

The Dilemma and Path Optimization of Enterprises in Response to Public Opinion Crisis - A Case Study of L Company

Xiaoqing Yang

College of Business Administration, University of the Cordilleras, Baguio 2600, Philippines.

Abstract: The development of science and technology will make human society enter a risk society. With the rapid development of the Internet and new media, the mistakes, product and service quality problems in the business process of enterprises can easily be magnified, and the public crisis risks faced by enterprises are also increasing, which makes the enterprise brand, social reputation and overall image face new pressures and challenges. The two public opinion crises of L Company in the last two years have had a certain impact on its corporate image. Through the analysis of the two crises, we found the deficiencies of local companies in responding to the public opinion crisis, and put forward effective solutions to improve.

Keywords: Public Opinion Crisis; Corporate Image; Crisis Management

Introduction

On August 1, 2022, netizens reported that employees of L Company were sent to hospital for emergency treatment because of physical discomfort caused by overtime. It is reported that the employee who is on duty for 24 hours. As early as November 2021, L Company once caused social disputes because of the posters encouraging overtime hanging in the office area. For L Company, a large IT enterprise with world influence, there have been few negative public opinions for many years. However, in a short period of two years, the public opinion crisis that has had a huge impact on the corporate image and social reputation has continuously emerged. On the other hand, it has revealed that L Company has many problems in enterprise operation management.

1. Basic situation of negative public opinion of L company

L Company is one of the top large IT enterprises in China. In 2021 and 2022, L Company became the "pouring object" of the public sentiment of the whole network because of its employees' overtime and formalist slogans, which undoubtedly had a huge negative impact on the company that had maintained the "public sentiment cleanliness" for a long time.

After the incident, L Company issued an internal notice on the hanging of overtime slogans in the office of L Software, its branch company, criticized L Software in the group, and dealt with the relevant personnel for not following the procedures and not being rigorous. The staff of the government's labor and social security supervision team once told the media that they would send people to L Company on November 16 to learn about the situation. But there was no following. This is also an important basis for online public opinion to criticize the inaction of L Company and relevant functional departments of the government.

In fact, in this case of physical discomfort caused by overtime, the involved L Soft also mentioned in its annual report that the company attaches great importance to human capital management. On the one hand, it ensures the stability of core employees through equity incentives, efforts to improve business performance, and increased staff humanistic care; On the other hand, the company meets the needs of employees' career development and value realization through various special training plans.

However, this overly stylized explanation has not been recognized by netizens, but has aroused public opinion's criticism on the dark box operation of L Company, the inaction of government functional departments, and the failure of relevant supervision systems. More than half a year has passed. Although the overall impact on L Company is not obvious, the public opinion has not stopped.

2. L company's deficiencies in public opinion crisis response

Although L Company has made relatively effective achievements in the response and governance of public opinion crisis, it has also accumulated valuable experience. However, it still exposes many weaknesses and deficiencies in the public opinion response and crisis management of enterprises. In other words, although the corporate image and social reputation of L Company in the last two public opinion crises have remained in a healthy state of development, in fact, the long-term discussion on the public opinion crisis governance ability of L Company has not stopped. However, L Company's shortcomings in public opinion crisis response are mainly reflected in the following aspects:

2.1 The corporate network public opinion governance ability needs to be improved

In recent years, although most enterprises continue to promote and optimize information construction, build digital enterprises and integrate into the construction of smart cities. However, when dealing with the network public opinion of emergencies, there are inevitably problems such as poor public opinion monitoring, research and judgment, early warning, and guidance. The lack of joint efforts of the network public opinion guidance among various departments makes it difficult to achieve the desired effect of public opinion governance. L Company broke out two large-scale and influential public opinion crises in a short period of more than one year. Although it was finally effectively controlled, it could not be said that this was the great deficiency of the company's own ability to manage the network public opinion crisis.

2.2 The efficiency of official authoritative information disclosure needs to be more pragmatic and efficient

Ensuring the timeliness of public opinion response to public emergencies is particularly important in emergency management and control. After the outbreak of the two public opinion crises, L Company also failed to seize the opportunity. The official information released by the enterprise basically followed the practice of waiting for a release and one-way release, lacked the benign interaction with the public, and failed to provide a more convincing explanation at the first time. So that the public opinion and the public were deeply questioned, especially the commitment made by the relevant government departments on the crisis was not clear and could not be implemented, which further stimulated many guesses about the two public opinion crises and affected the social image of the enterprise.

2.3 Public opinion response voice channels should be continuously optimized and broadened

Limited by the lack of crisis awareness, insufficient capital investment, weak construction of professional talent team, and vague operation and management mechanism, many enterprises' new media operations present serious deficiencies in homogenized communication, and even actively give up the initiative of public opinion positions in order to seek stability. With the algorithm rules of social new media, it is also easy to make users fall into the information cocoon. After the public opinion crisis of L Company, although the branch company involved gave a brief explanation, it failed to grasp the voice of the public opinion crisis on many new media platforms of the company. The whole public opinion direction led to the criticism of the company's overtime and the debate on the welfare of L Company's employees, which made the company fall into a passive position.

3. Optimization of corporate public opinion crisis governance path

In recent years, with more and more public opinion crises faced by enterprises, many enterprises have experienced trust deficits, and their brand, social reputation and overall image have been greatly impacted. At this time, image restoration is an important part of the enterprise's recovery. In the process of image restoration, a variety of strategies can be adopted to complete. Although L Company has also been impacted to some extent, it still maintains stable operation on a benign track. L Company has learned a profound lesson in the crisis response. Based on this, the enterprise should make a profound reflection and continuously optimize the crisis response path.

3.1 Early-warning of public opinion crisis in advance

At present, enterprises should make full use of big data, blockchain and other tools, rely on the complex functions of big data collection, storage, value mining, etc., deeply explore the potential relevance of massive public opinion information, with the help of efficient and systematic data analysis, do a good job of crisis early warning mechanism construction, and improve the ability and level of public opinion crisis source governance. Although L Company has always attached great importance to the construction of crisis early warning system. However, these two public opinion crises also show that the construction of the crisis early warning system of L Company still has great deficiencies. Therefore, in the future development of enterprises, we must rely on our own advantages to strengthen the work of L Company in the construction of crisis early warning system and the training of early warning talents.

3.2 Promote multi-agent collaborative governance

In the governance of online public opinion crisis, we should establish online and offline two-level interaction, do a good job of emergency linkage with the government emergency department, and communicate and coordinate with the traditional and new media, so that we can use the forefront of public opinion positions to positively guide the public sentiment, and give full play to the professional advantages of the expert team, form a diversified governance model, and try to curb the spread of public opinion crisis as soon as possible, So as to resolve the public opinion crisis in multiple dimensions. Although the response of L Company in the two public opinion crises was relatively slow, it did basically follow the collaborative governance model of multiple subjects, and did not allow the two public opinion crises to spread rapidly, but finally got effective governance.

3.3 Rationally guide public opinion and strengthen public recognition

If we can take active guidance and communication in the public opinion crisis, seize the best time of public opinion governance, grasp the initiative of public opinion crisis governance, change the passive situation in the public opinion crisis. At the same time, we should also strengthen the publicity and education of public opinion crisis to the public, strengthen the identification and evaluation of public opinion, respond to the public's psychological demands for public opinion, and enhance the public's credibility and recognition of public opinion crisis management. In the two crises, L Company did not do a good job in guiding public opinion, so that one of the problems of network public opinion is the operation and management of L Company, the protection of employee rights, and even the entire corporate image and reputation.

Conclusion

In this risk society, the strength of corporate crisis governance ability can be quickly tested by public crisis. The image, social reputation and sense of social responsibility of enterprises may be impacted by sudden crisis at any time. The two large-scale public opinion crises that L Company has experienced in the past year or more are tests of its public opinion crisis governance ability. If the enterprise concerned can solve the crisis quickly and effectively, the image and reputation of the enterprise will be improved, and on the contrary, it will cause adverse effects and even be difficult to repair for a long time. Therefore, enterprises should do a good job of public opinion crisis early warning, promote multi-agent collaborative governance, strengthen technical support to do a good job of crisis early warning, reasonably guide public opinion, and strengthen public recognition, so as to better shape and maintain a good corporate image and social reputation.

References

- [1] Amita Joseph (2014). Corporate Social Responsibility and the Trust Deficit, *India International Centre Quarterly*, 41(1): 67-80.
- [2] Feng ZH, Lin RX, (2021). Analysis of Network Public Opinion and Enlightenment of Enterprise Crisis Management Take China Literature Limited Copyright Event as an Example, *Financial Engineering and Risk Management*. 4: 53-59.
 - [3] Sawalha IH. (2020). After the crisis: repairing a corporate image, Journal of Business Strategy. 41(6): 69-80.