

Reputation Management Guide for Collective Management Organizations

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Reputation Management Guide

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Executive Summary

The African Regional Intellectual Property Organization (ARIPO) recognises the importance of reputation management for Collective Management Organizations (CMOs) in fostering trust and positive stakeholder relationships. This guide addresses the current mixed perception of CMOs. While valued for their role in ensuring rightsholders benefit from the usage of their works, they also face criticisms regarding efficiency, transparency, and adapting to new technologies.

This guide outlines a strategic approach to building trust, strengthening transparency, and proactively addressing concerns. Key strategies include enhanced communication, improved member engagement, stakeholder outreach, and a comprehensive approach to public inquiries and potential controversies.

By implementing this guide, CMOs could improve market visibility, expand their repertoire and increase royalty collections and distributions. It will further nurture a positive and trustworthy reputation, leading to increased member satisfaction, stronger industry relationships, and a more effective organisation supporting the creative industry.

Bemanya Twebaze DIRECTOR GENERAL

I. INTRODUCTION

Reputation refers to the opinion, respect, or admiration that people have based on past behavior or character. It is often addressed as an intangible asset that brings with it lots of advantages and benefits which could build the Collective Management Organizations (CMOs) and enable them to progress and grow or may bring them down completely.

CMOs mandated by rights holders are to manage their rights through the implementation of enabling legislation; negotiate license fees, and tariffs for the usage of copyrighted works; grant licenses in return for appropriate remuneration; and monitor the use of works to enforce the conditions upon which the license was granted. CMOs are, in most cases, not-forprofit entities, their legal form can either be private or public. Depending on the repertoire they represent, they can also be called Music Licensing Companies (MLCs), or Mechanical Rights Organizations (MROs), Performers' Collective Management Organizations (PMOs), and Reproduction Rights Organizations (RROs).

A good reputation is important for a modern-day CMO, and indiscretion can result in negative publicity. This is more relevant to CMOs as they deal with royalties that belong to quite a significant number of right holders. How CMOs conduct themselves is critical for attracting new members and retaining existing ones, signing contracts with users, and expanding their mandates hence, ARIPO published *"Guidelines for the Development of a Business Plan for Collective Management Organizations in the ARIPO Member States"*. In addition, WIPO in collaboration with its partners developed the *"CMO Good Practice Toolkit"*. All these toolkits can enhance the CMO's reputation management as it implements its mandates.

II. IMPORTANCE OF GOOD REPUTATION

The positive feedback provided by the CMO members, users of rights, and the public, adds value to the CMO business, increases membership, and enhances users' compliance. A CMO is endowed with a good reputation and avoids lawsuits from rightsholders, users, and other stakeholders. CMOs may concede that an excellent public reputation could enhance their chances of winning more members. It also increases licenses thus, more royalties for rights holders. A CMO need to put in place strategies to improve its reputation and strengthen its position in the market.

III. KEY INGREDIENTS FOR A STRONGER REPUTATION

A strong CMO reputation entails the following: trust, integrity, faith in delivering their mandate, honesty, honour, stature, good governance, transparency, and accountability. Some of these elements are highlighted below:

(i) Trust

Trust could be simplified as the firm belief in the reliability, ability, or trustworthiness of the organization. Therefore, trust must be the bedrock of CMOs. Trust is a major component of the success of a CMO. A CMO with a good reputation would be found by its members and users to be credible and reliable.

(ii)Integrity

Integrity is one of the fundamental principles of good corporate governance. Integrity is the transparency and consistency of each team member's deeds and actions. CMO leadership and the management should commit to the organization's core values and mission against their interests.

(iii) Vision & Leadership

Professional conduct in and outside the job should be highly encouraged. According to Paul A. Dillon¹, Organizations should "ensure the integrity and welfare of their troops, not to be distracted by small things along the way and clear vision is required, the "vision thing"—of what your battle plan is going to accomplish, and then execute that plan flawlessly." Leaders in CMOs may need to establish a vision, purpose, and set of values to stand for. This has to be actively promoted to all stakeholders.

(iv) Honesty

The proverb goes "honesty is the best policy". CMOs should be transparent in any given circumstance. Whether it is the late distribution of royalties due to system failure or negligence on the CMO's part, they must not give up their straightforward demeanour. Failing to do so, makes them lose their credibility and the trust of their members and users. Therefore, dishonest action in a CMO violates the principle: *'Be Honest No Matter What'*.

¹ Dillon Consulting Services LLC

IV. ESSENTIALS FOR PROTECTING AND ENHANCING REPUTATION

CMO reputation is affected by the actions of board members, management, and employees as they carry out their respective duties. How employees can live the CMO mandate is an area that has received relatively limited coverage. Rights holders who are members of the CMO, and the public can also enhance or harm the CMO's reputation.

This section explores relevant actions that are required if employees are to support and enhance the CMOs' good reputation. The following actions need to be considered:

(i) Communications

Communication is critical in the day-today management of rightsholders' rights. Media such as SMS, official websites, and social media platforms, have proven to be very efficient for visibility and service delivery. It is important to effectively utilize the electronic and print media. CMOs should develop "easy to read" manuals or flyers, which provide comprehensive information on how the CMO operates, its collection and distribution procedure, and its licensing mechanism.

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It is key to consistently send out positive communications. Over time, this will build up the CMO's reputation in the public mind, thereby lessening the impact of future damages. CMOs should always inform their members and employees of what is happening and how they respond to incidents in the organization or environment.

Therefore, CMOs need to provide excellent and consistent communication strategies. The communication strategy may involve awareness creation through broadcasting, simulcasting, and webcasting, as well as measures like publishing antipiracy statements, increasing awareness, and capacity building for rights holders and creators.

(ii) Put the fire out early

If the worst happens, a CMO must be prepared to respond quickly and appropriately. Every minute that goes by is crucial and can reduce the respect that the public has for the CMO. The risk that a negative reputation presents is extremely serious and should be monitored.

(iii) Strong and motivated human capital

Efficient and dedicated staff is the foundation for any viable and agile organization. In today's world, CMOs' reputation matters for employers, more than ever before. Reputation can affect the recruitment process as top and credible applicants may research before they accept a position. Staff members must be motivated and agile in an ever -evolving CMO environment. Thus, CMOs should consider as a part of their strategy regular staff training, and most importantly, a plan for the well-being and psychological safety of their members and employees. This will enable the CMO to develop a very strong and effective workforce to deliver its mandate effectively and efficiently.

(iv) Strive to be at the forefront of your sector

Having a successful corporate image is a necessary marketing tool for the CMO. CMOs need to spend time convincing the public and stakeholders about their relevance. It takes commitment and hard work to build a reputable CMO in an everevolving environment.

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The cornerstone of developing a vibrant CMO includes effective internal procedures supported by good governance. Everything from setting up a straightforward and transparent system to adopting viable risk management strategies, strengthening effective communication, implementing reciprocal agreements as well as adhering to good cooperative governance mechanismswill help to keep the standard of the CMO high in the industry.

V. STEPS TO BUILD A STRONG REPUTATION

To build a strong reputation, management needs to have strategies to monitor it, devise responses, handle all situations, evaluate, and measure results, among others. Figure 1 below is a summary guide on reputation management:



Step 1: Monitor your reputation

This can only be achieved when CMOs listen and get information about how people view them and respond accordingly. There is a need to have a platform where people can post their feedback and provide genuine opinions about the CMO.

To monitor a CMO's reputation, feedback from different stakeholders is key as it helps to work on areas that need improvement and leverage areas they are good at. It is recommended to secure tools such as Reputology and Mention to monitor activities and provide feedback. Reputology creates profiles for each location, allowing the CMO to extract reviews from relevant sites while Mention allows the tracking from a single dashboard.

Step 2: Devise a response plan

Understanding what is being said about the CMO online and on different platforms is very critical to improving reputation by taking the appropriate action. A response plan is needed and the following should be considered:

i) Who will monitor for comments and reviews? - Marketing, client services, or communication departments.

- ii) Who decides whether new comments require a response?The Chief Executive Officer or her/his deputy.
- iii) Who knows what position the CMO should take regarding potential issues or questions?
 Front office managers should know where to direct the information, e.g.,

communications, legal, the head of the CMO, etc.

iv) Who will deliver the response?The official spokesperson or communication department of the CMO.

Step 3: Handle negative comments delicately

Negative comments are inevitable, but CMOs must adopt a polite and professional approach. They should address issues appropriately, provide feedback, and be friendly. Taking complaints positively and remembering that a mandate or service is only as good as how rightsholders, users, stakeholders, and the public think of it could help build positive relationships with them.

Step 4: Build on the positives

People tend to focus and respond to negative comments only. However, it is equally important to take note of the good and positive comments and build on them. It is important to seek feedback from members through surveys or any form of evaluation to understand or see how the mandate given to the CMO is being viewed.

Step 5: Follow through and measure your results

The final step is to make any changes promised for the smooth implementation of the CMO mandate. CMOs need to track their progress to protect their reputation and improve on it. Below are suggested tools for reputation management:

i) **Reputation.com²:** is a cloud-based reputation management tool that helps organizations monitor and enhance their online ratings, reviews, customer service, traffic, and other factors. It provides a unified dashboard that provides a 360degree view of both online and offline reputation.

² Reputation.com

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- ii) **Reputology:** This tool gives CMOs a single account from which they can manage all their review profiles, including Yelp³, and TripAdvisor, among others.
- iii) Mention: The tool monitors the web, social media, forums, blogs, and even television. Furthermore, Mention users have access to Reputology's range of sources, to track reviews in the same place.
- iv) **The Brand Grader:** This is a tool built to give snapshots of brands online. It provides brands with information on how their social profiles are performing and a few other key statistics.
- v) **SimilarWeb:** This tool can be used to compare CMO's web presence. CMOs will know how much traffic is received, where traffic comes from, and how they rate within their industry.
- vi) **Brand Reputation:** How Leading Businesses Protect Their Image Online.

Monitoring what others are saying about the CMO while actively interacting with members and users to promote positive

³ Yelp is a local guide for finding the perfect place to eat, shop, drink, explore, and relax

conversation assists in enhancing a good reputation. In addition, managing the reputation of the CMO should be the priority of its leadership. This could be achieved by ensuring the CMO's online presence.

VI. CONCLUSION

CMOs deal with royalties that belong to rightsholders, therefore, they must be trusted by their members, users, the public, and other stakeholders. Transparency is measured by the type, level, and ease of access to information that is availed to the CMO's internal and external stakeholders. The information they share is an important element of their existence. Strict adherence to their stipulated mandate is required for good reputation management to be achieved.

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