

THE MOUNT · VERNON · REPORT

“Issues Affecting Reputation Management and Strategic Communication”

Building a Base of Trust

The prominent headline in the Boston Globe said it all: “To some constituents, Kerry still a puzzle.”

While U.S. Sen. John F. Kerry’s aides no doubt winced at the sight of the story, it probably didn’t surprise them. Kerry’s aloof nature has been news before. At the start of his hard-fought 1996 re-election campaign, Kerry acknowledged he needed to be more sympathetic and responsive to the concerns of his constituents.

The *Globe* article probably didn’t surprise most longtime citizens of Kerry’s home state either. Politically active Democrats know he has been working hard to be more accessible in the last eight years, but there remains a general feeling that Kerry “always had a reputation for, as he met you, looking past you to see if there was anyone more important in the room,” as veteran Massachusetts political reporter Brian Mooney once told *National Public Radio*.

That sentiment and its manifestations will undoubtedly dog Kerry throughout the presidential campaign season, especially when President George W. Bush’s political team manipulates such disconnects in much the same way Bush’s father framed Massachusetts Gov. Michael Dukakis’ local record on environmental and public safety issues in 1988.

The presidential campaign season holds many lessons for organizations and companies seeking to build their reputation in new markets and among new audiences. One of the most vital is the importance of establishing trust and credibility with what political gurus call “your base,” defined as the audiences that reasonable people expect to know you the best.

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Trust in Yourself and Your Fellow Man

In Ronald Reagan’s last speech on foreign policy, he showed his great facility for duality in rhetoric when he admonished the Soviet Union that the U.S. would “trust but verify” on nuclear arms. Reagan knew that he had the upper hand. The U.S. had developed the advantage of superior military might by outspending the Soviets. This was not “trust” at all, but acceptance of terms through a superior bargaining position.

Contrast this with Ben Franklin’s approach to brokering a peace agreement with the British following the colonies’ victory in the war of independence. As documented in *Benjamin Franklin*, by Yale historian Edmund S. Morgan, Franklin’s approach to negotiating was to be frank and open. He made it clear that any treaty must be mutually beneficial. He knew that the agreement would need to be in both parties’ best interests. Franklin could see things from the other side’s point of view – which is a first step in achieving trust.

Having trust in oneself is a first lesson in life. It comes with maturity and through trial and error. People expect you to

make mistakes – that is the human condition – but they also expect you to admit mistakes and make amends when you are at fault. Being able to be trusted is the first building block of reputation. Acknowledgement of a grievance is the beginning of the healing process and regaining trust. Recent scandals demonstrate that leaders in the Catholic Church and in corporate America have often failed to accept this basic necessary step to achieving trust. Real trust is achieved when we depend on others to do the right thing and when we in turn can be counted on to do the right thing.

This issue of the *Mount Vernon Report* explores some aspects of trust and points out why it is so critically important for us to succeed as human beings in this fast moving world. Without trust in ourselves and in our fellow man, there is not much we can achieve. With trust, we can attain our full potential.



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A strong rapport with your base is an important element of reputation management strategy because it is likely to be the first point of reference to which the national media, interested investors and prospective clients, customers and partners will turn to validate that what you are telling them about your leadership, products and services is true.

TRUST BEGINS AT HOME

The technology of Internet databases and Google searches has made it difficult to hide problems at home.

In media relations, for example, coverage in a company's headquarter market is a key building block in persuading top tier national media of the company's credibility. Upon receiving a compelling pitch, a national business reporter is likely to begin investigating what has been written about the company

There are recent, real-world examples of the importance of cultivating your base through credible and consistent communications.

The Roman Catholic Archdiocese of Boston became the epicenter of a national scandal on clergy sexual abuse under the tremendous weight of awful facts and a litany of poor decisions. But it didn't help matters that the Archdiocese had remained aloof and inaccessible among the media in Massachusetts for decades. When the *Boston Globe* Spotlight Team came knocking, the Archdiocese had little reputational capital upon which to trade or build. And when the first stories of the scandal broke, media influencers in the headquarter market had little reason to hesitate before they pounced.

President Bush recognized the importance of his conservative base when, in one of his first executive acts as president in 2001, he

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in technology trade publications and by the media in the company's headquarters.

The Feb. 28 *Globe* story in which Kerry won only lukewarm support from some constituents was not big news in Massachusetts, but media from outside the state undoubtedly took note of it for future reference.

Potential investors not only investigate the company's financials, but also give special weight to the views expressed by analysts who have covered the company for many years. In the life sciences field, an enterprise's base is anchored by its relationship with the physicians and patient communities served by its products and sales force. By the same token, efforts to recruit the best and brightest employees have a greater likelihood of success if your current employees speak favorably of your company in Internet chat rooms and other forums.

banned all federal funding for organizations providing counseling and abortion services to women in under-developed countries. He sought to shore up his base of support again when he recently proposed a constitutional amendment banning gay marriage.

At the height of former Vermont Gov. Howard Dean's campaign, numerous Democratic officials and luminaries from Massachusetts delivered an open snub to hometown hero John Kerry by actively fundraising and campaigning on Dean's behalf in neighboring New Hampshire. But Kerry called upon another key element of his natural base – Vietnam veterans – to re-energize his sagging campaign and win the Iowa caucuses, setting in motion a momentum shift that ultimately spelled the beginning of the end for Dean's upstart bid.

Still, better than one in five Democratic voters in Massachusetts chose to vote for someone other than Kerry during the state's March 2 primary – a sense of disenchantment not likely to be lost on either the Kerry or Bush camps as the presidential race moves forward.

AIM FOR A TRUSTING BASE

In cultivating a strong, trusting relationship with core audiences, organizations and companies should consider executing an “AIM” strategy:

★ **ACCESSIBLE:** Developing relationships of trust is a two-way street. An enterprise must engage in a consistent dialogue with its base audiences on issues that are important to them. Communicating with your core is important, but listening and responding is equally vital. Being constantly accessible sows the seeds for trusting communications.

★ **INFORMATION:** Good news is not your only news and your base knows it. Provide your base with both the good and the bad news of your organization. Cultivate their support for new initiatives that may not necessarily benefit them. Explain the importance of activities that may not involve them or directly touch their lives.

★ **MEMORY:** Never take your base for granted. If core audiences feel disenfranchised or forgotten, why should new audiences trust you to keep your word? The positive perceptions of your base have helped you get where you are today. Maintain that reputational capital by remembering and acknowledging their contribution.

The failure to attend to the care and feeding of the audiences that should know your organization the best will eventually undermine the credibility and success of any effort to extend your reputation into new markets and among new audiences.

In that sense, your reputation is a lot like an American Express card: Don't leave home without it.

~ Ed Cafasso

“FOR SOMEHOW THIS
IS TYRANNY’S DISEASE,
TO TRUST NO FRIENDS.”

Aeschylus

Aristotle’s Approach

As early as Aristotle’s time (384-322 BC), people were thinking about trust. Aristotle thought about trust in terms of rhetoric. How do we establish a level of trust when we are speaking to others? There are three approaches: ethos, pathos and logos. These three methods are interwoven. Good conversationalists and speakers draw upon all three, but drawing on at least one of these approaches will improve others’ perception of their interaction with you. In doing so, you will project greater charisma, and a better reputation as a source for fair, accurate information – thereby assuming the standing of a trustworthy individual.

ETHOS is moral character. A good reputation is the basis for attracting listeners. An established, reputable speaker finds listeners more interested in hearing what is being said because the speaker is trusted and even appealing to the listeners. If we have an unreliable past, we may not have the credibility to provoke interest and sympathy in our discussion. Integrity, reputation and character are the keys to taking advantage of one’s ethos.

PATHOS is the rousing of emotion, or passion. By playing to people’s emotions, we influence them in a certain direction and persuade them to see our side of the story. Pathos can be used to arouse sympathy, provoke fear, or stimulate action. However, pathos is a method that is most effective with a speaker who has established ethos already.

LOGOS is logic, or the facts. This approach includes providing accurate background information before and during the conversation or presentation. Using facts infuses the discussion with credibility, thereby encouraging sustained interest and increased trustworthiness. A reputable speaker is careful not to misuse the facts, but rather to present them reliably.

Aristotle’s three approaches to rhetoric are intertwined, and all play to our audiences to generate trust and credibility. Of course, those who have established credibility and trust in the past have an easier time of engaging listeners, but taking advantage of these different approaches will bolster your speaking style, appeal and trustworthy reputation.

~ Angela Y. Murdough

“THE LEADERS WHO WORK MOST EFFECTIVELY, IT SEEMS TO ME, NEVER SAY “I.” AND THAT’S NOT BECAUSE THEY HAVE TRAINED THEMSELVES NOT TO SAY “I.” THEY DON’T THINK “I.” THEY THINK “WE”; THEY THINK “TEAM.” THEY UNDERSTAND THEIR JOB TO BE TO MAKE THE TEAM FUNCTION. THEY ACCEPT RESPONSIBILITY AND DON’T SIDESTEP IT, BUT “WE” GETS THE CREDIT...THIS IS WHAT CREATES TRUST, WHAT ENABLES YOU TO GET THE TASK DONE.”

Peter Drucker

Breaking the Covenant of Trust Can Cause Irreparable Damage

In the day-to-day activity of human interaction, no characteristic may be more vital to our lives than trust.

There is an element of trust in any transaction. If you ask a mechanic to fix your car, you pay that person and trust that he or she will fix that rattle in your engine. If they do it for a reasonable price, they earn your return business. If they don't, or charge an excessive sum and take advantage of your trust, they lose a customer forever.

In a world where trust remains a fundamental building block for success in business or at home, a loss of trust can have devastating implications. Relationships based on trust take years to construct. Decades of hard work can be wiped away with a single lie or a failed promise, and the damage caused by such a breach can be irreparable.

Just ask Pete Rose. Rose spent 25 years nurturing his reputation, and he became one of baseball's most-beloved figures, known as "Charlie Hustle" for his hard work and dedication to the game. But in a few short years, Rose's status was forever destroyed when he violated the trust of his colleagues and fans by betting on Cincinnati Reds baseball games at a time when he was their manager. Rose compounded that breach by lying about his habits for 14 years. His dream of reaching baseball's Hall of Fame may never be achieved because he broke the covenant of trust.

In Connecticut, Gov. John Rowland had built a 24-year career in politics, serving in the state legislature, in the U.S. Congress, and finally as governor. Rowland came under fire in December 2003 when he lied about gifts and services he received from

employees and contractors who do business with the state. He eventually admitted that he received thousands of dollars in free home renovations. Two third of voters in Connecticut now want him to resign, and impeachment hearings are planned. A once promising political career is now dashed, because Rowland failed to appreciate the trust placed in him by voters.

In financial services, the mutual fund industry had enjoyed a "squeaky-clean" image in an investing world tarnished by bogus accounting practices and artificially pumped-up stock prices. Mutual funds were seen as a safe haven for investors wanting a sense of security.

But last fall, a series of questionable practices in the industry was revealed: market-timing, late-trading and self-dealing, all of which have nibbled away at mutual fund returns and profits. The most serious issue is not the money actually lost by investors. As the Associated Press pointed out in November, "The real price is in a loss of trust that already is scaring some investors away."

In all of the above cases, efforts are underway to rehabilitate the broken trust. Whether these restoration efforts succeed is unclear. What is certain, however, is that trust cannot be taken for granted. It must be constantly nurtured and preserved through honesty, openness and lucidity.

Breaches of faith can sometimes be repaired. But a stronger covenant of trust is one that is never broken.

~ John Lamontagne

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