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‘Only as good as your last gig?’: an exploratory case study of reputational risk management amongst self-employed musicians

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Reputations can take years to build and moments to lose, with significant impacts on the longer term viability of an organisation. There has been a significant increase in literature on reputation risk and its management in recent times, although this has essentially focused on larger corporations. At the other end of the scale, in micro-enterprises, there appears to be very little coverage. To start to address this gap, this study provides insights into perceptions of reputational risk (RR) and reputational risk management (RRM) practice in the music industry. It explores how RR is understood in an unconventional, non-corporate context using a case study of 11 self-employed musicians operating in the South of England, UK. Respondents identified ‘competition’ as being the key risk that they faced, along with insufficient funding, unregulated contracts and protecting intellectual property rights. They did not though, at first, view their reputation in terms of risk. There was no consensus on the definitions of reputation or risk, yet there was awareness that two components determined reputation: musical ability and personal qualities. Despite appearing to have a lack of knowledge and understanding of RRM, the musicians were able to identify strategies for managing reputation, such as: behavioural adaptations, working with agents, choice of venues, use of technology, working collaboratively (with links to social identity) and being constantly reliable. They were also able to identify their stakeholders and the factors influencing their reputation, but this information was not widely used in a strategic way to routinely monitor or manage reputation. An identified ‘barrier’ to RRM was the lack of understanding of this complex issue. Having explored perceptions of reputation and RRM in micro-enterprises, this work forms a platform upon which the next stage of actually (re)designing processes and systems specifically for managing RRM in Small- and Medium-sized Enterprises can be built.

Keywords: reputation; risk; musicians; risk perception; SMEs; micro-enterprise; social identity

A loss or decline in reputation can have devastating effects on organisations and yet around half of those surveyed are not prepared for such events nor manage their reputational risk (RR) (Aon 2007; Accenture 2011). Recent literature claims that reputational risk management (RRM) should be integrated into an enterprise risk management (ERM) framework (Pagach and Warr 2009; Honey 2012; Rayner 2012). However, ERM is designed to look at risk across a whole organisation through a sharing of responsibility (COSO 2004) such that risks can be dealt with
by individuals at the correct level. The concept of ‘enterprise wide’ is therefore not applicable to self-employed individuals operating in a micro-enterprise. Indeed, there appears to be a lack of research into RRM within Small- to Medium-sized Enterprises (SMEs) and this is despite data from the Department for Business, Innovation & Skills (BIS 2013) suggesting that in the UK, 99.9% of private sector businesses are SMEs, employing an estimated 14.4 million people with a combined annual turnover of £1600 billion (48.1% of private sector turnover). The majority (62.6%) of private sector businesses were sole proprietorships. It is perhaps then no surprise that SMEs are being viewed as the catalyst for the UK’s recovery (Read 2012).

The UK music industry contributes £5 billion per annum to the economy (DCMS 2013); £834 m of which is generated from live music performances (DCMS 2011). There are no published figures depicting the number of sessional musicians in Britain, although the music industry as a whole is thought to employ approximately 130,000 individuals (DCMS 2013). So the music industry is a significant sector and one which thrives on reputation. Despite this, little research exists on how RRM is being implemented or utilised within the industry, if at all. Lathrop and Pettigrew (1999) claim that typical self-employed musicians promote their talents via the Internet and will personally book gigs and build up relationships. Indeed, freelance musicians’ ongoing work has been found to depend on networking (Blair 2009; Coulson 2012) and reputation in terms of informal social networks within the industry (Gerstin 1998), but risk and reputation together and in a wider context have not been explicitly explored. This study seeks to fill this gap by investigating self-employed musicians’ awareness and perceptions of RRM via the following questions:

1. What are the main risks faced by self-employed musicians?
2. What factors are thought to influence their reputation?
3. What strategies are used to actively manage their reputational risk?
4. What are the perceived barriers to managing their reputational risk?
5. Who are their stakeholders and who is responsible for RRM?
6. Are perceptions of reputation monitored amongst their stakeholders?

There now follows a brief review of relevant literature on RRM in order to set the theoretical context, followed by the key methodological considerations before moving on to the case study analysis.

**What is reputation?**

Corporate reputation is frequently viewed as an asset (Barnett, Jermier, and Lafferty 2006; Rindova, Williamson, and Petkova 2010; Rayner 2012) and more specifically as an intangible asset that is the ‘property’ of an organisation. Other research indicates that reputation is purely a perception and something closely related to favourability (Lange, Lee, and Dai 2011) which differs hugely amongst individuals. Larkin (2003, 1) argues that ‘reputation is a reflection of how well or how badly different groups of interested people view a commercial name’. This definition highlights the importance of varying interest groups or stakeholders, yet is somewhat diminished by its focus on ‘commercial name’. A reputation is dependent on much more than ‘name’ or brand, and so its explicit mention is unfortunate. In an attempt to encompass the complexity of the concept, Low and Kalafut (2002, 109) describe
reputation as something which is challenging to manage: ‘It’s literally nothing more than how the organisation is perceived … It is slippery, volatile, easily compromised, impossible to control [and] amorphous.’ Essentially, the value of reputation varies based on perception. According to Rayner (2004), the best way to convey this is through the form of a theoretical equation: Reputation = experience - expectations. It demonstrates that reputation is dependent on whether or not a person’s experience of a business matches up to their expectations. Although it is not possible to actually compute the equation, it highlights how elusive the concept can be.

**RR and its management**

RR is commonly regarded as anything which could result in damage to reputation. The Board of Governors of the Federal Reserve define RR as: ‘… the potential that negative publicity regarding an institution’s business practices, whether true or not, will cause a decline in the customer base, costly litigation, or revenue reductions’ (Fed 2004, 4.1). This highlights the idea that reputation can be lost whether allegations are true or false. However, its emphasis solely on reputational loss can be somewhat limiting. Honey (2009) and Neufeld (2007) consider RR to be both negative and positive (in the same way that generic 'risk' can be defined). Some risks can therefore be taken to improve reputation.

In a definition somewhat related to the equation developed by Rayner (2004), Honey (2009) argues that reputation risk is the gap between stakeholder expectations and organisation behaviour. Using this perspective, it is therefore perfectly possible to take positive risks in order to ‘lessen the gap’. Other writers refer to a ‘reputation reality gap’, replacing the term behaviour with reality (Eccles, Newquist, and Schatz 2007; Klewes and Wreschniok 2009) in the hope that greater emphasis is placed on the difference between what is experienced and what is expected. Balmer and Soenen (1999) claim that behaviour is not the only thing which determines reputation risk; visual and verbal manifestations should also be considered (i.e. image and communication). One could argue that the term ‘reality’ more effectively denotes these factors rather than ‘behaviour’.

Maintaining a good reputation is thought to increase the amount of trade and investment a firm experiences (Cravens and Oliver 2006). It is therefore in the organisation’s best interests to manage reputation risk. Understanding how much interest stakeholders have, and how they interact with the firm, is a crucial part of the management process. However, a distinction needs to be made between the management of reputation in a proactive manner (i.e. risk management, where risks are identified before they emerge as problems), and a reactive manner (i.e. crisis management, where risks are considered post-damage).

**Reactive crisis management**

Eccles, Newquist, and Schatz (2007) suggest that some companies focus on threats to reputation which have already emerged. By definition, this approach cannot be categorised as risk management; rather, it is referred to as crisis management. The notion of risk management is one which anticipates unforeseen events and develops strategic contingency plans (ISO 31000 2009). Eccles, Newquist, and Schatz (2007) note that this is too often not the case.
A crisis is defined by Millar and Heath (2004, 2–4) as ‘an untimely but predictable event that has actual or potential consequences for stakeholders’ interest as well as the reputation of the organization suffering the crisis’. Relying on crisis reputation management is a flawed strategy, since it is associated with ‘last-minute’ decisions which could lead to secondary problems (Chapman and Ward 2011). Nonetheless, crises still happen, and reputation is at the forefront of the damage. In these instances, Marlene and Kovoor-Misra (1997) emphasise the importance of honest crisis communication with stakeholders. It is thought that their perceptions are more influenced by the firms’ response than the actual event. This was proven to be the case with Evian, who openly spoke to consumers about their product recall in 2007 after public worries of high levels of bacteria. However, proactive RRM (and indeed, risk management in general) should help prevent crises in the first place.

Proactive RRM

It is widely acknowledged that reputation does not develop through chance (Allen 2005; Honey 2009). Nonetheless, some critics question if RR can, in fact, be managed. Hutton et al. (2003) go as far as to say that the concept of reputation risk could be a fad, due to the lack of consensus over definitions and the questionable validity of some measures. Regardless, Anthony Fitzsimmons, chairman of risk specialists ‘Reputability’, publicly stated that ‘it is perfectly possible to manage reputation and risks to it. But getting there is hard because few know the right questions to ask’ (Lloyds 2009).

Standard RM procedures follow a similar structure to that shown in Figure 1 which can also be applied to RRM.

Reputation risk analysis and evaluation should then aim to answer the questions: what are the chances of an event occurring, how will stakeholders be affected, and how will stakeholders (most likely) react to it? Ultimately, it is the stakeholders who will then determine whether or not reputation is damaged or enhanced (Fombrun, Gardberg, and Sever 2000; Fischer and Reuber 2007).

Reputation risk control

Typical RM practice centres around four risk treatment categories: transfer, avoid, mitigate or accept (AIRMIC, ALARM, IRM 2010). However, they are not all applicable to RR. Transferring RR is not an option because the owner is known as a ‘moral hazard’ – something that will influence the degree of loss and the probability of making a claim (Honey 2009). One could assume that, because corporate firms cannot directly insure against RR, they will have sophisticated ways of managing it. In reality, this is not the case. RRM is a subjective area; there is no objective way to measure reputation as an asset, and so it is hard to forecast how changes may affect
it. Avoiding the risk is not plausible either – even daily norms act as a reputation risk (reputation risk is imbedded in other risks). Two options are left to consider.

Mitigating reputation risk essentially means to reduce it. This strategy is usually implemented when people are confronted by a risk that is viewed as having negative implications. However, reputation risk can be positive or negative (Neufeld 2007; Honey 2009); therefore, risk mitigation is more appropriate for negative risks, since the aim is to reduce potential reputation damage. It is not as appropriate for so-called ‘positive risk’ because the focus shifts from reducing threat to exploiting opportunity (and the gains that come with it). Literature relating to risk mitigation does not make this distinction (even within the IRM Risk Management Standard) and it is something that should be acknowledged. When a risk is accepted, the intention is to prepare for both positive and negative consequences. It is often related to risk financing, where money is saved in case of damaging consequences. Communication is of upmost importance in this instance (Marlene and Kovoor-Misra 1997).

Reputation risk management in SMEs

SMEs have acknowledged that a good reputation is vital if they are to receive legitimisation (acceptance) from stakeholders (Woodward, Edwards, and Birkin 1996; Goldberg, Cohen, and Fiegenbaum 2003). However, Berthon, Ewing, and Napoli (2008) claim that SMEs do not have the time nor money to implement reputation building strategies, and instead adopt a ‘survival mentality’ where they simply do enough to get by – usually through focusing on their external image (Goldberg, Cohen, and Fiegenbaum 2003). Research has shown that larger organisations show a more effective understanding and monitoring of consumer needs in which past actions are evaluated. In contrast, SMEs do not (Berthon, Ewing, and Napoli 2008). However, Davies et al. (2003) claim that reputation management is not normally a budgeted activity, even amongst large firms, and so it raises questions about SMEs’ motivation and knowledge in this area.

Further SME-related literature frequently discusses the importance of maintaining trust in reputation management (Bowey and Easton 2007; Cambra-Fierro and Polo-Redondo 2008; Kelly and Scott 2011; Welter 2012). Maintaining trust (through cooperation, genuine concern and keeping promises) is thought to eventually shift the focus of attention away from other reputation-influencing factors (Cambra-Fierro and Polo-Redondo 2008). SMEs are also thought to build reputation through the support of other SMEs. Wider research recurrently recommends the setting up of an internal RRM group due to the need to combine input from legal, strategic, financial and operations backgrounds (Neufeld 2007). However, the formation of such a group is not relevant to micro-enterprise; quite often it is left to an individual who may lack the required knowledge (Beaver 2003). SMEs are exposed to more barriers than larger companies because of their resource constraints (lack of time, staff, money and knowledge) (Berthon, Ewing, and Napoli 2008) and so the need for sector-specific RM material aimed at SMEs is very apparent.

The literature indicates that RRM is a complex, multifaceted topic with a gap in the literature relating to SMEs in general (and most certainly in the music industry). Definitions and views on management vary but generic models are available, and risk factors and barriers to RRM are beginning to be identified. This study will seek to elicit how RR is managed within the context of self-employed musicians.
Methodology

There are limited RRM insights in the music industry and so this research took the form of an exploratory study. Exploratory research was appropriate since its aim is to ‘seek new insights; to ask questions and to assess phenomena in a new light’ (Robson 2000, 59). A qualitative approach was beneficial in this instance because differing perspectives and explanations of risk practice were sought through the inductive interpretation of narrative accounts. The study does not aim to generalise findings but rather to gain knowledge in a specialised area and context in which little is known. A case study was therefore deemed the most appropriate methodology since the research focus was on ‘how’ and ‘why’ something is being done (Yin 2009). To meet the research objectives, the study needed an in-depth investigation within the real-life context of freelance musicians. These two characteristics define case study research (Yin 2009) providing justification for an exploratory case study.

The initial convenience sample of self-employed musicians included four personal contacts to one of the authors and another musician known to the other author. Through snowball sampling thereafter, a total of 11 participants operating as self-employed musicians in the South of England, UK were involved in the study, with their relevant characteristics shown in Table 1. To gain general insights into reputation risk, an experienced RRM consultant was also interviewed; however, the main focus here is on the musicians.

Rubin and Rubin (1995) and Yin (2009) suggest that case study interviews should be guided conversations – supporting the notion that ‘structured’ questions

Table 1. Participant characteristics.

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Age</th>
<th>Years in industry (approx.)</th>
<th>Genre(s)</th>
<th>Instrument(s)</th>
<th>Income source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>61</td>
<td>40</td>
<td>Blues</td>
<td>Piano</td>
<td>Performing, Teaching</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Folk</td>
<td>Bass</td>
<td>Session work, Teaching</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jazz</td>
<td>Piano</td>
<td>Performing, Conducting Teaching</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Classical</td>
<td></td>
<td>Performance, Teaching</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Popular</td>
<td>Guitar</td>
<td>Instrument making</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rock</td>
<td>Piano</td>
<td>Performance, Session work, Teaching</td>
</tr>
<tr>
<td>4</td>
<td>62</td>
<td>40</td>
<td>Rock</td>
<td>Guitar</td>
<td>Performing</td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>40</td>
<td>Blues</td>
<td>Guitar</td>
<td>Performance</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>25</td>
<td>Country</td>
<td>Guitar</td>
<td>Writing</td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>5</td>
<td>Blues</td>
<td>Guitar</td>
<td>Performing, Instrument making</td>
</tr>
<tr>
<td>7</td>
<td>22</td>
<td>5</td>
<td>Mixed</td>
<td>Drums</td>
<td>Performing</td>
</tr>
<tr>
<td>8</td>
<td>25</td>
<td>8</td>
<td>Mixed</td>
<td>Guitar</td>
<td>Performance</td>
</tr>
<tr>
<td>9</td>
<td>23</td>
<td>5</td>
<td>Jazz</td>
<td>Voice</td>
<td>Writing</td>
</tr>
<tr>
<td>10</td>
<td>22</td>
<td>3</td>
<td>Rock</td>
<td>Bass</td>
<td>Performing</td>
</tr>
<tr>
<td>11</td>
<td>N/A</td>
<td>25 (as a hobby)</td>
<td>Folk</td>
<td>Guitar</td>
<td>Performing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Voice</td>
<td></td>
</tr>
</tbody>
</table>
are not suitable when dealing with responses that may require expansion. Semi-structured interviews were therefore deemed to be more appropriate so that views, opinions, experiences and concerns could be elaborated upon. The reliability of answers could also be checked with the addition of follow-up questions, thereby exploring perspectives as they emerged (Saunders, Lewis, and Thornhill 2009; Blumberg, Cooper, and Schindler 2011). Following a pilot interview, a final set of semi-structured questions were formulated (along with ‘probes’ to illicit detailed responses):

1. What would you identify as the main risks to musicians within the industry?
2. What do you think influences your reputation in the music industry?
3. Do you consider reputation to be a risk within the industry?
4. Do you actively manage your reputation?
5. Can you give an example where your reputation was damaged or compromised?
6. Does anything prevent you from managing your reputation?
7. Do you think that anyone else can impact on your reputation?
8. Does the work that you do affect or impact on any other people or organisation(s)?
9. Who is responsible for managing/maintaining reputation?
10. Do you monitor your reputation amongst others?

In order to explore the musicians’ attitudes to RRM in their own words, and to provide rich descriptions, all of the interviews were recorded and transcribed. The analysis then followed three activities which were continually interacting: data reduction (assigning codes to discover themes and patterns), display and conclusion (Miles and Huberman 1994). As suggested by Eisenhardt (1989), the case study data analysis and discussion are combined together along with embedding relevant literature at the same time.

What are the main risks facing self-employed musicians?
All respondents bar one only identified a single risk initially (see Table 2). ‘Competition’ was the most frequently mentioned risk. It cannot be avoided or mitigated since it is not possible to reduce the number of people entering the industry or to increase the amount of work available. Although musicians’ must accept the risk of competition, Cravens and Oliver (2006) note that a good reputation leads to competitive advantage, thus making RRM an important issue for self-employed musicians. Despite this, the musicians interviewed did not initially voice this as a priority and did not make any link between identifying risk, risk management and competitive advantage. Probing their responses indicated that they were taking steps to identify risks, although they did not have, or were unaware that they had a strategy for managing them.

Interviewees did not share an accepted definition of reputation. There was also a similar lack of consensus over how reputation risk could impact on their careers. They appear to have had little exposure to the world of risk management, in which risks are considered as both a threat and opportunity (Neufeld 2007; Honey 2009). Despite this, it is interesting that their comments do show some understanding of the
concept of reputation risk being the gap between stakeholder expectations and organisation behaviour (Honey 2009). Although not explicitly stated, two respondents demonstrated an awareness of the need to align expectations and reality in order to manage reputation. Respondent 7 described a situation where there was a gap:

What you send to people is the best possible representation of yourself … [A radio DJ] heard our recordings and thought it was awesome … [but] he came to one of our shows and just turned to us and told us it was terrible and awful! … that was a bad decision on our part because we knew we could never pull off what we did on the CD recording … it depends how good a band you are in reality.

Additionally, Respondent 3 noted that the competitive nature of the music industry appears to be driving expectations to a very high level: ‘But expectations are so high now that any good band can have a frightful evening’. It would seem that respondents use their own experiences and instincts rather than theories and planned strategies to identify risks and manage their reputations.

### What factors are thought to influence reputation?

When asked to highlight key factors that might influence their reputation, all interviewees stated ‘musical ability’ without the need for further probing. Additionally, ‘being professional’ was mentioned on six occasions (Respondents 2, 4, 7, 8, 9, 11) two of whom described professionalism as ‘looking and acting the part’, i.e. a combination of the influences shown in Figure 2 below.
No agreement was made about whether ‘playing more than one genre’ (musical variability) was beneficial or detrimental to reputation. Nonetheless, the issue was thought to be an influence. The RRM consultant suggested that awareness of intellectual property law was important for proactive RRM. However, the theme of ‘legality’ did not emerge strongly amongst the musicians; only two respondents demonstrated some awareness: ‘I’ve just recently had a bunch of my stuff PATs tested [portable appliance tested] which is a legal requirement. You’ve got to keep on top of all that; they’re the tools of your trade! It’s actually part of your professionalism.’ [Respondent 4], and ‘[Some venues] pay you in cash and get you to sign to say that they have paid you “this much”, then obviously, it is your responsibility to pay tax on it’ [Respondent 8].

Generally speaking, musicians thought that being sincere (i.e. believing in what you play), helps contribute to good reputation. All respondents said the same for musical ability. Age was also generally thought to affect reputation, with one respondent suggesting that a musicians’ reputation peaked across the age range of 22–35 years.

What strategies are used to actively manage RR?

Five musicians said that they did not actively manage their reputations, and described it as ‘something which just happens’ (Respondents 1, 2, 5, 6, 8). However, despite being unaware, each of these five respondents had in fact used some of the strategies detailed below, albeit in an ad hoc fashion and with no overall planned approach.

Strategies for RRM: behavioural adaptation

Interviewees managed their reputations by ‘behaving differently’ around different stakeholder groups, although they did not recognise this as a form of management. Four of the respondents said that they did not act differently in different situations (Respondents 1, 3, 5, 6), yet commented about occasions where, in fact, they had thus contradicting themselves. Some examples of these ‘adaptations’ are listed in Table 3.
# Table 3. Behavioural adaptations.

<table>
<thead>
<tr>
<th>Adapting behaviour</th>
<th>How?</th>
<th>Supporting Quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>... amongst promoters</td>
<td>• Do not undermine their suggestions</td>
<td>You usually go along with their idea because that’s what they do. And sometimes you disagree with them but … you just go along with it [R1] We can’t just say to a promoter that we ‘just want to play’ (even if we do) and will do it for free! You need people to think that [you’re] well sought after [R7]</td>
</tr>
<tr>
<td></td>
<td>• Come across business minded</td>
<td></td>
</tr>
<tr>
<td>... in formal situations (functions, dinners)</td>
<td>• Act more conservatively</td>
<td>I mean, when you are playing to people who are sat down eating dinner, you don’t want to get ‘too political’ or use sexual content [R8] If it’s a smart, polite situation (like somebody’s wedding) you don’t go in dressed in jeans and singing rowdy songs [R1]</td>
</tr>
<tr>
<td>... whilst teaching</td>
<td>• Act with authority</td>
<td>I suppose when I teach, I try to conduct myself with an air of mild authority, not like when I am with the familiar band [R3]</td>
</tr>
<tr>
<td>... whilst interacting with the audience</td>
<td>• Engage in conversation</td>
<td>I’ve realised that even the most boring and frustrating people who come and talk to you have bought that couple of minutes of your time, and you can’t afford to be brusque or rude [R4] You always get people who come over and want to tell you about their grand-daughter who has got grade 2 on the flute or something … and inside you just think ‘that’s so boring’! You have to pretend you’re interested even if you’re not [R2]</td>
</tr>
<tr>
<td>... at large venues</td>
<td>• Structure song list</td>
<td>If you’re in front of 500 people … you have to have a set list and know exactly what you want to do … So I suppose you approach it in a more obviously professional manner [R11] We should be louder, and we have a big stage which we should move around on more [R9]</td>
</tr>
<tr>
<td></td>
<td>• Louder performance</td>
<td></td>
</tr>
<tr>
<td>... amongst co-workers</td>
<td>• Cater to the band’s needs; (act more formally in situations where a gig needs to be organised)</td>
<td>In one particular band I am jokey, and in another I am always known as the miserable one because I want everything to be right, therefore I take responsibility. With the other band – that has everything sorted – I don’t have to take responsibility so I instantly lighten up [R3]</td>
</tr>
</tbody>
</table>
**Strategies for RRM: working with agents**

Of the six musicians who had worked with agents, all of them described agents as problematic and did not perceive them to play a positive role in RRM. However, two recognised benefits to reputation were provided by: (1) gaining access to prestigious venues, and (2) having someone to blame if anything goes wrong. The general consensus was that agents cannot be trusted to promote a good reputation, but the underlying reasons varied. Firstly, agents do not provide regular work, secondly that agents limit musician/customer interaction, and thirdly that agents are not selective in their bookings and will ‘book any gig’ (even the wrong genre) as commented by Respondent 8 ‘they know what you do, but they will still book you for irrelevant things … I think it is bad management’.

These problems were perceived to have a negative impact on reputation. Consequently, five out of six musicians (Respondents 1, 2, 3, 6, 8) no longer use agents, and take responsibility for their own RRM. Respondent 2 said: ‘I associate them with being there to get you work rather than a reputation. I haven’t used them often as [...] reflecting on things helps a lot.’ The role of agents in RRM is music industry specific and it is therefore difficult to relate this finding to existing literature. However, agents were acknowledged as stakeholders and in this role, the literature agrees that they could impact on reputation (Fischer and Reuber 2007).

**Strategies for RRM: choice of venues**

The musicians appeared to select venues based upon their own personal objectives to either build or preserve reputation, which were generally attributable to two separate age groups. Younger musicians (with less experience and therefore needing to build reputation) said that they would be happy to play at a poorer venue since their main aim was to ‘get heard’: ‘we’re just starting out so we are happy to take as many gigs as possible’ [Respondent 7], ‘you are wanting to advertise yourself and get work … you might not decline it because it’s a gig at the end of the day’ [Respondent 10], and ‘just because it has a bad reputation does not mean you can’t make a living there’ [Respondent 8]. Generally, the older more experienced musicians said that they would not be happy performing in poor venues because they wanted to preserve their own reputation: ‘They are definitely ones you don’t go to, they can make you look bad’ [Respondent 3], ‘If people see you playing in dreadful venues … they think that you’re cheap and it’s very hard to climb back up the ladder when you drop right down’ [Respondent 1], and ‘I would never go to any of those places as they do reflect on you. It is not worth the risk to you’ [Respondent 5].

Ward (2005) has emphasised the importance of considering objectives for effective, tailored RM. Interestingly, although unaware of this, the musicians chose venues to fit their objectives (to build and preserve reputation). However, rather than displaying acts of proactive RM, it is possible that those who chose to perform in any venue (generally younger musicians hoping to build a reputation) were characterised by a higher risk taking attitude instead of deliberately aligning RM to objectives.

**Strategies for RRM: use of technology**

Four different actions (and sources of technology) were found to assist in RMM: uploading videos to YouTube, developing a personal website, making CDs and
using social media (especially Facebook). The majority view was that each of these actions could contribute to building or maintaining a good reputation. However, although the majority of respondents used social media, two contrasting viewpoints were highlighted. The musicians with the most experience (Respondents 1, 3, 5) were more reluctant to use it, and had a greater awareness of the risks involved: ‘I am very careful what I use. It has to be recent and it has to be good otherwise it can actually do damage’ [Respondent 5]. Social media is therefore expressed in terms of being a barrier to successful management. The less-experienced musicians showed a lack of awareness of the negative risks (Respondents 7, 8, 9), and viewed the use of social media with optimism, stating only the positive outcomes.

**Strategies for RRM: musicians working collaboratively**

Literature suggests that SMEs build reputation through the support of other SMEs; forming inter-firm alliances (BarNir and Smith 2002). This behaviour was also demonstrated by self-employed musicians, who tried to protect one another’s reputation and work collaboratively in the hope that they would gain work as highlighted by the respondents: ‘now I’ve agreed to the work [in three bands] I feel like I can’t let them down otherwise I would look bad, we would all look bad’ [Respondent 7], and ‘I do get feedback saying “he [a fellow musician] is very miserable” and “he doesn’t talk to us” so I try and smooth it out. I am the one who does all the talking and not him … I try to protect him’ [Respondent 6]. The majority of respondents worked in a number of different bands in order to earn enough to live on. They also supported each other, often in networks that had built up over time, by standing in for one another during emergencies or when they were ‘double booked’. In this way, individuals were striving to achieve or maintain a positive social identity which is derived ‘largely from favourable comparisons that can be made between the ingroup and relevant outgroups’. (Brown 2000, 747). They therefore considered their reputations to be interlinked and defending a colleague’s reputation was part of a strategy for protecting their own.

**Strategies for RRM: being consistently reliable**

As might have been expected, interviewees showed an awareness that they should be consistently dependable and reliable; ‘You don’t let anyone down and don’t muck anyone around. That is the way to manage it [your reputation]’ [Respondent 3]. This was reinforced by Respondent 9, who said ‘You won’t be given a second chance in this business’. The need to acquire a dependable and reliable reputation resulted in some musicians’ performing during very difficult times, often at great cost to their personal lives. This uncertainty and hardship are often deemed to be ‘occupational hazards’ within the performing arts to the extent of them forming part of the lifestyle choice of being a musician, as well as a wider characteristic of self-employed individuals. Despite these difficulties, all those interviewed had continued to work within the music industry throughout some very challenging times because they felt that the benefits of working in an area they were passionate about outweighed the occasional disadvantages.
What are the perceived barriers to managing RR?
The respondents identified four main barriers to managing RRM, namely: controlling online media content posted by third parties, performance environment, perceptions of age and problems with agents/promoters.

External social media uploads
Three respondents mentioned that they could not manage the comments/videos people had uploaded onto social media sites which may have a negative impact on reputation. Firstly, audiences were said to record performances without permission, thus resulting in poor quality clips. Secondly, there appeared to be an issue with people writing unregulated comments on the sites. Comments included:

people recording you on their phones and putting it online. Especially in a small pub or small sized venue, it looks like a live recording but you can hear everything. I am not saying it is a poor performance it is just that it is very poor quality … that definitely doesn’t do your reputation any good … That is out of my control. [Respondent 5]

‘one compromising picture is there [on social media] for ever. You have to be incredibly careful [Respondent 1]’, and

having a bad performance could lead to bad comments which could snowball among a group of people, giving you a bad reputation. That is where the social media can work against you instead of for you. That would be completely out of your control. [Respondent 10]

Respondents felt that they had no ‘quality control’ over the materials loaded by other people or the comments circulating within groups. This is interesting because, conversely, many respondents also viewed social media as a useful tool for managing and maintaining a good reputation. This reinforces the complex nature of reputation risk management within this multifaceted situation.

Performance environment
Three respondents felt that environmental factors had prevented them from maintaining their (good) reputation. These factors included other distracting activities within the venue, the quality of the sound system, the experience of the sound technicians and the layout of the venue. All were considered to be out of their control. For example, at this level, they could not afford their own sound engineer and were very dependent on those working at the venue to make them ‘sound good’. This was highlighted by Respondent 11, who said:

[instances] where you’re not in control of the environment. Like the PA system, like the fact there might be people in a room next door watching the football very loudly, or you might be playing at an outside venue and it’s cold and wet … There are all kinds of environmental circumstances which I think you’re not in control of, which do affect you.
Perception of age

Eight interviewees linked age to reputation, and most of them felt that the image they portrayed was part of their RRM strategy. Older musicians voiced concerns that they may no longer be able to maintain their reputation as they got older. They perceived this barrier to be due to their older image, resulting in there being fewer opportunities. This risk factor could not be mitigated, since it was widely acknowledged that the music industry favours young musicians as one respondent explained:

> there is going to come a time where I’m not physically acceptable on a stage. Even though I record for younger people who need good players, I am the wrong generation to be seen with them. There’s going to come a time when people think ‘what’s that old bloke doing up there’ before they think to listen … I’m not suggesting that a player has a clearly defined shelf-life, but you have to be aware that there is a limit somewhere. Even if it’s self-imposed. [Respondent 4]

Interestingly, the findings provide evidence that success within the industry depends on the management of two reputations, one relating to musical ability and another relating to individual attributes. Although Gerstin (1988) recognises the latter ‘aesthetics’ (including age) as being important in reputation building, the literature in general does not seem to make this distinction.

Problems with agents and promoters

As described earlier, interviewees considered agents to be a barrier to their own RRM. Generally, it was thought that agents and promoters prioritised their own business interests over those of the musicians they represented. They were thought to dictate RRM strategies and often placed constraints on musicians’ interactions with others.

Who are the musicians’ stakeholders and who is responsible for RRM?

Eccles, Newquist, and Schatz (2007), Honey (2009) and Rayner (2012) all note that the identification of stakeholders is a crucial part of RRM. Interviewees identified a large (but not exhaustive) number of stakeholders as shown in Figure 3, with fans/clients most frequently named. Additionally, the family was identified as a stakeholder group, although they are not mentioned in corporate stakeholder literature.

The connecting arrows between fans, friends and clients represent two interesting findings. Fans – or those who regularly watched the individuals perform – were often considered friends as well. Respondent 8 explained that, in order to get more publicity and more gigs, it is important to have established friendships within your fan base. Similarly, clients were thought to be fans. Generally, those who are responsible for paying the musicians were thought to enjoy and respect their performances too. This is clearly indicated by Respondent 1, who said that ‘you rely on people liking you and wanting to employ you’. Participants thought that, if their clients did not like them, they would not be invited back: ‘If you are not getting work … [it means] they don’t really like what you are doing. Even though my style might be different to other peoples, they just might not like it … it is very subjective’ [Respondent 9]. Interviewees felt that in the current economic climate, the number of venues hosting live music was decreasing, making it even more important that
they fostered and maintained good relationships with fans, clients or friends who frequented their regular venues.

Family was found to be a key stakeholder amongst several of the respondents, although their perceived effect on musicians’ work varied, as shown in Table 4.

**Table 4. Family influence as a stakeholder.**

<table>
<thead>
<tr>
<th>Family influence</th>
<th>Quote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pressure to earn money</td>
<td>It impacts greatly on my family – especially if I haven’t got any money [R1]</td>
</tr>
<tr>
<td>Confidence</td>
<td>As a child … I have memories of concerts where I felt that I was being perceived as a joke whilst all my brothers and sisters were brilliant … [it gave me] a confidence issue [R2]</td>
</tr>
<tr>
<td>Help with promotion</td>
<td>Mary [partner] … puts gigs up [online] all the time [R5]</td>
</tr>
<tr>
<td>General concern</td>
<td>Family are very, very, very important- they would be the most concerned out of anyone if I had a bad reputation [R4]</td>
</tr>
<tr>
<td>Affect ‘how’ you play</td>
<td>The most significant (and traumatic influence) was death in the family … when my dad died that affected things big time! I tried to carry on working but I wasn’t performing as well [R1]</td>
</tr>
<tr>
<td></td>
<td>When I had a break up … it affected the way I played and socialised … it is hard to present yourself well and get lost in the music [R2]</td>
</tr>
</tbody>
</table>

**Responsibility for RRM**

Every participant said that they felt primarily responsible for their own RRM. Two reasons were given for this: (1) reputation is dependent on their initial actions: ‘We are all responsible for the way we act aren’t we?’ [Respondent 6], and (2) reputation is further dependent on their reaction to damage ‘[it depended on] how I dealt with it after’ [Respondent 4]. However, whilst some respondents said they were solely responsible, some also held other stakeholders accountable. Two stakeholder groups were mentioned most frequently. Firstly, fellow musicians (as mentioned by Respondents 1, 3, 7, 10):
The people that you work with should help ... If anybody asks me about world class players ... [*his*] name always crops up because he is that good. [We] always mention [him] because that is how we perceive him to be. So he does not have to promote himself when we are around. We do the promotion for him and I would hope that other people might do the same for me. [Respondent 3]

and ‘[Other musicians are responsible because], if I’m not working, several other people won’t be working either ... They are the first line of fire’ [Respondent 1]. Secondly, Sound Engineers were held accountable (as mentioned by Respondents 1, 3, 8, 11): ‘the sound guys, the engineers ... you can come across awfully [if] someone isn’t doing the sound very well’ [Respondent 8]; and very often, you get someone saying ‘We’ll mix [the sound], don’t worry’ and they’re in control ... And it’s not quite the sound we want at all. And, of course, at the level we are, you can’t actually hear what the audience are hearing! And afterwards, you get people coming up and saying [bad things]. [Respondent 11]

Despite having identified the key stakeholders, none of the interviewees monitored the views of all of them. The fans’ views were most commonly sought, but since these formed one isolated group of stakeholders, it is unlikely that reputation could be managed successfully using this limited information. Indeed, all groups of stakeholders have the potential to influence other people’s perceptions of a performer. The research indicated that stakeholders can have multiple roles and influences, something which is infrequently discussed in stakeholder theory (Freeman, Harrison, and Wicks 2007). This can make the management of reputation a very complex task but most of the interviewees seemed to simplify this by focusing more on the fans than any other group.

All participants accepted responsibility for managing their reputation, and of those who cited others, fellow musicians were mentioned most frequently. This is not surprising, since they work together in a collective social identity (Tajfel and Turner 1986; Ashforth and Mael 1989) and have a vested interest in managing each other’s reputation so that it does not impact negatively upon themselves. This could result in a conflict of interest, as musicians in one band often compete against each other for work with other bands. Few interviewees earned a living playing in just one band.

Are perceptions of reputation monitored amongst stakeholders?

Rayner (2012) makes the case for monitoring reputation, asserting that some knowledge of stakeholders’ expectations and perceptions is required before RR can be managed. However, the interviews indicated that only two stakeholder groups were primarily monitored (fans and fellow musicians). Although Respondent 11 suggested that the most important stakeholders were venue owners and event organisers, none of the respondents were found to investigate their perceptions. The use of social media appeared to be a popular way of discovering fan and audience feedback.

Monitoring fan and audience perception

Six of the musicians interviewed monitored their reputation amongst fans using face-to-face conversations or social media. Meeting fans’ expectations was considered one of their priorities: ‘Fans are a definite priority because there are so many of
them; it’s the law of numbers’ [Respondent 7], and ‘that’s where the word of mouth starts. Without them you don’t have a reputation’ [Respondent 4]. Five musicians (Respondents 1, 3, 4, 5, 8) did not monitor their reputation face-to-face; two of whom made assumptions about what to expect:

I think that if someone’s got a comment; be it good or bad, then someone’s going to come and let me know’ [Respondent 4], and ‘you know if they come back to see you, you know you are doing something right. You know what I mean?’ [Respondent 5]

Respondent 8 justified not gathering feedback face-to-face by saying he thought that fans’ responses would not be honest. Social media sites were used instead because they were free, and provided a forum for fans to voice their opinions anonymously (Respondents 4, 6, 7, 8), as explained: ‘on the Internet it’s a bit more anonymous and people, I think, feel more comfortable saying “he wasn’t very good that night”’ [Respondent 8]. Although social media were regularly checked for responses, there was little acknowledgement of any bias involved in the process.

**Monitoring musicians’ perceptions**

Three interviewees did not ask fellow musicians for feedback. They made the assumption that, if they were being offered work, they must have acquired a good reputation: ‘I would not ask them [fellow musicians] what they thought … it is just accepted that, if you are working with these people, they MUST consider you to be capable of doing that job’ [Respondent 3], and ‘No, I don’t ask the musicians I work with what they think of me. Them offering me work sort of tells me they think I am alright’ [Respondent 6].

Other respondents said that asking fellow musicians for feedback played a crucial part in improving their performance and, hence, their reputation: ‘Yes, definitely I ask their opinion, I say like, ‘what did you think of that melody’ or ‘would it sound better if I did that … That helps our reputation, which in turn helps my reputation’ [Respondent 9]. This is in line with Gerstin’s (1998, 387) study where reputation on the musical scene is defined in terms of the ‘informal, consensual evaluations by which performers judge one another’s competence and relate to one another in a social network’.

**Responding to feedback**

Three respondents said that they did not act upon the feedback received (Respondents 1, 3, 6) whilst two were unsure, saying; probably [Respondent 11], and maybe ... a couple of times [Respondent 5]. The remaining six noted that it was important to respond:

Well funny enough yes. Those comments are so necessary – you learn more from failure than success. You have to get it wrong to learn what to not do!’ [Respondent 4], and ‘Yeah- it was actually one of the biggest changes I had. What I found out was probably related to the problems I had with all of my older bands … I did a music lecture where you have to play for a bit, and then the other students criticise you. I wasn’t really passionate enough and it sort of came across. [Respondent 7]

Generally, there was little evidence of a planned strategy for monitoring reputation and information appears to be gathered on an ad hoc basis. The structured
model for RRM in Figure 1 represents it as an iterative process involving very clearly defined steps. However, no respondents acknowledged the iterative nature of the process or the need for a stepped approach. Some gathered no evidence, but monitored their reputation by making assumptions (e.g. if you had a reasonably sized audience, or a promoter rebooked you, then your reputation must be good). Respondents who did collect evidence for monitoring purposes rarely questioned the quality of it. There was some recognition that face-to-face talks with fans might result in people saying only what the musician wanted to hear, but there was no acknowledgement of possible bias within this self-selecting sample.

Summary and conclusion

This study has explored the perceptions of reputation risk and its management amongst self-employed musicians. The key risks being faced by this group were competition, followed by insufficient funds, unregulated contracts and protecting intellectual property rights. Initially, the respondents did not cite reputation as a main risk, although further probing did indicate that they were all aware of the need to acquire a good reputation and the factors which could influence it, such as musical ability and professionalism.

Despite acknowledging the risks and reputation factors, many interviewees did not explicitly manage their reputations. However, on further probing, respondents demonstrated an awareness that reputations were not built ‘by chance’ and they were found to be adopting various strategies, including: behavioural adaptations, working with agents, choice of venues, use of technology, working collaboratively and being consistently reliable. The perceived barriers to managing RR were found to be: external social media uploads (online feedback), their performance environment, perception of age, and problems with agents and promoters, many of which they have little, if any, control over.

Respondents identified a large number of stakeholders with whom they form a network, with ‘family’ being seen as the key stakeholder. Whilst some views from this network were monitored by the respondents (especially fans and fellow musicians), none of the interviewees had a planned strategy in place for managing or monitoring reputation. This is supported by the literature which indicates that one half of global SMEs do not monitor their reputation (EIU 2005). This could be a cause for concern, since Fischer and Reuber (2007) suggest that it is all stakeholders who ultimately have an impact on the reputation acquired.

Surprisingly, apart from the use of social media sites, media was not recognised as a significant influence on musicians’ reputations. This contradicts the literature which indicates that reputation is becoming more dependent on how it is media portrayed (Larkin 2003; Lange, Lee, and Dai 2011). It is possible that the opposite affect is occurring in the context of self-employed musicians, as explained by Respondent 4:

It’s kind of the other way round; reputation was more dependent [on media] then. In the days when there were only two real music mags: NME and Melody Maker. They were like the bible; if they said you were good or bad then that was it. Now, you can change stuff like that because the [media] circuit is so much bigger. Nowadays, you can take it or leave it or do something about it. In the early days, if they said a player was tragic then it stuck to them.
It seems then in the self-employed music business, reputation risk management is an 
ad hoc event, with a general lack of theoretical understanding of this complex topic.

One reason for this lack of knowledge could be that RRM literature is mainly 
focused on larger organisations, with little coverage involving micro-enterprises. 
One immediate impact of this is the notion of larger organisations being able to 
increase their risk maturity as they grow and develop, and in particular the associ-
ated development of a dedicated risk control function (Honey 2009). For micro-
enterprises, this is simply unobtainable and hence total control of reputation risk in 
this environment is impossible (Low and Kalafut 2002), especially with such limited 
resources.

It was clear though that the respondents saw themselves as being part of a com-
mon collective (i.e. the concept of being ‘a musician’) and reliant on ‘interactionism’ 
(Turner and Oakes 1986) as derived from their social identity as a musician. At the 
same time, they recognised a wide range of stakeholders who either contributed to 
or otherwise critiqued their reputation. Whilst the notion that ‘you’re only as good 
as your last gig’ might be true; this study has uncovered a far more complex and 
intertwined world within which sessional musicians develop and maintain their 
reputations.

There is scope as an outcome of this study to expand research on reputation risk 
management into the micro-enterprise arena. Due to the lack of resources and indi-
vidual nature of this domain, it is most likely that influence and collaboration (rather 
than control as shown in Figure 1) will be of central importance in assessing and 
dealing with reputation risks, together with the notion of social identity and the nature 
of collectivism and networks. New, agile processes need to be developed which 
reflect the tensions between individual reputation set within a rapidly moving net-
work of contacts and stakeholders, who seem to operate with a ‘natural’ or intuitive, 
rather than theoretical, understanding of risk and its management. It is evident that 
sole traders are more reliant on trust and (reciprocal) goodwill to build and maintain 
reputation. This is in contrast to the established literature on generic RM processes 
which suggests that risks should be controlled.

Since a case study methodology was used, these findings cannot be generalised 
in a positivistic sense. However, they are valid to the respondents and it is plausible 
that similar perceptions of reputation and its risk management would apply in simi-
lar settings. The challenge now is to build on this study in order to (re)design appro-
priate reputation risk management processes to help SMEs to grow, develop and 
protect their reputations.

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