

Resilience Monitor Case

A publicly-traded real estate investment trust (REIT) managed hundreds of properties. The business ran on an integrated financial platform directly impacting customers, employees, creditors, investors, tax authorities and the community. It was aging, and periodic failures required team members to scramble and produce reports manually. Senior management kept deferring a major capital investment in an upgrade because it would depress earnings and hurt the stock price.

When our Resilience Monitor showed a materially heightened risk for a reputation crisis at the REIT were there to be an adverse event, the Risk Manager pressed the business case to management. She successfully pointed out that Southwest Airlines was in the same situation as her firm—sketchy software and a heightened reputation risk environment. Southwest’s software knocked the stock price back at least 20% costing investors of about \$4bn. Customers are still angry and litigators are busy.

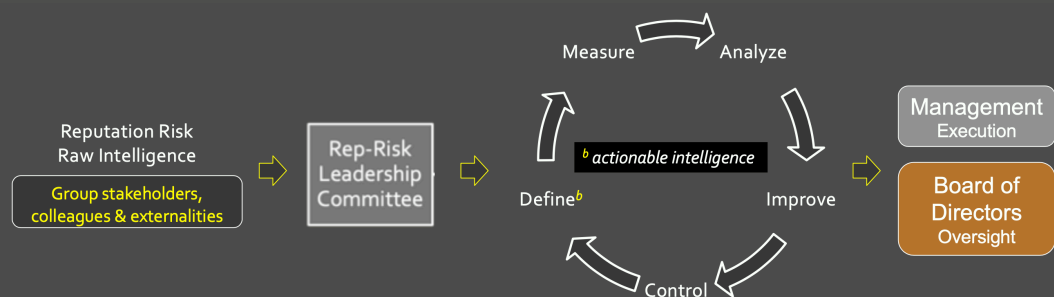
Impressed by the risk manager’s presentation, management secured the board’s blessing and authorized the software upgrade.

Parametric Insurance Case

A publicly-traded financial institution was getting the side eye from bond raters. The firm had a modest real estate exposure, a noteworthy cryptocurrency exposure, and a fabulous reputation for prudential management. Trust in that reputation was at risk with the new cryptocurrency exposure.

When meeting with bond raters and investors, the finance team pointed to a range of reputation risk management improvements—many of which had been documented in the 10K—and successfully used the parametric insurance policy to affirm the quality of its reputation risk management. The finance team also pointed to the reputation insurance to get better terms on the firm’s D&O liability insurance.

Consulting Services Case



Steel City Re’s Reputation Resilience Program comprises processes for reputation risk management and governance, as well as tools, processes, procedures, information flows, and reporting for reputation resilience. The program overlays and does not interfere with any pre-existing ERM program. The program generates artifacts such as the Resilience Monitor and Parametric Reputation Insurance to give evidence of its own implementation. The program’s insurance authenticates the program’s quality, delivering a valuable message to stakeholders: **Thoughtful reputation management and dutiful governance practiced here.**