means that the assumption that an organization may control its reputation is deeply problematic. Relationships and cultures may perhaps be managed, but they cannot be controlled. Power has not featured prominently in the corporate reputation definitional landscape—contemporary public relations research is rapidly advancing research in this area, which suggests that it is here that critical public relations has much to offer to the field of corporate reputation. From a critical perspective, corporate reputations are perceived to be inextricably linked to critical public relations endeavors that seek to change the profession—reputation is treated as a lever or mechanism for pressuring corporations to change their behavior.

Judy Motion

See also Communication Management; Corporate Communication; Critical Theory; Ethics of Reputation Management; Organizational and Corporate Image; Organization-Public Relationships; Meaning; Messages; Postmodern Theory

Further Readings


Public Sector Reputation

Public sector organizations refer to organizations and institutions aimed at providing services needed by citizens in societies, most often governmental and public administration organizations. Public sector organizations are social systems of groups and individuals that have the authority to work together to serve public needs as well as to collect from citizens resources to pay for services. Public sector organizations need some form of public consent, authority, or legitimated power to operate in democratic settings (or coercion in totalitarian regimes). Public sector organizations operate on several levels: national, regional, and municipal; and they have both politically elected as well as fixed officials as public servants. This entry first provides an overview of public sector organizations, then covers trust and reputation in the public sector, the role of reputation of public sector organizations, and the implications of reputation management for the public sector.

Overview

An organization is considered public if it is mostly “owned” by the “public” (the citizens) and functions with public funding, for example, finances collected via taxes. The needs of users for public services are increasingly tested, and there is a trend of consumerization, where the focus is increasingly more on the customer of public sector services. Throughout the world, many services once provided by the public sector are now provided by the private sector, causing legitimacy challenges to public sector organizations and public services, as citizens question their need. Moreover, many public sector organizations are long-standing but are recently experiencing reforms and mergers as they are being restructured to better meet changing citizen needs. There is a trend also to fund public sector organizations not only by taxes but also
through sources such as project- and development-based funding from multinational entities such as the United Nations, the North Atlantic Treaty Organization, and the European Union or by service fees paid by citizens. The degree to which a public sector organization serves citizens depends on the societal setting, and the responsibilities of public sector organizations range from providing for the welfare of all citizens, as in the Nordic model, to providing some societal goods to all citizens and other benefits to those in need, as in the United States and most European countries.

Communication is vital for public sector organizations. Public sector organizations globally tend to have a reputation for excessive bureaucracy and inefficiency of operation. Citizens tend to be critical overall of the public sector; however, for individual services, their evaluations often are better. The reputation of public sector organizations has developed over time, and impressions of public sector organizations are plagued by negative connotations despite their vital role.

Approaching reputation in the public sector entails complexities in terms of goals, needs, audiences, definition, and resources that are different from those in the private sector. First, the environment is political, which affects resources, personnel, and goals. Public sector structures are more complex, diverse, and uncertain about objectives and decision-making criteria. The public sector is less open to market competition, with less incentive to reduce costs and less concern with consumer preferences. Second, public sector organizations are more constrained by legal and regulatory frameworks than corporations; they are more subject to public scrutiny and are required to have a high degree of accountability to their constituencies. Finally, the diversity and multiplicity of publics and stakeholders exceed those of corporations. In sum, public sector organizations have to operate under different constraints and balance political guidelines, national guidelines, international cooperation, ideologies, the bureaucratic culture of administration, and citizen and customer feedback.

In terms of reputation, both who the stakeholders are and how they experience and judge the public sector organizations and services are issues to be mentioned. Public sector organizations are often assessed based on public service quality. It is hard for citizens to fairly assess the contributions of most public sector organizations. In fact, what constitutes a good public service is a challenging question, but the literature attempts to establish different principles, and they often include high quality of services, transparency, and efficiency as well as rectification of errors. Public services are often assessed by measuring their perceived quality, and the focus has been on whether public services meet the needs of society. However, research has to explore the complex dynamic of indirect causal relationships between public organizations’ achievements, communication performance, citizens’ satisfaction, and trust.

The responsibilities of public sector organizations range from political to legal, to managerial, to social, along with emerging citizen and employee needs. As the end users represent a wide variety of individual needs and expectations, public sector organizations are often specialized into regions or areas of expertise and must balance multiple goals. Among their areas of responsibility are infrastructure, livelihood, transportation, education, and health care for citizens.

Public sector organizations can be categorized according to the amount of contact with the public and how stakeholders pay for services. In the case of services where payment is indirect, such as criminal justice and emergency services, and services where the public does not have direct contact with the service providers, reputation can best be measured among the different stakeholders served instead of individual citizens. As for the direct-payment services (housing, postal services, transportation) and the direct-contact services (customs, excise), their reputation is more comparable with corporate reputation and can benefit from the application of more general reputation measures aimed at customers (see Figure 1). Accordingly, the stakeholders among whom service reputation will matter the most are divided between professionals/experts, such as analysts and other authorities, and citizens/consumers/end users, and the middle ground remains the most challenging for reputation measurement, for it is a combined judgment.

Trust and Reputation in the Public Sector

Underneath reputation in the public sector is trust. Citizen trust in public sector organizations is central, for it enables and authorizes the organizations to function. Trust in public sector organizations is globally low, with citizens reporting problems with
transparency and bureaucracy. International rankings have been established to show which countries have the highest amount of trust in public sector organizations and government.

However, as research has shown, (dis)trust is not easily explainable, for trust in public sector organizations is multicausal, contingent, and contextual. Variables that explain (dis)trust vary: personal experiences, satisfaction with government performance, satisfaction with public services, party affiliation, and so on. Identifying causes is important to determine the practical implications for public sector reputation management. Also, facing a multitude of needs, public sector organizations and their services are often very complex and hierarchic, known for bureaucratic procedures and inefficiency. Public sector organizations serve a range of different constituents from politics and the media, along with individual citizens, and often have limited budgets and resources dedicated to communication. According to the theory of generalized trust, individual citizen experiences of public sector organizations and institutions are the basis on which citizens judge and decide whether people in society in general can be trusted, making public sector trust and reputation valuable not only for individual services but also for the society at large.

An additional factor that shapes the reputation of public sector organizations but is not apparent for corporate reputation is the authority functions factor. It consists of views of how open the organization is to citizen engagement, how well it listens to citizen needs, and how dynamic, conversing, and flexible (or closed, dictating, and bureaucratic), and citizen oriented the organization is. All these are believed to contribute to the public sector organization’s reputation.

As for the ideal reputation for the public sector, neutral reputation and neutral levels of trust have been suggested. Public sector organizations often lack the financial resources and personnel time needed to cultivate an extremely positive reputation, and negative experiences could cause a significant drop in a too ambitious reputation. As reputation is a promise of future behavior, public sector organizations’ reputation should be kept at a level that is sustainable.

Public sector reputation has been understood as a specific construct different from that of corporations. More vulnerable to societal influences and settings, the reputation of public sector organizations is influenced not only by the service type but also by the reputation of the sector. In fact, the type of organization matters for reputation: Administrative and regulatory organizations are perceived as more bureaucratic than organizations providing direct services. The strong role of bureaucracy in the reputation of public sector organizations dates back to the industrial era, when public administration was based on rationality and hierarchy. In this traditional setting, citizen engagement and participation in the decision-making processes and services were minimal.

Globally, there is an emerging need to improve public services and modernize the organizations providing them. As studies on citizen satisfaction have noted, although citizens in general may be dissatisfied with public services, when it comes to rating their personal experiences of services, satisfaction rises. The reputation of public sector organizations may hence be negative on the sector level, but individual services may yet have a positive reputation.

**Role of Reputation of Public Sector Organizations**

All investments that public sector organizations make are under scrutiny, and the biggest challenge for reputation in the public sector has been to make the case for the role of reputation. Some have argued that there is no need to communicate about
public services and that the reputations of public service organizations should be formed through actions alone. Moreover, critics have also questioned whether it actually matters what kind of reputation public sector organizations have, as they are often monopolies and not selection based, so the comparative aspect of reputation may be missing. On the other hand, there is the claim that the low levels of trust mentioned earlier result from actual poor performance caused by bad management or lack of communication. Better-reputed public organizations would be beneficial to society: Trustful public organizations maintain and attract business, increase legitimacy, guarantee more fluent fulfillment of public policies, enhance public participation, empower citizens, and increase engagement.

Implications for Reputation Management in the Public Sector

The following implications can be drawn from the literature on both reputation management and expectations:

- Reputation of public services is a different construct from reputation of public sector organizations.
- Reputation of political and public leaders who lead governments and public administrations is a different construct from that of public sector organizations or services.
- The aims of public services range from social benefits to individual benefits, and measuring reputation changes accordingly from expert/professional judgment to citizen judgment.
- Neutral levels of trust and reputation have been suggested as ideal for public sector organizations to best meet existing resources.
- Since public sector reputation operates in a political environment, different constraints affecting structures, resources, personnel, and goals need to be taken into account for reputation management.
- Managing the reputation of public sector organizations is an emerging research area with practical implications that deserves deeper exploration of related intangible assets such as legitimacy, engagement, institutional culture, institutional social responsibility, social capital, transparency, relationship building, and trust.

Vilma Luoma-aho and Maria-Jose Canel

See also Accountability; Constituents; Disclosure; Expectation Management; Legitimacy; Social Capital Theory; Stakeholders; Transparency

Further Readings