

FOR IMMEDIATE RELEASE

Contact: Kelli Perkins
202-973-1372
kperkins@fischerhealth.com

Too Late to Triage: Is Health Care's Reputation Headed for the Critical List?

Health Care Industry Leaders Discuss Reputation Management in PRSA's Inaugural CEO Survey

Washington, D.C., April 7, 2006 – A first-ever online survey of 30 health care executives indicates that reputation in health care is a top priority for the majority (two thirds) of industry leaders. Many (nearly half), however, are unclear about how to measure and better manage reputation as their industry undergoes massive change driven by policy and technology trends.

The “What’s Reputation Got to Do With It?” survey asked health care CEOs a series of questions about reputation, its value, how they feel their organization is perceived by key stakeholders and how they and their communication leadership can better leverage reputation in the marketplace. It was conducted in March 2006 by FischerHealth, a Los Angeles-based strategic communication agency, and Porter Novelli Consulting, an international strategic consulting firm, in collaboration with the Public Relations Society of America’s (PRSA) Health Academy section. Results were presented today at the Health Academy’s 17th annual meeting in Washington, D.C.

Among the key findings:

- Nearly two thirds (64 percent) of those surveyed rated reputation as “critical” or “very important” to their health care organization’s success;
- Two-thirds of those surveyed (66 percent) stated that a positive shift in reputation “significantly” or “dramatically” impacts their bottom line;
- The overwhelming majority (86 percent) said that they would expect negative events to adversely affect their reputation and bottom line;
- All rated their reputation overwhelmingly as “excellent” to “good” with key external audiences (consumers, regulators, legislators and the media) as well as with their employees;
- Yet, more than one-third of those surveyed (39 percent) admitted they had never measured their companies’ reputation

“Health care leadership in the United States – in fact, internationally – is facing a myriad of disconnects,” said Alan Hilburg, president and CEO of Porter Novelli Consulting, the survey’s lead author. “How CEOs and their advisors are responsive – versus reactive – to these challenges requires a candid outside-in view, where we aren’t afraid to ask the most difficult questions. Many CEOs we spoke to are only too willing to have a communications counselor with the courage to challenge traditional thinking. Reputation is a management and organizational asset, as important as any other. Our survey looked to quantify their thoughts on reputation specifically and share those insights with those who share the responsibility for corporate reputation management.”

“This research really shows that CEOs clearly understand the importance of reputation in the changing world of health care,” said Roger Fischer, president and CEO of FischerHealth, a partner in the PRSA effort. “Many of those surveyed desire a good reputation just as consumers aspire to good health. And, like consumers, ongoing and preventive strategies are needed to maintain the sound health of an organization’s reputation. But unless regular check-ups and preventive care are subscribed to, the organization – like a patient – may be at risk.”

“Gathering input at this level and from such a diversified group is valuable to our members and our profession. This first-ever research is really what PRSA’s Health Academy is all about,” added Paula Pedene, APR, chair for the 17th annual conference. “The Academy is a place to share ideas that inform and encourage the practice of sound and ethical health care communication. With this research, practitioners will be better equipped in the reputation management process and can use the findings to help secure and improve public trust.”

Other important survey findings revealed the majority of the CEOs felt resource allocation for reputation management was “on target” and adequate. But they also felt it could be managed better internally by their organizations to optimize results. When asked to look ahead, the CEOs said that trust and transparency would be driving forces that were predicated on the cost and quality of care during the next five years.

The Role of the Health Care Communication Professional

Recognizing the immediate and long-term issues ahead, the study's authors offered five strategies for the PR professional to ensure progress in reputation management.

- 1) Make frequent deposits into the trust, goodwill and reputation bank;
- 2) Think reputation alignment. Ensure that marketing and brand initiatives are in synch with the mission, vision and values of the organization;
- 3) Link institutional brand equity to measurement. Understand how a health care organization's reputation is really perceived through regular and systematic measurement with key stakeholders;
- 4) To find the right answer, ask the correct question. Be a 'Socratic Futurist' who looks to connect the dots, helps colleagues and management contemplate answers to tough questions, and sees and defines the 'big picture' and potential outcomes; and,
- 5) Convert the reputational brand into memorable stories. Be the corporate storyteller.

About the Survey Methodology - DiscoveryBridge

The "What's Reputation Got to Do With It?" survey was conducted via an online technology called DiscoveryBridge, an anonymous, real-time methodology which tallied the input of 30 health care industry CEOs. The CEOs that participated were from hospitals and health systems (27%), medical device manufacturers (30%), health insurers (10%), biotechnology (10%) and related health care services companies (23%). The majority (80%) operate exclusively in the U.S. and have annual revenues ranging from \$10 million to over \$500 million. The survey was a combination of multiple choice and open-ended questions. For more information on DiscoveryBridge, please visit www.discoverybridge.com.

Copies of the survey are available via a request to PRSA's Health Academy at (The Public Relations Society of America, 33 Maiden Lane, 11th Fl., New York, NY 10038-5150 Phone: 212-460-1461 or via email at cedric.bess@prsa.org) Copies can also be obtained by contacting either FischerHealth at www.fischerhealth.com or Porter Novelli at www.porternovelli.com.

About The Health Academy

The Health Academy, established in 1989, is the largest of the 19 PRSA Professional Interest Sections and has nearly 800 members. The Academy seeks to enhance the quality and stature of health care public relations. Its members represent health care-related organizations, including hospitals, pharmaceutical companies, public relations agencies, device manufacturers, biotech companies, medical and dental associations, health plans, managed care organizations and insurance companies, long-term rehabilitation facilities, alternative and complementary health organizations, health education and research organizations, foundations, and government health units. The Health Academy offers its members an opportunity to address the latest issues facing health care public relations and the health care industry.

About the Public Relations Society of America (PRSA)

The Public Relations Society of America (www.prsa.org), based in New York City, is the world's largest organization for public relations professionals. The Society has more than 28,000 professional and student members. PRSA is organized into 114 Chapters nationwide, 19 Professional Interest Sections along with Affinity Groups, which represent business and industry, counseling firms, independent practitioners, military, government, associations, hospitals, schools, professional services firms and nonprofit organizations. The Public Relations Student Society of America (PRSSA) has 270 Chapters at colleges and universities throughout the United States.

About Porter Novelli Consulting

Porter Novelli Consulting was formed in 2002 when Porter Novelli International, one of the world's ten largest public relations firms, acquired Hilburg and Associates. Porter Novelli Consulting specializes in employee engagement, change management, crisis and litigation communications. In partnership with DiscoveryBridge™, Porter Novelli Consulting offers an alternative to conventional employee and stakeholder research. DiscoveryBridge is a qualitative leadership methodology used to gather stakeholder input, focus the strategic development process and leverage communications for enhanced performance. For more information, please visit www.porternovelli.com or call 212-601-8288.

About FischerHealth

FischerHealth is a strategic communication firm specializing exclusively in healthcare. The company provides a broad range of services including communication planning and counseling, integrated marketing and public relations for medical device & diagnostic, health services and health information technology companies. As a wholly owned subsidiary of Porter Novelli, it combines the flexibility of an independent firm model with the resources of a multinational agency. For more information, please visit www.fischerhealth.com.

###