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CREDIBILITY AND BUILDING A GOOD CORPORATE REPUTATION

Abstract. The company's good name is its price and value in the market, long-term market stability, good public response and pride, higher loyalty as well as employee motivation. In the long run, this important attribute has been associated with the economic aspect and quality. Today, however, we recognize that good name should be built and maintained not only by economic instruments but also by corporate culture and way of acting towards stakeholders, citizens or employees. Good name is closely related to the credibility that we understand as a form of positive reflection of the functioning of companies and institutions, as a non-material phenomenon with significant moral content. Experts in applied ethics can assist in the field and study. They can provide expert service through ethical and ethical advice.

Keywords: applied ethics, credibility, reputation

WIARYGODNOŚĆ I BUDOWANIE DOBREJ REPUTACJI FIRMY

Streszczenie. Dobre imię firmy to jej cena i wartość na rynku, długoterminowa stabilność na rynku, dobry odbiór publiczny i duma, wyższa lojalność i motywacja pracowników. W dłuższej perspektywie ważny atut związany jest z aspektem ekonomicznym i jakością. Dziś jednak uznajemy, że dobre imię należy budować i utrzymywać nie tylko za pomocą instrumentów ekonomicznych, ale także przez kulturę korporacyjną i poprzez działania wobec udziałowców, obywateli lub pracowników. Dobre imię jest ściśle związane z wiarygodnością, którą rozumiemy jako formę pozytywnej refleksji na temat funkcjonowania firm i instytucji, jako zjawisko niematerialne z istotną treścią moralną. Eksperci z etyki stosowanej mogą pomóc w tej dziedzinie i nauczać. Mogą świadczyć usługi eksperckie za pomocą etyki i porad etycznych.

Słowa kluczowe: etyka stosowana, wiarygodność, reputacja

1. Credibility and building a good corporate reputation

*'It is possible to do business ethically
but it is more difficult than to
proceed incorrectly.
(Dytrt, 2006, s.22)*

At present in dynamic economy both business and public institutions still more and more realize the importance of goodwill in its organization. For a long time this essential attribute has been connected to economic perspective and quality. However, today we understand that a good corporate reputation must be built and maintained not only by economic tools but also by corporate culture, by behaviour towards stakeholders, citizens and employees. A good corporate reputation makes its price and a market value, a long-term market stability, a positive public feedback and pride, higher loyalty as well as personnel motivation. 'Corporate culture or its strong reputation is an essential value which is the result of acknowledgement of market environment. It is usually a long-term process in which economic behaviour, internal culture and management ethics are linked. (Z. Dytrt, 2006, s. 29) A good corporate reputation makes a greater value in comparison to its subject facet or economic vitality. It creates a starting point of its economic and social stability, keeping efficient personnel and market reliance. Building and obtaining the good corporate reputation means to work on yourself and be capable to make progress based certain inner principles and values which we have adopted. A strong corporate reputation is created gradually through acquiring reliable procedures and long-term standards practising. Therefore, we consider the issue as an important part of entrepreneurship and a public service. Its fulfilling requires a specific strategy and a vocational concern. A good corporate reputation is closely connected to building credibility which is a form of positive reflecting in companies and institutions and an immaterial phenomenon with significant moral content. It is an effort not to fail in difficult situations and a will to assert the values important for business partners as well as for citizens. Credibility is not only a sign of a professional attitude, adhering to fair play principles in relation to business partners but also to end users. Furthermore, it is a confirmation of responsible acting, high business ethics and a fair approach to obligations.

The sign of the effort to achieve a greater credit is accepting models of social responsibility ISO norms quality 9000, 14000 or even 26000. This way both economical and public subjects prove their serious interest in getting higher reputation by keeping these standards. In addition, it is crucial to declare a trust as a value in their ethical codes and statements. The ethical code and values express an essential commitment framework and building a good corporate reputation. It is necessary to say that entrepreneurship faces a big pressure in the world which is becoming more and more global. Business partners demand a trustworthy trading company which meets their obligations and does not fail in crucial situations. Firms must be socially responsible and have to be able to react to new

requirements and conditions. 'Social responsibility in ethics represents an institutionalized and reported social responsibility as an effective tool of strategical company development, a tool of building credibility and corporate identity, a reputation of a fair player and an important tool in brand making. At present it seems that successful future firms will not be institutions without a character whose goal is only to sell a product for the right price. They will have to present themselves as if they were individual people – as an intelligent subject with an uncorrupted character fairly treating its employees and wide surroundings. Positive initiatives which in this matter help cultivation and ethical mobilisation of our practise are solutions related to creating responsibility mechanisms and models of social responsibility. (Fobel, 2011, s. 11 – 12) Socially responsible business is becoming a key starting point for those who want to create a strong corporate reputation for the company they work in.

Consequently, we may ask how to build the credibility and who should be the agent of the initiative and the change. Building the good corporate reputation can be considered as a part of innovative changes of immaterial character. It is an expression of a positive change making an additional value in an ethical way. It requires value experts and a change of organizational culture, assessment specialists and understanding the interests of clients, stakeholders and the public. Therefore, it is a creation of a new value-normative framework, new company philosophy, organisational strategy, identity change nominating it to a new role – a reliable, admired and needed institution. Its goods and services are high quality and available. Corruption, an autocratic management style, cheating and disarrangement of customers and personnel, unreliable quality, malfunction of complaint and appeal mechanism, indirectness, arrogance etc. are the negative attributes damaging a good corporate reputation.

In the stated area experts in applied ethics can be helpful. They can provide a special service through guidance in ethics and an ethical expertise. The ethical expertise is defined as 'required narrowly targeted expert analysis of a problem or an extensive report by which a certain specific situation is reviewed. (Fobel, 2011, s.11 – 21)

Ethics experts can help with creating an organisational vision and values, with making and implementation of ethical code within which the philosophy of good practise and corporate credibility can be defined. They can be tutors at the extension of quality norms ISO including ethical point of view as well as at measuring the ethical environment directed both in and out. This exclusive service supports the change of organisational culture, creating a communicative platform for keeping ethical principles, reporting mechanism and solving existing conflicts (mediation assistance, external reporting mechanism etc.). All the tools are able to help at operative intervention to change the attitude towards increasing credibility and maintain a good corporate reputation. Building and working the mechanisms themselves are the signs of concern in problems solving and the effort to build higher credibility. Taking into consideration a fact that a good corporate reputation makes more than 50% of a total firm price, then the costs of the activity are almost negligible and highly effective.

Reaching a good corporate reputation and credibility is connected to management ethics and social responsibility.

Three subsystems according to Z. Dytrt:

Management ethics	<p>Employee morale:</p> <p>General moral principles, respecting legal and social standards, an inner conviction about the meaning of morality, selfupbringing in moral attitudes</p>
	<p>Erudition:</p> <p>Qualifications, a system of lifelong learning, creativity, strategic thinking, stimulation-motivation, mental hygiene</p>
	<p>Application:</p> <p>Application of morality and erudition in practise, adhering to management ethics principles by all personnel, analysing the level and benefits of management ethics</p> <p>Management innovation</p>
Social responsibility	<p>Ethical application:</p> <p>The leadership application to the company's management, responsibility of personal services for a choice, education, motivation and stabilization of employees, regular personnel consultations and planning a career programme, care and the growth of worker expertise, ecological behaviour of the company, innovation of interpersonal relationships, the corporate reputation</p>
Good corporate reputation	<p>Strategy, tactics:</p> <p>Innovation towards behaviour in economical surroundings, supply of consumer and interpersonal relationships, innovation of success (culture) management</p>

Dytrt, 2006, s. 129

According to Z. Dytrt these three subsystems make a certain corporative culture, economical effectiveness, modern development strategy and innovative changes. The good corporate reputation is thus a complex programme connected with ethical managing, forming

ethical skills of managers, ethical culture in organisational behaviour. The ethical guidance in this field can play an essential role and can become a part of innovative changes. Entrepreneurship goes hand in hand with challenges how to deal with economic side of company leadership and at the same time build a good corporate reputation which is a guarantee of survival at the market. The care about the image, employees and its surroundings can be connected to some expenses, especially at the beginning. But this expenditure gradually becomes an advantage bringing return profit and positives in competitive environment. A good corporate reputation is not related only to improving but also to adhering to some principles. This is the ethics itself and its implementation into company's infrastructure. This is linked to accepting ethical values, standards and requirements as well as to its understanding, inner adopting and their overall respecting. The company morale represents a higher principle which has to be adhered not to the detriment of revenues, but due to their increasing and support. To obtain optimal results and to determine a real company condition it is good to conduct an internal or external ethical audit to provide information about people's requirements or what principles they adhere to. 'The standard tools in ethics implementation applied in firms are ethical codes, the ethical motif, the position of an ethics manager (a company ombudsman), a committee for ethics, ethical round tables, ethical seminars, workshops, discussion forums, ethical hotline, ethical balancing and ethical audit. Fobel, 2011, s.18) The audit of ethical situation then makes the work with personnel easier and creates the environment accepted by the majority of employees. After having identified the values and common expectations, an ethical code or company values can be designed which will enable individuals to make decisions in critical situations based on official company standpoint. A good corporate reputation is built gradually with honesty as the most significant factor. It is a complex component expressing the attitude of the company to the surrounding world and its routing in the business environment.

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