Re-creating Reputation Through Authentic Interaction:   
Using Social Media to Connect with Individual Stakeholders

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Abstract

Organizations have a new opportunity for creating dialogues with individual stakeholders in which organizations can demonstrate their authenticity and earn a positive reputation. Social media tools, with their interactivity, constant stream of data, and easy sharing, make two-way symmetrical communication between individuals and organizations technically possible. And, strategies for making the organization socially present (i.e., more human) ([Biocca](http://portal.acm.org/author_page.cfm?id=81100082338&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), [Harms](http://portal.acm.org/author_page.cfm?id=81100225624&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), & Burgoon, 2003) online put the ultimate goal of authentic communication within reach of organizations. To take advantage of these opportunities, organizations and reputation management practitioners will need to reconsider the roles of distinct, distributed interactions and individual stakeholders on creating reptuation. Organization scholars will want to reconsider the relational approach to stakeholder management, and develop cross-disciplinary research to combing investigations of computer-mediated interaction with our evolving understanding of reputation management.

“The closer you get to someone, something, some brand, some organization… the harder it is to demonize it, objectify it or hate it. So, if you want to not be hated, open up. Let people in. Engage. Interact.” (Seth Godin)

Social media are creating opportunities for organizations to demonstrate “who they really are” to any stakeholder with a vested interest in the organization’s behavior. Organizations are now able to create a larger volume of more targeted, one-to-one impressions on individual stakeholders, thus influencing their reputation in the eyes of these stakeholders. However, social media allow for something more than an increase in impressions; they allow for an entirely new quality of impressions- impressions that can be experienced as authentic. Social media provide exponentially more opportunities for an organization and its stakeholders to interact, to create dialogues and to establish relationships. These dialogues and relationships, in turn, allow stakeholders to assess the authenticity of an organization and feel confident about their perceptions of who the organization really is. By using social media to facilitate relationships between stakeholders and the organization, organizations can establish their messages as more trustworthy and themselves as more authentic, in ways that ultimately contribute to the organization’s reputation.

Even though social media are tools designed to support interpersonal relationships and not relationships between individuals and organizations, organizations are finding ways to represent their collective self on social media to establish something closer to an interpersonal relationship with individual stakeholders. These social media relationships, unlike the organization-public relationships that reputation scholars have emphasized in the past (e.g., Hon & Grunig, 1999), have a person-to-person component that allows stakeholders to assess the authenticity of their interaction with the organization, and then to project this authenticity onto the organization as a whole. When an organization’s communication is perceived as authentic, stakeholders will feel more confident about their perception of the organization and they will be more willing to trust the way that the organization presents itself.

By definition, an organization’s stakeholders are individuals and groups who stand to be affected by that organization’s behavior. Stakeholders may contribute, either voluntarily or involuntarily, to the organization’s capacity, and the organization’s actions may either benefit or cost the stakeholders in some way (Post, Preston & Sachs, 2002). Stakeholders believe that the organization’s actions will affect them, and they want in return to influence how the organization acts. However, the power disparity between organizations and individual stakeholders, as well as stakeholder groups, often makes it difficult for stakeholders to influence the organization.

The interests and priorities of the organization and its stakeholders may not always be aligned; there is often a gap between the interests of the organization and the interests of any stakeholder. With regard to the organization’s reputation, the gap may be as simple as the difference between how the organization wants to be seen (its desired image; Brown, Dacin, Pratt, & Whetten, 2006) and how its stakeholders actually perceive the organization. Reputation management strategies, and organizational communications more generally, are designed to close this gap. Reputation management strategies range from efforts to convince stakeholders to adopt the organization’s desired image, to engaging in conversation that develops mutual understanding of each other’s positions, to collaborating on mutually satisfying solution that dissolves the gap.

The goal of this chapter is to offer a rationale for reorienting how we think about organizational reputation to focus more attention on creating relationships between the organization and individual stakeholders. The chapter opens by describing what it means to consider how an organization’s reputation is constantly being re-created with each unique impression on an individual stakeholder. Focusing attention on an individual’s ongoing construal of an organization’s reputation helps us anticipate why authentic communication matters and where social media can have the biggest impact on organizational reputation. Next, we identify opportunities that social media present, based on their technological features and by the usage norms that these features encourage, for creating something closer to a two-way, symmetrical communication (e.g., Grunig, 2001) between the organization and individual stakeholders. We consider how interactive, constant, public, and easily shared communication encourages dialogue and shifts power towards individual stakeholders. These technical features and the relationships dynamics that they support make authentic interaction possible.

However, what makes authentic communication likely is social presence ([Biocca](http://portal.acm.org/author_page.cfm?id=81100082338&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), [Harms](http://portal.acm.org/author_page.cfm?id=81100225624&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), & Burgoon, 2003) as we conside in the third section. Social presence, a participant’s “humanness” in an online interaction, lets us display cues that we need to assess the authenticity of our communication with each other. The tactics that organizations use to establish their social presence online can either frustrate or enhance authentic communication, to the degree that these social presence tactics allow the organization and the individual stakeholder closer to each other through understanding and adjustment. Moreover, social presence allows the organization to demonstrate “who it is”. Finally, we conclude by recommending both internal and outwardly focused adjustments to an organization’s reputation management approach.

**What We Should Emphasize About Reputation To Anticipate the Impact of Social Media**

**Why Re-creating Reputation?**

I use the term *re-creating* reputation to emphasize how reputation is constantly being influenced by new perceptions of an organization’s behavior. The organization’s behavior creates data that individual stakeholders use to construe their perceptions of the organization’s character and thus its reputation. Individuals create and revise their perceptions of an organization each time they experience the organization directly by interacting with it, or indirectly through information shared by other stakeholders (Bromley, 1993; Bruning & Ledingham, 2000; Grunig & Hung, 2002). At any moment, one’s perception of the organization can change—reputation can shift, be spoiled or be polished, by some interaction. Each interaction, whether directly experienced or indirectly shared, creates a perception by the stakeholder, as the organization’s behavior enacts and demonstrates its character for the stakeholder. And, each interaction demonstrates to the stakeholder how willing the organization is to consider stakeholders’ concerns as it makes decisions and moves to close the gap between them. Each discrete perception influences the stakeholder’s overall construal of the organization’s reputation, and so the organization’s reputation is constantly recreated.

**Why Authentic?**

Stakeholders are not naive about the importance to organizations of developing positive reputations. It is clear that a positive reputation nets an organization goodwill and competitive advantage (Fombrun & Rindova, 2000; [Kowalczyk & Pawlish, 2002)](http://www.palgrave-journals.com/crr/journal/v5/n2/abs/1540172a.html" \t "_blank), and stakeholders know that organizations are always working to make themselves look as much like their desired corporate image as possible. Stakeholders also distrust organizations more than they trust them (Edelman, 2009). Thus, stakeholders are inclined to be cautious about what to believe about an organization, and so they look for ways to determine whether what they are told about an organization is true.

When individuals construe the reputation of an organization, we implicitly and explicitly consider whether the organization seems authentic: What does the organization claim about itself? Are the organization’s claims honest, credible, and trustworthy? Is the organization acting as it says it will? Is the organization really what it claims to be? (Corley & Harrison, 2009; Kelleher & Miller, 2006). Stakeholders assess the organization not only through its general behavior, but also through the ways we experience the organization when we interact with it. Because we cannot know whether or not the organization is authentic (Gilmore & Pine, 2007), we must consider instead whether it is communicating authentically with us. From our assessment of whether the organization is authentic in its interactions with us we extrapolate our assessment of the organization’s authenticity.

The perceived authenticity of an organization’s communication matters, because stakeholders are skeptical about the degree to which an organization’s communication reflects something close to the truth of a situation. Stakeholders do not want to base their assessments of an organization’s reputation on untrustworthy information. And, the authenticity of the organization itself matters, because stakeholders will not trust an inauthentic organization to behave according to its claims and promises, regardless of what those promises are. Without authentic information about what the organization claims, and without a sense that the organization is striving to behave according to its claims, stakeholders will conclude that the organization’s reputational claims are untrustworthy and that the organization itself is untrustworthy.

It is not easy to assess the authenticity of an organization’s communication. Instead of a single, definitive test for authenticity, there is an array of accepted and often unexamined criteria through which we assess the authenticity of what is communicated to us (Showkeir & Showkeir, 2008). (See Table 1.) These characteristics include: being accurate and factually correct, dealing with the core issues and information, telling the whole story, including the meanings and implications of the issue in question, providing information when it is known, responding to what the other party has said, and not contradicting one’s own words or actions. These criteria reflect both an expectation of adaptability and responsiveness to the particular situation and conversation and, simultaneously, an expectation of consistency and truthfulness. What people look for is communication from another party that is responsible to their own particular needs and contributions, and yet still retains its own integrity and internally coherent. We want the other party’s communication to us to be flexible enough to mesh with what we are adding, but consistent enough to stay anchored to what they actually believe and can do.

Traditional forms of public relations and reputation management, with their “thrust and parry” dynamic, are largely an exchange of monologues where the organization has more power than the stakeholders to control the overall communication. In these asymmetrical, monologue-driven communication efforts, it is not hard for an organization to represent its motives, values, and even its actual actions in self-serving ways (Coupland & Brown, 2004). When the organization’s communication includes reference to the stakeholders’ concerns, these concerns are presented from the organization’s perspective and quite often differ from how stakeholders would describe the concerns themselves.

Knowing that the information shared by the organization is carefully crafted and spun, audiences struggle to assess whether the organization’s claims about its priorities and motivation are backed up by other claims and actions. We assume that this communication serves the organization’s interests, and we are justifiably suspicious of its truth-value and authenticity. And, because monologues make it difficult if not impossible for audiences to clarify, test and confirm what the organization supposedly means to say, we have few ways to assess whether the organization is communicating authentically.

**Why Interaction?**

Interaction between the organization and stakeholders makes it possible for stakeholders to assess the organization’s authenticity, because interactions make dialogue possible. Through dialogue with an organization, an individual stakeholder can clarify, test and confirm what the organization is trying to communicate, and begin to assess whether the organization is authentic. But even more important to authenticity is that dialogue is necessary for creating mutual understanding, the kind of understanding required to bridge any gaps between the organization’s interests and the stakeholder’s interests. In addition, the interactive features and social presence capabilities facilitated by social media allow stakeholders and organizational representatives to create relationships. These relationships allow stakeholders ongoing opportunities to assess the authenticity of the organization’s communication and its overall character while allowing the organization to demonstrate a concern for the stakeholder.

Reputation scholars have already taken a “relational approach” towards understanding the relationships between the organization and its important publics (e.g., Bruning, Castle, & Schrepfer, 2004, Grunig, 2001; Grunig, Grunig, & Dozier, 2002). This relational approach has adopted concepts used to analyze interpersonal relationships and applied them as a metaphor for understanding the qualities of the outcome interdependence between the organization and stakeholder groups. However, social media allow us to use concept of interpersonal relationships in a more direct, less metaphoric way, so that we consider the role of a real interpersonal relationship between an organization’s representative and an individual stakeholder.

**Why social media?**

Social media create opportunities for more interaction and for a different quality of interaction between stakeholders and the organization because the technologies of social media support direct interaction – dialogue – between stakeholders and the organization. Through social media, organizations and individuals can create relationships that, in turn, lead towards more authentic communication.

Reputation scholars and practitioners have long advocated for a two-way, symmetrical communication model (Grunig, 2001), where organization-stakeholder communication serves a joint or collective interest with adjustments by all parties. However, in practice this model is more idealized than evidenced (Grunig, Grunig, & Dozier, 2002). Organizations have only been able to create two-way relationships occasionally, with a small set of “critical stakeholders” (Mitchell, Agle & Wood, 1997) and not more broadly with any stakeholder. The one-way, asymmetrical model has predominated not because organizations lacked the interest to become more interactive or to create genuine relationships with individual stakeholders, but because organizations lacked the tools to make this kind of interaction widely efficient and effective. Social media put this ideal model of a symmetrical, two-way relationships within reach of organizations and individual stakeholders.

**Recognizing The Opportunities of Social Media**

**Features of Social Media Tools**

Each social media tool has its own combination of characteristics – text, audio, visual, video, synchronous, asynchronous – that shape its intended communication purpose (Howard, 2009). Social media can be used to inform, entertain, educate, schedule, converse, resolve conflict, and make decisions. Social media tools include public community networks like Facebook, publishing platforms like blogs, public micro-blogging sites like Twitter, rating sites and complaint sites, community and membership sites like Ning, and more. All social media facilitate a finer grained approach to interacting with individual stakeholders than do traditional media. Instead of taking a broad-brush, broadcasting approach by treating individual stakeholders as part of larger publics, social media make it possible for each individual stakeholder to engage more directly with the organization (Paine & Kowlaski, 2008).

# While each social media platform has specific features based on the type of communication and kind of users it is built to facilitate, all of these platforms have some features in common. These features include the technical scaffolding for: (1) user interactivity, (2) constant streaming of public, accessible, and searchable conversations, and (3) easy sharing beyond immediate participants. These features, taken together, make it possible for organizations to create relatively more symmetrical, two-way communications with individual stakeholders.

**Social Media are designed for interactivity, which is essential to dialogue.** Probably the most important feature of social media is the one we take most for granted, the fact that all social media are designed to create and facilitate direct, interactive communication between two or more individuals. Social media platforms are not only tools for sending messages out but are also tools for receiving messages – they are two-way by design. Moreover, social media platforms link messages to the content that triggered them, keeping each message as part of its specific conversation. This linked, contextual interaction, where ideas are exchanged, shared, and responded to by each party, is what makes mutual understanding possible (McGuire, 1989; 2001). By definition, dialogue is based on listening to one another’s concerns and exhibiting a willingness to make changes in understanding as a result of having listened.

Although social media interactions are two-way dialogues, these dialogues may not be symmetrical in terms of the power dynamic that surrounds them. However, the normative expectation on social media that any message will receive a response of some kind does help to put more power in the hands of the individual stakeholder. Consider too that a “response” on social media means more than being sent an automatically generated, prepackaged bit of information. Instead, a response is information that is specifically tailored to what the stakeholder actually said. Stakeholders using social media expect to have unscripted, situation-specific interactive dialogue with the organization (Kelleher & Miller, 2006). The organization is expected to adjust its response to adapt to the needs of the stakeholder. This expectation of responsiveness pushes the dialogue between the individual and the organization’s representative closer to the criteria of authentic communication.

Our expectations about responsiveness on social media are so strong that most people simply assume that organizations and their representatives will be accessible to them online. By their very adoption of social media tools, organizations are seen as signaling that they want to engage with individual stakeholders (Paine & Kowalski, 2008). (Many early adaptors acquired some goodwill from these efforts). In contrast, not being available on social media is taken to suggest that the organization does not care about communicating with all stakeholders, or worse that the organization is afraid to be accessible by stakeholders, perhaps because it has something to hide.

**Social Media establish a constant stream of public, accessible, and searchable conversations between the organization and individual stakeholders.** The multitude of interactions between an organization’s representatives and each individual stakeholder on social media are visible, searchable and sharable, not only in real time but also historically. The visibility of these conversations makes it possible for individuals to hold organizations accountable for what they say. This means that one dialogue can be seen, referred to and influenced by many other dialogues and in turn can influence an infinite number of individual stakeholders. And, because interations over time and across stakeholders can be searched and aggregated, individuals can create a large database from which to determine the organization’s reputation.

Individuals can use the online archive of interactions to analyze the history of an issue and assess how the organization engaged with others about that situation. Active stakeholders can view previous dialogues about an issue, or dialogues with the same representative, or dialogues between other stakeholders and the organization, and educate themselves on the organization’s position before they even engage with the organization themselves. Interested individuals who are not directly engaging with the organization are influenced by reading these public dialogues. And, although they are not conversing themselves, these “active lurkers” (Takahashi, Fujimoto, & Yamasaki, 2007) use this new knowledge in other situations. They actively propagate the information by sharing it with others who may then revise their perceptions of the organization.

Publically available, real time and historic dialogue between individuals and the organization also documents any explanations the organization has proffered and any promises it has made. This documentation allows individual stakeholders and the organization to hold each other accountable for previous actions and future plans. Earlier explanations and commitments made elsewhere can be used to support or challenge what goes on in their own interaction. Because what has been said and done before, and what is going on in a current interaction, are now visible to others, participants are more motivated to keep their word, to be reasonable, and to make the dialogue work. Ultimately, this public availability acts as trust safeguard (Akerlof, 1970), because it discourages organizations from contradicting themselves or from saying one thing and doing another across audiences and over time.

The openness and public availability of an organization’s communication on social media is not the same as organizational transparency. Organizational transparency is the degree to which an organization’s actions, decision-making processes, decision criteria and data are hidden or displayed(Scoble & Israel, 2006; Rawlins, 2009). Social media interactions do reveal some of an organization’s internal processes and information, so organizations that use social media are relatively more transparent than organizations that do not use social media. However, organizations still have control over how much and what types of information are laid bare on social media and elsewhere online. The organization still controls what information is available, where it is available, and how it is presented. When it is made available through channels other than social media, the organization’s information is still framed, formatted, shaped and presented in ways that suit the interests of the organization. Sometimes transparent information is not all that different from broadcasted monologues in its structure and content. The big difference is that the information is not pushed out, but rather made available for stakeholders to come and look.

Transparency is often equated with authenticity (e.g., Rawlins, 2009), but transparency is only a tactic for allowing authenticity to be demonstrated or assessed. Transparency makes it possible for organizations to show that they act as they say they will and point out the substance that supports their claims. And, transparency gives stakeholders a chance to investigate issues, and match up some claims and some behaviors to see whether these align, thus getting a sense of how authentic the organization is. But, an organization can be more or less transparent and still be inauthentic, if the organization’s claims and actions do not align.

# Social Media make it so easy for individuals to share information about their interaction with an organization that the power dynamics of the relationship shift towards the individual, making communication somewhat more symmetrical. Any stakeholder’s interaction on social media has the potential to influence the perceptions of an infinite number of other individual stakeholders and thus have an exponential impact on an organization’s reputation. Because searchable archives make individual interactions visible to others, the individual stakeholders has the potential to influence other’s perceptions if their interaction with the organization captures other people’s attention. And, if the interaction seems to the stakeholder to be important data, the stakeholder can send a copy of this compelling information out to members of her network, who send that information out into their own networks. Because the organization has no control over the stakeholder’s sharing behavior, and because sharing is so easy for the individual stakeholder, the power dynamics of the interaction shift slightly and importantly towards the stakeholder. The stakeholder, and not the organization, gets to decide whether or not the interaction is worthy of being communicated broadly, potentially to influence other stakeholders.

When individuals receive copies of an interaction or some other information through their social networks, this information often has additional implied importance. First, it has been sent by a personal connection who has made this information important simply by deeming it worthy of sharing. Second, the information often is received in a more direct, less distanced way. Members of a network often experience digital copies of interactions vicariously, taking the perspective of the network member over the perspective of the organization. Third, when the interaction itself is shared, it is experienced as legitimate data and not gossip or even legitimate word-of mouth. Finally, if the shared interaction is emotionally compelling (quite likely for a ‘viral’ message), it will have a stronger impact on the recipient’s perceptions.

An organization cannot predict which individual stakeholders are likely to have interactions they feel need to be promoted to their own networks. And, an organization cannot predict which interactions are more likely to “go viral”. Thus, every stakeholder could potentially become a “critical stakeholder” (Mitchell, Agle & Wood, 1997) able to influence many others’ perceptions of the organization. And, any mishandled or especially promising interaction could potentially “go viral”, making every interaction important. The possibility that any one interaction could become disproportionally influential across an infinite network of individuals acts as another trust safeguard by motivating organizations to treat each interaction and individual stakeholder with some care and respect.

Taken together, the features of interactivity, publicness, and easy sharing on social media make two-way symmetrical communication possible. They provide enough information about the organization’s behavior and shift enough power towards the individual stakeholder that the organization is (relatively) more accountable for communicating in an honest, even candid manner. However, these features do not by themselves make the communication between the organization and the individual authentic. Authenticity requires us to go beyond exchanging and sharing information; authenticity requires us to demonstrate that we are influencing, understanding, adapting to and connecting with each other. And, social media can help us demonstrate authenticity through the way they enable social presence.

**Social Presence and Authentic Communication**

**Social media are designed to maximize the social presence of each participant, and a social presence allows us to convey and assess authenticity.** Social presence is the perception that there is another person, another human being, on the other side of a computer-mediated interaction ([Biocca](http://portal.acm.org/author_page.cfm?id=81100082338&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), [Harms](http://portal.acm.org/author_page.cfm?id=81100225624&coll=GUIDE&dl=GUIDE&trk=0&CFID=68981718&CFTOKEN=32157108" \t "_self), & Burgoon, 2003). The two sets of criteria for assessing social presence, psychological engagement and behavioral interdependence, are the very activities that close the gap between others and ourselves. And, they map very closely onto the criteria for authentic communication.

To tell whether we are interacting with another human being and not a robot, we look at the interaction partner’s social presence. We assess the social presence of an interaction partner by his or her demonstrations of psychological engagement and behavioral interdependence. We demonstrate psychological engagement when we show that we are paying attention, are emotionally involved, and are working to comprehend what the other party is trying to convey. When an online participant is attending to us, is acknowledging or sharing our emotion, and is reflecting that he or she understands what we are trying to say, we experience that party as making an effort to close the emotional and cognitive space between us.

We demonstrate behavioral interdependence when we show that our next step depends on what the other party has just said or done. We do more than follow a script or a recipe. Instead, we make more unique adjustments to provide what the other party wants and needs in the dialogue. When an online participant responds directly to what we have just said, or adjusts his or her behavior to accommodate ours, we experience that party as making an effort to close the behavioral space between us. Working together, demonstrations of psychological engagement and behavioral interdependence create a sense of social presence. And, the very same psychological engagement and behavioral interdependence are what is necessary for individuals and organizations to reach agreement and to influence each other.

The particular medium, the design of the digital interface, and the kind of interaction permitted all constrain how much a real individual can demonstrate social presence and how much a computer, robot or script can simulate social presence. Social media are designed to make it possible for people in computer-mediated relationships to display and deliver as much information about themselves to each other. A myriad of what seem to be small design features, like time stamps, avatars, topic tagging, geotagging, flagging, searching, visual customizations, sharing and gifting, and displaying common network connections, not to mention the ways that information can be linked and triangulated across various social media, are built into social media precisely so that participants can display cues that they are socially present.

With social media, the very same features that convey humanness and sensitivity also expose automation and inflexibility. This creates a challenge for organizations, since organizations must find ways to fit themselves into media designed for individuals and demonstrate social presence. How can organizations take all these little features, designed to display the attributes of individuals, and adapt them to display attributes of their collective entity? And, how can organizations participate on these media in ways that demonstrate sensitivity and flexibility?

Organizations have struggled to find ways to use social media to interact with individual stakeholders in ways that demonstrate and generate psychological engagement and behavioral interdependence (Kelleher & Miller, 2006). Strategies have run the gamut from hyper-sophisticated automation (e.g., ‘live’ chat) to human representatives reading from scripts and following decision trees (e.g., call centers), to having individual employees with discretion over their own actions represent the organization online (e.g., brandividuals, Harquail, 2009).

An organization’s presence on social media is difficult to automate. In an automated interaction, the individual is limited to a predetermined set of possible inquiries to which the organization’s software program returns a pre-scripted response. By design, there is no opportunity for the stakeholder to feel listened to, to feel understood, and to feel influential in the automated interaction. When organizations assign an employee to interact online, but require that employee to adhere to a predetermined set of responses as they interact with an individual stakeholder, both the employee and the stakeholder can become frustrated by their inability to establish mutual social presence. The employee, pressed to stay on the predetermined message, is prohibited from actually responding to the individual’s concerns to close the gap between the stakeholder and the organization. Individual stakeholders, looking for understanding and problem-solving action, see only the organization’s unwillingness to engage. Neither automated nor tightly scripted employees can render the organization as socially present. Instead of a real relationship, the stakeholder and the organization enact what is called a parasocial relationship, one based on a “simulacrum of conversational give and take” (Horton & Wohl 1956, p. 215) rather than a real dialogue.

**Organizational representatives as translators and mediators**

Given the limitations of automated and tightly scripted communication, nearly all organizations active on social media are experimenting with giving individual employees the authority to represent the organization in dialogues with individual stakeholders (Harquail, 2009). This authority permits representatives to translate the organization’s general priorities, values and decisions into the language and the specific situation of the individual stakeholder and to mediate between the interests of the organization and the stakeholder. Individual stakeholders, for their part, assume that because the representative knows more about the organization and has a more intimate understanding of the organization, the representative is able to craft a more accurate interpretation of a situation and a more specific response to it. Thus, the translated communication of the organization, directly conveyed by the representative, not only feels more responsive but also is more responsive to the stakeholder’s concern.

An organization’s representative also mediates between the interests of the organization and the interests of the stakeholder, to help bridge the gap between their positions and develop their understanding of each other. To be effective mediators, representatives have to demonstrate that they understand the stakeholder’s concern, that they have listened carefully, that they can find mutuality, balance power, reduce conflicts and work toward change in concert with the stakeholder. The moves that the representative makes, the concessions, agreements, interpretations, and so on that the representative negotiates with the stakeholder, feel more trustworthy.

Stakeholders evaluate the qualities of the representative’s interaction with them and with other stakeholders. Stakeholders watch how the representative manages the dialogue, evaluates criteria and makes decisions, responds to concerns of other stakeholders and extends apologies. From the representative’s behavior, stakeholders draw conclusions about how the organization approaches its interactions and resolves concerns with stakeholders. This “process reputation” (Mahon & Wartick, 2003) reflects stakeholders’ perceptions of how the organization works through issues to close the gapes between the organization’s position and those of other stakeholders. Organizations can develop process reputations for handling issues effectively or ineffectively, in a trustworthy manner or a manipulative one, and so this process reputation influences how we interpret and trust other kinds of information the organization is communicating.

**Individual representatives as relational proxies for the organization**

In powerful yet less-explicit way, individual stakeholders may also treat the representative as though he or she were the organization. When this happens, a representative fills the role of the organization’s relational proxy (Ackerlof, 1970). A relational proxy is an intermediary whose own features stand in for those of the party it represents. The features of the organization’s human representative become the data from which the individual makes inferences about the organization. The representative’s behavior is understood to reflect some amalgam of the representative’s own personal attributes and the attributes of the organization.

As a representative participates in a relationship with the stakeholder, the stakeholder infers characteristics about the organization from the way that the representative manages their relationship. The stakeholder transfers the qualities of the interpersonal experiences and connections made with the representative to the organization as an entity. The social presence created by the representative, and all the attributes that go with it, become attributed to the organization. The stakeholder experiences his or her relationship with the representative as a relationship with the organization itself. If the stakeholder experiences the representative as authentic, he or she will attribute this authenticity to the organization as well.

Having employees represent the organization works best when the employees are out front, with a name and a personality. Employees can work behind the scenes, using the organization’s name, symbol, icon, character or avatar that represents the organization while the employee speaks or writes the voice of behind the name or symbol (Coupland & Brown, 2004; Harquail, 2009). However, when organizations use an unnamed, anonymous person to act “as” the organization, this practice can be off-putting to social media users, simply because it violates the person-to-person norms of social media. Social media users know that there is an employee behind the organization’s logo, working the mouse and the keyboard. When the employee is hidden, unnamed, and without a unique voice, there may not be quite enough social presence to make it easy for the employee and the stakeholder to create a relationship. Moreover, when an anonymous employee represents the organization, we wonder what each or both might be hiding.

The representative reduces the asymmetry in the relationship by serving as both a target and a source of emotional connection and behavioral interdependence. The connection between the organization’s representative and the individual stakeholder is created using the representative’s personal self-expression. The representative’s personality, self-disclosure, and personal communication style help to establish her or him as a person, attracts the stakeholder’s attention and helps the stakeholder establish an interpersonal connection with the representative (Harquail, 2009). By engaging with the representative, stakeholders may begin to develop a sense of intimacy, a sense of commitment to the relationship, and a sense of familiarity (Bromley, 1993; Grunig & Hung, 2002). Although these connections are created between two individuals, they are simultaneously experienced as being with the organization as an entity. Granted, this relationship with the organization is mediated by the representative, but it is a significant improvement on the impersonal ‘relationship’ created through other, less socially present tactics.

One interesting feature of the way that stakeholders use representatives as relational proxies is that stakeholders do not assume that statements, decisions or behaviors that obviously communicate the organization’s point of view are necessarily suspect, untrustworthy or inauthentic (Howard, 2008). This is because, in part, stakeholders assess the representative’s behavior towards them as individuals, determine whether the representative is trustworthy and authentic in their interpersonal relationship, and then transfer that assessment to the information itself. So even if the information serves the organization, if it is conveyed within authentic communication, it is treated as authentic information.

Having representatives available on social media invites stakeholders to engage with the organization by making engagement seem worthwhile. Stakeholders will only engage with organizations if they can expect that their engagement will make a difference and will help close the gap between their interests and those of the organization. And, when individual stakeholders make an effort to engage in active communication with an organization these stakeholders are also more likely to cultivate their relationship with an organization over time (Rhee, 2004; Youngmeyer, 2002). If organizations can encourage stakeholders to make an initial effort to engage, representatives can develop relationships in which they can show themselves, and thus the organization, to be truthful, sincere, honest, open with all necessary information, and responsive to stakeholders’ expressed concerns (Beal & Straus, 2008; Coupland & Brown, 2004, Rawlins, 2009).

**Challenges And Recommendations For Organizations**

The opportunities to build dialogue and relationships with individual stakeholders through a constant stream of social media interactions hold great potential for organizations that want to create strong, positive reputations. Some social media experts suggest that authentic interaction is blossoming in social media, while others point to a growing cooptation of the original interpersonal support of social media by commercial interests (Rawlins, 2009; Scoble & Israel, 2006). Neither direction is inevitable. However, if organizations want to take full advantage of the possibilities of social media, they must make the choice to experiment with how best to represent themselves on social media.

It is now possible to create authentic relationships with stakeholders, but organizations need to reorient their energies, reset their priorities, and get ready to challenge themselves to act more authentically. Here are a few very basic recommendations, largely towards refocusing the organization’s reputation management energy.

**Externally Focused Challenges**

1. Organizations will need to learn how to develop specifically interpersonal relationships, shifting from an emphasis on informing stakeholders to an emphasis on connecting with them. They will need to develop skills and systems for the intermediary steps of relationship building such as listening, engaging (Paine & Kowalski, 2008), negotiating and collaborating with individual stakeholders.
2. Organizations will need to shift from a focus on controlling the message to a focus on creating connections and relationships. Organizations should pay close attention to what they continue to control, with an emphasis on the qualities of the processes they use to invite, understand, and assist in resolving stakeholder concerns.
3. Organizations should pay as much (if not dramatically more) attention to ongoing, small, distributed interactions as they do to the larger-scale, discreet initiatives that are traditionally part of reputation management and corporate relations programs. Given that the impact of each corporate response, each byte of outreach and each interaction with a stakeholder over social media can potentially be magnified if it is shared across social networks, organizations need to take all of these interactions seriously. Even interactions that seem repetitive and banal have the potential to influence perceptions of the organization. To support these distributed interactions, organizations must develop internal systems to address technology development, information sharing, and employee training, as well as systems for collating and funneling information from these interactions to develop organizational improvement plans.
4. Corporate reputation strategies should recognize that although there will always be a need for targeted communications that fit particular stakeholder niches and for reputation-crafting initiatives appropriate to particular markets and social arenas, social media will not necessarily conform to or respect the boundaries between stakeholder groups. (Consider how a simple Google search by a customer with a service problem can turn up information on corporate social responsibility, product development, recruiting, and even executive compensation.) In between a ‘one size fits all’ reputation and a ‘made-to-measure’ niche reputation is a mass customization model, where many adjustments can be made at the margins to fit the specific need, while the core remains consistent. Organizations should support these more distinctive and targeted desired images with a common, authentic interactional character that reflects the organization’s core values and is responsive to all kinds of stakeholders.
5. Similarly, employee representatives in different parts of the organization should draw on a shared set of relational principles so that the tone of interactions across all areas and stakeholder groups reflects the organization’s core values. Authentic communication should be a goal regardless of the niche.
6. The organization’s claims need to be backed up not only in a particular interaction but also through follow-up actions. For example, telling a customer “We’re here to help, we’ll send a technician” can assuage a customer’s concern, but only a service call that actually fixes the problem will make that statement authentic.
7. Similarly, organizations need to realize that stakeholders will not be fooled by an organization with friendly representatives that resolve an immediate situation while the organization-wide systems that continue to cause similar problems remain unchanged. An authentic response to an issue closes that particular gap not only for that individual stakeholder but also for all similar stakeholders.

**Internally Focused Challenges**

1. Organizations must make it easier for individual representatives to translate the organizations’ position in each specific interaction with a stakeholder. Representatives will need to develop a deep understanding of the organization, its priorities, capabilities and limitations, before they can represent the organization effectively on line. To make this knowledge possible, organizations will need to open themselves up to a full range of employees, sharing information and clearly communicating values and priorities internally. Organizations must discover where their boundaries are, in terms of what representatives can discuss and what they can offer to stakeholders.
2. Organizations will need to clarify and describe the collective “voice” that should express the organization. In order for the organization to have a coherent “voice”, all members representing the organization will need to become expert at understanding the organization and have ways to align their understanding with those of other representatives. Organizations will want to consider internal activities like workshops on how to use media tools as well as internal experiences that help people know what the organization would like spread as its desired image.
3. Organizations must help representatives give good process, not only by making sure that representatives have the information they need, but also making sure that representatives have the authority they need to interpret the organization’s position, propose action to resolve the situation and to respond to stakeholders in good faith. And, organizations will need to back up the commitments of their representatives, by taking action internally and developing systems to support the commitments that their representatives make on their behalf.
4. Organizations must incorporate the feedback and the learning from interactions with stakeholders, so that they don’t appear to be tinkering at the margins with superficial, temporary resolutions. They need to be seen as actively trying to incorporate internally what they are learning in a comprehensive and strategic way. Consider the example of Comcast, the US-based telecomm company. Comcast has a dicey reputation for bad service, dysfunctional equipment, and high prices is also considered to be a role model for how to use the social media platform Twitter. Yet, many stakeholders raised concerns when Comcast’s CEO claimed that the organization’s participation on Twitter had changed Comcast’s corporate culture. Too many stakeholders saw a gap between the solicitous interaction online and the actual poor telecomm service that Comcast delivered. However, Comcast’s customer service EVP was able to point to several initiatives that had recently been built into their system to monitor service quality, and direct stakeholders to their website to see public tracking data that demonstrated Comcast’s ongoing service improvements.

# For Future Discussion

For reputation scholars and practitioners, there are several broad implications of recognizing that social media can help organizations make direct relationships with individual stakeholders, who themselves can be powerful influencers of an organization’s reputation. First, these new opportunities make it all the more important that we understand reputation-building as a process that depends upon an individual stakeholder’s experience of an organization, and may also depend on a individual employee’s ability to represent their organization online. This may be particularly challenging to those of us who take a more broadcast, public, collective, or entity-level approach to conceptualizing stakeholders (e.g., as groups reached through public communication), the organization (e.g., as an unnamed entity rather than as represented by an individual), and/or the relationship between them.

Second, we need to expand our research on the relational nature of corporate reputation (Bruning, Castle, & Schrepfer, 2004; Ledingham, 2009). In perhaps a roundabout way, we might return to the original understanding of the relationship between an individual stakeholder and an organization as something more like an interpersonal relationship, with relatively less emphasis on outcome interdependence. We might also explore the dynamics of stakeholders using employees as relational proxies for the organization. Reputation scholars and practitioners will want to think along the lines of interpersonal relationship maintenance strategies (e.g., Stafford & Canary, 1991; Wright, 2004) and consider how organizations can demonstrate a commitment to a relationship, while participating in a way that demonstrates characteristics of authentic communication.

Third, we need to investigate, understand, and explain how users experience organizations online as authentic or not. This will require interdisciplinary collaboration, since the research on computer-mediated relationships (in computer science and engineering) is so distant from research on corporate reputation (in strategy, and marketing communications). Moreover, social media features are evolving rapidly. For example, in the fall of 2009 alone Twitter introduced three new features intended to help organizations use their service. Right now, so much seems novel that it is unclear what kinds of situations will become common. Likely there are several types of positive and problematic situations that have not yet occurred as stakeholders, organizations and their representatives interact on social media, and so best practices have yet to be established. As situations become more typical, we will get a better sense of what issues to prioritize in our research and practice.

Finally, organizations will need to think longer term about how far to take the processes of establishing interactive relationships with stakeholders. Embracing social media seems full of opportunity, and it is. Yet, to embrace social media fully, organizations will need to change the ways that they think about stakeholder relationships, about employees’ authority to speak on the organization’s behalf, about an organization’s willingness to listen, about organization’s respect for and acknowledgement of individuals as important stakeholders, and more. This larger dialogue is not about how to use tools and link platforms to spread messages, but is instead about building authentic relationships that generate trust between and mutual opportunities for organizations and their stakeholders, so that positive reputations can be honestly earned.

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**Table 1: Characteristics of Authentic Communication**

(Bishop, 2003; Kelleher & Miller, 2006; Gilmore & Pine, 2007; Showkeir & Showkeir, 2008)

* Relevant: Taking into account and making connections with the interests of the parties involved.
* Specific: Being specific to that situation and its uniqueness, not being rote.
* Personal: Perceived as relevant to and customize-able by individual stakeholders.
* Fundamental: Dealing with the core or essential issues and information.
* Clear: Using language that is appropriate and understandable for those involved, explaining technical terms, organizing and illustrating the information logically and understandably.
* Timely: Providing information when it is known, leaving sufficient time for response prior to decisions or actions.
* Consistent: Not opposing or contradicting your own or your organization’s other words or actions.
* Accessible: Making information, relevant sources and opportunities for discussion easily available to all parties.
* Responsive to feedback: Engaging in two-way communication, seeking others’ views and concerns and allowing those concerns to influence the organization’s actions.
* Comprehensive: Telling the whole story, including the meanings and implications of the issue in question.
* Empathic: Showing respect, concern and compassion for the circumstances, attitudes, beliefs and feelings of other parties.
* Emotionally expressive: Demonstrating emotions that seem relevant to the context and situation.
* Truthful: Being accurate and factually correct.
* Straightforward: free of unnecessary hyperbole.
* Respectful: For individuals, institutions and contexts.
* Inspiring: To us, to our clients and their stakeholders.
* Trustworthy: Credible to advocates and detractors alike.