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The impact of trust, values, and ethics on company reputation

By Sujatha Venkatraman

Sujatha Venkatraman (vsujatha75@gmail.com) is Payroll Manager living and working in Brussels, Belgium.

- linkedin.com/in/sujatha-venkatraman-b1a313100/

Did you know that your company's corporate reputation is one of its most valuable assets when it comes to recruiting talented workers? It's true that 84% of job seekers say that a company's reputation is "important" when it comes to choosing a company to work for.[1]

In addition, 50% of surveyed job seekers said they would not work for a company with a bad reputation, even for a pay increase, but 84% of workers would leave their current company for one with a stellar reputation.[2]

A negative reputation can also damage your brand image in the eyes of customers and lead to depressed sales and poor growth.[3] For these reasons, it's important to maintain your company's reputation—and invest in building trust, a strong set of corporate values, and a sense of ethics among your staff. Let's discuss this subject in detail now.

'The Enron effect'

A company's reputation does not form in a vacuum. Instead, it's a natural outgrowth of the company's brand values and actions. The ethics and values that govern the behavior of your company—and your individual staff—are key for building a stellar reputation.

And, if you lack the internal discipline to enforce trust, values, and good ethics among your executives and personnel, the reputation of your company will suffer. Enron is one of the best examples of this.

While it was growing throughout the 1990s, Enron enjoyed a stellar reputation in the public eye,[4] particularly due to its emphasis on "high-tech" internet technology. But from the inside, the company was rotting—top executives were lying about profits and revenue with shoddy accounting.[5] When exposed, they sold their stock before it cratered—cashing in while Enron started to fail.

Today, Enron is bankrupt, out of business, and has one of the worst reputations of any American company—all thanks to the actions of a few executives who failed the public trust and put their own interests above corporate values and ethics.