

EXECUTIVE SUMMARY

The thesis at hand is motivated by the lack of theory on reputational risk in public sector organization and poses the research question: *For a public sector organization like the Danish Export Credit Agency, how should reputational risk be measured, what is the importance of it, and how should it be managed?*

To answer this, the thesis searched for the answer by analyzing existing data on stakeholder management and reputational risk, identifying and interviewing eight external stakeholders in an inductive, case-based design as well as recommending steps to follow in reputational risk management. The stakeholders were interviewed about four specific cases that may have hurt EKF's reputation due to the performance of the organization in these specific situations. The thesis found that the method of measuring reputational risk using the stakeholders' perceptions may be a possible way but also shows that reputational risk management may not play a crucial role for public sector organizations. In sum, I conclude:

- As regular measurements of reputation and therefore risk to it is not an available measuring tool, stakeholder perception can help measure reputational risks to a public sector organization. These organizations cannot measure book and market value.
- In general, stakeholders have higher expectations to public sector organizations than corporations due to the fact that they operate under the Danish state as well as are funded partly through taxes.
- There seems to exist a paradox though. The actual performance of the organization did not influence the relationship between the stakeholders and the organization although the organization is accused of breaking the law and standards for export credit agencies.
- A neutral reputation may not be appropriate for EKF. Although it will make it possible to go below the media radar while still maintaining good relations with other stakeholders, it poses some limitations due to EKF's minimal role in the Danish public sector and unknown role in society at large as well as a need for customer revenue.
- Furthermore, a bad reputation should at any case be avoided as this only costs the organization a lot of resources, which public sector organizations in general have a lack of.
- It is therefore recommended that EKF ensures proper knowledge of their stakeholders, like identification of their needs, demands, and perceptions of the organization, as well as how they evaluate EKF and the organization's performance.

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1 Introduction

This thesis finds its motivation in the apparent gap between theory on reputational risk and management and its actual implementation in public organizations. Although the topic is widely debated in corporate research and academic literature, little research is currently available on what is done, how it is done and if it is even of importance in public organizations. These considerations lead to the research question of the thesis at hand: *For a public sector organization like the Danish Export Credit Agency, how should reputational risk be measured, what is the importance of it, and how should it be managed?*

Methodologically, the investigation into the research question is conducted both inductively and deductively. The inductive element consists of making observations about stakeholders' perceptions to generalize about reputational risk management in public sector organizations. Some traits of deduction will be found in the recommendations. The deductive element is the usage of theories on managing reputational risk adjusting it to the findings. It will be laid out as recommendations for the public sector organization, the Danish Export Credit Agency (EKF), which is the case organization for this thesis. Obviously, the theories are not chosen arbitrarily. Through an extensive review of the field of risk, stakeholders, reputation, public organizations, and communication they have been chosen as key to explain the similarities and differences between public and private organizations, as well as to create a reputational risk management strategy for EKF.

The sample of external stakeholders to EKF used for this thesis consists of 8 interviewees, representing each of the external stakeholder groups identified for the organization. Some are unique to EKF, while some of these can be considered stakeholders in any public sector organization, which allows for some general conclusions to be made. The analysis of the data collected from the interviews will lead to a number of observations and results, which are interpreted and discussed further. The analysis and discussion of findings lay a foundation for recommendations on how to handle and improve the current reputational risk management approach in EKF and in public sector organizations in general.

1.1 Background, Justification and Motivation

The idea for this thesis originates from the summer of 2009, where I was hired as a student assistant in EKF in Copenhagen, in the department for International Relations. The organization and the world of export credits consist of the perfect mix of business and politics. Due to the fact that this is the focus of my studies, the decision was made to write a

thesis on export credits, allowing for several topics to be considered. Although many topics and subjects were covered through the five years of studying at Copenhagen Business School, the most interesting one of them all turned out to be a class on Political Risk. With a special interest taken in reputational risk, as discussed by Michael Power in his book from 2007, *Organized Uncertainty*, an exam synopsis was written on EKF and some of the perspectives of risks in the organization. With this began the ideas, questions and thoughts for the thesis at hand.

However, the vast majority of literature on reputational risk centres on reputation and reputational risk in corporations rather than in public sector organizations. Thus, Power's book is built around corporations, not public sector organizations such as EKF.

Vima Luoma-aho carried out one of the few studies done on reputation in public sector organizations in 2007. Her focus was Finnish public sector organizations, and with the same question in mind, she aimed to explore how given stakeholders perceive an organization's reputation. Luoma-aho ended her research paper, suggesting that future studies should, among others, focus on the varying perceptions of reputation among different stakeholders. Taking this research into account, the thesis at hand aims to pursue the ideas planted by Vima Luoma-aho and Michael Power on reputation and risk, taking into account the stakeholders and their role in measuring reputational risk in public sector organizations.

1.2 Research Area and Object

While academic literature can agree on the fact that reputational risk has become increasingly important in the corporate world, there is an astounding gap in the literature when it comes to public sector organizations and their reputation and factors that can pose potential risks to it. Perhaps the lack of literature on the topic is due to an irrelevance in public sector organizations regarding reputational risk, but this needs to be explored in depth to conclude such a statement.

My interest in the literature on reputational risk and management is proliferated as public sector organizations in most countries play pivotal roles, now also in more market-based projects and structures. EKF provides a pertinent case as it displays some of the most important public sector organizational traits as well as an interesting economic and political structure, relevant to other organizations as well. Furthermore, EKF is considered one of the

best in the class, adhering to the highest standards within business, environment and social aspects, making it an interesting case of reputational risk and management.

This motivates my research of reputational risk and management in public sector organizations, especially the roles of the stakeholders and their perceptions, as they are arguably key to the existence of a public sector organization. Eight stakeholders were identified due to their close-knit relations to the organization. Common for all eight is the fact they are all external, which is important to be able to compare the already existing literature on reputational risk management. Another reason for this is the refusal from the case organization to participate in the research, which will be commented on in depth in section 3.

1.3 Actors

Having examined the background and justification for this thesis, the focus turns towards the subjects involved in research of this thesis.

EKF is the case organization, in which the research is undertaken throughout the thesis. It is a public sector organization, which operates on commercial terms, which means the agency cannot underbid the market prices.

Eight external stakeholders have been interviewed for this thesis after having been identified as crucial for the reputation due to their relation to the organization. They all have ongoing relations with the organization, directly as well as indirectly. The reason for the external focus, mentioned above in the research area, will be discussed further in section 4 on EKF's stakeholders. Below is a figure of the eight stakeholders, some of which are unique to EKF and others, which are general for public sector organizations.

Figure 1.1: The external stakeholders. Can apply to other public sector organizations. Own contribution.



1.4 Research Question

This thesis seeks to fill the void that exists in theories on reputational risk, as they seem primarily to cover corporate reputational risk. The motivation and justification have centred the attention on the stakeholders.

To my knowledge, no other study has been done on reputational risk in a public organization with a focus on the different stakeholder groups.

Combining the lack of theory with the external stakeholders of EKF, the research question evolving from this is:

For a public sector organization like the Danish Export Credit Agency, how should reputational risk be measured, what is the importance of it and how should it be managed?

1.5 Aim & Contribution

It is the aim of this thesis to provide an insight into reputational risk and management in a public sector organization, specifically with a focus on the stakeholders and their perception of reputation. It also aims to assess the importance of reputational risk management in public sector organizations as well as to equip public sector organizations with a better understanding of their stakeholders in relation to reputational risk and management.

The contribution of this thesis should be considered two-fold. Theoretically, the thesis will try to cover a gap in theory on reputational risk in public sector organizations by researching how reputation can be measured if one cannot place a market and book value on the specific organization. Empirically, an assessment will be made of the importance of reputational risk in public sector organizations. Furthermore, the contribution will consist of a reputational risk strategy building upon the data collected in the interviews as well as academic literature on the topic. Something that, to my knowledge, has not been done before.

1.6 Delimitations

The theoretical field for this thesis is large and the study of risk in public organizations could take on many directions, employing several theoretical approaches. A choice was made to follow the path of the roles of stakeholders in public sector organizations and their reputational risk management. Organizational theories might yield other and differently qualified data, as would economic approaches to the issues in the field of reputational risk.

It is not the aim of the thesis to test the organization's reputation. It is the aim to explore how reputational risk is best measured and managed in public sector organizations and the importance of this through qualitative research.

The thesis will not seek to investigate the power relations between the different stakeholders. While this factor may be relevant in the general understanding of EKF's reputational risks, it is taken as an exogenous factor in this thesis.

The internal stakeholders of EKF – the directors, employees and board – are also taken as exogenous factors *except* in the final recommendations. This means that the focus on reputational risk will only be from the perspective of external stakeholders.

1.7 Limitations

The research design and nature of this case study carry with them their own limitations. An example is the chosen design, which is a qualitative analysis. It is acknowledged, however, that a case study could capture quantitative phenomena like numerical value to reputational risk or quantify the power of each stakeholder.

Furthermore, the data collection is conducted as semi-structured interviews, which may

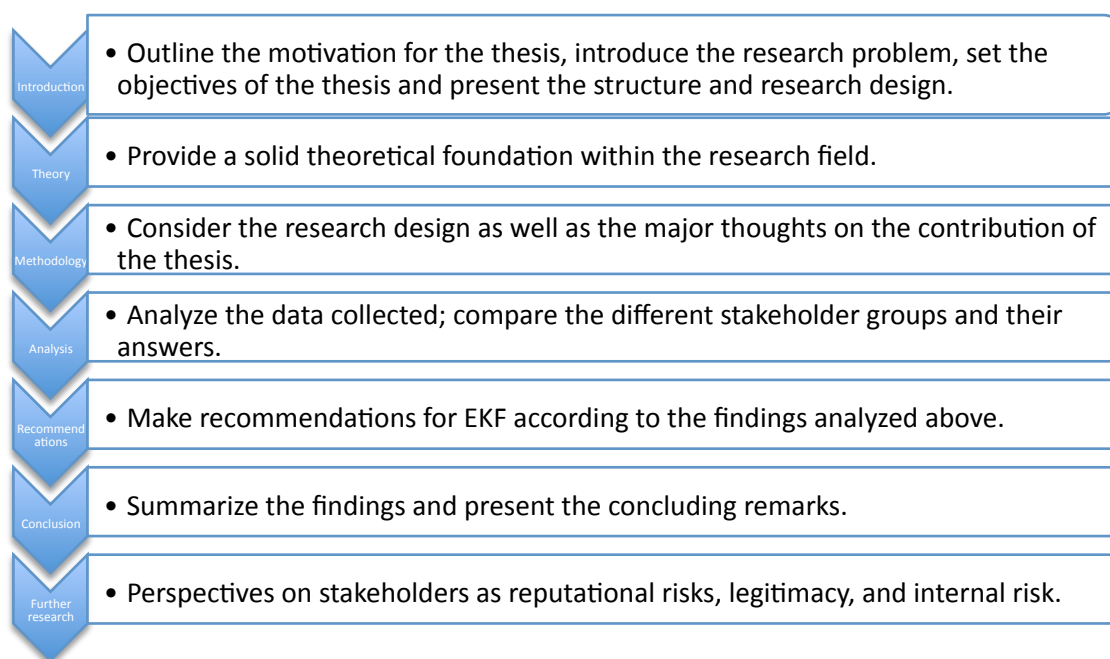
limit the scope of the investigation and it is acknowledged, that a more quantitative field study may have revealed relevant perspectives not presented in this investigation.

EKF also leaves some limitations to this thesis, as the structure of the organization differs from some public sector organizations. This is due to the fact that EKF is owned by the Danish state but operates on commercial terms, i.e. it cannot underbid the market. In this sense, it has some very similar characteristics of regular financial institutions, like banks, insurance companies and so forth. However, the fact is that the organization still has some of the same concerns as any other public sector organization, as well as some of the same external stakeholders.

It should be considered by the reader that the conditions found for EKF and their stakeholders may potentially only apply to other smaller public sector organizations with similar traits to EKF's structure. Although some ECAs are much more private than EKF, some findings may also apply to these. This will be discussed further in the discussion and conclusion sections in this thesis.

Due to the scale of the research objective, certain limitations will be explained when appropriate. This is done in order to increase the understanding of the sections in which the limitations appear.

1.8 Structure of the Thesis



Partial Conclusion

The thesis aims to contribute to the gap in the academic literature on reputational risk in public sector organizations. This is be done by looking into EKF, its stakeholders and their perceptions of the organization's reputation. Empirically, an assessment is made of the importance of reputational risk in public sector organizations. Furthermore, recommendations are made to aid public sector organizations with reputational risk and management, taking the importance of the topic for the stakeholders into consideration based on the interviews made.

2 Theory

In this part, the field of reputational risk is laid out as the theoretical foundation for the thesis at hand. The section aims to comprehensively examine the field of reputational risk in order to analyze the potential method of measuring stakeholder perception of reputational risks existing for EKF as well as discuss the findings in the following sections.

First, the concepts of reputation and reputational risk are defined and the development of the field is explored. Then stakeholder management theory is thoroughly examined, taking into account the works of Freeman, Honey, Power and Mitchell. Subsequently, theories on reputational risk management are presented as well as differences in risk culture private and public sector organizations. Finally, the research done on public sector organizations and reputation will be presented, concluding with the topic of neutral reputation, which is a potential gratifying strategy for management of reputation in public sector organizations.

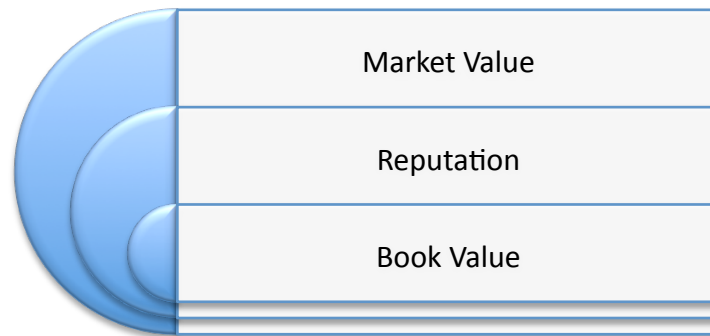
2.1 Reputation and Reputational Risk

The definition of reputation is not easy to capture in a single sentence. One of the simplest and most basic ways of defining reputation is as follows: “General opinions; the views that are generally held about somebody or something” (Encarta, 2009). For an organization, this can naturally be both positive and negative. Positive in the sense that it can affect customer loyalty, financial performance, and the recruitment process. A negative reputation can lead to the opposite.

Michael Powers 2007 book *Organized Uncertainty – Designing a World of Risk Management* is one of the most important contributions on reputation and reputation management – concepts first introduced in academic texts from the mid-nineties. Actions made by the Dutch oil company, Shell, put an emphasis on the views and power of interest groups. In this case it was Greenpeace, which advocated for a boycott of Shell’s products that lead to severe financial losses for the company. According to Power, this was a tipping point for a new understanding as well as fear about reputation and its influences on companies and management thereof.

As a perception held by people, reputation is by nature socially constructed and, according to Power, an intangible asset which becomes visible as the difference between the book and market value of the specific entity.

Figure 2.1: Power's approach to measuring reputation. Own contribution.

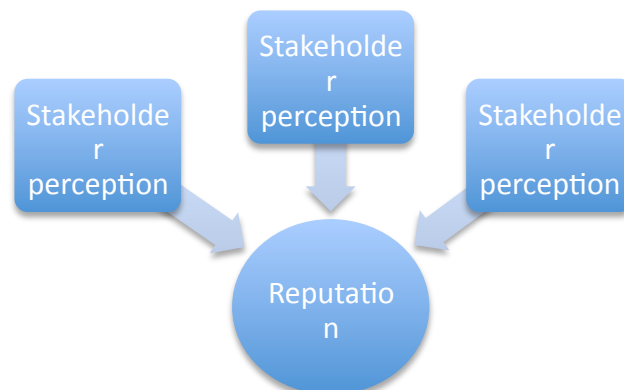


Larkin (2002) argues that the reason why reputation was not included in the definition of operational risk for financial institutions was the fact that it was difficult to define. Power believes this is exactly the nature of reputation. It is potentially unmanageable, both as a risk as well as the limits of conventional management control. Nevertheless, as an asset it has been “recognized, measured, and located within a management control infrastructure” (Power 2007).

Although Power covers reputation in organizations in depth, his contribution seems to have limitations due to the fact that he only writes about corporations. Universities are included as an example because of the system that ranks them, entailing their reputation to be considered good or bad compared to others. As such, universities can be considered public organizations, or at least institutions whose primary goal is not to make a profit.

Vilma Luoma-aho's studies on reputation go beyond private corporations and ranked public entities. For her, reputation is: “A general image of an organization among the stakeholders enabling collaboration and leading to trust and other benefits” (Luoma-aho 2007).

Figure 2.2: Luoma-aho's view on stakeholders and reputation. Own contribution.



By employing her definition as a theoretical framework for working with reputation in public organizations, it becomes pivotal to understand the attributes of stakeholders, their perceptions and actions and ultimately the management of them. Before going into depth with these issues, it is necessary to understand the link between reputation and reputational risks.

According to Jenny Rayner (2010), there is no such thing as reputational risk, only risk to reputation. Rayner's definition follows as: "Reputational risk is any action, event or circumstance that could adversely or beneficially impact an organization's reputation" (Rayner 2010). Significant risks to reputation equal killer risks that can endanger the very existence of an organization. As Power (2007) also suggests, risk should be considered uncertainties, Rayner argues.

Honey (2009) argues that when measuring reputational risk it is necessary to remember that reputation has a value that is different than in monetary terms. The only way to measure reputational risk is to identify the gap between expectations and performance for each stakeholder group.

As the theory sections above have shown, stakeholders play a crucial role in reputation. Although not mentioned in Rayner's definition, I argue that stakeholders must therefore also play an important role in assessing reputational risk for an organization, as theory on reputation emphasize the role of stakeholders. Because of this, I believe that it is necessary to look into the theories on stakeholder management to understand the importance of the stakeholders' influence on the organization's reputation and reputational risks, which will be elaborated on below with the frameworks of Freeman, Honey, Power, and Mitchell.

2.2 Importance of Stakeholders

2.2.1 Introduction to Stakeholder Theory

The term of stakeholders were introduced into the academic world in 1963 where it represented the notion of stockholder, the only group that a company needs to be responsive to. Originally, this meant that stakeholders were defined as "those groups without whose support the organization would cease to exist" (Freeman 2010). It was argued that only by understanding these stakeholder groups, the organization could formulate corporate objectives accordingly. To use the stakeholders for planning, a

generalization is made for the different groups, like surveys or customer interviews, a so called generic stakeholder analysis, which helps the organization with future demands from stakeholders.

Freeman (2010) provided a definition on stakeholders: “Groups and individuals who can affect and are affected by the achievement of an organization’s purpose”. This calls for a wide range of stakeholders, including both internal and external actors, or those who are directly influenced or indirectly influenced by an organization’s actions. To admit that these stakeholders are legitimate in the sense that they matter to the organization and its goals is the first step to manage them efficiently.

Theories on stakeholder management suggest that organizations should include them in setting the direction (Freeman 2010). Freeman’s definition of stakeholder management is that the concept “refers to the necessity for an organization to manage the relationships with its specific stakeholder groups in an action-oriented way” (Freeman 2010). The need for stakeholder management is key as too many managers are focused on internal elements, but the external elements can change and thus also change the entire foundation for an organization’s existence.

According to Freeman, an organization can benefit from creating a map of its stakeholders and their stakes in the organization as well as be aware that the relations will change over time, which will alter the map of the stakeholders. Furthermore, it seems crucial to notice that according to Freeman (2010) the stakeholders’ interests will converge over time.

Due to the fact that some organizations may misunderstand their stakeholders and their stakes, Freeman also suggests a grid to get an overview of which kind of power and stake the different stakeholder groups possess. It may seem logic to place government, clients and owner in this grid. But the question remains of where citizens should be placed, as they count as stakeholders in a public organization.

Figure: 2.3 Grid by Freeman (1984): Strategic Management: A Stakeholder Approach, page 62-63. EKF stakeholders added by me.

Stake/Power	Formal	Economic	Political
Equity	Ministry of Economic and Business Affairs		
Economic	Customers Business Partners		Government
Influencers	Government		Trade Associations

An organization should measure its stakeholder management on the transactions that have been with the stakeholders (Freeman 2010). These transactions show a result of legitimacy of the relations to the stakeholder as well as show that the organization is concerned with their stakeholder, on a routine basis.

2.2.2 Stakeholders' Expectations

Taking Freeman's view on stakeholders a step further is Honey's book on reputational risk (Honey 2009). According to Honey, different stakeholders will value factors differently, and he identifies seven key factors among the different stakeholders. These include financial performance, delivery of products/services, vision and leadership, corporate responsibility, workplace environment, knowledge and skills, and emotional appeal. He only identifies four stakeholders; investors, customers, suppliers and employees. Naturally, workplace environment will not matter to customers as they are external to the company and cannot be considered a reputational risk. But for employees, this may be one key factor that runs a risk for the reputation of the organization in case of failing to perform in this key employee category.

2.2.3 Stakeholders as Boundary Objects

Power perceives the stakeholders as an element of reputational risk and management. His view includes the fact that organizational systems must be responsive to not only social interest groups, but also markets and regulators. It seems that Power's view emphasizes the role of NGOs' influence, with a rise in CSR regulations and a heavy discourse within this area of research. He does, however, recognize that organizational governance discourse also includes stakeholders in general, as they may all influence the organizational conduct. He argues it is their de facto power, which is the most relevant to risk management. As such, stakeholders may only have some power legally, which could be consumer rights, financial regulations etc., but it is their power as stakeholders in practice that counts when discussing risk management.

Historically, the 90s was the decade where stakeholder managed to gain ground in managerial and political discourse and became a boundary object for both managerial and CSR agenda. A boundary object defined by Power is a concept, which may transfer to several parts of a business or an organization. In practice, this means that stakeholder management has to include several departments, as stakeholders may affect different elements of a business at different times.

Using the notion of stakeholder management as an essential part of reputational risk, it reflects much more than internal concern with asset recognition. It was first defined as a way of understanding and managing reputation in corporations. “Whatever the nature of their interest, the existence of that interest means that they are potential sources of risk to the project and perhaps to the business”, argues Power (2007).

A change in the power from corporations to the representative organizations of “unpredictable consumers” (Power 2007) can be argued to have happened due to the nature of the stakeholder discourse. But managers will have a challenge understanding the stakeholders. Power says: “Who might blame and thereby damage the organization? Indeed, where the power to define reputation is wholly in the hands of the stakeholders, the necessary inputs from management are unclear”(Power 2007).

Although the stakeholder power can be considered to be de facto, the developments within stakeholder management has led to a formalization of principles and guidelines. One suggestion made by the Global Reporting Initiative is that the identification of all stakeholders of an organization should be disclosed. This will aid the organization to include the stakeholders in the development of performance indicators, and make sure they are relevant to each stakeholder and their needs. “Stakeholder perceptions, as proxies for society’s expectations, must be taken seriously even if they are not accepted as true; false beliefs about the environmental and social impacts of corporate activity must be managed” (Power 2007).

2.2.4 Segmentation of Stakeholders

The normative stakeholder theory (Mitchell, Ronald K. et al. 1997) takes Freeman’s theory to a new level by assessing the importance of each stakeholder group. The importance of a stakeholder depends on its necessity for the organization’s mission and goals as well as to which extent it is affected by the organization. This comes down to different roles and different degrees of importance designated to each stakeholder group. Three dimensions of priority between the stakeholders exist:

- 1) Their power to affect the organization
- 2) The legitimacy of the stakeholders’ relationship to the organization
- 3) The urgency of the stakeholders’ needs to the organization

According to Mitchell, there will be different interests for each stakeholder group, which can lead to conflicts. It is impossible to define a common area of responsibility for an

organization due to the many different groups that have to be taken into account. Mitchell offers different categories of stakeholders due to the tension between the power, legitimacy and urgency of the different stakeholder groups.

1. Dormant stakeholders: Possess power over a company, but by not having a legitimate relationship or an urgent claim, this stakeholder's power is not used. They have only little or no interaction with the organization. Examples of dormant stakeholders include the media, where power is considered to be symbolic rather than coercive.
2. Discretionary stakeholders: Possess legitimacy, but neither power to influence the organization nor an urgent claim, which means that managers have no pressure to connect with these stakeholders, but they could. Examples of discretionary stakeholders include non-profit organizations that receive donations from corporations.
3. Demanding stakeholders: Urgency defines the relationship between stakeholder and organization, which makes up the description of the stakeholder as demanding. But due to the fact that these stakeholders do not possess legitimacy or power, they become bothersome, but not gravely important to managers. The urgency becomes obsolete without the two other attributes. An example of demanding stakeholders could be a single person demonstrating in front of a company.
4. Dominant stakeholders: Both powerful and legitimate, these stakeholders receive a lot of the attention from the organization due to the perfect combination of the mentioned attributes. An example of a dominant stakeholder includes a corporate board.
5. Dangerous stakeholders: With power and urgency, a stakeholder can become dangerous to an organization due to the lack of legitimacy. Coercion is also used as a key word for this stakeholder group. Examples include employee sabotage and terrorism.
6. Dependent stakeholders: With the attributes of urgency and legitimacy, these stakeholders depend on other stakeholders for power to carry out their will. Dependent stakeholders include local residents.
7. Definitive stakeholders: When all three attributes are identified in a stakeholder group, it is considered to be defined as a definite stakeholder. Most often, the dominant stakeholder moves into this category first. This category includes majority shareholders of a company.

Mitchell also includes two other kinds of stakeholders, non-stakeholders and latent stakeholders but these are not included due to their roles' lack of importance when discussing reputation in organizations. Latent stakeholders only carry one of the three attributes (Mitchell, Ronald K. et al. 1997).

2.3 Managing Reputation and Reputational Risk

In 2004, the World Economic Forum declared that brand reputation outranked financial performances, making this something for all managers to consider. In a survey done in 2005, covering 269 senior executives (36% represented companies in the financial services sector) responsible for risk management, reputational risk was the number one significant threat to business out of a choice of 13 categories. 84% believed that risks to their company's reputation had increased significantly over the last five years. Managers, however, also saw reputation as a source of competitive advantage (The Economist Intelligence Unit 2005).

Following the discussion in Power's book on risk, risks managers were split in the survey on the issue of whether reputational risk is an issue in its own right or simply a consequence of other risks, like IT network risk, credit risk etc. The fact, however, is that the biggest threat is seen to be a failure to comply with regulatory or legal obligations, with failure to deliver up to standards on product quality and unethical practices rank as close second and third. The risk of not hitting financial targets is only modestly scored in the survey. At the end of the day the CEO is the primary person responsible for managing reputational risk, the survey showed.

According to Jenny Rayner (2010), the most crucial element of managing reputational risk is to identify the risks that may hurt an organization's reputation. Before one can manage the risks, they have to be recognized and understood in a proactive manner. These risks are both within the direct control of the organization as well as indirectly through clients, suppliers etc.

A way of starting this identification process could be to consider the expectations of each major stakeholder group against the reputation drivers. The reputation drivers are areas in which the stakeholders have an experience with the organization. This way, it is possible for the organization to mark potential reputational risks, argues Rayner.

Rayner also believes it is necessary to evaluate these risks for the likelihood of them happening and the impact of this potential risk. She suggests a grid like the one shown below.

Figure 2.4: Jenny Rayner: *Understanding Reputational Risk and Its Importance* – Qfinance.

Low	Moderate	High	Very high
Local complaint or recognition. Minimal change in stakeholder confidence. Impact lasting less than one month.	Local media coverage. Moderate change in stakeholder confidence. Impact lasting between one and three months.	National media coverage. Significant change in stakeholder confidence. Impact lasting more than three months. Attracts regular attention or comment.	National headline/international media coverage. Dramatic change in stakeholder confidence. Impact lasting more than 12 months or irreversible. Public censure or accolade by regulators.

Although there are ways of dealing with reputational risks before they occur, it is suggested that organizations also have reactive plans to work with these after the risks have happened, in a reactive manner. According to Regester Larkin, a reputation strategy and management consultancy, there are three things in their communication that an organization should do when facing bad news that may hurt its reputation:

- 1) Concern: Acknowledge that something has gone wrong and express concern and regret.
- 2) Commitment: The organization must also commit to fix the issue in detail.
- 3) Control: The CEO or leader of the organization must show they are in control of the situation, as well as ensure it will not happen again.

Since there is less place to manoeuvre in a situation with a reputational risk occurring, the organization needs to fix the problem at the same time as it is communicating the above three Cs.

Finally, a couple of general recommendations are presented in the theory available on reputational risks. Adopted from Honey's book on reputational risk, an organization should set its reputational risk management up in stages. The first stage involves identifying the attitudes from the different stakeholders, for example by focus groups or interviews. The second stage is to ensure continuous monitoring of the stakeholders, including a wider cross-section, not only owners and clients. The third and final stage includes reducing risks to reputation by engaging in positive relations with stakeholders.

Stakeholder reaction to information provided by the organization depends greatly on the reputation it has managed to create between the organization and its stakeholders (Luoma-aho 2007). The importance of maintaining a dialogue is ever important because of the development in information technology. Today, stakeholders have the possibility to act through various real-time media, which makes the dialogue urgent and important to stakeholders. Trust is argued to be an object, where a lot of emphasis is put on because of the increasing information mediation.

2.4 Private vs. Public Organizations

According to research done by Rainey (1976), there are a number of factors where a difference exists between public and private organizations:

- In general, there are less autonomy for managers and more constraints on the spheres of operations
- More formal influence by external sources and greater fragmentation of these sources
- Greater need for support from constituencies (client groups)
- Greater public scrutiny of public officials and their actions
- Greater cautiousness
- Less decision-making autonomy
- More levels of review

(Rainey 1976)

Others argue that the previous understanding of an actual division between the two sectors has been blurred. Many firms have so much market power and influence on the public interest making them difficult to call private, “mixed” undertakings such as provision of government services by contract with private corporations, and some private organizations are so concerned about government contracts that they exhibit government attributes (Rainey 1976).

Among some of the many assumptions about differences between public and private organizations is the notion that public organizations in general are more risk averse than private ones. Although this may not have been conclusively determined, there is a point to the logic and rational way of thinking that public managers are more risk averse, simply due to the fact that there is less incentives in public organizations (Bozeman, Kingsley 1998).

Furthermore, public officials are in general under more scrutiny when it comes to risk-taking, according to research (Bozeman, Kingsley 1998). Finally, red tape interferes with risk taking in public organizations due to complexities, which may undermine risk taking. Although these all sound like plausible reasons to why risk aversion may exist more in public organizations, this has not been empirically proven. Tested by Bozeman and Kingsley (1998), their study employs the term of risk culture, which is defined as *the organization's propensity to take risks as perceived by the managers in the organization*. According to the authors, the leaders of an organization play a pivotal role when it comes to either perceiving risk as legitimate or not. Understanding the perception of risk for a manager can aggregate the risk culture as such, the authors argue. Their findings show that although there exists a considerable variance in organizations' risk culture, the sector of an organization tells very little about its risk cultures.

Another argument for less risk-taking in public organizations is that people who are in general risk averse in their everyday life will be more likely to apply for a position within the public sector. The opposite, however, has not clearly been proven; there only seems to be an insipidly correlation between personal risk-taking and risk-taking in an organization for managers employed in the private sector.

Although Bozeman and Kingsley conclude that there is very little correlation between sector and risk-taking and culture, there is still proof that external influence of government officials have a constraining effect on risk-taking, and although politicians have an influence on private organizations as well, they do not induce as much authority on private sector organizations. An important finding is that there is not much difference in risk-orientations between public and private managers; the variables of goal setting, cutting red tape and employee trust are the same in the respective sectors.

2.5 Reputation and Reputational Risk in Public Organizations

The public sector has in general shown little action to measuring intangible concepts (Luoma-aho 2007). But due to the nature of having several objectives of non-financial nature, it has become more important to understand in public sector organizations. Both the resources and most of the final products are intangible in form.

According to Luoma-aho, public sector organizations have more diverse stakeholder groups, with different needs and expectations. This leads to many different impressions formed by

them. As these impressions affect the reputation of the organization, it becomes relevant to look at the length of the relationship between the organization and the stakeholder. Luoma-aho argues that the longer the relation between stakeholder and public sector organization has lasted, the longer the record will be of the organization's behavior for the stakeholder (Luoma-aho 2007). Naturally, the stakeholders with the longest relationship will evaluate the organization more accurate than newer stakeholders, but an organization needs to consider all evaluations regardless of which stakeholder does it.

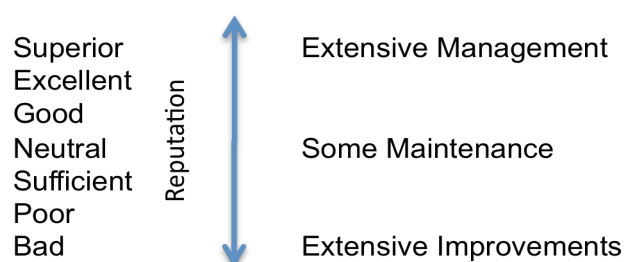
For a public sector organization, a good reputation can create a positive operating environment. A good reputation demands continuous maintenance and must be guarded. From Luoma-aho's paper: "The old say 'noblesse oblige' also holds true for organizational reputations; good reputations, once achieved, allow no resting on one's laurels without a potential loss of reputation". A constant upkeep is necessary for a reputation to be good and this can be financially difficult for the public sector to allocate funds to.

It is suggested by Luoma-aho that due to the constant risk of facing cuts in funding and interference by politicians, reputation may become a burden for public sector organizations. Although it may be great to have an excellent reputation, it can become problematic for the public sector due to:

- Altering of funding
- Laws may be changed
- Organizational actions may undergo change

This can cause some expectations to not be fulfilled among the stakeholder groups. As reputation is rarely at the top of the agenda in these organizations (Luoma-aho 2007), it is proposed that the organizations should instead target a level that is realistic and healthy. It should be high enough for the stakeholders to trust the organization but low enough to acquire an operating distance, which may especially be necessary when crisis hit.

Figure 2.5: Luoma-aho, Vilma (2007): *Neutral Reputation and Public Sector Organizations*



In the figure above, the term of neutrality is understood as a cognitive attribute; it describes a stage of harmony. But the term of neutrality also includes links to indifference or not caring. Although these risks do exist, neutrality as a level for reputation in public sector organization describes the ideal level. It does not aim too high and not too low. One of the reasons why this middle range theory should be accepted is the fact that organizations in the public sector only have few if any competitors. To not have a reputation is not an option according to the author because such organizations are a part of the public sector, which is broad and well-known.

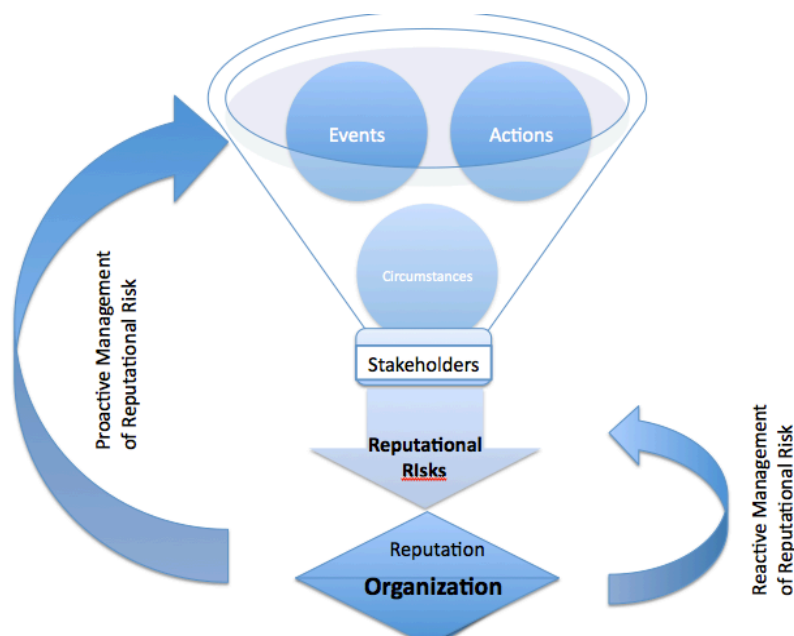
There are, however, a few limitations to the proposal set forth by Luoma-aho due to the fact that there is not a lot of agreement on what exactly a reputation should consist of. Thus, it represents the ideal rather than practice. Furthermore, she has chosen to not include the society as a whole nor the media as they may not be frequent stakeholders as such. They do, however, need be included for future beneficial studies within the area of reputation in public sector organizations. She concludes that the idea of a neutral reputation could potentially make reputation more legitimate in the public sector, because the idea could fall in line with policies and principles that organizations follow.

Luoma-aho ends her research paper, suggesting that future studies should, among others, focus on the varying perceptions of reputation among different stakeholders. Luoma-aho, however, does not mention how reputational risks affect the reputation. Potentially, there may not be a fear of reputational risks when organizations have a neutral reputation, or at least the chance of reputational risk is minimized to a certain degree. I suggest a research on both; to include the perception of the different stakeholders as suggested by Luoma-aho as

well as the risks to reputation, which the stakeholders identify. As far as I know a research with this goal in mind has never been completed, but can find partial support to execute in Luoma-aho's previous research.

An integrated model of the theoretical framework is shown below. I have tried to incorporate the different concepts presented above from theories on reputation and reputational risk. The actions, events and circumstances pass through the stakeholders and their perception and can become critical reputational risks. In this sense, it can be agreed that reputational risk is socially constructed. The reputational risks are interconnected with the reputation of the organization, naturally. From the organization, management of the reputation should happen. Proactive management happens as the organization tries to manage the events, actions, and circumstances by identifying and evaluating the potential reputational risks. Reactive management happens as the organization tries to manage the reputational risks after they have occurred by using honest communication and controlling the situation to their best ability.

Figure 2.6: Integrated model of theories for this thesis. Own contribution.



Partial Conclusion

This section of the thesis laid out the theoretical foundation for the research on reputational risk in public sector organizations. Reputation was defined as an intangible asset, which is

measured as the difference between book and market value in corporations. In public sector organizations, reputation was defined as a general image of an organization among the stakeholders enabling collaboration and leading to trust and other benefits. Stakeholder management theories were then discussed, as they are needed in the direction-setting of the organization and stakeholders are arguably crucial in identifying reputational risks in an organization. Stakeholders' relative influence differs, which was subsequently presented. Studies show that there has been an increase in the importance for managers to focus on reputation across the organization, which has opened up for recommendations on reputation and reputational risk. It is then argued that differences exist between private and public organizations; although it may not influence risk-taking as such, the different structures influence the organizations. Finally, it is suggested that a public sector organization should aim for a neutral reputation, which only needs some maintenance. Further research is recommended to focus on a variety of stakeholders and arguably the importance of reputational risks in public sector organizations.

3 Methodology

The purpose of the following section is to give the reader an insight into the basic considerations and assumptions applied in this thesis.

First, I will define the challenges that reputational risk presents as a research field, as well as other methodological reflections on the topic. To bridge theory with methodology, the paragraph includes meta-theory with reflections on aspects of reputational risk, how it emerges, and how it may be different in public sector organizations. To deal with some of the challenges the field presents, I argue that the appropriate approach is a qualitative research design. I will use inductive and deductive methods, accounting for the current theory on corporate reputation and lack of theory on reputational risk in public sector organizations. The general data selection process and its sources, which are outlined, follow this chronologically. Furthermore, it seemed prudent to include a short paragraph on observant participation because of my personal history and experience with EKF. Finally, a detailed paragraph describes the semi-structured interviews applied as well as reflections on the refusal to participate by some of the potential interviewees.

3.1 Methodological Reflections

The topic of ‘reputational risk’ presents some challenges as a chosen research field. Many theorists agree that the term did not emerge within academic literature until the mid-nineties, yet the concrete definition has not been agreed upon. The simplest one, and the one to which this thesis will adhere, is that of Jenny Rayner:

“Reputational risk is any action, event or circumstance that could adversely or beneficially impact an organization’s reputation” (Rayner 2010).

The literature stretches from in-depth qualitative social research to a much more practical insight through quantitative research done in corporations around the world. This thesis will focus on qualitative research within the external stakeholder groups of EKF in order to identify the importance of reputational risk in EKF as well as recommend a reputational risk management strategy.

3.1.1 Meta-theory

To understand the theories on reputational risk, an interpretivist approach is considered necessary, since most theories on the topic emphasize the need to look at the social actions and effects in order to arrive at an explanation that can show the causality between actions

and effects (Bryman, Bell 2003). Hermeneutics, which is concerned with the theory and method of the interpretation of human action, belongs in this category. For Power (2007), reputational risk is socially constructed and knowledge, in this sense, should be found in society and what is stated there. The causality between stakeholders and reputational risk should therefore be found in the social processes and actions.

Luoma-aho believes that stakeholders need to be studied in order to decide, which level of reputation is most feasible for a public sector organization. She takes a hermeneutical stance combined with an interpretivist approach, recognizing the stakeholders' perception on reputation in public sector organizations.

I thereby place my research in the extension of Luoma-aho's research by acknowledging the importance of stakeholders in public sector organizations but by questioning the lack of theory on reputational risk. It is therefore not the goal of this thesis to continue Luoma-aho's as such, but to decide the importance of the reputational risk as well as the best way to measure and manage this reputational risk in relation to the different stakeholders in a public sector organization. It was deemed necessary to include Freeman, Honey, Mitchell and Power who contribute with different views on stakeholders.

My research is undertaken applying an interpretivist approach, which takes its point of departure in a case study in order to obtain a better understanding of the stakeholders' perceptions as expressed in their interviews. The reason for this philosophical approach grounded in interpretivism is that "the social world of business and management is far too complex to lend itself to theorising by definite 'laws'" (Saunders, Lewis & Thornhill 2003). The importance of the details of findings is to understand a reality of the world "or perhaps a reality working behind them" (Saunders, Lewis & Thornhill 2003). Interpretivism is applied to understand the phenomenon of reputational risk because unlike facts found in nature, reputational risk is considered to be socially constructed. Like most qualitative research strategies, the practices of the natural science model are rejected. Instead, a preference for an emphasis on the ways in which individuals interpret their reality is sought as a goal of the research executed in this thesis.

Epistemology

A hermeneutical stance will be taken in regards to epistemology, trying to understand the stakeholders and their perception of reputational risk in a public sector organization. Thus, an investigation of the stakeholders will be undertaken in relation to reputational risk and

the importance of this in EKF. The objective is to uncover and explain the possible ways of measuring risk to a public sector organization's reputation.

Ontology

Reputational risk is considered to be tied to individual acts that run through a common structure, in this case by the stakeholders of the organization, making it possible to adopt an individualist approach with regards to ontology.

3.1.2 Middle Range Theories

The field of reputational risk seems to lack grand theories. Instead the research field is built on middle range theories, which starts with an empirical approach, followed by an abstraction from this by creating general statements that can be verified by data. For social science, this may be the correct way of theorizing, at least according to Robert Merton. In his book *Social Theory and Social Structure* (1968) Merton argued that middle range theories are used to guide empirical inquiry in sociology. These theories need to be studied as separate social phenomena. Social sciences and its theories should not be looked upon as universal laws until they have matured enough (Merton 1968).

3.2 Research Design

3.2.1 Qualitative Research

The thesis at hand is considered to be a qualitative study of reputational risk in one public sector organization. The data of a classical qualitative study consists of findings, which are grounded herein (Hyde 2000). Rather than being coloured by a body of theory, a grounded theory approach lets the researcher start off with an open mind to the possibilities of the data as well as the perspectives that these may entail. Moreover, a qualitative study's goal is to identify the underlying concepts and the inherent relationships between them, which is particularly well-suited for the chosen research question (Hyde 2000).

As opposed to quantitative methodologies, qualitative studies aim to explain the particular; instead of seeking a common profile regarding a specific study sample or population, the qualitative study includes conclusions based on the particulars of every case. This allows the researcher to study given issues in depth, especially since the data is not limited by defined categories beforehand (Hyde 2000). This opens up for investigating in depth the attitudes, perceptions and thoughts of the interviewees in the thesis without trying to categorize their

answers beforehand. This is clearly a benefit as new arguments may arise to contribute to the lack of theory within the topic of reputational risk.

Inductive vs. Deductive Reasoning

Inductive reasoning is a process of theory building, taking its starting point in observations of specific instances, with the ultimate aim of establishing generalisations about the phenomenon that is being researched. On the other hand, deductive reasoning does not build but tests. This means the deductive approach begins with an established theory or generalisation and tests whether it applies to specific instances (Bryman, Bell 2003).

This thesis will set out to combine the two. Inductively, by attempting to theorize about reputational risk in public sector organizations from the data collected from the interviews. Deductively, by using the existing theory on communication, risk, and crisis management to make recommendations for EKF.

3.2.2 Case Study

According to Yin (1989), organizations lend themselves more easily to being studied in their element rather than constructing experiment-style research (Andersen 1990). Usually organization case studies are inductive in their approach, generalizing about organizations, both as single entities and groups of organizations, or specific organizational phenomena. Kenneth F. Hyde questions this approach in that the results of qualitative enquiry most often remain untested using inductive reasoning. Introducing formal deductive procedures into the process of qualitative research may represent a step towards more certainty in qualitative research findings (Hyde 2000).

This thesis sets out to reach the goal of a case design analysis:

- That highlights a current phenomenon in real life (reputational risk in public organizations).
- Where the boundaries between the phenomenon and the connection, in which it is a part of, are not clear (is it even relevant to look at reputation in public sector organizations, considering the fact that much academic and empirical work has been dedicated to corporations instead).
- That allows the use of several sources of information to enlighten the phenomenon (theories on reputational risk, public organizations, and stakeholder management as well as empirical evidence, such as interviews with stakeholders).

While using multiple case studies was considered for the thesis, a single-case design was chosen primarily due to the differences in structure of the export credit agencies around the world. The Danish one is special in the sense that the agency has mandate without going through the government to make decisions regarding guarantees. Therefore, a comparative study of several agencies would have limitations in the differences of factors like the mandate or ownership. Furthermore, the case chosen for this thesis has not previously been analyzed, another reason for choosing a single-case design (Andersen 1990).

However, with a single study, a certain lack of generalization follows – something a multiple case study could have changed. A critique of single case studies is the lack of knowledge that can be generalized by the research (Andersen 1990). Yet Robert Yin argues that single case design can be as valid as multiple cases design. He holds that the relevance of a study does not depend on whether research produces general knowledge, but rather how valid this knowledge is (Andersen 1990). In this way, empirics can speak back at theory, which Yin considers to be an element of generalization for the case study. It is therefore essential to describe a case with care and inductively create general knowledge. It should be noted, however, that with an interpretivist perspective the purpose is not to make universal generalisations and statements from a single case. Flyvbjerg (2001) states that “one can often generalize on the basis of a single case and the case study may be central to scientific development via generalization as supplement or alternative to other methods” (Flyvbjerg 2001). In response to the critics of case studies that argue a subjective bias exists, Flyvbjerg maintains that a case study does not contain a greater bias than any other method of inquiry.

Although generalization may be difficult in single case research, there is a basis for analytical generalization (Andersen 1990). In qualitative research the researcher's goal is to expand and generalize theories; it is not to establish the frequency of the occurrence of a particular phenomenon in a population. Even a single case, if it is studied in adequate depth, has the potential for a theoretical explanation of a general phenomenon (Hyde 2000).

3.2.3 Experimental research

Although Yin makes a point on criticizing experimental research, some traits of the method is found in this thesis. By making the interviewees react to certain cases, this method provides me with an insight into reactions to the perceptions of the stakeholders due to the concreteness of the cases. The dependent variable, using the terminology of experimental research, could be considered to be the relationship between the stakeholder and the

relations to and perceptions of the organization, as the cases may or may not have an influence on this. By using experimental research, there is a possibility of demonstrating a cause and effect relationship, in this case between stakeholders and reputational risk in public sector organizations. But considering the fact that the research was in the early stages, it might have been difficult to precisely form a hypothesis of interest, which was the case here.

3.2.4 Observant Participation

Inspired by the work done on ethnography by Czarniawska in 1997, it was deemed relevant to include a section to describe observant participation, as the case shares some of its traits. It refers to work descriptions, and in this case, reputational risk management. Shadowing and observant participation are among the techniques suggested by the writer to study the ways of work and life of people. The technique allows the researcher to move with the people studied (Czarniawska 2007). Naturally, this technique has also received some criticism; one being that ethnography is guided by an “incoherent conception of its own goals” (Hillyard 2010), which may influence the theory building aspect of ethnography negatively.

Arguably, the fact that I worked for EKF for a year as a student assistant would make me an observant participator. However, according to Czarniawska, this is a little less than sufficient time to understand an economic organization. Rather, I took part in what she refers to as direct observation and although much knowledge was gathered from this year, it is not legitimate to use in a thesis due to the fact that most information gained about clients and cases is strictly confidential and could potentially hurt both the organization as well as the clients that use EKF’s products and services.

Although working there inspired the topic of reputational risk, interviews were needed to hear the individual employees’ stance on risk in their jobs and the organization overall. Subsequently, contact was made to establish cooperation with EKF, but the idea of interviewing several employees was rejected.

3.3 Data

This thesis bases its findings on extensive qualitative interviews. The interviews were conducted in the period between January and March 2011 and include 8 individuals, who have been defined as stakeholder groups or individuals of EKF.

To assist the analysis and further discussion, thorough attention has been paid to existing theories on stakeholders, risk, reputation, communication and public institutions.

3.3.1 Primary Data

The interviews conducted for this thesis are considered to be primary data. On the basis of the information gained from these interviews, I build my argument about reputational risk, which will be further explained in the analysis section. Other primary data for the thesis was obtained primarily from various data sources, such as online databases, news outlets and directories. Altogether, these sources provided the foundation for investigating the stakeholders interviewed.

3.3.2 Secondary Data

The secondary data was gathered in the form of other researchers' articles. The use of this data was primarily to support the theory section (see section 2) of this thesis as well as supporting arguments in the discussion of the findings (see section 5).

3.4 Semi-structured interview

The interviews were prepared thoroughly and the process outlined carefully before conducting the actual interviews with the stakeholders to ensure that they would cover what was needed to answer the outlined research question. Each interview revolved around the four cases, rather than the general reputation of EKF, in order to enable a more thorough analysis and some cross-comparisons. To make the interviewee clear on the content of the cases, these were sent before the interview took place. This approach enables a more detailed and in-depth interview than if the information had been presented in the interview. First, the stakeholder was introduced to the interview format, which included cases reported in Danish newspapers that had potentially detrimental effects on the reputation of EKF. Secondly, by interviewing them at their workplaces, keeping them in the physical context of their stakeholder role (except the stakeholder representing the tax payer, who was interviewed at CBS). Since it is argued in the thesis, that the stakeholders play a pivotal role in the risk management of EKF, their opinion should count in terms of which elements are considered to be risky for the organization. As some of the theories available on reputation and its risks primarily focuses on expectations, it was crucial to ask about this, both before considering the cases enclosed as well as after the cases were discussed. The procedure of using semi-structured interviews allows the interviewee to elaborate on certain topics, which was deemed to be potentially beneficial to the types of

questions asked, as most of them had a follow-up question to further explore the underlying reasoning of their perception.

The questions for the interviews emphasize greater generality in the formulation of the initial research ideas and on the interviewee's own perspectives, focusing on his or her point of views. Another reason for choosing a qualitative interview style was to allow the direction of the interview to change depending on the interviewee. Moreover, the approach left room for adjusting the emphasis in the research as a result of significant issues that may have emerged in the course of the interview. Due to the small sample of interviewees, it was pivotal for the data uncovered in the interviews to be rich and detailed, something that would have been impossible in a quantitative interview. Finally, this structure left the possibility of returning to the interviewee for further comments regarding his or her previous detailed answers to the questions posed (Bryman, Bell 2003).

3.4.1 Reflections on interview rejections

EKF:

The thoughts on writing this particular thesis started while I was working for EKF as a student assistant in International Relations. Combining the practices of an export credit agency, the topic of reputational risk, and the many stakeholders included in the organization's operations seemed like an interesting and somewhat uninvestigated area of research. Naturally, the first inquiries for doing the research were made to EKF in the summer of 2010 when the first seeds for this research topic were written down. In fact, the topic seemed also to be on EKF's radar of interest due to new policies on openness and transparency. In turn a former coworker, who was responsible for the area, was sought out and initial feedback about the research topic was warmly received, as the findings may be readily applicable for her. At this point in time, the focus was already stakeholders, but perhaps including the internal ones as well, such as employees and management. Following the advice from the colleague, the CEO was contacted officially by email, requesting permission to interview 5-7 randomly selected employees on their perspective on reputational risk and how it was managed in their departments. As such, it was primarily meant as background information for further research with other stakeholders.

Unfortunately, as the email got passed around in the company, a manager assessed that there was neither time nor interest for the thesis at hand, although the findings would be presented directly to them, naturally with the permission of the stakeholders interviewed.

At first, not having the case organization as a part of the research appeared detrimental to the chosen approach and research topic. However, as more and more theory was explored within the field of reputation and reputational risk, it occurred that it might not be necessary to focus on the actual organization, but rather the stakeholders of the organization. Therefore, a decision was made to proceed with the original research set-up, albeit with some modifications, and it was deemed unnecessary to dwell on this more than in this paragraph.

SMEs:

One group with which it was specifically difficult to communicate was small and medium-sized companies, who account for the largest percentage of companies in Denmark, and currently a main focus of EKF. Naturally, this is a stakeholder that can potentially be of importance to EKF. Several cases are mentioned on EKF's webpage and due to confidentiality the author only tried to reach these few SMEs. Communication at first was easy but as they were notified about the media cases that they needed to compare in the interview, their enthusiasm disappeared, primarily because they believed the topic was too politically sensitive. Potentially, it could also be because the smaller companies are not familiar with the processes and intimidated by the potential consequences.

Business Associations:

Other rejections included the Danish Windmill Industry. This industry organization could have been beneficial to the thesis as this specific association encompasses some of the most prominent energy companies in Denmark, which is considered a key export within sustainable energy. As much business is done with Vestas, the largest wind system exporter in Denmark, it seemed like an interesting stakeholder to include, but the person in charge of export did not wish to participate. The Danish District Heating organization, another organization that includes prominent exporters of sustainable energy, also declined participation. These organizations have done extensive work for their members in EKF.

Insurance Partner:

One contact never replied to the emails or returned the phone calls. The insurance partner is a partner that EKF's clients can use to reinsure their export business and in this sense, the two organizations are considered to be very close-knitted partners. Her reluctance to participate could be due to the fact that EKF and the company have a very tight working

relationship and perhaps she did not want to jeopardize that with an interview about EKF's reputation.

Politician:

Frank Aaen, a politician who has commented on some of the cases used in this thesis, never returned phone calls or emails, although one could have expected he would have liked to comment on this matter. His point of view would have represented a more critical angle, as he represents the current opposition, and would therefore that been of great value to the discussion.

Comments on rejections in terms of risk:

Before engaging in the interviews, I had not fully appreciated the sensitivity surrounding the topic of reputational risk among stakeholders of EKF. Several people, who I spoke to commented both in the interviews and in advance on the degree of sensitivity surrounding an organization's reputation, which only emphasized the importance of researching the area in depth. The fact that EKF refused to cooperate left me with a feeling of curiosity as well, since I did not believe the organization had any particular reason for concern. However, rejecting the idea of giving interviews pointed towards an organization that in my mind did not want their business to be researched. Again, this only fuelled my interest in exploring the area of reputational risk in public sector organizations further to determine whether its impact is as significant as it is for corporations.

Partial Conclusion

It was outlined that the deployed research design is that of qualitative design conducted as a case study with both inductive and deductive elements. The research is done with semi-structured interviews of stakeholders of the organization. The data consists of primary and secondary data and the theory is drawn from reputation and reputational risk, which itself draws from a broad range of management and organizational theories. Semi-structured interviews were deemed most appropriate to the case at hand because of the detailed process and honest opinions of the stakeholders as such an approach uncovers. Rejections from potential interviewees and the likely reasons for them were also included leaving only increased curiosity to research the topic of reputational risk in public sector organizations.

4 Research Field

The following section on the Danish Export Credit Agency (EKF) serves two purposes. First, it provides the reader with an understanding of the research area and its dynamics. Second, it emphasizes the importance of exploring the industry by defining the various stakeholders.

4.1 Export Credits

The definition of export credits usually covers more than what it actually is; in principle, a financing arrangement, which allows a foreign buyer of exported goods to defer payment over a period of time. The concept covers lending and guarantees in this thesis, as both are equally important products in the export credit industry. Export credits are divided into short-term (<2 years), medium-term (between 2 and 5 years) and long-term (>5 years).

In general, export credits are government-backed financial support, which raises potential concerns about free and fair competition. They have therefore been subject to agreements on a variety of international levels. These frameworks include OECD (which have subsequently been integrated into EC law) as well as to an EC Directive on harmonization of export credit insurance.

Export Credit Agencies (ECAs) are the organizations, which deal with export credits when the private market fails to take the risks. In some countries, the ECA can be a government department or a commercial institution that administers an account for or on the behalf of the government. The case of the Danish Export Credit Agency and its administration will be explored further in the following paragraph.

ECAs offer a wide range of financial agreements between exporters, banks and buyers. These include buyer credits (giving insurance or guarantees for the repayment of a loan by a financial institutions to a buyer in a third country), supplier credit (giving insurance or guarantees against non-repayment of a credit extended by an exporter to buyer in a third country) and providing direct loans or credits to third country buyers.

Charts 4.1 & 4.2 Supplier Credit and Buyer Credit guaranteed by ECA Setups

Chart 4.1: Own contribution

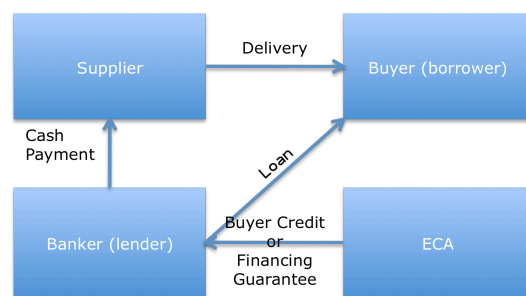
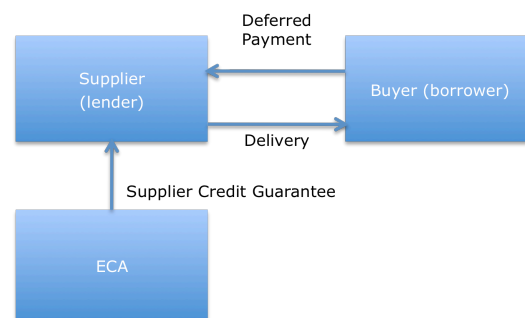


Chart 4.2: Own contribution



4.1.1 The Legislative Framework

In Europe, most of the legislation within the field of export credits is based on texts, which have been formulated in the framework of the OECD. Within the OECD the rules are discussed in two fora that have two different legal statuses:

For Participants, rules are considered to be binding. The European countries are considered to be Participants, which means the member countries have to take a common stance on the topic of export credits to be expressed in the Participants forum. The rules on export credits are expressed in the document “Arrangement on Officially Supported Export Credits”. Naturally, the main goal of this document is to provide a framework that makes the OECD members adhere to the common standards that have been established within the Arrangement. “A level playing field” is often mentioned as one of the top priorities in OECD. Thus, the organization has developed regulations to avoid skewed or unfair competition, allowing exporters to compete on the price and quality of their products instead of the financial terms offered by the ECAs. Although the Arrangement is merely a Gentlemen’s Agreement, the rules agreed upon are normally incorporated into Community law.

The Working Party is a subgroup under the OECD Trade Committee under which Member States can present their own view on export credits. This is also the group that deals with environment, bribery and unproductive expenditure.

In Europe, the Council created a special working group to discuss export credits in 1960, which meets regularly with the Member States’ ECAs and politicians to discuss export credit policies.

In recent years more focus has been put on environment and sustainable standards for export credits. An example of this is the Equator Principles, a voluntarily set of rules that banks, ECAs and other financial institutions can choose to sign and adhere to. A great effort has been undertaken to convert these soft laws into actual law to avoid ruining the environment, the land of indigenous people etc.

4.2 The Danish Export Credit Agency, EKF

The most important task of EKF is to ensure competitive financial conditions for Danish businesses and industries in international markets. In practice this means that EKF is the only organization in Denmark to offer insurance against extraordinary risks – risks that private financial institutions (banks, insurance companies) will not take. Today, EKF also has the power to give loans to Danish exporters due to the financial crisis and lack of funding. As such, EKF plays an essential part in helping Danish exports expand in markets where political and commercial uncertainties exist. As Danish companies develop new markets, EKF covers the risks with transactions that are covered by an EKF guarantee.

EKF is a state-owned enterprise, which is not a part of the state budget as such. EKF earns its revenue on risk-based premia. The guarantees and other financial services EKF offers are not suppose to be competitive per se, but have to be offered at a market price to avoid staggered competition. The goal for EKF is not to make a profit, but to balance in the long run. By ultimo 2009 EKF had provided finance for exports serving Danish economic interests for approximately DKK 38 billion.

Although EKF works on the principle of Danish economical interest in exports (either Danish ownership or cash flow back to Denmark), some competition does exist. Nationally, financial institutions can lend money to Danish exporters as well, but can chose to use EKF to back their guarantees and loans. Internationally, other ECAs can be considered competitors depending on to which degree the product has Danish interests. If the final Danish product has Italian materials in it, this can be considered Italian interest as well, and SACE, the Italian ECA, can provide financial services to this project, for example.

It should also be noticed, that EKF plays a special role between government and financial institutions. It is beneficial for banks to partner with EKF, as they do not have to provision capital, if they have an EKF guarantee. This makes it profitable for banks to partner with EKF.

This sovereign status is unique for EKF and makes it attractive for clients to use. This can arguably provide EKF with special advantages resembling monopolistic traits to a certain degree.

4.3 The Stakeholders

I have identified the stakeholders of EKF, focusing mainly on external stakeholders because I find these most interesting in relation to the term of reputational risk management. As such, the internal stakeholders' perception of the organization may also be interesting. But due to the fact that the focus in the theory available on reputational risk is generally on external stakeholders (Power 2007), I have chosen to replicate this strategy. My identification of the chosen stakeholders consists of a mix between theory on stakeholders and knowledge of the organization including the information available on EKF's webpage as well as the available theory on reputational risk management in organizations. The list of stakeholders below is not exhaustive but arguably covers the most important ones to the research question because of their relations to the organization as well as their general role in public sector organizations for the purpose of generalization. Stakeholders who interact less frequently with the organization have been omitted. Naturally, this means that a full picture of stakeholder perception will not be shown in the thesis. But I believe the chosen stakeholders are the most interesting to research in relation to reputational risk management and their relations to the organization. By omitting some stakeholders to the research, it is argued that a personal experience was understood as more influential for reputation perception. The limitations of leaving some stakeholders out of the research will obviously show a different picture of the organization. If I had chosen to include the general public, a much different organizational reputation would probably have arisen. A lack of recognition in the general public may have brought up other discussions but less important to the overall research question. The question is targeted towards stakeholders with personal relations to the organization. Likewise, an inclusion of the employees may have coloured the organization in a different and potentially more positive light. They are, nevertheless, with the board and management included here for the sake of understanding EKF. But as the organization did not want to participate, it was not possible to include them in the analysis. This, however, does not seem to hurt the set up as external stakeholders continue to be the focus of most academic texts on reputational risk in organizations.

4.3.1 Employees

One of the main stakeholder groups in EKF is the employees. 75 employees work in the

organization within the departments of Relations, Underwriting, IT, SMEs, Guarantees, Country and Bank Risk, International Relations, Communication, HR, Legal, and Finance. A high percentage of the employees have a master's degree in finance, economics, political science or business, and encompass work experience from both public and private organizations. As a stakeholder group they are regarded as internal due to the fact that they operate within the organization and belong to a category not researched in this thesis.

4.3.2 Management

The management group consist of three people; Anette Eberhard, CEO with a background in the Danish banking industry, and Jan Vassard and Morten Karnøe who have both been with the organization for many years. Eberhard was appointed by the Minister for Economic and Business Affairs. Vassard is responsible for International Relations and Country & Bank Risk, whereas Karnøe is responsible for Relations, Legal, and Underwriting. All three directors have a seat on the EKF board, where the overall strategy for EKF is agreed. The management group is also considered to be an internal stakeholder group and like employees not included as a stakeholder group in this thesis.

4.3.3 Board

The Board of Directors supervises the management as well as EKF's general business. For EKF, the board is appointed by the Minister for Economic and Business Affairs. In order to ensure that business and trade policies are promoted by the Danish State, the Ministry of Economic and Business Affairs, the Ministry of Finance and the Ministry of Foreign Affairs have to be represented on the Board of Directors. The representation from the Ministry of Economic and Business Affairs is in this case considered to be the owner and is represented in the interview by Betina Hagerup. Apart from theses appointees, most of the members of the board are from the Danish business world and given the position due to their experience of the market in which EKF operates. Although the board consists of members chosen from the political and business scenes of Denmark, they are still considered an internal stakeholder as they are appointed by the ministry, the owner of EKF.

4.3.4 Clients

Some of the biggest clients include Vestas, FL Schmidt and the world's biggest shipping company, Mærsk. Recently, EKF has increased its focus on SMEs and their export possibilities through EKF, a strategic move supported heavily by the current government. In 2009, the organization made a profit of 326 million Danish kroner, which in part was due to no claims being paid in 2009. The largest clients also represent the most predominant industries in EKF's client base in terms of guarantees made, namely ships and ports, wind,

and cement.

4.3.5 Politicians

Although the organization is considered to be an independent unit under the Danish state, it is still heavily involved in politics, or politics greatly impact the actions of the organization. This is reflected, inter alia, in the structure of the board, the deputy head of the board being the director for the Ministry of Economics and Business Affairs. Although she naturally represents herself on the board, she also represents the owner of EKF, which is considered to be the ministry. Another example of the interlinked nature of the two is the fact that EKF figures in the organization chart of the ministry along with other government agencies and boards. In addition, the economy of EKF is discussed in the Finance Committee at Christiansborg, involving more politicians in the business and operations of the organization. The Finance committee comprises members of the different political parties in Denmark and is charged with creating agreement on matters that can affect EKF both directly and indirectly.

4.3.6 Business Partners

EKF partners with larger Danish banks, the three largest being Nordea, Danske Bank and Jyske Bank, as well as global banks like Citibank and HSBC. As shown in the example of a supplier credit, EKF insures the bank, which gives out the actual loan to a borrower. Other business partners include the insurance companies, who facilitate re-insurance to their clients through EKF. EKF partners with the three biggest ones in Europe, namely Atradius (Dutch origin), Euler Hermes (German origin), and Coface (French origin). Re-insurance has become a necessity due to the financial crisis, where private insurance companies no longer offer to cover as much risk as before due to the increased risk of loss. In practice this means that the insurance companies can continue to offer their coverage because EKF will re-insure their insurance, in turn cutting their risk considerably. The re-insurance is available to the Danish businesses that can give credit of 180 days to their foreign buyers. The client has to apply directly through the insurance company before the end of 2011, which is the current deadline for this scheme. Naturally, EKF can only offer to re-insure buyers with a healthy economy.

4.3.7 Citizens

The Danish citizens are included as a stakeholder because they carry a stake in terms of capital in EKF. The Danish state has guaranteed the organization, which in practice means that the capital belongs to the state and in case of bankruptcy the Danish state is liable. Furthermore, along with the global financial crisis came a more extensive need for stronger

Danish export relations. The government has decided to post several billions into helping financial institutions, like EKF, assist more companies in surviving the crisis by backing their export strategies financially. A direct link can therefore be drawn between Danish taxpayers and capital assigned to EKF.

It seems like the Danish Export Credit Agency has a very low of awareness in Denmark, partly due to the very technical foundation on which export credits are created (stakeholder interview).

4.3.8 Media

Although the media does not engage in a direct economic relation with the organization, arguably they can affect its actions considerably and can therefore be considered an external stakeholder. But the role of the media as an active stakeholder presents several angles that need to be described.

Mass media by definition does not target a specific stakeholder group, but can be segmented into local, national, and international. Specialized media, on the other hand, targets segments more narrowly. In the case of EKF and export credits in general, the media outlets printing stories about this topic will typically include financial news and business sections of newspapers, which can be considered specialized media.

An organization has the opportunity to “control” media in the sense that information produced by the organization is controlled by it in the matter of content, message etc.

Controlled media coverage can include annual reports, brochures etc. (Brønn 2005).

Uncontrolled media is defined as information that nobody in the media necessarily has to use or write about. Journalists can even act as gatekeepers to avoid the message from the organization getting out to the public (Brønn 2005).

According to Argenti (1998), the media is in general more interested in the bad stories than the good ones, which makes it even more important for the organizations to publish and make the public aware of the good stories, they have contributed to (Brønn 2005). This will also be obvious in the interviews done with the stakeholders, both media and others.

The news that is published about EKF mostly employs very specific news outlets, like Finansforbundet, which only targets a specific segment within finance and business. Only one of the stories used for this thesis was printed in national tabloid newspaper. Another electronic newspaper, Arbejderen, has printed most of the stories that include Mærsk and their ship- and port-building through EKF. This is considered to be a socialist newspaper, which will naturally have a bias. This is also considered when interviewing the stakeholders

regarding the cases.

Internationally, there are organizations that are very concerned with the way export credit agencies behave in the world, especially with a focus of avoiding exploitation of third world citizens where much of the business takes place. An example is ECA Watch, a watchdog who keeps an eye on ECAs and reports to news channels if any of the ECAs are misbehaving business-wise.

4.4 Cases

In order to provide a foundation for comparison of the stakeholders and their opinions on reputation and the risks and what this may have of influence on the relationship between them and the organization, four cases about EKF have been included. They are all found in the written Danish media, independently from my work at the organization. Naturally, some of these were discussed in the organization when I was working there but only the details from the news outlets are included for confidentiality reasons.

The four cases were chosen because of prior knowledge to some of these issues but they are delimiting and predefining in a sense. They define reputational risk in a specific way by making the respondents identify elements of risk in relation to these specific cases. To avoid the situation of the interviewees not being to define other elements of risk that are not included in the four cases, some open-ended questions were raised, e.g. to compare the organization to a private one. This way, it would allow the interviewee to reflect more on reputational risk in general and not only in relation to the cases discussed.

While four cases were chosen, others could also have been included. But, and this may also relate to the reputation of EKF, only little information is available about the organization and potential issues online. This is true for both positive and negative stories and media coverage in general. This may in part be due to the fact that the demands for openness in public sector organizations have increased exponentially throughout the last decade. Today, EKF has to publish more information about the cases they work with, which could contribute to more stories about the organization. An indication of the few cases found online may also be due to good reputational management by EKF.

The cases could have been left out and the interviewees could have been interviewed about general reputational risk. I did, however, not see many benefits to this strategy as it seemed

like a good idea to compare and discuss the differences and what factors applied to the perception and the relations between the different stakeholders and the organization.

The interviewees were introduced to the cases in the same format that is presented in this thesis. The information selected for presentation considers the balance between being easy to understand and pinpointing the issue that had been the focus of the articles in order to avoid potential bias. All interviewees had the opportunity to read the cases before the actual interview took place.

Case 1: EKF and standards

Summary: One of the biggest companies in Denmark, A.P. Møller-Mærsk (Mærsk), has used EKF's financial solutions on several projects abroad. One project received negative media attention, when it was discovered the shipyard did not meet the standards to which EKF has to adhere when engaging in financing projects with Danish companies abroad (Arbejderen 2010d, Arbejderen 2010b)

Background: In 2003, a Canadian subsidiary to Mærsk signed a contract with the Chilean shipyard, Arsenav. The contract stated that two ships were to be built in Chile and this work was completed between 2004 and 2006. But the relations between Mærsk, EKF and the shipyard did not end in 2006.

When EKF engages in a project like the shipyard in Arsenav with Mærsk, it will have an external consultancy, in this case Grontmij|Carl Bro (GB), do an extensive analysis of the premises to make sure the company complies with international standards on human and social rights, as well as environmental standards. These standards are made within the EU, OECD, WTO, and the UN.

Incidents: According to Arbejderen, a socialist online newspaper, which requested right of access to the documents made by GB, several incidents have caused the shipyard Arsenav to fail to live up to the high standards, which is a requirement in order to be approved for the loans from EKF.

- The newspaper reports a high percentage of employees being fired around the time the first ships from Mærsk were being built. According to its sources, contract employees were hired instead at a much lower salary than a regular full-time employee, considerably reducing expenses for the shipyard.

- Furthermore, in the report from GB, it is obvious that the shipyard, several years after the first incident still has major problems on some essential issues that by international standards should matter enormously for EKF and Mærsk.

Case 2: EKF and politics

Summary: EKF was granted 20 billion DKK by the Danish government in an apparent attempt to ensure the survival of Danish exports. Meanwhile, only two loans have been awarded within this framework, in turn causing the media to criticize the decision made by parliament (Thomsen 2010).

Background: According to lobbyists, it was an urgent case when the Danish parliament passed a financial frame of 20 billion DKK to loans that would be handled by EKF as a part of the Danish Bank Scheme 2 (Bankpakke 2). Then Minister for Economic and Business Affairs, Lene Espersen, stated to the Finance Committee in February 2009 that slowing the process of a new bank scheme could mean severe losses for Denmark, both in terms of companies as well as jobs. Her letter was written after several business organizations had drawn attention to the fact that Danish exports were suffering due to a lack of financial backing by the banks.

Incidents: According to Finansforbundet, only one company was granted an export loan in October 2009 (2011: 4 loans). Mærsk received financing to build new ships in Asia and South America. Although Finansforbundet states that EKF's Board had already received and approved 14 other applications for specific export orders, it was not until March 2010 that Mærsk was able to negotiate a deal with its bank and a buyer on the order's other loan. Niels Lunde, renowned business analyst (Thomsen 2010), has commented on the case, calling it grotesque that the process was so long and questioning whether it was necessary to grant the 20 billion DKK after all. Instead the companies are getting their financial backing by the private sector, banks and other financial institutions, as was the case before the financial crisis. The business organizations, however, still believe there is a need for the loan system. According to DI (Confederation of Danish Industry), their members say it is necessary to have loans financed by the state available but compared to other systems, like the Swedish, it is much more expensive. This could arguably be one reason why it has not been a more popular solution for Danish exporters.

Another critique of the framework is the fact it did not acknowledge the small and medium size enterprises in Denmark (SMEs). Aside from Mærsk, Vestas, the global producer of wind power plants, was the second company to receive the state-financed loan.

Case 3 – EKF and law

Summary: Bank Scheme II, which was made into a legal document in January 2009 (Finansforbundet), received some negative attention in the Danish media, when it was stated that it was necessary for the scheme to be granted by law, rather than merely as a legal document (Thomsen 2009a, Thomsen 2009b)

Background: Generally, according to Danish Law (Grundloven), all expenses of the state have to figure on the Act on Finance. In recent years, however, several decisions have been made in the Finance Committee regarding the expenses of the Danish state, e.g. Bank Scheme II, which does not show on the Finance Act. Since the legal document describes a number of terms to which the banks and companies have to adhere, experts believe it should have presented as a law instead (Thomsen 2009a, Thomsen 2009b).

Incidents: The particular terms of the legal documents, such as operational risk of financial institutions, the credit assessment of EKF, and variable interest rates, have a great influence on the companies that use the scheme. Consequently, these should in principle show on laws rather than legal documents according to Pernille Boye Koch, professor at SDU. The former Minister for Economic and Business Affairs disagrees; she believes that the scheme belongs under the special legal basis of EKF. These rules simply do not apply to the rest of the scheme that was presented in January.

Pernille Boye Koch, however, does not believe the Minister is correct in her logic; not only does it contradict Danish law but the Committee of Finance makes its decisions in a room with no public debate. This makes it all the more important to pass the scheme as a law, as it would then have gone through the regular procedure in the Danish Folketing. Addressing the scheme here would have provided an opportunity to hear the stakeholders and their potential opposition to the scheme. Instead the scheme seems to have been made in a less democratic process, where the companies are unaware of how the rules apply to them.

Case 4 – EKF and clients

Summary: According to experts, a billion DKK loan given to shipbuilding by Mærsk was illegal due to the fact that some of the ships were built before the loan was approved (Arbejderen 2010c, Arbejderen 2010a, Arbejderen 2010e, BT 2009).

Background: On April 22 2009, a meeting between EKF and Mærsk initiated the official loan application process for the global shipping company. According to a newspaper article, 16 out of 93 ships had already been built and were sailing before the loan was guaranteed.

Incidents: In a comment made by Sune Troels Poulsen, professor at Copenhagen University and an expert in state support and business law, it is stated that the loan given to the ships that were already on the seas is illegal. Apparently, 10 of the 93 ships were already built before the application was even sent to EKF. Furthermore, two of those ships were already delivered to Mærsk before the government declared that the new loan structure would be available for companies through EKF, while three of the ships were delivered before the loan program was approved in the Committee of Finance in the Danish Parliament. The newspaper states that EKF has given two statements regarding the case: First that the loan included all 93 ships and later that the loan did not include the 10 deployed ships.

Partial Conclusion

It was found that export credits are government-backed financial support, which offer to assist companies' export strategies in high-risk countries, as well as a heavily judicial area of business due to the unfair competition possibilities if not regulated.

Export credits plays a big part in the Danish export business, providing finance for approximately DKK 38 billion in 2009. Although some competition exists, the organization still enjoys some advantages that resemble monopolistic traits.

A great diversity of stakeholders was identified within the industry of export credits, consisting of both internal and external stakeholders, with the focus being on external stakeholders for the thesis at hand. Taxpayers are considered unique for a public sector organization. Especially media can play an important role as the messengers when it comes to both the good and the bad stories affecting an organization's reputation.

Finally, the four cases were presented.

5 Analysis and Implications

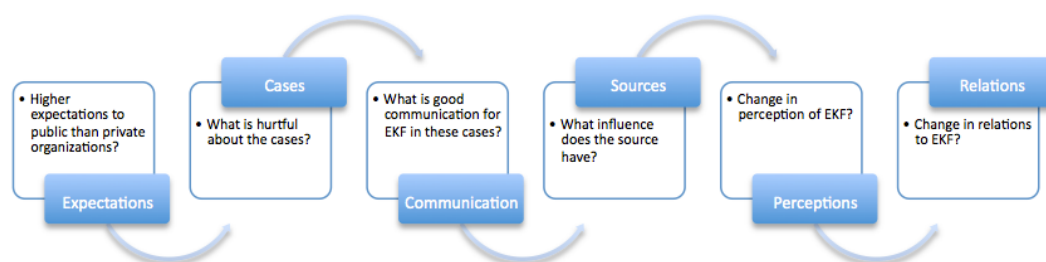
In this section, the data will be investigated through a comparison of the different stakeholders' view on the four cases they were interviewed about. The analysis will follow the guidelines provided in Bryman & Bell (2003), as few techniques on qualitative data analysis is less unambiguous than on quantitative. A suggested way is undertaking coding in qualitative research, which is done below to aide the analysis of the semi-structured interviews. Each question has a paragraph dedicated to it, including a discussion and the following implications of the research done.

The purpose of this section is to put the findings of the analysis into the context of the thesis. It should be noted that the purpose of the section is *not* to discuss reputational risk in EKF, but to discuss the actual findings. Thus, it should primarily provide the reader with a starting point for further thinking and debate about reputational risk in organizations like EKF.

The data analysis provides the reader with the findings, which are summarized in the same order as they were presented to the interviewees.

A flow model shown below has been made to show the steps in the process of analyzing the stakeholders and their perceptions and reactions to the four chosen cases. It was necessary to execute this model to get a better overview of what I am testing.

Figure 5.1: Flow model of the process of analysis. Own contribution.



Grounded theory and coding

It was necessary to add a paragraph about grounded theory and coding, referring to the data analysis taking place in the thesis at hand. Since no theory was available on the topic of reputational risk in public sector organizations, it made sense to start by collecting data from stakeholders, as this method may be a way of measuring reputational risk. Naturally, the

structure was inspired by theory, but as such the data collection would not be compared with this theory directly, as the public and private organization may differ enormously.

The research method of grounded theory can at first seem like the opposite of traditional research. Rather than beginning with intense researching and developing a hypothesis, the first step of is to gather data, e.g. through a collection of interviewees. Key points from this collection are marked with a series of codes that have been extracted from the interview transcripts. In this thesis, only basic coding has been applied to understand the overall themes, but coding can also be used to interpret specific trends and patterns (Bryman, Bell 2003). Grounded theory is best used in contexts where the goal is to generate concepts, not to make descriptions of the actions observed; naturally, grounded theory has a descriptive attribute, but this is only to illustrate the concepts (Bryman, Bell 2003).

The coding taking place in this paragraph on data analysis is a mix of some of the practices suggested by Strauss and Corbin (1990). Open coding happens as the data is examined and compared to yield concepts that can later be turned into categories. Axial coding takes place when data is put back together in new ways after open coding. This is done to make connections between categories. Finally, selective coding is done as the core categories are selected in the data and validating the relationships between the categories. According to theory on coding methods, the analysis should stop when a core category emerges. This is when the analysis can develop a story to summarize the main themes (Bryman, Bell 2003).

It is considered crucial to this thesis' research that it is not just a mouthpiece for the people interviewed – the balance between doing justice to what have been said in the interviews and the fact that the findings acquire interpretation and reflection was considered throughout this paragraph, which should be visible.

5.1 Data Collection

The interview data was collected throughout January to March 2011. Interviews were set up via email and, in some cases, phone calls (see appendix for contact process). The interviewees were well aware of the topic of the thesis at hand and had the opportunity to read the four cases used before the interview took place, although some interviewees were familiar with them already. Interviews with the media and politician stakeholder took place at Christiansborg. The others took place at the stakeholders' work places. To create a comparative design, all interviewees were asked the same questions, although the person

representing the owner of EKF had not read the cases and thus, could not be asked to compare the cases. She was, however, familiar with them and decided to comment on them in a more general way than the other interviewees.

Benefitting both the author and the readers of the thesis, the interviews were coded and main words were put into categories. This resulted in a table shown below, making it easier to compare the answers of the eight stakeholders.

Stakeholder/Codes	Instant elements	Expectations	Worst case	Communication	Change
Former employee	The two Mærsk cases	Higher standards	Case 4	Look ahead instead	Yes
Taxpayer	Mærsk	Different standards	N/A	Honest	No
Owner	N/A	More transparent system	N/A	Did not happen	No
Politician	N/A	A little higher	Case 4	Honest, but this will happen	No
Media	Only big corporations	N/A	Case 4	Admit a mistake, honest	N/A
Partner	Case 2	Higher standards	Case 2	Admit a mistake, honest	No
Business Organization	The main point missing	N/A	N/A	Mistakes/misunderstandings can happen	No
Client	N/A	Higher standards	Case 1	Honest	Yes (in some ways)

5.2 Data Analysis

The purpose of the following section is to present and analyze the data collected through the interviews with the identified external stakeholders. First, the stakeholders are presented in the chapter with information about their profile, stressing variables, which may affect their answers. Then, the answers are discussed according to interview questions followed by the implications to each question and answer. Finally, a partial conclusion will give a closing overview of the results.

Stakeholder groups interviewed:

Politician: Orla Hav. Mr. Hav is the spokesperson for Economic and Business Affairs for The Social Democratic Party; currently a part of the opposition to the Danish government. Interviewed on Tuesday February 22, 2011.

Owner: Betina Hagerup. Mrs. Hagerup is the Director for the Ministry of Economic and Business Affairs as well as the vice head of the board of EKF. Can be considered the owner of EKF, as the organization belongs under the ministry in which Betina Hagerup is the director of. Interviewed on Wednesday February 23, 2011.

Business Organization: Marie Gad, DI. Mrs. Gad is an advisor in the Confederation of Danish Industry (DI), which is a business organization comprised of 10,000 member companies. The organization works to provide the best conditions for Danish companies. The relationship with EKF is letting the export credit agency hear the voices of their members. Interviewed on Thursday February 10, 2011.

Client: Anonymous interviewee, FLSmidt. The Danish company is considered the leading supplier of equipment and services to the cement and minerals industries around the world. More than 10,5000 people work in the company, which is regarded as one of the biggest companies in Denmark. Interviewed on Friday March 11, 2011.

Partner: Anonymous interviewee. EKF works with many of the bigger banks in Denmark, which are Nordea, Danske Bank and Jyske Bank. Interviewed on Wednesday February 23, 2011.

Journalist: Anonymous interviewee. Although EKF does not receive daily media coverage, some stories have been published about export credits, usually with the focus of bank schemes and clients in major Danish newspapers. Interviewed on Thursday February 3, 2011

Former Employee: Anonymous. Worked for EKF for two years. Interviewed on Monday January 25, 2011.

Taxpayer: Anonymous. Has worked in the public sector for 3 years; familiar with the political structure of the public sector in Denmark in detail. Interviewed on Friday February 11, 2011.

The reason for including a wide variety of stakeholders is due to the holistic approach that needs to be called upon because reputation is a sum of different assessment of different

stakeholder groups (Luoma-aho, 2007). Even though some may have closer relations to the organization, each stakeholder counts in assessing the reputation.

5.3 First Impressions

The first question posed to the stakeholder representatives was “Anything in particular you noticed at first when reading the four cases?” The idea of asking this question as the first one was to get them thinking about their initial thoughts on the four cases, when they read them as well as to see how talkative they were about the them.

Perspectives from the interviewees: To the question about elements noticed at first, the former employee was very surprised by the cases, especially the two regarding Mærsk and EKF. He was astounded that this could happen to EKF, as he remembered the organization being especially aware of how it was received and that the organization had to be politically correct in everything it did and does. The taxpayer also noticed the cases on Mærsk, but was less surprised than the former employee, due to the fact that the loans most often are made to the biggest companies in Denmark. The journalist was also taken aback by the cases on Mærsk and questioned why one of the biggest companies in Denmark needed money from the state to do business instead of the small and medium-sized companies, which really need the support to export. From a media perspective, these cases sell newspapers. “I am aware of the fact that the four cases do not necessarily give a complete picture of EKF and their clients – and I know that as long as Mærsk is a part of a case, this is considered to be a good story for the media” (stakeholder interview, translated¹)

For the banking partner of EKF the case discussing the loan scheme in Bank Pakke II, which was also the one affecting their job, was the first one that came up in the interview due to the fact that it had had a negative effect on their clients. Due to the fact that it was more targeted towards larger clients like Vestas, Mærsk, and FLSmidt, the small and medium-sized clients had felt left behind. He explained: “Our clients said the scheme was not for them. And yes, this was somewhat frustrating to us” (stakeholder interview, translated).

Both Orla Hav, politician, and representative of the owner, Betina Hagerup, did not have any comments to their first thoughts on the four cases.

¹ The quotes included in the analysis from the interviews have been translated to the appropriate wording from Danish to English by me to the of my best abilities. This language adjustment will continue for the remainder of this chapter.

Marie Gad, representing the business organization, Confederation of Danish Industry, gave a more overall answer to the question regarding elements first noticed in the case. Instead of noticing specific elements, she instead referred to the fact that EKF should be careful to not to become too caught up in being political correct: “EKF needs to be careful that they do not let the fear for something, that may hurt their reputation, affect their core business” (stakeholder interview, translated). Their main business is to enhance Danish exports, not to be the best in class when it comes to environment. She believed most of the cases were built on misunderstandings, and something like that will always happen. But instead of being too scared of negative media coverage, EKF should care more about their main business, helping Danish businesses, Gad’s members, to bring Danish products and services to the world, concluding: “You need to have the guts to take some chances and remember what the main priority of EKF is” (stakeholder interview, translated) and also consider criticism is bound to happen regardless: “There will be criticism; sometimes it legitimate, sometimes it is not” (stakeholder interview, translated).

Discussion: It was obvious from the interviews that the interviewees noticed or emphasized factors in the cases that were most relevant to themselves. The question was meant to start the interview, to kick it off and hear how the interviewee perceived the situations in which EKF’s reputation might have been at stake. Surprisingly, however, was the fact that the former employee had very little knowledge of the cases. He did know of some of the business relations but the actual details of the cases came as a surprise. The only available answer to this would be that he has not been attentive to EKF’s business after he left his job.

Implications: Considering the vast differences in elements mentioned initially by the interviewees, it is difficult to imagine an alignment of the stakeholders and their interests, like Freeman argued. Naturally, they each care about the cases that have affected their work or other relations with EKF the most. And although there are probably some general interests like adhering to the law, there seems to be few areas in which the stakeholders initially have common traits in the perceptions.

5.4 Expectations

With the following question “What are your expectations to a public sector organization like EKF compared to a private company?” the respondent was asked to consider what kind of expectations it has to EKF, and if these differ from the private sector companies and how.

This question deals with some of the most crucial on reputational risk theory, which is the expectations to an organization, whether public or not.

Perspectives from the interviewees: The former employee would expect a lower level of political correctness from a private company, due to the reason that EKF to some degree is financed by government funding and should therefore care about what they do. In some ways, the money used to finance some of these export credits are the taxpayers and this should push for a more correct way of acting, according to the former employee.

As with many other governmental organizations, the taxpayer believed that it entails different standards to an organization, where the Danish crown is pictured: “It is a little tricky due to the fact that you operate under the Danish crown – this means that you should operate with a higher degree of integrity. And there will be limits for the possibilities of manoeuvres in contracts with clients, etc” (stakeholder interview, translated). He also argued, that the public organizations in general should behave differently than regular companies due to the fact that most of them are paid for by taxes, or this at least puts a limit to their actions. This was backed up by the partner interviewed, who also mentioned how Denmark appears to be the top boy in class when it comes to doing business within the standards regulating the area of export credits. He emphasized that he believes EKF lives up to these standards and he sees them as a very “safe” organization in the sense that they do adhere to international standards: “To me, they are spotless” (stakeholder interview, translated).

The politician mentioned ethics and the fact that the expectations *should* be higher in public organizations due to the fact that it is everybody’s moral that is at play. It is also about agreeing to heighten these expectations and standards in society: “And when it is public money, the bar should be higher than if it was private and therefore their own money – the latter becomes more about their own moral, that may play the overruling role in this context” (stakeholder interview, translated).

According to the business organization, EKF does already live up to the highest standards in the world compared to any other export credit agency. She believed, however, that these kinds of cases will always appear, no matter how much an organization try to guard itself. In these cases, it is of much more importance to look at the big picture instead of the minor details. It is not necessarily about poor working conditions, because everybody can agree to that something like that is not legal or approved in EKF or in Denmark in general. For DI, it is

much more about promoting Danish exports, ensure Danish employment and make sure their members are happy with the lobby work they do on their behalf with EKF.

The owner believed that there is stronger need for transparency in public organizations due to the fact that it is the taxpayers money that lay the foundation for these institutions. There is a dilemma, however, she explained due to the fact that EKF has to keep some aspects of their business secret due to business details. These are confidential and could potentially hurt the clients involved in the export credit projects: “We have an obligation to make a very transparent system because it is a public sector organization, because it is the money of the taxpayers that are being used. But we also have take the business secrets of our clients into account” (stakeholder interview, translated).

For the client, it is more important to look at the reason why the public organization exists – and because of the increasing standards on export credits, this existence can sometimes become a little obsolete “due to the many standards and the demands, that have arisen” (stakeholder interview, translated). The reason for EKF’s existence is not to make environmental investments, but to promote Danish exports. And the client expressed little belief in an environmental accident happening in EKF’s business abroad; so far, only a case of flowers that were forced to be moved has reached the surface: “In relation to the risk of huge environmental case for EKF and a client, I do not see this a being very likely to happen” (stakeholder interview, translated).

The journalist did not offer to answer this question.

Discussion: In general there seems to be an agreement among the interviewees that public organizations do have to live up to a higher set of standards, due to the fact that they represent the Danish state as well as are financed fully or partly by Danish taxpayers’ money. The owner argued that they do live up to the standards, and the business organization representative as well as the partner believed the organization adheres to the standards that are governing the area of export credits.

Implications: There may be more drastic implications for public sector organizations and the standards they have to adhere to compared to corporations according to the interviewees. This can be considered to affect the reputational risks in these kinds of organizations because of the higher expectations. This may influence the reputation if the organization becomes associated with stories of having disregarded these standards.

5.5 Most hurtful case

Instead of asking the stakeholders to put the cases on a numerical scale according to the hurtfulness of each case to EKF, it was considered to be a better idea to let the stakeholders speak without having to directly rank the cases. Some chose to do so indirectly, anyway. Instead the question was formed like “Which of the four cases do you believe is most hurtful to EKF and why?” The point of this question was to get the stakeholders to identify which elements of the case were hurtful and why they thought so.

Perspectives from the interviewees: The taxpayer could not point towards one specific, but he explained that he did not believe any of them is really that hurtful. The organization has behaved like he would expect. He did, however, believe that breaking the law is unacceptable, regardless of which kind of organization it is.

The politician, the former employee, and the journalist all ranked the fourth case as the potential most hurtful one, due to the fact that it might have been an illegal action as well as it includes one of the biggest companies in Denmark. Furthermore, the journalist noticed how the moral of the story could be a great newspaper article: one of Denmark’s most liberal known companies asked for support from the Danish state, which to him seemed a bit like a double standard. The politician also emphasizes that some of these rules on export credits can be read in several ways, but this does not matter if the public misunderstands the story, which could easily be done in this case.

Case 3 did not receive much attention from the interviewees. Instead, the former employee believed it to be other peoples’ responsibility and that EKF could not have done things differently: “The case does not have anything specific to do with the reputation of EKF – if the bank scheme is a law or not depends on external factors and EKF cannot control this” (stakeholder interview, translated). This opinion seems to be shared with the client of EKF, who believed that the responsibility lies with the politicians. EKF could not be used as a communication tool because the organization as such was put on pause doing the negotiations. Instead, the discussions could go through DI but the client questions if they “get the whole story” and therefore brings the correct arguments to the table when negotiating with the politicians on the case of the new bank scheme. The journalist pointed out that he would put pressure on the politicians in charge, and not EKF, as they are the ones who made the decisions regarding the bank scheme. As such, he did not see this case as hurtful to EKF.

Marie Gad from DI did not wish to comment on which one was more hurtful, but she did mention how case 2, in which she is featured as a spokesperson for DI, was completely uncalled for and built on misunderstandings due to the fact that the area of export credits is extremely technical. She explained: “Some companies believed they were direct loans, and that it was unfair it was only for the larger corporations” (stakeholder interview, translated). Although she did admit that it took EKF longer than expected to start the facilitation of the scheme, she also pointed out that DI knew how busy the organization was and would therefore not criticize this. The client also agreed on the delays of the process from EKF: “There was naturally an explanation to why it took so long, and EKF knows that. But the rest of the world does not. They could have done more explaining of this situation” (stakeholder interview, translated)

Case 1 was mentioned as the worst one for the client due to the fact that cases like these will make the application process more complex, and even worse, it will make the process much longer. The client mentioned how EKF is already one of the best when it comes to environmental and social standards, so for this to actually happen is a surprise. She did, however, feel anxious about the fact that her work with EKF will be constrained by what could be other peoples’ mistakes, people who may not be experts within the area of cement for example.

The owner did not believe the cases had been hurtful, especially not to their reputation among Danish companies and explained: “The awareness of EKF is basically known by a certain circle of business; they are the big, professional exporters who are familiar with EKF. SMEs do not. The financial crisis also hit large corporations, which the articles do not mention anything about” (stakeholder interview, translated).

Discussion: It was attention grabbing to hear the client’s answer to the question, mostly because this implication of reputational risk had not been considered before the interview took place. Perhaps due to the fact that EKF is the client’s main source of financing in difficult times, the reputation as such does not really matter to FLSmidth. They will use the financial services of EKF regardless to make sure their business survives in risky markets. But the cases, on the other hand, increase the control of applicants, which prolongs the process tremendously, much to the frustration of the client. Even from a competitive point, this damage to EKF hurts the clients because other companies around the world will get their applications done faster through other financial institutions. According to the client, nobody

in Denmark has time to wait in the global world of exports; sometimes, standards are not the most important thing, but the actual exports are.

Marie Gad, representing DI and all their members, made another interesting point. It is impossible for the media to cover cases like EKF without failing to go into detail about the complexities of export credit and their structure and set-up. Although the cases were shortened for the sake of the interviews, the most important factors were included to make sure that the stories were presented like they had been in the media. Both the journalist and the partner mentioned a need to know more before making up their minds about the seriousness of the incidents described. On the other hand, it can be assumed that if the stories became too technical, nobody would understand them and they would not have the impact wanted by the papers.

Implications: It will be necessary to draw upon some of the theory of stakeholder management to decide the importance of the different stakeholders' perceptions. Using the terms offered by Mitchell, the client has the same attributes as the dependent stakeholder, pushing for urgency but without a lot of direct power – and the opposite happens when the reputation suffers due to cases not adhering to the standards, only to add on more control and bureaucracy. The same goes for the partner to EKF, also emphasizing the lack of speed, causing some difficulties to their relationship with EKF. They will have to use the power of another stakeholder, like the business organization, who can potentially help them to get their voices heard. The client, especially, is depending on EKF to co-finance their projects. Although these stakeholders are dependent, the organization still needs to consider their demands, as they can gain more power.

It can be argued that the media contains all three attributes; power, urgency and legitimacy and thus, the organization needs to be well aware of the opinions brought forward by them, even though the stories may or may not be completely accurate.

5.6 Communication

As reputational risk is dealt with in organizations, the communication can be considered to be one of the most important tools to manage it. The following question, “What are your thoughts on the communication done in case 4?” as the CEO gave two contradictory comments to the journalist who has been researching the specific case. To get a clear idea of how this should be dealt with according to the stakeholders, they were also asked to answer “What do you think should have been done?”

Perspectives from the interviewees: Most of the interviewees could agree that the best communication done by an organization is to be honest. Whether or not the article's perspective is completely correct, there is no excuse for two different comments made by the CEO. If someone is at the edge of the truth, the politician suggested that everything has to be planned to the least detail: "If one has to temp the actual truth, there has to be total control of the story from start to finish – in that regard, it is mostly just easier to stick to the truth; communication-wise this story is really bad" (stakeholder interview, translated). He also backed this up with the argument that there can be several degrees or levels to the specific case and technicalities that may not have been included in the article. The taxpayer continued the argument of communication strategy gone wrong with the following comment: "If it is a returning pattern, then it is very bad strategy – but if one admits to the illegal actions and fix it, then I think the least damage has been done this way" (stakeholder interview, translated).

The client thought it was strange that the CEO would comment on anything as specific as the case with Mærsk and the potential illegal ships. But she also thought that the case in general was not too interesting for the media to keep digging into it: "It is an example seen before with politicians, but I do not understand why she has to comment so explicitly. She should not do that" (stakeholder interview, translated). This is also proven by the fact that the case ran its course after the few articles in Arbejderen. Although one politician tried to get a hearing on it, nothing more was ever reported in the media about this. And the journalist knew about these kinds of cases reaching the media: "You only annoy the media by dragging the story out – the media will keep digging even more" (stakeholder interview, translated).

The owner, represented by Betina Hagerup, did not believe the story. Her opinion was that Anette Eberhard, the CEO, is too professional to change her comment like the article describes: "I think there is an error in his story," (stakeholder interview, translated) she said. She also mentioned that Mærsk changed their side of the story during the process, but this was not written anywhere in the media. This may be one of the reasons the CEO is pictured as having changed her mind about the loan given to Mærsk.

Discussion: The journalist naturally looks into the newsworthiness of having a comment withdrawn from the CEO, which will initially spark more interest in the topic at hand. But apart from this, the general opinion was to be honest about potential mistakes and clean it up quickly. In case the law has been broken, it is a serious matter, which may be more difficult to explain – but there is no need to cover it up, especially not with a wrong

explanation, according to the stakeholders. The reactions of the interviewed stakeholders could also be explained with the argument that the cases did not reach the final stages in the matrix explained in section 2. It has not reached a point where it is considered a high-risk threat (Rayner 2010).

Implications: As the risk elements in the cases were only introduced to a very small segment of readers through a specific magazine, it cannot be considered high risk even though all stakeholders agree that the CEO should be honest and admit if an error has been made on their behalf.

5.7 Sources

It was thought to be relevant to include a question on the sources of the cases, as these only included more niche specific media. The question asked was “Have you considered the sources of the cases?” It was necessary to include some degree of legitimacy of the media covering EKF, especially as this may change the perception of risk in the stakeholder’s mind.

Perspectives from the interviewees: Although most of the interviewees mentioned the fact that Arbejderen is considered very biased, they did not put more emphasis on it. In case that the information they were printing were completely wrong, one could expect the organization or the companies targeted would make some kind of legal action against the newspaper. The client explained: “When you hear that it is this particular paper, you have more reservation if it is the correct story” (stakeholder interview, translated). On the other hand, one could argue that the segment for this specific news channel is very small; Arbejderen is known as a very socialist newspaper, which only few people read on a daily basis, and those who do are considered to be the furthest on the left, politics-wise, according to the people interviewed for this thesis. Therefore, it can be discussed, as pointed out by the journalist, the actual impact of these kinds of stories: “One can discuss how big of an impact these kinds of stories have – e.g. I had not read any of them” (stakeholder interview, translated).

Due to the bias known for this newspaper, the politician and the partner sort of questioned their motive and would want to know more about the details of their findings. Naturally, the case was presented in a more compromised way, which only allowed for the most important detail. The politician said: “The world has many more nuances than the picture the newspaper wants to display” (stakeholder interview, translated).

The interviewees, however, were informed how most of this information had been found by the journalist of the articles through the right to access the document, which is gathering of the actual information in the documents. Of course, information can be spun in a direction, and all interviewees seemed to be aware of this bias.

One person questioned the truth brought forward in the cases that were built from articles in Arbejderen. The former employee seemed to be very surprised and this may be why he was questioned the sources more than the other interviewees who seemed to be more aware, directly or indirectly, of these cases.

The owner was sure that the articles in Arbejderen were simply not true. She explained how they had been discussed on the board of EKF, but did not go into further details. She did, nonetheless, mention how Mærsk in case 4 apparently changed their statements throughout the articles, which did not make it easier to understand who said what and when.

Discussion: The fact that the owner believes the articles in Arbejderen are simply not true raises the question of why the organization has let the newspaper publish the stories anyway. If the information were simply not true, a potential action would be to bring in legal acts against the newspaper, but this has not been done. Instead, no further comments have been made about the Mærsk cases from EKF. There is a chance that the organization simply does not find the stories hurtful enough. Or perhaps they have considered that only few people read Arbejderen, which was also visible in the interviews.

Implications: The fact that several of the stakeholders had not read the articles from the newspaper Arbejderen, shows that there may be some difference in the degree of reputational risk depending on the source and news channel that brings forth the cases. There may have been more severe implications of the cases have they been brought up by more national media, which also correlates with the theory on different degrees of reputational risk (Rayner 2010). But as one story was written in a national coverage magazine, this argument may not hold for all organizations.

5.8 Changed View

The final question looked upon a potential changed view of EKF after the stakeholders had read and discussed the cases. The first one was “Have these cases changed the way you view EKF?” with a follow up question of “Will it affect the way you work with EKF?” because it is

necessary to see to what degree the cases had changed the reputation of the organization and therefore potentially the relations between EKF and its stakeholders. According to theory on reputational risk, this is the centre of it; to see if the expectations of the stakeholders were lived up to by the organization, and what effect this may or may not have had on the perception of the organization, the reputation, followed these cases.

Perspectives from the stakeholders: For the stakeholder groups that will most likely have to work with EKF again - client, politician, business organization, bank partner – the stories have not affected the way they will work with EKF after having read them. As the politician explained: “Unless it is some completely despicable error, there should be room for this kind of mistakes” (stakeholder interview, translated).

The client, however, made a very interesting comment. Although the cases as such do not shock her or affect the way she views the organization, it does make her work more difficult due to the cases presented in the interview: “Our cases have to be investigated in detail with regards to environment and has to be in the superior class. But when is enough enough? In this way, we are indirectly affected by some things, and it does not help Danish exports, I can tell you that” (stakeholder interview, translated). Cases like case 1 has made it much more complicated to get business through EKF as an intense focus has been put on environment, social standards etc. and because they want to avoid these kinds of cases. One has to remember, though, that the client does not necessarily have many alternatives to EKF.

For the former employee, some of the cases came as a complete surprise and his perception of the organization had definitely changed after having been exposed to the cases. He also mentioned that he believed some companies might be hesitant to work with an organization with bad media coverage: “My view has been changed. I think that some may not be as willing to work with EKF – especially if one does not wish to be associated with this kind of behaviour” (stakeholder interview, translated). But on the other hand, he also acknowledged the fact that it is more about the bottom line than perhaps reputation, and how a company has to be considerable big to worry about this kind of risk. The actual risk of the cases may also be taken into account; the former employee also noticed how it is impossible to measure the actual damage of these cases. All in all, he was taken aback by the situations EKF had been in, and would have expected much more from the organization.

According to the taxpayer, nothing had changed in his perception of the organization, at least not with what he knew about the organization beforehand. The question was not

posed directly to the owner, but she mentioned how EKF has a great reputation as a professional export credit agency, both with bigger and smaller companies in Denmark, despite the cases referred to in the interview.

The journalist was not able to answer this question as he had not in detail experience with EKF. He did, however, mention that there might be a foundation in some of these cases to reach the more nation-wide newspapers, and he wondered if his colleagues were aware of the existence of these.

Discussion: Surprisingly, only one of the interviewees seemed to have a changed perception of EKF. The former employee was astonished by the incidents. On the other hand, the important-for-business stakeholders like client, partner, politician, and business organization seemed unfazed by the cases. The explanation can be found in several arguments. First of all, the client for one needs EKF to assure business happens and their products reach foreign markets. They cannot afford to change their work relations as such with EKF although it may complicate the process of applications due to a higher level of control. Secondly, the ones aware of the incidents described in the cases could have digested the information when they first learnt about the events. This was not necessarily when they were introduced to the four cases. They have come to terms with the cases and moved past the feelings of disappointment or trouble. Finally, several interviewees believed that the cases were built on misunderstandings and needed more information to judge the seriousness of risk to EKF's reputation, especially due to the sources cited in the cases.

Implications: As Honey argued in his book on reputational risk, when measuring reputational risk it is necessary to remember that reputation has a value that is different than in monetary terms (Honey 2009). The only way to measure reputational risk is to identify the gap between stakeholder expectations and organization performance for each stakeholder group. Although there is a gap between the performance of EKF in these specific cases and the expectations to a public sector organization established in the first part of the interviews, the affect of this gap does not seem to influence the future relations between the stakeholders and EKF.

5.8 Potential Implications of Cases

To sum up the stakeholders' reactions to the cases, three overall potential implications were chosen to be considered. There are, however, no current sign of this happening in the

organization as it continues to benefit from monopolistic traits that it enjoys from being a public sector organization as well as the stakeholders' ongoing needs for exports.

- Losing clients: While the client was not content with the cases regarding EKF and their operations due to the fact it prolongs the application process for *all* clients, she felt that it would have to become much worse before an actual influence on their relationship with EKF could potentially be impaired. This did not seem to be a future worry of the client. She emphasized that EKF does everything correct, even down to the smallest detail. They are, nevertheless, not experts in her field of cement and minerals and will therefore always lack some knowledge about the market for these products. This, however, is not something that seems to hurt the relationship between the client stakeholder and organization.

Another potential risk is the scenario when the financial market becomes more stable. A previous urgent need for EKF will not be as vital as before. This has as such no relation to reputation, but when the need for EKF decreases, reputation may play a more important role due to the fact that the clients have an alternative method of financing their projects. In the private market, companies have the possibility to negotiate about price, structure and such. In EKF things have to be done in a certain way to keep up with the standards as well as to make sure the Danish state does not lose funding, partly paid by taxpayers. But considering the fact that EKF enjoys monopolistic traits like most other public sector organizations, this is likely not going to happen anytime soon.

Finally, with a private financial institution there are possibilities to keep certain things confidential, which have changed dramatically in EKF due to the fact that there has been an increase in the standards for transparency as the method of using one's right to access the documents because it is a public institution.

- Losing independence/funding: It could become difficult for a government to legitimize the use of an export credit agency in the parliament if this agency breaks the rules and laws that exist within this industry and business. Therefore, a cut in the funding could become a general implication of these cases, if the organization does not adhere to the laws of which it is under. The politician mentioned that funding needs to be transparent and that the general public needs to know what the funding finances, which is the case for EKF. And so far, with the policies on transparency being increased in importance, this does not seem to be an issue for EKF.

Although it was not mentioned in the interviews, the worst-case scenario for an organization like EKF is if it loses its mandate and thereby its legitimacy to exist. Currently, the authority status of EKF is expressed as *an independent administrative unit under the Danish State* (EKF webpage 2011). If EKF breaks the law, like it was accused for in the case of the Mærsk ships, then it would be assumed that the organization would lose its mandate to operate; not only because it was illegal but because the government could be forced to close down the agency due to lack of support. This support is currently expressed both politically and in society, as expressed in the interviews. If closing down the agency is considered too much of an alteration to the current situation, much more control would be necessary, something the client of EKF fears more than anything. The politicians are not specialized in financing of exports and do not understand the structure of their work, according to the FLSmidt representative. But for now this does not seem to be an issue for EKF as the organization has the mandate to work independently.

- Attracting employees: According to Terry Hattington (2004) it is crucial for an organization to maintain a positive reputation to be able to attract the best and brightest talents to work for the organization. How you appear, as an employer will affect the job seeking talents out there. As the answers from the former employee, who is the only former internally represented stakeholder, could imply there may be issues with attracting the right kind of talent to an organization like EKF due to their reputation and lack of professional communication in the mentioned cases, but this is not a current problem for the organization.

Partial Conclusion

In this section, the findings of the data analysis were introduced and discussed with a background in the theory and empirical research previously outlined.

The data analysis reached a number of conclusions. They showed:

- that a lack of convergence of interests among the stakeholders exist,
- that the relationship with EKF may be a variable in perceiving the risk presented in the cases, and
- that little change in perception of the organization had arisen post-cases.

Although general implications like losing funds and clients as well as the inability to attract the right kind of people at stake when reputational risks occur, there were no sign of these arising.

In detail, I discussed the affect of the relationship between theory and findings:

- Judging by Bozeman's theory on risk aversion, managers in public sector organizations are in general more risk averse. But by changing the story, Eberhard does not show a particular risk averse behaviour, conflicting with theories on risk aversion in public sector organizations.

- Luoma-aho argues that the longer the relationship between a stakeholder and an organization, the more accurate the evaluations of the organization will be, putting emphasis on the reflections made by FLSmidth. The company was one of EKF's first customers and have collaborated with EKF for more than 80 years. Neutral reputation was argued as a feasible level for public sector organizations, but has limitations for EKF.

Reflections were made in relation to the cases chosen for this analysis. Considering the fact that the only stories about EKF available were the four cases included in the thesis naturally has its limitations. If they had been much worse, the stakeholders would likely have cared more about them. If such cases had existed, the argument of the importance of reputational risk in public sector organizations may have sounded different than what was concluded in this chapter. At the same time, nevertheless, the stakeholders all emphasized that EKF needs to concentrate on its core responsibility, which is helping Danish companies finance their exports and not worry about their reputation as such.

Finally, leaving the impression that reputational risk as such is not a very important factor the stakeholders' answers presented a paradox. Most stakeholders expect higher standards in a public sector organization, but at the same time their perceptions of EKF have not changed after having read the four cases.

6 Recommendations

Although it was concluded from the findings that the perception of and relations to the organization from the stakeholder's point of view in general were not changed by the reputational risks presented in the four cases, it is not to say that EKF should ignore its stakeholders and their perception of its reputation and the risks to it. A valid argument for this lies in the logic of avoiding a bad reputation, as this will never be a good level of reputation for any kind of organization, neither public nor private. According to Luoma-aho a bad reputation may signal a lack of legitimacy in public sector organizations. She calls it a potential crisis of legitimacy, if a public organization has a bad reputation. It will also take a lot of resources to improve a bad reputation, which public sector organizations do not have.

Even though a neutral reputation as suggested by Luoma-aho may have its benefits the above findings showed it may not be a perfect fit for EKF strategically. The empirics suggest that the stakeholders do not consider the reputation as a core element when EKF and its cases. There seems to be, nevertheless, a need for some fine-tuning of the management of reputation due to a number of reasons, including unclear and dishonest communication as well as bad media appeal.

This part will introduce the recommendations created on the foundation and analysis of the stakeholder interviews combined with the theory available on the topic of communication, stakeholder management and reputational risk.

Arguably, some of these recommendations will be based on corporate risk management, but customized in the sense that they incorporate the stakeholder interviews carried out for the thesis. Although the public sector organizations are becoming more like corporations, several differences still exist. It is argued that these organizations serve as legislators, officials, regulators, and they cannot always please all stakeholders. I argue that EKF does not necessarily fulfill the role in the manner described in Luoma-aho's article. Instead, EKF's mission is not to regulate or educate as such but aiding the private market, when the market cannot assist companies in their export assignments due to risks being too high.

An organization can choose to include both proactive and reactive operations in order to avoid risks towards the organization's reputation. In the following paragraphs, these actions are suggested, taking into account the findings from the interviews with EKF's stakeholders.

6.1 Proactive

6.1.1 Identify

According to theorists in the field of reputational risk, identifying the risks is the most crucial part of reputational risk management (Rayner 2010). I, however, have no knowledge of such identification taking place in EKF. To address this part of risk management, it is recommended that the organization recognizes and understands the potential risks to its reputation before other management elements can be discussed.

6.1.2 Evaluate

Next step is to evaluate the risks to the reputation. This is done in a proactive manner after having identified them but here, the stakeholders' perceptions of the cases were used to show the method. By using the terminology of Rayner's model from the theory chapter on the risk elements included in this thesis, it provides us with an overview of how dangerous the risks from the cases were according to the stakeholders interviewed.

Media coverage: Only little coverage, in niche news magazines. The only case that received national media coverage was the case of the potentially illegal ships being built, case 4. The other three cases have only reached niche channels of media coverage, with a limited number of readers online and in paper. According to the journalist interviewed as the media stakeholder, it is a matter of luck for EKF that some of these stories have not reached national attention. His explanation was that everyday journalists do not have the time to analyze specialty magazines and their stories, although he did mention that case 2 regarding the export loan scheme not being facilitated efficiently, could quickly take form if SMEs were interviewed and were disappointed with the ministry and their work on the loan with EKF.

Change in confidence: Out of the stakeholders believing that case 4 was the worst case, only one mentioned a significant change in stakeholder confidence to the organization, namely the former employee who was not aware of this case. The stakeholders who considered other cases to be more hurtful showed similarly next to no change in terms of their perception the organization. The media stakeholder, however, mentioned that case 2 could be potentially hurtful to other stakeholders' confidence, i.e. if small and medium-sized companies were disappointed by the lack of support by EKF and the ministry.

Impact: Judging by the interviews made on the 8 different stakeholder groups, the impact of the cases has had little to no impact on the reputation of EKF. Only one case reached the national level, where the impact lasted for more than three months. Comments

from the organization and the owner, the Ministry of Economic and Business Affairs, do not occur anymore though.

6.2 Reactive

6.2.1 The three Cs

As was seen in case 4, ships being built before getting approval on the financing, the CEO acted opposite of the three Cs, which in general does more harm than good. In this specific case, only a couple of articles followed up on her two conflicting statements, but no significant media attention followed. In general the stakeholders were not satisfied with different statements surrounding the case, which leads to the next point in the recommendations.

6.2.2 Honest communication

As the analysis of data showed, honesty is preferred among the stakeholders even though errors have been made. In the academic writing on corporate communication, this strategy should also be applied in companies. This should count for public sector organizations as well, according to the interviewees. As the media stakeholder emphasized, it is necessary to stick to one story, since changing statements will only make the media excited. Rather than changing her story, the CEO of EKF should have stuck to one story, even though it may have been damaging to the company. The fact of the matter is that changing stories eliminates trust with the organization, which in turn could cause damage that is much harder to repair.

It seems that EKF is one out of many organizations that do not communicate extensively with other stakeholders than their clients. The 269 executives surveyed by the EIU were similar. Although good communication is always important, communication becomes even more important in a crisis situation. Those who respond quickly and honestly can emerge with their reputations enhanced, according to the survey.

6.3 Reputation enhancement strategy

Although the stakeholders' answers in general did not point towards a change in the perception of the organization, it may be beneficial plan to have a reputation enhancement strategy, especially if these cases were to receive broader media coverage (Honey 2009).

Transparency: In fact, there has been an enormous focus on transparency in EKF, which has resulted in an increasingly open communication on cases. This communication has

previously been prohibited due to business secrets, seen from the client's perspective. As there seems to be a general tendency towards a more transparent system for both private and public organizations, it has become necessary for EKF to open up. Emphasizing this through external communication could potentially enhance the reputation due to the fact that transparent processes show that the organization has nothing to hide. This matters even more in a public sector organization, since public funding contributes to the activities.

Media appeal: Another opportunity for EKF to enhance its reputation could be to follow the advice of both the DI employee and the journalist, and work closely with the media to ensure that misunderstandings are lessened in the stories that are printed. In the case of the potentially illegal ships, the CEO refused to comment any further on the case after she was presented with her conflicting statements. This strategy only hurts the organization's reputation, and it could take away the focus from the mandate that EKF actually operates by, according to Marie Gad, DI, which is to assist Danish exports.

6.4 General recommendations

It was suggested by Honey (2009) that an organization sets up its reputational risk management into stages. For EKF, this has only been done with clients (source: Interview with B. Hagerup), which indicates that the organization either believes that this is the key stakeholder group or attitudes from other stakeholder groups are immaterial. Although they may not currently be of risk to the organization, other groups may in turn prove to pose a threat to EKF's reputation and operations. Thus, surveying their attitudes may be of benefit in the long run. The second stage is to ensure continuous monitoring of the stakeholders, which for EKF should also include stakeholders other than clients. The third and final stage includes reducing risks to reputation by engaging in positive relations with stakeholders, including the media, which has been mentioned as one of the more critical stakeholders of EKF. As it is not sufficient to engage only with the amenable stakeholders, EKF also has to connect with the ones who are less impressed with their work because they are a public sector organization. One way of doing this, as suggested by several stakeholders in the interviews, could be to share more stories with the media and ensure that stories that feature incorrect details are corrected.

6.5 Initiatives to measuring reputation and reputational risks in EKF

Although these ideas were not suggested in the recommendations, other initiatives were thought of for measuring the reputation and potentially also the risk to the reputation in EKF.

- Profit

Considering profit as an indication of an organization's reputation, EKF is doing well. Historically, the organization is doing better than ever, and each year more profit is being made from export credits, loans, guarantees and other financial schemes offered to the clients of EKF. The goal for EKF, nevertheless, is not make a profit, but to balance in the long run. Also, the increase in profit does not necessary reflect a better reputation in society but simply an increase in funding, private market shutting down etc.

- New clients/guarantees/loans

Another way could be to look at the increase in new clients, guarantees, loans, or other kinds of new business. The same argument goes against this proposal for measuring new business activity as there could be many other factors than good reputation for EKF's increase in business.

- Media coverage

Another way of measuring reputation could be to take a look at the media coverage given to EKF and its business throughout a number of years and analyze, whether or not the media coverage has been positive. But as earlier stated, the media is usually interested in news that sells and as long as EKF appears to have little direct impact on peoples' lives, the stories will most likely not seem interesting to the general public.

- Ranking

Like universities are ranked and compared on several lists in financial magazines and online, perhaps a ranking of export credit agencies could be a way of measuring EKF's reputation compared to other ECAs.

Partial conclusion

The recommendations offered a proactive and a reactive strategy as well as general recommendations for how public sector organizations like EKF should communicate with their stakeholders in order to minimize reputational risks. They included honest and direct communication, also if there have been errors, success stories as a strategic enhancement tool, and communication with the media to avoid misunderstandings regarding the sometimes very technical work that EKF does with export credits.

Furthermore, it was suggested that EKF in general needs to identify and monitor their stakeholders continuously as expectations and behaviour will change.

Finally, it was recommended that EKF could look at other options of measuring their reputation and risks to this, but none of the suggested initiatives included quite the same possibilities of measuring stakeholder expectations and organization performance.

7 Conclusions

This thesis was motivated by the apparent lack of theory within reputational risk and management in public organizations and the speculation why this was the situation. This led to the research question: *For a public sector organization like the Danish Export Credit Agency, how should reputational risk be measured, what is the importance of it and how should it be managed?* It was concluded that stakeholder perception **may** be a good measurement for reputational risk in public sector organizations, management of reputational risk through stakeholders **is necessary to a certain degree** but the findings also **question the importance** of reputational risk management in the public sector.

I answered the research question on three levels. First, it was answered primarily theoretically, applying theories on stakeholder management and reputational risk.

- It was concluded that the external stakeholders' perception of the organization may be a good measurement of reputational risks. Currently, this is the most feasible way possible according to theories available on reputation and reputational risks, as the measuring of book and market value does not lend itself well to public sector organizations. Other ways of measuring reputation and reputational risks fail to include the structure that surrounds EKF, namely public funding, market failure etc.

Secondly, the research question was sought answered inductively through the execution of eight interviews with external stakeholders, focusing on media cases and their influence on the stakeholders' perception of EKF.

- In general, stakeholders have higher expectations for public sector organizations in terms of standards and adhering to the law compared to corporations.
- The cases brought forward did not change the perception and the relations to the organization, although these included accusations of failure to comply with the law as well as the standards within the area of export credits. This leaves the impression that reputational risk as such is not a very important factor, which make the stakeholders' answers present a paradox.

Finally, the research question was sought answered inductively and deductively through recommendations, using the theory available while making adjustments based on the analysis of the stakeholder interviews.

- Although a goal of neutral reputation to exclude both positive and negative

reputational risks may work, one of the differences from EKF to other public sector organizations is the lack of familiarity in the society. Denmark has a very big public sector compared to most other countries and EKF is only a very small and specialized organization out of many much larger ones. Also, the field of export credits is not on the radar of the everyday Danish citizen, partially due to a lack of focus on export credits in the media. Furthermore, maintaining a reputation, regardless of which level an organization aspires to, may be difficult due to the possibility of changes in legislation or government funding, which can make it more difficult for the public sector organization to fulfil the expectations of its stakeholders.

- While a neutral reputation may have its limitations for an organization like EKF, it is in any case also necessary to avoid a bad reputation due to reputational risks. This will acquire resources that a public sector organization does not have. Therefore, it is recommended that reputational risks should be managed to some degree effectively through a variety of tools and procedures. It was advised that organizations like EKF should aim to understand different stakeholders, how they evaluate EKF's performance, and finally which cases may be a high risk to the organization's reputation in order to avoid a bad reputation, which will only cost more energy and money.

7.1 Contribution

The thesis set out to contribute to the literature on reputational risk and fill some of the gap in research on public sector organizations.

Theoretically, it was showed that external stakeholders may be a good measurement for determining reputational risk in a public sector organization. This was based primarily on the fact that reputation cannot be measured like it can in a corporation.

Empirically, the recommendations show that reputational risk management may not be crucial for a public sector organization but some upkeep is necessary to avoid a bad reputation.

- The relevance of this study done on one specific public sector organization could potentially also be relevant to other ECAs. Not every ECA has a similar structure. The American ECA, US EXIM, is heavily political and has very strict national demands to which projects can apply for and receive export credit guarantees. The Italian ECA,

SACE, is very politically independent. In between is where we find EKF with a mandate from the politicians to be an independent unit under the Danish state and operate on commercial terms. Potentially, the findings are relevant to both types of ECAs due to the fact that they usually are the most feasible player in the market and therefore enjoy traits of monopolistic benefits. Post-crisis, the situation may change for ECAs as more private options will become possible for companies who wish to export to risky countries. When this happens, the ECAs' role may diminish in some ways, but there will always be a need for state supported export credits as long as banks have limits to their lending and guarantees.

- Although some traits of EKF are unique to the organization, it still holds some characteristics of every other public sector organization:
 - the ministry is considered the owner of the organization,
 - taxes are used (partially) to fund the activities in the organization,
 - guided by the ministry,
 - the organization has monopolistic traits as there are none or very few competitors.

I argue that these factors make the findings applicable on other public sector organizations as well. Neutral reputation may work for larger organizations, with a known role in the society as well as a minimal need for customer revenue. Smaller, less familiar organizations can benefit from the same recommendations made for EKF.

Reputational risk management may not be particularly important to organizations in the public sector as their role too is controlled by ministries and lacks competition. At the same time, it will be expected that they do value higher standards than corporations and make sure they communicate in a clear and honest manner.

8 Further research

The thesis and its research questions have naturally proven to have limitations due to the scope of this thesis. Since this was a case of a single organization, there may be challenges to convert the analysis and the following conclusions to other organizations or companies. The idea is to follow up on the research done for this thesis by doing a comparative study of other export credit agencies.

A country like the United States is known within the export credit agencies' circles to be much more closed when it comes to business strategies as well as transparency. To do a comparative analysis of the risk management and focusing on the most difficult risks within these organizations, it might be more legitimate to generalize about reputational risk in public sector organizations as these may differ on many variables not accounted for in this thesis. The benefits of a comparative research design include a better understanding of social phenomena when they are compared in relation to other cases or situations.

A multiple-case study has the benefits of comparing two or more cases which means that the researcher will be in a better position to say if a theory holds or not. Cross-national research would be appropriate for a study within export credit agencies, but one could also look at cross-culture research if applying specific cultural aspects to each department in an export credit agency.

8.1 Perspective: Stakeholders as a Reputational Risk

When defining reputational risks, it has mainly been described as something the stakeholders define. One of the links to stakeholders is also the direct risk they may have on the organization's reputation, which was not discussed at length in the thesis. As it was defined in the study done here, their power can be considerably big and depending on how they choose to use this power, it can affect the organization negatively.

The most applicable example, arguably, is that of the media, which also played an important role in the cases mentioned in this thesis. Partners and clients may also be seen as potential reputational risks to an organization as their main business may not be aligned with the values of EKF.

8.2 Perspective: Legitimacy vs. Reputation

Although only indirectly stated throughout this thesis, organizations by definition try to adhere to the standards for acceptable behaviour in the social systems they are a part of. If their operations are in congruence with these standards, they are considered to have gained a level of organizational legitimacy. When a discrepancy occurs between the two systems, a threat exists to this organization's legitimacy.

According to Vilma Luoma-aho, bad reputation and stakeholder distrust may signal a lack of legitimacy in the public sector organization. Considering this argument, the two concepts are not similar as the one lead to the other. But not all theory on legitimacy and reputation regards the concepts in this matter. In numerous academic texts, authors have written about the similarities and conceptual overlap between legitimacy and reputation. According to some researchers, it is due to the formation of concepts; argued by Wright (1985): "The process of concept formation is always simultaneously the process of concept transformation" (Deephouse, Carter 2005).

Just like reputation, legitimacy has caused problems when research has tried to measure it directly. Although concrete consequences can be defined when legitimacy is lost, the concept is just as abstract as reputation. Just like reputation is created in the social environment, so is legitimacy by multiple actors. But where legitimacy is required for all organizations, reputation is desirable for an organization, but not a necessity (Deephouse, Carter 2005).

8.3 Perspective: Reputation as an Internal Risk

In the Copenhagen municipality system, there are more people employed in communications than in both Carlsberg and Mærsk respectively, two of the biggest companies in Denmark (Hvilsom 2010). Exactly 104 employees were working for the Copenhagen municipality in 2010, costing the taxpayers DKK 51 millions. But there must be a reason for the high number of employees working with communications, even though it was discussed in this thesis that stakeholder perception shows they are not too influenced by the mentioned cases. With the numbers presented above in mind, I argue that although reputational risk may not have caused a threat to a public sector organization and its existence, the people employed in it may be endangered from these kinds of cases. Instead of closing down an organization in the public sector, it is often seen that the people in charge, top management, are fired when heinous cases surface. And that could one of the reasons why a rise in the number of people working with communications in the public

sector is happening – to avoid these cases, which may in the end not close down the organization, but fire the people failing to run the business appropriately.

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Appendices

[EKF ORGANIZATIONAL CHART](#)

[INTERVIEW LETTER](#)

[INTERVIEWS: CONTACT SHEET](#)

[INTERVIEWS](#)

STAKEHOLDER: OWNER

STAKEHOLDER: BANKING PARTNER

STAKEHOLDER: BUSINESS ORGANIZATION

STAKEHOLDER: POLITICIAN

STAKEHOLDER: TAXPAYER

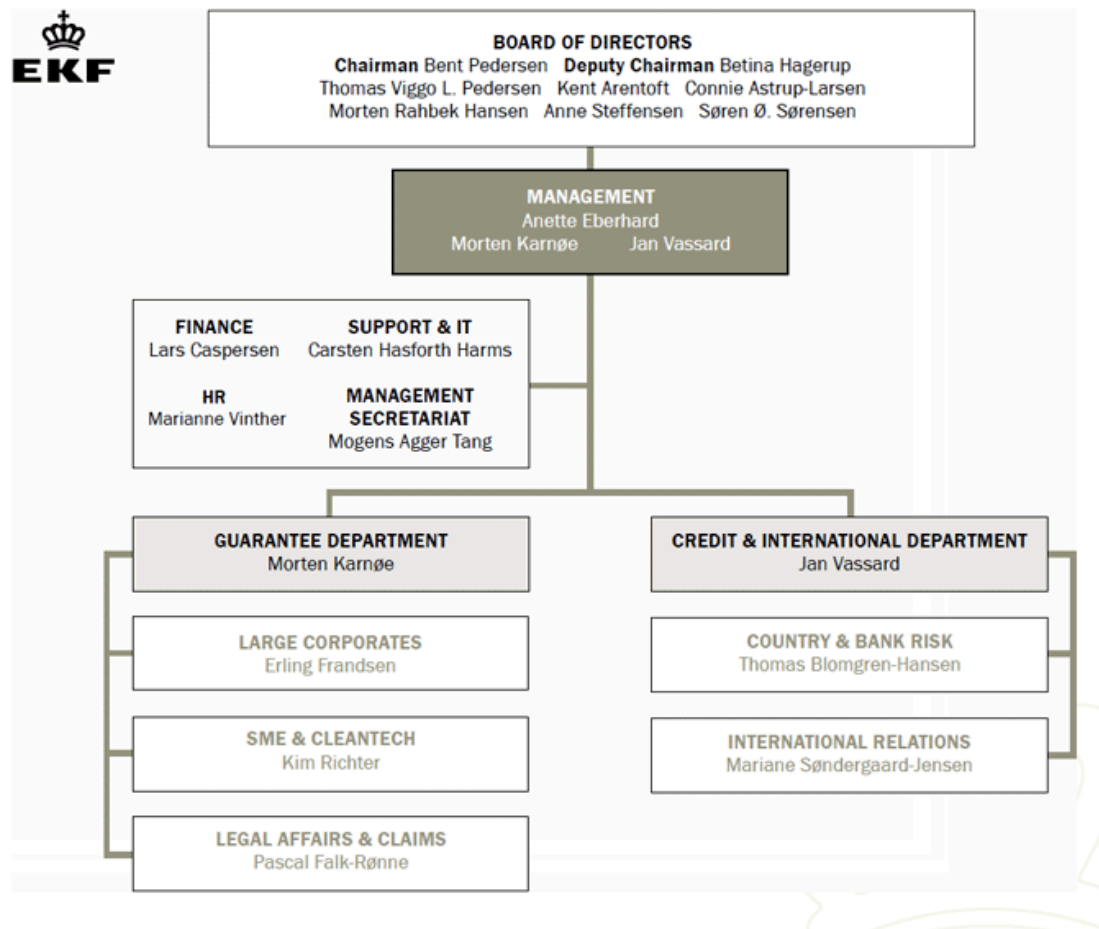
STAKEHOLDER: CLIENT

STAKEHOLDER: MEDIA

STAKEHOLDER: FORMER EMPLOYEE

EKF Organizational Chart

Figure X.X: Organization Chart of the Danish Export Credit Agency



Interview Letter

Kære XX

Jeg er studerende ved Copenhagen Business School på cand.merc.linjen International Business and Politics, hvor jeg i dette forår skriver speciale om Eksport Kredit Fonden (EKF) og omdømmerisiko.

Jeg er særligt interesseret i de interessent-grupper, der forbindes med EKF, og jeg henvender mig til dig, fordi jeg ønsker at inddrage en tidligere medarbejder som interessant i min analyse.

Specialets emne:

Det centrale spørgsmål er, hvilke slags omdømmerisiko EKF udsættes for med det fokus, at organisationen er en selvstændig statslig enhed, der opererer på markedsvilkår, og derfor har flere forskellige interessentgrupper at varetage. For at få et indblik i området sammenligner jeg fire cases, hvori EKFs omdømme potentielt har lidt skade – og hvilke forskellige opfattelser der kan være af disse skader afhængig af, hvilken interessent bliver spurgt.

Det er vigtigt at understrege, at det ikke er en kritik af EKF eller organisationens måde at håndtere disse cases på, men mere et indblik i, hvordan organisationens interessenter opfatter EKFs omdømme og vigtigheden af interessenter i en offentlig institution som EKF.

Hvad indebærer det at være interviewperson:

Undersøgelsen af mit emne vil blive baseret på kvalitative interviews med repræsentanter fra de forskellige interessent-grupper. Først og fremmest vil jeg gerne tale med dig i din egenskab som tidligere medarbejder i EKF. Interviewet vil omhandle dit syn på, hvilke elementer af casene udgør den største risiko for EKFs omdømme, set fra en tidligere medarbejders vinkel.

Forud for interviewet sender jeg de fire cases, så du på forhånd ved, hvilke emner det vil dreje sig om og har mulighed for at reflektere over dem.

Det konkrete interview:

Interviewet vil skulle gennemføres i perioden fra ultimo januar til midt i midt februar, afhængigt af hvornår det passer dig bedst. Det vil formentlig have en varighed af omkring en time. Interviewet vil blive optaget på band og vil efterfølgende blive transskriberet. Interviewpersonerne vil modtage en udskrift af interviewet til godkendelse med en frist på 2 uger, før det etableres som en del af mit forskningsarkiv, som kun jeg selv og min vejleder vil have adgang til.

Offentligt tilgængeligt:

Ønsker du ikke at medvirke anonymt, det vil sige med benævnt interessent-gruppe (ministerium, kunde, etc.), kan det godt lade sig gøre. Ønsker du at specialet bliver fortroligt, må dette diskuteres ved en telefonsamtale som opfølger til denne email.

Jeg håber meget, mit projekt har vakt din interesse, og jeg ser frem til at høre fra dig.

Med venlig hilsen
Nina Juul Andersen

Interviews: Contact Sheet

Bestyrelsen:

Bent Pedersen kontaktet d. 20. jan - pre-interview d. 9. Februar. Interview aflyst.

Betina Hagerup kontaktet d. 20. Jan – interview d. 23. Februar kl. 10.

Medierne: kontaktet d. 20 jan. interview d. 3. Februar

Kunde: Vestas (Henrik Welch kontaktet d. 19. Jan), interview afslået

Bramidan; kontaktet d. 7. Februar, svar modtaget d. 10 februar., rykket om deltagelse d. 24. februar

E Aabo Andersen: kontaktet d. 7. Februar, rykket d. 15. Februar – kontakt efter uge 8.

Grenaa Motorfabrik: Kontaktet d. 7. Februar rykket d. 15. februar

Cimbria: Kontaktet d. 8. Februar

FLSmidth: kontaktet d. 10. Februar, rykket d. 24. februar

Taxpayers: Anonym kontaktet d. 20 jan interview d. 9. februar. Kl. 17

Politik:

Kasper Lindgaard, kontorchef OEM kontaktet d. 3. Februar – rykket d. 10. Februar afslået.

Frank Aaen – kontaktet d. 3. Februar – rykket d. 10. februar

Orla Hav – kontaktet d. 6. Februar – rykket d. 10. Februar, interview d. 22. februar

Erhvervsorganisation: DI Marie Gad. Kontaktet d. 2. Februar. Interview d.

Partner: Jyske Bank kontaktet d. 20. Januar - interview d. ? – rykket d. 22. Februar

Euler Hermes (Kirsten) kontaktet d. 20. Januar

Tidligere medarbejder: kontaktet d. 20. Januar, interview d. 24. Januar

Brancheorganisationer:

Vindmølleindustrien: Dorte Burin Møller kontaktet d. 3. Februar – rykket d. 10. Februar

Interviews

Stakeholder: Owner

Bettina Hagerup, CEO of the Ministry of Economic and Business Affairs; interviewed on Wednesday February 23, 2011

Kick off question

Gider du først at forklare din rolle, både som direktør i EOM og næstformand for betyrelsen i forhold til EKF?

Sammen med Bent Pedersen er jeg i et formandskab, hvor vi har tæt kontakt til ledelsen og kigger på sagerne, og alt andet lige kan man vel sige, at det er mig, der sikrer, at vi rent politisk kan stå på mål for de ting, vi foretager os i EKF. På den måde repræsenterer jeg jo staten helt overordnet, i kraft af at staten er ejer, så varetager jeg, at det er indenfor de rammer, som er EKFs mandat. Jeg er ejer-repræsentanten, kan man sige.

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Man har en forpligtelse til at have et meget gennemsigtigt system, synes jeg, man har som offentlig virksomhed, for det er jo skatteborgernes penge. Det synes jeg, man har. Men vi skal jo også højde for kundernes forretningshemmeligheder.

Comparing the cases

Hvordan ser I som ejere de her historier?

Jeg tror ikke, det har skadet EKFs omdømme. Kendskabet til EKF er jo en begrænset kreds af virksomheder, det er jo de store, professionelle eksportører, der kender EKF. Og hos dem har EKF et smadder godt image, fordi de er professionelle og gode til at skrue produkter sammen, så jeg tror ikke, det betyder så meget. Det er jo klart, der har været enkelte folketingsspørgsmål i relation til det her, men ikke voldsomt. Jeg tror, det betyder meget, at EKF har et godt omdømme hos de store, professionelle eksportører – det formidler de jo også til politikerne.

SMV'er kender ikke til EKF....

Historierne er taget ud af en kontekst, vi kan godt stå på mål for dem. Det var fx nødvendigt for Mærsk at få det lån, på det tidspunkt. Den diskussion kan vi sagtens tage med journalister. Den finansielle krise rammer jo også store virksomheder, hvilket der jo ikke står noget om i artiklen.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det? Hvad synes du, man burde gøre?

Jeg tror, det er en fejl i hans historie – jeg tror ikke, Annette har ændret forklaring. Det tror jeg ikke på.

Mærsk ændrede dog lidt historien. De ville ikke være ved, hvor meget de havde brug for det.

Kick off questions

Noget specielt du lagde mærke til i sagerne med det samme?

Vi har selvfølgelig hørt om bankpakke II, case nr. 2, og også at den var forbeholdt de store danske eksportører. Jeg har faktisk ikke hørt om case 1, eller de andre to for den sags skyld. Men vi, banken, lever nok i en verden, som ikke er de her store virksomheder, og selvom vi følger med, er de her altså gået forbi vores næse.

Med hensyn til bankpakke II var vi frustreret over, at vi ikke havde noget at tilbyde vores kunder. På det tidspunkt hvor de 20 milliarder blev stillet til rådighed, var hele verden frosset til. Der var ingen, der ville påtage sig en risiko overhovedet. Vores kunder sagde, jamen det er jo ikke for os. Og jo, det var lidt frustrerende. Man kan så sige, at de lyttede jo til det på et tidspunkt og gjorde noget ved det. Men starten var frustrerende. Rent politisk blev det sagt i januar måned, at de 20 milliarder ville blive sat af. Der gik det meste af et halvt år, inden man var klar til at agere, inden EKF faktisk var i stand til at modtage og have systemer på plads. Og det var svært for eksportørerne at forstå. Dagen efter det var blevet sagt på talerstolen, begyndte de første kunder jo at ringe. Informationen omkring den var ikke særlig god.

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Man har i Danmark, synes jeg, en højere forventning til, at vi er duksen i klassen i forhold til mange af vores samarbejdspartnere. Det synes jeg, EKF lever op til. Jeg synes, de rent politisk lever op til det ansvar, der bliver pålagt dem. De lever op til de miljøkrav, der er og opfører sig efter reglerne for, hvordan man er en god samarbejdspartner. Jeg føler, de er meget rene.

Comparing the cases

Hvilke af de fire cases er mest skadende for EKF?

Bankpakke II; vores kunder er afhængige af at vi fortæller dem informationen – det behøver de store eksportører ikke, som de andre tre sager omhandler.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det?

Man kommer længst med at sige sandheden, ligegyldigt om det er en privat eller offentlig organisation. Uden at det handler konkret om sag 4 skal man sige sandheden, også selvom man har lavet fejl. Det der med at gemme noget, det kommer som regel frem.

The source

Har du overvejet kilden til historien? Ændrer det på din opfattelse af sagerne? Hvorfor?

Ja, det har jeg lidt, men uanset om det er et rødt blad eller ej, hvis man ikke overholder loven, så er det ligegyldigt hvilken farve, bladet har, så skal det jo frem.

Final questions

Vil disse sager have en indflydelse på, hvordan du ser/arbejder med EKF i fremtiden? Hvorfor?

Jeg kan godt være overrasket over de her cases, hvis de er korrekte. Jeg kan undres, hvis de er rigtige. Det kan være der ligger en god forklaring bag ved, men yderligere dokumentation ville være nødvendigt. Der mangler jeg oplysninger.

Det vil ikke have en indflydelse på måden, jeg arbejder med EKF på. Det er en nå-oplevelse at læse, for det er en verden, jeg ikke beskæftiger mig med.

Partner to EKF; interviewed on Wednesday February 23, 2011

Kick off questions

Noget specielt du lagde mærke til i sagerne med det samme?

Vi har selvfølgelig hørt om bankpakke II, case nr. 2, og også at den var forbeholdt de store danske eksportører. Jeg har faktisk ikke hørt om case 1, eller de andre to for den sags skyld. Men vi, banken, lever nok i en verden, som ikke er de her store virksomheder, og selvom vi følger med, er de her altså gået forbi vores næse.

Med hensyn til bankpakke II var vi frustreret over, at vi ikke havde noget at tilbyde vores kunder. På det tidspunkt hvor de 20 milliarder blev stillet til rådighed, var hele verden frosset til. Der var ingen, der ville påtage sig en risiko overhovedet. Vores kunder sagde, jamen det er jo ikke for os. Og jo, det var lidt frustrerende. Man kan så sige, at de lyttede jo til det på et tidspunkt og gjorde noget ved det. Men starten var frustrerende. Rent politisk blev det sagt i januar måned, at de 20 milliarder ville blive sat af. Der gik det meste af et halvt år, inden man var klar til at agere, inden EKF faktisk var i stand til at modtage og have systemer på plads. Og det var svært for eksportørerne at forstå. Dagen efter det var blevet sagt på talerstolen, begyndte de første kunder jo at ringe. Informationen omkring den var ikke særlig god.

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Man har i Danmark, synes jeg, en højere forventning til, at vi er duksen i klassen i forhold til mange af vores samarbejdspartnere. Det synes jeg, EKF lever op til. Jeg synes, de rent politisk lever op til det ansvar, der bliver pålagt dem. De lever op til de miljøkrav, der er og opfører sig efter reglerne for, hvordan man er en god samarbejdspartner. Jeg føler, de er meget rene.

Comparing the cases

Hvilke af de fire cases er mest skadende for EKF?

Bankpakke II; vores kunder er afhængige af at vi fortæller dem informationen – det behøver de store eksportører ikke, som de andre tre sager omhandler.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det?

Man kommer længst med at sige sandheden, ligegyldigt om det er en privat eller offentlig organisation. Uden at det handler konkret om sag 4 skal man sige sandheden, også selvom man har lavet fejl. Det der med at gemme noget, det kommer som regel frem.

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Final questions

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Jeg kan godt være overrasket over de her cases, hvis de er korrekte. Jeg kan undres, hvis de er rigtige. Det kan være der ligger en god forklaring bag ved, men yderligere dokumentation ville være nødvendigt. Der mangler jeg oplysninger.

Det vil ikke have en indflydelse på måden, jeg arbejder med EKF på. Det er en nå-oplevelse at læse, for det er en verden, jeg ikke beskæftiger mig med.

Stakeholder: Politician

**Orla Hav, Economic and Business Affairs spokesman, the Social Democratic Party;
interviewed on Tuesday February 22, 2011**

Kick off question

Noget specielt du lagde mærke til i sagerne med det samme?

N/A

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Ja, jeg har nok lidt højere forventninger om, at etikken er i orden, og man efterlever de ting, der er skrevet ned, eller som fremgår af den almindelige debat. Og når der er offentlige penge med i det, så bør overliggeren være lidt højere end hvis det var det private og deres egne penge, så bliver mere deres egen moral, der er afgørende i den sammenhæng. Så kan man selvfølgelig fra samfundets side sige, nu bliver vi nødt til at lave nogle aftaler, der løfter den overligger, så vi ikke lægger navn til, eller supporter noget i den sammenhæng. Men man regner nok mere, at tingene er i orden, når det er en organisation, der arbejder for offentlige penge.

Comparing the cases

Hvilke af de fire cases er mest/mindst skadende for EKF?

Altså jeg vil sige, at den sidste med skibene, hvor man tilsidesætter et overordnet hensyn, at det skal være noget nyt man sætter i gang – og så ved jeg godt, at selv det kan der sættes flere nuancer på – jeg ved jo godt, at det pågældende rederi går ind og putter nyt ind i skibene, som godt kan være påbegyndt, som reelt set kan være en lagervare. Men den sag kan let komme på koalitionskurs, sådan i forhold til offentlighedens accept af, at det er det her vi gør for offentlige penge. At vi går ud og køber noget, der eksisterer i forvejen og putter noget nyt, hvis de regner med, at det er noget helt nyt, der sættes i gang. Sagen er svær at stå distancen på i offentlig ophedet debat i fx Ekstra Bladet.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det? Hvad synes du, man burde gøre?

Det er jo altid skidt i kommunikationsmæssig sammenhæng. Skal man ud og være på kant af sandheden, så skal man saftsusemig have styr på sin historie fra enden til anden, og der er det altså nemmest at holde sig til de faktiske forhold, så kommunikationsmæssigt er det noget rigtigt møg med sådan en sag. Men jeg tror, alle der har været med til at tage beslutninger, risikerer at komme ud i sådan nogle sager og sige, jamen nu blev jeg så meget klogere i den her debat, der fulgte efter, så kan jeg godt se, at der er behov for at udbygge

den forklaring, der var vores grundforklaring. Også der er der nuancer, men kommunikationsmæssigt er det noget skidt.

The source

Har du overvejet kilden til historien? Ændrer det på din opfattelse af sagerne? Hvorfor?

Verden er noget mere nuanceret i forhold til det billede, Arbejderen fx gerne vil have frem. De synes jo grundlæggende, at den kapitalistiske verden skal stå på egne ben, og at de privat-kapitalistiske interesser må klare sig selv – det er ikke fællesskabets opgave at holde liv i dem. Tværtimod skal vi give dem modspil. For mange af os andre ved vi jo godt, der kommer vi ikke udenom, at der nogle sammenblandinger, og der ligger jo en interesse i, at Danmark har en store flåde, hvor vi kan skaffe gode rammevilkår ved at have nogle gode ordninger, som EKF jo kan være, så vi har en chance for at klare os i den globale verden. Men det er jo klart at vi ikke bare skal fylde skatteydernes penge i lommerne til dem, der i forvejen har mange penge.

Final questions

Har disse sager ændret måden du ser EKF på?

Nej, det har det sådan set ikke. Alle steder, hvor der foretages handlinger, begås der fejl. Medmindre det er voldsomt graverende fejl, så skal der være plads til det. Vi er bare nødt til at have for øje, at hvis vi ikke spiller vores kort rigtigt, så risikerer vi at blive kørt over i den voldsomme globale verden. Og det har vi jo ingen interesse i.

Vil disse sager have en indflydelse på, hvordan du ser/arbejder med EKF i fremtiden? Hvorfor?

Når der er en politisk vilje, der siger, det her har vi brug for, så skal der være et sæt regler, der får det til at fungere. Og har ordentlige folk til at administrere, så kan man ikke gøre så væsentlig meget mere.

Kick off question

Noget specielt du lagde mærke til i sagerne med det samme?

Nej, faktisk ikke. Eller, jeg lagde mærke til lånet, der så er gået til en af de helt store spillere, Mærsk. Det er jo lidt mod tanken, i hvert fald ikke så diversificeret, når man tænker på virksomhedsfordelingen, som jo i høj grad består af små og mellemstore virksomheder. Hovedparten af virksomhederne er SMVer, men indtjeningsmæssigt er jo stadig de store, tunge drenge som Mærsk, Vestas, osv., der trækker pengene i land. Så derfor kan man godt vende den om og tænke på indtjeningsrationale; så er det jo ikke helt ved siden af at gøre sådan, men i forhold til en bred skare af virksomheder, er det selvfølgelig snævert.

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Ja, jeg har andre forventninger, jeg synes, de skal agere på en anden måde end private virksomheder – der er i hvert fald en grænse for, hvordan de kan agere som selvstændige organisationer på grund af skattepenge, der jo er med til at finansiere forretningen i en vis grad.

Det er lidt tricky egentlig, men så længe man har en kongekrone på sig, skal man agere med en højere grad af integritet. Og der er grænser for manøvremligheder i forhold til kontrakter med kunder, etc.

Comparing the cases

Hvilke af de fire cases er mest/mindst skadende for EKF?

Det er svært at sige, synes jeg. Det tror jeg ikke, jeg kan bedømme. Måske mest fordi jeg ikke er så overrasket – sådan vil EKF agere. Selvfølgelig ikke brud på loven, det er no-go.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det? Hvad synes du, man burde gøre?

Jeg ville høre, de fortalte sandheden, også selvom den var skadende. Hvis det er et tilbagevendende mønster, så er det en meget dårlig strategi, men hvis man vedkender sig det, der er sket, er ulovligt, og det retter man op på, så synes jeg, man får gjort mindst skade på sig selv. Fejl sker, men derfor kan man stadig godt vedkende sig, at tingene stadig er meget fortolkningsåbne, og så kan man måske tage den vej fremad, som lige passer bedst til ens egen forretning – og hvis så det ikke holdt vand, så må man også sige, vi har lavet noget forkert.

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Har du overvejet kilden til historien? Ændrer det på din opfattelse af sagerne? Hvorfor?

Ja, det gjorde jeg, men så heller ikke meget mere end det. Selvfølgelig er der et formål med at bringe historierne, men hvis det holder stik, det der står i dem, jamen så ændrer det ikke rigtig på noget.

Final questions

Vil disse sager have en indflydelse på hvordan du ser/arbejder med EKF i fremtiden?
Hvorfor?

Nej, det har de ikke, i hvert fald ikke med det kendskab jeg har til EKF.

Stakeholder: Client

Employee in the public sector; interviewed on Friday February 11, 2011

Kick off question

Noget specielt du lagde mærke til i sagerne med det samme?

Nej, faktisk ikke. Eller, jeg lagde mærke til lånet, der så er gået til en af de helt store spillere, Mærsk. Det er jo lidt mod tanken, i hvert fald ikke så diversificeret, når man tænker på virksomhedsfordelingen, som jo i høj grad består af små og mellemstore virksomheder. Hovedparten af virksomhederne er SMVer, men indtjeningsmæssigt er jo stadig de store, tunge drenge som Mærsk, Vestas, osv., der trækker pengene i land. Så derfor kan man godt vende den om og tænke på indtjeningsrationale; så er det jo ikke helt ved siden af at gøre sådan, men i forhold til en bred skare af virksomheder, er det selvfølgelig snævert.

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Final questions

Vil disse sager have en indflydelse på hvordan du ser/arbejder med EKF i fremtiden? Hvorfor?

Nej, det har de ikke, i hvert fald ikke med det kendskab jeg har til EKF.

Stakeholder: Media

Newspaper Journalist; interviewed on Thursday February 3rd, 2011

Kick off questions

Noget specielt du lagde mærke til i sagerne med det samme?

Det første, der springer i øjnene på mig, er, hvorfor vi poster så mange statspenge i Mærsk, som har så stærk en økonomi og er så stor en spiller. Altså, har vi virkelig brug for at have så mange offentlige kroner i Mærsk for at få dem til bygge skibe ude i Chile – det forstår jeg simpelthen ikke. Som journalist er det nok den historie, jeg ville gå efter; at undersøge hvad Mærsk får ud af Eksport Kredit Fonden, og hvorfor de får så meget ud af den. Hvorfor er det de store spillere som Mærsk og Vestas, der får så meget ud af EKF, dem vi støtter med så meget.

Når jeg hører navnet Eksport Kredit Fonden, så tænker jeg, at det netop er en fond, der hjælper lige præcis små og mellemstore virksomheder, som forsøger at komme ud på eksportmarkedet, dem der har brug for et skub, og der tænker jeg bare, at de store virksomheder som Vestas, FL Schmidt og Mærsk selv kan finde ud af at eksportere. Jeg kan ikke forstå, hvorfor det er nødvendigt for dem at få så meget offentlig støtte, og det kan som sådan godt tænde, hvad kan man sige, min journalistiske forargelse.

Selvfølgelig er jeg opmærksom på, at de fire cases ikke nødvendigvis giver et fuldstændigt billede af EKF og deres kunder – og jeg ved, at så længe Mærsk er med i en sådan case, er det en god historie for medierne.

Comparing the cases

Hvilke af de fire cases er mest/mindst skadende for EKF?

I virkeligheden synes jeg, de to sager om Mærsk er mest skadende for Mærsk selv, og måske ikke så meget for EKF. Det overrasker mig, at de sådan står med hatten i hånden – det troede jeg virkelig ikke, de gjorde. Men det har jo som sådan ikke noget med EKF at gøre. Casene med Mærsk er jo interessante, for på den ene side er de jo vores helt store velgører, vi har jo meget gavn af Mærsk – men derfor er der vel også nogle regler, de skal leve op til. Aftaler om skattebetaling og så videre. Derfor pirrer de historier min nysgerrig rent journalistisk.

Hvis man skal se på, hvilke af de sager, der skader EKF mest, synes jeg, det er svært at sige ud fra de her fire cases., altså set ud fra hvilken jeg ville forsøge at lave.

Case 1 er som sådan altid en god historie; når en dansk virksomhed går ud i verden og udnytter dårlige forhold, som ikke matcher vores høje standarder. Det er altid en god historie, når al den snak man kommer med, ikke bliver overholdt i udlandet. Talk the talk and walk the walk. Og det her er jo så et klassisk eksempel på, at det gør man åbenbart ikke. Jeg vil dog lige sige, at jeg er opmærksom på, at det er Arbejderens, der bringer historien. Ikke fordi min avis ikke ville bringe den samme slags historie, men vi ville selv skulle undersøge sagen nærmere. Jeg synes altid, de her historier er vigtige og relevante, men man skal også passe på – folk kan få en slags kynisme, en slags kynisk skal omkring sig, yeah right, we know, been there, done that – hvorfor skal det rage mig, den slags historier. Hvor meget den er skadende for EKF er svært at sige, det kommer an på, hvor meget EKF har været inde og været dovne med deres kontrol. Hvis man kan bevise, at EKF selv har set igennem fingre

med det, så er det alvorligt for dem – noget det godt kunne tyde på ud fra denne case. Selvfølgelig er det en god historie, at en statslig fond som EKF er med til at udnytte folk i den tredje verden – selvfølgelig er det en god historie.

Case 2 synes jeg er relativ alvorlig – man skal jo også kigge på beløbet, og så skal man kigge på, hvad man skændes om i dag. Det er jo en kæmpe stor fond, og det er altid relevant at kigge på, om man rent faktisk får noget ud af de penge, der bliver givet til fonden. Hvis det er EKF, der sidder på hænderne derovre og ikke får sparket lån af, så har de jo flunket i deres opgave, og det er selvfølgelig også en god historie. Men afhængig af hvilke og hvor mange medier, der tager fat historien, behøver det ikke at være særligt skadende for EKF – det er selvfølgelig ærgerligt for EKF, at en avis bringer historien, men hvad der er rigtigt ærgerligt for EKF er, hvis samtlige andre større aviser opsnapper historien og også bringer den. Så opstår der jo en rigtig mediebølge. Og det er vist aldrig sket i EKF's historie. Der er meget stor forskel på, hvem det er, der bringer historien; om det er Arbejderen eller en af de store aviser, der graver noget frem om det her. Det er essentielt for historierne, hvordan de bliver leveret, altså hvordan de ligesom bliver solgt, og hvornår det kommer ud. Hvis du spørger mig, om det er alvorligt, at EKF ikke får lånt ud af de 20 milliarder, de fik til rådighed i Bankpakke II? Ja, det er det selvfølgelig. Er det EKF's skyld? Det synes jeg er lidt sværere at sige noget om. Umiddelbart vil jeg sige, at trykket ligger på dem, der har strikket Bankpakke II sammen, altså hvad skulle det til for. Var det bare i panik? Den her historier kræver ligesom at blive skåret ud; er det fordi EKF ikke kan finde ud af at gøre deres arbejde eller hvad. Kommentaren fra NL viser også, at der stilles spørgsmålstejn, om det overhovedet var nødvendigt med de 20 milliarder. Sad jeg i EKF og skulle tage mig af den her case, ville jeg forsøge at lægge trykket tilbage på politikerne, der var ansvarlige for Bankpakke II. Det er begrænset, hvad EKF selv kan gøre i den forstand, når det netop er en statslig fond. Man behøver ikke skrive pressemeddelelser eller gå på tv som direktør – man kan sagtens lave ting, som ikke bliver set i medierne på den front. Hvis EKF ved, hvad det her handler, altså casen, kan de sagtens have kontakter i pressen, som de går til og fodre med de rigtige oplysninger om sagen. Det benytter vi os af som journalister, også for at få de rigtige oplysninger for at forstå sagen. Det ville jeg råde dem til. Hvis EKF har Arbejderen på ryggen, og de er trætte af, Arbejderen skriver nogle historier, der ikke er helt rigtige, så ville jeg tage fat i den givne journalist, tage ham ind og sige: "Jeg skal ikke citeres for noget som helst, men du skal bare vide, det der gjorde vi fordi sådan og sådan". Måske man oven i købet kan finde nogle papirer, han kan få lov at se, måske kan man ikke. På den måde gør man jo journalisten klogere, du undgår, at han laver fejl i sine historier. Så kan det godt være, at han fortsætter med at skrive historier, som du synes, er irriterende, men du kan måske luge nogle af de værste fejl ud, som måske også vil hjælpe dig selv ved at have gjort det. Den bedste måde at takle mediepres er at åbne døren, for så løber de direkte igennem, sådan har jeg det i hvert fald. Det er jeg godt klar over, EKF ikke nødvendigvis kan på grund af kunder og deres forretningshemmeligheder. Men i mange henseender synes jeg generelt, styrelser og lign. lukker sig for meget, hvor min påstand er, at de til enhver tid vil hjælpe dem selv, os journalister og offentligheden ved at være mere åbne, også netop fordi det er skattekrøner, der går til deres forretning.

Case 3 synes jeg ikke der noget ved for EKF, jeg ville i hvert fald ikke bekymre mig om det, hvis jeg arbejdede der. Det er mere Christiansborg-fnidder end noget andet. Den sag har en relativ smal målgruppe.

Case 4 synes jeg er rigtig mærkelig. Hvad kan forklaringen være? Det gad jeg ret godt undersøge. Jeg synes, det lugter af, at man har gjort Mærsk en kæmpe tjeneste. Igen tænker man, hvorfor skal den danske stat give Mærsk et lån. Virksomheder som Mærsk er altid meget langt fremme i forhold til, at man som borger i Danmark ikke skal udnytte de

muligheder der er for at få hjælp, og så synes jeg, det er ret dobbeltmoralsk, at en noget så liberal virksomhed som Mærsk selv får en del hjælp af den danske stat rent økonomisk. Erhvervslivet elsker at brokke sig over, at velfærdssamfundet gør folk til klienter, det gør at vi alle sammen står med hånden fremme.

Hvis jeg skal sige en, der er den værste, så synes jeg, at case 4 er den værste af dem. Jeg synes, det stinker langt væk af vennetjeneste.

Communication

Hvis der er nogle indikationer om, hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det?

Hvad ville du have gjort i stedet?

Jeg synes, man skal erkende, hvis der er sket en fejl. Alle medierådgivere ville nok sige, at hvis der er noget, så få det frem, få det ud i lyset, få ryddet op i det og få det lukket. Det er den eneste måde, man kan komme ud af den på. Man turrer kun ved at trække den ud, altså pressen vil grave endnu mere så. I den her case er der to muligheder; enten er der sket et lovbrud eller også er der en virkelig god forklaring, som man ikke har været i stand til at finde, og hvis den findes, så er der kun en ting at gøre, og det er at rykke ud med den asap. Hvis ikke, skal der siges, at man har opdaget, der er sket en fejl – måske der findes en forklaring på, hvorfor den her fejl er sket eller også gør der ikke, men den er opdaget, og man vil fremadrettet gøre sådan og sådan. Det der med at kommunikere først med en udlægning og så en anden, det er jo en katastrofe. Det er mediemæssigt guf, at en direktør ændrer forklaring.

Andet/kilder:

Man kan diskutere, hvor stor en gennemslagskraft disse historier har haft – jeg har fx ikke opdaget nogle af dem. Det kan man jo også kalde for en effektiv kommunikationsstrategi, at holde sig lidt under radaren. Problemet ligger, når de større aviser begynder at skrue op for de her historier. Arbejderen er så lille en spiller, så historierne kun bliver læst af et lille segment, men ligeså snart en større avis vil grave flere informationer, så har EKF et reelt problem, der er langt større end et par web-artikler fra Arbejderen. Det handler helt vildt meget om timing i forhold til historier, og hvordan de bliver til, endda også tilfældigheder – måske har de større aviser bare ikke haft tid til at kigge på de her sager. Som journalist får jeg mindst et tip om ugen fra borgere eller virksomheder, som tror et eller andet. Jeg kan ikke nå at undersøge alt, når jeg samtidig skal lave nyheder. Men den sidste historie kunne man sagtens have fundet i min avis.

Stakeholder: Former employee

Former employee at EKF; interviewed on Monday January 25, 2011

Kick off questions

Hvilke interessenter kan du identificere i sagerne? Jeg synes, at medierne spiller en stor rolle, i og med det er dem, der laver disse historier. I sidste ende er det her jo klart vigtigst for kunderne, der laver forretning med EKF, når sådanne sager kommer frem. Og selvfølgelig politikerne, der skal kigge EKF over skuldrene.

Noget specielt du lagde mærke til i sagerne med det samme? Jeg var meget overrasket egentlig, især over den sidste case og faktisk også den første, der begge handler om Mærsk. For det første ville jeg have troet, at EKF ville have været noget mere påpasselig. Og jeg havde ikke troet, at den type sager ville kunne opstå for EKF. Lige såvel som jeg havde troet, at EKF ville være mere forsigtig for at ikke være forbundet med nepotisme eller snyd, eller derhen ad. Jeg er overrasket, for da jeg arbejdede i EKF mener jeg at kunne huske, at man gik meget op i ikke at blive opfattet på den måde, og det var min opfattelse at tingene blev gjort efter bogen, korrekt, man var meget politisk korrekt i EKF.

Expectations

Hvad er dine forventninger til en organisation som EKF i forhold til at det er en selvstændig offentlig enhed, der skal operere på markedsvilkår? Fx i forhold til en privat virksomhed?

Private virksomheder forestiller jeg mig, at man forventer mindre af hvad angår politisk korrekthed, hvor imens når EKF er statsfinansieret, eller det på den måde er borgernes penge, så forestiller man sig altså at de er meget omhyggelige med det de foretager sig.

Comparing the cases

Hvilke af de fire cases er mest/mindst skadende for EKF?

Den med det ikke er blevet til en lov (case nr. 3) har jo som sådan ikke noget særligt med EKFs omdømme at gøre – det med at gøre bankpakken til en lov kommer jo udefra, og det er EKF jo ikke herre over. Så case 3 synes jeg ikke ødelægger EKFs omdømme, derfor ser jeg den som mindst skadende. Derefter ser jeg også case 2 som mindre skadende, hvor EKF ikke har sat nok fokus på SMEs. Selvom de to sager med Mærsk er grimmere, synes jeg alligevel den her sag er lidt skidt for EKF.

De to Mærsk sager er værre, fordi de tangerer til noget, der er snyd. Case 2 er også grim, men man kunne måske godt forestille sig, det var den måde det foregik på – man ved jo godt i forvejen, hvem de største kunder er hos EKF. Folk kan jo synes, det er grimt, at det udelukkende er de store virksomheder, der får lån gennemført i EKF, fordi man tror, når de er så store, så kan de klare sig selv – det ved jeg jo ikke om er rigtigt. Jeg synes, man burde øremærke pengene, lave puljer, der var beregnet til bestemte typer virksomheder, i stedet bare for at lave en stor pulje, for der kan man nok godt gætte sig til, hvem der får de store bevillinger. EKF tænker vel også på profit i forhold til risiko, så derfor kunne man da godt forestille sig, at de favoriserer de store virksomheder, også fordi de har så store betydning for dansk eksport. Jeg tror, hvis det stod til EKF, så havde man kun store forretninger, måske.

Ville dit svar se anderledes ud, hvis det var fra dit perspektiv som interessant og ikke fra EKFs perspektiv?

På grund af min arbejdstitel tror jeg som sådan ikke, en fremtidig arbejdsgiver ville associere mig negativt med EKF pga. de havde nogle sager med Mærsk, men mit svar ville ikke ændre sig. Hvis man var en af de ledende figurer i EKF, ville det nok have en langt større betydning.

Communication

Hvis der er nogle indikationer om hvordan EKF håndterede sagen (kun i case 4), hvad er så dit syn på det?

Det er ikke okay og godt nok lidt spøjst – det virker ikke så rent. Det giver ikke mening at tale usandt. Det er faktisk bare værre at ændre forklaringen til noget, som så var langt fra sandheden.

Hvad ville du have gjort i stedet?

Var der nok og præcis kommunikation?

Slet ikke, da det jo ikke var sandt, hvad der blev kommunikeret ud til sidst.

Hvad ville du gerne have hørt fra EKF i stedet?

Nu er det sket jo, så for mig ville det være vigtigt, at EKF ligesom sagde, at nu skulle man kigge fremad og undgå den slags fejl i fremtiden.

The source

Har du overvejet kilden til historien? Ændrer det på din opfattelse af sagerne? Hvorfor?

Ja, jeg tænkte på, om hvorvidt det var sandt eller ej (kilden: Arbejderen),

Final questions

Vil disse sager have en indflydelse på hvordan du ser/arbejder med EKF I fremtiden? Hvorfor? Ja, det har de – fordi det er nogle ret grimme sager, som jeg ikke var bevidst om, da jeg selv arbejdede derinde. De har ændret mit syn på EKF, jeg er skuffet over at den slags ting kommer frem i pressen. Og overrasket over det.

Tror du, det har ændret andre interessenters syn på EKF? Hvorfor? Ja, bestemt. På samme måde som mit syn er blevet ændret. Jeg tror måske, at nogen godt kunne være tilbøjelige til ikke at arbejde sammen med EKF – hvis man ikke har lyst til at blive forbundet med den slags. Men i sidste ende, når alt kommer til alt, er det jo resultatet på bundlinjen, der er vigtigst, så det kommer an på det enkelte selskab, og hvordan de går op i deres eget omdømme. Om de er store nok til at bekymre sig om det.

Hvilke slags organisation synes EKF er pga disse sager?

Selvfølgelig opstår den slags historier i alle organisationer, men jeg troede ikke EKF kom til at lave noget, der var så slemt. Man kan selvfølgelig diskutere, hvor slemt det reelt er.

Hvordan vil du forklare dine forventninger I forhold til den reelle oplevelse, når du har læst disse sager?

Det er langt under, hvad jeg havde forventet af EKF.