



# **Reputation - Wikipedia**

Reputation of a social entity is an opinion about that entity. Reputation may be considered as a component of identity. Its influence ranges from competitive settings, like markets, to cooperative ones, like firms, organizations, institutions and communities.

Reputation acts on different levels: firms, corporations, organizations, countries, cultures and even civilizations.

It affects phenomena of different scales, from everyday life to relationships between nations. Reputation is a fundamental instrument of social order, based upon distributed, spontaneous social control.

**Crisis and Change Management and Audit** 

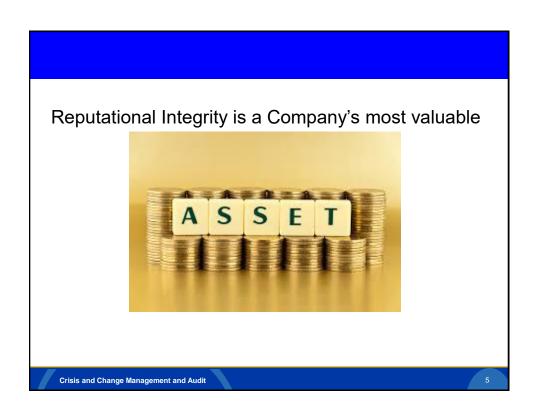
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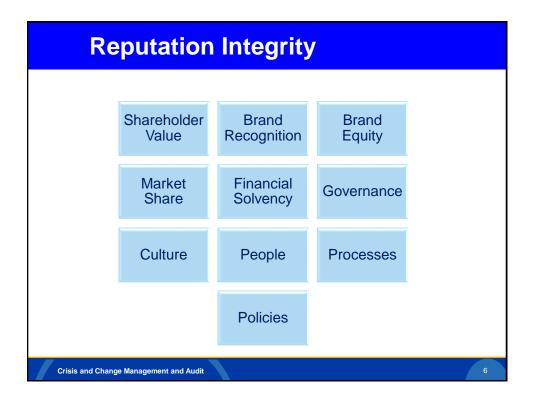
## **Integrity - Wikipedia**

Integrity: the quality of being honest and having strong moral principles; moral uprightness. It is generally a personal choice to uphold oneself to consistent moral and ethical standards. Integrity is regarded by many people as the honesty and truthfulness or accuracy of one's actions.

Integrity is the inner sense of "wholeness" deriving from qualities such as honesty and consistency of character. As such, one may judge that others "have integrity" to the extent that they act according to the values, beliefs and principles they claim to hold.

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# **Organization Focus**



Senior Management Assessment of RI

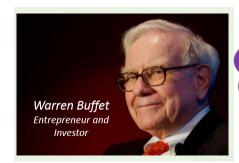


Internal Audit advocating RI

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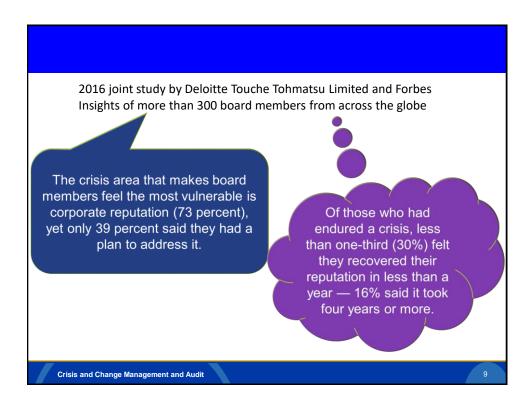
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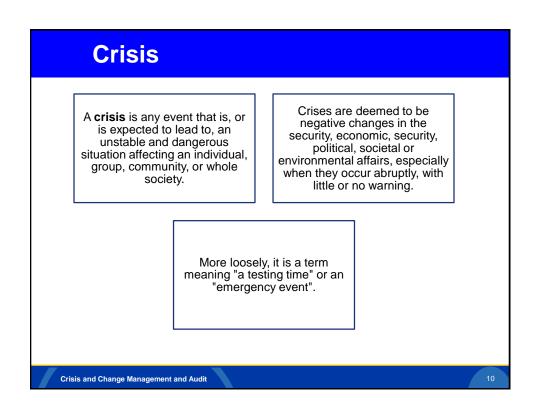
### **Wise Words**

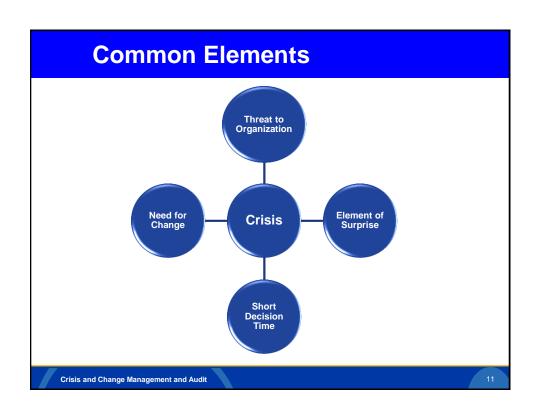


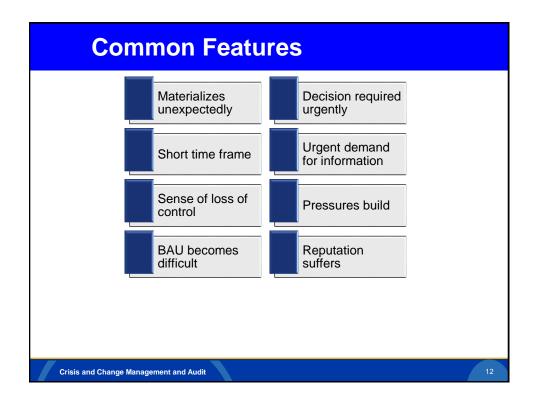
It takes 20 years to build a reputation and five minutes to ruin it.

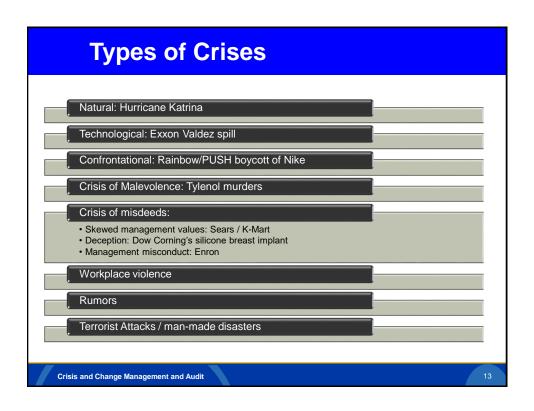
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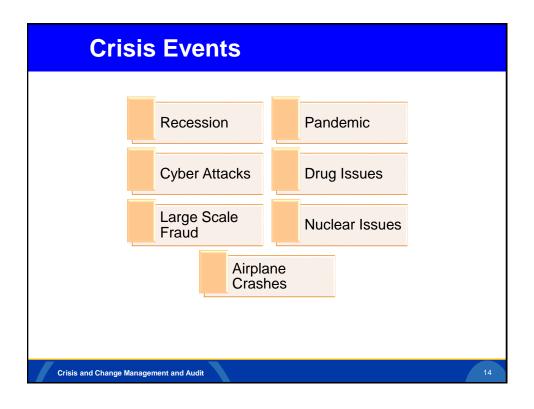


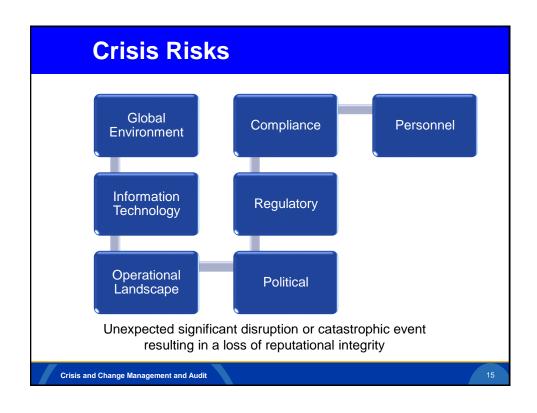




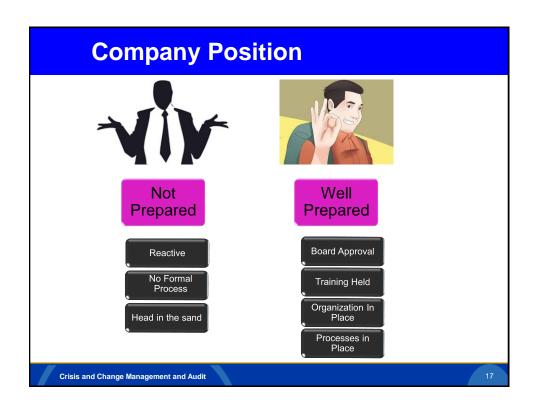


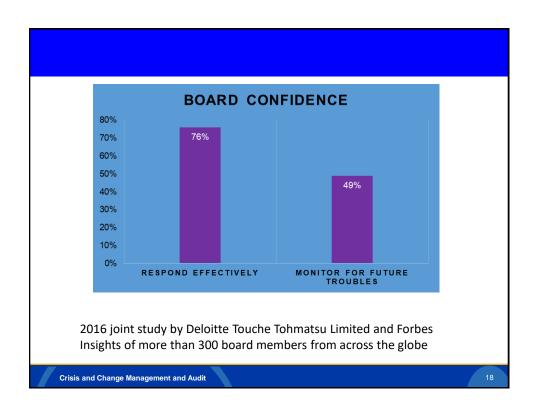






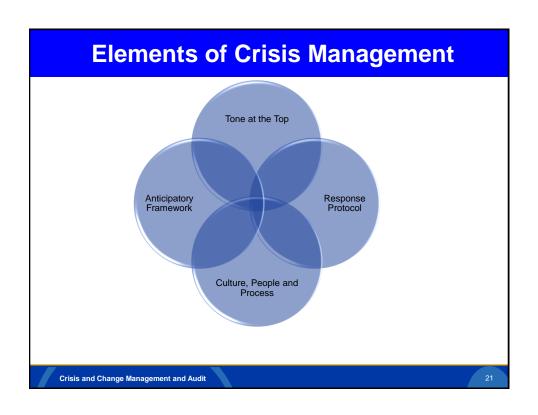


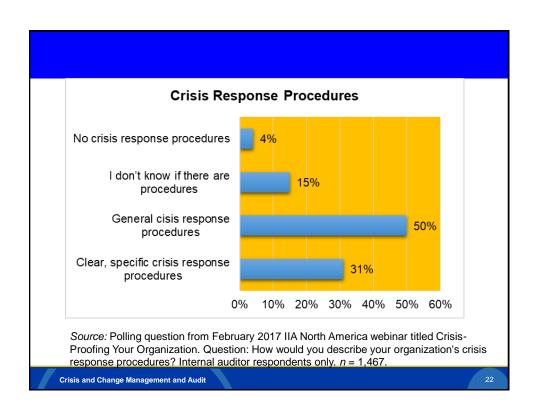


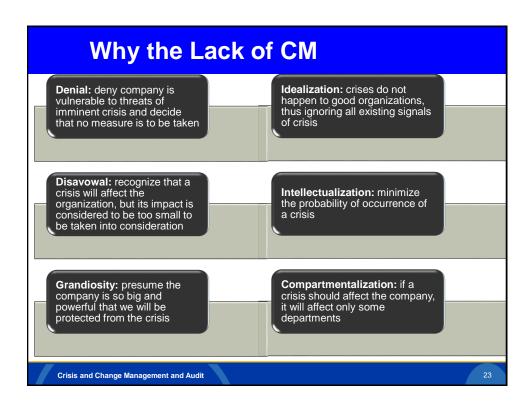


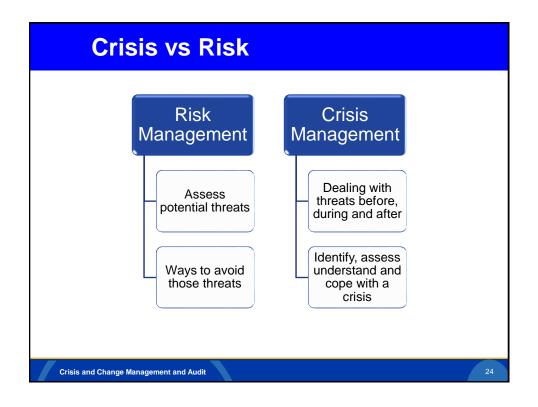




















# **Social Media Impacts**

- Social media has accelerated the speed that information about a crisis can spread
- Stakeholders can break news faster than traditional media making managing a crisis harder
- Mitigate by having the right training and policy in place and the right social media monitoring tools to detect signs of a crisis breaking
- Gives crisis management teams access to real-time information about how a crisis is impacting stakeholder sentiment and the issues that are of most concern to them
- Have a planned approach to releasing information to the media in the event of a crisis. A media reaction plan includes a company media representative as part of the Crisis Management Team

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Just canceled six tickets through United. I advice everyone to do the same. Now they wont have to worry about overbooking again.

Omg. Are you people at United out of your minds?! Have you seen the news and Twitter? Nothing will EVER erase the image from my mind of a doctor being dragged from his seat screaming, then bloodied and brutally dragged down the aisle because you overbooked the flight then demanded he give up the seat for one of your staff. My God. Horrible! Nothing justifies that.

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#### **United Airline Tweets**

- · "Drag and Drop"
- "Our prices can't be beaten, but our passengers can"
- "We have First Class, Business Class and No Class"
- "Not enough seating, prepare for a beating"
- "We treat you like we treat your luggage"
- "We beat the customer. Not the competition"
- "And you thought leg room was an issue"
- "Where voluntary is mandatory"
- · "Fight or flight. We decide"
- "Now offering one free carry off"
- "Beating random customers since 2017"
- "If our staff needs a seat, we'll drag you out by your feet"
- "A bloody good airline"

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# Musician headed to Missouri scuffles with United Airlines staff over violin

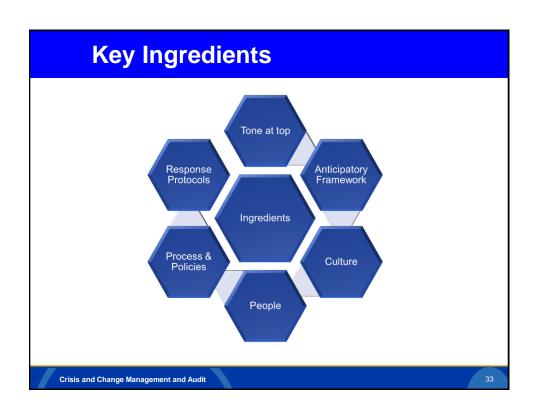


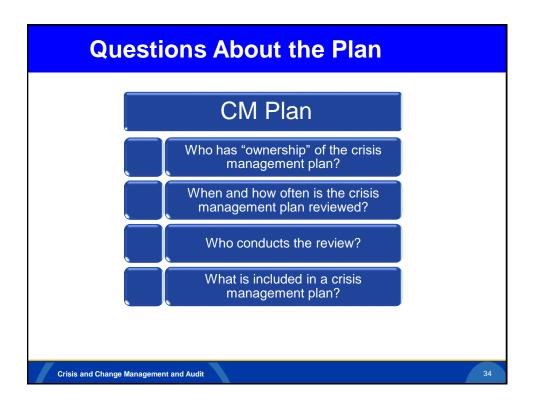
KANSAS CITY, Mo. (AP) — A classical musician has accused a United Airlines supervisor of barring her from boarding a plane with her centuries-old violin, sparking a scuffle that caused her to miss her flight and left her worried her hands — and by extension, her livelihood — may have been harmed.

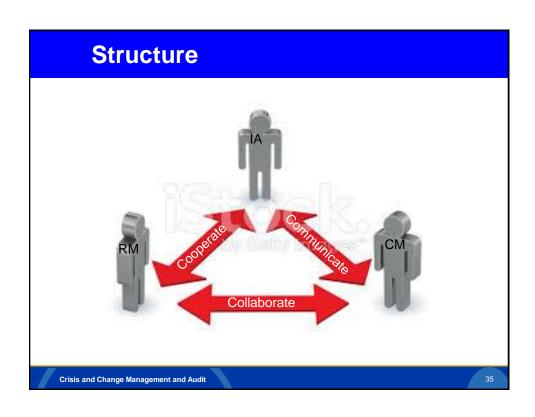
Correia had a discount fare that, according to rules posted on United's website, doesn't let passengers stow luggage in the overhead bin, although an exception is allowed for "small" musical instruments. It was not clear Tuesday why Correia was told to check the violin — made in Italy and believed to date to the late 1700s, her attorney said — instead of being allowed to carry it on board.

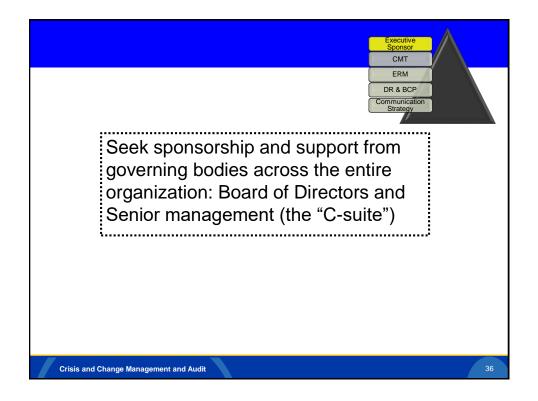
Musicians long have complained that airlines frequently require that instruments they rely on for their livelihoods be checked and be entrusted to baggage handlers, with the result that they often are damaged or lost.

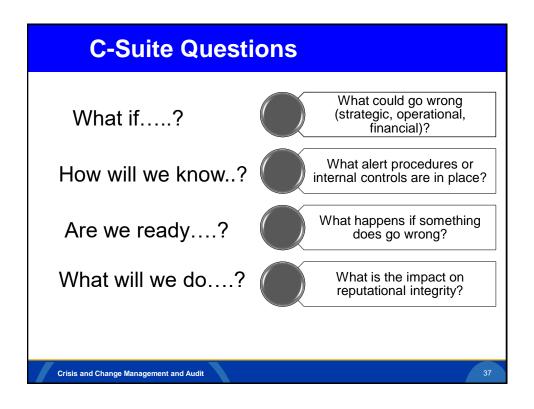
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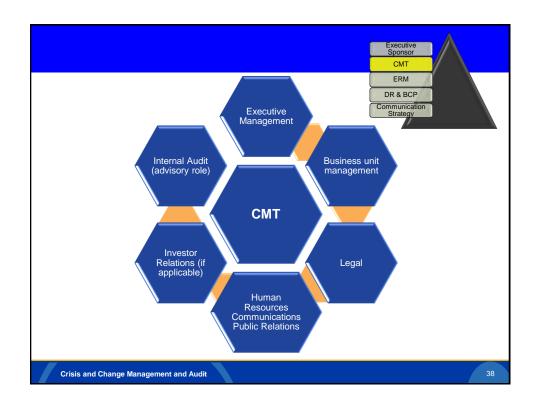


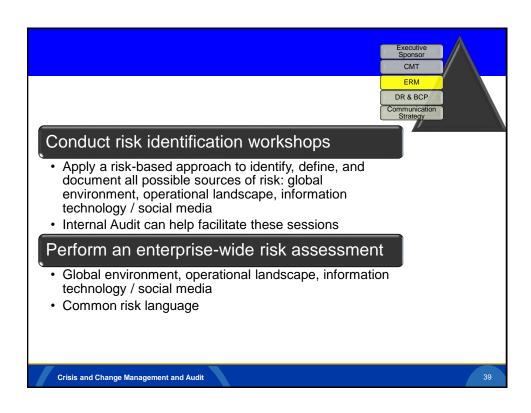


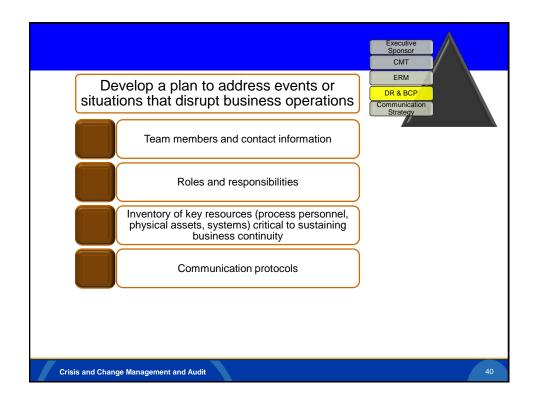


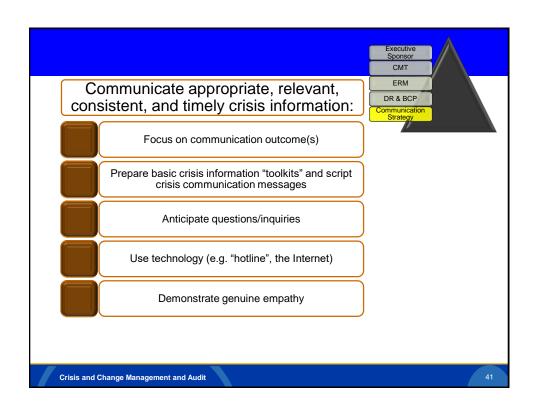










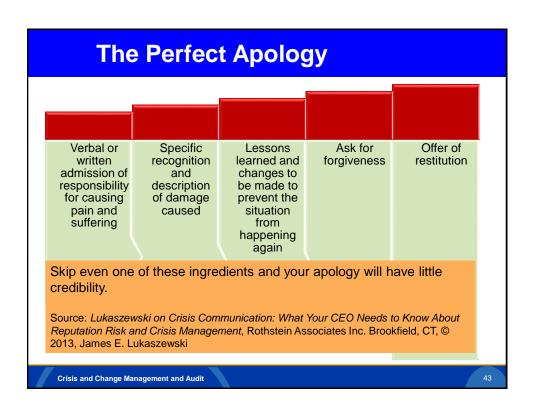




Chris Ann Goddard, president of CGPR public relations, says some of the airline's efforts at quelling the uproar since video went viral of a passenger being dragged screaming from a flight have done more harm than good. United needed to immediately shift into crisis mode.

A crisis plan, she said, should include a heartfelt apology, release of a specific plan for addressing the mistakes, clear communication with front-line employees and a statement sent to frequent fliers and loyal customers. "Three apologies in two days? Really?" Goddard says. "Put the heartfelt apology out there, issue a thoughtful statement, admit a company's wrongdoing, be consistent on social media. ... And, oh by the way, don't blame anyone else, especially the victim."

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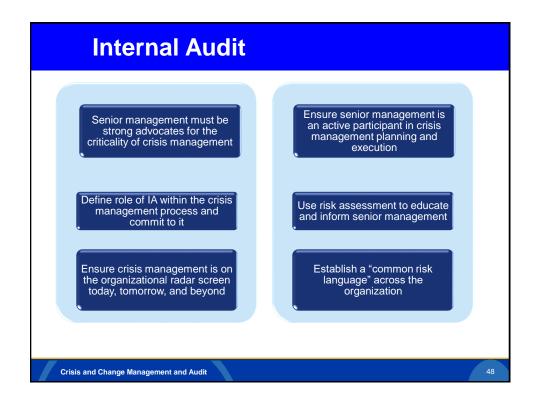


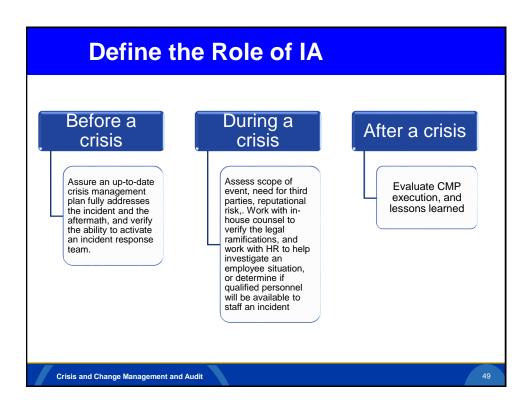
# **Testing and Training**

- Test the plan so when something actually happens, the organization can more easily shift into response mode.
- Use coaching and training, right way/wrong way problems, simulation, and tabletop exercises that allow everyone to walk through their roles.
- After every training, update the plan. Ask yourself and each participant in the exercise, what do we now know we need to know more about? What else is going to happen because this just happened?

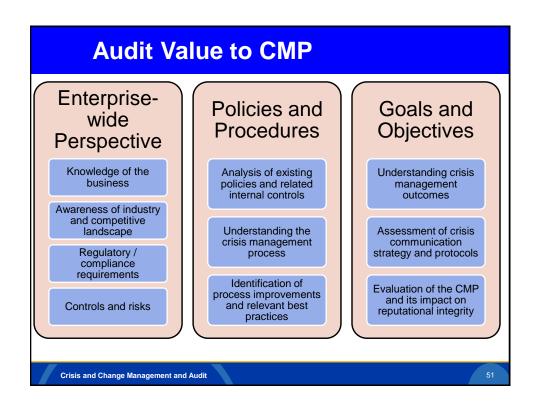
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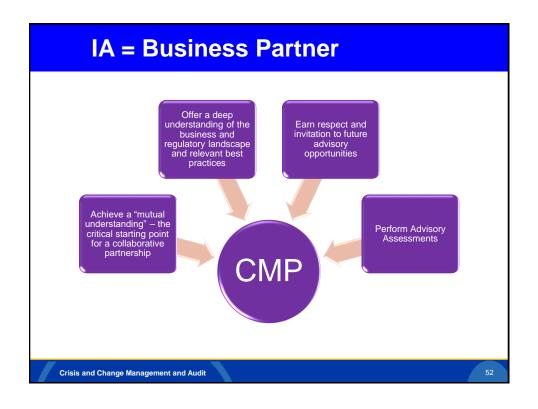


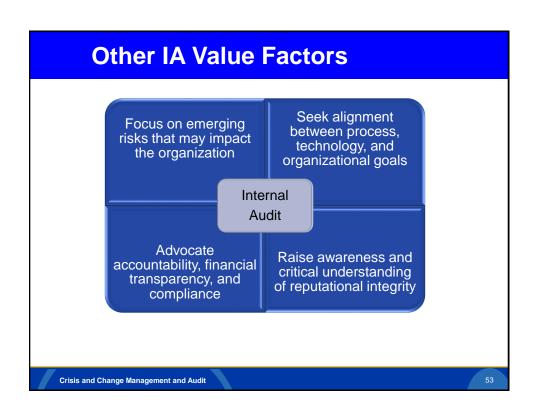


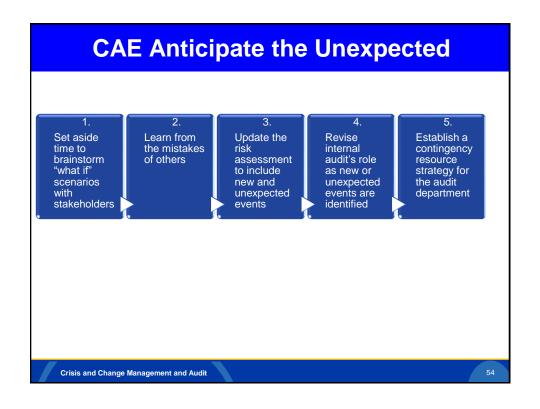


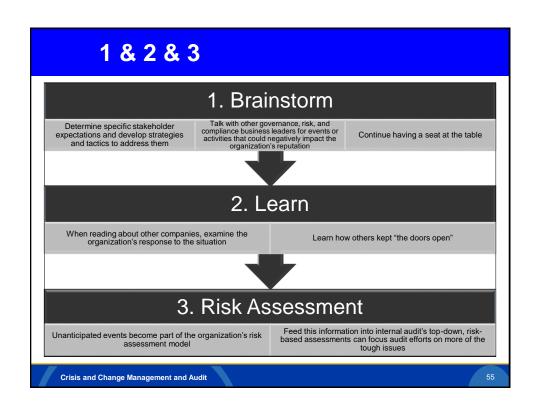


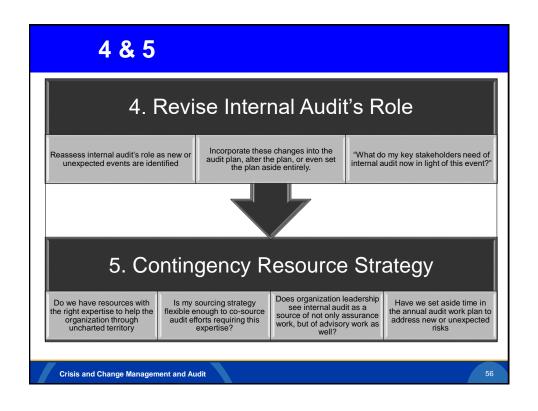








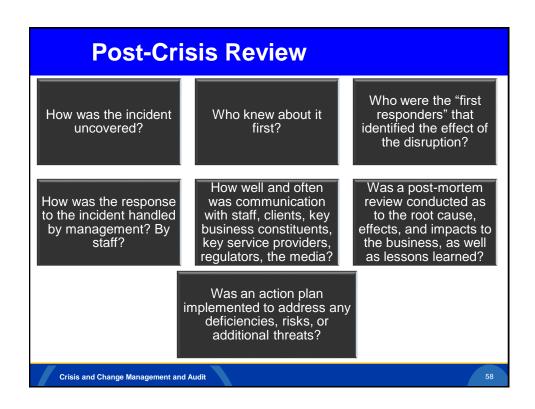




#### **Audit the CMP**

- Evaluate the design and effectiveness of the crisis management plan:
  - · Compliance with crisis management policy and procedures
  - · Assessment of internal controls
  - Evaluation of communication "toolkits" and protocols
- "Tone at the top" Board and senior management
- Risk management framework and culture
- Crisis management team
- Organizational risk assessment

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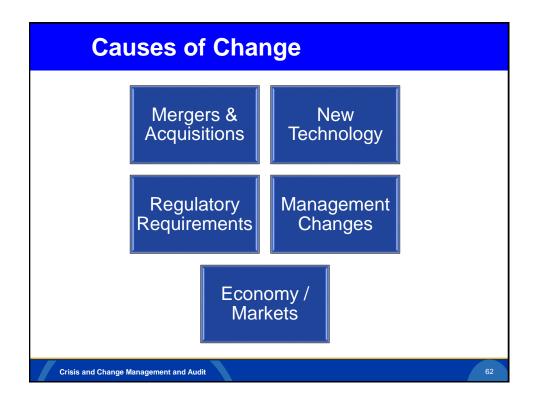


#### **But This Not This** An audit based on having plans and meeting some Looking at whether the hypothetical specifications plans will really work and are fit-for-purpose Challenges: Standards and regulation which encourage auditors to assess plans against a generic specification Inexperienced auditors being deployed who are unable to challenge the effectiveness of the plans. Good practice starts with an assessment of the current operating environment for the unit being reviewed, and then the plans are assessed to see whether they are fit for purpose in that context **Crisis and Change Management and Audit**



#### **Change Management: Definition** from Wikipedia Organizational Change Change management (CM) refers to any approach to transitioning Management (OCM) considers the full organization and what needs to individuals using methods intended to re-direct the use of resources, change. Organizational Change business process, budget Management principles and practices include CM as a tool for allocations, or other modes of operation that significantly reshape change focused solely on the individual. a company or organization. CM focuses on how people and teams are affected by an organizational transition. It deals with many different disciplines, from behavioral and social sciences to information technology and business solutions.

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# Corporate Executive Board 2016 Hot Spot

Frequent Change Leading to Strategy Execution Failure:

Strategy Execution The speed and frequency of changes are increasing and led to an increase in mergers and acquisitions.

- Companies have seen significant changes in their leadership, processes, or staffing models.
   Audit teams report, on average, six such material changes at their organizations during the last year.
- These changes are impairing the ability of employees to successfully support business objectives. Only 21% of the workforce is actively aligning their efforts to strategic goals, causing strategy execution to suffer—which results in more than one in three strategic initiatives failing.

Employee Fatigue Resulting from Frequent Change:

Frequent instances of strategic change lead to "change fatigue"—when employees experience greater levels of cynicism and exhaustion.

- Almost 65% of employees at all levels indicated experiencing change fatigue in some form in a recent survey. Control owners feel this fatigue most acutely.
- Change fatigue among this group results in higher levels of disengagement and turnover, as well as greater levels of control deficiencies, putting stress on the risk management environment.

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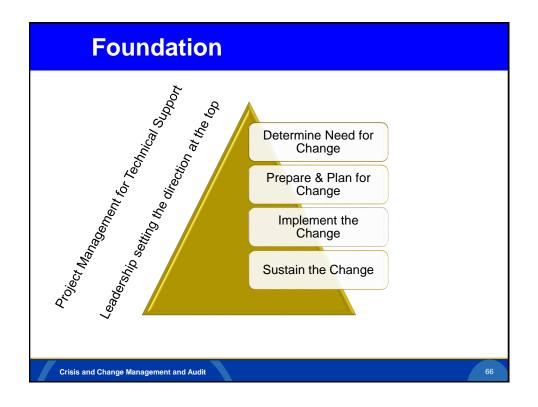
#### **CEB 2016** Role of Internal Audit 2016 Audit Plan Additions Review the process for identifying and ensuring the effectiveness of basic Ensure a rigorous risk assessment process is followed for all change operating controls. initiatives and that communication, staff resources, and capacity all contribute to effective strategy execution. Review the process of communicating strategic change initiatives to all levels of the organization. Review the integrity of the control Assess management's practices of identifying and responding to signs of environment during change initiatives and scrutinize gaps in affected control employee disengagement, ensuring they use regular conversations to evaluate engagement, and note changes in attitude and behaviors. Crisis and Change Management and Audit

#### **CEB 2016**

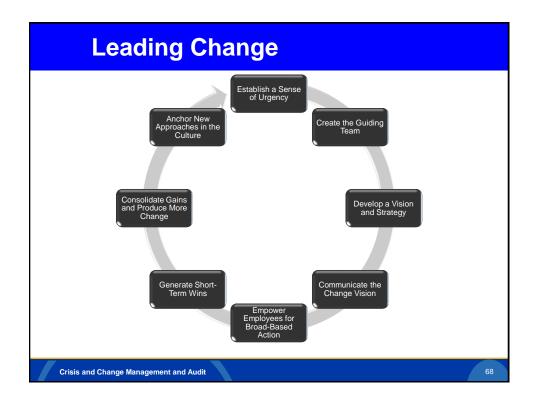
#### **Key Risk Indicators**

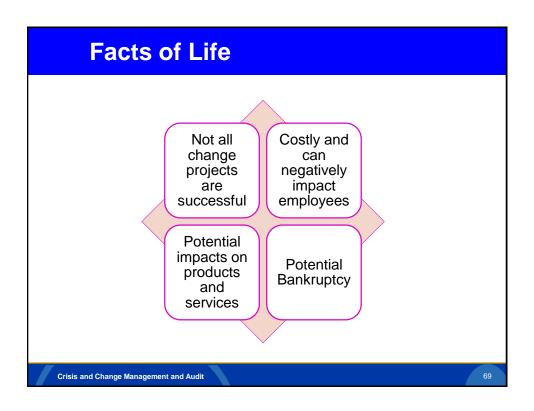
- Existence of documented risk assessment reviews for all strategic change initiatives
- Level of employee engagement scores in business areas experiencing change
- Level of employee turnover in business areas impacted by change
- Employee productivity levels in business areas undergoing change
- · Percentage of projects experiencing cost overruns
- · Percentage of projects delayed
- · Ratio of failed projects to projects undertake

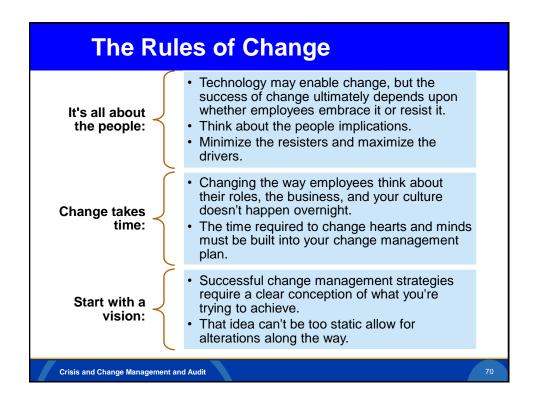
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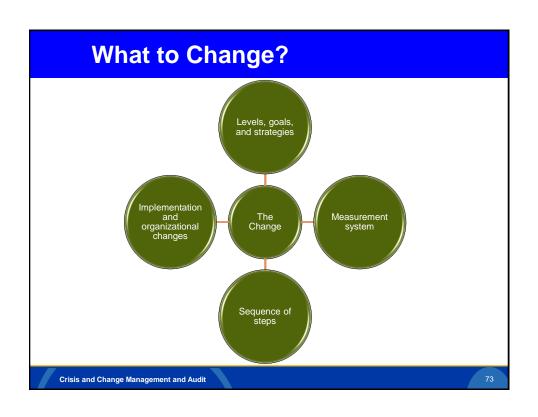


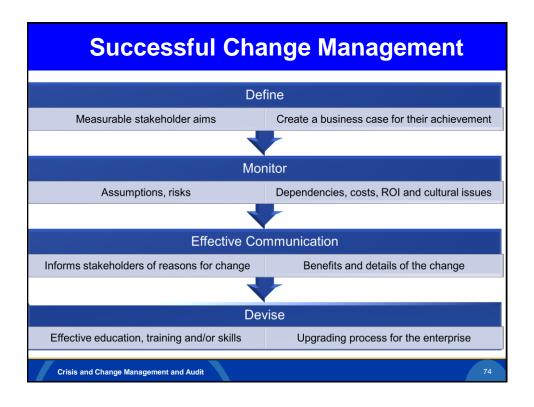


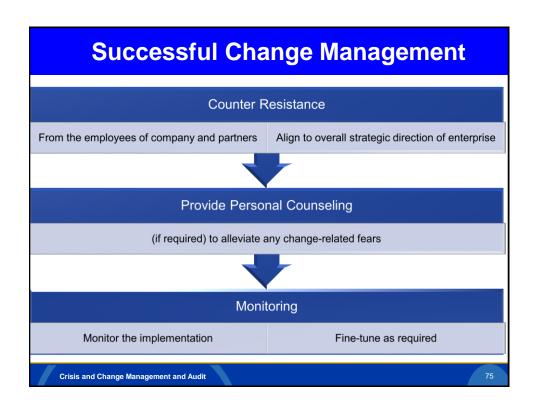


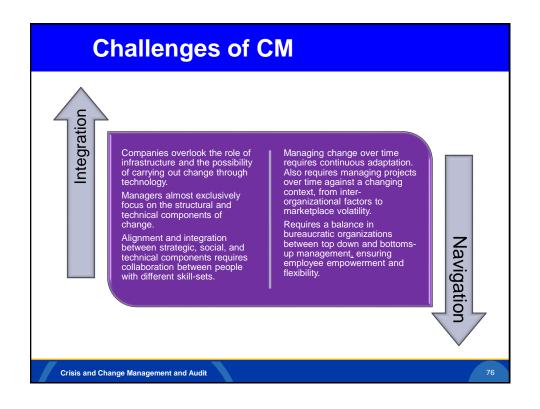
#### The Rules of Change Identify the people who will be most affected by proposed changes and get them invested in the project. Engage the They will become either the strongest resisters or stakeholders: your most powerful champions for change. If possible, involve them in the creation of the change management vision from the outset. All changes have knock-on effects. Know the When planning for change, identify other areas that tradeoffs: will be affected and seek to quantify that effect to understand the tradeoffs you'll be making. Listening to dissenting voices can be valuable, as they may have considered tradeoffs that you haven't. Work with the willing: Make sure you've got key individuals, especially those in critical roles, that are your drivers. **Crisis and Change Management and Audit**



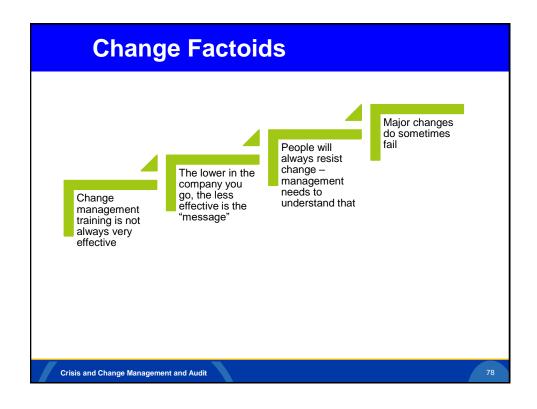




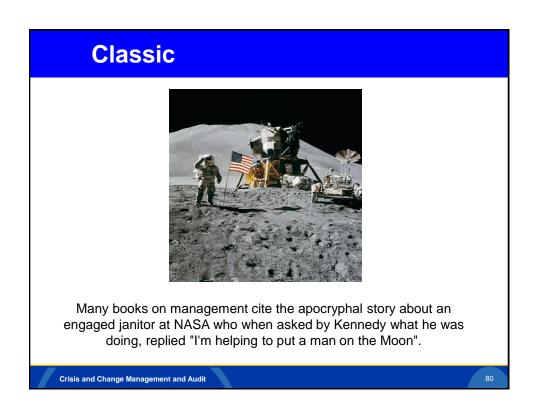




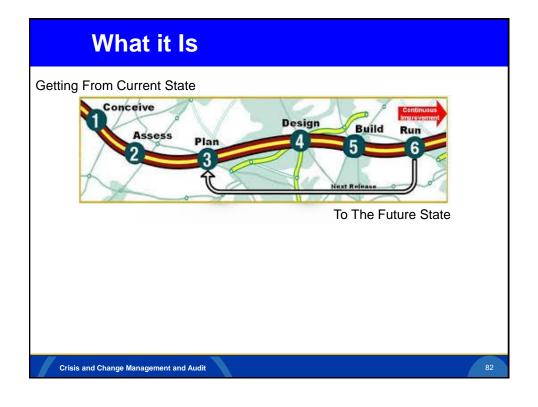


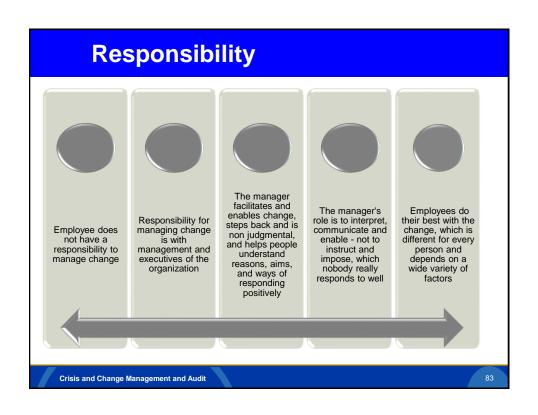




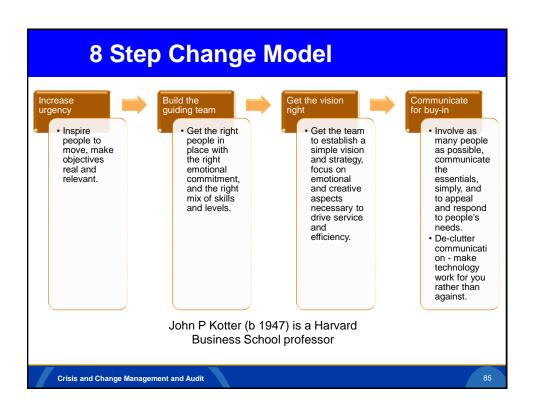


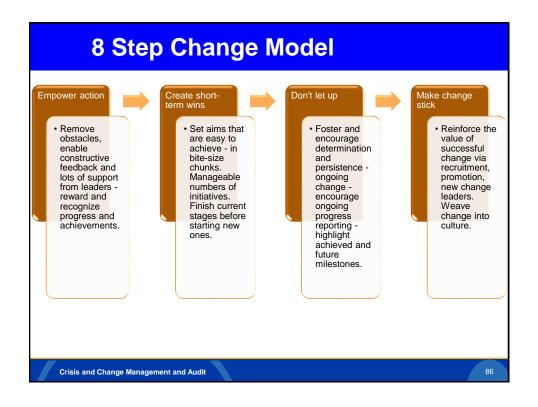


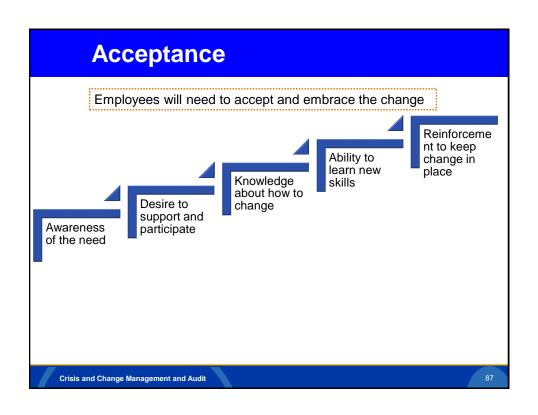


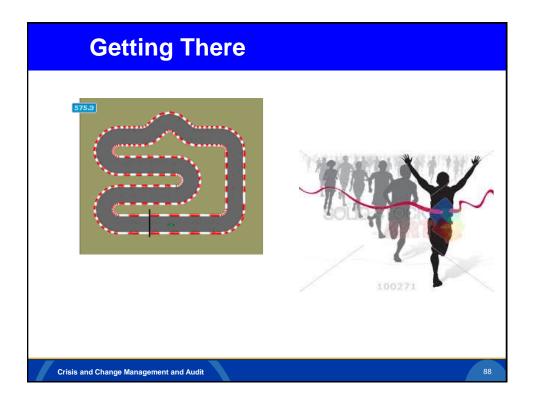




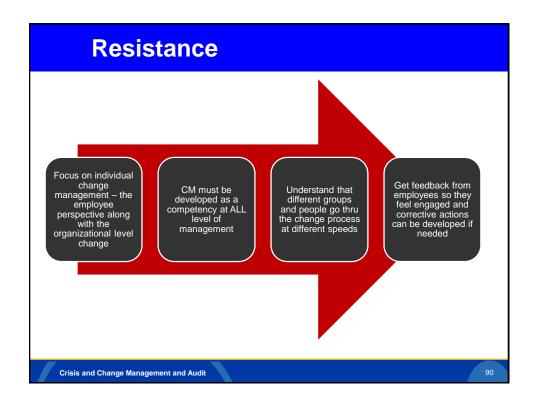


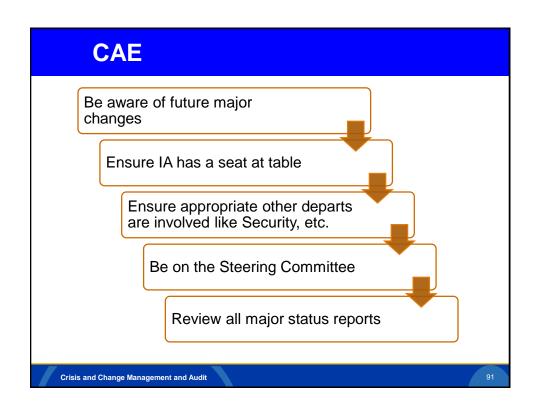


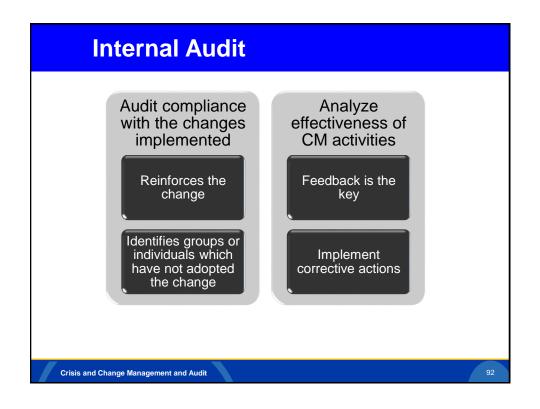


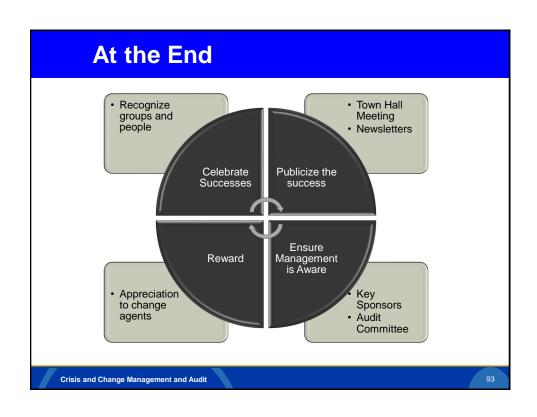


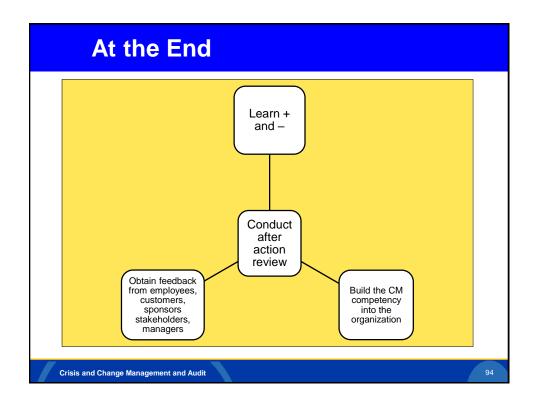












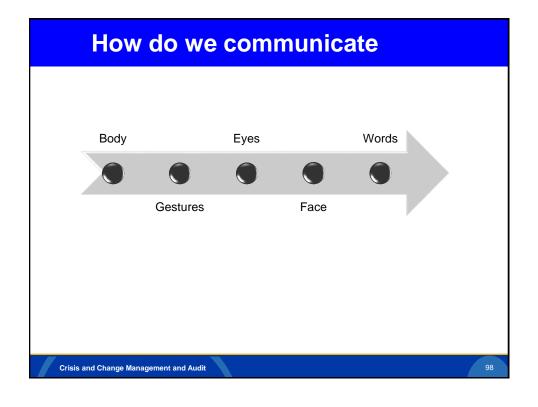


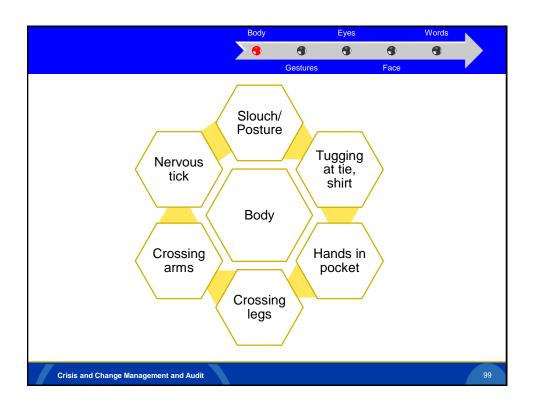


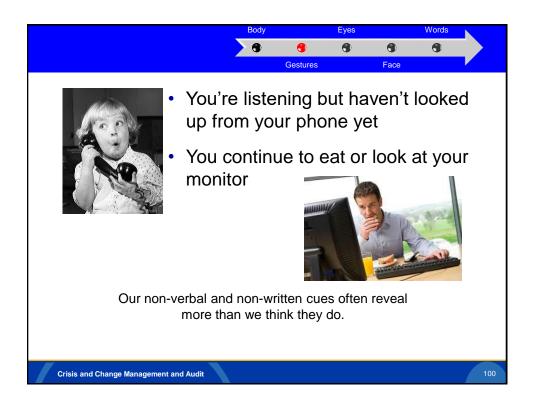
## **Communication**

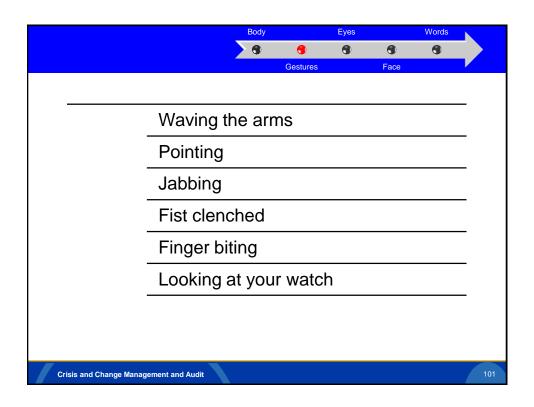
- A message improperly delivered is never heard
- Conversations can be headed to the complicated and the confrontational

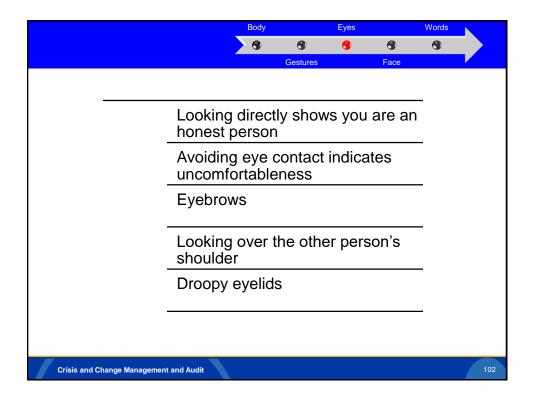
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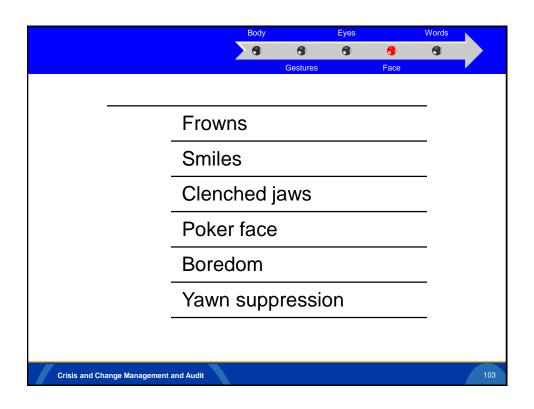


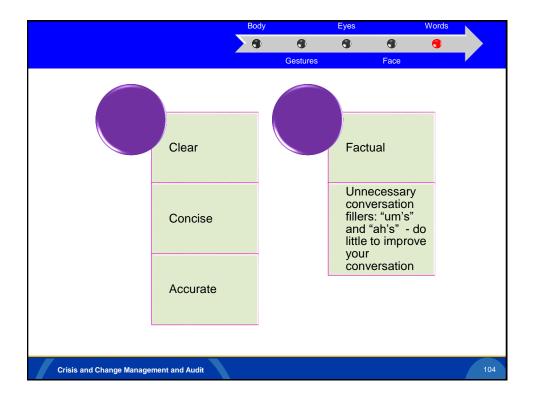


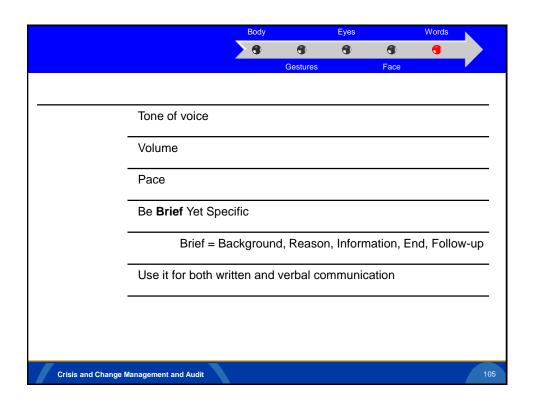






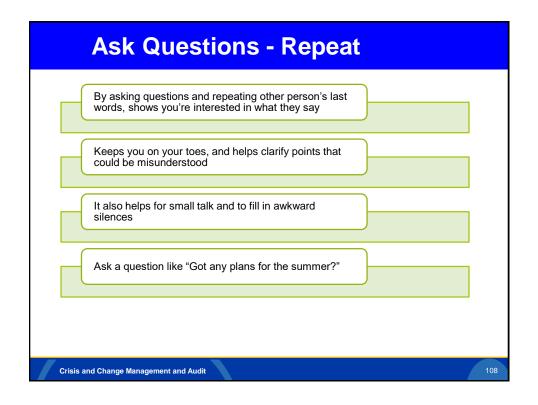








# Script for Small Talk Inevitable, awkward silences with people you hardly know Use FORD: family, occupation, recreation dreams • Conversation starter • Sharing of information to create a bond Crisis and Change Management and Audit



## **Tailor Message to Your Audience**

The best communicators adjust how they talk based on whom they're speaking to

Use a different style of communication with family versus co-workers versus executives

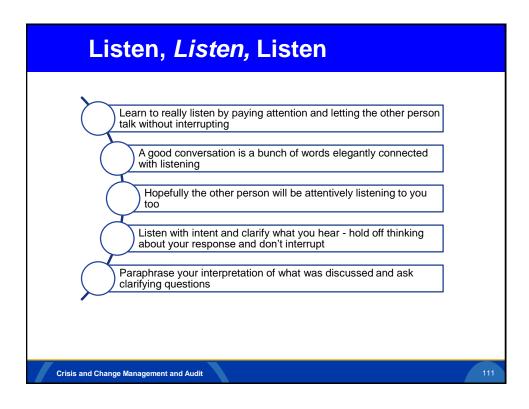
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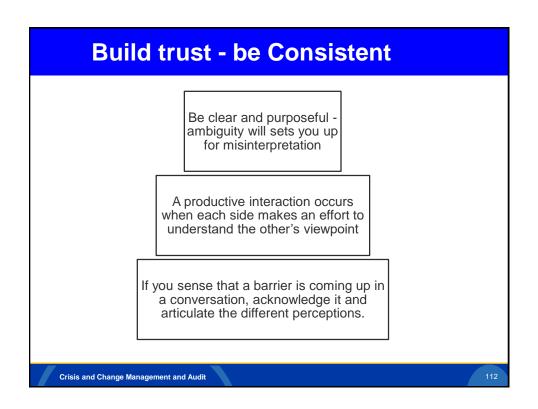
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### **Increase Your Empathy**

- Communication is a two-way street
- Take the opposing viewpoint and reduce the difficulty and anxiety
- Developing empathy helps you better understand even the unspoken parts of your communication with others, and helps you respond more effectively

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### Offer Your Ideas

Offer ideas, do not impose them

Engage others in the implementation of a new idea

Plant seeds and watch employees "find" the idea in full bloom on their own

If an idea comes to you during a conversation with other coworkers, acknowledge how the input of the others helped generate the idea

Engage others in further discussion and invite your coworkers to offer ideas of their own. Innovation most often comes through collaboration

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### **Use Questions Skillfully**

Loaded questions

- Statements or accusations disguised as questions
- "What did you expect?"
- This is not a question that promotes productive dialog
   AVOID

Open-ended questions

- "What would you like to see happen in this upcoming meeting?"
- Furthers dialog, expands the scope of the discussion and uncovers missing information

Closed-ended questions

- Used to obtain specific information and to regain control of the conversation
- Specific questions requiring a "yes" or "no" answer
- "Do you need help with this project?" will help you acquire the specific information you seek

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# **Tackle Negative Emotions**

Emotions find their way into the workplace. When different personalities converge in a shared space for long lengths of time, chances are emotions will come out at some point.

Allow the emotional party to express themselves without interrupting or defending yourself. Acknowledge the other person's feelings and show you understand their perspective, even if you don't agree. Ask questions to show your engagement, acknowledge your understanding, and then guide the conversation back to substantive issues.

If you find yourself becoming emotional, try mentally detaching yourself from the situation and resist the urge to speak or respond immediately. Think for a moment, regain composure, and then respond.

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### **Motivation**

According to *Psychology Today*, three of the top four things that motivate employees involve communication (the other was compensation):

- The desire to defend their accomplishments
- The need to make sense of their environment
- The need to bond with others and feel as though they belong

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### **Motivation**

- Encourage, Encourage, Encourage. Regardless of the conversation, try to keep it positive. If you have to deliver harsh feedback, do it in constructive and teamcentric manner. Focus on behavior and performance and not the employee or his character.
- Encouragement from management and co-workers through effective communication can create an environment that employees everywhere desire.

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