that it will not happen again because actions are being taken to address what went wrong. Recovering credibility requires regular and timely face-to-face contact, electronic exchanges and hard-copy messaging as well as continual attention to the organization's web site and its communications because in times of crisis, stakeholders often go there for information.

The rescue also requires a dose of undeniable reality about such things as reduced revenues, required layoffs, failing markets, or restructured services. In the rush of events when a crisis strikes, key stakeholders can and often do go accidentally unnoticed. That is when public administrators need to keep an eye out so that neither the agency's hard-won supporters are ignored nor the core mission languishes.

Rewinding organizational credibility involves analyzing what went wrong and what went right, and then putting in place measures to track future progress. As soon as the situation has been

stabilized or rescued, public administrators should step back and start asking questions about what mistakes were made and how repeating those mistakes or encountering even larger problems can be avoided. They should isolate the factors that brought them to the current situation so that they can rebuild credibility. They should identify *distress signals* that warned of impending problems so that those signals are recognized as important next time and necessary precautions are taken. They should also look for *beacons of light* or sounding boards that in the future can help guide the agency to a safer landing when storm clouds darken the sky. To track progress, credibility measures should be identified and information about them is widely distributed, leaving no uncertainty. Such measures often provide knowledge that reveals that things were not as bad the organization originally thought and that there are collaborators available to work with in the future. Information provided is often a result of focus groups, surveys, or media alerts.

Restoring credibility requires that the organizational culture be re-assessed and re-energized and that there be a re-engagement of the media and key stakeholders. Often the crisis can be traced to shifts in political, economic, societal and business climates that were ignored or assumed to not apply because the public sector won't be affected or this agency is unique and unlike others. Asking and answering several questions helps the organization face its new and real future:

What are the biggest shifts in the world today and how do they affect us?

Where will our core services be in the next two or three years and what is really driving what we do?