

# When The Media Come Calling

THE ONLY WAY TO RESTORE THE PUBLIC'S FAITH IN THE ACCOUNTING PROFESSION IS FOR ALL MEMBERS OF THE INDUSTRY — REGARDLESS OF WHETHER THEY HAD ANYTHING TO DO WITH THE WRONGDOING — TO MAKE THEMSELVES AVAILABLE TO THE MEDIA AS TRUSTWORTHY, QUOTABLE AUTHORITY FIGURES.

**H**idden partnerships, audit failures, conflicts of interest, congressional investigations and scandal. The staid, low-profile accounting industry has been transformed, seemingly overnight, and arguably by one company: Enron.

Enron had already entered the popular lexicon as a synonym for corporate greed when the public learned of other accounting scandals in a dizzying outpouring of fresh headlines. As appalling as Enron's losses were (more than \$50 billion in bankruptcy and over \$1 billion in employee retirement accounts), the Houston-based firm's implosion proved only to be the largest of a wave of accounting wrongdoing to wash over corporate America: Tyco, WorldCom, Waste Management, Cendant.

With each new revelation, the fallout for the accounting industry as a whole deepened. Public confidence in a profession they thought they knew has been shaken. Stockholders, employees, Congress and the general public began openly speculating about the wisdom of continued self-regulation for an industry struggling to explain widespread practices that, in hindsight, looked questionable.

As in most scandals, those under siege in the accounting crisis have to fight the immediate impulse to hide and wait for the worst of public indignation to pass. That impulse must be resisted if the industry hopes to begin moving to restore its reputation.

For one thing, time is the enemy in a crisis. Public opinion against the accounting industry as a whole is hardening quickly, and it will be difficult to change that opinion once it does. Standing by isn't an option for anyone concerned with repairing the damage. After all, it's hard to convince others of your integrity when you've positioned yourself under a rock.

That's where the media comes in. That's right. The media.

You won't be able to win back public acceptance without them.

## Is the Media Right?

Why grant media interviews to reporters who give ready access to your industry's critics? Because if you don't, many of your clients and potential clients will assume the critics are right.

They won't know how your firm – or you personally – regard the accounting scandals, or the practices that precipitated those scandals, unless you tell them. They won't know whether you follow your own ethical guidelines and rules governing conflicts of interest, unless you tell them.

You can't fight this fight effectively on an individual basis or by sending your message of integrity only to the customers you already have. You'll have to deliver that message loudly, repeatedly and in as many different ways as you can, through the very media that

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brought the bad news to everyone's attention in the first place.

Full-page ads in major newspapers have touted the integrity of some of the largest firms, a number of statements in support of the industry have appeared in connection with stories on ongoing oversight, and industry leaders are beginning to come out from under that proverbial rock.

That's a beginning, but only a beginning.

Those full-page ads for instance, seem to be aimed more at decision-makers than the general public. That serves a purpose but doesn't address the key stakeholders in all of this: the general public whose confidence has been shaken. Such measures can only be effective if they are the opening salvo of a much deeper and broader campaign. If, as it appears, this public campaign is designed merely to convince Congress of the wisdom of continued self-regulation of the industry, it fell short of its goal.

Once President Bush signed the Sarbanes-Oxley Act into law, statements of tepid support by industry leaders began appearing in media outlets. How many points do you think those statements garnered by a public who saw an industry reluctantly accepting reform forced upon them by lawmakers in the wake of serious scandal and public outcry?

An industry that wants to win approval for cleaning its own house has to clean its own house.

### **Acknowledge the Mistakes**

It would be a fair statement to say the accounting industry is facing a crisis of public opinion. It would also be a fair statement to point out this is the industry's crisis to deal with, and there is a penalty for failing to do so.

Industrywide public relations campaigns are fine when it comes to defining a broad image with the public (think of the successful campaigns of the cotton, dairy and orange juice industries), but those campaigns can only go so far in rebuilding reputations seriously damaged by scandal and malfeasance. The tobacco industry is perhaps the latest example of trying to use this tactic to redefine itself as a consumer-based uber-corporation of which only one component manufactures tobacco.

That leaves corporations, their executive officers, individual accountants and financial offi-

cers to work on repairing the considerable damage done to collective and individual reputations. Individuals in the profession have to overcome their reticence to speak out and get past the notion there is no obligation to if one doesn't work for the Big Five – or what remains of the Big Five. Large numbers of the public aren't going to make the distinction between the "good" and "bad" apples of the same industry under fire.

### **Using Available Tools**

The media, through which you can reach a wider audience, is an excellent tool to help you begin reaching out to repair those breaches of trust.

All accounting clients in America right now want assurances their accounting professional can be trusted. They stand ready to be convinced they haven't been duped by their own accountant, even if they hold the accounting profession as a whole in disdain. You should take advantage of every opportunity possible to let them know you can, indeed, be trusted and haven't and wouldn't abuse that trust. Even a quote or an appearance from you on other matters can send the impression that you are a trustworthy and quotable authority in general.

When you do get an opportunity to speak to the media, make sure your messages are positive. It's important that you not be defensive about the misdeeds of others or downplay public concern over matters of trust. The public will continue to insist its collective anger be acknowledged. The longer the industry itself insists on dodging the tough questions, offering up the "few bad apples" response to every question of financial wrongdoing or insisting prematurely the problem is fixed, the greater the public fury will be and the longer it will linger.

It also does little to improve the public's image of the industry if industry leaders continue to speak only to themselves about what went wrong and how best to fix it. The assumption that these are matters far too complex for the general public to understand has led to a lack of open public dialogue. This "echo chamber effect" limits the impact of reforms taking place, as well as any credit the industry itself gets for corrections that seem to be coming from outside experts.



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If you've been invited to make a speech, find out if the media have been invited to hear it. If not, issue the invitation yourself. Give them something worth hearing, even if the speech or address is largely on internal or process matters. Don't miss the chance to let the public know you, for one, aren't standing idly by while they fume.

Rebuilding a reputation is like rebuilding a building. In the event of a catastrophic fire, even structures constructed long ago and carefully planned can be destroyed in an instant. It takes care, attention and time to rebuild.

So what do you do as a member of an industry under siege when the media comes calling? First and foremost: Answer the call.

Even if the overall story doesn't focus on you or your firm, seize the chance to position yourself as a trustworthy spokeswoman for yourself and your firm. Every media interview is an opportunity to deliver your messages. Regardless of the issue an individual reporter may be calling you about, you have the chance to reach that reporter's readers, viewers or listeners with a positive message about your industry and reach them in a powerful way through a credible third party.

Before you begin any media interview, focus on two or three "messages" that capture the bare essence of what you want to say. These are the quotes and sound bites you want to have your audience read and hear. Make sure they speak to the core of what you want your audience to know about you.

### Reach Out and Touch Them

And if the media isn't calling, reach out and find them.

If you have a marketing department, use it to gain access to venues that will make your voice heard. If you don't have staff to do it for you, look for opportunities yourself to interact through the media with the public. You'll find those opportunities everywhere from newspaper opinion pieces and letters to the editor to other local, regional or even national media outlets.

Self-promotion at a time of crisis is nothing more than self-preservation. For a public licking its wounds from the worst blows of corporate greed, these messages of trust are essential and welcomed.

Reporters are generally open and receptive to those outreach efforts as well, particularly

reporters who've covered the financial scandals. You can introduce yourself as an expert source on financial matters to your local or regional media, offer comment about upcoming issues, additional information about others or suggestions for follow-up stories and coverage.

The wider opportunity behind this crisis is that it can gain you new access to the media and, through the media, access to a wider public. Seize that opportunity. It may particularly be yours to seize. If there's a silver lining in this crisis for ASWA members, it's gender.

For better or worse, the media and the public as a whole hold to the notion that women are more trustworthy than men on issues of morality. That general impression, fostered in countless public opinion polls, may have deepened when *Time* Magazine named three female whistle-blowers as their Persons of the Year last December.

Interestingly, two of the three named, Sheron Watkins of Enron and Cynthia Cooper of WorldCom, were women who exposed their company's financial wrongdoing at great costs to their personal lives. The third, Coleen Rowley, is the FBI staff attorney who had pleaded for the investigation of Sept. 11 suspect, Zacarias Moussaoui.

In explaining its selection, *Time* cited the three women's "ordinary demeanor but exceptional guts" in fighting corruption and wrongdoing. They served, *Time* wrote, to "kick-start conversations essential to the clean operation of American life."

The general perception that women are more likely to hold higher standards and demand accountability to those standards places you, as a woman, as a professional and as an upstanding member of the profession, in an especially good position to speak to the credibility and integrity of your corporation or firm.

Even if the accounting scandals didn't touch you individually, in the final analysis only your individual efforts will answer this crisis of confidence in the profession you represent.

And that's a call worth answering.

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