UNDERSTANDING REPUTATION:

REPUTATION MANAGEMENT IN THE MIDDLE EAST

Faisal A. Ikram

Student Number: 1353299

Supervisor: Dr. Philip Savage

Course: MCM 740, Capstone Project

Department of Communication Studies and Multimedia

Faculty of Humanities, McMaster University

2/25/2016

Table of Contents

Abstract	2
Introduction	3
Research Questions	5
Research Design	7
Literature Review	8
Results	26
Discussion	45
Limitation	53
Conclusion	54
Bibliography	56
Appendix A	64
Appendix B	68
Appendix C	70

Abstract

This study examines the understanding of reputation management in the Middle East. Furthermore, the study tries to understand the application of reputation theories in the geographical and cultural context of the Middle East. The study was conducted using the case-study method for collecting data. Twelve in-depth interviews were conducted with business leaders from Kuwait, Oman and the United Arab Emirates. The study found that reputation as a management function is valued in the Middle East. However, it also found that little is done to manage corporate reputation, and the role of communications in reputation management is limited. The study also establishes that there are some factors that differentiate the understanding of reputation management in the Middle East to that of North America, namely The study raises possibilities of a range of future research, including a broader survey of reputation management practices in the Middle East.

Introduction

"The way to gain a good reputation is to endeavour to be what you desire to appear."

- Socrates

The term "Middle East" was first coined by the American naval officer Alfred Mahan in 1902 (Cunningham, 2012). According to Cunningham (2012), the naval officer was not referring to a geographical region, but to an area where the economic activity was concentrated, namely in Turkey, Egypt, The Levant and Persia.

A century later, the dynamics of the region have changed considerably, with the influence of the Gulf Cooperation Council (GCC) that includes countries like Saudi Arabia, Kuwait, Qatar and United Arab Emirates (UAE) (Encyclopaedia Britannica, 2014). Cunningham (2012) attributes the reason for the growth of the GCC to the oil reserves that have formed the backbone of these economies (Cunningham, 2012). Almost two thirds of the world's oil reserves, and a quarter of the world's natural gas reserves sit in this region, with the member states producing about a quarter of the world's petroleum (*Middle East Economy*, 2013). Cunningham (2012) argues that the gathering pace of oil exports during the 1950s began to shift the weight of economic activity towards the Arabian Peninsula and was one of the most important factors in the rise of these Arab states. However, it was not until the mid-1970s, and the quadrupling of the oil prices which followed the 1973 Arab-Israeli war, that the Arabian Gulf states emerged as major players in the economic system of the Middle East (Ali, 1999).

The past few decades have seen an exponential growth in the economies of the GCC. According to the World Bank (2011), the region raised more than \$30 billion from privatizations between 2000 and 2008. The countries with the highest per capita income,

\$96,732.4 in Qatar and \$60,577 in UAE, enjoy a very high standard of living (World Bank, 2015).

The location, resources, and wealth of Arab Middle East countries have attracted Foreign Direct Investment (FDI). In turn, many Arab Middle East countries are now major investors in multinational corporations around the globe. Several GCC countries, like Oman, UAE, and Kuwait, have invested billions in United States and European properties and other businesses' and thus hold important stakes in these economies. Hence, even though the economies of the GCC are driven by the massive oil reserves, the trend is changing to reduce reliance on oil alone.

Many states in the region are making major efforts to develop alternative economic activities, including sectors such as banking, tourism, light manufacturing, and real estate (Middle East, 2014). One indication of the growing economic diversity in the Middle East is the expanding airline industry that grew by 11 per cent in 2013 (Boeing, 2014). In light of the recession seen globally in the airline industry, this number becomes even more significant. On the other hand, *The Wall Street Journal* (Jones, 2014) cites a study from consulting firm, Strategy&, which states that the Middle East gaming market could grow from \$1.6 billion, at present, to \$4.4 billion in 2022, suggesting a holistic growth that is trying to be as diverse as possible – from Aviation to Gaming.

Furthermore, Jones (2014) mentions that the growth rate in the gaming industry is faster than countries like China, Russia and South Korea. Additionally, the World Bank estimates that around 40 million jobs will be created in MENA (Middle East and North Africa) in the next decade (World Bank, 2013), suggesting a huge market that will open up for investors and companies resulting in greater competition.

In such a scenario, the reputation of an organization is going to be a very important asset for its growth. Further, the ability of a company to maintain a good 4

reputation is directly linked to the company's ability to retain its stakeholders (Peterson, 2005). Reputation has been considered as an important competitive advantage that some companies have over others (Deephouse, 2000). In the context of the Middle East, maintaining a reputation is a difficult task because of the complex nature of the stakeholders who come from a variety of different backgrounds within the region and those working in the region with other nationalities. At the same time, the Middle East is at the cross roads of developing a market that helps to utilize this resource-rich region, along with shifting the reliance on a more diverse market. Hence, the strategies developed by the organizational leaders in maintaining a positive reputation will play a significant role in the region's future. It is imperative for multinational corporations, especially foreign ones, to understand the meaning of reputation and key factors driving reputation in these economies.

Research Questions

This study attempts to observe how top managers of different organizations in the Middle East view reputation. It examines how they are currently identifying it and their thought process towards building a positive reputation of their organizations. The study also tries to investigate the resources that have been employed to build a positive reputation of the organizations in the Middle East. Furthermore, it probes to find whether different industries are employing different means to build a positive reputation for their organizations. Finally, it seeks to understand the differences if there are any, between the west and the GCC in terms of the understanding and application of reputation management.

The study tries to seek answers to these issues using five research questions. With these questions, the study also attempts to understand the application of reputation

5

theories in the geographical and cultural context of the Middle East, and does so by posing the following.

R1: What do you think is the meaning of Reputation? Why do you think is it important for your organization?

It is essential to understand how business leaders in the Middle East define and understand reputation. Their understanding of reputation in the geo-cultural context of the region may have a significant impact on how reputation management is practiced in the Middle East. Similarly, the importance of reputation as perceived by business leaders in the Middle East is important to understand the role of reputation as a management function in the Middle East.

R2: What does the organization do to maintain a positive reputation? In what ways do you think reputation play an important role in benefiting the organization?

The role of reputation as a management function may or may not play an important role in the Middle East. However, if it is perceived to be an important function in the organization, then, it becomes necessary to understand the ways in which the reputation of the organization is maintained by the organization.

R3: In what ways does good reputation translate into better business for the organization? Who are the people that are responsible for managing the reputation of the organization?

The importance of reputation and how reputation translates into better business for the organization is important for the organization. An indication that a good reputation is better for the business will be considered as a motivation to maintain a positive reputation

in the organization and hence, the people responsible for managing the reputation will be key members of the management.

R4: What are the tools that are used by the organization in building a reputation? What indicators do you use to measure reputation of your organization?

The tools used by organizations may help to examine how reputation is being managed. An understanding of these tools could reveal how different functions in the organizations are employed to maintain reputation. Additionally, it may also help to understand the role of communications in managing reputation.

R5: How is internal reputation evaluated and maintained by the organization? Do you see any difference between companies like yours and those that operate in the western markets?

The organizational perception of the employees is integral to building a positive corporate reputation. An understanding of the different ways in which organizations are evaluating and maintaining internal reputation is important in terms of understanding the overall value of its role in the Middle East economies. At the same time, it will be interesting to understand how business leaders perceive corporate reputation in the western markets and the factors that differentiate reputation management in the two markets.

Literature Review

a) Corporate Reputation

According to the 'American Heritage Dictionary' (1970: 600) 'reputation' is 'the general estimation in which one is held by the public'. Fombrun (1996) questions the possibility of applying this to organizations because according to him: who constitutes

'the public' of a company, and what is being 'estimated' by that public? Fombrun and

Rindova (1996) suggest corporate reputation has the following characteristics. They are

the following:

1) Reputation is explained as a derivative, second-order characteristics of an industrial system that crystallizes the emergent status of firms in an organization field.

2) Reputation is also suggested as the external reflection of a company's internal identity-itself the outcome of sense-making by employees about the company's role in society.

3) Reputations develop from firms' prior resource allocations and histories and constitute mobility barriers that constrain both firms' own actions and rivals' reactions.

4) They also summarize Reputations as assessments of past performance by diverse evaluators who assess firms' ability and potential to satisfy diverse criteria.

5) Reputations derive from multiple but related images of firms among all of a firm's stakeholders, and inform about their overall attractiveness to employees, consumers, investors, and local communities.

6) The authors also suggested that Reputations embodies two fundamental dimensions of firms' effectiveness: an appraisal of firms' economic performance, and an appraisal of firms' success in fulfilling social responsibilities (Fombrun and Rindova, 1996, p. 47).

b) Reputation Capital

A superior corporate reputation is both an intangible asset and a source of strategic competitive advantage that enhances a corporation's long-term ability to create value (Caves and Porter, 1977). Specifically, 'reputational capital' is defined as an organization's stock of perceptual and social assets - the quality of the relationship it has with stakeholders and the regard in which the company and brand are held (Fombrun and Van Riel 2004, p. 32). Organizations accumulate reputational capital over time by careful and responsible management. Positive reputational advantage invites profitable marketing opportunities and increases the market value of the firm (Chauvin and Hirschey, 1994). Furthermore, Amine and Suh (2007) suggest that reputation capital is a principal source of competitive advantage, because it exerts a "halo" effect over other intangible assets, such as customer and brand equity. For example, advertising campaigns serve to establish deliberate links between a brand name and the parent company's name in order to expand target consumers' knowledge.

c) Reputation Management

According to Cwiak, there are five definitional attributes of reputational management: (1) it is based on perceptions; (2) it is the aggregate perception of all stakeholders; (3) it is inherently comparative; (4) it can be positive or negative; and (5) it is stable and enduring (Cwiak, 2014, p.62). These attributes give an indication that reputation management is a social construct relying a great deal on the perceptions of the stakeholders. Furthermore, Cwiak (2014) argues that understanding and being responsive to internal and external stakeholders is critical to reputation management.

On the other hand, Walker (2010) suggests that it is hard to limit the definition of reputation to some aspects of the organization and relate it to an aggregate perception. According to him, reputation is often issue specific. A corporation may have a particular, and potentially different, reputation for each of the following issues: profitability, environmental responsibility, social responsibility, employee treatment, corporate governance, and product quality. For example, Deephouse and Carter (1999) found that Wal-Mart had a tough reputation with suppliers, but a good reputation with customers and investors. This suggests that a corporation may have a different reputation per stakeholder group. However, it is often argued that it is very important that a definition of reputation must be recognized as positive or negative (Baker et al, 2009). Furthermore, it can be deduced that a degree of positive or negative to the reputation is consistent with the comparative nature of the construct. Finally, Barnett et al. (2009) mention that reputations can change very quickly, hence time is an important factor in defining the

reputation. However, time is implicitly referred to when authors define reputation as the results of a firm's 'past actions and future prospects' (Fombrun, 1996).

Hence, the five points mentioned by Cwiak (2014) and Fombrun (1996) in the past have become the building blocks of a theoretical framework of reputation management. Keeping the above ideas in mind, it can be argued that corporate reputation is a relatively stable, issue-specific, aggregate and perceptual representation of a company's past actions and future prospects compared against some standard (Walker, 2010).

In addition, research publications reinforce the notion that reputation is fragile (Hall, 1993) or constantly in danger of being eroded, damaged, or destroyed (Davies, Chun, Silva, & Roper, 2003).

However, Gotsi and Wilson (2010) argue that there have been two different schools of thoughts on the term reputation. According to them, the analogous school of thought views corporate reputation as synonymous with corporate image. On the other hand, the differentiated school of thought considers the terms to be different, but interrelated with each other. Hence, it is important to determine how corporate reputations influence and are influenced by all the ways in which the company projects its images: its behaviour, communication and symbolism.

d) The 360 Analysis Model

Cwiak (2014) proposes a 360 analysis model to discuss the reputation of an organization and the factors that can play an important role in changing it. The 360 analysis model is designed to "walk organizations through" a systematic analysis of policies and decisions that could affect the organization's reputation positively or negatively, based on internal and external audience perceptions. The model classifies the

audiences into four categories: 1) Organization 2) Stakeholders (Employees and Stockholders) 3) Public and 4) Government (Cwiak, 2014). She also suggests that the complexity of audience interdependencies can expose dynamic effects across each audience's considerations that would not be evident when evaluating only a singular audience.

This model, in particular, is valuable for case study research, as it helps one to understand and evaluate organizational decisions, both pre- and post-implementation. Further, from the perspective of the organization, an examination done from a 360 model view point can help them to better draft or re-draft management policies or decisions that can help in reputation management. Cwiak (2014) advocates that a 360 analysis mind-set into the standard operating procedures of the organization and enhances the level of awareness across the organization. Moreover, Forret, Hendrickson and Turban (1998) argue that a model like a 360 degree analysis helps to study job and organizational attributes, in addition to how these attributes influence attraction and organization reputation. It also indicates the influence of an applicant's perceptions of job and organizational attributes and recruiter behaviours.

e) Stakeholder theory

The term "stakeholder" first emerged in business scholarship in 1963, in the form of an internal memorandum at SRI International¹, Inc. used for planning purposes (Freeman et al., 2010). Use of the term was meant to expand its meaning beyond the stockholder to include "those groups without whose support the organization would cease to exist" (Freeman et al., 2010, p. 31), such as "employees, customers, suppliers, lenders, and society" (Freeman et al., 2010, p. 31). According to Freeman (2004), stakeholders

¹ Stanford Research Institute (SRI)

are individuals or groups who have the potential to affect, or to be affected by, an organization's decisions and actions.

Freeman has suggested that it is not possible for an organization to develop its corporate objectives without first understanding the needs of its stakeholders (Freeman et. al, 2010). Stakeholder theory recognizes that organizations have a diverse, yet integrated set of stakeholders (Freeman et. al, 2010). Organizations must therefore account for stakeholders by factoring them into their decision-making process (Smudde & Courtright, 2010). Thus, at the very heart of the stakeholder approach to strategic management, is the notion that organizations have relationships with groups or individuals who have a joint stake in their activities.

Moreover, in the case of reputation management Carter (2006) argues that firms facing increased visibility among different stakeholder groups will increase corporate reputation management activities towards those groups and decrease activities towards other groups. Further, it is argued that top management group characteristics will moderate these relationships, suggesting that certain top management groups are more attuned to the situational needs of reputation management (Carter, 2006). Carter (2006) found out organizations generally directed reputation management activities towards their more visible stakeholders.

f) Excellence Theory

Excellence theory of public relations puts forward the concept of how public relations can contribute as a key participant in management functions of an organization. The theory looks at the conditions in the organizations and their environments that make these organizations more effective. The theory also tries to 'evaluate' the value of Public Relations in an organization (Grunig, 1992). Grunig (1992) argues that for an organization to have a good relationship with its strategic publics, it is helpful for it to develop and achieve goals desired by both the organization and its publics, reduce costs of negative publicity, and increase revenue by providing products and services needed by stakeholders (Grunig, 1992). Further, to maximize its value, public relations must identify strategic publics and build long-term relationships with them through symmetrical communication programs (Grunig, 1992).

Carroll (2013) suggests that today, Excellence theory has evolved into a strategic management theory of public relations, which contrasts to the symbolic–interpretive paradigm that characterizes many theories of reputation. Also, research based on this strategic management paradigm shows that reputation is largely a by-product of organizational behaviours and organization-public relationships (Carroll, 2013).

g) Reputation Management as a discipline

According to a study conducted by Men (2014) on internal reputation, it was found that authentic leadership plays a critical role in nurturing the organization's transparent communication system, which, in turn, shapes the organization's internal reputation. An organization's day-to-day transparent communication practice, characterized by information substantiality, accountability and employee participation largely contributes to employees' positive evaluation of the organization. Furthermore, the London School of Public Relations (2014) discuss reputation management as a holistic discipline that is a synthesis of a number of independent disciplines:

- Strategic risk and issue management
- Corporate social responsibility (CSR)
- Assurance, audit & regulatory compliance
- Crisis management
- Investor relations
- Systems thinking and knowledge management
- Online monitoring and SEO
- Leadership (London School of Public Relations, 2014, p.12)

This suggests that reputation as a discipline cannot be managed but can be guided in a certain direction by continuous monitoring of its environment. However, it can be deduced that this means that good reputations can be sustained more readily, if risk and issues are properly analysed and, where possible, acted upon.

h) Corporate Social Responsibility, Corporate Social Performance and Corporate Reputation

Holme and Watts (1999) define Corporate Social Responsibility (CSR) as a duty of every corporate body to protect the interest of the society at large. Furthermore, they suggest that even though the main motive of organizations is to earn profit, corporates should take initiatives for welfare of the society and should perform its activities within the framework of environmental norms (Holme and Watts, 1999). Du et al. (2007) report an association (but not causation) between consumers' awareness of a firm's engagement in socially responsible activities and their brand-specific beliefs in the case of companies that integrate social responsibility into their competitive positioning. Similarly, Luchs et al. (2010) propose that people tend to believe that companies prioritizing sustainability will produce products superior on gentleness-related attributes because ethical firms are perceived as gentler.

Many scholars have tried to create a distinction between CSR and Corporate Social Performance (CSP). According to Luo and Bhattacharya, CSP is the 'measurement' of the organisation's overall performance in improving and protecting social welfare compared to their leading competitors in the industry, measured over a period of time, (Luo and Bhattacharya, 2009, p. 201). Furthermore, different authors have explained the difference between corporate social responsibility and corporate social performance, where "corporate social responsibility initiatives are related to but different from corporate social performance in several aspects. First, CSR refers to firms' programs and investments in responsibility and/or sustainability, while CSP represents stakeholders' assessment of the overall quality of those programs and investments (McWilliams and Siegel 2000).

Second, the former captures the noncumulative, one-time involvement in corporate pro-social behaviours, while the latter can be a proxy for a firm's cumulative, historical involvement in these behaviours (Barnett 2007, p. 797).

Third, the former is a non-competition based construct, while the latter is relative to the competition in the industry. While firms invest in CSR initiatives; CSP, as the measure of firms' aggregated historical social performance relative to competition, is what stakeholders reward the firms for and, therefore, what is potentially linked to firm financial performance", (p.201).

Because the costs associated with such commitments may decrease a firm's shortterm financial performance, they seem to go against shareholders' interests of maximizing firm value (McWilliams and Siegel 1997; Jensen 2002). However, in the CSP literature, a good CSP is argued to be an effective means for establishing a good overall reputation, which can benefit the financial performance of a firm in the long run (Orlitzky et al. 2003). It is argued that a corporate reputation consists of stakeholders' beliefs about what to expect from an organization in the future, which Lange et al. (2011) label as ''being known for something.'' This definition includes two aspects: The perceived expectations about the firm's behaviour and outputs in the future among different stakeholder groups and the predictions whether and to what extent the focal organization will meet these expectations.

Corporate reputation, in the sense of being known for something, matters due to the existence of information asymmetry between an organization and its perceivers (Healy and Palepu 2001). Because stakeholders can only obtain limited information about organizational capabilities and intentions, their ability to predict future firm outputs is hampered (Rindova et al. 2005). The fact that stakeholders may have different beliefs or expectations regarding an organization's future leads to the distinction of reputations among particular stakeholder groups. As suggested by Lange et al. (2011, p. 164), ''an organization's external observers have varying interests, and therefore are attuned to different valued organization outcomes."

Nevertheless, since reputation is built through consistent management behaviours over time, and it provides information on the overall goodness associated with a firm compared to its peers, its level may signal a firm's quality in general (Dowling and Roberts, 2002). Corporate Social Performance consists of ''behaviours [aligned] with the norms and demands embraced by their main stakeholders'' (Maignan and Ferrell 2004, p. 6). It implies that the aims of CSP serve the interests of various stakeholders of a firm, rather than improving social welfare as a whole (Clarkson 1995; Agarwal and Berens 2009). Due to different demands by various stakeholders, certain CSP activities may be perceived positively by some stakeholders, but negatively by others. Therefore, a classification of CSP is indispensable to conceptualize the effect of CSP on reputation.

i) Internal Communication and Reputation Management

Research on both corporate branding and reputation has recognised the importance of addressing the ways in which employees and organisational culture play out in effectuating images of the company – both internally and externally (Hatch & Schultz, 2003).

Welch and Jackson (2007) break down internal communication by stakeholder groups into four dimensions: internal line management communication, internal team peer communication, internal project peer communication and internal corporate communication. However, it is understood that internal reputation plays a key role in building the corporate reputation of any organization.

Schultz et al., (2000) suggest that the perception of the organizational reputation among other stakeholders is influenced by the perception of employees about their own company. Therefore, it is of great significance that the employees embrace and internalize the company culture, which is only possible through fully embracing and internalizing the intangible and emotional values, and not only the functional and tangible ones.

The ways in which employees are encouraged to commit themselves to the organisation and its goals – through meaningful work practices, healthy work communities, and encouraging incentives and rewards – becomes central to how employees 'live the brand' and thus create (or destroy) reputation in their everyday exchanges and social influence with various stakeholders (Gotsi & Wilson, 2001b). Hatch and Schultz (2003) suggest that in order to establish a strong identification with the organisation, values and sources of desire that attract stakeholders must be expressed and a 'feeling of sense of belongingness' encouraged in and around the focal organisation. Järventie-Thesleff, Moisander, and Laine (2011) take the argument further and suggest that corporate branding needs to be understood as a strategic management practice– something that is 'done' in the organisation as a crucial part of its strategy process – rather than a marketing and communications tool. Corporate branding can also be viewed as an exercise in the management that influences organisational members, for example by helping them to cope with ambiguities in their interactions with various stakeholders (Kärreman & Rylander, 2008).

However, considerable disagreement can be found in the literature regarding the extent to which organisations can direct employee identification and hence establish a

favourable reputation with key stakeholders (van Riel & Balmer, 1997). On the one hand, from the perspective of corporate and internal branding, it has been emphasised that recruiting people with similar values and beliefs supports the building of a strong corporate brand in a natural way (Gotsi & Wilson, 2001b; Hatch & Schultz, 2003; Vallaster & de Chernatony, 2006). It has also been pointed out that establishing policies, guidelines, and systematic practices is important in controlling employees' brandingrelated behaviour (Culnan et al., 2010; Gallaugher & Ransbotham, 2010; Kaplan & Haenlein, 2010; Lee, Hwang, & Lee, 2006; Wyld, 2008). In these processes, individual managers act as an integrating force in branding (Vallaster & de Chernatony, 2006).

Contrarily, the perceptions of employees concerning their company's central, enduring, and distinctive characteristics (Albert & Whetten, 1985) are likely to vary, and the brand defined by some players is likely to disrupt the identities and identification of others (Land & Taylor, 2011). This may lead to actions that are detrimental to the reputation of the company. Further, as employees are increasingly encouraged to bring 'more of themselves' into the workplace in the name of branding, this can be viewed as an extended and intensified form of control, which may encourage counter-actions such as sarcasm and irony (Fleming, 2009). In other words, pressures to identify with brands and internalise them may lead to elaborate forms of resistance (cf. Alvesson & Willmott, 2002).

j) Corporate Reputation and Social Media

Fournier and Avery (2011) present a vision of the 'open source branding' landscape in which brand-building activities give way to brand protection and where 'brand value is driven by risk, not return' (p. 1). The authors describe this new branding scene as increasingly demarcated by the shift to the age of transparency. Kozinets et al. (2010) note a similar shift in power relations between marketers and consumer networks online, suggesting more consumer criticism and resistance towards brands. P. Aula (2010), in turn, suggests that social media expand 'the spectrum of reputation risk and boost risk dynamics' because in a dynamic environment like that of social media practically anybody can search for, publish, and share information about brands, making it impossible for companies to control all conversations online. Recent contributions suggest that there is an urgent need for a rapprochement between branding and reputation-management perspectives in the context of social media (Fournier & Avery, 2011).

Against the backdrop of the complexity of corporate reputation and branding, it is likely that social-media environments pose further challenges for companies in the form of increasing transparency and consumer empowerment. It is argued that social media have amplified corporate reputation risks – that is, the risk of losing one's reputation – to a new level (Madden, Fox, Smith, & Vitak, 2007). Reputation is considered to be at stake whenever negative events are triggered (Barnett et al., 2006), such as an unfavourable discussion thread, news feed, or the rapid spread of a viral video via online consumer-toconsumer networks. However, social-media environments also offer potential benefits for reputation management, for example by providing new ways to reach different stakeholders directly (Wyld, 2008).

P. Aula (2010) argues that a company's reputation is determined in social media by a 'complex narrative web of meaning' that is continuously produced in the interactions and dialogue between social-media users and organisations. Moreover, it is increasingly difficult to identify boundaries with different media, content, and contentproducing stakeholders. The challenge of transparency takes various forms in social media. To address this, Fournier and Avery (2011) envision that the future of brand management may lie in systematic brand protection and relatively passive reputation management rather than in active brand building. Therefore, in order to be successful, the organizations need to ensure that their brands are supported by a competent social-media team. In addition, a successful brand strategy in social media aims for cultural resonance with both customers and employees, and seeks to discover ways to be invited into people's everyday lives (Fournier & Avery, 2011).

Moreover, the expansion of social media has changed the dynamics of how an idea can be propagated; reputations can be lost and gained easily. One of the key theories that put the importance of Social Media into the spot light is the Resource Based View (RBV) theory. This theory suggests that organizations possess resources, a subset of which enables them to achieve competitive advantage, and a further subset which leads to superior long-term performance (Barney, 1991). Hulland and Wade (2004) argue that in order to explore the usefulness of the RBV for Information Systems (IS) research, it is necessary to explicitly recognize the characteristics and attributes of resources that lead them to become strategically important. Although firms possess many resources, only a few of these have the potential to lead the firm to a position of sustained competitive advantage. Further, it is argued that IS assets (e.g., infrastructure) are the easiest resources for competitors to copy and, therefore, represent the most fragile source of sustainable competitive advantage for a firm (Hulland & Wade, 2004).

In contrast, there is growing evidence that competitive advantage often depends on the firm's superior deployment of capabilities (Hulland & Wade, 2004). From an RBV perspective, this advantage may result from development of capabilities (customerorganization relationships, internal as well as external relations) over an extended period of time that become embedded in a company and are difficult to trade (Hulland & Wade, 2004). Henceforth, it can be suggested that managing internal relationships and providing cost-effective operations are important uses of IS resources.

20

Following the RBV model, Schaupp and Belanger (2013) were able to establish the relationship of social media with the value that it generates for businesses. The authors were able to deduce that social media plays an important role and is positively associated with perceived value on the reputation as well as the sales dimension of these businesses (Schaupp & Belanger, 2013).

Hence, the evolution of social media has brought forth new challenges and issues that organizations have to address in order to maintain a positive corporate reputation. Organizations face many obstacles while engaging with impacted audiences during a crisis to maintain their reputation. Additionally, while certain elements keep changing due to the emerging technologies and platforms, there are some universal practices and challenges that the communication and business professionals will always have to bear in mind. Communicators must determine how and where to disseminate effective messages. To develop persuasive and effective messages that resonate with audiences' interests and in maintaining the reputation, the organization must have concrete information about how it is perceived by the audience.

k) Corporate Reputation and Leadership

According to Yukl (2006), leadership is the process of influencing followers. Leaders play an important role in the attainment of organizational goals by creating a climate that would influence employees' attitudes, motivation and behaviour. In the reputation literature, Dowling (2004) noted that management competence and quality of leadership drive the favourable organizational reputation perceived by stakeholders (Dowling, 2004). According to Walumbwa et al. (2008), the construct of authentic leadership was developed given a recent 'upswing in highly publicized corporate scandals, management malfeasance, and broader societal challenges facing public and private organizations' (90). These negative social trends call for a new type of genuine and value-based leadership, the ultimate goal of which is to 'train and develop leaders who will proactively foster positive environments and conduct business in an ethical, socially responsible manner' (Cooper et al.,2005).

Luthans and Avolio (2003) first defined authentic leadership as 'a process that draws from both positive psychological capacities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviours on the part of leaders and associates, fostering positive self-development'. Therefore, effective leadership goes a long way in fostering many important elements important for maintaining a positive reputation of the organization. Moreover, authentic leaders act in a way that matches their words, which are in accordance with their fundamental and deeply rooted shared values with the organization and high moral standards. Consistency between the words and behaviours of leaders has everything to do with the credibility, employee trust and commitment (Berger, 2008), which in turn, lead to employees' favourable perception of the organization. Men (2011) demonstrated that perceived credibility of an organization's senior leadership (ie, CEOs) cultivates employees' favourable perception of the organization.

When the organization's senior leadership is viewed as trustworthy and credible, employees tend to like the organization more. Similar notions may also be applied to the employees' immediate leaders. In addition, authentic leaders solicit views from followers, and utilize such inputs in making decisions. They openly share information fairly and transparently with employees, and are oriented toward building quality relationship with them. Higher levels of disclosure, transparency, two-way communication and relationship orientation that characterize authentic leadership develop a positive environment and shape employees' perception of the organization. Therefore, authentic leadership is positively associated with the internal reputation as well as the external reputation of the organization. Henceforth, it is understood that to develop a favourable reputation, which can generate positive word-of-mouth, advocacy and contribute to organizational bottom line, authentic leadership should be promoted and advocated within as well as outside the organization.

Research Design

This research will be conducted using a case-study approach to collect and analyse data. In-depth interviewing was chosed as teh key methodological instrument and was s conducted with key business leaders from the private and the public sectors.

Yin suggests that social science researchers find the case study approach to be useful only in the exploratory stage of study, and claim that this form of research cannot be relied on for proposition testing (Yin, 2009). However, this hierarchical approach to research fails to recognize that one of the case study's distinct advantages is the researcher's ability to review a broad spectrum of material that is otherwise not available or appropriate for other methodologies (Yin, 2009). Case studies lend themselves particularly well to areas of study that seek to answer "how" or "why" questions (Yin, 2009, p. 2); are beyond the control of the investigator; and are present-day issues (Yin, 2009). This case study meets all of the above criteria.

In addition, the nature of the topic requires an examination of the corporate of a country and its impact abroad in various ways. Therefore an explanatory methodology will be used to convey the findings "because such questions deal with operational links needing to be traced over time, rather than mere frequencies or incidence" (Yin, 2009, p. 9).

The replication approach will be used in this case study. Each interviewee will represent an individual case that will contribute to the overall case study research. Commonalities will be noted and used to determine convergent evidence across the three case studies for replication purposes (Yin, 2009). Each interviewee will be given important perspectives on how reputation is understood and managed by business leaders in the Middle East. These findings will then be reviewed to "draw cross-case conclusions" (Yin, p. 57, 2009).

Methodology

It should be noted that the researcher has spent his last five years in the Middle East, following the dynamic and volatile market of the region. During the course of his stay, he learnt important aspects of image branding, reputation building and management as it is practiced in the Middle East. While he has made every attempt to remain objective in the line of questioning and interpretation of results, he does maintain relationships with some of the individuals that have contributed to the study and/or have ties with the people interviewed for the study.

Given the lack of an existing list of professionals involved in public relations and strategic communications in the region. At this time, a broader cross sectional study to understand reputation management was not possible. Instead, the researcher followed the case study method by conducting in-depth interviews with twelve business leaders in the GCC region. However, a survey method of research that includes a bigger sample with a cross section of professionals working in different industries and positions the GCC would be useful follow-up research.

There are no existing empirical studies in the literature that pertains to reputation management in the region. As a result the secondary resource of industry texts of reputation management in the GCC region will not be the primary focus of this region. However, this research does consider indirectly related strategic communication documents, reports on organizational reputation and other documents that indirectly allude to the reputation management in the GCC region. These documents were accessed using library resources and researching the publicly available webpages of organizations that operate in the GCC.

In order to develop an understanding of the study of reputation management in the Middle East, it is believed that the most appropriate research design is a case study organizations in the private and public sectors. The methodology employed is in-depth interviews based on a theoretical framework to discuss the ideas pertaining to reputation management.

The researcher conducted twelve interviews with business leaders who have been working in Oman, UAE and Kuwait. The interviewees included CEOs, CFOs, Communication Directors and Senior Managers working in public as well as private sector companies in these countries. The interviewees for the study were chosen from the following industries:

- 1. Government
- 2. Education
- 3. Healthcare
- 4. Banking
- 5. Construction
- 6. Consumer Goods
- 7. Petroleum and Natural Gas
- 8. Public relations²

The above industries have been chosen to balance a range of backgrounds, interviewees and the researcher's access to professionals working at different levels.

² An organization that has established its business in all the GCC countries

More importantly, this was done to provide a more holistic and cross-sector look at reputation management in the Middle East.

This study examines reputation management through the eyes of business leaders in the Middle East. It attempts to gain insight into how business leaders from different industries in the Middle East view reputation management; if and how it is incorporated into their businesses and who they believe is responsible for owning and executing it. Additionally, the study will try to understand how is reputation conceived, understood and applied in the Middle East. Furthermore, the study tries to understand the application of reputation theories in the geographical and cultural context of the Middle East. The body investigates if there are any gaps between reputation management theories proposed in North America and the practice of reputation management in the Middle East. Additionally, the study examines the factors that are responsible for creating these gaps.

The evaluation uses an explanatory technique, looking at "a correlational relationship, whereby certain conditions are believed to lead to other conditions" (Yin, 2009). This will help to establish why and how, reputation affects and is unique in the geo-cultural context of the Middle East marketplace, in the view of these executives and supported by the literature review.

The method for recruiting and interviewing the participants in addition to the overall research was approved by McMaster Research Ethics Board (MREB). All the participants were first invited to participate in the study through an email. After initial consent was received on email or orally from the participants, they were sent the formal consent form (Appendix A). Furthermore, before the start of the interview all the participants were briefed about the interview and their consent was sought before starting the interview. The list of interview questions (Appendix B) was also submitted to the MREB and was approved by the board to conduct the interviews.

Results

The interviewees have been classified into the following categories to discuss the data collected for the study. The following table is further elaborated in Appendix C.

Participants from Oman	Participants from Kuwait	Participants from UAE
A1	B1	C1
A2	B2	C2
A3	B3	С3
	B4	C4
		C5

R1: What do you think is the meaning of Reputation? Why do you think is it important for your organization?

Most of the participants believe that reputation is very important for the organization and goes a long way in creating better business opportunities. B1 was of the opinion that a better reputation meant a better relationship with the suppliers, thus resulting in better and cheaper raw materials. For B1 better and cheaper raw materials meant better products and hence, a better standing in the Kuwaiti market. For C1, reputation was vital, as a 'positive reputation' meant more investors and customers, in addition to having a better standing in the stock markets. According to him, "reputation is more important than the liquidity of my bank" and "the crash of 2008 has made us realize how important reputation is for the business". His thinking suggests that a good reputation can minimize the risk that is generally associated with financial institutions.

C2, C3 and B2 believe that reputation is important as it establishes the relationship between the organization and its stakeholders. The organization's reputation

means a "healthy overall relationship that helps in the long run". B2 believes that a positive reputation goes a long way in the education sector, while C3 was of the opinion that reputation for start-ups helps in the natural progression of the organization to the "next level".

On the contrary, even though A1 and B3 believe that reputation does not matter for their organizations. According to both the participants, reputation is a "by-product of the work done by the organization". B3 was of the opinion that for a government organization reputation was "automatic" and did not change anything for his organization. He suggested that the government does not lose reputation in the state as it stands above competition and market dynamics. A1 added that reputation for organizations associated with the government does not need management because it is a direct subsidiary of the government and they are already 'reputed' among their stakeholders.

The other participants believe that reputation is an important function of the organization. The degree to which it is important for different organizations differs from one company to another.

R2: What does the organization do to maintain a positive reputation? In what ways do you think reputation play an important role in benefiting the organization?

Interestingly, A1 and B3 felt that their organizations do not do much to maintain their reputation. B3 was of the opinion that reputation is not built, it is made by the work done by their organizations; the products of the organizations are their biggest assets and is available for everyone to see. A1 added that "the quality of the work we have done is building our reputation. We are responsible for landmarks that have come to define our city this itself set our reputation". For A3 and C2, a positive reputation means the intention to provide competitive prices, at the same time being able to deliver as per the expectations of the clients. Explaining the statement, C2 added that by providing the clients with the service they need at the best available price, the organization is building a reputation of a brand that is affordable, yet giving the customer what they want.

However, during the course of the interviews it became evident that all the participants give a lot of importance to leadership. While many believe that under the stewardship of a good leader the organization is well directed to achieve its organizational goals; there were many who believed that and felt that a positive reputation of a leader helps the organization immensely. They believed that it adds to the overall reputation of the organization.

C1, C3, B4 and B2 largely operated in the service sector; all these participants believed that a good leadership helps the organization to maintain a positive relationship. Talking about the importance of leaders in building a positive relationship, C3 went on to add that the leader of an organization is "the captain of the ship and it is who navigates the organization through the market." One of the ways in which C4 felt an organization maintains a positive reputation is by offering customers discounts and 'offers' regularly. According to him, initiatives like these not only bring more business but also set up a positive reputation among the stakeholders of the organization. He agreed that leadership adds value to the reputation and that for B2B interactions, leadership helps to create a better reputation as, "an established face in the market always helps".

C5 pointed out that in order to maintain a positive reputation it is very important to have a healthy work environment for the employees of the organization. C5 believed that a positive reputation of the organization is essential to increase productivity which in turn will produce better results and hence will help to create a positive reputation among the stakeholders.

A1, B1, and B3 felt that a good reputation does not play a great role in benefiting the organization. A1 built this statement on the argument that he works for a government organization and that their job is to help in the governance and provide infrastructure for the administration of the Sultanate. Furthermore, B1 and B3 believed that reputation does benefit the organization but its role is secondary, B3 said that reputation works like "a boon to other department"; it does not have its own identity in the organization, on the contrary unlike departments like finance, sales and marketing, reputation is not an independent function but a dependant function of other independent departments of the organizations.

However, for B1, reputation plays a very important role in his organization. One of the examples that he gave to explain his statement was of the construction arm of his corporate group. The organization requires frequent loans from various financial institutions in order to complete the projects; a positive reputation of the organization goes a long way in getting the loans sanctioned. Similarly, B2 believed that a good reputation of his educational institutes in the Arab society has contributed a lot to the success of his organization. According to B2, "it is very important for the schools to have a positive reputation as that is the first thing that the parents see when trying to find a good school for their children".

C5 and A3 felt that a good reputation does not influence their businesses directly; however, indirectly it plays a very crucial role in creating opportunities for the organization in the market. One of the ways in which they felt that reputation benefits the organization is by keeping the shares at a good position in the stock markets. C3 suggested that the role of reputation in GCC market is "extremely high", being from the petroleum and gas industry, he believed that the nature of the industry demands them to build a positive reputation with the government, environmentalists and the general public. A2 who also worked on similar projects added that for petrochemicals organizations reputation, since they are the backbone of the economy in the country and, "it is important to create a positive image of the organization to make sure that the organization works without any hindrances."

According to C5, in the GCC reputation starts holding importance when there is a problem in the organization. C5 tried to explain this by giving the example of the Danish cartoon controversy and its impact on the GCC markets.

During the aftermath of the crisis, one of his clients was concerned about its reputation in the UAE market. The organization felt that its reputation had received a serious dent in the sales because a lot of consumers thought that the organization had an association with Denmark. The organization was concerned about its reputation, after they encountered a problem that affected their profit percentage. Prior to the incident the organization never actively indulged in reputation management or gave importance to its reputation in the UAE market.

Furthermore, A2 and B3 believed that a positive reputation relates to the overall standing in terms of share value, market value and productivity of the organization. They went on to add that for every organization, reputation is important for the overall growth of the organizations. They said that reputation is visible in every aspect of the organizational function, it works everywhere, while it can help get the best human resources for the organization, it can also help to increase sales and help the organization in the competition. A positive reputation also projects the organization as an ethical organization and that helps them to a get a lot of leverage in the society.

R3: In what ways does good reputation translate into better business for the organization? Who are the people that are responsible for managing the reputation of the organization?

A2 believed that reputation is important for various organizations; in his case, reputation is important for a real estate organization, because purchasing something from them is one of the most important decisions for customers, "probably a decision that they will make only once in the lifetime and a decision that will consume their maximum savings." Customers want to make this decision with an organization, "When a client invests in my product he is putting his hard earned money on the product, if we have a good reputation the clients will be able to trust us. On the other hand, a positive reputation also helps us to get contracts from the government and other corporations; it also helps us with suppliers and sub-contractors", he said.

A1 and B3 did not believe that a good reputation translates into better business. In A1's opinion, reputation is not of much relevance as "the government has to do what it has to do." B3 suggested that reputation does not matter for governmental organizations; however, for private organizations, especially in the B2C sphere, reputation has some impact on the business of those organizations.

B2 pointed out that there has been occasions when a positive reputation has helped them to get important loans approved at a crucial time. C5 believed that the positive reputation of the organization has greatly helped in increasing the business of the organization, especially in the retail sector. Another way in which C2 used reputation was by associating the organization with international 'reputed' brands like Apple, Sony and Samsung. He mentioned that the reputation of these brands translates into a positive reputation for the organization. A3, B3 and B2 agreed to this statement and said that this holds true in their organizations as well. Furthermore, C2 and B3 believed that a reputation of an organization should be in line with the organisational assets and competencies, in order to cater to the targeted stakeholders. B3 equated reputation to the "brand image" of the organization, without a brand image, the organization cannot tell their stakeholders how do they intend to deliver the organizational goals.

A2 believed that for reputation is different for B2B and B2C organizations, and has different roles in both the cases, however, he believed that reputation plays a much more important role for B2C organizations. In an environment like that of a B2C organization, reputation influences the buying pattern of the consumers and hence, impacts the overall market.

Additionally, A3 also believed reputation is important for B2B as well as B2C businesses. He explained his thought by giving the example of two companies; Sadia Foods and A'Saffa Foods. According to him, a negative image of Sadia in terms of the "Halal" chicken issue went a long way in helping its competitor A'Saffa to create a market space for itself in an otherwise saturated frozen foods market.

Furthermore, he added that B2B organizations also have a lot to gain from a positive reputation, even though the effects are not direct. For example, A3's organization operates in a B2B atmosphere and is not directly dealing with customers; still, they believe that a positive reputation of the group is able to help them get the licenses fairly quickly. At the same time, a positive reputation helps them to deal with banks, suppliers and insurance organizations.

As mentioned earlier, none of the interviewees believed that communications had a role in managing the reputation of the organization. However, C2 believed that communications does have some role to play in maintaining the reputation of the organization. According to him, communications professionals are not part of the decision making process but they are 'more like facilitators." Their job is to make sure that the strategy decided by the top management is put into practice. He believed that a concept like strategic communications is something that exists in the western market and is non-existent in the GCC countries. This was corroborated by A2, who, while discussing his line of work mentioned that even though they manage the communications of the organizations, but a lot of times their job requires them to work as 'foot soldiers' and execute the plans decided by the organization's C-suite.

In the case of B1 the reputation of the organization is managed by the legal department, whereas the role of public relations or corporate communications is non-existent. B1 suggested that the benefit of having a legal department to manage reputation is at the time of 'damage control'. Furthermore, according to B1, the legal department is most important to manage reputation as reputation comes into play during a crisis and at such a time it is always in the best interest of the organization to trust the legal department.

A3 said that no one in particular is responsible for the management of the organization's reputation. Reputation management is the collective responsibility for everyone working in and for the organization. For B2 and C4, the marketing department is responsible for managing reputation in their respective organizations.

However, B3's organization outsources some of the 'reputation' work to one of the PR agencies in Kuwait occasionally. This is done to ensure publicity, and media presence of the organization in the public domain that will help to build reputation.

In the case of C1, the reputation of the bank is a collective process that is managed primarily by the marketing department with an active and important

contribution of the corporate communications department. According to C1, "reputation in the banking sector goes a long way in establishing the bank and building its clientele. It is because of the reputation, that customers come to my bank to invest in our products. This is the reason why we rely so much on our marketing department to generate reputation."

Historically, C3 believed that the reputation management of his organization is under the sales department; however, lately the marketing department has come to play an equally important role in it. Furthermore, he added organizations with 'larger than life growth' not just have a separate PR department but also even higher external agencies to manage the reputation and the corporate image. These departments are designed to make sure that the policies and the strategies are being practiced in the larger perspective of the organization.

R4: What are the tools that are used by the organization in building a reputation? What indicators do you use to measure reputation of your organization?

Mass-media channels like television, newspaper and radio are the most popular tools utilized by organization to maintain their reputation. B3 believed that for organizations in the GCC, the socio-political structure of the countries give them a unique opportunity to 'plant' stories that are favourable to the organizations and help them establish their reputation. He believed that a lack of freedom of press restricts the kind of stories that can be published by media organizations, in such a scenario; it becomes easier for the organizations to use these publications to send their messages to a target audience. Positive stories and coverage of the organizations in leading media organizations adds a lot of value to the reputation of the organizations.
However, there are other ways in which reputation is being managed or built by these organizations. C5 mentioned that one of the ways by which their organization maintains a positive reputation is by being part of a socially relevant issue. One of the examples that he gave was of the 'charity work' that his organization has been doing for the people in Africa, Syria and Palestine. According to him, this has gone a long way in building the image of the organization as an entity that is aware of its environment as well as concerned about the society.

C2 felt that the biggest tool for maintaining reputation is by following the principles of customer relationship management. For him, the most important part of reputation building is by creating a 'satisfied customer', where "CRM is a great tool to establish relationship and to create a positive air about our organization." Additionally, C4 was of the opinion that the biggest role in reputation management is done by the marketing department. When asked about the role of corporate communications in his department, C4 mentioned that the communications department is also involved in managing reputation, although the primary 'tool' is the marketing department which is in direct touch with its customers.

A2 mentioned that social media has evolved and is playing some role in maintaining reputation of the organization, especially in the FMCG market. However, A2 believed that social media is still at a 'nascent stage'; a lot of organizations are sceptical of using social media as most of the information is not controlled and it can easily backfire on the organization. However, B1 added that the Small Medium Enterprises (SME) are shying away from engaging with their stakeholders on social media platforms, whereas the larger corporations are employing their resources to maintain the image of the organization on social media. B5 mentioned that a lot of the people who are the stakeholders in his organization use social media and "word in social media spreads like wildfire." Henceforth, it is important for them to keep monitoring the messages about the organization on social media (especially on their pages). However, most of the times they are just keeping a track of the messaging done in regard to the organization without actively participating in it (unless it has to do with complaints about service).

B2 felt that even though at present they do not have anyone to monitor social media, however, in the future they do plan to hire a social media manager to maintain the reputation of their schools. Additionally, B2 was of the opinion that conversations done on social media, especially for educational organizations do not require active participation from the organizations. The reason given out for this thought is the lack of control on social media.

C3 and A3 felt that social media is slowly evolving into a very powerful tool; in the case of their organizations; social media is utilized by maintaining company webpages and sharing content with their stakeholders. However, when questioned about engagement on social media, C3 stated that communication is 'broadly engaging' but "we can't give importance to every message that appears in the virtual world". They believed that the role of communications in the Middle East is not at a strategic level, the concept of strategic communications belongs more to the western markets than in the GCC. The role of communications in the GCC is restricted to liaising with the media, planning and executing events. They are also responsible to implement the CSR programs approved by the top management, they said.

Furthermore, C3 added that in the case of the B2B sector, the best tool to maintain reputation is the word of mouth. The reputation (or the lack of it) of an organization spreads very fast in the market especially among the key stakeholders. The

Understanding Reputation

quality of work, CSR programs and the CSP of the organization go a long way in maintaining a good standing in the society, these are some of the tools for C3's organization used in maintaining reputation. Additionally, the legal department is always consulted with the legal department to make sure that the policies and the products are in line with the constitution of the country.

Talking about the GCC market, A1 believed that the primary tool used by an organisation in conveying a message to the target customer base has to be implemented by choosing the appropriate communication medium. C1 added that his organisation is working in a B2B sector and hence, organizing exhibitions and conferences is a better way of communication to the stakeholders they want to reach out. "Very often we publish newspaper advertisements whenever a big project is awarded to us. But those advertisements are advertized in business magazines and other B2B publications.

A2 suggested that social media is important in their overall strategy for reputation management. Hence, it is very important that the messages posted by the users are looked at and responded by the organization. A2 also mentioned that this type of strategy is a part of their CRM program, which he believed are responsible for the reputation management in his organization.

Moreover, all the participants were of the opinion that social media is mainly utilized by B2C organizations to engage and establish a reputation among the stakeholders. Moreover, it is believed that even in the B2C market, the big corporations are the ones who are actively and aggressively using the social media. These organizations hire social media managers, exclusively recruited to engage with the stakeholders, on the other hand, smaller organizations are still a little sceptical of the platform and very often try to avoid social media as it has a high probability of damaging their reputation. Participants from the education sector thought the management uses a lot of ways to maintain reputation. "Our first contact with our primary stakeholders is through our teachers. We have to make sure that our teachers are the brand ambassadors of the school. The quality of education puts a huge impact on the reputation of the school", said B2.

A1 and B3 did not know if their organizations used any indicators to measure reputation. Both the participants thought that this is "not needed" by their organizations. In contrast, B1 and C5 gave a lot of importance to measuring the reputation of their organizations. Their organization does that by using feedback forms to get an understanding of their reputation. Furthermore, C5 and B1 said that they also have complaint boxes that are kept at strategic places to understand perceptions of the stakeholders about the organizations. The participants believed that such measures create an image that the organization is open to suggestions from their customers and hence, built a positive reputation of the organization.

On the other hand, C3 felt that a direct result or indicator of a better reputation "shows up in the new customers that come to my bank". He suggested that this is the best way to identify the success they have had in maintaining their reputation. On the other hand, B2 believed that a good indicator to measure reputation is in terms of the response that they receive from the parents of the children who are enrolled in his schools. Interestingly, he also mentioned that a better reputation is also reflected by the assessment done by the Ministry of Education; a positive reputation helps them to get a positive report from the Ministry.

Furthermore, when asked about the relationship between reputation and the Ministry assessment, B2 opined that regulatory authorities evaluating the school organization are also part of the society and if "there is a good word about the school in the city, then it will also be heard by the Ministry people and therefore, reputation matters".

A3 said that he does not have any complex measurement system in their organisation to measure their corporate reputation. "I suppose that the delivery of project within the agreed time-frame and as per the specifications of the client is the most emphasised method of image building" said A2. C2 also had a similar thought; he was unaware of any specific KPIs that are used to measure the reputation of his organization.

C4 said that his organization uses a variety of tools to measure the reputation of the organization. He added that these days organizations in the GCC are also measuring the number of hits on social media to check the visibility, reach and reputation of different organizational campaigns. There are teams that are responsible for collecting data on traditional media as well as social media to deduce the organizational reputation (number of articles published in traditional media, length or stories published).

According to C3, the biggest factor that contributes to the reputation of the organization is the quality of the products that the organization delivers to its customers. He also felt that the reputation of the partner companies leaves a significant impact on the reputation of the organization. Additionally, his company often partnered with global brands, and in such a situation the positive reputation of the global brand will become a factor in contributing to his organization's reputation.

Al said that the most important factor that contributes to his organization's corporate reputation relies on the work that they have done in the past. He mentioned that his organization is responsible for some of the biggest projects in Oman; which itself is a prestigious and a matter of pride for his organization. Furthermore, he said that this kind of prestige is the biggest contributing factor to their organizational reputation.

B2 felt that the biggest contributing factor to their reputation is the quality of education that is being imparted to their students. At the same time, reputation is also related to the 'quality' of the students that are graduating from their schools. Additionally, their teachers and their reputations create a bigger impact on the reputation of the school. This is the reason why they prefer teachers only from certain countries, as it is assumed that the teachers from those countries "will be better than the rest".

For C2 and A3 who belong to the service industry mentioned that the biggest contributing factor in reputation building is the customer-organization relationship; both concluded that a happy customer can do 'wonders' for the reputation of the organization. C4, who looks after the IT solutions and FMCG arm of his organization, mentioned that it is essential to gauge the customers' sensibilities and their perception of the organization.

A2 was of the opinion that reputation is a result of a 360 degree performance. Product awareness, market reachability, product performance after sales, after sales service, customer grievances, CSP, corporate governance, trust and positive image within the business community, all contributed to the company's image. He said that reputation of organisation is at stake at almost every stage of the operation since an unhappy customer can stir emotion across the community.

R5: How is internal reputation evaluated and maintained by the organization? Do you see any difference between companies like yours and those that operate in the western markets?

All the interviewees believed that internal reputation is the reputation of the organization as perceived by the employees of the organization. Some of the participants

like C1, B2 and C3 added that internal reputation is also recognized as the reputation of the organization as seen by the board of directors and the top management.

Furthermore, C4 emphasized that a good internal reputation is directly linked to high employee morale and better quality of human resources. Therefore, when the employees felt positive about the organization, it automatically translates into increased productivity. A1 believed that internal reputation influences the external reputation of the organization as "everyone loves a good employer; tell me, after we saw the viral inside 'Google office video' who wouldn't want to work for Google."

The tools that are used to evaluate internal reputation in B2's organization are based on periodical surveys (SWOT analysis). Besides, the human resource department conduct personal interviews with employees to understand the internal reputation of the organization.

In the case of C5, the primary tool to measure internal reputation is the yearly staff appraisals. These appraisals include a feedback form in which the employees are asked questions their perceptions about the organization. B1 mentioned that even though internal reputation is important for the organization, at present they do not have any tools to evaluate the internal reputation in their organization.

B3 also acknowledged the importance of internal reputation, but could not identify the tools that are used to measure internal reputation. However, he pointed out that the department heads are constantly in touch with their staff to understand their perception of the organization. Furthermore, C2 believed that internal reputation is given importance in his organization and that they use a lot of tools to measure and maintain it. One of the tools to maintain reputation is by organizing events and dinners for the staff and their families. At the same time, internal reputation is maintained by taking care of the 'basic needs' of the employees.

A2 pointed out that the bonuses given to the employees are one of the highest in the country that helps to create a positive image of the organization. Most importantly, C3 highlighted the fact that they have been conducting research to find out about employees' perception of the organization by sourcing it to an external organization. He believed that this has proved to be a great tool as the results are free of any bias and also because the employees feel more confident to discuss their opinions about the organization.

Participants also spoke about the role of leadership in maintaining the internal as well as external reputation of the organization. B2 and C4 mentioned that an effective leadership, conducive HR policies, better employee retention are some of the ways to maintain and measure internal reputation. However, in the case of external reputation an ethical leader who holds a positive reputation in the society adds a lot of value to the organization and how it is perceived by the external stakeholders, eventually leading to better customer engagement.

B3 believed that in B2B transactions, reputation will be an essential requisite before any business is conducted in the western market. However, he added that in his perspective, the government and regulations may force the organizations to increase the efforts to maintain their corporate reputation. However, C4 who is from a similar industry believed that there are several reforms initiated by different governmental agencies, these reforms aim to improve the fundamentals of quality management and control, in several organizations of the GCC these reforms may have exceeded the western counterparts. C5 felt that reputation management is more active in the west as compared to the Middle East. The trend is changing as the Middle Eastern economy is slowly evolving to put more reliance on service based industries. He added that in the future these industries will employ more evolved processes of reputation management.

C3 believed that in the western markets business practices are more developed and mature. He believed that organizations in the west have to be more transparent to their stakeholders; hence they are much more active. This is because in the western markets the customers are more informed and active on platforms like the internet, hence the organizations have to be more engaging and vigilant about their reputation. He also added that the socio-political structure of those countries brings more transparency and accountability to their organizational behaviour; the regulations in those countries are stricter and more rigorous. All these factors put a lot of pressure on the organizations in the west to make sure that a positive corporate reputation is maintained.

B2, C4 and C2, stated that western society is structured in such a way that reputation is a fragile phenomenon, but in the GCC, because of various socio-cultural differences, the role of reputation is not that vibrant. They opined that in the west there is a lot of focus on freedom of expression and right to information, however, in the Middle East freedom of expression is limited. In such cases, the reputation of an organization is always under a scanner, unlike the GCC market. In a democratic country, the consumers and the general society have a lot more power than the countries in the GCC. C4 added that in the GCC markets what you can say or do is very limited; a lot of things are kept under the rug: transparency as understood in the west does not exist in the GCC. Moreover, he also believed that even in the west, companies cannot afford to be completely transparent about their businesses.

44

A2 and B3 felt that most of the times a B2B company is not much bothered about reputation. Luxury brands, consumer goods and hospitality companies are the ones who are actually trying to build reputation and do campaigns to be visible among its stakeholders. Having said that, even organizations that are trying to pursue a reputation management campaign are not ready to do something imaginative. This is not the case with the west, where, they are always looking to find unique ways to distinguish themselves and their reputation from the competition.

A1 added that in the Middle East business is mostly done on a referral basis; hence, better reputation translates in a better business. Advertising does not play much role in the Middle Eastern market, direct correlation between the stakeholders and the organization leads to better business.

Finally, participants believed that companies in the west are always consciously and aggressively trying to cultivate a positive reputation for themselves. In the case of the Middle East, the understanding of reputation is maturing slowly, it makes a positive difference to the businesses here, but cultivating and nurturing reputation is not a priority for organizations. Some completely neglect it; on the other hand some are passively trying to create a positive reputation.

Discussion

This case study examined twelve different senior executives working in three different countries of the Middle East. All the organizations and professionals involved in the study were at different stages of social and economic development. Despite the differences in their respective sectors, several cross-case conclusions can be made.

It is understood that reputation is perceived as an important part of all types of organizations in the Middle East. Reputation as a management function, directly or indirectly influences organizations in the Middle East. The participants believe that reputation is linked to the perception of the organization in the eyes of the stakeholders. However, there is confusion between the understanding of reputation and the idea of a 'brand' in the eyes of the interviewees. The general opinion among the interviewees is that the two terms are interchangeable. All the respondents agree that a positive reputation is desirable, the degree to which a positive reputation is desired depends on whether the organization is a B2C or a B2B company.

However, the anomaly to this understanding comes mostly from the governmental organizations, who believe that reputation does not hold much importance for their objective. On the contrary, reputation is not a factor to be considered at the time of strategizing or creating structural changes in their organizations. Even though a positive reputation is desirable, however, it does not impact or change the any organizational goals. This anomaly is also a variation from the way reputation is valued by federal and other public sector organizations in the North America markets.

Jose and Karen argue that politicians and officials seek to position and manage their cities in ways that win legitimacy and trust for themselves and prosperity for their citizens and other stakeholders (Jose and Karen, 2015). Therefore, reputation is of key value to government and its offices in building the citizens' perception of the government offices and bridging the gap to establish the performance of public sector organizations. Furthermore, the authors suggest that a positive reputation communicated to citizens helps in policies of persuasion, satisfactions and of government themselves.

At this point, it is important to understand that the political structure of the Gulf Cooperation Council (GCC) countries embeds itself in a non-democratic setup; this political structure can be a reason for the lack of emphasis and acknowledgement of reputation management in achieving organizational goals. The study reveals that the role of communications in the management of corporate reputation for organizations is effectively non-existent. None of the participants except two participants, one from UAE and one from Oman, believe that communications do have a role to play in reputation management. However, both these participants implied that the role of communications in maintaining reputation is limited to facilitation, but not at a strategic level. Communications is not considered important to be part of the C-suite, instead functions like marketing and legal are considered the primary pillars of maintaining reputation along with the top management of the organizations. In fact, most of the organizations do not have a department to manage the communications for the organization, either within or outside the organization. In the case of the banking sector, reputation management is understood as the responsibility of the marketing department, who reported to the senior management of the bank. The role of corporate communications is limited to the creation and management of quarterly internal/external newsletters, organization.

The Kuwaiti corporate group believed that the role of public relations or communications in their organization is limited to creating publicity as well as maintaining media relations. For this participant, the role of a communications professional does not involve any role in the policy making or reputation management. Reputation management in his organization is a responsibility that is jointly shared by the human resource and the legal department.

Conversely, this also shows that marketing and legal departments or others that participate in reputation management rely a lot on reputation to conduct their businesses in the organization. They are valued in the department because of their ability to create and manage reputation for the organization. However, while the participant from the government organization did not believe that reputation impacts the business, all the other participants have been greatly helped by a positive reputation of their organizations. They said that reputation either directly or indirectly benefits the organization to a great extent. In the case of the banking sector, a better customer relationship management creates a greater impact on the reputation of the organization. Similarly, a UAE participant added that the legal department in the organization is responsible for handling a crisis situation in the organization and hence, they have the privilege to advice and be present for top management meetings.

The interviews revealed that leadership in the Middle East plays a very important role in reputation management. According to the interviewees, the leadership maintains the reputation of the organizations; all the organizations felt that there is a very important role of leadership in their organizations. A good leader goes a long way in establishing the organization's reputation in the market. Participants said that ethics, values and the image set down by the leader is the way the organization starts getting perceived in the market. Leadership not only helps in increasing the productivity of the organization, but the reputation of the leader adds to the collective reputation of the organization.

In the case of the Kuwaiti corporate group, the reputation of the group is greatly affected by the leader. The participant believed that a positive reputation of the leader among the stake holders helps in the growth of the organization. Furthermore, the vice versa of the same exists as well. Hence, the reputation of the organization impacts the reputation of the leader and the reputation of the leader impacted the reputation of the organization.

Furthermore, even the participants who did not believe in the importance of corporate reputation believed that their leadership plays a very important role in creating an image of their organization in the market. In the case of government organizations the leadership of the organization is always perceived to be that of the monarch and is directly proportional to his popularity (extremely positive).

Interestingly, in the GCC a positive reputation of a global brand directly influenced the organization with which it was associated. This is especially true in the case of the education and the B2C sector. From the Omani corporate group, the participant from the education sector believed that association with a prestigious education system has greatly helped the school in terms of establishing itself as a premier institution in secondary school education. He gave an example of International Baccalaureate (IB) School; having an affiliation or certification from these kinds of internationally accredited education systems greatly benefits the organizations. Furthermore, participants from Oman, Kuwait and UAE who work in the B2C sector feel that associating with popular and niche western brands often gives their organizations a big boost in their own reputation. Brands like Apple, Gucci, Guess, Michael Kors and Prada tend to transfer their reputation to local organizations that distributed their products in the GCC.

This kind of an effect is also seen in the case of human resources that are hired internationally to work in the GCC for these organizations. Professionals who are hired from western countries like the USA, Canada, Australia and European countries are given better salaries and benefits than professionals who come from south Asian countries, like India and Pakistan and other Asian/African countries. This trend is higher in organizations from UAE and Kuwait than in Oman. Employers perceive the reputation of these professionals higher than the other professionals because of the countries of their citizenship. The reputation attached to their countries affects the reputation of these professionals. Hence, the presence of these professionals adds value to the reputation of

Understanding Reputation

the organizations. Furthermore, in the case of Oman this trend is primarily seen in the secondary school system, while in the other countries this is seen in all the sectors.

The theoretical framework of the study has proved that social media plays an important role in building the reputation of the organization. However, this is not found to be universally, social media is found to be of value to all the organizations who are involved in B2C business; however, it is not used as a strategic tool to establish the reputation of the organization. Furthermore, the study reveals that the role of social media is not clearly defined in the Middle East market.

Many organizations are weary to engage with stakeholders on social media because of a 'lack of control' on these platforms. Participants believed that using social media as a tool is too risky for them, since, they cannot keep control of the information that can spread on social media.

Furthermore, contrary to the literature on social media, small medium enterprises are reluctant to use social media as a tool to engage with their stakeholders and manage their reputation. However, larger corporates are increasing their activity of various social media platforms and are aggressively using the medium to create a positive reputation for themselves.

Furthermore, the use of social media in most of the organizations is limited to advertising and sharing news and updates about the organization. Only one participant said that his organization believes and indulges in conversations with its stakeholders on social media. The model described resembled Grunig's two-way communication model. The other participants felt that social media is nothing more than a 'cheap advertising tool' with a purpose to create publicity for the organization. Additionally, presence on social media is still not considered as an important factor to build reputation for organizations in the Middle East.

Only one participant opined that organizations need to hire a dedicated social media manager for better management of social media as a reputation management tool. Otherwise, social media is regarded as a tool that "holds its place in the future, not in the present." Moreover, the key tools to manage reputation have been traditional forms of mass media and advertising. Interpersonal communication between the stake holders and the organization is also considered to be a very important means to manage and create a positive corporate reputation.

In the case of the government sector, reputation management does not need any specific tool, as reputation itself is not considered an important function of the organization. However, the interviewee believed that the quality of work itself is a great way to build reputation and this itself is the best way to establish reputation. Hence, the organization does not need a separate strategy to maintain the reputation since "work is the strategy."

Internal reputation is an important factor that helps to build the reputation of the organization. It is realized that external reputation of an organization in the Middle East is directly influenced by the internal reputation of the organization. Organizations have different strategies to maintain as well as evaluate internal reputation of the organization.

Human resources play a key role in maintaining the internal reputation of the organization. It appears that some organizations, especially in the banking industry, give a lot of importance to internal reputation and involve the human resource department to create opportunities in order to maintain a better internal reputation. Employee surveys tools like SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis and the

SMART (Specific, Measurable, Assignable, Realistic and Time-related) acronym are some of the tools that are used to measure internal reputation. However, as mentioned by the participant from the Kuwaiti corporate group, the best way for the management to understand and estimate the internal reputation is by creating a channel of communication between the employees and the top management.

Moreover, one of the most important findings of the study is the relationship that is attached between reputation and risk. It is understood from the interviews that there is a significant relationship between reputation and organizational risk in the GCC markets. Specially, in the case of banking sector the participant believed that the level of risk in the business goes down considerably with the level of reputation. A finance institution with a high positive reputation is often considered as 'less risky' by investors and customers. Other participants who belonged to the private sector agreed that a good organizational reputation does decrease the level of risk attached to the business albeit this was considerably higher in the banking sector.

In the case of the petroleum sector, the declining market has not created a major risk for these organizations; this is because of the presence of reputation capital of the organizations. The reputation capital that the petroleum organizations have accumulated over a period of time is used to maintain a relationship with the stakeholder, specially the community.

Finally, even though reputation management is perceived useful for the organizations, however, it is not given the resources or infrastructure as compared to other departments like finance, marketing, etc., in the organization. Besides, the role of communications in all the organizations is limited or non-existent, although it is understood from the interviews that both communications as well as reputation are perceived as elements that benefit the organization.

Limitations

While every effort was made to remain objective in the development and execution of this case study research, limitations did exist. The biggest limitation was the fact that it was not possible to generate a large sample size and thus full representation of the market situation of the Middle East economy. Although, the study incorporated opinions from different professionals working in various sectors in the Middle East, the small sample must be seen as directional rather than representative. Furthermore, interviewees spoke on condition of anonymity. While this allows for greater freedom to speak, it also has limitations in that there is not as much accountability for what they report.

Furthermore, due to the fact that the interviewees were in different professions, based in different cities, and served different markets, the conclusions drawn cannot and should not be assumed to be a representative of other organizations that share one or more of the same variables. Additionally, two of the most important countries, Saudi Arabia and Qatar have been left out in the study because of time and resources constraints. These countries are two of the biggest markets in the Middle East, and a study on reputation management in the Middle East cannot be complete without examining it in these countries. The theoretical framework of the study does not include much literature about reputation management in the Middle East. The researcher realizes that this is a very important aspect of this study and should have been part of the framework to evaluate the comments made by the interviewees.

Conclusion

The study concluded that reputation as a management function is valued by all the industry sectors except that of the government. It also found out that organizational functions like marketing, legal and human resources play a greater role than the

communications department of the organization. The study revealed that there is no role of strategic communications in the GCC market, however, the role of communications is more pronounced in the B2C sector than the B2B sector. The study discovered that there is a direct co-relation between positive reputation and better business in the B2C sector. However, in the case of a B2B sector, the relationship was not direct but a positive reputation did impact the B2B organizations. Furthermore, organizations are sceptical of social media as a tool to maintain reputation, most of the organizations rely on traditional mass-media to build a positive reputation and engage with their stakeholders.

It appears that the social-political structure of the GCC economies has a deeper impact on organizational reputation, and this also creates a big difference between reputation management in the Middle East and in North-America. While western markets are more sensitive to reputation because of transparency and open information-exchange, the Middle East markets experiences stricter censorship laws and political culture to shield and manage their reputation. In particular internal reputation is important for all the organizations in the Middle East. Though the government sector, it is assumed that the internal reputation of the organization always positive. The assumed positive reputation of the government translates into a superior internal reputation of the organization. It is believed that working for the government in these markets is a matter of personal reputation and hence there is no requirement to manage the internal reputation in these organizations.

The study revealed that organizations do have any specific KPIs to measure the internal reputation of their organizations. Furthermore, the study established the positive relationship of internal reputation to the overall reputation of the organization. Human resource department is responsible for maintaining and evaluating the internal reputation of the organizations.

Finally, despite the limitations, this case study serves as an important springboard for future research in an environment, where one of the key pillars to the organization's future economic success and competitiveness lies in its ability to build a better reputation in the market among its stakeholders and competitors. The study can also help to initiate and lead into a broader discussion of stakeholder relations with respect to reputation management in other international markets on the verge of expansion.

This research could be the catalyst for a larger study of reputation management in the Middle East that includes professionals working in different sectors of the Middle East economies that will help to get a better understanding of reputation, its relevance and impact in the Middle East. In particular such research may help to create a code of ethics that can be adapted taking into account a unique cultural, political and economic situation with different notions of transparency and accountability. Additionally, the study can be central to build an environment of public accountability of organizations to include more scrutiny like the North American and European Union counterparts with an emphasis on human rights.

Bibliography

Agarwal, M. K., & Berens, G. (2009). How corporate social performance influences financial performance: Cash flow and cost of capital. MSI Working Paper Series, 1(09-001), 3–26.

Ali, A. J. (1999). Middle East competitiveness in the 21st century's global market. *Academy of Management Executive*, 13(1), 102–108.

Aula, H.-M., & Tienari, J. (2011). Becoming 'world-class'? Reputation-building in a university merger. *Critical Perspectives on International Business*, 7(1), 7–29. doi: 10.1108/17422041111103813

Aula, P. (2010). Social media, reputation risk and ambient publicity management. *Strategy and Leadership*, *38*(6), 43–49. doi: 10.1108/10878571011088069

Barnett, M. L. (2007). Stakeholder influence capacity and the variability of financial returns to corporate social responsibility. *Academy of Management Review*, *32*(3), 794-816.

Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99-120. Retrieved from http://web.a.ebscohost.com.libaccess.lib.mcmaster.ca/ehost/pdfviewer/pdfviewer?sid=92 a4378b-07f5-41cf-af32-334bd4e8d848%40sessionmgr4002&vid=1&hid=4101

Behrend, T. S., Baker, B. A., & Thompson, L. F. (2009). Effects of pro-environmental recruiting messages: The role of organizational reputation. *Journal of Business and Psychology*, *24*(3), 341-350. Retrieved from http://link.springer.com/article/10.1007/s10869-009-9112-6#page-1

Berger,B.(2008). Employee/organizational communications. Retrieved from http://www.instituteforpr.org/topics/employeeorganizational-communications/

Boeing. (n.d.) Retrieved November, 10, 2014, from Middle East, Boeing website http://www.boeing.com/boeing/commercial/cmo/middle_east.page

Carter, S. M. (2006). The interaction of top management group, stakeholder, and situational factors on certain corporate reputation management activities. *Journal of Management Studies*, *43*(5), 1145-1176. doi:10.1111/j.1467-6486.2006.00632.x

Caves, R. E., & Porter, M. E. (1977). From entry barriers to mobility barriers: Conjectural decisions and contrived deterrence to new competition. *The Quarterly Journal of Economics*, *91*(2) 241-261. Retrieved from http://www.jstor.org/discover/10.2307/1885416?uid=3738784&uid=2&uid=4&sid=2110 4841397601

Chauvin, K. W., & Hirschey, M. (1994). Goodwill, profitability, and the market value of the firm. *Journal of Accounting and Public Policy*, *13*(2), 159-180. Retrieved from http://www.sciencedirect.com/science/article/pii/0278425494900183

Clarkson, M. E. (1995). A stakeholder framework for analyzing and evaluating corporate social performance. *Academy of Management Review*, 20(1), 92–117.

Cooper, C.D., Scandura, T.A. and Schriesheim, C.A. (2005). Looking forward but learning from our past: Potential challenges to developing authentic leadership theory and authentic leaders. *The Leadership Quarterly*, *16*(3), 475–493.

Cunningham, A. (n.d.). Retrieved November 6, 10, 2014, from Darien Middle East website, http://www.darienmiddleeast.com/hidden/economic-power-in-the-middle-east-measuring-the-rise-of-the-gulf-and-the-continuing-importance-of-the-non-arab-periphery/

Cwiak, C. L. (2014). Understanding where policies and decisions can go wrong: Utilising a 360 analysis model as a proactive reputation management strategy. *Journal of Business Continuity & Emergency Planning*, 7(4), 324-334.

Davies, G., Chun, R. and Da Silva, R. V. (2001). The personification metaphor as a measurement approach for corporate reputation. *Corporate Reputation Review*, *4*(2), 113-127.

Deephouse, D. (2000). The term "Reputation Management": Users, uses and the trademark tradeoff. *Corporate Reputation Review*, 5(1), 9–18.

Deephouse, D. L. and Carter, S.M. (2005). An examination of differences between organizational legitimacy and organizational reputation. *Journal of Management Studies*, 42 (2), 329 – 360.

Dowling, G. R., & Roberts, P. W. (2002). Corporate reputation and sustained superior financial performance. *Strategic Management Journal*, 23(12), 1077–1093.

Dowling, G.R. (2004). Journalists' evaluation of corporate reputations. *Corporate Reputation Review*, 7(2), 196–205.

Du, Shuili, C. B. Bhattacharya, and Sankar Sen (2007). Reaping Relational Rewards from Corporate Social Responsibility: The Role of Competitive Positioning. *International Journal of Research in Marketing*, *24*(9), 224–41.

Encyclopedia Britannica. (2014). *Gulf Cooperation Council*. Retrieved from http://www.britannica.com/topic/Gulf-Cooperation-Council

Fombrun, C., & Van Riel, C. B. M. (2004). Fame and fortune: How successful companies build winning reputations. Upper Saddle River, NJ: Prentice Hall.

Fournier, S., & Avery, J. (2011). The uninvited brand. *Business Horizons*, 54(3), 193–207. doi: 10.1016/j.bushor.2011.01.001

Freeman, R. (2004). The Stakeholder Approach Revisited. *Zeitschrift Fuer Wirtschafts-Und Unternehmensethik*, 5(3), 228-241. Retrieved from http://web.ebscohost.com.libaccess.lib.mcmaster.ca/ehost/pdfviewer/pdfviewer?sid=214f c66c-7d9e-4f2e-9b83-ccaa922d5560%40sessionmgr13&vid=21&hid=25

Gotsi, M. and Wilson, A. (2001). Corporate Reputation: Seeking a Definition. *Corporate Communications*, *6*(1), pp. 24–30.

Grunig, J. E. (1992). *Excellence in public relations and communication management*. Hillsdale, NJ: Lawrence Erlbaum Associates.

Hasanbegović, D. (2011). Corporate reputation and brand architecture: The debate. *South East European Journal of Economics & Business*, 6(2), 37-43. doi:10.2478/v10033-011-0014-y

Healy, P. M., & Palepu, K. G. (2001). Information asymmetry, corporate disclosure, and the capital markets: A review of the empirical disclosure literature. *Journal of Accounting and Economics*, *31*, 405–440.

Helm, S., & Tolsdorf, J. (2013). How does corporate reputation affect customer loyalty in a corporate crisis? *Journal of Contingencies & Crisis Management*, *21*(3), 144-152. doi:10.1111/1468-5973.12020.

Holme, R., & Watts, P. (1999). Corporate social responsibility. Geneva: World Business Council for Sustainable Development.

Jensen, M. (2002). Value maximization, stakeholder theory, and the corporate objective function. *Business Ethics Quarterly*, *12*, 235–256.

Jones, R. (2014, November 19). Activision Blizzard Looks to Invest in the Middle East. [Web log post]. Retrieved from http://blogs.wsj.com/digits/2014/11/19/activision-blizzard-looks-to-invest-in-the-middle-east/

Kim, J.N., Hung-Baesecke, C.F., Yang, S.U. and Grunig, J. E. (2013). A strategic management approach to reputation, relationships, and publics: the research heritage of the excellence theory. In C. E. Carroll (Eds.), *The Handbook of Communication and Corporate Reputation*. Oxford, UK: Blackwell Publishing Ltd.

Kozinets, R. V., de Valck, K., Wojnicki, A. C., & Wilner, S. J. S. (2010). Networked narratives: Understanding word-of-mouth marketing in online communities. *Journal of Marketing*, *74*, 71–89. doi: 10.1509/jmkg.74.2.71

Lange, D., Lee, P., & Dai, Y. (2011). Organizational reputation: A review. *Journal of Management*, *37*(1), 153–184

Luchs, Michael G., Rebecca Walker Naylor, Julie R. Irwin, & Raghunathan, R. (2010). The Sustainability Liability: Potential Negative Effects of Ethicality on Product Preference. *Journal of Marketing*, 74(9), 18–31.

Luo, X., & Bhattacharya, C. B. (2006). Corporate social responsibility, customer satisfaction, and market value. *Journal of Marketing*, 70, 1–18.

Luthans, F. and Avolio, B. (2003). Authentic leadership: A positive development approach. In, K.S. Cameron, J.E. Dutton and R.E. Quinn (Eds.), *Positive Organizational Scholarship: Foundations of a New Discipline*, San Francisco, CA: pp. 241–261.

Madden, M., Fox, S., Smith, A., & Vitak, J. (2007). Digital footprints: Online identity management and search in the age of transparency. Pew Internet and American Life Project. Retrieved from http://www.pewinternet.org

Maignan, I., & Ferrell, O. C. (2004). Corporate social responsibility and marketing: An integrative framework. *Journal of the Academy of Marketing Science*, *32*(1), 3–19.

McWilliams, A., & Siegel, D. (1997). The role of money managers in assessing corporate social responsibility research. *Journal of Investing*, 6(4), 98–107.

Men, L. R. (2014). Internal Reputation Management: The Impact of Authentic Leadership and Transparent Communication. *Corporate Reputation Review*, *17*(4), 254-272. doi:10.1057/crr.2014.14

Middle East economy. (n.d.). Retrieved November 14, 2014, from Sheppard Software website, http://www.sheppardsoftware.com/Middleeastweb/factfile/Unique-facts-MiddleEast19.htm

Middle East. (n.d.). Retrieved November, 24, 2014, from Global Perspectives website, http://www.cotf.edu/earthinfo/meast/MEeco.html

Orlitzky, M., Schmidt, F. L., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. Organization Studies, *24*(3), 403–441.

Peterson, R., & Whitworth, J. (2013). A Reexamination of the Dividend Threshold. *Academy Of Business Research Journal*, *3*, 345-57. Retrieved from http://web.b.ebscohost.com.libaccess.lib.mcmaster.ca/ehost/detail/detail?vid=10&sid=b96 02864-1654-46c2-8c35 00a88d347137%40sessionmgr198&hid=116&bdata=JnNpdGU9ZWhvc3QtbG12ZSZzY2 9wZT1zaXR1#db=bth&AN=89186744

Petrokaite, K., & Stravinskiene, J. (2013). Corporate Reputation Management Decisions: Customer's Perspective. *Engineering Economics*, 24(5), 496-506. doi:10.5755/j01.ee.24.5.3920

Pfarrer, M. D., Pollock, T. G., & Rindova, V. P. (2010). A tale of two assets: The effects of firm reputation and celebrity on earnings surprises and investors' reactions. *Academy of Management Journal*, *53*(5), 1131–1152.

PR and Reputation Management. (n.d). Retrieved December, 10, 2014, from London School of Public Relations website, http://www.lspr-education.com/index.php?page=lspr-pr-and-reputation-management

Riddell, P. (2013). Rallying the troops: Crisis communication and reputation management in financial services. *Journal of Brand Strategy*, 2(3), 222-227.

Schaupp, L., & Bélanger, F. (2014). The Value of Social Media for Small Businesses. *Journal of Information Systems*, 28(1), 187-207. doi:10.2308/isys-50674.

Suh, T., & Amine, L. S. (2007). Defining and managing reputational capital in global markets. *Journal of Marketing Theory & Practice*, *15*(3), 205-217. doi:10.2753/MTP1069-6679150302

Tkalac Verčič, A., Verčič, D., & Sriramesh, K. (2012). Internal communication: Definition, parameters, and the future. *Public Relations Review*, *38*(2), 223-230. doi:10.1016/j.pubrev.2011.12.019

Turban, D. B., Forret, M. L., & Hendrickson, C. L. (1998). Applicant attraction to firms: Influences of organization reputation, job and organizational attributes, and recruiter behaviors. *Journal of Vocational Behavior*, *52*(1), 24-44.

Wade, M., & Hulland, J. (2004). The resource-based view and information systems research: Review, extension, and suggestions for future research. *MIS Quarterly, 28*(1), 107–142. Retrieved from http://web.a.ebscohost.com.libaccess.lib.mcmaster.ca/ehost/pdfviewer/pdfviewer?sid=4f3 edf83-f545-40de-bd8d-d003f1fcad61%40sessionmgr4003&vid=36&hid=4101

Walker, K. (2010). A systematic review of the corporate reputation literature: definition, measurement, and theory. *Corporate Reputation Review*, *12*(4), 357-387. doi:10.1057/crr.2009.26

Walumbwa, F.O. (2005). Can you see the real me? A self-based model of authentic leader and follower development. *The Leadership Quarterly*, *16*(3), 434–372.

Wang, Y., Zhang, J., & Vassileva, J. (2014). A super-agent-based framework for reputation management and community formation in decentralized systems. *Computational Intelligence*, *30*(4), 722-751. doi:10.1111/coin.12026

World Bank. (2012). World Bank Middle East and North Africa Region: A Regional Economic Update. Retrieved from http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/EXTMNA REGTOPPOVRED/0,,contentMDK:20480960~pagePK:34004173~piPK:34003707~theS itePK:497110,00.html

Wyld, D. C. (2008). Management 2.0: A primer on blogging for executives. *Management Research News*, *33*(6), 448–483. doi: 10.1108/01409170810876044

Yukl, G. (2006). *Leadership in Organizations* (6th ed.). Upper Saddle River, N.J.: Prentice Hall.

Sanders, K., & Canel, M. J. (2015). Mind the gap: Local government communication strategies and Spanish citizens' perceptions of their cities. *Public Relations Review*, *41*(5), 777-784. doi:10.1016/j.pubrev.2015.06.014

Appendix A

LETTER OF INFORMATION / CONSENT

A Study about understanding reputation in the Middle East

Principal Investigator:

Name: Faisal Ahmed Ikram Department of Communication Studies and Multimedia McMaster University Hamilton, Ontario, Canada McMaster University +1 467 985 7352 E-mail: <u>ikramfa@mcmaster.ca</u>

I am doing this research for a course to complete my Master in Communications Management. The research will try to understand how business leaders from different industries in the Middle East view reputation management. The study will examine how reputation management is incorporated into businesses and who is responsible for owning and executing it. The body of work will also point out the factors that are responsible for creating the gap between reputation management theories and the practice of reputation management in the Middle East. You are invited to take part in this study; your participation will add valuable insight to the research topic.

The research will be conducted by doing in-depth interviews with business leaders (around 20) in the Middle East. Skype, Google Hangouts and other such platforms will be utilized to conduct the interview. The interview will take around 60-90 minutes and will be conducted by the researcher himself. Questions will encompass the participants' opinion on the key drivers of reputation in their organization, the tools that are employed to maintain reputation in their organizations and similar issues. I will also ask you for some demographic/background information like your age and education.

Even though minimal, the participants may have some amount of social risk when sharing their ideas with the principal investigator. However, every attempt will be made by the researcher to mitigate and minimize the risks. You do not need to answer questions that you do not want to answer or that make you feel uncomfortable. You can withdraw from the study at any time. I describe below the steps I am taking to protect your privacy.

The risks involved in the study will be mitigated and minimized at different levels to make sure that any social risk for the participants is removed. At each stage the information shared in the study will be generic so as to avoid references to any particular person/organization rather the study will be evaluating the information from the perspective of the industries to which the participants belong. Further, the risks involved are mitigated as the information shared will be kept confidential to maintain secrecy and safeguard any loss of status, privacy or reputation. However, some of the questions might have the potential to identify you or your organization; in such a case you have the right to skip the question.

The research will not benefit you directly. However, I hope that the research will help you to understand reputation management and its importance to your organization. The results will be a valuable tool to understand the drivers of reputation in the Middle East and can be utilized to establish a positive reputation in the market. An opportunity to have a better understanding of the stakeholders as well as the market will be a reason and a benefit for you to engage in this study.

You are participating in this study confidentially. I will not use your name or any information that will allow you to be identified. No one but me will know whether you participated unless you choose to tell them.

Your participation in this study is voluntary. It is your choice to be part of the study or not, if you decide to be part of the study, you can stop (withdraw) from the interview for whatever reason, even after signing the consent form or part-way through the study or up until approximately February, 2016. If you decide to withdraw, there will be no consequences to you. In cases of withdrawal, any data you have provided will be destroyed unless you indicate otherwise. If you do not want to answer any of the questions you do not have to, but you can still be in the study. You can withdraw from this study up until approximately February, 2016, when I expect to submit my study.

I expect to have this study completed by approximately February, 2016. If you would like a brief summary of the results, please let me know how you would like it sent to you.

If you have questions or need more information about the study itself, please contact me at:

ikramfa@mcmaster.ca or +1 467 985 7352.

This study has been reviewed by the McMaster University Research Ethics Board and received ethics clearance. If you have concerns or questions about your rights as a participant or about the way the study is conducted, please contact:

McMaster Research Ethics Secretariat

Telephone: (905) 525-9140 ext. 23142

c/o Research Office for Administrative Development and Support

E-mail: <u>ethicsoffice@mcmaster.ca</u>

CONSENT

- I have read the information presented in the information letter about a study being conducted by **Faisal Ahmed Ikram** of McMaster University.
- I have had the opportunity to ask questions about my involvement in this study and to receive additional details I requested.
- I understand that if I agree to participate in this study, I may withdraw from the study at any time or up until approximately February 2016.
- I have been given a copy of this form.
- I agree to participate in the study.

Appendix **B**

Interview Questions

- 1. What do you think is the meaning of "reputation"?
- 2. How do you think is it important for your organization?
- 3. What does management in your company/organization do to maintain a positive reputation?
- 4. What do you think does the overall role of reputation in the markets exist in the GCC region?
- 5. What is the overall role of reputation in the western markets?
- 6. Do you see any difference between these two markets?
- 7. Do you see any difference between companies like yours and those that operate in the western markets?
- 8. How do you define the stakeholders in your organization?
- 9. In terms of stakeholders, how do you think reputation plays an important role in benefiting the organization?
- 10. Does a good reputation translate into better business for the organization? How so?
- 11. Who are the people that are responsible for managing the reputation of the organization? What position do they hold? How have these roles changed over the last few years?
- 12. What are the tools that are used by the organization in building a reputation? Does Social Media play an important role in shaping the reputation of the organization? What other types of media play a role in shaping the reputation of your organization?
- 13. What indicators do you use to the measure reputation of your organization?
- 14. In comparison to other aspects of the company, how important do you feel reputation is to the success of your business?
- 15. What factors do you think contribute to the reputation of your organization?
- 16. What do you understand by the term 'Internal Reputation'?
- 17. How is internal reputation evaluated and maintained by the organization?

Appendix C

Participants from Oman	Participants from Kuwait	Participants from UAE
A1	B1	C1
A2	B2	C2
A3	B3	C3
	B4	C4
		C5

A1: Official from the Royal Courts, Oman.

A2: Director of a corporate group running several secondary institutions in Oman.

A3: Senior Manager of a leading Public Relations agency in the GCC.

B1: Chief Finance Controller of a leading construction group in Kuwait

B2: Vice President of corporate group working in the education sector in Kuwait.

B3: Senior Manager in one of the Ministries of the government of Kuwait.

B4: Country Head of one of the banks in Kuwait.

C1: Chief Business Development Officer of one of the technology companies in GCC.

C2: Director of client services in one of the leading banks in UAE.

C3: Manager of one of the leading petroleum organizations in UAE.

C4: Chief Marketing Officer of a leading consumer goods organization in UAE.

C5: Business Development Head in one of the free zones in UAE.