

## **Reputation and the Role of Social Media in Crisis Management**

As discussed in our first class, reputation is the ultimate capital organizations have with their stakeholders. It reflects trust and reliability, which can take years to build but only moments to damage. In today's digital era, no organization is exempt from the possibility of having a crisis. Technology and social media play key roles in shaping, maintaining, and sometimes harming that reputation, especially during crises.

One of the main reasons I chose to explore this topic is because of its relevance and timeliness. Many companies have faced backlash and reputational damage in recent years due to mishandling crises. From data breaches to product recalls, an organization's management and communication during a crisis can strengthen or hurt its reputation.

Social media serves as a connector between stakeholders (such as customers, employees, governmental entities, and investors) and companies. It can help organizations address risks and demonstrate commitment and transparency when trust is at stake, or it can lead to reputational damage when a crisis is handled poorly. Due to the unpredictability and speed of a crisis, an organization's ability to successfully navigate one depends greatly on how well it protects its reputation and how strong its "trust bank" is. As Al Golin said, building up deposits of goodwill with communities will help mitigate a crisis if it occurs.

Years ago, a crisis that impacted a brand might have lasted only a single news cycle, but today, information stays online forever. This makes it essential for companies to protect their reputation regardless of the type of industry they belong to. A company's response can make the difference between protecting its image and enduring long-term reputational damage.

An example we examined in class that highlights the importance of reputation and social media in crisis management is the Durham School incident. Durham School Services, a school bus operator providing contracted student transportation across the United States, was involved in a tragic accident on November 21, 2016, in Chattanooga, Tennessee. A school bus operated by Durham crashed, resulting in the deaths of six students.

Following the tragedy, the media and social networks were flooded with comments and mentions due to its impact on families and the community. The company faced criticism for its safety practices, turning the issue into a national conversation and showing how quickly a company's reputation can be jeopardized.

This situation demonstrated how digital platforms can quickly amplify the damage to a company's reputation, highlighting the important role of crisis management in repair and recovery. In this case, a rapid response, along with demonstrating responsibility, expressing regret, offering restitution, implementing reform, and restoring trust, protected the company's credibility and reputation after the crisis.

The effective and genuine response from David A. Duke, the CEO of Durham, showed the company's commitment to improvement and accountability. He delivered a direct message to the affected community, taking responsibility.

Durham implemented additional safety measures, such as adding more school bus monitors and establishing a feedback system where employees, parents, and school officials could report issues with its buses. These actions helped repair and restore lost trust by prioritizing the safety of children. The company also launched a website where people nationwide could view its safety records, allowing communities to take a more proactive role in ensuring the safety of their children. This case highlights the effectiveness of the crisis management strategies that ultimately led to restoring trust and reputation.

In crisis management, reputation isn't just about how well a company responds to the crisis itself, but also how it communicates with its stakeholders. With social media, responses are not only immediate but also open to public scrutiny. This ties into our discussions on the importance of strategic communication. Organizations need to be proactive, prepared, and strategic in how they handle crises in the digital world, especially when the stakes are high.

Social media offers opportunities for companies to build strong foundations of trust and reputation. Whether an organization emerges stronger or sustains long-term harm depends on how it manages risks.