

Social Representations about Reputation as the Company's Social Capital

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Abstract— This research work covers issues related to social representations of reputation and the main principals of foundation the reputation. The study involved 479 people. The objective of our research is to study the socio-psychological representations of reputation in the context of the organizational culture of International Company, to develop the tools for managing the company's reputation in Russia. The study used the following tools: Questionnaire, Sacks sentence completion test by Sacks and Levy. A meaningful and statistical analysis of the results based on the method "Unfinished sentences" allows us to formulate several statements. We found practical confirmation that the representation of reputation is perceived as honesty, credibility, openness, reliability, quality of products and services that is the core of company social capital. All the above is a confirmation of the existence of a strong internal corporate reputation management that studies the specifics of building reputation and creating positive social representations about the company. The results enabled us to create a classification of people based on differences in perception of the reputation phenomenon, different situations, objects and basic functions of reputation.

Keywords— reputation, social representation of reputation.component.

I. INTRODUCTION

The concept of "reputation" and synonyms of reputation. Thus, Fombrun C., Shanley M.S. (1990) suggests that reputation itself should be understood as a social assessment of someone's specific characteristics, "the reputation is an active assessment of respect for a man by himself and showing the respect for people's opinion about him" [8]. According to S. Gorin (2006), who considers a business reputation as the economic-legal category that is the "general prevailing opinion about the qualities, merits and demerits of the organization in the field of business turnover, which determines the attitude of the environment and can generate above-standard profits" [11, P. 25-26].

R.J. Varey [19] focuses on the use of the term "reputation" in the business environment and provides these definitions and statements about the concept of corporate

reputation: the combined experience of all people who interact with the organization (Friedman, 2009) [9, P. 229-244]. The assessment of respect for the organization that reflects the image created by people (Dowling, 2001) [5]; the reputation of a company is partly the function of its own activity (including PR-actions) and partly of the behavior of those groups of people who show interest in it or are directly related to (Griffin, 2009) [12].

V. Safón gives the following definition of the reputation as "perceptual presentation of the past actions of the company and its future plans which describe the overall attractiveness of the company according to its key components compared to the competitors" [18, P. 205]. Thus, as it is seen from the definitions of reputation, most authors agree that the reputation is certain information concerning the qualitative aspect of human activity or company [1], [3], [12], [10]. We have collected a variety of definitions of the concept of "reputation" presented in Tabl. 1.

TABLE I. THE DEFINITION OF CORPORATE REPUTATION

Discipline	Definition
Economics	Reputations are traits or signals that describe a company's probable behavior in a particular situation.
Strategy	Reputations are intangible assets that are difficult for rivals to imitate, acquire or substitute.
Marketing	Reputation describes the corporate associations that individuals establish with the company name.
Communications	Reputations are corporate trails that develop from relationships companies establish with their multiple constituents.
Organization theory	Reputations are cognitive representations of companies that develop as stakeholders make sense of corporate activities.
Sociology	Reputational ranking are social constructions emanating from the relationships firms establish with stakeholders in their shared institutional environment.

In the specialized literature, the most commonly used concept of reputation is combined with the concept of corporate image. R. Varey collected the following definitions of the concept of corporate image: the way people about (the society, staff, financiers, customers, etc.) perceive the corporate identity of the company; the way a customer perceives the organization; overall impression (expectations and feelings), that the object (organization, country or brand) has on people; a certain image (the name or icon), symbolizing the organization, product or service. The set of beliefs and feelings associated with a particular image that enriches it with meaning or psychological content. This is the interaction of a company's presentations of itself, the way it would like view and the real public opinion about it, whose changes are difficult to understand [19]. From our point of view, the essence of the reputation and image have a number of common points, but they are not the same [2]. Thus, an image is a specific symbol, a position being deliberately created and promoted by a person or an organization in public. A reputation is the way the image of a company is perceived and how it is viewed in the public eye. The authors argue that reputation is a broader concept and includes the image [13], [16], [13], [15]. There are two big differences clearly separates the concept of image and reputation (table 2).

TABLE II. A COMPARATIVE ANALYSIS OF THE CONCEPTS OF "IMAGE" AND "REPUTATION".

Object	Image	Reputation
	<i>Sign</i>	<i>Context</i>
An organization's possibilities	Meaningful emotions and feelings	Assessed emotions and feelings
Methods of forming	Advertisement, direct influence	Indirect
Methods of influence	Stereotypes	Rational schemes (reasons, arguments)
Period of influence	Before the reputation	After the image

G. Dowling distinguishes those three concepts in his works: "corporate identity", "corporate image" and "corporate reputation". The corporate identity is the set of defying signs and corporate characters, which is what helps people to find a company and distinguish it from others. Corporate image is a range of beliefs and feelings associated with the organization, which are being planned to create within the target audience. The company's reputation is built on the values, which are the features of a particular company (authenticity, integrity, the responsibility to customers, etc.). However, at some point, the author begins to use the concepts of image and reputation, separated by commas, without making distinctions between them [5].

R. Varey expresses a similar position, giving the following quote: "The image of the brand is closely linked with marketing and behavior of the consumers. On the other hand, corporate image, especially in large, diversified organizations, is strongly associated with the corporate identity, rather than with the brand image of its product or service". The problem of explaining what is the essence of reputations and related concepts is raised not only in the literature associated with business, marketing and advertising [19], [20]. Reputation is a better-considered, reasonable perception of the object, based on the achieved

experience, containing the assessment. The image is the upper stage of knowledge and is a correlation of the communication process with the personal human experience, through which stereotypes and certain models of behavior are created [2]. Thus, it can be concluded that reputation is the more complicated concept compared to the other two. It includes the brand (emotional) and substantive (based on personal experience) parts, the latter of which is based on the image [8].

Reputational nature of organizational culture in its turn, has an impact on the marketing symbol (brand assets), strengthening the positive association with the company, the perception of quality, increasing commitment and loyalty (Dowling, 2001; Martin, G., Hetrick S., 2006). It is necessary to demonstrate ethical values, the importance of employees and customers [15]. However, in different social groups, the strategies for building reputation differ and corporate identity and corporate image in people's minds are not always identical [5]. One may say that for building business reputation it is necessary to communicate with different target audiences, focus on their opinions and preferences, as the decision about the quality of the reputation is being made on the auditor's assessment. It is subject to be assessed by the state, the competitors, the partners, the investors, the customers, the staff and the local community (Dowling, G. R., 2001; Martin G., Hetrick S., 2006; Griffin A., 2009; Fombrun C., Shanley M., 1990; Fombrun C., Van Riel C., 2004; Friedman B. A., 2009). G. Dowling (2001) divided all these types of social groups into 4 ones: 1. Regulations (establishing general laws and rules of doing business: authorities, government and non-government organizations, international credit rating agencies); 2. Functional (influencing the daily life of the organization: staff, suppliers, distributors, consulting and juridical firms); 3. Diffuse (indirectly related to the organization, but influencing its reputation, there can be potential customers i.e. journalists, environmental organizations, etc.); 4. Consumers [5].

Thus, it is important to emphasize that the broadcasting reputation in a wide range of social groups that are interested in cooperation with the organization, starts with the values of the atmosphere and culture, rooted in the company. Therefore, the type of organizational focus is crucial in determining the company's reputation.

They are partly reflected in the principles of forming the reputation and raising the emotional predisposition towards the company being described by Charles Fombrun and Cees Van Riel (Fombrun C., Van Riel, S., 2004). The main principles of building the reputation:

1. be visible (the company must be visible in the media and the business community, which is achieved through advertising campaigns, involving different media and having its peculiarity for different social groups, social responsibility);
2. be distinctive (uniqueness of the product, symbol, slogan, development strategy and the benefits that are possible as a result of cooperation with the company);
3. be authentic (the sincerity of the company's management activity, including those in crucial situations, which implies an expression of the corporate identity to the

interested groups without sacrificing the values and ethical principles);

4. be transparent (full access to information about the company or its product or service allowing to make an accurate assessment of the company's activities, its reliability. The indicators of the transparency of the business relationships may be a reflection of this principle in the organizational values, staff awareness of the actions in this area and sanctions for non-compliance, willingness to unveil certain financial indicators for participation in the rankings and surveys);

5. be consistent (the consistency of information about the company and declared possible result of cooperation with it, which is tailored to the features of different interested groups, as well as the absence of differences between the image of the company and internal organizational values in advertising and communications) [7], [21].

Summing up, we want to emphasize that despite a great number of concepts which are closely interwoven with the "reputation", the latter has its own characteristics, which stresses upon taking into consideration the real actions aimed to its formation and the experience of cooperation.

While studying the phenomenon of reputation, priority is, first, the understanding and further investigation of implicit representations about the notion of "reputation". How to understand the reputation, what they put into the content, what related concepts are mentioned, why they are important. For the frequency analysis of words in tasks with an open response, the stamping procedure was used that is bringing the words to a unique form. To stemmize the answers, the MyStem program (Yandex LLC) was used. The program MyStem makes a morphological analysis of the text in Russian. The text was processed by means of a package for the study of the natural language [6] for the statistical medium R (R Core Team, 2017). To provide the results, words that occur at least 5 times were selected. The obtained results showed that in all three groups there is a stable tendency to perceive identically either the company's reputation or people. Having carried out a meaningful analysis of the data obtained, we can say that under the reputation the personnel of company consider: opinion, the company itself, society; Consultants of the company consider: the company, opinion and people; and the leaders: the opinion, the company and the credibility of it.

II. MATERIALS AND METHODS (MODEL)

The main goal of our project is studying the socio-psychological phenomenon of reputation in the context of the company in Russia. The working hypotheses have been formulated: there are significant differences on the company's reputation in the different groups of respondents, which are due to the following factors: status, gender, experience, and knowledge about the company. The main research question of our study is to identify the features the socio-psychological phenomenon of reputation in the context of the organizational culture of the company. The main tasks of our study: 1. To form a study sample represented by three groups of respondents: a) the company's employees, b) consultants (registered buyers), c) consultants-entrepreneurs (leaders). To compare and analyze

the main components of reputation in these three groups of respondents.

Participants and overview. To implement these goals and objectives the database illustrated by the example of the company was used: the registered buyers of the (consultants and leaders) and surveys of the employees with the assistance of the employees of the contact center. The study involved 479 people from Company, of which 14.2% were men and 85.8%, were women from 18 to 67 years old. The participants of the study were asked to complete the sentences which were grouped into 5 major scales and processed using content analysis.

1. Reputation is ...
2. During its existence our Company proved to be a ...
3. Reputation is based on the principles of ...
4. I trust the company because ...
5. I feel ... being a part of the company.

III. RESULTS AND DISCUSSION

To provide the results, words that occur at least 5 times were selected. The obtained results showed that in all three groups there is a stable tendency to perceive identically either the company's reputation or people. Having carried out a meaningful analysis of the data obtained, we can say that under the reputation the personnel of the Company consider opinion, the company itself, society; Consultants of the company consider the company, opinion and people; and the leaders the opinion, the company and the credibility of it (tables 3, 4, 5).

TABLE III. REPRESENTATION OF REPUTATION AMONG THE INTERVIEWED EMPLOYEES

staff.reputation.word	staff reputation	percent
Opinion	56	10.7
Company	46	8.8
Society	25	4.8

TABLE IV. REPRESENTATION OF REPUTATION AMONG THE INTERVIEWED CONSULTANTS.

consultant.reputatio.word	consultant reputation	percent
Company	31	7.6
Opinion	30	7.3
People	19	4.6

TABLE V. REPRESENTATION OF REPUTATION AMONG THE INTERVIEWED LEADERS

leader.reputation.word	leader reputation freq.	percent
Opinion	23	5.0
Company	20	4.3
Credibility	12	2.6
Honesty	17	3.7

During its existence on the market, Company has proved that it can be perceived as a reliable, partner company (staff); as a reliable and good company (consultants); as a stable and reliable partner company (leaders) (tables 6, 7, 8). The perception of the company as reliable (fulfilling its obligations to employees and consumers), stable (showing

high growth rates over many years of its existence on the market), a good (positively perceived psychological climate, the current management system) is an important indicator of high human potential and strong organizational management.

TABLE VI. REPRESENTATION OF THE COMPANY AMONG THE INTERVIEWED EMPLOYEES

staff.evidence.word	staff.evidence.freq	percent
reliable	29	4.8
partner	29	4.8
company	26	4.3

TABLE VII. REPRESENTATION OF THE COMPANY AMONG THE INTERVIEWED CONSULTANTS

consultant.evidence.word	consultant.evidence.freq	percent
company	41	8.4
reliable	31	6.3
good	26	5.3
stable	25	5.1

TABLE VIII. REPRESENTATION OF THE COMPANY AMONG THE INTERVIEWED LEADERS

leader.evidence.word	leader.evidence.freq	percent
company	25	4.4
partner	54	9.6
reliable	59	10.5

Semantic analysis for all three groups made it possible to present the obtained data using the table [22]. The most frequently repeated terms in the description are the following statements: a stable company, a reliable partner.

IV. CONCLUSION

The question arises as "What is the difference between three groups of Company?" Having ranked the answers received in those groups of respondents, we received the following answers. For example, in comparison with other companies, per the opinion of the staff, our Company is distinguished for its reliability, openness, honesty, good relations. Consultants clarify that Company provides more opportunities, and higher quality products. According to the leaders, Company is the most reliable partner. What is Company going to face in the nearest future? Answers to the given question have allowed revealing distinctions in representation of the future of the company among the employees, the consultants and the leaders. The staff states that the company will develop and become a leader in its industry; consultants noted that the company will become the number one leader; leaders pointed out that the company will become a world leader company. A meaningful and statistical analysis of the results based on the method "Unfinished sentences" allows us to formulate several statements. Our Company has stable, positive implicit ideas about the company itself, as well as the company's reputation, from the point of view of the staff, the consultants and the leaders. We found practical confirmation that the reputation is perceived as honesty, credibility, openness, reliability, quality of products and services that is the core of company social capital. All the above is a confirmation of the existence of a strong internal corporate reputation management, a special area of organizational management and psychology that studies the specifics of

building a positive reputation and creating a positive opinion about the company from the point of view of employees and the society.

Theoretical analysis of strategies for the formation, maintenance and development of reputation can be a platform for the development of intra-organizational strategies aimed at maintaining the high reputation of the company and its further development.

The company management should pay attention to the revealed differences in the assessment of the main components of the reputation between the staff, on the one hand, the leaders and consultants, on the other [23]. It is possible to propose for the HR staff the development of special mixed training programs, which will involve representatives of three groups: leaders, consultants and company staff. In the program, include a meaningful analysis of cases, the reflection of experience, and the exchange of experience.

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