

REPUTATION AS A COMPETITIVE ADVANTAGE

^aOLGA N. GORYACHEVA, ^bGALINA S. KALININA

Kazan Federal University, 18 Kremlyovskaya street, Kazan 420008, Russia

email: ^aolganikgor@mail.ru, ^bgalinka.kalinina.14@list.ru.

Abstract. Reputation is the organization's most important intangible asset, characterized by variability and correlating with many external indicators. Moreover, competitors always strive to strike at it, try to directly or indirectly discredit the opponent's name; therefore professional PR-support of the organization's activities, on the one hand, and high-quality preparation for the reputation risks of the PR specialist, on the other hand, are necessary in modern business conditions. The relevance of this work is connected with understanding the importance of reputation as a strategic resource of vitality in the professional community. The article reports that in the process of forming public opinion about reputation, accessible information about the organization and its specialists, their recognition, which contributes to the subjective interpretation of the facts of the enterprise's activity among consumers, competitors and business partners, is important. Using the method of comparing and data summarizing, we compiled a summary table of elements of reputation capital. Reputation, being a competitive advantage, forms a stereotype of perception in society, consisting of an assessment of the forms and methods of promoting an organization. As a result of analyzing the organization's reputation, we identified positive and negative phenomena in the system of external relations, and rethought the marketing strategy. A business reputation permeates all areas of the business community and is ultimately called upon to create a positive public opinion about the company.

Keywords: reputation, competition, public relations, career, advantage, PR-specialist.

1 Introduction

Reputation is a long-standing stereotype of perception in society, consisting of an assessment of the forms and methods of promoting an organization. Long-standing business reputation permeates all structural divisions and is ultimately called upon to create a positive public opinion about the company.

The relevance of this topic is related to the understanding of reputation importance for a PR-specialist as a strategic resource of vitality in a professional team. It (reputation) consists of student knowledge, participation in project activities, successful work experience, ability to use material and technical base, and sense of involvement in the corporate community.

The purpose of this article is to study the reputation resource potential in the formation and development of a PR-specialist. The task of forming a specialist is greatly simplified, if the educational institution has not only an attractive image, but also an infallible reputation that has developed over decades and acts as a guarantee of the quality of educational services.

Interest in reputation opportunities, including in the PR-field, is traced not only in the works of foreign researchers: Dowling Grahame (Grahame, 2001), Griffin Andrew (Griffin, 2008), Rich Karlgaard, Alsop Ronald (Alsop Ronald, 2004), Trout Jack (Trout, 2007), but also of Russian scientists: Vazhenina I.S., Vazhenina S.G. (Vazhenina et al, 2019), Korol A.N. (Korol, 2015), Novikova K.I. (Novikova, 2016). et al. According to the doctor of psychological sciences V.G. Zazykin "PR-activities shall begin with the creation of a positive image of the organization, and its monitoring and improvement in the future" (Zazykin, 2005). Assessment of the status of business reputation, quality and efficiency of using communication channels, development of different methods to increase the effectiveness of ongoing activities in the PR-field is carried out in the process of communication audit.

2 Methods

Reputation is an organization's most important intangible asset. Moreover, it is not something static, ossified, forever formed. Today, reputation can change. Therefore, uncontrolled formation of reputation is unacceptable in the conditions of modern business. The article uses the method of scientific analysis and synthesis to determine the qualities of a P-specialist and methods of reputation management in a public relations system. The survey identified the priority parameters of the external and internal reputation of the organization.

Using the method of data comparing and summarizing, we compiled a summary table of the elements of reputation capital, since accessible information about the organization and its recognition are important in the process of forming public opinion. They contribute to the subjective interpretation of the facts of the enterprise's activity among consumers, competitors and business partners.

3 Results And Discussion

The expansion of the spectrum of specialties demanded in modern society has led to the emergence of appropriate educational services. A new direction for Russian universities was the training of public relations specialists (PR-specialists) at the turn of XX-XXI centuries. The Soviet system, based on planned production and focused on political decisions approved "from above", did not need PR-specialists, their role was "successfully" played by party organizers.

Commercialization and political free-thinking in modern Russia paved the way for the institutionalization of advertising and public relations. The position of PR-manager, who forms and maintains a positive public opinion about the company, policy, product or service, has appeared in the staff register. His/her functional responsibilities, as a rule, include preparing press releases, reports, presentations, organizing press conferences, round tables, and working with media representatives. Based on the foregoing, a candidate for PR-managers shall combine the following talents: creative thinking, established connections in the media, political and business spheres, journalistic skills, initial knowledge in marketing, branding, understanding the specific nature of advertising business, knowledge of a foreign language. The stages of career development of a PR-specialist do not differ from the progressive promotion of employees in related fields: assistant PR-manager, leading PR-manager, head of the PR-department, PR-director of the company, consultant in startup projects. Success in this creative work, which implies self-education and requires mobility in decision-making, is inconceivable without a specific set of personal qualities: communication skills, ability to find a common language with different people, and responsibility to realize the importance of teamwork. However, reputational immunity of a specialist, who is trusted to make strategic decisions to promote, adjust the image, and maintain the reputation of the organization as a whole, seems to be of paramount importance.

In the training system of a PR-specialist, the main burden falls on the university that carries out his/her training. Viability in a professional team consists of acquired knowledge, participation in project activities, successful practical training, ability to use the material and technical base, and a sense of involvement in the corporate community. The task of forming a specialist is greatly simplified, if the educational institution has not only an attractive image, but also an infallible reputation that has developed over decades and acts as a guarantee of the quality of educational services.

The recognition of the company and its reputation largely depends on the PR-manager or his/her team. In the Constitution of the Russian Federation, business reputation is described as one of the intangible goods (Article 150 of the Civil Code of the Russian Federation).

It is important to distinguish between image and reputation components.

Image is a superficial, as a rule, subjective perception of a person or a company, which is quickly created and easily changed. It is an outer shell, which sometimes does not reflect the economic and social position of the organization, and is the basis for all decisions. The first impression is given the fateful significance when meeting: "They judge a book by its cover". The presentable appearance of a PR-specialist, business surroundings of the company are able to win over a client. The main thing is not to be

disappointed and remember that a different image of different companies can hide the same internal processes.

Reputation is a long-standing stereotype of perception in society, consisting of an assessment of the forms and methods of promoting an organization. Long-standing business reputation permeates all structural divisions and is ultimately called upon to create a positive public opinion about the company. If the image reflects the emotional perception of the company, then the reputation is based on reliable knowledge and assessments, suggesting an analytical approach.

It is preferable an interdependence of image and reputation. Advertising campaigns, PR-actions aimed at attracting attention and primary interest of consumers and competitors are designed to skillfully build a reputation, reflecting the in-depth processes of strategic analysis.

Laying the foundations of stability and competitiveness, the organization's leadership has the opportunity to develop a reputation investment plan through understanding the psychological prerequisites of consumers, while using the image capabilities of the visual, verbal, socio-cultural, etiquette levels.

The visual image implies not so much a pleasant appearance, but rather a style. It is an art to be able to look good. Trendy clothes, bright makeup, and defiant clothes are not desirable in the appearance of a PR-specialist, since all this contradicts the business look, makes a person skeptical about the professional skills of a PR-specialist, who pays so close attention to his/her appearance.

The verbal level of the image is directly related to the art of communication and expression through the word. Knowledge of the basics of public speaking, ability to adapt to the interlocutor, orientation to the norms of oral and written speech help to avoid communicative failures.

It is important to determine the target audience and try to meet their expectations when planning a PR-action in the socio-cultural dimension of the image. Non-standard decisions and creative approach often depend on ethnocultural, social, philosophical preferences.

The etiquette component of the image includes the ability to maintain subordination, adhere to the rules of behavior in society, avoid conflict situations, and have teamwork skills. In order to develop ethical standards, the IPRA Code (1961), the Professional Charter of the International Committee of Associations of PR-Consultants (1991), the Minimum Quality Standards (1997), the Russian Code of Professional and Ethical Principles in the PR-Field (2001) were drawn up. The specialist, who has signed the code of professional ethics, is guided in his/her work by the methods and principles developed by the international PR-community.

For example, a professional image of a PR-specialist is unthinkable without high stress tolerance. Difficulties arise for the one, who is not ready to perceive the vital interests of another, does not accept different worldview attitudes, and does not share the language preferences of the client. Failure to accept something alternate aggravates ethnic conflicts in a multinational multicultural space. The psychotype of a person applying for the position of a PR-manager is defined as sanguine in psychology. Possessing an optimistic character, quickly adapting to a changing environment, these people most often find a common language with the representatives of other temperaments and are quicker to recover from conflict situations. PR-specialist has personality qualities with increased social activity, tolerant views, communication skills and an orientation towards high professionalism in creating and maintaining the image.

A survey of students of the Naberezhnye Chelny Institute of the KFU regarding the importance of the external and internal parameters of the organization's reputation for them was carried out based on the methodology of Shkardun V.D. (Shkardun, 2008). The results of respondents' answers about the importance

of the organization's internal reputation are summarized in Figure 1.

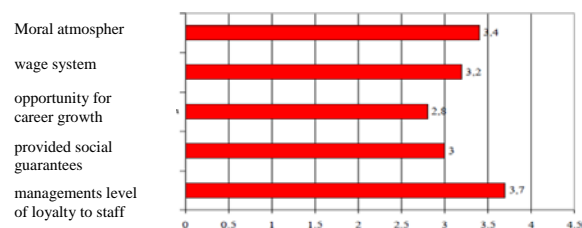


Figure 1. Integrated assessment of the significance of an organization's internal reputation.

Based on the data presented in the data diagram, it becomes clear that the level of leadership loyalty to the staff and the moral atmosphere in the team are extremely important for most respondents.

The data obtained during the survey on the importance of external reputation are contained in Figure 2.

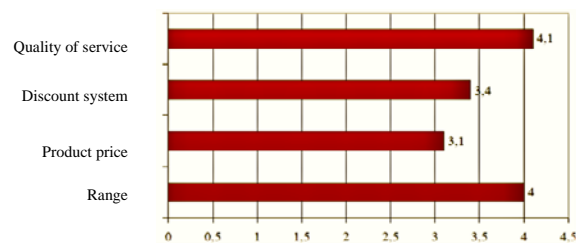


Figure 2. Integrated assessment of the importance of an organization's external reputation.

Assessing the indicators of external reputation (range; price; discount system; quality of services), respondents noted the range policy of the organization and the quality of services provided as priority.

According to the analysis of the organization's reputation, we identified positive and negative phenomena in the system of external relations, and rethought the marketing strategy. Taking into account the fact that "reputation" is associated with the concept of "social responsibility" in European countries, its importance in ensuring the organization's competitiveness becomes clear. According to M. Kokhanova, the work to increase reputation assets is aimed at demonstrating to the target audience that the organization employs "conscientious citizens of their country who care about public interests" (Kokhanova, 2005). The main objective of PR-management is to prevent the spontaneous formation of a reputation. The process of forming a company's reputation can be divided into the following stages:

1. Identification and study of target groups of the company.
2. Analysis of the expectations and preferences of the representatives of the target group in order to develop effective reputation management.
3. Definition of forms and methods of marketing activities

Professor of Marketing of the Australian School of Management Grahame Dowling identifies 4 target groups (Grahame, 2001, p. 176):

- regulatory (establishing the organization's rules);
- functional (forming team spirit and reputation);
- diffuse (active position in protecting human rights, providing a reputation buffer for crisis situations);
- consumer (groups of clients, to the interests of which the organizations are oriented). Reputation strategy involves taking into account and interconnecting the interests of representatives from all these groups (Hojati et al, 2014; Melo et al, 2018).

The business reputation of an effective PR-specialist is directly related to his/her professional and business skills. The most important of them is SoftSkills skills: art of writing and presentation, ability to collaborate with the media, mastery of electronic communications, reputation management, understanding of the laws of management.

Improving personal professional skills aimed at establishing reputation immunity, a PR-specialist creates a good reputation of the organization, which leads to an increase in "reputation capital", which means the value of reputation in monetary terms. In business communities, everything is evaluated in terms of profitability. The activity of PR-managers, the reputation components of which are presented in the table "Elements of reputation capital", is no exception.

Table 1. "Elements of reputation capital".

Elements	Functional value	Distinctive properties	Associated attributes
Service provided	special offer	state license, accreditation, quality of services	name, logo, location and architectural appearance of the building, social benefits
Target audience	potential clients	value orientations, personal interests, personality activity	gender, age, education, profession, social status
Organizational culture	defines the collective consciousness of an organization	social adaptation, relationships and socio-psychological climate in the team, motivation	neophytes, subordination, dress code, corporate legend, mood, well-being of the employee in the team
Management team	forms the business reputation of the company	appearance, verbal and non-verbal behavior, socio-demographic characteristics, off-duty activities	sociability, professionalism, facial expressions, diction, gender, age, level of education, income, family, life position, career stages, range of interests, hobbies
Employees	implement the tasks	competence, culture, socio-demographic status, lifestyle and behavior	level of knowledge, experience, tolerance, responsibility, age, gender, education
Social significance	popularization of public and social self-determination of the organization	informing about social aspects of activity	press releases, presentations, participation in projects, assistance in solving social issues
Commercialization	financial transactions, profit	business reputation, business activity	sales volume, relative market share, variety of services offered, pricing policy
Self-control	awareness of personal responsibility for a common cause	respect for the interests of teammates and clients	client type of behavior, customer feedback

Each element of business reputation has a functional value, which leads to the creation of a stable reputation immunity, which ensures the integrity of the personal and professional qualities of a PR-specialist.

The main criteria for a verdict on the reliability of reputation are moral qualities, professionalism, the quality of managerial decisions made, financial well-being.

4 Summary

Reputational capital is not formed spontaneously and not from scratch. This is a long process, involving the development of a unified strategy for the behavior of all participants, whose activities are aimed at achieving a common goal. It should be recognized that, the role of a PR-specialist is important, who is "involved in the information support of activities to establish productive and favorable interaction", is important in forming reputation (Goryacheva, 2014, p. 261). Building a reputation shall be systemic, integrated, professional in nature.

Representing an objective assessment of the professional qualities of not only a PR-specialist, but also a system of opinions about the company's activities, business reputation depends on a large number of disparate factors. Correction and reputation management measures become the key to effective competitive coexistence, providing a reputation advantage.

5 Conclusions

Business reputation in a public relations system seems to be a multidimensional and strategically important component of success. The transformation of image into reputation capital is unthinkable without monitoring the factors that determine the professionalism of PR-managers. The pragmatic approach that dominates in the business sector involves the calculation of risks, therefore business reputation acts as a guarantor of the relative stability of the enterprise, a reserve that allows implementing the plans of PR-managers to promote the company.

Acknowledgements

The work is performed according to the Russian Government Program of Competitive Growth of Kazan Federal University.

Literature

1. Alsop Ronald, J.: The 18 immutable laws of corporate reputation New York, 2004, 375 p.
2. Grahame, D.: Creating Corporate Reputations: 2001, 368 p.
3. Griffin, A.: Reputation management London; Philadelphia: Kogan Page, 2008, 236 p.
4. Goryacheva, O.N.: PR Technologies in Multicultural Society, Life Science Journal, issue 11(8s), 2014. 261-264 p.
5. Karlgaard, R., The soft edge. Where great companies find lasting success 2014, 272 p.
6. Korol, A.N.: Business reputation and company image Bulletin of TOGU. No. 2(37), 2015, 175-184 p.
7. Kokhanova, M.: Image and reputation capital of the company: to the PR modernization issue, RELGA, No. 12, 2005, 14-22 p.
8. Novikova, K. I.: Reputation management and administration, Scientific and Methodological Electronic Journal "Kontsept". V. 45. 2016, 103-105 p.
9. Shkardun, V.D.: Assessment and formation of a corporate image of an enterprise, Marketing in Russia and Abroad. 2008. 41 – 44 p.
10. Trout, J.: The Power of Simplicity: A Management Guide to Cutting Through the Nonsense and Doing Things Right 2007, 240 p.
11. Vazhenina, I.S., Vazhenin, S.G., Yushchuk, V.E.: Reputational risks of the organization: factors of occurrence and possibility of prevention (sociological aspect). Region: Economics and Sociology. No. 1 (101). 2019, 98-113 p.
12. Zazykin, V.G.: Image of the organization: structure and psychological factors of effectiveness. According to the workshop: "Practical Aspects of Public Relations". M., 2005.
13. Hojati, M., Rezaei, F., & Iravani, M. R.: Study the Effects of Teaching Cognitive and Metacognitive Strategies on Enhancement of the Academic Performance of Sama Vocational Schools Probation Students of Najaf Abad Branches in School Year 2013-2014, UCT Journal of Management and Accounting Studies, 2(2), 2014. 41-45 p.
14. Melo, R., Sobrinho, V., Filho, I., Feliciano, F., Maciel, P.: Redundancy Mechanisms Applied in Video Streaming Service on Eucalyptus Cloud Computing Infrastructures. Journal of Information Systems Engineering & Management, 3(3), 2018. 25 p.

Primary Paper Section: A

Secondary Paper Section: AE, AH