Marko Stanojević*
https://orcid.org/0009-0007-7241-5503

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CORPORATE SECURITY AND PROTECTION OF COMPANY REPUTATION IN CRISIS SITUATIONS

Abstract: *In today's fast-paced and interconnected business landscape, corporate security has expanded its role significantly. Today, protecting people and material assets is only one aspect of the problem. Crisis management, reputation management, stakeholder trust, and the protection of digital assets are also important considerations. The goal of this paper is to explore how corporate security plays a crucial role in safeguarding a company's reputation during emergencies, whether they stem from internal issues or external threats. It emphasizes the importance of effective crisis communication, the need for quick responses, and the teamwork between security, legal, and public relations teams. Furthermore, it highlights the crucial need for openness in how messages are conveyed to the public. This paper takes a deep dive into the most recent research, market trends, and real-world examples from companies like Tesla, FTX, KFC, and Johnson & Johnson. It highlights how effective crisis management can not only minimize negative impacts but also boost a company's reputation and competitive advantage. It also examines how poor information management, inconsistent internal communication, and weak security procedures can damage a company's worth, reputation, and public trust for years to come. The conclusion emphasizes that reputation is a vital intangible asset that needs to be safeguarded throughout all aspects of a company's operations. It underscores the importance of taking a well-rounded approach to protect it.*

Keywords: *Corporate security, Crisis management, Company reputation, Crisis communication*

* Stanojevic.marko799@gmail.com

1. INTRODUCTION

In the rapidly changing and interconnected landscape of global business, corporate security has shifted from a minor operational issue to a critical strategic function that's essential for an organization's survival and success. Previously, security was mostly about safeguarding physical assets and personnel. However, our modern understanding of security now covers a much wider array of areas, including information security, crisis management, compliance, insider threat mitigation, and reputation protection. Think of corporate security as a well-coordinated system of governance, policies, and both technical and human measures aimed at safeguarding all of a company's assets, whether they're physical, digital, intellectual, or human, from threats that could emerge from within or outside the organization. The goal is to ensure business continuity, maintain operational integrity, and foster trust with stakeholders during both everyday operations and times of crisis. It's not just about preventing harm; it's also about ensuring that business operations run smoothly, that stakeholder trust remains robust, and that the integrity of operations is upheld, regardless of whether conditions are stable or challenging.[1]

Safeguarding a company's reputation is crucial since it's a valuable intangible asset that influences investor confidence, customer loyalty, and competitive edge. Corporate security plays a vital role in this. Unfortunately, reputation is one of the most vulnerable aspects of a business, especially when a security crisis strikes. Incidents like data breaches, cyberattacks, physical break-ins, insider threats, workplace violence, and ethical scandals that catch fire on social media and in the news can all take a toll. Consider data breaches, for example; they can lead to significant fines from regulators, disrupt business operations, and erode customer trust. If a company doesn't manage its communication well or takes ages to respond, it can really tarnish how the public sees its professionalism and ethical integrity.[2]

When physical attacks or safety issues occur in the workplace, they can paint a company as careless or irresponsible. This not only fuels negative stories in the media but also harms the brand's reputation in the long run.[3] Security incidents often play out in the public spotlight, and the stories crafted by the media, social networks, and reactions from stakeholders can greatly shape how a company's reputation is perceived. Studies indicate that when businesses are seen as the main

1 Cabric, M. (2015): "Corporate security management: Challenges, risks, and strategies", *Butterworth-Heinemann*.

2 Ruohonen, J., Hjerppe, K., & Kortesuo, K. (2024): "Crisis communication in the face of data breaches", *arXiv preprint*, https://arxiv.org/abs/2406.01744.

3 Knight, W., & Nurse, J. R. C. (2020): "A framework for effective corporate communication after cybersecurity incidents", *Computers & Security, 99*. DIO: 10.1016/j.cose.2020.102036

culprits in an incident, the emotional fallout, like feelings of anger and betrayal, among stakeholders tends to be much stronger, resulting in more significant damage to their reputation.[4] When companies are seen as victims or as having acted with transparency and responsibility, they can often reduce the damage to their reputation. This highlights just how crucial it is for businesses to engage in proactive crisis communication, manage reputational risks effectively, and integrate security planning into their overall strategy.

When it comes to safeguarding their reputation in a crisis, companies have to ensure that their security protocols, crisis management strategies, and public relations efforts are all working together. Effective corporate security means not only preventing issues but also being ready to respond quickly and transparently when things go wrong. Important strategies include forming incident response teams, performing risk assessments, running crisis simulations, and ensuring clear communication between security, legal, and PR departments.[5] Sustaining reputation and regular stakeholder communication becomes crucial during crisis times. Through visual uniformity, prompt involvement, and trustworthiness communicated through user interactions and shared content, platforms such as Instagram allow businesses to maintain public trust. By enhancing openness and responsiveness in the public's perception, these components aid in minimising reputational harm.[6] Moreover, using evidence-based public relations strategies such as issuing apologies, implementing corrective measures, and maintaining transparency has been shown to effectively restore trust among stakeholders following an incident.[7]

This paper sets out to delve into how corporate security serves as both a preventive measure and a strategic asset for safeguarding a company's reputation during crises. It looks at the overlap between risk management, crisis communication, and stakeholder trust, highlighting the need for a unified approach across different departments. Through the lens of real-world examples and academic research, this paper aims to provide valuable insights that can help companies bolster their resilience and protect their reputational assets during these riskier times.

4 Kirton, G. & Robertson, M. (2018): *Sustaining and advancing IT careers: Women's experiences in a UK-based IT company*, *27*(2). 157-169. DOI: 10.1016/j.jsis.2018.01.001

5 Cabric, M. (2015): "Corporate security management: Challenges, risks, and strategies", *Butterworth-Heinemann*.

6 Baltezarević, R. & Baltezarević, I. (2021): "Uloga instagrama u poslovanju mladih", *Megatrend Revija*, *18*(2), 23-38. DOI: 10.5937/MegRev2102023B

7 Sohn, Y. J. & Lariscy, R. W. (2015): "A "buffer" or "boomerang?": The role of corporate reputation in bad times", *Communication Research, 42*(2), 237–259. DOI: 10.1177/0093650212466891

2. ANALYSIS OF RECENT RESEARCH

According to British Standard 11200:2014, a crisis is an essentially unusual, unpredictable, and complicated circumstance that poses a risk to an organization's existence, reputation, or strategic goals. The timing and character of crises are intrinsically unpredictable. They may have fatal consequences and have the capacity to seriously harm an organization's reputation.[8] On the other hand, crisis management is the collection of plans, procedures, and activities that a business uses to deal with unfavourable circumstances that could harm its stability, reputation, or relationships with stakeholders and customers. There are several reasons why crises may occur, such as: a) Internal mistakes (financial problems, poor customer service, or defective products). b) External circumstances, such as government policies that impact the organization, natural disasters, or cyberattacks. c) Image crisis, which includes concerns from staff members or unhappy clients, as well as unfavourable remarks that spread on social media. Ineffective crisis management can result in decreased revenue, a decline in customer trust, and long-term harm to the company's reputation. However, by providing precise responses, lowering confusion, and reaffirming openness with the various stakeholders, implementing a suitable crisis communication strategy enables the impact of these occurrences to be lessened.[9]

It can be said that the collective evaluation of a company's credibility, dependability, trustworthiness, and general position in the eyes of stakeholders can be referred to as corporate reputation.[10] Sociology has historically taken the collective evaluation perspective, marketing has taken the customer or end-user perspective, and economics and behavioural sciences have placed a strong emphasis on stakeholders. These disciplines can be used to group the reputation literature.[11] An important component of a company's market worth is its reputation. According to Echo Research, for example, the corporate reputation of all S&P 500 US firms in 2024 was valued at about $12 trillion, or 28% of their total market value. The abrupt, widely apparent decline in share value of public corporations during a crisis is a quick indicator of their reputation. A reputation crisis can also result in financial loss for other kinds of organisations, as well as decreased market share, a decline in consumer or stakeholder trust, difficulties securing finance, and

8 Hindson, A. (2017): *Why Crisis Management is Central to Protecting Brand and Reputation*, https://www.argogroup.com/news/trends-and-insights/crisis-management-central-protecting-brand-reputation/.

9 Reputation crisis (2025): *Corporate crisis management to protect reputation*, https://reputationcrisis.org/blog/corporate-crisis-management/.

10 Baruah, L. & Panda, N.M. (2020): "Measuring corporate reputation: A comprehensive model with enhanced objectivity", *Asia-Pacific Journal of Business Administration, 12*(2), 139–161.

11 Chun, R. (2005): "Corporate reputation: Meaning and measurement", *International Journal of Management Reviews, 7*(2), 91–109.

challenges meeting legal and regulatory obligations. Internally, a reputation crisis may lead to issues with hiring, retention, and staff engagement and productivity.[12]

These days, the following are essential elements of effective crisis management for company reputation: a) Prepare: prior to incidents, create a crisis plan. b) Monitoring: put in place real-time notifications for possible problems. c) Reaction: communicate clearly and sympathetically in a timely manner. d) Containment: use messaging based on facts to steer the conversation. e) Recovery: restore confidence by taking tangible steps and taking responsibility. f) Analysis: take lessons from the catastrophe to avoid it in the future. g) Prevention: include safety precautions in routine tasks.[13]

Some businesses have demonstrated exceptional crisis management skills, not only resolving issues but also enhancing their reputation. Several notable examples are: Johnson & Johnson (Tylenol case): The corporation encountered a crisis in the 1980s when cyanide contamination was found in some of their products. Customer confidence rose as a result of the company's prompt product recalls and tightened safety protocols. KFC UK: Rather than concealing its chicken source issues, the fast-food company used social media to address the issue in a light-hearted and open manner, garnering favourable public reaction. These instances demonstrate how a crisis that is properly handled can be a chance to improve a company's reputation and fortify its bonds with clients.[14] Therefore, the clarity, consistency, and exposure of personal branding frameworks can be applied to the upkeep of a favourable reputation, particularly in times of crisis.[15] In order to manage and lessen the effects of unforeseen occurrences on operations, stakeholder trust, and business reputation, crisis communication is essential.[16]

Delays in action and inadequate communication are common causes of PR (public relations) crisis management failures. While being evasive or concealing facts undermines transparency and confidence, a delayed answer might make matters worse. Confusion is caused by contradictory statements from several spokespersons, and neglecting important stakeholders, such as clients or partners, runs

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12 Harrison, K. (2025): *Protect your business reputation from potential crises with these six clear strategies*, https://cuttingedgepr.com/articles/protect-your-business-reputation-from-potential-crises/

13 Clegg, M. (2025): *When Reputation Hits the Fan: The Essentials of Crisis Management*, https://cleartailmarketing.com/business-reputation-crisis-management/

14 Reputation crisis (2025): *Corporate crisis management to protect reputation*, https://reputationcrisis.org/blog/corporate-crisis-management/

15 Milovanović, S., Lukinović, M. & Baltezarević, R. (2018): "Lični brend i integrisano marketing komuniciranje", *Megatrend revija, 15*(1), 177-186. DOI: 10.5937/MegRev1801177M

16 Mills, C.E. & Morrish, S.C. (2023): "Responding responsibly to crisis and disaster: The communication challenges", in: *Beyond the dark arts: Advancing marketing and communication theory and practice*, ed. L. Brennan, et al., 291–313, London, World Scientific.

the danger of losing their support and loyalty. Unrealistic commitments or over-promising can leave people disappointed, and ignoring internal communication lets misinformation circulate among staff members. Refusing to accept responsibility, such as by denying errors or shifting blame, can exacerbate the situation and damage reputation. The secret to successfully handling a PR crisis is timely, honest, and clear communication.[17]

Nevertheless, all too frequently, reputation management is neglected until it is too late. Businesses that approach crisis response like any other operational risk, with transparent procedures, resolute leadership, and an emphasis on long-term trust, are the ones that emerge stronger. When handled properly, a crisis can be a chance to show accountability and uphold your principles. Trust can be swiftly damaged by failing to protect the data that stakeholders, partners, and customer's demand. A brand's reputation is based on its cybersecurity. A single breach can cause long-term harm that greatly outweighs the immediate financial expense, particularly if it is handled carelessly. In addition to safeguarding private data, proactive cybersecurity shows that the business takes responsibility and risk management seriously. This establishes a standard of dependability and increases customer confidence. Reputation is further strengthened by being transparent about your security posture, including having clear rules, breach response plans, and obvious adherence to industry standards.[18]

The managerial perspective on reputation also applies to employees, as it stems from their ability to make sense of things. This implies that workers take on a particular view of what their firm stands for and the part they play in its identity and culture. The latter two ideas influence how a company does business and how managers interact with important stakeholders.[19] A company's employees are not the only stakeholder group that is essential to the idea of corporate reputation. Customers use it to gauge the dependability of a company's products. Many times, they are unaware of the company's dedication to providing desired quality. Customers and other outside observers therefore use reputation as a stand-in to predict how well a business will function.[20]

Services for corporate security are crucial for protecting resources and guaranteeing worker safety. Furthermore, it is essential for preserving operational

17 Laming, D. (2025): *Navigating a PR Crisis Successfully*, https://professionalsaver.co.uk/professional-insights/navigating-a-pr-crisis-successfully/.

18 Impactmybiz (2025): *5 Steps to Handle a Business Reputation Crisis*, https://www.impactmybiz.com/blog/how-to-handle-a-business-reputation-crisis/.

19 Fombrun, C. J. & Rindova, V. (1996): "Who's Tops and Who Decides? The Social Construction of Corporate Reputations", Fombrun, C. J., van Riel, C., The Reputational Landscape. In: *Corporate Reputation Review, 1*(1/2), 5-13

20 Fombrun, C. J. & van Riel, C. (1997): "The reputational landscape", in: *Corporate Reputation Review, 1*(1/2), 5-13.

continuity. Reducing the effects of crises and promoting quick recovery are essential components of good crisis management. By giving competent crisis management first priority, organisations may lessen the collateral effects of significant incidents. This strategy aids in preventing problems from getting worse. Protecting people, assets, and information systems against emergencies and other dangers is part of corporate security procedures. To guarantee adherence and reduce hazards, legal considerations must also be taken into account. In order to prevent escalation, first emergency operations should prioritise prompt efforts to control circumstances and minimise damage, while utilising effective containment tactics.[21]

Research by the Institute for Public Relations found that 70% of customers think their trust in a brand can be affected by how it manages a crisis. This demonstrates the need for having a carefully considered crisis communication plan in place. Companies that react to a crisis promptly and openly are more likely to keep the trust and loyalty of their customers, according to research. For instance, the company's early lack of transparency and tardy response during the 2010 BP oil spill incident caused a major drop in public trust and perception.[22]

Considering recent examples of corporate catastrophes, one may imagine how even large corporations were caught off guard. The FTX cryptocurrency exchange crashed catastrophically in 2022. Billions of dollars' worth of consumer assets were destroyed by this regrettable incident. The meltdown's primary causes were identified as a combination of fraudulent activity and inadequate risk management techniques. The crypto world was affected by this collapse, which intensified calls for stricter regulations. When 2022 came to an end, the recall of an astounding 321,000 Model Y cars catapulted Tesla into the public eye. A software bug that might have unintentionally engaged the braking system prompted this move. Concerns about Tesla's dedication to guaranteeing the safety of its goods grew as a result of this recall. Lastly, Elon Musk made an astounding offer to buy Twitter for $44 billion the same year. Twitter's governing board initially approved the deal, but Musk later voiced concerns about it, citing the platform's widespread bot activity. A confrontation in court resulted from this change of heart. Although there was some drama involved, the acquisition was finalised by October. Since then, a number of Twitter users and several staff members have voiced their worries, claiming Musk's presence has opened the door for censorship and poor management.[23]

21 Ghali, M. (n.d.). *Best Practices: The Role of Crisis Management in Corporate Security*, https://www.grsprotection.com/crisis-management-in-corporate-security/

22 Vorecol (2024): *Crisis Communication Strategies for Corporate Reputation Management*, https://blogs.vorecol.com/blog-crisis-communication-strategies-for-corporate-reputation-management-9535.

23 Campbell, K. (2025): *Crisis Management Team Best Practices to Protect Online Brands*, https://blog.reputationx.com/crisis-management-team-best-practices.

In summary, the latest research and real-world examples emphasize that being ready for crises, maintaining clear communication, and implementing cohesive security strategies are essential elements of modern corporate governance. Organizations that prioritize proactive risk assessment and reputation management don't just lessen potential harm; they also build a reputation for resilience, trustworthiness, and accountability among their stakeholders. As crises grow in complexity and visibility, the capacity to respond swiftly and credibly becomes a key factor in achieving lasting success.

3. CONCLUSION

Corporate security has transformed from merely a support role into a vital strategic component that significantly influences a company's operational stability, resilience, and reputation in the fast-paced global business landscape. Nowadays, corporate security goes far beyond just physical safety; it also involves safeguarding digital systems, coordinating crisis management, addressing insider threats, and keeping stakeholders in the loop. As businesses encounter a growing array of complex risks, like cyberattacks, data breaches, workplace violence, and reputation crises fuelled by social media, integrating security into the overall business strategy has become absolutely essential.

Reputation is an incredibly important intangible asset that helps keep investor confidence high, fosters trust among stakeholders, and secures client loyalty. If a company's reputation suffers, it can lead to serious financial setbacks, a decrease in market value, potential legal issues, and challenges with employee retention and morale, according to research findings. This paper illustrates how corporate security can serve as a powerful ally in safeguarding and even boosting a company's public image during challenging situations, especially when combined with clear crisis communication and thoughtful crisis management strategies. Businesses that are viewed as accountable, transparent, and proactive during crises stand a much better chance of quickly restoring stakeholder trust.

This analysis combines insights from the most recent research in academia and industry, utilizing frameworks from behavioural science. It takes a closer look at real-world examples like the BP oil spill, the FTX cryptocurrency crash, Johnson & Johnson's Tylenol withdrawal, and KFC UK's social media strategy. These examples show that even though crises can be unpredictable, they can be managed in ways that not only minimize damage to a brand's reputation but, in some cases, can actually improve it. The heart of this process is all about collaboration among security teams, legal experts, and public relations pros. They work together using evidence-based communication strategies that emphasize timely apologies, sharing accurate information, and taking clear responsibility for their actions.

In this paper, the author takes a closer look at the common pitfalls in public relations during crises. These include slow responses, a lack of teamwork within organizations, and a tendency to dodge responsibility. On the flip side, businesses that weave crisis scenarios into their risk management strategies, run regular drills, and focus on being ready for both internal and external communication are much better prepared to handle reputational challenges. In the end, the paper makes a strong case for a comprehensive approach to corporate security, one that acknowledges the interconnectedness of physical, digital, and reputational risks, and emphasizes that managing reputation is a key part of building corporate resilience.

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Marko Stanojević

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KORPORATIVNA BEZBEDNOST I ZAŠTITA REPUTACIJE KOMPANIJE U KRIZNIM SITUACIJAMA

Sažetak: *U današnjem brzom i međusobno povezanom poslovnom okruženju, korporativna bezbednost je značajno proširila svoju ulogu. Danas je zaštita ljudi i materijalne imovine samo jedan aspekt problema. Upravljanje krizama, upravljanje reputacijom, poverenje zainteresovanih strana i zaštita digitalne imovine takođe su važna razmatranja. Cilj ovog rada je da istraži kako korporativna bezbednost igra ključnu ulogu u zaštiti reputacije kompanije tokom vanrednih situacija, bilo da one proizilaze iz internih problema ili spoljašnjih pretnji. Naglašava se važnost efikasne krizne komunikacije, potreba za brzim odgovorima i timski rad između bezbednosnih, pravnih i timova za odnose s javnošću. Štaviše, ističe se ključna potreba za otvorenošću u načinu na koji se poruke prenose javnosti. Ovaj rad detaljno se bavi najnovijim istraživanjima, tržišnim trendovima i primerima iz stvarnog sveta kompanija poput Tesle, FTX-a, KFC-a i Džonson & Džonsona. Ističe se kako efikasno upravljanje krizama može ne samo da minimizira negativne uticaje već i da poboljša reputaciju i konkurentsku prednost kompanije. Takođe se ispituje kako loše upravljanje informacijama, nedosledna interna komunikacija i slabe bezbednosne procedure mogu oštetiti vrednost, reputaciju i poverenje javnosti kompanije u godinama koje dolaze. U zaključku se naglašava da je reputacija vitalna nematerijalna imovina koju je potrebno čuvati u svim aspektima poslovanja kompanije. Podvlači se važnost usvajanja sveobuhvatnog pristupa njenoj zaštiti.*

Ključne reči: *Korporativna bezbednost, Upravljanje krizama, Reputacija kompanije, Krizna komunikacija*