



**CORPORATE COMMUNICATION INTERNATIONAL** at Baruch College/CUNY  
*A global center for information and knowledge on corporate communication*

# CONFERENCE ON CORPORATE COMMUNICATION 2013

June 4 – 7, 2013

Baruch College/CUNY, New York, NY USA

## PROCEEDINGS

OFFERED IN ASSOCIATION WITH ...

*Corporate Communications: An International Journal*





# PROCEEDINGS

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## Corporate Communication International CONFERENCE ON CORPORATE COMMUNICATION 2013

June 4 - 7, 2013

Baruch College/CUNY • New York, New York

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## An Introduction

### Uncertainty and Corporate Communication

Michael B. Goodman, Conference Chair  
Director, CCI – Corporate Communication International  
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(NOTE: This Introduction is based on my speech for The 10<sup>th</sup> Annual Turpin Lecture at Virginia Commonwealth University, School of Mass Communications, 2 April 2013.)

My co-author Peter Hirsch and I were asked, “You were writing *Corporate Communication: Strategic Adaptation for Global Practice* during the greatest reputational meltdown for corporations in our times. How did that affect your thinking?”

We responded that then, as now and always, scandals scream at all of us in headlines and mass media sound bites – from David Letterman’s infidelity to Tiger Woods to David Patraeus, to Toyota’s brake recall, to Goldman Sachs’ rogue employee, the BP oil spill, Greece, Spain, Italy, Portugal and now Cyprus, Apple’s supply chain issues with Foxconn, JP Morgan Chase’s “London Whale,” not quite the Enron of our decade, but maybe SAC Capital is.

The immediacy of the media underscores the need for organizations to:

- anticipate the unthinkable;
- while maintaining focus on what the corporation does and how it behaves;
- and develop internal and external bonds.

We analyzed three forces that have transformed the principles and practices of corporate communication:

**Globalization:** a quantitative shift in the globalization of the world economy that has created a qualitative change in how businesses need to communicate;

**The Web:** a transformation in the adoption, use, and consumption of information technology and media;

**The Networked Enterprise – The Corporate Business Model:** an evolution in the nature and purpose of the public corporation that is both influenced by and, at the same time, influences the other two forces at work.

And in our forthcoming book, *Corporate Communication: Critical Business Asset for the Challenge of Global Change*, we add a fourth as well:

**Uncertainty (Fear):** volatility in global financial and commercial markets; political turmoil in Western democracies and the developing world -- combine to make planning for the future filled with high levels of risk.

## **The Changing Role of the Global Corporation**

The world of business in the 21<sup>st</sup> century has generated nearly impossible demands on corporations. The role of the corporation has been transformed by the global business environment and by the effects of globalization itself. These enterprises are adapting to the forces of change at differing rates, creating a two or even three speed world of organizations defined more accurately by their behavior than by geographical region, political action and affiliation, or by nation state.

*In the first-speed world*, the behavior of business in advanced economies depends heavily on safe, reliable, and secure digital networks. This networked enterprise business model can leverage technology to produce goods and services more cheaply, more rapidly, and with higher quality as a result of a trust benefit. Such businesses – GE, IBM, Siemens, Toyota, J&J, Mercedes Benz -- take pride in their efficient and transparent business practices.

They also are able to act as good corporate citizens as a result of their corporate responsibility, they not only “do the right thing,” but they make money as well. They benefit from the equity of trust they have established among their constituents inside and outside the company. The result is a strong reputation that establishes a culture of risk awareness for the corporation as a buffer against the destructive forces of uncertainty.

*A second-speed world* can be described as newly advanced, or soon to be advanced, economies with business enterprises that look and act like the ones just described, but they happen to be located in surprising geographical locations that had until recently not been thought of or associated with such successful and global business models. Embraer in Brazil, Tata in India, Hairer in China, De Beers in South Africa of the so called BRICS come to mind, as do Turkey, Indonesia, Mexico, South Korea, and The Philippines, – part of the group of rapidly developing economies sometimes called “The Next 11.” These advancing economies and business enterprises have a shorter history than those in the advanced category.

*And the third-speed* is a world of business laggards. These are businesses that pay a “trust penalty” as a direct result of an environment of underdeveloped infrastructure, an under- or uneducated population, and gross economic disparities between the *haves* and the *have-nots* in their communities. Walmart’s Foreign Corrupt Practices Act (FCPA) troubles in Mexico come to mind. Corruption is rampant and a major contributor to high business costs and extraordinary uncertainty – mining, the oil and gas industry in Russia, and Nigeria. Often these businesses are in conflict zones. Or if there is not a high level of conflict, there is often political repression, a dictatorship, or even the tolerance or open encouragement of slave or forced labor, or of human trafficking.

## **The Purpose of the Corporation Revised for the 21<sup>st</sup> Century**

In this uncertain business environment, successful businesses have to function at all three speeds to meet the challenges created for them by rapidly changing business events. The purpose, then, of the 21<sup>st</sup> century corporation is to survive as a viable enterprise -- socially, financially, and environmentally.

Meeting and exceeding the demands of this triple bottom line is a core strategy for any sustainable business. And sustainability, tied to growth, is not easy in this complex and often volatile environment.

In addition to the forces of globalization, add the opportunities of a digital network that focuses on speed, performance, mobility, social networks, and enormous amounts of data. A report, “Big Data, Big Impact: New Possibilities for International Development,” presented at the 2012 World Economic Forum described the positive impact of analyzing

...the interactions of billions of people using computers, GPS devices, cell phones, and medical devices.

Researchers and policymakers are beginning to realize the potential for channeling these torrents of data into actionable information that can be used to identify needs, provide services, and predict and prevent crises for the benefit of low-income populations.

With so much information about the habits of individual people, some unintended consequences are inevitable. To put the possibilities of this situation in perspective, consider this anecdote by *The New York Times* reporter Dennis Overbye:

Not long ago, a woman in Tacoma, Wash., received a suggestion from Facebook that she “friend” another woman. She didn’t know the other woman, but she followed through, as many of us have, innocently laying our cookie-crumbs trails through cyberspace, only to get a surprise.

On the other woman’s profile page was a wedding picture — of her and the first woman’s husband, now exposed for all the cyberworld to see as a bigamist.

“Mystery of Big Data’s Parallel Universe Brings Fear, and a Thrill.” *The New York Times*, June 5, 2012, page D3.

The essence of the corporation has changed in response to a breathtaking acceleration in the speed of communication and an explosion in the number of new communication technologies. And add to these changes, the global networks within organizations which have fundamentally transformed the communication role in corporations.

Communication is more complex, strategic, and vital to the health of the organization than it was previously, and will only gain in its importance in the information driven economy. It is tied to the messages created for all audiences – internal and external, paying and non-paying.

So, corporate communication through its understanding and use of the four forces we have discussed, can lead the transformation necessary to remain viable in the short term, and to become sustainable for the foreseeable future.

## References

“Big Data, Big Impact: New Possibilities for International Development,” presented at the 2012 World Economic Forum, Davos.

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Goodman & Hirsch, *Corporate Communication: Strategic Adaptation for Global Practice*. NY: Peter Lang, 2010.

Overby, Dennis. .” Mystery of Big Data’s Parallel Universe Brings Fear, and a Thrill.” *The New York Times*, June 5, 2012, page D3

## Corporate Communication International’s Conference on Corporate Communication 2013

The annual Corporate Communication International’s Conference on Corporate Communication is a clear opportunity for corporate communicators to develop professionally and to bring value to their companies. It is also an opportunity for scholars to share their knowledge and research. It has been the premise of this conference that relationships among scholars and practitioners are an essential element of the social glue that binds civilized people together. And international meetings are important to build and maintain trust among professionals with common interests and goals, but who are disbursed around the world.

It is in this spirit that once again corporate executives and university scholars met at Baruch College/CUNY, New York, New York to exchange information and explore communication from a global perspective.

CCI’s Conference on Corporate Communication 2013 is intended to:

- Illuminate the interest in corporate communication as a strategic function in organizational success.
- Explore the influence of globalization on the corporate communication profession as it relates to theory, practice, roles, processes, and ethics.
- Continue as a forum for the exchange of ideas and information among industry and university representatives.
- Indicate trends and provide analysis for communication professionals, university faculty, and others interested in corporate communication.
- Disseminate the conference discussions through the publication of the conference Proceedings, and selected papers in *Corporate Communication: An International Journal*.

The three-day conference features speakers joined by attendees from: Australia, Austria, Belgium, Canada, China, Denmark, Finland, Germany, Ghana, Hong Kong, Italy, Indonesia, The Netherlands, New Zealand, Singapore, South Africa, Sweden, Switzerland, Tanzania, Thailand, Turkey, UAE, and USA.

The papers published here were selected based on a peer review process. They were edited for the Proceedings by Christina Genest, CCI Associate Director, with the editorial assistance of students and graduates of the MA in Corporate Communication, Department of Communication Studies,

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## Baby Boomers and Social Media

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*Researchers have devoted a great deal of attention to the Millennial Generation's use of social media. However, little empirical research has been devoted to the impact of social media on members of the Baby Boomer Generation.*

*The authors propose a study incorporating both qualitative and quantitative methods to gauge the views of members of the Baby Boomer Generation who work in the fields of public relations and advertising. The authors will attempt to ascertain how members of the target population manage the medium and use it to shape their professional image. Specifically, the authors will study the use of social media among the target population and how the target population perceives social media as both a tool for professional development and a mechanism for social monitoring.*

**Keywords:** *Social media; Facebook; Twitter; Baby-Boomers; Professional image; Private/public issues; Career management; Networking; Social monitoring.*

**Paper Type:** *Original research*

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## Beyond Culture

### Further Dimension of Difference in Corporate Communication Operating Environments in South East Asia

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*Corporate communication and public relations practice issues in Asia have attracted growing interest as the region undergoes explosive economic growth and development. A number of researchers have sought to reveal local perspectives and insights of various kinds. The focus of most research has tended to be on issues which relate to ethnicity, values and national outlooks – those items which outside observers would most readily label as “cultural”. But other dimensions of difference are worth consideration too. These include local language structures, ethical frameworks, political and media systems which have evolved in distinct ways, infrastructure and education issues, and a range of other local characteristics which may also shape individual and group behaviour. Some of these may be defined as part of culture; some not. But however they may be defined; they are aspects that have received only cursory attention, at best, in most academic and industry literature. The author shows how some of these less frequently discussed issues do matter to practitioners in the region: in particular, local linguistic factors, levels of development in infrastructure, communication habits, education issues, local media systems, and politics.*

**Keywords:** South East Asia, Corporate communication, Public relations, Culture, Values, Attitudes, Language, Education, Infrastructure, Development, Media system, Politics, Professional associations, Codes of conduct

Over the past two decades a steadily increasing amount of literature has been emerging about ‘international’ corporate communication and public relations practice, highlighting the extent to which environments, attitudes and practices may vary beyond the well-documented locations of North America and Western Europe.

A relatively small but committed group of academics including James Grunig (1995), Dejan Vercic (2000) and Krishnamurthy Sriramesh (2004) has sought to raise awareness of the need to test all assumptions about the ways in which public relations and corporate communication practice typically operates, in relation to the commonly accepted models and theories developed over recent decades in western nations.

Industry publications and conferences have tended to focus, for the most part, on only one aspect of these ‘dimensions of difference’ to be found between different locations: the dimension of culture. There is good reason for this, of course. Culture is a conspicuous and significant variable. Following the general direction established by writers like Sriramesh, Grunig and Vercic, this author’s own research in South East Asia over recent years has tended to confirm that cultural difference warrants closer attention than it typically receives in most mainstream PR and corporate communication literature.

Practitioners in South East Asian locations appear to endorse this perspective. For example, when asked by this researcher for their views as to whether culture, and cultural difference, can be important considerations when developing PR and other communication programs in the countries they work in, all respondents in an online survey of communication practitioners across six countries of South East Asia – without exception - answered in the affirmative (Domm, 2013). Similarly, when asked whether practices and case studies made available to them from America and Europe were valid to use in decision-making in their own locations, more than three quarters (76.7 per cent) were willing to venture only so far as to say “sometimes” (Domm, 2013), with many expressing distinct reservations about their applicability.

Both in the online survey and in subsequent in-depth semi-structured interviews amongst a smaller sample of practitioners in the same countries, a clear impression emerged: Cultural difference is viewed as important by most practitioners, and is seen to affect their working world in significant ways.

In 2011 and 2012, presentations were made by this author to the annual conference of Corporate Communication International, Baruch College, City University of New York, primarily focused on these conspicuous cultural variables and how these might affect the work of practitioners in South East Asian nations. In 2013, in this third and final paper, the focus is shifted toward certain other aspects of difference and commonality which run the risk of being overlooked amidst the (entirely understandable) focus on the more obvious cultural attitudes and values. These other points of comparison are, arguably, no less important for the success of practitioners pursuing communication objectives amongst target publics in “non-western” countries.

### **A Note on ‘Culture’**

Before proceeding, it is worth noting that there may be a degree of semantic hair-splitting around what is defined as ‘cultural’ or ‘non-cultural’. Sriramesh himself remarks on the lack of any universally accepted definition of culture, observing that in the field of anthropology there are, according to Kroeber and Kluckhohn (1952), over 164 definitions and 300 variations of these. He cites the first comprehensive definition of the concept as coming from E. B. Tyler (1871) who referred to culture as “that complex whole which includes knowledge, belief, art, morals, custom, and any other capabilities and habits acquired by man as a member of society” (Sriramesh, 2004, p 12). In a 21st century context, we might further observe that culture is likely to be seen as no longer wholly dependent on ethnicity and biological heredity. Management theorist Geert Hofstede (2001), with his ‘human resources’ background, prefers to side-step the complex questions of cause and effect which go into the shaping of culture and to focus primarily on the *manifestations* of culture and cultural difference in large organisational settings, especially multinational organisations. In this context, Hofstede (with the implicit approval of Sriramesh) describes culture simply as a “mental program” (Sriramesh, 2004, p 12).

It can certainly be hard to isolate culture from all the environmental variables which, arguably, may play a role in shaping it. To take just one example, geography is one factor which may appear distinct from culture in many respects. Whether or not a country is flat or covered in mountain ranges does not *necessarily* reveal much about its culture. Similarly, whether it is located in a tropical zone or in colder climes does not *necessarily* reveal much about the attitudes and values of its people. And yet, of course, it does not take much reflection to see some of the

ways in which the geographical placement of a country *might* have some bearing on the way in which its culture evolves, in view of the implications geography can have for lifestyle (warm and relaxed versus cold and protective), social organisation (often greater collectivity in warmer locations where people gather more freely and routinely), and the posture toward outsiders (perhaps determined by having friendly or unfriendly neighbours) Clearly, it can be seen that while geography does not necessarily, in itself, reveal everything about what characteristics a culture will have, it can indeed help shape some significant aspects of a culture.

And so it may be with four other key dimensions of difference which have been previously identified by Vercic, Grunig and Grunig (1996) as potentially important variables in the public relations environments of different countries: *political ideology*, *economic system* (including its level of development), *levels of community activism*, and *prevailing media system*. Political ideology might be viewed simply as a fact in its own right, or alternatively, partly as a consequence of culture. Economic systems might similarly be viewed to some extent as an outgrowth of value systems, which in turn make them a part of culture too. In a similar vein, levels of community activism may be substantially determined by what the members of a community, individually or collectively, view to be acceptable behaviour to promote change (assuming that any change at all is socially acceptable). And media systems can be seen to exist, at least partly, as an outgrowth of social and legal values and the way these translate into ownership and control patterns.

In short, it would not be difficult to become bogged down in circular arguments about what factors are really ‘cultural’ and what factors, if any, can be viewed as largely or entirely distinct from culture. This paper does not seek to resolve such semantic debate. Rather, it takes the more pragmatic approach of simply focusing on some particular local characteristics, identified by research respondents themselves, which (whether or not they are considered ‘cultural’, at least in part) are not often discussed as part of general debate about culture and cultural difference and how they might affect the work of practitioners across the globe.

As revealed by the respondents to the research project conducted by this writer, some noteworthy dimensions to consider in this respect include:

- the structure of local languages
- ethical frameworks
- political and media systems which have evolved in distinctive ways
- varying infrastructure standards
- varying education levels and attitudes to education.

These will all be discussed in this paper. Before doing so, it will be useful first to briefly review some of the key research previously undertaken in the field of international and cross-cultural public relations.

### **Earlier Research**

The field of ‘international’ public relations and corporate communication has been trodden by a relatively small number of researchers to date. Most prominent amongst them have been the recognised doyen of public relations theory, James Grunig, who in the mid 1990s and beyond has worked with colleagues in a number of countries (see, for example, Vercic, Grunig and

Grunig,1996) to begin sketching the outlines of “environmental variables” which affect the practice of PR and corporate communication in different geographic locations. Others have included Dejan Vercic, who from Slovenia has focused primarily on factors important in central and Eastern Europe (see, for example, Sriramesh and Vercic, 2001); and Krishnamurthy Sriramesh, who alone and with others has investigated variables relevant to Asian countries, beginning with India (see, for example, Sriramesh, 2004).

A lengthy list of researchers has produced one-off articles and papers about public relations and corporate communication practice in specific “non-western” locations in Asia and elsewhere, dating back to the 1970s (see, for example, Idid [1978], Arun [1986], Nordin [1986],Lowe [1986] and Tan [2001]). Most, however, take a broadly descriptive rather than a deeply analytical or critical look at their local scene, generally with little evident attempt to explore the extent to which local attitudes or practices may fundamentally diverge from the western model of practice on a long-term basis. The implicit assumption tends to be that the local profession is evolving toward the western model and that the model is as yet only partially implemented.

A small number of papers have delved more fundamentally into questions of values, attitudes and other more deeply embedded dimensions of difference, though not necessarily of an ethno-cultural nature. For example, Elizabeth Toth in 1992 (Toth, 1992) sought to begin broadening public relations inquiry to embrace rhetorical, critical and system perspectives (Toth, 1992). Toth also undertook an analysis of gender issues in the profession, working with Larissa Grunig (Toth and Grunig, 1993). Another important contribution to broadening perspectives in the 1990s came from James Van Leuvan (1996), who attempted the first region-wide review of public relations across South East Asia, emphasising, amongst other things, the distinctive contribution made by PR activities to government-led efforts to forge strong national identities in the turbulent post-colonial period.

A significant observation made by Sriramesh, as recently as 2004, is that despite the careful mapping out of environmental variables that he and others had undertaken, there was still little empirical evidence at hand on the linkage between these environmental variables and actual public relations practice in most parts of the world. These links, he said, could only be made “conceptually” or based on limited available anecdotal evidence (Sriramesh, 2004; p 3).

Nevertheless, the five identified environmental variables of Vercic, Grunig and Grunig, as endorsed by Sriramesh, at least provide some tangible dimensions upon which to base further consideration of similarities and differences in professional practice in different locations, and they remain noteworthy to this day: political ideology, economic system (including its level of development), level of activism, culture, and media system.

Two of the small number of papers from outside Europe and Asia which have sought to confront ways in which western approaches to PR may be open to challenge in other contexts are one from South Africa which questions the appropriateness and relevance of the “symmetrical and asymmetrical” public relations models propounded by Grunig in an African context (Holtzhausen, Peterson and Tindall, 2003), and another which argues, from a New Zealand perspective (Motion and Leitch, 2001), that the single-minded drive to develop a comprehensive, all-encompassing body of theory of public relations has tended to render invisible any

(inconvenient?) differences in public relations practice based on culture, regional location and other variables.

Since their first pass at the topic (Toth and Grunig, 1993), there has been a further attempt to analyse gender relationships in the profession, in a way that implicitly looks beyond American mainstream culture (see Aldoory and Toth, 2002). Most recently of all, Holger Sievert and Stefan Porter (2009) have added a useful further concept with their advocacy of a “global dashboard” to help in navigation of diverse international public relations practice, as has Michelle Schoenenberger-Orgad (2009), with her description of the 21st century public relations professional as a potential “cultural mediator”.

Aspects of all of the above are explored in the full research study by the current author, although this paper, here, focuses purely on a small number of environmental variables (of a not-necessarily-cultural kind) that were frequently highlighted by respondents themselves.

### **A Practitioner’s Eye View: Some Neglected ‘Dimensions of Difference’**

In the spirit of helping to construct a better ‘global dashboard’, and enable surer navigation by ‘cultural mediators’ in the communications profession, this writer’s research amongst South East Asian communication practitioners has highlighted a number of issues which may be worthy of greater attention than they have received to date.

It may be going too far to suggest that any of these are only just being ‘discovered’, but it can reasonably be suggested that the level of explicit recognition and discussion they have attracted in public relations and corporate communication circles remains quite limited to date. On that basis, they are worthy of greater exposure.

#### *Language issues*

One of the more challenging outcomes of this writer’s research is the conclusion which can be drawn from some of the regional interviews that knowledge not just of culture but of *the detailed mechanics of local language* can be important in determining whether or not effective communication results are achieved. For example, the observation made by one interviewee in Jakarta that the national language of Indonesia, Bahasa Indonesia, is built much more strongly on oral tradition than literary tradition, suggests strongly that simple translation of corporate communication documents from English into Indonesian may produce disappointing results amongst targeted readers, if no other adjustments are made to mode of delivery or other tactics. Bahasa Indonesia was said to be well suited to informal discussion but not nearly as well suited to detailed documentation of the kind commonly to be found in PR background papers, position papers and the like.

Going further, the sheer diversity of languages spoken within individual countries of South East Asia – and the distinctive qualities of each – appears to have received scant attention. Again taking Indonesia as an example, hundreds of languages are spoken across the diverse archipelago, with the largest of these being Javanese, spoken by around 100 million people (Robson, 2004). It cannot be assumed that all of these people are equally fluent in the national language, Bahasa

Indonesia. Education and literacy levels in the national language vary widely even on the major island of Java, let alone more widely across the archipelago.

So it is worth reflecting just for a moment on the implications of this kind of statistic for effective communication campaigns of many kinds: 100 million people in one part of one country alone, many of whom have their major fluency in a language that is neither the official national language of the country nor English. This means tens of millions of people who risk being inadvertently by-passed in many communication programs. While this may seem a novel dilemma for western practitioners, Indonesian practitioners routinely need to consider such challenges, as do practitioners in some other parts of the region.

Considerations around both language and literacy levels are by no means confined to Indonesia. Research respondents indicate many parallels in other nations of the region, with variations according to their own circumstances.

In some countries, the challenge is less acute. For example, the Philippines, for all of its recognised challenges with poverty and diversity akin to Indonesia in some respects, enjoys very high levels of literacy in its national language, Pilipino (Tagalog), as well as a majority of the population comfortable with English as a second or third language. Vietnam, in contrast, is a country in which English is not yet widely spoken nationwide (though enthusiastically embraced by young and upwardly mobile urbanites) but which can boast more than 90 per cent literacy in the national language – no small achievement for a developing nation with such a traumatic history over the past century. On the downside, the national language of Vietnam is spoken nowhere else in the region.

One successful practitioner in Vietnam, in his interview with this researcher, particularly reflected on the distinctiveness of that country's national language, which was, he asserted, "hard wired" with a respect for authority built into its very structure. This had to be borne in mind when conducting local PR activities, and particularly when translating materials to and from local audiences so that not just literal meanings but matters of tone and respect were also properly addressed. For example, he remarked, when speaking to a person in Vietnamese each statement must be preceded by acknowledgement of the relationship between the speaker and the person being addressed – for example, "em" when speaking to a younger person, "anh" when speaking to a comparable or older man, "ba" for an older woman, "ong" for a very senior man, and so on. As this practitioner observed: "The pronouns shape everything."

Distinctive language and translation challenges exist elsewhere too. It has been said that the Thai language, for example, also does not lend itself readily to fast, interactive online communication (Asia Media Forum, 2010), creating considerable challenges at times in reconciling the national language with global communication patterns and communication technologies of the 21st century. The result at times appears to be the creation of distinctive new forms of hybrid language that are neither one thing nor another (perhaps better understood by 'geeks' of all nations than by university professors?).

At a more mundane level, judging the extent of any requirements for local translation was reported to be an issue for many practitioners. As one Singapore practitioner explained, local translation of international materials was important in Indonesia because English is not as widely

spoken as elsewhere in the region, but much less important in Singapore where English is almost universally spoken. But judgment calls were required on some occasions. For example, one practitioner explained that if one was targeting communities such as the Tamil media or Malay media in Singapore – important communities for many campaigns - it was necessary to translate all material intended for publication or broadcast, but accompanying emails could be written to journalists in English. Telephone conversations could also be in English. In Thailand, the picture was reported to be somewhat more mixed: yet the further one went from the big cities, the more important it became to translate everything.

Overall, the picture that emerges in regard to language use and translation across the region is that it is a matter which needs to be approached deliberately and with careful forethought by practitioners – not simply taking account of what language *can* be understood locally, but also what will be considered the most respectful and appropriate use of language and most effective mode of delivery in each element of the exchange.

### **Education**

Two prominent issues emerged in regard to education, in this writer's research. One relates to education in general, and how the work of communication practitioners can sometimes be complicated by the huge diversity in education levels within nations and across the region as a whole. The second relates to education of the profession itself, and the fact that many practitioners in the region apparently struggle to see the relevance of formal communication and PR education to success, performance and advancement in their own careers.

To take the first of these issues, respondents across the region – and most especially those in Thailand and Indonesia – commented upon the challenge to practitioners seeking to develop programs that would reach communities with widely varying education levels, and consequently different lifestyles and media habits. Particular mention was made of the urban-rural divide in Thailand, with development and education levels seen to be becoming increasingly uneven. In the words of one Thai practitioner: "Thailand still has a technology divide. Remote provinces are very different to the city areas. You have to target audiences carefully – if your target is in a remote area you can't use the same channels." In Indonesia, comment was made not just on the urban-rural divide but a massive divide to be found even within the national capital. As one Jakarta practitioner observed: "Jakarta is a city of 14 million people – less than 10 per cent are university graduates." Clearly, such issues may have little relevance to a marketing communication program for luxury goods, but for a public health campaign, or a campaign seeking to target emerging new groups of aspirational consumers perhaps enjoying their family's first-ever generation able to enjoy discretionary spending, the question of how to factor in these education and literacy variations is an important one both at a strategic and a tactical level.

When it comes down to the much more particular matter of education for PR and corporate communication practitioners, the research suggests there are troubling issues of other kinds to consider. Amongst respondents in this project, a general picture emerged of practitioners feeling, at best, only mildly supportive of university and college PR and communication programs for the contribution they are seen to make to preparing people for careers in their profession.

A number of practitioners observed what was commonly described as a “huge gap” between PR practice in their working world and what they saw in the world of PR theory. Some suggested curriculum had not kept up enough with the fast-changing realities on the ground in their own countries. For example, one senior practitioner in Malaysia complained there was a typically poor level of strategic thinking in much of Malaysian practice: “There is so much emphasis on events here. A monkey with a checklist can run an event – but it’s a strategic thinker who has to do the checklist.” The same practitioner described local academic studies and subsequent professional practice as “too tactical”, and cited this as one of the reasons she had recently opted to undertake Masters studies in the United Kingdom rather than at home in Malaysia. In her view, Malaysian PR studies needed to develop more focus on leading management theories – such as Peter Drucker (2001) and others – and a stronger emphasis on identifying “what you want to *achieve*”.

Across the ASEAN region, views tended to range from dismissive - seeing formal PR and communication studies as “not relevant” - through to being somewhat more positive in regard to the role communication studies had played in practitioners’ own success. Yet overall, a much greater degree of credit was given to the value of what was to be learned in the workforce, both inside and outside the profession, even amongst those who had enjoyed some formal PR or communication education or in allied fields like journalism or marketing. Amongst those both with and without formal communication foundations, direct ‘experiential’ learning after graduation was seen to trump any academic exposure.

One Western-educated Vietnamese practitioner took issue with leading PR theorist James Grunig’s advocacy of an ideal model of “symmetrical two-way communication” between organisations and their publics: “I think two-way communication works well when both sides have good access to information. But if one side does not have adequate background or resources you can’t have effective dialogue.” In a situation like Vietnam’s, where many people remained underprivileged and had limited access to information, practitioners had no choice other than to “guide” people toward desired outcomes, she argued. With Vietnam only having begun re-opening to the world since 1986, and most of the population still accustomed to propaganda telling them what to think, it was not yet an environment conducive to dialogue-driven public relations. In this local practitioner’s view, it was difficult to reconcile a Grunig-style model with the harsh realities of professional practice needs in Vietnam.

Significantly, when making hiring decisions, the impression from interviewees was that little weight was attached to the question of whether or not an applicant held any formal qualification in public relations or communication studies. This may be in part a reflection of the fact that corporate communication and public relations remain less well developed as academic disciplines in the countries of South East Asia. But one must also consider the possibility that the theory and the practice being taught in the academy are also further removed from the observed realities of professional practice in South East Asia than they are in North America and Western Europe. If the latter proves to be true, the question of how to close this gap becomes a very important one for the future perceived relevance and survival of these academic disciplines in the region.

#### *Differences in infrastructure and development*

One point which emerged strongly in the research is the amount of consideration South East Asian practitioners must often give to differences in infrastructure levels, and especially access to

computer and internet services and mobile telephone networks. Beyond the question of sheer accessibility, the matter of local communication *habits* loomed large as well – an aspect which goes beyond what people *can* access to consider also what they *want* to access, and how this may differ from the west on occasion.

Asked about the relevance of considerations relating to access and local preferences in their own countries, nearly 70 per cent of practitioners rated them as being often important, and a major factor in their decision-making about campaigns and programs. Just over 30 per cent rated them as sometimes important. Not a single South East Asian practitioner rated these matters as being never important.

In the interviews, reasons were more fully elucidated. One Indonesian practitioner emphasised what he said were distinctive characteristics of the Indonesian technology scene. While only 14 per cent of the total population (of around 250 million) had internet access, 67 per cent had access to mobile phones – and with the rapid growth of smartphones amongst these, this meant the major growth in internet usage was coming primarily from people using hand-held devices rather than computers sitting on desks. The short message SMS format was said to be especially appealing in the Indonesian context, partly because of social custom but also because of the structure of the national language, Bahasa Indonesia, which tends to structure statements quite naturally into concise chunks. Aspects of Indonesian lifestyle were said to favour the popularity of social media interaction as well. In the words of one Jakarta practitioner: “There’s something about Indonesian culture. People like to gather, have coffee and gossip. This is very conducive to much of the social media experience too.” He noted that one of the more interesting characteristics of the Indonesian scene in recent years had been the exceptional popularity of the Blackberry smartphone. One key reason, he felt, was that its “group discussion” allowed for conversation between several people at once – a particularly appealing feature for economic reasons, keeping down the cost of staying in touch with friends and family – as well as for the “virtual gathering” that it made possible amongst groups of friends. “People will ask ‘What is your (Blackberry) PIN number?’ It’s often more important than your phone number.”

Other interviewees gave their own distinctive examples about communication practices and customs and how these linked to technology access in each of the six countries surveyed. Comments highlighted not just country-by-country differences in favoured forms of interaction, but also differences at the provincial level on occasion. Overall, the research suggests that in developing communication programs for any South East Asian country, it may be unwise to make sweeping assumptions about what is “right for Thailand”, on a nation-wide basis, or “right for the Philippines”, and so on. What’s good for New York may indeed be fine for Denver and San Diego too (because of similar infrastructure and habits across the USA) - but this research suggests that what’s good for Bangkok may not be nearly as good for Chiang Rai or Songkhla. And a clever online campaign which hits the mark in Ho Chi Minh City or Hanoi may prove to be invisible in Haiphong and Can Tho. And so on. The reasons for this may be multifaceted: partly about incomes, partly about unevenness in infrastructure quality, partly about issues of local dialect, accents or local lifestyles, and sometimes partly about other distinctive one-off factors (for example, the apparent Indonesian urban love affair with the Blackberry, which can make it a more powerful campaign response tool in that location). Issues of this nature may be less significant when campaigns seek only to target the ‘low hanging fruit’ of major capital cities, but

their significance is likely to rise considerably as the imperative grows to reach a greater proportion of total populations beyond the biggest cities.

More broadly, interviewees confirmed that a growing taste for rapid two-way dialogue is as apparent in South East Asia as it is elsewhere in the world, notwithstanding any issues of uneven access, with many populations rapidly leap-frogging over the stages of technological development experienced over a much longer period in western countries. Across the region, hundreds of millions of people, in many cases with limited formal education and no previous ownership of a land-based telephone or desktop computer, are becoming armed with internet-enabled smartphones, accessing and able to respond to multiple sources of information in ways not previously experienced. It seems that the implications of this for communication practitioners in the region are only just beginning to be grasped.

### *Media systems*

Asked about their local media environments, most practitioners had comments to make which pointed to distinctive features of their local media scenes. These often related to ownership patterns, and in particular the multiple commercial interests of media owners. Another frequently commented upon characteristic was the closeness of major media owners to governments (most notably Malaysia, though not exclusively), and even full ownership and control of major parts of the media by government interests (most notably Vietnam and Singapore). More vigorous and freely critical media were reported in Thailand and the Philippines, though not without areas of sensitivity which practitioners needed to bear in mind when mounting campaigns involving media and having public sector implications.

In Manila, one successful agency proprietor agreed that the conduct of PR campaigns often needed to take careful account of the nature of each national media system: “In a country like Singapore one’s options for PR campaigns are probably limited because of their censorship or control the government has over the media. Here it’s easier to have access to the media and get coverage for ideas.” But he described ethics as a continuing stumbling block in Filipino media relations, particularly in political PR and most especially with the practice of so-called “envelopmental journalism” (bribes to journalists) still prevailing in some quarters. He further nominated “show business” as a media sector in which envelopmental journalism remained rife.

Some practitioners’ concerns about their media environments were more mundane, even ironic. One in Singapore remarked: “Sadly, it’s come to the point where the media in Asia tend to cater to what’s popular at the moment, rather than what they think people should be reading about. It’s too populist.” In a rare example of a PR practitioner bemoaning the perils of media showing *too much* interest in a media release, she talked of her involvement in the announcement of personal banking via the Apple iPhone, which resulted in local journalists coming back to her “again and again”, repeatedly writing about different aspects of the same story, far beyond the innate merits of the story: “It gets tedious.”

A Bangkok practitioner endorsed the view that media environments in individual Asian countries needed to be considered with care. He contended that “relationships (with journalists) are quite different in Thailand.” Both sides became close and were forthcoming with each other about their needs – more so than in many other countries. This was sometimes helpful but had its

pitfalls too, as the working relationship could also become “too personal”. The same Thai practitioner noted that government in Thailand had come to exercise somewhat less control over local media than in times gone by, though it still fluctuated. “In the last few years some political problems have strained things.”

A practitioner in Vietnam noted the paradox that while Vietnamese tended to have little trust in government and authority, they maintained a level of trust in their media – despite the fact that it was heavily government controlled. They held particularly high esteem for print media. In this respect, members of the public appeared to make some distinction between “real journalists” and “online journalists”, with the real journalists seen to be those ones who appeared in print. While there was growing interest in blogs in some quarters, trust in the output of bloggers was yet to be strong in Vietnam, he said.

One Bangkok-based practitioner took issue with the suggestion that media environments in Asian countries including Vietnam and Thailand were any more “sensitive” than their western counterparts: “If you say something wrong to a western journalist they can be *extremely* sensitive.” There were, he argued, only a small number of “no go” areas remaining in both countries now. For example, in Vietnam, it was not permissible to speculate about democracy and changes to the system of governance. In Thailand it was not permissible to make statements criticising the monarchy. But outside of that, in the commercial world, there were now very few “no go” areas remaining. Almost anything could receive coverage, he argued, “as long as it’s interesting”.

Another observation from Vietnam, perhaps significant, was that while mainstream news and current affairs outlets remain mainly under state control and with little prospect to include content that might cause discomfort to government and its associated business interests, there had been strong recent growth in entertainment, show business and lifestyle publications, and these were seeing a growing amount of PR professional influence seeping into them – sometimes including subtle discussion of contentious social and political issues as well. (A form of ‘backdoor democracy,’ it might be said.)

One Malaysian practitioner felt it was particularly important to recognise the prevalence of ethnic division within local media in some countries, including Malaysia: “It helps to consider how to position your client. (For example) you may not get much traction profiling a Chinese business client in Malay media.” This segmentation of media interest along purely ethnic lines at times went as far as to lead to differences in what was being reported to different groups, he said.

From the above examples, it can be seen that interviewees exhibited a wide variety of perspectives on what constituted, for them, the most noteworthy characteristics of their local media environments. Broadly, a majority tended to focus on aspects of greater or lesser journalistic freedom, on ownership issues, on the extent of government ownership and direct or indirect control, on the significance of ethnic segmentation within their countries, and on the shifting relationships between traditional mainstream media and rapidly evolving social online media channels. While all countries exhibited some overlapping themes and issues, it remains noteworthy that each nation appears to have distinct features of its own as well, which can have some bearing on how best to approach particular kinds of campaigns and programs. (This is discussed in more detail in the full research report.)

### *Politics*

Politics featured strongly in the accounts of local practitioners, confirming earlier contentions by researchers including Vercic, Grunig and Grunig (1996), Sriramesh (2004) and others which have suggested that the broad assumption that PR practice typically operates within a free contest of ideas, in a “marketplace of opinions”, may have severe limitations within countries with political characteristics which diverge from the western-liberal model, no matter whether they proclaim themselves to be socialist, pro-business, democratic or of any other hue.

A particularly striking outcome of the online survey component of this research is that more than 62 per cent said political sensitivities were sometimes a major consideration in making decisions about what work they would do, with 17 per cent saying it was a frequent consideration. ‘Fear of offending authorities’ was the most frequently expressed reason for such concern (54.2 per cent).

In their interviews, some practitioners were particularly strident about the difficulties created by pervasive government control and vested interests in government. As one in Jakarta remarked: “We don’t do political stuff, because we don’t think the politicians are ready for it. We don’t touch it. I’m interested in politics, but I don’t think the environment here is ready for real PR in that area.” Rather than having open competition and debate between different interest groups, this local practitioner contended that the Indonesian scene was still characterised by “elite politics, and pork barrel politics between the elites”, with elections held regularly to legitimise the deals made between groups. “There is no grass roots power as such, and until you get to that stage a lot of PR (which assumes open competition for popular opinion) will not be meaningful.” Another practitioner, in Ho Chi Minh City, sounded similarly bleak: “A lot of time we *have* to get involved – for example when there is sponsorship of events from government. It’s not pleasant dealing with government officers. They’re usually looking for something, either power or monetary reward. I just try to minimise all government involvements.” Not all interviewees were as harsh as this – and some interviewees had more to say about the perils of internal *organizational politics* than politics at a national or provincial level – but nevertheless a clear enough picture emerged of a community of practitioners across the region feeling the need to tread warily in their professional work, mindful of the extreme unevenness of the “contest of ideas” in their countries, whether due to the power of government or the power of those who pull the strings of government. One interviewee in Manila gave the most chilling comment of all, explaining why he had decided not to undertake work with any obviously political implications: “I know of a number of political PR operatives who have been very effective – but one day have just disappeared.”

The steady rise of online social media, with its ability to cut through censorship and reveal corruption, attracted comment from interviewees across the region, mainly of a positive nature.

Without entering into debate about the rights and wrongs of any of the phenomena observed by respondents in regard to the political environments in which they operate in South East Asia, it does seem clear that current ‘international’ public relations theory (while sometimes making passing reference to such factors) is yet to fully accommodate the depth of these realities and their impact on countries like these. In turn, questions arise about the adequacy and relevance of what is being taught in the academy to aspiring graduates of public relations and other communication disciplines within the region – and what is being taught *about* the region to practitioners and their

clients and employers from outside who are seeking to become better informed about what they are entering. One might suggest there is still a substantial awareness gap remaining to be closed.

## Conclusions

Space does not allow a full outline of all other influences “beyond culture” that may also be worthy of discussion amongst those interested in professional practice in the region. In passing, however, it can be noted that some of the further issues noted by interviewees include:

- Differences in conceptions of ethical and appropriate behaviour, with a level of nuance which suggests that simple divisions into “honest” or “corrupt” behaviour may be more elusive than many in the west may assume. Complex and competing levels of moral obligation, duty and necessity appear to be at play in the minds of some practitioners, and for reasons not necessarily rooted in culture alone;
- Differences between the personal values of practitioners and those of their employers or target publics – at times creating a level of dissonance between practitioner, employer and public which can make performing professional duties problematic;
- Scepticism about professional associations (and their codes of conduct) as experienced in Asian contexts. For example, in the words of one Malaysian practitioner: “I haven’t seen the associations as having value yet. I don’t see the value in helping me to network in Malaysia. It just seems like a lot of people sitting around massaging their egos.” And in a similarly bleak Indonesian view: “Basically there are quite a few organisations, but I don’t find them useful generally. They’re mostly occupied by people of the older generation who are interested in junkets and furthering their own status rather than advancing the profession.”
- Indications that gender issues are worthy of much closer consideration than they have been given in the region – and not just along the simple lines that many liberal western-educated observers might assume in regard to ‘enlightened’ versus ‘oppressive’ thinking. A level of subtle diversity and nation-by-nation nuance is indicated across the region, with implications for communication practitioners and their careers.

All in all, the research project offers confirmation that understandings of local and regional culture can be important to the success of professional communication practice in the region, as might be expected. Most interviewees felt able to offer colourful anecdotes to demonstrate aspects of this from their own direct experience. But beyond this, the research has also shed useful further light on some *other* important “dimensions of difference” which could benefit from receiving greater exposure.

In one of the most rapidly developing parts of the world – one which is becoming increasingly more influential on the world stage - broader acknowledgement of such issues and their potential impacts upon professional communication practice is becoming more urgent. In this writer’s view, the cross-border complexities of professional communication practice need to be better

reflected in general PR and corporate communications literature than they have been to date, especially if professional bodies and those in the academy wish to continue building a positive presence and demonstrating their clear relevance in emerging regions.

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## **Blogging for Legitimacy**

### **The Discursive Construction of the American Beverage Industry in the Face of a Delegitimation Threat**

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*Drawing on the notions of discursive construction of organizations and textual agency as well as the concepts of legitimacy and metaorganization, this paper explores how a collective entity communicatively (re)constructs both itself and its environment in the face of delegitimation and denormalization threats.*

*The American beverage industry boasts some of the world's most valued brands; however it also faces a health-related issue, if not a crisis, manifest through, for example, soda bans, debates on soda tax, research on obesity, and youth health campaigns. Using the American Beverage Association's blog posts, which allow a more conversational style than traditional press releases, this study focuses on how an industry attempts to (re)construct itself as a legitimate actor and to influence reality through meaning creation. Emphasis is placed on the discursive and rhetorical institutional strategies of the industry and the discourses it draws upon in the contest over social reality.*

**Keywords:** *Legitimacy, Discursive strategies, Metaorganizations, American beverage industry*

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## **Brand Voice in Social Media**

### **A Strategic Guideline to Develop And Maintain a Consistent Brand Voice in Social Media**

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*In social networks, companies are often missing a strategic approach and a consistent brand voice throughout all their online and offline consumer touch points. There are no existing guidelines on how to develop and maintain a brand voice. Companies often don't determine their purpose in a specific channel, miss integrating social media into their overall communications strategy, and t don't link it to their business goals.*

*Companies' actions should be led by their brand voice; the framework that determines how they communicate visually, verbally, and behaviorally. In this study, six in-depth expert interviews and secondary research on the latest studies were conducted.*

*The developed guideline includes questions on the main communications concepts to consider to ensure an integrated approach. The guideline and brand voice will serve as a framework to take actions, develop strong messages and build consistent relationships. This strategic approach will lead companies to a better performance in social media and the overall business.*

#### **Introduction**

Successful companies in social media have a strategy that is linked with their business goals and a brand voice that is derived from existing brand and communications concepts. However, many companies have a non-strategic approach to social media and are missing a consistent brand voice. This paper describes the concepts that build a brand voice, the challenges of the social media channel and guidelines, and tools and training on how to maintain a consistent brand voice.

#### *Executive summary*

This paper provides a strategic guideline on how to develop and maintain a consistent brand voice in social media, the framework that determines how a company communicates visually, verbally and behaviorally. Companies are often missing a brand voice guideline or this guideline does not include the most important brand concepts, even though a consistent brand voice is crucial for success.

In my primary research, six social media professionals provided practical insights in qualitative interviews answering the research question "How to develop and maintain a consistent brand voice in social media?" Secondary research was conducted through the study of the latest books, studies and articles, to provide explanations of the theoretical concepts that stand behind the interview statements and to present the latest findings.

Research has found that the brand voice is derived from the core concepts of brand identity, brand image, corporate culture and character as well as brand personality. This paper determines and defines the overlapping concepts, capabilities of social media platforms, and steps of a social media strategy. In this thesis, the first guideline has been developed that includes questions on these concepts, the strategy, and on how to maintain a consistent brand voice in social media.

Experts state that developing a persona of a brand helps them to develop a consistent brand voice and brand experience, which is important to build trust and brand loyalty. The most famous model to create a persona is Aaker's brand personality concept, which introduces sincerity, excitement, competence, sophistication and ruggedness as the overall personality dimensions. Once the persona and voice is determined, a company can communicate with customers, impact their perception, and build relationships. The consumers' self-concept should be considered and a desirable image performed. The brand voice should not be different in the online and offline 'world' and it has to be defined more specifically for social media due to its channel specific direct interactions with people in real-time.

Further findings have shown that people use online social networking platforms such as Facebook and Twitter differently, so that companies not only have to meet the identity and the demands of the customers, but also the criteria of the different platforms.

This paper recommends answering the questions that have been summarized and presented in a guideline in order to develop a brand voice in social media. This guideline includes questions on the introduced communication concepts, and will help to ensure a strategic and integrated approach derived from existing concepts. Companies will be able to develop and maintain a brand voice and perform more consistently and successfully.

When developing a social media strategy, companies should listen first, determine the target groups and their needs, create a plan and core idea, and finally measure and optimize the strategy and the perceived voice. The positioning promises should be fulfilled and delivered by the behavior, and a consistent brand experience should be performed on all touch points. Companies should have nothing to hide and should communicate transparently. Tools, guidelines and training should help companies to maintain a consistent brand voice.

A practice example illustrates how the questions in the developed guideline could be answered for Red Bull. A consistent brand voice will influence people to trust the brand, develop relationships with it, and reward it with brand loyalty that will lead to an overall improved business performance and better results.

### *Overview*

The introduction and first section include the social media challenges faced by businesses and brands, and the method and the purpose of the study including the research question "How to develop and maintain a consistent brand voice in social media?" In order to answer this question, the second section starts with defining brand voice and the main concepts from which the brand voice is derived. It is important to understand that brand voice is not separate but based on the main and existing brand and communication concepts. The brand voice should be consistently executed throughout all touch points, including social media.

The third section describes the online social networks and channels in which the touch points take place. This section covers the most used platforms as well as the impact of social media on brand perception and brand image. Furthermore, this section provides an overview of the key steps of developing a social media strategy. It is crucial to understand how people communicate and act in online social networks and what the platform specifics are.

In the fourth section, an overview of possible guidelines, tools and training are provided, that can be implemented in the development and maintenance process of a brand voice.

In the fifth section, a guideline has been developed based on the previously described concepts, online social networks, and includes the strategy and the maintenance tools.

A practical example is provided in the sixth section. All interview partners determined Red Bull as a best practice example in terms of consistent brand voice in social media. Therefore, the developed guidelines have been tested in practice with this brand. Following the sixth section, the limitations and a final conclusion is provided.

#### *Social media challenges for businesses and brands*

A majority of the Fortune 100 companies (87 percent) use social media (Burson-Marsteller, 2012), which has a transformative influence on societies, people's behavior, corporate communications and business processes (Brito, 2012a, Goodman & Hirsch, 2010). As CEO reputation greatly impacts consumer images of companies (Weber Shandwick & Forbes Insights, 2011), CEOs using social business platforms will become the number two organizational engagement method within the next five years, following face-to-face interactions (IBM, 2012).

Companies once had nearly 100 percent control over their defined one-way messages. Online social networks turn this into a real-time dialogue with millions (Sacks, 2012) where people can find out immediately if a company is not delivering its promises in online social networks (Kassaei, 2012). New challenges are the speed and virility of messages anywhere at any time. People's messages highly influence other people's perception and brand reputation; 90 percent trust peers and friends more than brands (Edelman, 2012).

#### *Study purpose*

Many companies are on social media platforms, but often have a non-strategic approach that is not connected with business goals and bears a risk in brand reputation (Craven, 2012b, Owyang, 2012, Paciocco, 2012). However, research shows that companies fear losing 100 percent control over their message (Haynes, 2012) and that people communicate negative messages about them which may in the end cause damage to companies' value. But companies never have had 100 percent control over their message because people were always talking about them.

Before being active and successful in social media, companies have to know their core concepts, their identity and their brand voice, as well as have an integrated strategy and knowledge about social media platforms (Weber Shandwick & Forbes Insights, 2011). Often, these are missing and 71 percent of global companies don't have a consistent brand 'personality' across all their social media and traditional media channels (Weber Shandwick & Forbes Insights, 2011). Companies often don't have a document that determines the brand's identity and personality or this document fails because it is too long and does not include the guidelines for a holistic approach that includes social media in overall communications (Aaker & Flink, 2011). Research and interviews

state that often a consistent brand voice is missing and social media activities are not always in line with the platform's specific requirements (Craven, 2012b, Paciocco, 2012). Research also shows that there are many people speaking about finding a brand voice (Lee, 2012) and keeping a consistent brand identity in social networks (Larrson & Muncker, 2011). But research does not provide a guideline on how to develop and maintain a consistent brand voice by considering the core concepts of brand communications, its personality, and consistent experience. Therefore, this paper provides the first strategic guideline, includes these concepts, and answers the research question:

***“How to develop and maintain a consistent brand voice in social media?”***

## **Method**

A comprehensive literature review of the latest books, articles, studies, and reports was conducted and provided the definitions of concepts from which a brand voice in social media should be derived. This topic is crucial for a company's success in social media (Weber Shandwick & Forbes Insights, 2011). As the topic is still young and online social platforms and their usage is continuously changing, articles from social media experts and professional online blogs provide practical insights. This review highlights the latest knowledge in the field and covers the influential concepts of a brand voice in social media. In-depth interviews provided new information and a practical point of view from leaders in the field. Six social media experts were interviewed, who have comprehensive and practical experience in the development and maintenance process of a strategy and brand voice in social media. Through the conducted expert interviews, it was possible to develop a definition of a brand voice pursued with a holistic approach, and to research the literature, which explained the concepts and theories behind the practice. The interview guideline includes 10 key questions on social media strategies, social media brand voice, and tips to maintain the brand voice in social media. The interviews were conducted via e-mail, phone or in an informal face-to-face meeting. The obtained and analyzed data will be provided in form of quotes throughout the paper as well as in the guidelines. The final example provides a practical view of the described concepts.

*“Be Authentic, Be Conversational, Be Helpful, Be Entertaining, Be Exciting, Behave, Be You.”* George Haynes, KIA

## **Brand and Communication Concepts**

Research shows that the influential concepts of brand voice are often confused (Larrson & Muncker, 2011) or not considered in a strategy or guideline (Aaker & Flink, 2011). As a clear understanding of these influential concepts is crucial to develop a brand voice (Brito, 2012, Paciocco, 2012); selected most important communication concepts will be described.

### *Brand voice*

While there is no widely used definition, the brand voice in social media can be defined as the way a brand communicates in social media and the framework that determines the content (Craven, 2012b, Paciocco, 2012). That includes visual, verbal and behavioral communications. Experts state that the brand voice is derived from the core brand and communication concepts (Craven, 2012, Paciocco, 2012, Levine, 2012). Communication expert Francesco Paciocco states that the social media brand voice corresponds to the corporate identity and to the brand image

(2012). The brand voice comes out of the different facets of a brand personality (Levine, 2012), the three to four brand pillars or personality traits to which every brand communication and activity has to be linked (Paciocco, 2012, Craven, 2012b). The thought leader Amir Kassaei adds that brands have to fulfill their positioning and promises, and that the voice and experience has to be consistent through all touch points (2012). The brand voice is the lively execution of the brand personality, identity and brand character, impacted by the consumer perception and expressed through brand behavior, branded messaging and content, and finally perceived by the customer (Paciocco, 2012). Companies have to understand the context, the conversation, and target users' fears, desires and expectations, as well as how they behave on platforms in order to find the right time to successfully interact (Craven, 2012). The voice should match the personality of the brand and those of the consumers (Haynes, 2012).

According to this definition, the core concepts from which the brand voice should be derived include: brand identity, brand image, brand character, and brand personality. The following sections clearly define these most important concepts.

#### *Brand identity and brand image*

The brand voice should be derived from the brand identity and the brand image (Paciocco, 2012). Today, it is important as never before that companies and brands define their core business mission, vision and their brand voice in offline and online media, the brand's look and feel, and how it should be perceived (Hirsch, 2012, Craven, 2012b).

Argenti describes the identity as the "actual manifestation of the company's reality" (2009). Experts agree that it is conveyed through both visual and non-visual pieces including the company's name, slogan, logo, typical products and services as well as buildings and stationery (Argenti, 2009, Kapferer, 2003). The identity is how a brand defines itself today, including its meaning, purpose, moral image, aim, and values that form the individual identity. Researcher Jennifer Aaker defines brand identity as a "set of aspirational associations the organization would like to have of its brand" (2011).

The brand image is the reflection of a company's identity (Argenti 2009). Aaker defines it as the set of actual associations the customer has with a brand, online and offline, in real and imaginary experienced through all touch points (2011). On social media, the brand is the sum of conversation about it, which influence the perceptions of the brand (Salesforce, 2012).

#### *Corporate culture and corporate character*

Along with considering the brand identity and the brand image, the brand voice should be developed according to the corporate culture and the corporate character (Craven, 2012b). The corporate character is a framework for determining how the company looks, sounds, thinks and performs and is a guideline for "daily decisions and behavior for everyone associated with it" (Arthur W. Page Society, 2012). The character is built up by communicating through all channels (Kapferer, 2012). This should include the company's "unique, enduring and differentiating purpose, mission and values" (Arthur W. Page Society, 2012, Vale 2012). The management of the corporate character should enhance the organization's reputation and be in line with the culture. The corporate culture includes "collective beliefs and value systems" and affects companies' processes (Arthur W. Page Society, 2007). Furthermore, the corporate culture provides a vision for the corporation. Successful companies have a "consistent, clear, and

Your brand is:  
*"What people say  
 about you when  
 you left the room."*  
 Jeff Bezos, Amazon

constantly reinforced” corporate culture, which is more important than ever before (Goodman & Hirsch, 2010). Today’s unprecedented transparency makes it even more crucial to clearly state what the brand is (Craven, 2012b).

The definitions of identity, image, culture, and character demonstrate that these concepts are overlapping and are linked to the values and belief system. From these concepts, the brand voice should be derived as the framework for all visual, verbal and behavioral communications. It is important that all concepts are integrated to enable the performance of a transparent, authentic, and consistent brand voice.

#### *Transparency, trust, authenticity, and positioning*

Having nothing to hide minimizes the risk and fear that something ‘comes out’ and that employees or customers might spread negative messages about the company (Holtz & Havens, 2008). Corporations should focus on developing an authentic brand voice and communicating transparently to gain credibility among all stakeholders (Kassaei, 2012). They need to develop an honest relationship with customers (Holtz & Havens, 2008). As successful and valuable brands have a “high level of awareness, global reach and user trust” (HWZ, 2012), professional communicators should create a transparency strategy in order to be competitive. Companies should determine if they are ready for transparency and what they need to do to get ready, before effectively communicating to their customers and employees (Holtz & Havens, 2008). By knowing the unique selling proposition, values, and all brand experience touch points, a company can communicate and hold the value promise, the positioning that determines what a brand stands for and what character it has (Kassaei, 2012).

#### *Brand personality*

Experts agree that a brand has a personality and people often describe brands in human characteristics or personality traits associated with it (Gilmore, 1919 in Aaker, 1997, Kapferer, 2012). The brand personality is the key element of the brand and the story that the companies and products tell to people (Kawasaki, 2012). A unique personality can differentiate the brand and influence consumer preference and usage (Sirgy, 1982 in Aaker, 1997). It can also influence consumer emotions, increase levels of trust and loyalty (Aaker & Fournier, 1995) and influence the brand’s attitudes (Freling & Forbes, 2005). The brand personality is the living and breathing expression of a company and enables people to express themselves by adding attributes of the brand to their own representation (Aaker, 1997).

The brand identity and brand image, the corporate character and the culture are part of the brand personality, “an expression of the fundamental core values and characteristics of a brand” (Aaker, 1997). People form expectations of the brand’s consistent future behaviors, “derived from the sum of complex behavior of personality meanings” (Allen & Olson, 1995). People build relationships with brands, and treat them as active, contributing partners (Aaker, 1999). Their behaviors and actions will be summarized by people and build the consumer’s perception of the brand’s personality (Aaker & Fournier, 1995).

### Concepts to define a brand personality

The concepts used to define a brand personality that ultimately influences the brand voice includes Aaker's 'Brand Personality Framework', Kapferer's 'Brand Identity Prism' and Mark and Pearson's 'Archetypes'. Aaker's 'Brand Personality Framework' describes five brand personality dimensions (1997). Kapferer's 'Brand Identity Prism' includes the personality traits physique, personality, culture, relationship, reflection and self-image (2012). Communication specialists also argue that the brand personality could be a created or famous person, an analogy like a celebrity, an ideal spokesperson or a mascot with a defined character (Craven, 2012b).

### Aaker's brand personality framework

Aaker's (1997) 'Brand Personality Framework' is currently the dominant model in the communications literature used to determine a brand's persona. People summarize brand behaviors and define brand personality as a set of meanings describing the "inner characteristics of a brand, goals and values" (Allen & Olson, 1995). Consumers form brand perceptions through all direct or indirect contacts that they have with a brand (Plummer, 1985 in Aaker, 1997). Companies can also use defined interactions and use the persona to influence people (Aaker, 1997). Aaker states that direct and indirect touch points or impressions from a brand or company such as employees, CEOs, product name, logo, advertising, and distribution channels are influencing the brand personality (1997). That also includes the brand behavior, as it is not only

Brand Personality				
Sincerity	Excitement	Sophistication	Competence	Ruggedness
down-to-earth	daring	upper class	reliable	outdoorsy
family-oriented	trendy	glamorous	hard working	masculine
small-town	exciting	good looking	secure	western
honest	spirited	charming	intelligent	tough
sincere	cool	feminine	technical	rugged
real	young	smooth	corporate	
wholesome	imaginative		successful	
original	unique		leader	
cheerful	up to date		confident	
sentimental	independent			
friendly	contemporary			

'A Brand Personality' (Aaker, 2011)

important to communicate promises with a consistent brand voice, but also to maintain a consistent behavior that delivers the brand's promises. In her research, Aaker developed a reliable, valid and generalizable scale to measure brand personality: "sincerity, excitement, competence, sophistication, and ruggedness" (1997). Establishing and measuring the dimensions of brand personality in her widely used model, Aaker names two brand personality traits that differ from the 'The Big Five'

human personality dimensions: sophistication (Mercedes, Monet, Revlon) and ruggedness (Marlboro, Levi's) (1997). These two are traits brands have, and are desired by people, as they don't necessarily possess them. The introduced five personality types should be considered when developing a brand voice. The brand personality will influence the social conversations around the brand.

The brand voice, including its communication and behavior should constantly be informed by who the brand is and insights on how it could develop and grow towards the future (Aaker, 1997). The brand should have personal characteristics as it helps the company and agency to determine the brand behavior and brand voice in every situation (Craven, 2012). But a brand does not have to be presented to the target audiences as a fictional person; it could be a real person, a mascot, a famous person or just the brand speaking (Craven, 2012b). In practice, brands can be determined by a unique set of attributes, determined in an exercise with responsible people at the company including CCO's, brand managers and product managers (Craven, 2012a). Used as an internal

tool and defined in a workshop by the company and the agency, an attributed brand personality makes it easier to plan the brand voice, including brand interactions, communication, and content for social media (Craven, 2012b).

A clearly defined brand personality helps a company to make decisions about where it is going and how it should participate (Aaker, 2011). In practice, the personality traits could be determined along a continuum of opposite characteristics that determine the brand's actions and voice (Craven, 2012a). The energy brand Red Bull might be a masculine person who is down to earth (not literally), in its late 20's and very outdoorsy.

If the company decides to create a fictional person, it could be formed according to associations with the determined personality traits and the existing visual elements from the brand identity. One of the most famous examples of a personification of a brand was the campaign "Get a Mac", in which Apple introduced two characters, a PC and a Mac. People were able to determine which person represented which company due to the consistent brand voice communicated prior to and by the commercials. The PC might be in its late 30's, preferring the couch eating chips over a 'get together' in a trendy café with friends. The Mac is cheerful, trendy, cool, young, up to date, intelligent and smooth.

#### *Consumer perception and identities*

When developing the brand voice, companies should not only consider their own identity but also the external consumer perception, the consumers' expectations, and their value demands (Aaker, 1997). With a personality, brands become more important for users and consumers are more likely to build relationships with a brand that matches their self-concept (Aaker 1999). Listening provides companies with insights on how people view brands, what their experiences are with brands, products, or services, and what relationship they have with brands (Evans, 2012). Consumers see a brand personality as congruent with their self-image, because it encourages self-expression and association, which influences customer satisfaction and develops the consumer-brand relationship quality and brand loyalty (Aaker, 1997). Especially in social media, users 'like' brands and make them part of their digital identity.

#### *Consistency*

A consistent brand voice is the foundation of relationships and a driver of influence and consistent behavior delivering promises that will make audiences connect more consistently with the brand (Craven, 2012b). Experts agree that brands should communicate authentically and trustworthily, provide people with a consistent experience on all touch points with a brand and provide consistent messages throughout all channels (Arthur W. Page Society, 2010, Kassaei, 2012, Paciocco, 2012). Consistency is important to keep the identity strong and unique because people want to rely and count on the brand and they expect it to be predictable (Bough, 2010), as in the level of quality, service, and design. Consistency in communications is one of the big drivers of influence and builds trust. Consistency shapes meaning, creates reputation, and manages relationships with all stakeholders.

### **Online Social Networks and Strategy**

This paper focuses on social media as a channel, for which the brand voice has to be defined in even more detail (Craven, 2012b). In online social networks, companies communicate and use

their brand voice, which serves as the overall framework for the content (Craven, 2012). The overall brand voice and messaging should be consistent, but the actions used and where these take place can be different according to the specific platform (2012b). The same message will be presented differently on each platform; a video on YouTube, a 140 characters text on Twitter or a post with a text and picture on Facebook or Tumblr (Levine, 2012).

Red Bull created the Red Bull Stratos website around its mission to the edge of space and it created an experiential world for the people. The website is connected with the social networks, providing information around the space jump and generating impressive numbers that demonstrate the emotional connection to the event that perfectly represents Red Bulls persona, image and identity; dare-devil, cool, and extreme sports. Furthermore, Red Bull delivers what it promises by giving wings to Felix Baumgartner and to 841,000 people on Facebook, 28,700,000 people on Twitter and 8,800 people on Google+, multiplied by their friends and followers.

### *Social networking platforms*

Online social networks are platforms where people connect, share, interact, educate, communicate, and build trust through actions including sharing text, pictures, and videos (Safko, 2012). People and brands often represent a part of their online identity through their own pages or blogs with content they might want to be identified with. Factors such as people, technology, and economics are driving the increasing importance of social media in people's lives (Li & Bernhoff, 2008).

These networks are facilitating relationships and enabling people to find common ground (Larrson & Muncker, 2011). People follow brands on social networks because they want to have value, as in behind-the-scenes information or special offers (Brown, 2012b). The value drivers for brands in online social networks are "global reach, rapid growth, omnipresence in consumers' daily lives and capability to ensure easy and efficient communication" (HWZ & BV4, 2012). The publishing concept changed, publishers and brands have to be where the users are (Paciocco, 2012). This understanding will help companies to deliver the right experience per platform before developing a multi-layered framework that highlights the value on each platform (Craven, 2012a). Among the most valuable networks for brand voice are Facebook, Twitter, YouTube, and LinkedIn (Goodman & Hirsch, 2010, Brown, 2012a), as well as micro blogs such as Tumblr (HWZ & BV4, 2012). When developing a strategy and performing the brand voice in social media, one has to know the capabilities, strengths and weaknesses of each channel.

### *Facebook*

"Facebook has given a face to the Internet" and changed people's behavior (Kahn, 2012). With more than one billion users, every seventh human in the world uses Facebook, and more than 50 percent of Americans over the age of 12 are using it (Burson-Marsteller, 2012). The number of people who follow brands on Facebook and Twitter doubled since 2010 from 16 percent to 33 percent in 2012 (Brown, 2012b). About 75 percent of companies have a Facebook presence and a page's community size increased within the last two years by 275 percent to today's 152,646 (Burson-Marsteller, 2012). People communicate with brands, shown by the fact that 6,101 people 'are talking about' an average corporate page. In order to support different brands, geographies and purposes, companies are creating multiple Facebook pages (Burson-Marsteller, 2012). For example, KIA Motors America has a different Facebook page per car to attract different target groups and share different content but keep an overall 'KIA' voice (Haynes, 2012).

Facebook makes the world more connected (Facebook, 2012). It is easy to spread messages within seconds to a wide reach of ‘friends’, often people who are friends in ‘real life’ (Paciocco, 2012). This is powerful because people believe and trust friends and family more than brands. People are on Facebook to discover news of the world and from friends and brands, to keep and build deeper relationships (Facebook, 2012), and to share and express what is relevant for them (Paciocco, 2012). This is an opportunity for brands to drive deeper connections, community content creation and information sharing (Craven, 2011).

### *Twitter*

On the micro-blogging platform Twitter, users can send real time messages and build followers (Twitter, 2012). Messages can spread within seconds in a 140 characters headline format to all people with similar interests (Twitter, 2012). On Twitter, people often don’t know each other offline but share the same interests (Paciocco, 2012). Twitter drives awareness and brands have the opportunity to immediately connect with influencers, advocates, and followers (Craven, 2011). With 55,970 average mentions per company per month, Twitter is driving online conversation and is the most popular platform used by global companies (Burson-Marsteller, 2012). “From 5,076 in 2011 to today’s 14,709 in 2012, the “average number of followers per corporate Twitter account has nearly tripled” (Burson-Marsteller, 2012). About 80 percent of corporate accounts engage on Twitter as part of the electronic word of mouth (Burson-Marsteller, 2012). The speed of the communication on Twitter can be a great opportunity for companies to get their messages out fast (Paciocco, 2012). But only one tweet that is not ‘on brand’ and not true to the brand voice and sent to thousands of followers can damage a brand within seconds.

### *Tumblr*

On Tumblr, companies can fully create their stories around products and live their positioning and brand voice. The online blog and social network has grown 900 percent in the past year (Tumblr, 2012). Tumblr includes 84.8 million blogs and 38 billion posts, handled by only 126 employees (Tumblr, 2012). Here, brands can come to live and breathe with fewer boundaries than on Twitter and Facebook. Tumblr lets companies and people effortlessly share anything without a character limit and with stable opportunities; images, audio, videos and text. People and companies can completely customize their blogs and build their experience worlds around products (Levine, 2012). Private users and companies can follow blogs from people and businesses they don’t know offline and people can share everything that is relevant for them. Companies have to define their goals first before creating a blog on Tumblr, which just introduced its analytics tools. It is a platform to create engagement and advocacy, and to implement a lively brand voice (Levine, 2012).

### *Impact of social media on brand perception and image*

The introduced online social networks including their different purposes and audiences are to be considered when developing content for these platforms, guided by the brand voice (Craven, 2012b). With their fast increasing number of users who are connected with a wide reach of people, the networks are powerful for companies. Today, users are empowered to send messages within seconds to people who might trust them more than any company (Barger, 2012). Online social networks have a huge impact on companies’ corporate identity, image and economics, and they are changing fast; Facebook is already used for more searches than Google, and Twitter is

the biggest search engine in the world (Kahn, 2012). Customers can get closer to brands and determine immediately if a brand holds what it promises, spreading their subjective critique within seconds to a massive and growing audience.

This section introduces the steps of a social media strategy by focusing on how the brand voice influences and informs the development and maintenance process. The steps include listening, planning, developing the core idea, amplifying and measuring (Craven, 2012b).

### *Social media strategy*

Interactions in social media are fast, therefore it is crucial for successful companies to have a consistent brand voice throughout all channels, a framework that determines the content and key components of a social media engagement strategy (Craven, 2012b). There are no widely consistent steps, but most agencies agree that listening is the first and most important step (Craven, 2012b, Haynes, 2012, Paciocco, 2012).

### *Situation analysis, listening and understanding*

Social media is about real people who actively share their opinions and perceptions (Barger, 2012). By listening, companies gain insights on their perceived image that helps them to determine the goals and objectives and to develop a strategy that might fill the gap between the corporate identity and the corporate image. Companies have to understand what people are saying about the brand, or related to the brand and their competitors (Barger, 2012, Paciocco, 2012). Its drivers should be identified, as well as advocates, “the real jewel in your crown” (Bough, 2011). The influencers that “fame the flames that make the conversation spread” can be isolated and qualified through qualitative (relationships) and quantitative criteria like numbers and reach (Paciocco, 2012). Through social media data, target groups’ behavioral, geographic, demographic and psychographic criteria can be determined (Goodman & Hirsch, 2010), as well as their values, opinions, passion, and fears (Paciocco, 2012). The audience should be profiled and segmented to create a strategy around them and their social media engagement (Craven, 2012b). Companies could create personas of targeted people, who could be summarized in types and performed behaviors (Craven, 2012b).

### *Planning*

With a clearly defined brand voice and goals, companies can use insights gained through listening to create and plan engaging programs around communities, influencers, and advocates (Paciocco, 2012). Target audience segmentation and experience mapping ensures that the company engages the right people to target them with a specific ‘plan of attack’ (Craven, 2012b). This helps to develop a roster of partners and potential brand ambassadors (Craven, 2012b) who have to be involved in order to keep the brand alive (Aaker & Flink, 2011). Once the consumers’ problems and values are understood, companies can provide solutions and plan the engagement strategy (Paciocco, 2012).

### *Core social idea brand idea*

To engage and to be relevant to customers, it is not enough to have a Facebook page, a Twitter handle, and a Tumblr blog (Paciocco, 2012). Core experiences and interactions should be developed according to the brand voice and insights so that the brand comes to life authentically

(Paciocco, 2012, Millrod, 2012). In the heart of the strategy, it should be determined how to engage each target group (Craven, 2012b). Companies have to know the core of the brand, the overall purpose, the brand's personality and voice, and use the insights about community and influencers to develop the creative idea, and to reach their goals (Millrod, 2012). The program should engage the target group and encourage them to act and to advocate, it should build experience worlds around products and shape people's opinions.

### *Amplifying and integrating*

The strategy should be integrated holistically in social media and all communication measures to make it spread through all channels around the customer (Bough, 2011). The core idea should be integrated in existing touch points and all relevant social media platforms (Safko, 2012). It is important to syndicate and connect content (Craven, 2012b). This will affect the whole business and drive the desired outcome. The consumer touch points might include public relations, visual communication like print, outdoor and TV, as well as radio, employee behavior and customers service, direct marketing and digital media including social media.

### *Measuring*

This section captures a brief overview of measurement, because Peter Drucker stated, "If you can't measure it, you can't manage it". In order to define and measure the success of their strategies to maintain a consistent brand voice in social media, companies need smart goals, well-defined metrics, and objectives for its social media program (Bennet, 2012). The success factors and the key performance indicators (KPIs) should be determined and a reporting plan developed (Owyang, 2012). Companies should determine measurement tools to track progress and effectiveness (Barger, 2012) for quantitative and qualitative success (Bennet, 2012). The four most used metrics are engagement, participation, reach, and advocacy (ComScore & Buddy Media, 2012). The top four benefits companies gain from their actions in social media are brand and buzz building, interactivity, and consumer insights (ComScore & Buddy Media, 2012). Many companies simply want to have a wide reach, but smart companies are interested in results that translate back to their business goals (Paciocco, 2012). In a scorecard with KPIs and goals, the success of a strategy can be determined.

### **Maintaining a Consistent Brand Voice**

Global brands strive to keep a brand personality and a brand voice that is consistent, but this is difficult to achieve (Aaker, 1992) because there is no 'magical tool' (Paciocco, 2012). The corporate mindset has to be ready for a long-term commitment and staffing, content, and resources should be provided for continuing sustainment. (Owyang, 2012). To maintain credibility, and positive reputation, companies have to integrate social media in the entire business process, and be honest, authentic, and transparent in their communication. Guidelines, tools and training help businesses to keep their brand voice consistent (Hirsch, 2012).

### *Guidelines*

In order to keep a consistent customer experience, the company's brand guidelines for social media, a two-way communication, should be derived from their guidelines for one-way communication (Craven, 2012b). Brand personality and brand voice guidelines should be

determined for all people sending messages and acting in the name of the brand, especially community managers (Craven, 2012b).

Behavioral guidelines should be developed on ‘how to act and react’ on certain topics, tweets and posts (Craven, 2012b). Instead of a static rulebook, a playbook could be developed such as a brand manual that includes short and clear descriptions of the brand identity, brand personality and brand voice, as well as the behavior, core values, lexicon, causes, and the brand’s interests (DDB, 2012). Pre-defined goals, identity and voice help to determine on-brand and off-brand communication and behavior on all touch points, including online social networks (Hirsch, 2012). Defined ‘security lines’ and set guidelines with a clear purpose and authenticity should empower qualified employees and allow them room for their personality to shine through (Craven, 2011).

As one of the world’s best selling cookies, Oreo demonstrated personality by getting engaged with AMC Theatres on Twitter. Oreo tweeted “Ever bring your own Oreo cookies to the movie theater?” (@Oreo, 2012), to which the AMC Theatres replied, “Not cool, cookie” (@AMCTheatres, 2012). In order to be able to respond within only seven minutes, the AMC Theatres’ community manager must know the brand voice and its humor very well. If this tweet had gone through all departments and hierarchies before tweeting, it would have lost the momentum. People picked up the humorous chat and up to 1,905 people shared AMC’s tweets with their followers on Twitter. Both brands demonstrated a clear voice and a great sense of humor that encouraged the target group to engage in this creative communication.

### *Tools*

Only 50 percent of companies with more than 1,000 employees who are active in social media have a brand monitoring system (Owyang, 2012). The social media landscape should be analyzed and monitored on an ongoing basis to identify potential trends for implementation, to maintain consistency and to understand how the messages and actions are resonating (Salesforce, 2012). The communication and action around the brand have to be monitored to find situations that could harm the corporate reputation. A social media listening, monitoring, engaging, and sharing tool could filter all conversations using relevant keywords and key phrases to find the posts and conversations that matter (Salesforce, 2012). The social media networks, or an additional tool like Radian6, directly provide data and an analyst could provide an additional filter for where the tools fail (Paciocco, 2012).

Only 28 percent of global companies have a content calendar (Weber Shandwick & Forbes Insights, 2011), a tool that could organize exciting and consistent messages including relevant and sharable content, organized by theme or personality trait and voice (Paciocco, 2012). Pre-written and finalized tweets should be developed and reviewed so that all content is in line with the brand voice, covers the relevant messages and complies with regulatory laws.

### *Training*

Alitmer Group’s study unveiled that only 26 percent of global corporate social media program managers at companies with more than 1,000 employees offered social media education, so that uninformed representatives engage with customers on behalf of brands (2012). All people who are communicating on behalf of the brand, including the community manager, employees, even cooperating influencers, advocates or ambassadors, should get comprehensive training on the social media policy, on the brand personality, on social media platforms and on how to handle

specific kinds of situations (Barger, 2012). About 50 percent of companies don't provide refresher training or important policies to operate with full disclosure (Owyang, 2012). The community manager is the steward of the brand and has to be trained on the brand voice and policies like a customer service person (Craven, 2012b).

### **Brand Voice Guideline**

Research shows that there are no widely used guidelines for the development and maintenance of a consistent brand voice (Larrison & Muncker, 2011). Where social media experts agree on the core concepts from which the brand voice should be developed, these have been introduced in this paper. The concepts include: the brand identity and image, the corporate culture and the corporate character that determines how a brand looks and feels. Core concepts are the positioning with the brand's promise as well as Aaker's model to determine the personality traits to which all content should be linked.

The following page includes some of the most important questions to ask in order to derive a brand voice from the introduced core concepts. This guideline helps to implement and maintain a consistent brand voice throughout all touch points including social media.

A voice guideline should be like a Facebook page and define a brand's personality, ideals, and friends on one page (Stanford, 2011). This guideline should provide the reader with the feeling that she knows this person and how this 'created' person reacts in almost any situation; to what café or vacation he would go, whom he would meet there, what he would wear and what he would talk about. From there, the social media strategy should be developed, as well as the guidelines, tools and training.

*Guideline*

**Develop a Brand Voice - - -**

**Brand Identity:** How do you see your brand? What is your business mission? What are your most important visual pieces? Why do people choose your company or brand over your competitors? (Lee in Forbes, 2012)

**Brand Image:** How does your target audience currently perceive your brand? What do you want to be remembered for when you leave the room? Who are your target audiences and customers & do you want to be like them? How do you fill the identity & image gap?

**Culture:** How did your brand personality grow up? What is your corporate culture in three words? In a public tour of your company, what stops would the guide make?

**Brand Character:** What are you striving for? What are your values? What is fascinating? What books are on your coffee table? What are your guilty pleasures? Who are your friends? What are your personality traits? How do you feel and what do you say?

**Brand Name & Slogan:** What is your name and catch phrase? What words should your brand be remembered by? (Aaker & Flink, 2011)

**Visual Style:** How do you look as a person? Do you wear sneakers or fine leather shoes? Do you wear a sweat suit or a necktie? Do you shop at an outdoor brand or at Juicy Couture? (Aaker & Flink, 2011)

**Verbal Style:** What tone does your brand use? Does it whisper or shout? Is it smiling?

**Positioning:** What do you promise? How do you keep it?

**Brand Personality:** What are your brand's core values and personality traits? What is your brand passionate about? Is it outgoing, feminine, cool and tough?

**Brand Experience &** What experiences does your brand create and where? How does it act?

**Storytelling:** Does the brand send a letter via mail or does it send a tweet?

**Social Media Strategy - - -**

**Goal for Social Media:** What are your metrics in social media? What is most important?

**Strategy:** How do you use the insights to reach your goals?

**1. Listening:** Who are your target groups, influencers & advocates? What is your relationship?

**2. Planning:** What do they want? What are their fears & desires? What are special insights? How will your campaign be launched? "Why will this campaign be

### **Practical Example**

In answering the above questions, a company's executive and brand management team should develop a brand voice as a framework for all experiences and touch points, including social media. This guideline should be developed with facts and ideas from inside the company according to existing core concepts. In order to prove if the answers to the above questions help to develop and maintain a consistent brand voice, a theoretical example will provide answers to these questions and illustrate a practice guideline. However, this is just an example and illustration of how the above questions could be answered. An external person provided the answers according to her interpretation of existing brand activities, articles and quotes from experts, information from the brand's online presence, and interviews from its founder and CEO. The answers don't claim to be the answers a brand's executive would provide.

As all interviewed experts for this study agreed that the one best practice example for a consistent brand voice in social media is Red Bull, it is the company used in this exercise. The social media strategy will be stated as the guideline for Red Bull's mission for the edge of space.

*Guideline practical example*

<b>Goal</b>	Red Bull's final goal is to make people buy its energy drink. It aims to establish a global media network, editorial media value, spread energy, create adventure worlds around products, create emotions & 'stay' a lifestyle brand
<b>Brand ID</b>	Red Bull is the beverage for athletes, professionals, students & everybody who needs energy (Red Bull, 2012), Red Bull stands for "giving wings", like energy. Gap: Red Bull believes to be above all energy brands, will be filled by business mission to become the accessible & recognizable energy brand, demonstrated for by Stratos' mission
<b>Brand IM Culture</b>	You know what you'll get; dare devil, extreme sports, cool content & conversation (Craven, 2012b), admired by TG
<b>Character</b>	Red Bull was launched in 1987, derived from a Thai energy drink, but grew up in Austria, always outside & sportive, youth culture (Mateschitz, 2012) energy, team, sports - Guide would stop at Formula1 car next to lake inside the headquarters, have a look at the lake & mountains surrounding the headquarters, freestyle biker stops by
<b>Name &amp; Slogan Visual</b>	Striking for energy, team & adventurous spirit, passionate, focused, no coffee table, adrenaline, guilty is sleep sometimes, Red Bull is supportive, friends are passionate, active, feel young, share spirit, Red Bull feels like a friend
<b>Personality</b>	Red Bull "gives you wings" and should be remembered by energy, power, extreme sports, outdoor & cool
	Red Bull is masculine, in its late-20ies to mid-30ies, he is sportive and has an athletic body. He wears sport shoes, a comfortable, cool shirt and pants. He stops at an outdoor shop, is more loud and smiling. Example personality traits are masculine, down to earth (not literally), young & outdoorsy, passionate about energizing activities with friends
<b>Positioning</b>	Red Bull "gives you wings", it provides you with skills, abilities and power to achieve what you want to (Mateschitz, 2012), it vitalizes body & mind, increases performance, concentration & reaction speed
<b>Experience &amp; Story</b>	Presenting extreme sport, energy, speed, mind blowing events, outdoor, mobile & all channels where 'friends' are, videos on YouTube to watch while heading to the next adventure, get updates & specials via Twitter, post their pictures from Red Bull events on Tumblr & Facebook, people can win tickets for Formula1 or to watch a space shuttle mission to transcend human limit, further touch points: sports men & women, excited friends
<b>Strategy</b>	"Red Bull inspires energetic people around the world with actionable content on international adventurous events, builds emotional relationships with consumers as friends, making the brand front of mind and encourage ambassadors and influencers to spread the energy to all target groups" (That will finally make them buy Red Bull.)
<b>1. Listening TG</b>	Consumers are 'friends', Influencers are 600 athletes, artists, Red Bull network & community: friends with team spirit, same interests like sports, supported by Red Bull with "wings", insights: an experience like transcending human limit would make people more connected, interact, involve emotionally, give wings, spread & live Red Bull
<b>2. Planning</b>	Red Bull creates experiences & content around people and events like the space jump (Mateschitz, 2012).
<b>3. Idea</b>	Besides sponsoring & activating influencers like extreme sportsmen & women who communicate through in person, through cloth, cars & twitter handles (like World Tour Surfer Sally Fitzgibbons), invest in Red Bull Air Race, an idea that "gives wings", communicating according to brand voice, demonstrating extreme sports, creating emotions
<b>4. Amplifying</b>	Event supporting communications & content creation for Stratos, spanning content in web, film, music, on tablet, print, TV, new & social media, provided by its media company; "Red Bull Media House fully integrates social media marketing into every project." (Red Bull, 2012)
<b>5. Measuring</b>	The monitoring and analytics tool Radian6 could be used to measure the mentions on social media, people's reactions on the event, how it influences the brand, how the brand voice is performed, measure sentiments & how much media value the event created
<b>Guidelines</b>	The road book should be consistently informed through analytics & relevant departments. Reactions following negative comments should be addressed, developed with customer service, proven by the HR and legal department
<b>Tools</b>	Red Bull should have a content calendar, an experience map, analytic and management tools like Radian6
<b>Trainings</b>	Community managers & people acting on behalf of Red Bull should know its brand personality & voice & should spend an adventure weekend with him in the mountains, regularly training for all employees & 'fire alarms'

## **Limitations**

The research material and studies have been chosen according to academic criteria. However, a commercial background could have biased studies and research conducted by companies, agencies and institutes. The articles from social media professionals might not meet academic standards.

Six in-depth interviews have been conducted to gain practical insights. However, further research should include interviews with a larger sample of social media experts in order to gain more representative results.

Further research should to be conducted in order to optimize the questions covering the core communication concepts. An external person has provided the answers to illustrate a guideline. Red Bull executives and brand managers from inside the company should be given the questions and provide their insights and comments on the functionality. The results would determine the points of optimization.

Aaker's brand personality types were determined with brands and brand perceptions in the context of traditional media. Further research could be conducted to test the personality types within the digital context of social media.

This study only included three online social networks in its analysis. Other platforms should be considered when creating the social media strategy, according to criteria including the target group and goals.

## **Recommendations and Conclusion**

In conclusion, many companies are missing a consistent brand voice throughout all online and offline consumer touch points, and a guideline on how to develop a consistent brand voice, that includes important communications and brand personality concepts, and ideas on how to maintain the brand voice. A strong goal, purpose, and point of view is more important than ever to develop a consistent brand voice and provide the same experience on all touch points, including social media.

In order to become more successful and to perform truly integrated communications, companies should use the introduced new guideline to develop and maintain their consistent brand voice, and a strategic framework for their visual, verbal, and behavioral communications.

This guideline will help companies to derive the brand voice for social media from their existing communications concepts identity, image, character and brand personality, and use these as a solid foundation to develop a brand personality, and maintain a consistent brand voice. To become a more important part of people's life and to build relationships, brands have to become alive and perform actions that form consumer perceptions, make them part of the brand experience, and provide values. Everybody who is acting on behalf of the brand should know the brand voice and brand 'person' since kindergarten; how she wants to be perceived, how and what she communicates, how she engages, and how she would react in real time and in every situation. This will provide community managers with the level of fluidity and flexibility that allows social media to be so effective.

The brand voice will lead the development of new social media strategies and tactics. It will ease the challenge to develop a creative, integrated and strong social media strategy that executes the brand personality on the right platforms, and relates to insights, business goals, and the higher purpose. With a brand voice as the framework and a clear understanding of their brand personality, companies can determine whether they should join the latest platform, what their purpose is, and how companies can provide value for the conversations. Listening, monitoring, and analyzing the audiences should constantly inform the brand voice and social media strategy.

Social media should be integrated into the whole communication strategy. The brand voice should be the guideline for all visual and verbal communications. These include classic communications, as well as customer experience in the stores, online communications, and true dialogues on social media platforms.

By following the introduced guideline, companies will find or sharpen their voice, and develop a consistent framework for all people who communicate and act on behalf of the brand on all touch points. With a better understanding of their brand personality and brand voice, companies will have the tools to lead the integrated development and maintaining process of all communication activities, particularly in social media. In the future, companies will develop a brand personality and voice that won't differentiate online and offline but that performs consistently over different platforms and devices. With a consistent brand voice for all visual, verbal, and behavioral communications, and a plan to maintain it, companies will have the framework for successful and consistent communications and deliverables. Companies will be rewarded with brand loyalty and finally meet their business goals.

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## **Bridging the Dialogue Between Stakeholders**

### **Establishing the Role of Indonesian Civil Society Organizations (CSOs) within the Multi-Stakeholder Approach of the 8th Internet Governance Forum**

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*In developing Internet governance issues, the active role of Civil Society Organizations (CSOs) along with other stakeholders (government and private sector) is important. But the usual criticism of CSO participation in previous multi-lateral forums has been lack of proper coordination and too many dissonant voices (Kurbalija, 2010). This research is trying to explore the stakeholder dialogue process and the strategy of Indonesian CSOs in influencing the process for preparing the 8th Internet Governance Forum. This research used qualitative methods, in the form of in-depth interviews with multi-stakeholder representatives and participatory observation in their forum. Results indicated that the dialogue process involved inclusion, openness, tolerance, transparency, and empowerment dimensions, but all stakeholders still need to develop sufficient Internet governance knowledge. There is still a need for the government and the private sector to enhance capacity and commitment, even though CSOs have tried to strengthen the consciousness and commitment of these two sectors.*

**Keywords:** Civil society organization, Internet governance, Multi-stakeholder, Indonesia

**Paper type:** Research

#### **Background**

The Internet is the main cause behind major social transformations and historical changes at the macro-social level of societal structures and processes, social interaction, and the micro-social level of individual cognition at the regular use (Thurlow, Lengel, & Tomic, 2004). Because of that, the debate about Internet governance has not found its ending yet. Internet governance, according to the WGIG's (Working Group on Internet Governance) definition, is the development and application by governments, the private sector, and civil society, in their respective roles, of shared principles, norms, rules, decision-making procedures, and programs that shape the evolution and use of the Internet (Malcolm, 2008).

To accommodate the worldwide debate about Internet governance, there is an event called the Internet Governance Forum (IGF), which embodies the concept of governance by network very well (Malcolm, 2008). It is an annual, open forum for multi-stakeholders (government, civil society, and private sector) that the World Summit on the Information Society established in 2006 ("What is the Internet Governance Forum?").

The previous global IGF encouraged Indonesia to be involved further in Internet governance issues within a multi-stakeholder approach. The Declaration of Indonesia Internet Governance

Forum (ID-IGF) on November 1, 2012 demonstrated the enthusiasm of some representatives from the Indonesian government, civil society organizations (CSOs), and private sectors. ID-IGF was established to start and maintain the Internet governance in Indonesia that guarantees “the openness, free flow of information and knowledge, data and system security, affordable access and availability principles, with putting the national interest above all” (“Declaration of Indonesia Internet Governance”).

One month after the Declaration of ID-IGF, several Indonesian CSOs initiatively emerged to establish the Indonesian Civil Society Organizations Network for Internet Governance (ID-Config). This network will act as a hub to facilitate communication regarding Indonesia’s Internet governance issues among related CSOs. Results from these communication processes will be prepared for the next ID-IGF, to be held in May 2013. This will also enrich the material of the 8th IGF, to be held in Bali with Indonesia as the hosting country.

Frank La Rue, Special Rapporteur of the United Nations Human Rights Council, said in 2012 that the vast development of the Internet expands the capacity of individuals to enjoy the right to freedom of expression as well as other rights. Therefore, the Internet needs the meaningful participation of multiple stakeholders, including CSOs (ID-Config, 2013). As civil society participation is essential to ensuring the legitimacy of global discussions on the future of the Internet, the need to formulate and map issues important to Internet governance is key.

Several writers have discussed the capacity and involvement of CSOs on the topic of the Internet, such as Nugroho (2011), who wrote about Indonesian CSOs’ use and adoption of the Internet and social media. He suggested the need to build the capacity of civil societies for future thinking about their involvement in the information society. On the other hand, Kurbalija (2010) underlined the criticism and challenges of civil societies’ involvement in many multi-lateral forums. The usual criticism suggested a lack of proper coordination and the presence of too many, often dissonant voices (Kurbalija, 2010).

During this research, we focused on the dialogue process used whenever ID-Config interacted with the other stakeholders in order to prepare themes and content for the Multistakeholder Advisory Group (MAG) meeting in Paris in February 2013. The purpose of the MAG meeting was to advise the Secretary-General of the United Nations on the program and schedule of the IGF meetings (“The Multistakeholder Advisory Group”).

### **Problem Statement and Research Objectives**

The 8th Internet Governance Forum (IGF) will be held in 2013 in Bali, Indonesia, where the Indonesian government is now working on preparations with the private sector and civil societies. Considering the criticism of inharmonious voices from CSOs in multi-lateral forums, and research that has found Indonesian CSOs limited in their ability to use the Internet in this information society, this research analyzes how Indonesian CSOs engage in preparing the 8th IGF and how this engagement impacts the shaping of a multi-stakeholder approach to preparation.

Specifically, this research is trying to explore the stakeholder dialogue process and the strategy of Indonesian CSOs in influencing the process of preparing the 8th IGF in Bali, Indonesia, among the internal (the CSO group) and external (government and private sector) stakeholders.

## Theoretical Framework

### *CSO and Internet Usage for Public Participation*

Nugroho (2011) in his study found that, despite the possible outcome of an Internet that can affect the dynamics of social, economic, and political activism, and despite the convenience of social media for civil societies in achieving their missions and goals, not everyone used the Internet strategically. Although the participants were willing, some remained limited in their capacity to document their works and engagements. There remains a need to build civil societies' capacity for planning their involvement in this information society, even though the Internet has been a convivial tool for many civil society groups, organizations, and communities for social activism. In order to prepare transparent, accountable, and participatory Internet governance, CSOs must understand and rise up to the challenges and opportunities posed by the complexity of multiple dimensions in this area.

### *The Stakeholder Dialogue*

Freeman in Rowley (1997) defined a stakeholder as “any group or individual who can affect or is affected by the achievement of the firm’s objectives” and those who can affect or are affected by its activities. Others broaden the scope of this definition to include those who have power or the ability to impact the organization, and to suggest that a stakeholder is a risk-bearer who has some form of capital, either financial or human, at risk, and therefore has something to lose or gain depending on the organization’s behavior (Rowley, 1997).

According to Marsh (CommGAP, n.d.), there are four major types of stakeholder: Core Stakeholders, people essential to the organization or process; Customers, people who receive products or services (community members, interest groups); Controllers, people who define, regulate, and influence the organization or process (legislators, regulators, providers of capital, government services, the media, trustees); and Partners, people through whom part or all of a service is provided (suppliers, temporary staff, distributors, agents, consultants).

A stakeholder dialogue means an interactive, working communication process that involves all types of stakeholders in decision-making and implementation efforts. This dialogue involves all interest groups with a concern in a two-way communication process; it focuses on increasing understanding and relations among stakeholders through the use of communication that enables participants to move forward with implementation plans (CommGAP, n.d.).

Pedersen (2006) has identified five dimensions of stakeholder dialogue and engagement. These five dimensions define the extent to which a stakeholder dialogue is truly participatory: inclusion, openness, tolerance, empowerment, and transparency, where all stakeholders involved in the dialogue should be given information needed to make decisions and implement outcomes.

In order to build a participative process in the Internet governance debate, four factors could influence the quality of stakeholder dialogue: commitment, capacity, consensus, and consciousness (CommGap, n.d.). These are the challenges that could emerge in building a dialogue forum with multi-stakeholders, who therefore require strategies to manage and engage frequently with other stakeholders to achieve symmetrical communication.

## Methodology

We conducted participant observations in 3 (three) focus group discussions (FGDs) arranged by ID-Config as the CSOs' network. The first FGD held all stakeholders on January 23, 2013; the second FGD held CSOs on January 30, 2013; the third FGD again held all stakeholders on February 18, 2013, the final preparation before Indonesian delegations went to the Multistakeholder Advisory Group (MAG) meeting in Paris. We also interviewed 4 (four) key informants from each stakeholder: Mr. Djoko Agung (representative from the government; Secretary General of Indonesian Ministry of Communication and Information Technology, Head Delegation for the IGF), Mr. Semmy Pangerapan (representative from the private sector; Chairman of Indonesia Internet Service Provider Association / APJII), Mr. Donny Budi Utoyo and Ms. Shita Laksmi (representatives from CSO / ID-Config).

In every FGD, we observed the dimensions of stakeholder dialogue and the stakeholders' engagement in Internet governance, as well as factors that could influence the quality of stakeholder dialogue and strategies applied by CSOs in influencing the dialogue. In the interview, we asked about the current condition of Internet governance in Indonesia and the involvement of each stakeholder in preparing the 8th IGF.

## Analysis and Discussion

If we viewed the IGF 2013 Committee as an organization, each party involved would play a different role. Malcolm (2008) states that the multi-stakeholder network proposed for the IGF involves governments, which have the power to create domestic legal rules; the private sector, whose involvement is key to the operation of markets; civil society, which has a role in articulating and developing norms; and international organizations, which include those involved in setting standards that form the Internet's technical architecture.

Thus, the core stakeholders would be the host country government (represented by the Indonesian Ministry of Communication and Information Technology), the private sector (represented by Indonesia Internet Service Provider Association / APJII), and CSOs (represented by ID-Config). The customer stakeholders would be Indonesian society and all representatives from other countries. Those who act as controllers would be the United Nations (UN) and MAG members from another country, who have the autonomy to define, regulate, and influence the IGF process. The partner stakeholders, who act as agents or consultants, would be the other multi-stakeholder members, such as the media, who act as agent to distribute information to the public; companies from private sectors; and government bodies, such as the Indonesian House of Representatives (DPR), the Indonesian Ministry of Justice and Human Rights, and the Indonesian Ministry of Foreign Affairs, which was already committed in the ID-IGF forum.

Pedersen (2006) outlines different dimensions of stakeholder dialogue and the level of engagement in order to analyze the degree of the dialogue, whether it is participatory and inclusive or hierarchal and exclusive. The answers of all key informants stated that each stakeholder participated in the decision-making process in preparing the 8th IGF. In every meeting and forum discussion held to coordinate preparation efforts and settle issues of Internet governance, representatives from the government, the private sector, and CSOs were included. For example, CSO representatives (ID-Config) regularly invite all stakeholders to attend the meetings for preparing the IGF event in Bali.

Also featured were other dimensions, such as openness and tolerance, in which all stakeholders have a chance to voice their opinions and be open-minded about others’ arguments. Each decision-making process in the meetings was done in an open and collective manner. High levels of freedom and equality found in the dialogue process also indicated that, on the empowerment dimension, the level of engagement among stakeholders was considered high. In the last dimension, transparency, all stakeholders involved in the dialogue had been given information needed to make decisions and implement outcomes: written documents of every meeting’s results and discussions, update news, and information on the online forum (mailing-list) IGF 2013, the members of which come from all three stakeholders.

**TABLE 1.** Level of Engagement in Stakeholder Dialogue

<b>Dimension</b>	<b>Level of Engagement between Multi-stakeholders in IGF 2013 Committee</b>
Inclusion	High: Each representative of stakeholder was involved in decision-making process
Openness	High: All representatives of stakeholders had opportunities to voice their opinions
Tolerance	High: Stakeholders respected alternative opinions and critical voices
Empowerment	High: Stakeholders were able to affect the structure, process, and outcomes of the dialogue
Transparency	High: All channels of communication were open to every stakeholder

*Source: Primary data (2013), based on concept by Pedersen (2006)*

There were some factors that could affect the successful implementation of stakeholder dialogue: consciousness, capacity, commitment, and consensus (Pedersen, 2006). For the preparation of the 8th IGF, consciousness comprised knowledge and awareness of Internet governance issues and the importance of the forum.

There were different perspectives in considering the importance of the IGF among the core stakeholders. In in-depth interviews, key informants from the private sector and CSOs acknowledged the IGF as an important forum for the future of the Internet, since it could give both parties an equal chance to be involved in the discussions on Internet governance. Another view, from the government’s side, stated that the IGF was considered only as a recommendation for the development of Internet regulation. Another forum, the World Conference on International Telecommunication (WCIT), regarded the IGF as more important, since it served as the binding global treaty.

Drake (2004) explains that, while the core concept of governance is commonly employed in a wide variety of settings, looking at the relevant scholarly and policy literatures and other public pronouncements, it becomes clear that people’s understandings of governance can vary, sometimes significantly. Governance itself is a difficult concept; furthermore, if we relate it to the Internet, then every stakeholder actually experienced insufficient knowledge.

ID-Config faced problems and challenges based on members’ limited knowledge and understanding of Internet governance issues. Their recent network consists of 15 CSOs with various interests, covering mainly the area of Information, Communication, and Technology (ICT)—but not limited to it, as other CSOs come from different backgrounds, such as justice and

law, research in policy and governance, gender equality, humanities, public advocacy, and consumer rights. The majority of CSOs only understood pieces of Internet governance issues instead of a whole picture. As a result, the discussion contained more passive participants. More active participants came from CSOs in the areas of copyright, online advocacy, and ICT development; they could actively give insight into Internet governance from their related experience.

The private sector was also troubled with a lack of knowledge on Internet governance issues. This condition encompassed confusion and vagueness in defining and deciding which issue should be involved in what manner. This can be seen from the second multi-stakeholder discussion before the MAG event. Representatives from the private sector did not come with their suggestions of key issues. Mr. Semmy Pangerapan, who represented the private sector, said that the most problematic issue on the Internet is intellectual property rights. Sovereignty is also a dominant issue, because every country has a different perspective on the matter. He also stated that the ID-IGF forum will act as an open, transparent discussion forum to settle which issue should be made first priority.

We also saw the similar condition of the government's consciousness, particularly its focus on Internet governance. The government representative, in the same discussion mentioned above, proposed that the theme of sovereignty on the Internet be delivered at the MAG meeting. Internet governance pays attention to the borderless characteristics of the Internet; thus every party should consider both the local and global interests of the Internet. A representative of the Minister of Foreign Affairs advised against the sovereignty theme, since it faced the possibility of rejection from the global society. He suggested using the words "safe and secure" instead of "sovereignty".

The CSOs' awareness committed them to preparing the IGF through ID-Config. They saw the open opportunity of a future role for CSOs in Indonesia's Internet governance, and therefore gave their fullest attention to convening the 8th IGF. ID-Config regularly held meetings between its members to formulate its agenda, and decided to cover these issues during the MAG meeting: (1) Network neutrality; (2) Privacy; (3) Copyright; (4) Consumer protection; (5) Content policy; (6) Cyber crime; and (7) Digital divide. The overall theme for these issues was "Information for All."

Until March 2013, ID-Config was the initiator of 3 (three) FGD sessions in order to set the agenda to be brought up in the MAG meeting in Paris and to engage the dialogue process between stakeholders. We saw this as a means for CSOs to allocate their human and organizational resources to engage in the dialogue. In particular, ID-Config held the first FGD between multi-stakeholders that planned to introduce an Indonesian delegation from each stakeholder attending the MAG meeting. This was intended to increase the awareness of every stakeholder's members about the 8th IGF and to let them know whom they should contact if they wanted to deliver their Internet governance-related agenda. At that FGD, unfortunately, delegations from the government and the private sector did not attend. This condition forced ID-Config to switch the meeting format to a discussion with the other attendees, such as The Indonesian Human Rights National Commission (Komnasham), the Association of Telematic Communities (MASTEL), and the Indonesia Domain Name Registry (PANDI), along with the other CSO members.

The dialogue between stakeholders is unlikely to become successful if every party is not committed. In this case, although all three stakeholders emphasized that the forum was important,

they did not show the same commitment in allocating resources to the organization. This situation demonstrated the CSOs’ capacity to support the dialogue process between stakeholders. According to Mr. Donny, the representative from ID-Config, ID-Config’s network currently consisted of people at the secretariat and 15 CSOs, but it would keep inviting as many CSOs as possible, to build a wider network and increase capacity.

The government and the private sector have been involved in preparing the 8th IGF, but we observed that they do not seem to have built a group similar to ID-Config—one that could act as a sub-forum, to engage their internal stakeholders from other governmental bodies or from other associations in the private sector. As a result, their capacities are limited and rely on several key persons.

The last factor is consensus, the degree to which the stakeholders agree on their perceptions regarding the issues in question and the dialogue itself (Pedersen, 2006). Consensus describes the level of harmony/conflict between the parties involved in the dialogue. During the last FGD, ID-Config viewed the sovereignty theme as somewhat contradictory to their main theme, “Information for All.” At the end, there was no single consensus among these multi-stakeholders. Each core stakeholder had different perceptions and interests. At the most recent discussion, the consensus between stakeholders was settled in the form of these core themes brought to MAG, which encompassed the objectives and interests of the three stakeholders:

- a. **Development** (delivered by CSOs and government)
- b. **Internet Safety** (delivered by government and private sector)
- b. **Multi-stakeholders** (delivered by CSOs and government)
- c. **Cyber Society** (delivered by government and private sector)

From the factors above, each stakeholder faces problems and challenges. The CSOs still lack sufficient knowledge regarding Internet governance, and, on the other side, consciousness, capacity, and commitment from the government and the private sector need to be enhanced. Based on that, we could conclude that certain factors are still considered challenges to all stakeholders, as described in the following table:

**TABLE 2.** Factors Affecting the Implementation of Stakeholder Dialogue in the IGF 2013 Committee

<b>Stakeholders</b>	<b>Consciousness (Knowledge and Awareness)</b>	<b>Capacity (Ability)</b>	<b>Commitment (Willingness)</b>	<b>Consensus (Harmony/Conflict)</b>
<b>CSOs</b>	Awareness is high, but knowledge has to be built	Has allocated resources, and built a sub-dialogue forum for networking among internal stakeholders	Willing to initiate meetings and discussions; provides support for building the dialogue	No single consensus reached, but agreement settled on prioritizing some important issues
<b>Government</b>	Awareness is high, but knowledge has to be built	Resources are considered limited; relies on several key persons	Has to commit more resources to the dialogue process	No single consensus reached, but agreement settled on prioritizing some important issues

<b>Private</b>	Awareness is high, but knowledge has to be built	Limited to several key persons; did not have sub-dialogue forum for internal stakeholders	Has to commit more resources to the dialogue process	No single consensus reached, but agreement settled on prioritizing some important issues
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Source: Primary data (2013), based on concept by Pedersen (2006)

### *CSO Strategies for Bridging the Dialogue*

To cope with the situation, ID-Config set up strategies to educate and advocate their CSO members by conducting some forums, such as FGD and public discussion with other stakeholders. The purpose of their internal FGD was to accommodate and formulate agendas from every CSO in their network. Meanwhile, public discussion spread awareness of the Internet governance issue and Indonesia’s plan to host the 8th IGF to the wider public. From this discussion, ID-Config also made written documents to be spread to their online forum (mailing-list). ID-Config also published a monthly internal bulletin. This bulletin was disseminated to CSO members, the government, and the private sector. These strategies were intended to escalate the CSOs’ knowledge and their capacity to engage in the stakeholder dialogue. Capacity covers the physical, organizational, and human resources an organization needs to engage in dialogue with its stakeholders, and also relates to commitment (willingness) (Pedersen, 2006).

ID-Config also tried to bridge the dialogue process through the presence and role of another stakeholder, by using FGD, a press conference, and a hearing session between the government and the private sector. The purpose of this FGD was to engage the dialogue process between each stakeholder. Meanwhile, while the MAG meeting was running, ID-Config tried to conduct a press conference with all the delegations via the Internet. At that press conference, the moderator asked for the commitment of every stakeholder in preparing the 8th IGF. By applying this strategy, ID-Config tried to confirm the government and private sector’s commitment by asking them in front of the media, which would then disseminate the news to society. During the MAG meeting, ID-Config also approached several representatives from the Indonesian House of Representatives and invited them to the hearing session, in order to get more awareness and support from the government.

### **Conclusions and Implications**

From this research, we found that the Indonesian multi-stakeholder dialogue process for preparing the 8th IGF has involved every dimension: inclusion, openness, tolerance, transparency, and empowerment. But from observations and interviews, we also see that some factors from each stakeholder could still potentially affect the implementation of the dialogue process. All three stakeholders have the need to develop sufficient knowledge regarding Internet governance. In the government and the private sector, there are still challenges to enhance the elements of capacity and commitment, in order to build the ideal dialogue situation.

During the process, ID-Config, as the CSO representative, has tried to strengthen the consciousness and commitment from the government and the private sector, and took part to build the consensus between them. To achieve the first purpose, ID-Config influenced the government and private sector’s commitment by holding FGD and a press conference. By

initiating and conducting those events, they involved other stakeholders further in the dialogue, including their stakeholder partners, such as the media and the public.

From this conclusion, we can suggest the practical implications for each stakeholder. Firstly, we suggest that ID-Config influence the government and private sector's commitment to increase their capacity. If the capacity increases, the organizational and human resources needed for an organization to engage in dialogue also increases, which will ultimately affect the commitment.

Secondly, we suggest that the government and the private sector engage more frequently and systematically with each other in order to determine mutually beneficial action, and also to increase their commitment and capacity.

Generally, this process of constructing the dialogue forum in the IGF 2013 Committee is part of a much larger context—that is, the shifting culture in policy dialogue, which is happening not only in developing countries such as Indonesia, but also globally. Traditionally, it is the government that acts as a central figure in Internet-related international law. But now Internet governance is a complex issue, which involves multi-stakeholders on many levels: stakeholder member, country, global society. It requires capacity, commitment, and consensus among the multi-stakeholders to ensure the dialogue's quality.

By becoming host country of the 8th IGF, Indonesia will draw the attention of the world, since it will be the first country to arrange this event using a multi-stakeholder approach. But this step is only a small part of a long path. Therefore, each stakeholder should think ahead to what strategic step they must take after the 8th IGF to continue the Internet governance implementation within Indonesia.

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## The Case for CSR as a Vehicle for Conflict Prevention and Conflict Resolution

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*This paper draws on the original data set from 26 interviews with senior practitioners and other communication professionals who were interviewed regarding their CSR definitions, norms, and initiatives. The author revisited the data to explore whether public relations programs consistent with these definitions and norms could potentially avert activism and possible conflicts in organizations' parent countries or their global locations. The author then expanded the original interdisciplinary literature review defining and conceptualizing CSR and related norms and initiative to include other pertinent scholarship. The study greatly benefited from the additional input of a public affairs executive in a U.N.-based global monitoring organization and the managing director of a global public affairs consultancy who considered CSR as good business sense. The results supported the value of socially-responsible, ethical, and transparent corporate communication and implementation of CSR norms, as defined by senior communicators, as a force for avoiding or reducing conflict. This study may assist scholars and practitioners in their professional roles. Burgeoning activism and a global spotlight on sustainability, human rights, and financial havoc attributable to corporations have made evaluating the role of CSR in conflict resolution universally pertinent. The study might identify ways in which practitioners, across the globe and as their organizations' "social face," could generate peaceful solutions to unrest.*

For the last decade plus (and in prior epochs, for that matter), journalists and their institutions have had a field day exposing organizations and their leaders for being rife with corruption at the worst and being self-serving and minimally cognizant that they operate within a larger society on which they may have an enormous impact. In the last century plus, an intermittent, crusading focus on the vices of greedy corporate magnates, their alleged "henchmen," and society's victim has been tempered with the perception that some corporations can play a positive role in supporting civil society. It is to this positive role that this study speaks.

Although some organizational executives and other leaders have clearly defined their responsibilities to their own organizations communities, to society-at-large, and to the environment, there is not, historically, a consensus that corporate social responsibility is, or should be, normative. The notion that corporations have a responsibility to their diverse publics and to the environment in which those publics exist may not be new, but as operationalized, it is only in the last few decades that more than a tiny minority of them have internalized this.

On the contrary-- legally, the courts have upheld a corporation's status, in some cases, as a "person," and therefore, entitled to the rights due to a person. Most recently, the novel idea among scholars, practitioners, and opinion leaders, that a corporation's responsibilities take precedence over its rights has led to the concept of CSR and corporate citizenship. Whatever has prompted this shift in emphasis among some corporations, the communities in which they are situated, globally, have either reacted peacefully or in conflict-ridden ways. The ills and abuses of

globalization, including human rights abuses, exploitation of labor, destruction of the environment, or threats to various species, are regarded as root causes to this malaise.

The fact that public relations is today more respected as a profession than in previous generations, may have further raised expectations that practitioners' clients and their organizations "play fair" and put sustainability and the needs of their communities ahead of their own concerns.

The need to define and re-evaluate corporate social responsibility (CSR) from senior communicators' perspectives led this author to interview about 30 of them in the U.S., U.K., and elsewhere abroad, and to explore, how, if at all, those definitions had an impact on their organizations' CSR initiatives. The study also sought to establish if there were shared conceptions of CSR (Author, 2011). By extension, an unstated goal of this study and subsequent follow-up studies was that the study might identify applications of CSR in which practitioners, across the globe, and as their organizations' "social face," might undertake, or have undertaken. These initiatives that generate peaceful solutions to unrest, based on the premise that practicing CSR, sometimes in the form of sustainability, can have a more peaceful impact on conflict-ridden situations than would have been otherwise possible.

The data from this 2011 study were analyzed and synthesized. This study presents that data and expands the original literature review and data from interviews with the senior communicators with an expanded literature review with additional interviews and archival research exploring any links between CSR and conflict resolution.

Here, the data has been distilled to identifying corporate behaviors conducive to conflict resolution and perceptions of such behavior by these professionals. Some of them seemed to be consistent with corporate citizenship, although some communicators preferred alternative terms. The original study and paper, ultimately, sought to identify ways in which CSR, as integral to public relations, might assist scholars as ethical practitioners and also reduce conflict. It was hoped that the study would be repeated cross-nationally, so that the CSR definitions and applications might be seen as valid across cultures.

## **Methods**

From spring 2010 through summer 2011, the author conducted a literature review and interviewed 26 senior practitioners in the private, not-for-profit, and government sectors; represented were 24 different U.S. and U.K. institutions, mostly international or global firms. The 25-question interview protocol probed for subjective definitions of CSR, and consistency of definitions among employees, colleagues, and business associates across cultures. Respondents were queried about baseline norms for CSR, whether these norms should be mandatory, and CSR initiatives taken by their organizations at home and abroad. In 2012, the author combed the data from these 26 interviews for CSR definitions, norms, and initiatives to see whether they suggested that public relations programs consistent with these definitions and principles helped, or might help, avert activism and potential conflicts in organizations' parent countries or in their global locations. The author extrapolated comments relating CSR to conflict resolution or to building social harmony, and contacted the public affairs officer at U.N.'s Global Compact, which monitors international compliance by organizations with ten basic principles of human rights, in order to identify if he had any empirical evidence of this.

The author expanded the original interdisciplinary literature review, which defined and conceptualized CSR, CSR norms, and CSR initiatives, (as per public relations, political science, conflict resolution, labor relations, and others) to explore more deeply whether CSR, as defined and implemented, would reduce conflict and result in peaceful and mutually satisfactory resolution of contested issues. The author also conducted repeat interviews, including a third interview with Walker (2012), who had substantive experience as a consultant in conflict-ridden regions where CSR was a critical part of the communication and sustainability landscape.

### **Results (2010/2011)**

The data suggested a general congruence among CSR definitions and synonyms (despite divergent terms, such as corporate citizenship, sustainability, and sustainable development), a consensus about the need for ethical, transparent, organizational behaviors, and a range of CSR initiatives for internal/external publics. The results will begin with a review of the literature.

### **Literature Review (2010-2011)**

The literature review included British scholars, due, at least in part, to a preconception that in a welfare state, corporate responsibility is viewed with more *gravitas* than in a free-market economy. This was borne out in Moon's (2000) discussion of an increased U.K. emphasis on accountability, particularly during and subsequent to the Thatcher years, when government and other regulatory measures increased. Other British scholars, also from management and business backgrounds, reinforced the value of the "triple bottom line" (economic, social, and environmental responsibility) (Henderson, 2001), rhetoric matched by action ("walking the talk") (Robertson and Nichols, 1996) and the value of CSR in business decision making (Stainer, 2008). These authors did not associate CSR with conflict resolution or social harmony, nor did the non-UK authors, who, for example, discussed corporate performance from a stakeholder perspective (Clarkson, 1995) and quality and ethics in virtuous organizations, and the importance of building trust in fragile states (Abramov, 2011).

Castells (2000) and Doh (2001) discussed the role of NGOs in catalyzing CSR and as partners operating in a triangular relationship with business and government. As seen below, some scholars reviewed in 2012 suggested that NGOs have an important role in conflict resolution also, especially when they work in tandem within that triangle, as per Bennett (2002).

Carroll (1979), who studied CSR for approximately 30 years, defined CSR as "Economic, legal, ethical, and discretionary expectations that society has of organizations," (p. 500), whereas Kotler and Lee (2005) were specific: "A commitment to improve community well-being through discretionary business practices and contributions of corporate resources" (p. 3). The author (2005) noted that CSR must be "a push from within" and go beyond "do no harm" to "do good."

The overall CSR focus of practitioners, lecturing and writing on behalf of parent agencies or international monitoring organizations, was on assuring the future of subsequent generations through sustainability (Paluczek [2011] citing Brundtland [1983]) and allied measures, such as the workforce's and the community's quality of life (Holme & Watts, 2000), and achieving commercial success in an ethical, respectful way (White, 2006).

### **Senior Communicators' Definitions of CSR**

Overall, there was no consistency of definition within sectors, and according to Rockland (2011); CSR is “One of the most poorly defined terms...intended to comprise overview of how you do business.” Numbers in brackets indicate how many respondents cited the following phrases or words, the most frequently used (*verbatim*) of which was “giving back” (6). The most frequent variants were: environment/sustainable (12) and more generally, “being a good neighbor” (2), “doing the right thing/do good” (2), “Treat others as you would.../with respect” (2), “underlying drive/in fabric of corp./community” (2), “meeting needs of society/community” (10) “programs for the community and/or volunteerism (6). More concretely, “taking responsibility and “meeting obligations” (10) ranked high, as did “being ethical” (4) and “Corporate citizenship” (3). Although all of these seem conducive to social harmony, none of them, as single or combined measures, are explicitly known to resolve or even reduce conflict. Similarly, although definitions for corporate citizenship, sustainability, and sustainable development, used interchangeably with CSR, were pro-social, they did not specifically evoke notions of conflict resolution. Nevertheless, it is implicit that if an individual or an organization behaves ethically and respects the integrity of the individuals, the community, and the environment within which it exists, then it may experience greater peace and a smoother “license to operate,” rather than ongoing conflict.

### **Senior Communicators' Overview of CSR Practices**

Given that about two-thirds of respondents came from profit-making agencies and corporations, it was surprising that the “economic” third of the “triple bottom line” for CSR took a back seat, at least as professed, to environmental and social/community concerns. ROI was minimally cited by respondents. Although levels of commitment and consistency of CSR definitions varied somewhat across some levels of corporations, upper management and executives generally agreed about the importance of CSR, definitions for which were used to prioritize CSR initiatives. Premium value was placed on community relations, literacy, and humanitarian initiatives, although many companies engaged in multiple sustainability measures, according to their preferences (e.g., going paperless). Public relations agencies and research firms stressed transparency, ethics, and employees' feedback.

As neither the scholarship nor the respondents explicitly linked CSR to conflict resolution, the next step for the author was to return once more to the interview data and the expanded literature to assess any connections to this effect made by scholars and respondents, as follows.

Results: Respondents' comments revisited

### **CSR, Cross-Cultural Variables, Potential Conflicts, and Resolution of Conflict**

One startling response to questions about the extent of cross-cultural communication was that although many respondents had some sense of culture's impact on CSR or even conversed with colleagues about cultural variations, their knowledge was often nominal or second-hand. About one-third rarely, if ever, spoke about, had knowledge of, or experience in dealing with global CSR issues. Such a lack of cross-cultural knowledge, should in itself spur serious discussion of the role of public relations and CSR in conflict resolution and how cross-cultural, if not global, communication competencies are needed for social harmonization and conflict resolution.

Human rights, respect for human resources, and human values were mentioned several times. One respondent (Weitzman, 2011) referred to the "general vocabulary of human rights" as an "international issue," Oliver, who worked extensively in the oil industry, mentioned universality of human values, regardless of culture. "No one," she said, "can get away with bad behavior today," especially given the new (social) media. Oliver added that her conversations with colleagues about other cultures were rare; they occurred only in the context of campaign planning, where it was "acceptable, very focused." Fitzgerald's (2011) said, "Commitment to act responsibly in different societies is interpreted differently." Perhaps conversations about divergent interpretations should occur routinely, especially in the light of Weldon's (2011) remarks about practices outside the U.S. that not only conflict with American values but are the antithesis of them. He specifically cited bribery but also referred in the interview to culturally-divergent standards for goods outside the U.S. He identified potential conflict in enforcing compliance, even when such practices conflict with one's value system and the law.

### **CSR's Value in Preventing or Reducing Conflict in Politicized or Potentially Politicized Situations**

Red Cross interviewee Shepherd (2011), an armed forces veteran, described the use of CSR in joint, community-based projects. He discussed how the U.S. Navy and Air Force work with locals to identify and run programs benefiting the host country's citizens. This level of stakeholder engagement could reduce tension in a country allied with the U.S., one receiving aid from the U.S., or even in areas occupied by U.S. forces.

In Australia, engagement in CSR by the government has focused primarily on the environment, largely because of its importance to the nation (Peard, 2011). At the same time, the "back story" of the aboriginal people's oppression (as recounted by Peard's colleague McCarthy [2011]) and the cultural, socioeconomic, and political turmoil faced by the Stolen Generations serve to demonstrate that engagement with and respect for all publics is a fundamental responsibility of governments and other sectors.

Weiner (2011), who heads a global public relations research firm, related CSR to conflict in the mid-East. "What's going on in Egypt," he said, "is in many ways a CSR failure." Although he conceded that it was an extreme example, his view was that people were driven by living conditions there to rise up; this was accelerated by the speed of communication. One of CSR's challenges, he maintained, is that its social aspect represents a cultural lens accentuating different norms, and added that "the U.S. may be more involved than others (nations), we impose or raise awareness of expectations for more CSR," where an organization must rise to U.S. standards.

Soulis (2011), whose organization is a member of the Global Compact, stressed that, "More companies want feedback from their external stakeholders via social media. They want to strengthen the bond stakeholders feel. As "countries are in different stages of development..." stakeholder knowledge varies. For example, he said, in First World countries, most people have knowledge of recycling, which is not the case elsewhere. "Companies must understand that range of knowledge." A company must position itself as a "thought leader," and "driving force." If it is global, it must act local. Such cultural sensitivity would appear to reduce or mitigate conflict.

Fitzgerald and Kinch (2011) advised that a CSR program approached like a public relations campaign was "doomed." "Actions speak louder than words," they said. "Try to get a program in place. Some companies do their due diligence and build their reputation over time."

One can envision, in Laufer-Rottman's (2011) moving account, how CSR could prevent or mitigate conflict. "Palms for Life," her not-for-profit run programs to stave off hunger and starvation in Africa. "CSR," she said, "cannot be optional." One can see how lack of water, sanitation, and basic food needs can trigger competition and even conflict over basic resources and exploitation of those without basic resources. For instance, a program to eliminate hunger (a core community issue in Africa) among children who are largely orphaned through AIDS, destitute, or victims of famine can potentially curtail aggressive incursions or full-scale war.

In the case of Weitzman (2011), one can see a clear connection between CSR and conflict. His organization monitors hate speech on the Internet; it has historically identified and publicized genocide, war crimes, and more recently, racism and hate activity on the Web. Given that he travels extensively, presents evidence in international venues, and is an international proponent of freedom of religion and human rights, he knows how perceptions of these issues vary from culture to culture, and has addressed them at the UN and OSCE. More explicit links between public relations, CSR, and conflict resolution were suggested by several respondents.

In both his 2010 and 2011 interviews, Walker stressed CSR as good business practices, a view shared by Spangler (2010). Good CSR, the latter said, was consistent with what it takes to run a successful business. To him, living a commitment to CSR, or "walking the talk," varies tactically and cross-culturally, but he primarily referenced employee safety, environmental protection, and engagement with communities across his company's 26 host countries. He echoed a desire for conflict avoidance: "We are part of these communities...want to preserve the right to be in these communities." What emerges from his remarks is that the license to operate is not an entitlement. It is a privilege. It must be earned through positive engagement with stakeholders and by corporate actions that will achieve requisite harmony; conflict can revoke it.

#### *A crucial role for social reporting?*

Oliver and Moxey, U.K. respondents interviewed in summer 2011, stressed the value of social reporting in publicizing and crediting pro-social CSR behaviors. Oliver discussed the need to innovate by embedding CSR through an organization, "globally, because social reporting has become so important...it's about leadership in corporate sustainability—with that comes reporting transparency and disclosure." Moxey's (2011) intent to integrate reporting in his own organization aimed to demonstrate how "governance and ethical and social factors are embedded in the organizational strategy, and how it is achieved." If social, and particular, integrated reporting, are increasingly normative, then public relations, CSR, and conflict resolution, will have stronger links. The literature review below supports these links.

#### **Linking Public Relations, CSR, and Conflict Resolution: Expanded Literature Review**

Walker (2011), identified a triangular approach to effecting sustainability (transparency, accountability, and engagement of stakeholders and management at all levels), especially crucial in major developing countries ("BRICs"--Brazil, Russia, India, and China). He added: Economic powerhouses...emerging economies...fragile democracies... Poverty is endemic, physical and

technological infrastructures poor...societies are largely agrarian... 'sustainability' (is) the watchword... struggle to stimulate economic development...avoiding crude exploitation of nations."

Thus, to avoid development taking its toll on communities and sparking conflict, communication, and in particular, public relations, and CSR should operate hand in hand. Walker (2011) never accused corporations of generating conflict or public relations of catalyzing conflict resolution but argued for sustainable solutions to avoid unrest from media-savvy publics.

In the ideal world any investment should be sustainable .... in a wired world the...capability of the smallest group to twitter, blog, and mobilize massive virtual armies and...political power is...easy for both the oppressed and the unscrupulous social and political movements keen to enlist them to their single issue causes.

Further, Walker (2007) discussed an Environmental Impact Assessment Study (EIAS, see below) in Nigeria. Public relations (as defined by the CIPR [1948] is "the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics/stakeholders") has a role in communication for development, which should be "best framed against that template." In particular, as regards, extractive industries, where there is a massive impact on communities, public relations' role in assessment and outcomes, at least in part, from concerns about civil unrest. Walker says that some may question what this has to do with public relations, but for him, "the answer is everything."

Conducting an EIAS to the standards that Brass (the Nigerian company [RK]) did here is not a cheap or an easy option but if stakeholder commitment, involvement and 'ownership' are essential for delivering development projects successfully and transparency and accountability criteria for donors and donor agencies this is investment with real returns for society.

In a summer 2012 follow-up interview, Walker underscored the position he had consistently taken, which was that corporate responsibility is clearly good business sense. Moreover, his experience as a consultant in Nigeria had shown him that when corporation took into account the needs of the communities around the mines and other facilities, it would reduce chances of conflict. Here we are talking about public relations' research role and proactive environmental scanning to identify stakeholder needs. This is consistent with the author's 2012 interview with Stausberg, director of public affairs for the Global Compact, who identified important roles for public relations both as specialist communicators who engage with stakeholders to determine and address their needs and internally, within the organizations, to push for transparency and disclosure. His perspective is strongly reiterated below, but first we turn to the role of culture.

### **Conflict and Respect/Disrespect for Disparate Cultures**

The author (2011) expressed concern that nearly one third of the respondents had limited dialogue and knowledge of cross-cultural CSR norms. This concern was echoed in the literature: "Lack of understanding of cross-cultural differences is one factor...when dealing with conflicting situations, language barrier is another... and even word choices and language connotation might affect interaction" (Ore, 2008, p.1). The need for cultural awareness is especially acute in conflict-ridden situations. As Western nations look East to the rising stars of China, other Asian nations, and a developing Africa, an understanding of radically-different cultural approaches is going to be essential for 1) effective public relations and corporate communication in what

increasingly appears to be a race for domination of world markets and 2) social harmony and conflict avoidance where corporations operate in volatile societies or their presence violates the host country's environmental integrity or cultural norms, or is so perceived.

Further, Ting-Toomey (2001) draws on the stark contrast between low and high-context cultures, which is not new, yet her assertion that intercultural miscommunication or conflict results from "a violation of normative expectation in a communication setting" (p. 376) is salient.

Aside from expectations of a sufficient level of intercultural competence, there is a need for businesses to exercise good judgment in pursuing pro-social policies in their business practices-as manifest in the "good business practice(s)" discussed by Walker (2010, 2011) and Spangler (2010). Business, political science, and international relations literatures support this approach.

Bennett (2002) states: "The international business community will increasingly need to promote greater economic inclusion and social justice in its operations, or it will be blamed for contributing to the conditions that lead to violent conflict." She links perception that globalization has created inequality to a motivation for violence. She also points to the ties and shifting roles of public and private sectors ("the private sector is becoming more public-minded, while the public sector is becoming more business-minded") and how good corporate governance promotes "economic inclusiveness and community goodwill" for international security, and regional and global stability through sharing skills and expertise. In avoiding civil war and international conflict, CSR appears to be indispensable, but on a smaller scale, it can assist in employee and labor relations, said Ore (2011):

There is no doubt that...dealing with internal challenges... as part of a corporate social responsibility strategy will foster a better work environment...Traditional public relation(s)...as well as the lack of strategic capacity to constructively engage stakeholders concerns may... prevent companies from operating efficiently and incurring significant losses. Incorporating CSR practices...may...mitigate and reduce those risks...(p. 4).

The stakes rise as conflict transcends organizational boundaries and affects communities, nations, and regions. Muensch (2008) charts the possible positive and negative roles corporations can play in armed conflicts. A lack of CSR can result in corporations' "complicity with and financing of repressive regimes, corruption and bribery, circumvention of international law, failure to consult communities and their forcible resettlement, and the presence of violent security forces" (p.8). Conversely, they can exert pressure on governments, follow guidelines (e.g., those of the Global Compact [RK]), begin a dialogue on policies and with stakeholders, and invest in society (p.9).

## **Discussion**

The author has presented primary data from interviews, corresponded with practitioners who offered first-hand accounts of environmental assessment studies and corporate responsibility programs in various global industries, combed through diverse scholarly literatures, reviewed corporate and not-for-profit literatures, and sifted through the Web sites of global CSR reporting and compliance bodies, organizations dedicated to conflict resolution, and independent consultants. Given time constraints, the author has consulted but not yet integrated some of the sources in the reference section into the above analysis but intends to do so in the next revision.

In a recent interview (2012), Stausberg, the public affairs officer for the Global Compact, disclosed that over 3000 organizations had been expelled from the Compact's ranks (see details above). Although all the expulsions were not based on violations of the Compact's Ten Principles, at minimum there was a failure by the expelled organizations to communicate what they were doing. This can be seen, at the very least, as a failure of public relations. This disclosure propelled the author back to the place where this study had begun: What do differing perceptions of CSR mean for the practice of public relations, its communication role, for CSR initiatives, and ultimately, for conflict resolution?

Those public relations professionals (and their organizations) who view CSR in the narrowest sense, whether it be corporate philanthropy for the sake of appearances or solely to boost ROI, or even those who engage in CSR reactively as damage control, in response to a crisis, are unlikely to be as concerned with "the bigger picture" of their impact on sustainability issues --in the broadest sense—concerning the environment, human capital, socio-cultural and political stability vs. community displacement, factionalism, ethnic strife, and outright civil war. In other words, as in other areas of life, the prism through which a practitioner views a set of variables will color the way that he or she assesses the urgency and levels of response to a given situation. Therefore, it is imperative to understand the public relations practitioners' "take" on these issue, and particularly those of senior managers, who have access to and potential influence on corporate policy and decision makers. It is also essential to know the extent to which they have made understanding these variables a priority.

Above, the author expressed a concern about the absence of some practitioners' direct knowledge of cross-cultural variables and their potential impact on communication and conflict. This, in itself, is an area warranting immediate and full remediation through a range of available and innovative education programs, of which public relations professionals should take full advantage.

The author specifically referenced, above, the East-West cultural divide. At a time where the world balance of power is shifting appreciably economically, and to some extent, militarily, towards Asia, it behooves public relations to "leave no stone unturned" when it comes to cultural knowledge and respect for divergent norms. This would certainly promote greater harmony and reduce conflict both in the boardroom and in the field.

Second, there is a need for a holistic appraisal of the impact of corporate goals and practices in a multiplicity of arenas. Environmental Impact Assessment Studies (e.g., Walker, 2006, above) should be routinely implemented where they are not already a norm. Organizations need to clearly know the ground upon which they are treading. Public relations practices such as environmental scanning and engagement with some stakeholders are already standard in some areas of practice; these should be "mainstreamed" and where necessary, outside counsel should be utilized to consider potential areas of impact that may prove problematic if neglected or mishandled.

Third, public relations practitioners have to carve a path in organizational thinking. Where considering the definitions and scope of CSR (known by that or any other names) is limited or non-existent, innovation in conceptualization and practice in this area needs to be driven by responsible practitioners, such that business will take its cues from them. Also, given the accelerated growth of the business, government, and NGO triangle described above, public

relations practitioners must enhance their education to include not only knowledge of other cultures and of government relations, but also must acquire some level of negotiating skills. They need to regard activists, where at all reasonable, as worthy partners in joint efforts to augment sustainable practices in the fullest sense so as to elicit social harmony and mitigate, if not eliminate, conflict. This also suggests that an interdisciplinary approach to public relations may well be appropriate. The author's recent conversation with Stausberg (2012, *The Global Compact*), in which the latter described public relations' roles in CSR and conflict resolution as one role in a larger group of roles, clearly took that direction.

The author began by describing this, above, as a "working study" and wishes to emphasize its limitations. Time and resources permitting, it would serve the topic well to go beyond the 26 original interviews, the follow-up interview, and the input of *The Global Compact*. The author has suggested this to colleagues on various continents, who, in principle, have agreed to participate in such an initiative. Given globalization and growing hostilities to and among businesses, governments, and NGOs, it would seem a priority area of allocation for research funding. It would also seem that public relations educators and the profession need to take a good, hard look at the standards for public relations education and to assess, where, in what order, and how the scope and direction of public relations education might be changed.

Note: A complete list of interviews is available from the author upon request.

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## A Cold Case and a Warm Conversation

### A Discourse Analysis of Focus Groups on Large-scale DNA Familial Searching

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*In this case study, we want to gain insight into how residents of three municipalities communicate about the new murder scenario of the cold case of Marianne Vaatstra and the possibility of a large-scale DNA familial searching. We investigate how stakeholders shape their arguments in conversation with each other and with the police. We investigate the repertoires that participants use to achieve certain effects in their interactions with others in three focus groups. The results show that the analyzed repertoires are strong normative orientated. We see two aspects emerge that affect the support for large-scale DNA familial searching. These are:*

- 1. Cautious formulations: respondents showed restraint in making personal judgments and often formulated these on behalf of others. Participants would not fully express themselves, but adjusted to what seemed the socially desirable course.*
- 2. Collective identity: respondents focused on the similarities between themselves and the needs, interests, and goals of other participants. Participants also tried in a discursive way to convince each other to participate in the large-scale familial searching.*

*These two major discursive activities offered the communication discipline guidance for interventions into the subsequent communication strategy.*

**Keywords:** *Discourse analysis, DNA familial searching, Cold case, Participation, Interaction*

In 2012, for the first time ever, a large part of the Dutch population was asked to participate in DNA familial searching, in order to solve the 1999 murder of Marianne Vaatstra, a 16-year-old girl. The Dutch police asked 8080 men to relinquish their DNA voluntarily. All of them lived in the immediate vicinity of the spot where the girl's body was found. This DNA familial testing took place in three municipalities. Support among the local population was essential for the successful implementation of the DNA samples.

The police and the judicial authorities asked a well-known national crime television show to inform the population of new information about the murder. The show was broadcast in May 2012 and watched by 1.2 million viewers, including many people from the area. Partly in response to this broadcast, police and the justice system decided that they wanted to know what preoccupied the population in relation to this cold case. To this end, a discourse analysis of focus groups made up of residents of the three municipalities took place in July 2012. The analysis was based on three central questions:

1. How do people talk about the new murder scenario after having watched the crime show on television?

2. How do people talk about the new possibility of large-scale DNA familial searching in their community?
3. How can an understanding of these arguments influence communication strategies used by the government?

This study specifically examines the repertoires inhabitants used (Molder & Aarts, 1998). The concept of repertoire refers to the type of arguments used by the members of the focus groups. Apart from tracing repertoires, we also conducted discourse analysis to examine which different social functions the inhabitants fulfilled with their repertoires (Molder & Potter, 2005). Generally, people use a repertoire depending on the purpose of a statement (Edwards & Potter, 1992; Molder, 1999). Discourse analytic research shows that people observe how their statements are received while they are talking (Potter & Wetherell, 1987, 1994, 1995; Potter, 2004). That is how people make selections from the possible descriptions of their reality. Consciously or unconsciously, people want to achieve something with what they say, how they say it, when they say it and to whom. The same is valid for these participants. Therefore, our discourse analysis focused on how participants in the focus groups formulated their considerations and the effects they wished to accomplish.

### **Theoretical Background**

To gain insight into the ways in which communication management can involve people in DNA familial searching, we must first understand substantive arguments about new insights into the Vaatstra murder case and the deployment of large-scale DNA familial searching, and, secondly, we must understand the ways in which those involved shape their arguments.

#### *Discursive psychology*

In this study, we chose a particular form of discourse analysis—namely, discursive psychology and its study of discursive strategies. This offers researchers good opportunities to establish contact with the environment, because this perspective takes into account what people themselves suggest. Discursive psychology is particularly interested in descriptive language, or the discursive strategies that people use to describe reality so that it is perceived as credible or valid. The world is created through the ways in which people talk, write, and argue about it (Potter, 1996, p. 98). From the discursive perspective, the question arises of how these descriptions are compiled. The question is not whether an expression is true, but what people do with language (Sneijder & Molder, 2005).

#### *Communication modalities*

Aarts and Woerkum's (2008a?) four communication modalities define how an organization can stay 'in tune' with its environment. These four modes are: exploring, informing, relating and negotiating. These modalities may function on their own, yet they influence each other reciprocally. We will describe them successively, in the process explaining their importance to an interactional perspective on communication in the Vaatstra cold case.

##### 1. Exploring

van Woerkum and Aarts (2006) define the “exploration” of groups as a process of finding out how people think and act around certain issues related to the organization. “The main goal is to

reduce uncertainties and to make an environment ‘readable’, so that responses can be supported by valid knowledge” (Woerkum & Aarts, 2006, p. 7). Sutcliffe states that the collection of information has a more decisive influence on the success of an organization than the strategic decision itself (Sutcliffe, 2000, p. 198). The perspective that we focus on in this study, the interactional perspective, is a type of exploratory research that asks the following:

- *How do people talk about the new insights into the Vaatstra cold case and the opportunities offered by these new insights?*

## 2. Informing

Woerkum and Aarts (2008) emphasize that “informing” should focus on what the other person wants to know.

The latter is an active receiver who becomes a kind of “co-producer” of the information he or she obtains. Informing is often highly institutionalized—for example, in campaigns that ought to generate a certain type of behavior on the part of the receiver. At the same time, stakeholders actively put forward their own messages—for example, via the Internet—to find allies for their own positions. This idea of the self-insertion of messages is used as a starting point for this study. We wish to investigate the following subject:

- *How to inform people in the focus groups who are talking about the Vaatstra case and DNA familial searching.*

## 3. Negotiating

Negotiations are part of our daily lives. In daily conversation we often repeat the words of our conversation partner. We do so not only to assure ourselves that our message is understood, but also to negotiate the meaning of the message. We repeat somebody else’s message in our own words. Negotiating is therefore an important part of interaction and will therefore play a part in the weighing of meanings about the circumstances surrounding the murder and the donation of DNA.

It is the environment that determines whether new insights and opportunities are plausible and whether they might contribute to a resolution of the murder. In this study, we aim to answer the following question:

- *How do the focus groups negotiate the new murder scenario and the use of DNA testing?*

## 4. Relating

Relating to others or forming interactive networks with others requires understanding of their language, of the ways in which they frame issues, and of the oral culture they live in (Woerkum and Aarts, 2008). It is of essential importance to invest in relationships in order to understand the potential misunderstandings in these relationships. This research assumes that regional law enforcement and the police can work on a relationship with the community by coming into contact with people.

## Resume

We aim to understand the way in which people communicate regarding the new murder scenario and the possibility of large-scale DNA familial searching. We investigate how stakeholders shape their arguments in dialogue with each other and with the police and law enforcement. We

examine the repertoires that are used to achieve certain effects in interactions with others. We also analyze the discursive strategies that are used to cope with certain interactional concerns.

### **Research Method**

A discourse analysis must answer the following three research questions:

- a. Which repertoires do inhabitants handle?
- b. What are the functions of these repertoires?
- c. What interactional concerns do residents show during interviews?

#### *Semi-structured focus groups*

We organized three semi-structured focus groups to track repertoires, their functions, and the interactional concerns of participants. These groups consisted of several key inhabitants of the municipalities mentioned earlier. We used a semi-structured interview checklist of topics. As a result, the conversation topics could be adjusted according to the dynamic nature and relative unpredictability of the interviews. In this way, the specific context and the practice that occurred could be adequately responded to (Aarts, 2009, p. 18).

Our checklist consisted of the following four themes:

1. Involvement in the Vaatstra case
2. Trust in the government
3. Large-scale DNA familial searching
4. Right to privacy.

Every thematic enquiry started with questions on a general level. In the sequel more personal questions were formulated.

#### *Participants in the focus groups*

Each focus group consisted of representatives of the population of a specific region. We selected participants from the villages by using the police network. An important criterion for selection was whether the person had a (professional) position in their municipality that enabled them to talk to many people. Thus, the focus groups were composed of, among others, a hairdresser, a pub owner, and a former chairman of an association. We created a diverse group of participants in order to avoid the dominance of certain perspectives during the interviews. Of the thirty-six people who had been invited and agreed to participate, twenty-nine actually participated in the focus groups.

The first author of this study was present at the meetings of the focus groups. The communication head of the prosecution acted as assistant to the moderator. The leader of the criminal investigation team conducted the interviews. This was a deliberate choice, since the team leader a) knew the case and could answer specific questions, b) represented the state, and c) was a well-known face because of his frequent media presence.

The interview material was based on 4.5-hour audio recordings and gathered with the permission of all focus group participants. The conversations offered insight into the ways in which certain themes are discussed by and within the community and how law enforcement can use communication to respond.

## Purpose

Our analysis had a dual aim: first, to discover what type of argument was deployed at the meeting and second, to discover which function in the interaction this type of argument had.

## Analytical procedure

Our discourse analysis focused on how people talk about large-scale familial searching, in order to examine a) the repertoires that were used during the interviews; b) the functions they had; and c) the interactional concerns of the members of the focus groups. During the meetings, the author made notes of the participants' statements. Subsequently, the researcher read these notes intensively and noted prominent themes. The researcher then listened to audio recordings in order to decide whether the choice of themes was well founded. For this purpose, themes were tested and specified using audio fragments that confirmed or even contradicted these themes. Fragments were not analyzed as distinct units: they were examples of repertoires found in the complete audio material. Then the audio fragments were transcribed and read several times. The researcher examined the larger phenomena that emerged from a total of 20 fragments—for example, certain recurring statements or themes. When these phenomena emerged, the fragments were selected and the presence of specific repertoires was analyzed. Respondents received numbers in the analysis to anonymize their statements. Indeed, the focus was not on any private expression of an individual respondent, but on a set of statements that was representative of several respondents.

## Results

In the results, we discuss the following questions:

1. Which repertoires do inhabitants use?
2. What are the functions of these repertoires?
3. What interactional concerns do residents show during interviews?

Below we describe the repertoires of five illustrating interview excerpts from the focus groups. We also describe the function of each repertoire. In the conclusion we discuss the interactional concerns of participants and the implications of our findings for the potential communication strategies used by the government.

### *Repertoire 1: Involvement has changed*

The analysis showed that the focus groups used the repertoire *involvement has changed*. In the past, involvement had manifested itself firstly as anger and grief over the murder of Marianne Vaatstra and secondly as opposition to the way the government handled the matter. In its new form, engagement was formulated in terms of a willingness to participate in order to resolve the matter. Fragment 1 illustrates this change in involvement:

#### *Fragment 1 10/07/2012*

R7        It's only now that we hear certain details about this murder case. Therefore, one develops different thoughts about it. Now we're told that it was not a premeditated murder. The initial story said that someone had been murdered, and a throat had been cut and it appeared to be a ritual murder perhaps. In this area we are not familiar with that kind of thing. It's a different story now, but that is of course because you tell us "now we can give you some details because in the past

those details were not intended for everyone”. But over the past thirteen years, people have developed certain opinions.

R4 I'm glad you're saying this; I notice that because of the words you're using now—"it could have been something that spiraled out of control"—the offender gets a completely different face.

R7 Yes, it isn't soothing but it feels like that.

R8 I think not. Initially, it was suggested that it would be a[n] asylum and now, in the new profile, he can also be my neighbor.

R10 Or a relative. That's indeed very intense.

Respondent 7 suggests that thoughts about the murder have changed. Some details now show that it was not a premeditated murder. Respondent 4 summarizes the statements of respondent 7 as if the perpetrator has become a different person. Respondent 4 agrees with this and indicates that the situation is perhaps not less severe but it is bearable by saying *it isn't soothing, but it feels like that*. Respondent 8, however, undermines this reasoning with the formulation *I think not* and points out that the perpetrator can now also be a neighbour: he *can also be my neighbour*. In this way respondent 8 does not question the mitigating circumstances as such, but the potential consequence of another offender profile. Respondent 10 reinforces this observation by using the superlative *or a relative*.

In short, the positions presented in this illustrative fragment are divided. On the one hand, it is argued that initial positions have been revised. On the other hand, it is argued that in the new situation the perpetrator is someone close. The perpetrator may be part of the participants' everyday environment and this scenario might also have many consequences.

The function of the *involvement has turned* repertoire is that it evokes a contrast with the past, which is often described as something that people want to leave behind. Now they realize that the case is different from what they previously assumed, because one crucial detail was missing. In this way participants explain their previous thinking, which was on the wrong track. They lacked the correct information to be able to make good judgments. New insights into the circumstances of the murder make the suffering more bearable. At the same time, respondents argue that the new scenario may also cause much unease, because the perpetrator could be a member of their own circle.

#### *Repertoire 2: What counts is the community*

Participants in the focus groups emphasize that they are willing to participate in DNA testing because they wish to contribute to the community. It is not the case that they wish to help the government. In fact, respondents ask themselves in the focus groups whether the police have the necessary expertise to solve this murder. Moreover, participants struggle with the question of whether the government can be trusted. How this struggle is discussed in the focus groups will be illustrated and analyzed in fragment 2:

*Fragment 2 18/07/2012*

R22 There is little confidence in the government, little confidence in politics, and great confidence in the community; you're doing it for each other.

All You're doing it for each other ((murmur of approval))

R24 I think it's very important that events in your campaign emphasize that you want to end uncertainty for those parents; that you are there because of the family; because you want to solve the case. You should not emphasize that you do this to help the government. Because people do not care about that.

Respondent 22 constructs a list consisting of three parts: 1) lack of confidence in the government; 2) little confidence in politics; and 3) great community spirit. This formulation consists of three aspects, which jointly evoke the image of resistance towards the government. Such structures are called three-part lists (Jefferson, 1990). They are often used to project completion where arbitrary aspects constitute a trinity. This construction strengthens the argument because it makes the description of reality robust and universally valid. The suggestion that emanates from this argument is "those are the facts in this region": people are doing it for each other. That this feeling is widely shared is evident from the approval and the repetition of the words of respondent 22. Respondent 24 reinforces the argument of collective responsibility by saying *...but you should not emphasize that you do this to help the government. Because people do not care about that.* The government is not seen as part of (their) society, but kept at a distance.

The repertoire that respondents used has the function that responsible authorities should realize that trust in government is subordinate to caring for the community. The unsatisfactory contribution of the government at the time of the murder of Marianne Vaatstra has undermined the relationship between the community and law enforcement. People hope for a breakthrough in the murder case, however, because of the new opportunities offered by DNA familial searching. The latter seems to be promising, as is clear from the following analysis.

### *Repertoire 3: Large-scale DNA familial searching is promising but invasive*

Initially, the repertoire of "large-scale DNA familial searching indicates hope" or the *hope* repertoire emerged in the interviews. People use large-scale DNA familial searching as an argument to help the government solve the murder. This repertoire is used to portray DNA searching as promising:

*Fragment 3 12/07/2012*

R14 As it was presented at Peter R. De Vries (national crime television show) that gives you back hope. It is certain that by this investigation the offender will come out.

People must also take the impact of research on the community and the individual into account. The fragment below presents how respondents debated their potential cooperation with the investigation. The moderator asks people how they weigh the fact that the suspect might be a family member. Would that be a hindrance to their cooperation?

*Fragment 4 10/07/2012*

R6 If I thought a family member could have done it, well then, I think I would keep mum. I don't like the idea that my cousin would be discovered because of me, as it were.

All Nooooooh, well, yes, that would be a terrible thing, noooo.

R6 I would be able to think like that, yes. No doubt, I won't be the only one.

Respondent 6 indicates that he might not cooperate with the investigation if he suspects that the perpetrator is a family member, by saying *well then, I think I would keep mum*. Although others react with cries of horror (noooooh) to this statement, respondent 6 is determined and reiterates his decision: *well then, I think I would keep mum*. The frequent use of *well* suggests logic here. In other words, it means “anyone who can reason logically, must have come to this conclusion”. It is striking that this firmness on the part of respondent 6 subsequently weakens when he says *No doubt, I won't be the only one*. Or, “I express a vision that is prevalent among the population; it is not my own personal view that I present here”. The language of respondent 6 varies between formulations of more personal considerations and statements that represent collective considerations. Thus, the respondent speaks on behalf of a group of others, “such people with such reasoning”. Respondent 6 undermines the possibility that he will be seen as representing a private opinion. He does so precisely at the point at which other respondents could treat his statements as controversial.

Apart from the *hope* repertoire, another type of repertoire emerges: the *invasive* repertoire. The fragments show the dilemma that people feel they are in: on the one hand, the respondent wants to solve the case but, on the other hand, he would not betray his own family. While the repertoire *large-scale DNA familial searching* is promising, the *invasive* repertoire was expressed in more ambivalent terms. Respondents define their concerns mostly in personal terms combined with a mainly positive approach to the opportunities offered by genealogical research.

In addition to this positive image, participants also painted a more critical picture by sketching the risks. It might be the case that people adapt their behavior to the collective norms and personify their social roles as residents of an area where a grisly murder took place. The statements of the respondents show that they are concerned about the extent to which people still make their own decisions. The danger is that people must fulfill the role that is expected of them. This contrast—hope versus risks—is solved in the interaction by not portraying DNA searching as merely promising. It is worthwhile to take into account success and failure. Thus, hope and fear can be replaced by reality. The function of this repertoire is that it refrains from arousing resistance to the large-scale DNA familial searching. The repertoire (if in equilibrium) is thus promoting consensus; respondents create active support for the DNA research.

*Repertoire 4: Privacy is vulnerable*

A fourth repertoire that emerged from the research material concerns the issue of privacy. This aspect is illustrated by the fragment below. The moderator asks the group whether it would wish to be informed about the whole process of DNA familial searching:

*Fragment 5 20/07/12*

R28 Personally, it doesn't really matter to me. I've talked about it at work, in passing. “How do you guys think about it?” and then our IT guy asked me “Yes, but what happens to those tracks?”. That was striking, I thought.

All (murmur of approval)

R28 I said, “Well, they will be destroyed” and then he said, “But if they are saved by a computer then uh, then, they will always be traceable.” Then I thought, “Hey, it’s the IT guy saying this (...)”.

Respondent 28 shows that he does not worry about the privacy aspect, but a colleague who is an ICT professional does express concerns: *But if they are saved by a computer then uh, then they will always be traceable.* It shows that respondent 28’s view comes from an expert and therefore creates food for thought: *I think hey, it’s the IT guy saying this.* The exclamation “hey” also suggests that this is a bright idea. It seems to be a spontaneous thought: “listen, this idea does not originate from my own suspicion. I’m presenting the logical observation of an expert who has legitimate doubts.”

The analysis in fragment 4 shows that, during the interviews, the *privacy is vulnerable* repertoire is deployed. To what extent can people be certain that their personal data remain anonymous? Situations change and previously guaranteed long-term privacy can still be compromised. Can a government control DNA material? Technology and politics can thwart this control. When it comes to privacy issues in this context, this study reveals much uncertainty. There is also tension between the issue of privacy and the idea that the research takes place in public. A choice you have made in private becomes public when you are on your way to the DNA drop location.

The function of this repertoire is to address the government’s responsibility to be careful when dealing with personal data.

**Conclusion**

In this study, we aimed to understand the types of arguments and their functions used by participants during interview sessions on the new insights into and opportunities inherent in the cold case of Marianne Vaatstra. We wanted to obtain knowledge about the interactional concerns of the stakeholders involved in this case. That is why we attempted to answer the research question:

- *How do the participants in the focus groups talk about the new scenario for the cold case of Marianne Vaatstra and the possibility of large-scale DNA familial searching?*

Based on our analysis, the model below distinguishes between four repertoires with their specific functions:

Repertoires	Functions
1. Involvement changes	To create a contrast with the past
2. What counts here is the community	To create a contrast with the government
3. The research is promising but invasive	To promote consensus concerning the research
4. Privacy is vulnerable	To appeal to government responsibility

In the focus groups, the majority of participants accepted the new murder scenario. Participants had realized that, for a long time, they had based their arguments on misinformation. They mentioned that their earlier anger, despair, and opposition made way for great commitment: “you

can make a contribution now”. Room was created for new commitment legitimized by creating a contrast with the emotions of the past.

At the meeting, participants spoke as members of the community. Each referred to their identity as, for example, a barber or café owner, to demonstrate that they made frequent contact with others. The participants therefore argued on behalf of or for the benefit of the community. This repertoire contrasted with the type of argument that shows distrust towards the government.

None of the focus groups questioned the importance of new research. They discussed the cost aspect a few times, but the issue was not decisive in the conversations. A dilemma—that people wanted to solve the case, but not at the expense of their own family members—did not hinder the option of DNA searching. On the contrary, participants defined and legitimized the large-scale DNA familial searching, hoping that many people would participate.

Participants in the focus groups also touched upon the theme of privacy and took the authorities to task for the feasibility of protecting their DNA. By quoting other experts, they questioned the expertise of the government.

This study sheds light on the ways in which people talk about new developments in the Vaatstra cold case. Judging from the conversations, the repertoires and features under analysis have a strong normative orientation. Precisely because of this, it seemed useful to gain insight into the interactional problems and solutions put forward by the participants in the interview sessions. Two aspects emerge that affect the support for large-scale DNA familial searching:

1. Cautious formulations
2. Collective identity.

We would like to discuss these two aspects in more detail:

#### 1. Cautious formulations

Respondents were hesitant in making personal judgments and often formulated these on behalf of others (*our IT guy*, see fragment 5). The normative aspect that played a role in the interviews could ensure that people would not fully express themselves, but adjusted their words to what seemed socially desirable. Thus, they did not appear to be accountable for these statements and expressed caution. The analysis shows that there were negotiations over the meanings of the topics of conversation. This is consistent with the idea that stakeholders also negotiate with each other and mutually create meanings (Woerkum & Aarts, 2008, p. 23). That is how respondents sought solutions during the interview to bridge differences in vision and to create agreement. There were no sharp discussions in the focus groups, which would lead to conflict. Instead, participants tried to find a repertoire that enhanced consensus. They did not suggest new themes but waited for input from the moderator.

#### 2. Collective identity

The concept of collective identity played an important role in the conversations. Participants paid attention to the similarities between themselves and the needs, interests, and goals of other participants. Stekelenburg speaks of how “my experiences and your experiences, needs and so forth are transformed into our experiences and needs” (Stekelenburg, 2006, p. 12). In this study, generalizing language was often used: participants spoke in terms of “we” and “us”. Research on collectives as social movements show that these expressions for mobilization are a response to

this collective identity. For example, a problem can be formulated as a “shared problem” (Klarenbeek, 2012). This study confirms this phenomenon based on the fact that participants in the focus groups also discursively tried to convince each other to participate. Understanding these discursive activities subsequently offered guidance for interventions of the communication discipline.

### Discussion

The communication professional can see the environment as consisting of groups of stakeholders who have a major impact on public issues that are important to the government—in this case, the introduction of a new detection method. Recognizing repertoires and their functions provided by these stakeholders helps communication professionals to understand the type of reaction that a particular policy might provoke. This study shows that an interactional perspective helps the government to explore, inform, and relate to its environment. It also means that communication professionals ought to pay attention to the fact that inhabitants - that is, members of the environment - also communicate among themselves. Moreover, it enables professionals to establish better contact with the environment during the execution of policies.

### Finally

When the DNA research was finally executed, attendance was high and resulted in the arrest of a suspect. More than 90% of the 8080 men who had received an invitation ceded their DNA, including a 45-year-old man from Oudwoude, a small village near the place where Marianne had been found. His DNA matched the DNA track found on the victim’s body.

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# Communicating Across Boundaries

## Shifting Paradigms, Perspectives and Practice

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Communication professionals find themselves at a point of inflection as new forms of organizing and new realities emerge. Major forces such as globalization, the digital network revolution and the empowerment of a myriad of new publics are re-defining the role of the communication professional within business and society. There has in effect been a symbolic paradigm shift from mechanistic monologue forms of organizing to complex dialogical forms of organizing - in essence a shift from a modernistic to a postmodernist ideology (Parboteeah & Jackson, 2011:688-689). These fundamental changes require that scholars and practitioners challenge their own assumptions and come to grips with the implications of paradigm shifts in various fields.

However, communication professionals have been slow to come to grips with these shifting paradigms, partly because there is no clear line that demarcates the shift between modern and postmodern communication practice, and partly because practitioners are held captive by their own modernist assumptions. While these shifts may arguably result in stronger and better practice, it will require substantially new approaches that can only evolve if communication professionals challenge existing intellectual assumptions and develop new approaches to evaluating and researching strategic communication.

Mahoney (2011:144-145) argues that there are two possible scenarios for strategic communication-one a recidivist normative state in which traditional approaches to public relations and communication and advertising will be revived, or the emergence of a strategic approach that differs from integrated communication because it spans across all organizational endeavors and activities.

Holtzhausen (2008:48-49) argues that the field faces a challenge not only in coordinating and integrating the communication activities of organizations on the level of practice, but also in developing a more appropriate multidisciplinary body of knowledge that is better suited to the fragmented nature of communication and audiences in post bureaucratic business contexts. Much like organizations, it is important for communication professionals to be sensitive to their environments and pay attention to the challenges facing them.

In this paper a strategic communication approach to communication management is emphasized as a mechanism for increased organizational legitimacy and efficiency (Fredrickson, 2009: 28). This approach has become more relevant within emerging business context that are increasingly characterized by unpredictability, complexity and uncertainty. Changing consumer and stakeholder expectations require engagement with both internal and external stakeholders, including civil society. This engagement is required within emergent business and societal contexts that transcend boundaries as technology and digital platforms drive rapid and continuous change. Fredrickson (2009:21) contends that as an agent for an organization's communication,

professional communicators have become increasingly influential, but as a consequence of structural transformation and the dissolution of social boundaries the discourses of responsibility are dominated by multiplicity, uncertainty and ambivalence.

There is a real need to expand theoretical approaches beyond the traditional perspectives. While traditional theory construction is founded on the belief in the factual nature of a knowable universe, it seems as if post bureaucratic strategic communication must, like postmodern organizational theory, reject the very notion of theory at the institutional level. The transition from a functional perspective, which focuses on techniques and production of strategic organizational messages, towards a co-creational perspective which sees publics (stakeholders) as co-creators of meaning and communication, is a significant development in professional communication research. Communication theory and research must also shift its focus to how communications contribute to an organization's purpose for being. (Hallahan et al., 2007:10).

The shift toward a strategic communication paradigm also holds important consequences for the education of professional communicators. In line with increasing convergence on the level of practice, there should be increasing emphasis on disciplinary convergence on a curricular level. Several university programs in the United States (and Europe) that offer advertising and public relations programs have adopted strategic communication as the framework for integrated curricula that combine the common strategies of these disciplines. The purpose of these integrated curricula should be to foster a holistic and critical understanding of the principles of business and management. An emphasis on strategic communication should equip scholars to leap ahead of professional practice by (a) providing the theoretical and conceptual grounding in strategic communication, and (b) focusing on the practical and research applications of strategic communication within a post-bureaucratic organizational paradigm.

This paper explores the implications shifting paradigms, and emerging perspectives for the practice of professional communication in contexts that increasingly require the ability to span disciplinary, organisational and societal boundaries.

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# Communicating Corporate Responsibility with Sustainability Reporting and Social Media Tools

## Analysis of the Global Pulp and Paper Industry

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*Open communication of corporate social and environmental performance to key stakeholders has become an essential part of corporate conduct and, recently, this dialogue has moved towards the use of social media. Our aim is 1) to compare sustainability communication using both traditional and new social media channels, and, 2) use regression analysis to explain the impact of location, size and firm profitability on the quality of the two types of communication. Content analysis was first conducted on corporate sustainability reports, websites and social media of the world's 100 largest pulp and paper companies in 2012. 70% of companies were found to use sustainability reporting, while the share of companies involved in social media was lower, 50%. Geographic location, company size and profitability were found to increase the quality of traditional sustainability communication, whereas only size was significant in explaining the quality of social media activities. Environmental issues were the most common topic of disclosure, whereas in social media, community issues were also strongly emphasized.*

**Keywords:** Stakeholder management, Sustainability communication, Sustainability reporting, Social media, Pulp and paper industry

Sustainability is a current leading megatrend behind corporate communication. Being environmentally and socially proactive may also generate additional revenues from developing innovative new products and services to ethical consumers and help to retain qualified employees. Consequently, communication of corporate (social and environmental) responsibility (i.e., CSR or CR) to firm stakeholders has become an essential part of corporate conduct. Managing successfully conflicting expectations can be/is sometimes a crucial source of ideas for new innovations (e.g. Dawkins 2004). According to Falck and Hebllich (2007), CSR can be defined as "*voluntary corporate commitment to exceed the explicit and implicit obligations imposed on a company by society's expectations of conventional corporate behaviour*".

While CSR can bear different meanings for different stakeholder groups, industrial sectors and geographic contexts, it is generally agreed that as being a part of the global economy, businesses are not only a source for employment and wealth creation, but also contribute to wider goals of sustainable development. The strategic practice of CR has become an extremely relevant issue within the pulp and paper industry (e.g. Panwar et al. 2006). Also according to Mikkila and Toppinen (2008), the pulp and paper industry is a relevant sector to analyze corporate responsibility because of the industry's unique, renewable raw material base and increasing shift in production capacity to the global South. However, despite previous research on corporate sustainability reporting, no studies have analyzed the phenomenon from the perspective of emerging social media applications.

In the management of stakeholder relations, an increased engagement with stakeholders via social

media has changed the mix of communication tools so that information control now lies more with the users rather than the focal firm (e.g. Mangould and Faulds 2009, Fischer and Reuber 2011). Globalization with its growing public awareness of critical company conduct implies an ever greater need to build and secure legitimacy of firms, to maintain trustful stakeholder relations and to leverage the social capital inherent in these relations to enhance value creation.

According to CSR Online Awards (2011), the most used social media channels in CSR is the business network LinkedIn, after video sharing site YouTube, followed by micro-blog Twitter and social networking site Facebook. Due to the emerging influence of social media (e.g. Kirtis and Karahan 2011), there is a shift in the corporate world moving stakeholder dialogue towards the use of social media to gain better efficiency and global coverage. However, recent examples from corporate sector show that managing stakeholder relationships in the context of social media are both costly and not without potential risks. Thus, there is a gap in research concerning the current state of the art of using social media application tools for communicating CR in the manufacturing sector, as well as the understanding of the consequent opportunities and challenges for end-user driven value co-creation, corporate brand building and reputation management.

Therefore, using a single industry setting, our aim is, first, to explore the state of the art in sustainability communication and stakeholder management using both traditional and new social media channels in the context of the globally 100 largest pulp and paper industry companies, and, second, use regression analysis of the communication quality of these two types of communication forms to determine the impact of industry location, firm size and past profitability.

### **Theoretical Background**

Cornelissen (2011) reviews three standard communication strategies for CSR. First, *stakeholder information strategy* is seen as one-way information flow, where a company's CSR messages are made available to stakeholders. The aim is to deliver large volumes of information to the general public with the help of brochures, societal reports, magazines, facts, and figures. Transparency and supply of information on social efforts and corporate ethics is powerful, but not necessarily a sufficient means to build positive attitudes to company operations among stakeholder groups (Morsing and Schultz, 2006). Second, *stakeholder response strategy* requires feedback from stakeholders on the company's CSR activities, decisions, and actions. As the focus of discussion is solely chosen by the company such activities are often claimed to be mere marketing or PR efforts and, therefore, generally are not regarded as the company's commitment to stakeholder groups and society. Third, the *stakeholder involvement strategy* enables a mutual dialogue between the company and stakeholder groups. Stakeholders are empowered to evaluate the company's CSR activities. In turn, the company aims to meet the expectations of its stakeholders.

In general, CSR communication activities can be divided into two categories: external (thus, integrating an external entity) and internal (when it does not integrate an external entity). External communication tools are associated with helping charities or non-profit organizations and include: cause-related marketing, charitable donations, and event sponsorship. Internal activities are mainly related to internal policies and codes of conduct. This category is comprised by the following: codes of ethics, special health and safety policies, and responsible environmental policies (Basil and Erlandson 2008). Mangold and Faulds (2009) state that social media is a

hybrid element of promotion mix, combining elements of traditional integrated marketing communication tools with the special form of word-of-mouth communication. It is believed that companies usually underestimate the impact and opportunities of internal communication channels. As employees are often the connecting link between the company and its stakeholders as a source of information, they can potentially act as an advocate for the company's social responsibility programs (Dawkins 2004). According to Gomes and Chamleta (2011) social media channels empower companies to promote interactive communication and collaborative learning.

Along with the rising interest in corporate responsibility, the academic world has directed much of its attention to researching the linkage between CSR disclosure and financial performance. Evaluating CSR related costs and benefits at the corporate level have been a topic of many studies, but without conclusive results (see e.g. van Beurden and Gössling 2008). According to a meta-analysis of van Beurden and Gössling (2008), the most important factors influencing the relationship between CSR activities and financial performance are the size of the unit of analysis, followed by industry sector, R&D spending and risk. In Waddock and Graves (1997), corporate responsibility was found to be positively associated with *prior* financial performance, supporting the view that slack resource availability and the level of CSR are positively related with each other. Also according to Lee et al. (2012), the possible effect of CSR on the financial performance of a company can be explained through the slack resources hypothesis, suggesting that past financial performance of the company affects its corporate social performance. While some research shows positive correlations between companies' CR involvements and the financial performance, the others show negative or lack of correlation (e.g. van Beurden & Gossling 2008; Putrevu et al., 2011; Bhattacharya & Sen, 2004). Barnett and Salomon (2006) have also suggested that although financial performance of the company may decline in the early stages of CSR investments, the company may benefit financially after a breaking point, and that slack resources are needed to facilitate better quality in sustainability communication.

Other previous studies shed light on the effectiveness of traditional ways of CSR communication through sustainability reports (e.g. Toppinen et al. 2012) or CEO letters (see e.g. Amernic et al. 2007, Segars and Kohut, 2001, Waldman et al. 2006) as a means to communicate corporate sustainability. Based on Fanelli and Grasselli (2005), CEO letters are claimed to be the most read part of the annual report. Moreover, due to the letters' position in the very beginning of the reports, they are considered to 'set the tone' for further reading of the report (Mäkelä and Laine 2011). Therefore, CEO letters cannot only be 'mundane discourses of seemingly minor importance', targeted solely to stockholders, but moreover have the potential of being a very important tool for communicating values and attitudes of senior management (Amernic et al. 2007).

Along with traditional CSR communication tools, social media is gaining importance among companies that are seeking to effectively address CSR issues to their external stakeholder groups in an easy and interactive way (Gomes and Chamleta, 2011). Due to the power of new media and information technologies, a vast amount of information is available to the public. At the same time, businesses have become more global and activities more transparent. As a result, social and environmental criteria have been increasingly important for various stakeholder groups when evaluating firms' conduct. The use of social media and advanced mobile and web technologies may create highly interactive platforms for sharing, co-creating, discussing and modifying user-generated content among individuals and communities (Kietzmann et al., 2011). While social media is targeted to build stakeholder relationships - and this process differs from shaping

traditional relationship -, the same rules apply in the social media environment: trustworthiness, reliability, honesty and reliance on personal contacts.

### Data and Methodology

The study investigates the degree of adoption of social media (SM) applications and CEO letters as communication tools among forest sector companies. Specifically, *the sample* is comprised by the largest Top 100 forest and paper companies in 2011, as ranked by Pulp & Paper International (PPI) magazine (issued in September 2012). Financial data (as of the year 2011) on the companies utilized in the research has been obtained from the mentioned issue of PPI, while CEO letters, as part of the latest sustainability/CR/annual report (for the year 2010-2011), were collected from the corporate web pages of the sample companies. As for the SM application usage, first of all, the presence of SM applications links was examined on companies' corporate/sustainability/CR web pages. In the cases where no links were found on the mentioned web pages, a search for the company's involvement in SM was conducted directly on SM channels with the help of search engines. Specifically, the study concentrates on examining the following SM applications: YouTube, Twitter, Facebook, and LinkedIn.

Content analysis was first conducted on corporate sustainability reports, websites, and social media of the world's 100 largest pulp and paper companies in 2012. We use a recently introduced ISO 26000 standard (see e.g. Castzka and Balzarova 2008, ISO 2011) with its core subjects defined as Organizational Governance, Human Rights, Labor Practices, Environment, Fair Operating Practices, Community Involvement, and Consumer Issues.

As for specifying the units of analysis, in the first stage, Weber (1990) defines six units (word, word sense, sentence, theme, paragraph and whole text), while Beattie and Thomson (2007) propose a more effective unit resolution that consists of three units: phrase, clause or theme. In order to measure the depth of the studied data, the coding of the information content scale has to be determined. Following the example of Beck et al (2010), this study utilizes 6 different levels of disclosure content as coding categories. Hence, level zero equaled "no available information", type 1 coded "disclosure included addressing pure narrative issues related to category", whereas type 2 equaled "additionally requires some details". When there is numerical information present, the disclosure type was coded as 3, 4 or 5, depending on the quality of explanations, time line comparisons and the level of detail.

In the second stage, a basic linear regression or a curvilinear equation (see Barnett and Salomon 2006) for the two communication tools is estimated to establish a statistical relationship between the companies' quality of CSR communication and corporate size, profitability, as well as their geographical location. Thus, the dependent variable of the models is the quality of CSR communication, which is evaluated according to the system, presented earlier in this chapter. The better the quality of communication, the higher a score is given for communicating CSR efforts. The two equations below elaborate the multiple regression linear (1) and curvilinear (2) models for this study:

$$(1) CSR\_Comi = \beta_0 + \beta_1 Sales_i + \beta_2 Earn_i + \beta_3 Loc1 + \beta_4 Loc2 + \beta_4 Loc3 + \epsilon_i$$

$$(2) CSR\_Comi = \beta_0 + \beta_1 Sales_i + \beta_2 Earn_i + \beta_3 Earn\_Perc_i + \beta_4 Earn\_Perc\_2i + \beta_5 Loc1 + \beta_6 Loc2 + \beta_7 Loc3 + \epsilon_i$$

where:

CSR\_Com – CSR communication quality

Sales – sales of the company

Earn – earnings of the company

Earn\_perc – earnings of the company, %

Earn\_perc\_2 – earnings of the company, %, squared

Loc – location of the headquarter of the company

ei error term

## Results

As Table 1 indicates, among the Top 100 pulp and paper companies, more than one third of the players (35) under scrutiny have their headquarters in Europe, while 30 are located in North America. Asia is the third largest home base, with 25 companies falling into this category. In 2012, 70% of the world's largest pulp and paper companies were found to use CEO letters within their sustainability reporting, while the share of companies involved in social media was 50%. The most commonly adopted social media applications were YouTube (46%), LinkedIn (41%), Twitter (29%) and Facebook (28%). However, when evaluating the quality of communicating CSR efforts, the sample decreased to 40 companies due to the fact that ten players were promoting their activities in languages other than English. Such an approach is quite understandable, as the main group receiving messages on CSR activities are local stakeholders, receiving messages mostly in the language of the countries where the companies are located. Nevertheless, some companies are found to be very active in social media. For example, Swedish SCA has over 700 videos under SCA Svenska Cellulosa Aktiebolage channel, which are grouped in the following categories: SCA in Glance, Sustainability in SCA, Working in SCA, Innovation in SCA and others.

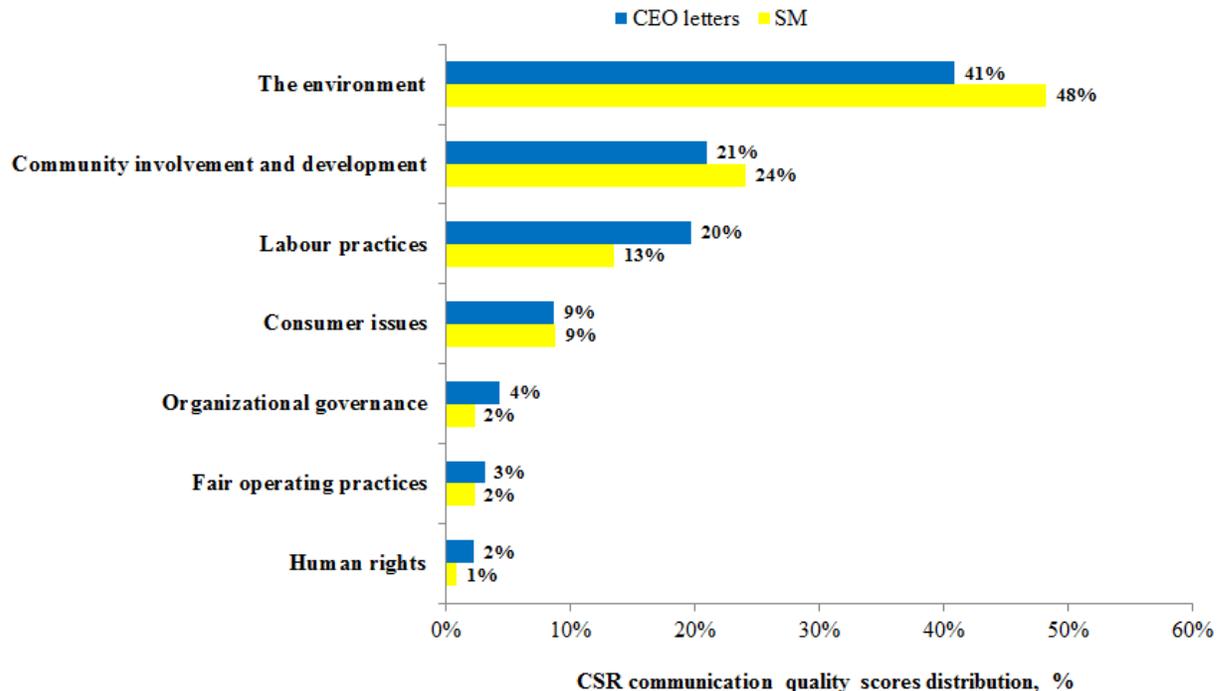
**TABLE 1.** Companies' involvement in communicating CSR via CEO letters and SM, distributed by headquarters' location in 2012.

Location	Number of companies in analysis	Percentage communicating with CEO letters %	Percentage communicating with social media
Europe	35	66%	46%
North America	30	80%	70%
Latin America	7	100%	100%
Asia	25	52%	12%
Africa + Oceania	3	100%	100%
Total	100	70%	50%

The assessment of the quality of communicating CSR activities via CEO letters and social media applications was based on content analysis at a six-point scale. According to our content analysis, one third of the companies communicated their CR efforts with lowest quality via CEO letters, whereas only 15% showed the same level of communication via social media applications. At the same time, 20 companies revealed quite good quality of their CSR communication via CEO letters. Overall, a higher communication quality is implemented via social media channels than via CEO letters, with 36% vs. 19%. Moreover, there were considerable regional differences in the

adoption degree of CR communication tools for the companies of different locations, with Asian based companies being most reactive in terms of adopting social media.

Furthermore, we analyzed the content of sustainability information based on the most communicated topics as defined by seven ISO 26000 core subjects (see Figure 1). Thematically, environmental issues were the most common topic of disclosure, whereas in social media, community issues were also strongly emphasized. The most widely-discussed issues in pulp and paper industry companies are under segment “Environment” both in traditional and social media channels. Along with environmental issues, other subjects, such as community involvement and development, as well as labor practices have begun to gain their importance. In particular, social investment, community involvement and wealth creation have been the major topics discussed by the CEOs in their letters to stakeholders. Also, labor practices have been mostly communicated through such categories as health and safety at work, as well as human development and training in the workplace. However, in comparing to community involvement and development, this holds the second place within social media communication. Labor practices and consumer issues are also commonly communicated via social media, while organizational governance, fair operating practices and human rights are of minor importance.



**FIGURE 1.** Breakdown of ISO2600 CSR standard core subject communicated via CEO letters and social media (SM) channels, %

Finally, the linear and curvilinear models for the two communication tools were estimated for both traditional and social media quality of communication to establish possible relationships between the companies' quality of CR activities communication and their size, profitability, as well as geographical location (Tables 2 and 3). Model 1 demonstrates significant differences in the linear relationship between the dependent variable (CSR efforts communication quality) and headquarters location of European (constant) and Latin American companies. At the same time,

no differences have been discovered between European companies and companies from North America and Asia. Moreover, this model proves a significant positive relationship between the dependent variable and the company's size – sales. In addition, the adjusted r-squared value stands at 38% level. In comparison, Model 2 shows significant differences between the linear relationship between CSR efforts communication quality and headquarters location for European and Latin American companies. Also, moderate a positive relationship is proven between the dependent variable and the sales volume of the company, as well as squared percentage earnings, suggesting the u-shape relationship for the latter.

The results for the CEO letters thus demonstrate significant differences between CR efforts of communication quality and headquarters location for European and Latin American companies. Also, moderate positive relationship was found between CR communication quality and corporate size, as well as squared percentage earnings from previous periods, suggesting that slack resources exist, bigger sized companies invest in CR communication and that there exists a curvilinear u-shape relationship from the company earnings. This finding confirms Barnett and Salomon (2006) that although financial performance of the company may decline in the early stages of CR investments, the company may benefit financially after a breaking point, and that slack resources are needed to facilitate better quality in sustainability communication.

Regarding the quality of communication in social media, regression models are quite poor. In Table 3, Model 3 demonstrates a significant relationship between the dependable variable and sales of the companies under scrutiny. However, the adjusted r-squared value stands at a low 0.16, while Model 4 has an F-test value which indicates no statistical power of this model.

**TABLE 2.** Results of the regression modeling of relationship between sales, earnings, location and CSR communication quality via CEO letters (coefficients significant at 1.5 and 10 % marked with \*\*\*, \*\* and \*, respectively).

	<b>Model 1</b> (coefficient and significant p-values)	<b>Model 2</b> (coefficient and significant p-values)
<b>Constant</b>	42,02 (0,0004)***	-133,99 (0,01)***
<b>In_sales</b>	6,63 (0,0001)***	4,35 (0,0266)**
<b>In_earnings</b>	-0,29	15,68 (0,086)*
<b>perc_earnings</b>	-	-0,60
<b>perc_2_earnings</b>	-	0,03 (0,0345)**
<b>Location_Asia</b>	-2,06	-3,80
<b>Location_North America</b>	3,25	1,55
<b>Location_Latin America</b>	12,17 (0,008)***	10,25 (0,004)***
<b>Adjusted R square</b>	0,38	0,42
<b>F-value</b>	6,85 (0,000)***	7,57 (0,000)***

**TABLE 3.** Results of the regression modeling on the relationship between sales, earnings, location and CSR communication quality via social media (coefficients significant at 1, 5 and 10 % marked with \*\*\*, \*\* and \*, respectively).

	<b>Model 3</b>	<b>Model 4</b>
<b>Constant</b>	-33,64 (0,046)**	-23,17
<b>In_sales</b>	5,85 (0,0068)***	6,36 (0,028)**
<b>In_earnings</b>	0,27	-2,04
<b>perc_earnings</b>	-	0,37
<b>perc_2_earnings</b>	-	0,001
<b>Location_Asia</b>	-14,42	-13,58
<b>Location_North America</b>	0,82	1,19
<b>Location_Latin America</b>	0,98	2,95
<b>Adjusted R square</b>	0,16	0,13
<b>F-value</b>	2,40 (0,059)*	1,76

## Discussion and Conclusions

When there is demand for responsible business, investing in CR can be a way of innovation, staying competitive or a way of seeking competitive advantage. Choosing guidance on CR ISO 26000 as a schematic framework for content analysis was found to apply well in the global pulp and paper industry, and not quite unexpectedly, environmental issues were found to emerge as the most common topic of disclosure in this context. Geographic location, company size and financial resources were found to increase the quality of traditional sustainability communication, whereas only size was significant in explaining social media activities. The effect from financial resources on CSR communication was found to be non-linear (u-shaped form) rather than linear, as Barnett and Salomon (2006) have stated. Keeping in mind the immaturity of social media as a modern communication tool, the poor results from the regression analysis are quite understandable. This study suggests that there are other factors that currently affect the quality of social media communication more than just company size, location and financial resources.

This study shows that one of the main functions of new social media communication forums is serving as a platform for attracting globally aware, environmentally sensitive stakeholders to follow a company's activities. Moreover, the use of social media tools provides opportunities to efficiently engage various stakeholder groups in a close dialogue. In learning about stakeholder opinions, or about their product or service needs and concerns, there are opportunities leading into joint innovation activities through crowd-sourcing and value co-creation. However, at the same time, adoption of innovative online tools and establishing brand communities provides also a challenge for corporate reputation management, and is a source for vulnerability to "green washing" related accusations that should be considered when entering social or other media. Utilization of social media tools for sustainability communication comes with challenges, such as how to manage the stakeholders' negative feedback or how to address potentially brand damaging issues.

Naturally, having CEO letters in the reports or being present in social media platforms does not

represent the full account of CR communication. Therefore, this research was able to shed only some light on the quality of communication of leading pulp and paper companies regarding their sustainability activities, and it remains for future research to analyze these interactions in more depth.

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## Communicating Strategic Changes to Stakeholders

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**Purpose:** *The purpose of the paper is (1) to propose a model for communicating strategic changes to stakeholders and (2) to provide in-depth discussion of the density of the strategic-change concept which is the pivotal stage in the model.*

**Approach:** *A model was created following a review of strategic management and corporate communication literature, business press articles, and company information on strategic changes.*

**Findings:** *Continued development and testing of the model is recommended as it appears to function as designed.*

**Research implications:** *Effectively communicating strategic change is emphasized and a model for attaining that goal is proposed for further research.*

**Practical implications:** *The proposed model could be built upon or adapted by practitioners for communicating with stakeholders.*

**Keywords:** *Corporate communication, Strategic management, Strategic planning*

**Paper type:** *Conceptual paper*

A corporation's strategy is its comprehensive plan for achieving the mission and objectives it has chosen for itself and communicated to its stakeholders (Hunger & Wheelen, 2011). Because of the ever-changing nature of the business and economic climate, strategies are subject to frequent review and change. Stakeholders, in turn, should be informed of what those changes are and why they are being made. Clear and accurate communication is the goal. Corporate restructurings, acquisitions, and other major strategic changes are complex and can be interpreted in many ways, especially early on, when facts are not easily discerned from rumors. Even installing a new information technology system at company headquarters, increasing spending on research and development, and other less complicated strategies attract the attention of stakeholders. Stakeholders are the people affecting or who are affected by a firm and its actions (Freeman, 1984). Regardless of the change, it sends a message that business is not as usual—there is something on the horizon that will cause the firm to be different tomorrow than it is today. 'Different' in the minds of some people quickly translates into 'dangerous'. So it is not surprising that stakeholders want to be informed—indeed, educated—about most changes. How can corporations meet that expectation?

### *Background of strategic-change issues*

“Strategic management is the process through which organizations analyze and learn from their internal and external environments, establish strategic direction, create strategies that are intended to help achieve established goals, and execute those strategies, all in an effort to satisfy key

organizational stakeholders” (Harrison & St. John, 2014). The process is continuous, but any of a number of events can trigger changes. Replacing a Chief Executive Officer (CEO)—the champion of a company’s strategy—leads the list, followed by various external interventions, performance gaps and strategic inflection points (Hunger & Wheelen, 2011). The departure of a CEO combined with the appointment of a replacement is a sure sign of trouble in a company. The message implied is that the old strategy and CEO is not working and a new strategy championed by a new leader is desperately needed. New CEOs learn their way around asking a lot of questions. The answers can be embarrassing as the newcomer cuts through the false sense of security built on the company’s past successes. Gaping holes in the old ‘the industry wouldn’t exist without us’ strategy are quickly exposed. Suddenly, the answer of ‘this is the way we’ve always done it here’ is no longer acceptable. It may even be that the entire industry is on the brink of extinction.

Triggering events also come in the form of external interventions. For example, a bank’s reluctance to refinance an existing loan or make a new one, or a key customer’s complaints about delivery times all point to trouble. For firms living life in the ‘fishbowl’ of public company transparency, falling profits and missed earnings per share estimates are but two examples of the performance gaps that shareholders, analysts, and reporters quote as they call for strategic change in the company. Finally, strategic inflection points are events leading to significant changes in the progress of a company. These are turning points after which well-known and widespread changes and the risk of declining profits are expected to result. Changes in consumer demand, new and more aggressive competitors, regulation, and advancing technology can be obstacles derailing a company’s way of doing business. For instance, who could have predicted that digital photography would become a new industry replacing a long-established one? Who foresaw digital photography’s role as an enabler of social media, a groundbreaking innovation in its own right? Who would have guessed that the bookselling industry, once synonymous with book retailing, would be up-ended by the upstart electronic commerce company [Amazon.com](http://Amazon.com) which didn’t even own a retail store?

### *Types of strategies*

A corporation’s strategies are categorized by the management level responsible for successful accomplishment of the strategy. The three categories are corporate level, business level, and functional. Corporate-level strategies involve top management and address issues of concern to the entire organization such as determining the line of business or businesses in which the company intends to compete. The firm may choose to operate in a single industry, multiple related industries, or multiple unrelated industries (Parnell, 2014). Target Corporation is in one business—general merchandising. On the other hand, Johnson & Johnson competes in consumer health care, pharmaceutical, and medical device and diagnostics businesses (Johnson & Johnson, 2013a). In pursuit of increased revenues or market share, firms can choose from internal growth strategies or external ones. Growing the company as it currently exists or creating new opportunities describe the internal approach. For example, when adding new Walgreen stores faster than competitors wasn’t providing enough growth, the company refashioned itself into a broad health care provider by opening health clinics inside their stores (Merrick, 2008). External possibilities include acquiring a company in the same line of business, acquiring a company in a different line of business, or partnering with another company for mutual advantage. CVS, a competitor, branched out into the business of managing employer drug-benefit programs (Merrick, 2008). Using other alternatives, the company may decide to reduce cost or assets

through a retrenchment strategy, exit one of its markets by divesting a business unit which is a going concern, or sell the firm in parts for its tangible asset value and not as a going concern (David, 2013).

Business-level strategies deal with major business units or divisions of the company. These strategies are generally developed by upper- and middle-level managers and are intended to help the organization achieve its corporate strategies. This type of strategy is about gaining a competitive advantage through either low-cost leadership or product differentiation (Porter, 1980). In other words: reducing prices or introducing new products. It is not surprising that different business strategies might be used in different units in the company, especially when each is competing in a different market with different products. Johnson & Johnson's consumer business sells one unique set of products, while its medical unit device and diagnostics unit sells another set unique to its customers' needs.

Functional-level strategies address problems commonly faced by lower-level managers and deal with decisions for achieving the business strategies and supporting the corporate-level strategy. They comprise the day-to-day decisions made and actions taken by managers and employees in such functional areas as production, purchasing, human resource management, and research and development. To illustrate, the research and development function is important to each of Johnson & Johnson's individual businesses, as are marketing and manufacturing efficiency. An example is the \$5.1 billion investment in the pharmaceutical segment at Johnson & Johnson in 2011 for research development as it competes in immunology, infectious diseases and vaccines, and other therapeutic areas (Johnson & Johnson, 2013b).

### **Proposed Strategic Change Communication Model**

The proposed Strategic-Change Communication Model (see Figure 1) attempts to answer the question: how can corporations best communicate strategic change to stakeholders? As a part of the company's more comprehensive corporate communication plan, the model bridges company processes and stakeholder interests. Starting with the strategic management process, the model proceeds through the stages of strategic change, assessing the density of the change, creating a message for communicating the change, and attending to the responses of multiple stakeholders.

#### *Strategic management process*

The strategic management process consists of four basic phases: environmental scanning, strategy formulation, strategy implementation, and evaluation and control (Hunger & Wheelen, 2011).

Environmental scanning uses information about events, trends, and relationships in a corporation's external environment to assist in planning future courses of action. Companies scan their environments in order to understand the external forces of change (for example, competitors, regulation, and demographics) and thereby develop effective responses to secure or improve their positions in the future. Environmental scanning includes both searching for and viewing information. It could be informal or formal, ranging from a casual observation in a shopping mall to a professionally prepared research study (Choo, 2001).

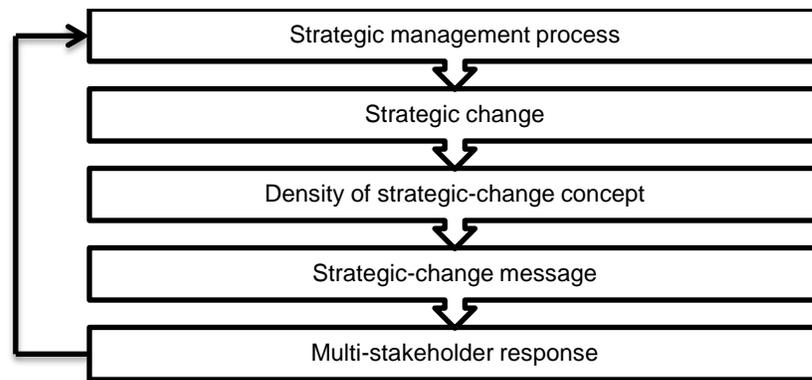


FIGURE 1. Strategic-change communication model

Strategy formulation is the process of choosing the most appropriate course of action to attain the corporation’s goals and objectives, and thereby achieve the stated mission. Major decisions and questions to be considered in strategy formulation include which businesses to enter and which ones to abandon, how to allocate resources, how or whether to expand or diversify, and the advisability of entering into a merger or joint venture (David, 2013).

Strategy implementation is the process for putting a chosen plan ‘into play’. This is the phase where ideas are put into action. Stakeholder understanding and support is critical. Managers and employees must be mobilized to make it work. Customers, financiers, and the community at large must also be supportive if the strategic change is to be successful.

Finally, how a strategy actually performs is compared to desired performance in the evaluation and control phase. Corrective action is taken to resolve a problem which might also become a triggering event. Daily business is transacted in an interconnected world. Regardless of the planning involved, strategies are never permanent. Because of their size and the speed at which they occur, these changes are impacting corporate communication. As Goodman and Hirsch (2012) noted, “the hyper-connected communication environment has created relationships, challenges, and opportunities that never existed before.”

### *Strategic change*

How should corporations communicate strategic change to stakeholders? Corporations often have a hard time getting the right message to the right people. As one management consultant asked, “Why do so many large, proud, successful organizations have so much trouble initiating their own necessary change before being forced by others to accept the inevitable? And why do the professional and seasoned communicators within these companies so often stumble when speaking to consumers and investors about change?” (Schneiders, 2006). Contrasting stories in the press can appear as conflicting stories especially when they are not focused on the same aspects of the change or directed to the same audience. Confusion and misunderstanding is one result. Buying into the idea that management’s plan is viable is another. In the face of threats to their very existence, companies trying to figure out their next moves send out various signals—formal and informal messages—that change is on the way. Shareholders, especially activist shareholders, may have already made their dissatisfaction known. CEOs are expected to take action. Waiting for it to ‘blow over’ is not an option. Stories have already started a controversy

swirling around the executive suite. More messages exchanged with more and different stakeholders add to the swirling. From one source or another, stakeholders learn of the company's troubled performance and faltering strategies. Establishing communication with stakeholders is critical; after all, they can pave the way and make it easier to execute a strategy. They can also create resistance, making it difficult or impossible to attain the corporate mission. Keep in mind that pension funds, hedge funds, and other often-vocal institutional investors are included in the ranks of stakeholders. Figuring out how to communicate with the broad base of interested parties must be perplexing for the CEO with their full set of executive responsibilities. There are those long-term followers of the company and its strategies who are knowledgeable about most of top management's strategy proposals. Included in this group are people who agree with management that the company must be a leader, not a follower, in a world that is continually changing. Then there are those with a different perspective—they see danger in any proposed strategy taking the company too far from its current position in its market.

#### *Density of strategic-change concept*

Density, a measure of quantity per unit, in this case refers to the number and the gravity of issues constituting the concept of a strategic change. As shown below in Figure 2, it is a function of strategy complexity and strategy contrast. Strategy complexity is determined largely by whether a particular strategy is functional, business-level, or corporate. Here the three levels are reorganized into the two categories of strategy complexity: functional level or single-business level strategies, and multiple business-level and corporate level as illustrated in Figure 2. Regarded as most complex are changes in corporate-level strategy (for example, the acquisition of another company or extensive restructuring that dramatically changes the business model) and multiple changes at the business level (for example, significant price changes either up or down in more than one business unit) to the extent that unit itself is transformed, approximating a corporate-level change. Least complex from a strategy point of view are changes at the functional level (for example, revising the compensation plan for sales personnel) and changes at only one business unit (for example, significant price changes in only one of the company's businesses). Strategy contrast addresses the extent to which a given strategic change departs from the company's current strategy that is generally known to stakeholders and about which they feel knowledgeable. Stakeholders need to be educated minimally about some changes and extensively about others. Very high-density concepts are crowded with numerous critical issues about a strategic change, especially those dealing with complexity of the proposed change and recognition that the change is a major departure from current strategy. High-density concepts, packed less tight, contain complex strategy issues both fewer in number and more familiar to stakeholders. The issues filling medium-density concepts are weighted toward the size of the change from current strategy. Low-density concepts, which are mostly about running the business day-to-day, are well vetted and contain few surprises. If anything, they are decisions unquestioned by stakeholders and left in the hands of management without a second thought. The increase in density from low to very high is exponential.

As shown in Figure 2, the density of a strategy concept is a product of the complexity-contrast relationship and can be described as one of the following: very high density = high complexity, high contrast; high density = high complexity, low contrast; medium density = low complexity, high contrast; and low density = low complexity, low contrast.

high		
	Upper left Medium density concept <i>3M</i>	Upper right Very high density concept <i>P&amp;G</i>
contrast	Lower left Low density concept <i>Albertsons</i>	Lower right High density concept <i>J&amp;J</i>
low	Functional-level or Single Business-level strategy	Multiple Business-level or Corporate-level strategy
	low	high
	Strategy	complexity

FIGURE 2. Density of the strategic change concept

*Strategic-change message*

Effective messages educate stakeholders about strategic changes in the context of the strategic management process. The lead formulator, implementer, and overseer of strategic management (and the one person stakeholders most want to hear from) is the company’s CEO. The challenge is to design an idea that CEOs can communicate through all media and that multi-stakeholder audiences can act on. An example is the ‘sticky idea’ concept which Heath describes as “one that people understand when they hear it, that they remember later on, and that changes something about the way they think or act” (Mendonca & Miller, 2007). In his research, Heath identified the following six traits (edited here for brevity) that sticky ideas share (Mendonca & Miller, 2007):

1. Simplicity. Messages are most memorable if they are short and deep.
2. Unexpectedness. Something that sounds like common sense won’t stick. Look for the parts of your message that are *uncommon* sense.
3. Concreteness. Abstract language and ideas don’t leave sensory impressions; concrete images do.
4. Credibility. Will the audience buy the message?
5. Emotions. Case studies that involve people also move them.
6. Stories. We all tell stories every day. Why?

As shown below in Figure 3, the substance of the strategic-change message is determined by the density of the concept and focus of the content—explaining the what, why, and how regarding the change. From left to right, the questions build upon each other. A low-density concept calls for a message answering the question: what is the change? Addressing a medium-density concept, the message identifies what the change is and then provides minimal discussion of why the change is being made. A message for a high-density concept not only identifies the change and fully explains why the change is being made, but also offers some discussion of how the change will be implemented. Finally, the very high-density concept demands a full interpretation of why and how questions, with heavy emphasis on the latter. Stakeholders more knowledgeable about the

company will generally want to know the fine details about how the strategy will be implemented. Adequate thought should also be given to preparing stakeholders for surprises. What top management may take in stride might blindside someone expecting a new product rollout only to learn that the real news is about an acquisition of another company.

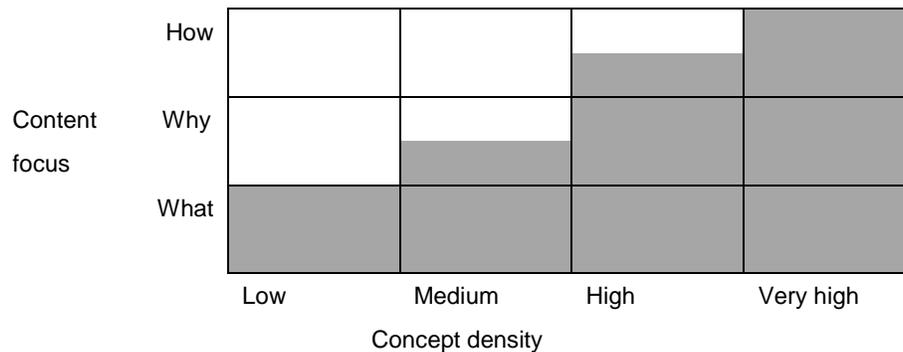


FIGURE 3. Substance of the strategic-change message

*Multi-stakeholder response*

The importance of identifying the receiver for a message is well known and essential to good communication. However, the process gets complicated when the intended receivers are among many hundreds or thousands of employees, shareholders, or other parties related in some way to the organization. Viewing people as members of one stakeholder group or another and then communicating group by group with a customized message has its shortcomings. Social media and highly interconnected society have erased the borders between stakeholder groups. The ease of communicating with many people has made it awkward to communicate with a few. The tailor-made message for the few is easily re-broadcast through forwarding and posting to many people not in the originally intended group. Differences in content and scope among messages can be confusing, causing one group to wonder why they were not informed when others were. The proposed solution is to use a multi-stakeholder approach where common interests and needs are identified for customers, suppliers, employees, communities, and financiers who are considered as one. Not all audiences or stakeholders would necessarily be included, only those whose interests are joint and which can be guided and coached in roughly the same direction.

The strategic-change message addresses the common significant elements appealing to multiple stakeholders. The intent is helping them understand what the changes mean and how they will be impacted. Stakeholder support is critical to the success of the company. The interests and needs of all must be kept in balance while informing each stakeholder who the others are and their importance to the mission (Hutt, 2012). And, as Freeman (2007) pointed out, “what is good for consumers needs to be good for suppliers, communities, employees, and financiers.” A plan for releasing the messages is also needed. Irregularities in releasing U. S. Commerce Department data rattles Wall Street traders (Rogow & Bunge, 2013). Likewise, stakeholders might be unnerved by when and where news first appears; for example, “Why did I already receive a news alert from [Bloomberg.com](http://Bloomberg.com) about a merger when I have yet to hear from the company?”

### Density of the Strategic-Change Concept

How a particular strategic change is categorized according to its density is crucial to understanding the model itself. Actual and hypothetical examples (all of which refer to Figure 2) are provided to bring that concept into sharper focus. We start with Procter & Gamble (P&G). Implementing a new strategy, P&G sought to reduce emphasis on its packaged food products and sold its Jif, Crisco, and Folger's brands to the J. M. Smucker Company, which was interested in making strategic changes of its own by expanding its food product lines (Peale, 2001). Another part of P&G's strategy was to place more emphasis on the higher growth health and beauty products business with brand names such as Oral-B, Gillette, Olay, and Pantene. P&G would also continue in the household care products business with Tide, Dawn, and Swiffer (to name a few of their brands). In 2009, P&G made another strategic change. It bought MDVIP, a business unrelated to its other businesses and products. MDVIP is a network of some 500 doctors with more than 180,000 patients, each paying \$1,500 to \$1,800 a year for services not covered by medical insurance (Blumenthal, 2012). Referred to as concierge or retainer practice, doctors limit their practices to a limited number of patients to whom they give more face-time, quick appointments, and round-the-clock email and phone access. The acquisition of MDVIP was itself a complex strategic move, not because it was into a new industry (health care) but because corporate strategy moves in general are complicated to implement, and generally thought to be more difficult than business-level or functional-level strategies. In terms of strategic complexity, it will be located in the corporate-level column. This strategic move departed significantly from other P&G corporate strategy moves. Recent ones, for example, were divestitures rather than acquisitions. Accordingly, the nature of the change is one of high contrast. Because of high complexity and high contrast, P&G is located in the upper right corner.

For a hypothetical example, assume that MDVIP was acquired by J&J instead of by P&G. J&J's businesses are in consumer health care, pharmaceutical, and medical device and diagnostics sectors. Some business units and products were acquired over the years according to the company's corporate strategy. In many respects, if J&J were to have acquired MDVIP, the strategic change likely would have had more of a business-as-usual appearance. This strategic move would be within J&J's range of expertise, yet it is still a corporate-level change and all are fraught with a certain amount of complexity. An appropriate placement on the complexity dimension, then, for J&J is in the corporate-level column. Because this move did not depart materially from what stakeholders expect from the company, the strategy is considered to be of low contrast for J&J. Because of high complexity and low contrast, J&J is positioned in the lower right corner. As an actual example, Albertson's supermarkets would occupy the lower left corner for eliminating their self-checkout lanes, a modest change to a functional strategy (Here & Now, 2011). In another actual example, 3M Company would be given the upper left spot for updating the packaging on an old product, Scotchlok electrical connectors, to achieve product differentiation in the electrical market (Casey, 2011).

Were reasons for the strategic changes clear in the minds of stakeholders? Might they have questioned P&G's selling Jif and Crisco when each brand was generating annually about \$300 million in sales, \$65 million in profits and ranked number one in their respective categories? (Peale, 2001). Might J. M. Smucker stakeholders have questioned the ability of management to take on those sizeable brands and integrate them into current product lines? Strategies planned in response to technological, social, or other changes can often defy easy description. Yet

stakeholders expect, indeed deserve, an explanation of how they will be affected and how the company intends to respond.

### Summary and Conclusion

The two propositions forming the foundation of this paper are that (1) communication is most effective when a multi-stakeholder—rather than a single stakeholder—approach is used, and (2) messages should be crafted according to the density of the strategic change. The model which was developed according to the two propositions consists of five stages: the strategic management process, strategic change, density of the strategic-change, the strategic-change message, and the multi-stakeholder response. One implication for research is that the model suggests a set of hypotheses that should be tested empirically. Although the model exhibits face validity, its specific assumptions regarding density of the strategic-change concept and the substance of the strategic-change message need to be investigated more rigorously. Also, formal methods for comparing multi-stakeholders and single stakeholders as participants in the communication process are needed. Studying the frequency as well as the nature and significance of various interactions between the corporation and stakeholders may uncover some additional areas for further study. Practical implications are that the proposed model could be built upon or adapted by practitioners for communicating with stakeholders. It is recommended that future studies should examine the use of social media in stakeholder communications and methods for ensuring participation of stakeholders from throughout the world.

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# Communicating Through the ‘Love Lens’

## Using Communication to Progress Stakeholders through Relationship-Based Phases

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**Purpose:** *This paper aims to propose a ‘love-lens’ or romantic relationship perspective through which organizations can build communication strategies that proactively lead stakeholders through various consumer life cycle phases.*

**Approach:** *This conceptual discourse contribution draws on a comparative review of the literature on relationship marketing, particularly as it relates to corporate communication strategies.*

**Findings:** *Borrowing from developments, concepts and theories in relationship marketing, this paper demonstrates how and why a love-lens approach to corporate communication strategies can help lead stakeholders through the different phases within consumer life cycles.*

**Research implications:** *The model presented may be used as an outline for developing and testing a set of propositions, especially in a wider range of sectors. Further research is needed to analyze how and why communication variables can contribute to the progression of stakeholders through the model’s phases.*

**Practical applications:** *First, this paper presents the value of looking at communication strategies through a love lens. Second, it offers a new consumer life cycle model of communication to corporate communication professionals seeking to progressively lead stakeholders along a journey of increasing engagement with the organization. Third, it integrates communication variables into the consumer life cycle model.*

**Originality/value:** *This paper contends that not enough research has focused on the centrality of communication in building and progressing organization–consumer relationships through consumer life cycle phases. This paper seeks to fill that gap.*

**Keywords:** *Communication, Communication strategy, Consumer life cycle models, Corporate communications, relationship marketing*

**Paper type:** *Conceptual discourse*

How organizations perceive stakeholders determines how they treat them, engage with them and communicate with them. If organizations see them simply as target audiences, then they can tend to treat stakeholders as impersonal objects with whom an organization engages in a transaction. But if organizations view stakeholders as long-term relationship partners, this organizational perspective opens up a whole new world of healthy organization–consumer relationships that realizes multiple benefits for both parties. Treating stakeholders as potential long-term

relationship partners can lead organizations to include them in various progressive phases of an intimate relationship.

As this paper's research interest is conceptual, the first section offers a literature review of the current state of relationship marketing, particularly as it relates to stakeholder communication, and introduces the construct of love in an organization–consumer relationships context. It then offers an overview of consumer life cycle models as a guide to viewing stakeholders as long-term relationship partners. It then proposes that corporate communication professionals can adopt the love-lens approach to help them choose relevant communication variables that can assist them to lead relationship partners or love partners through relevant life cycle phases.

### **The Relationship Marketing Lens**

In essence, early researchers and practitioners of relationship marketing observed how the tactics individuals employ to build and maintain healthy personal relationships could also improve the way in which organizations strategically instigate and build relationships with their stakeholders such as customers, suppliers and even competitors. In her seminal work, Fournier (1998) offered a link between interpersonal relationships and organization–consumer relationships, outlining a framework for characterizing and better understanding the types of relationships consumers form with brands. This gave organizations a new perspective, a new lens, with which to view customers and which changed their strategic approach to customers.

Today, relationship marketing has become the dominant view in business marketing studies (Möller, 2010). A recent content analysis of articles published in business marketing journals indicates that the share of articles addressing relationships has increased consistently since 2000 (Möller, 2010). In contrast, the relative number of articles on buying behavior, segmentation, and selling and sales management has declined since the early 1990s (Dant & Lapuka, 2008). However, despite the current breadth of literature on relationship marketing, corporate communication practitioners and marketers looking for practical, relationship-based concepts to help guide their decisions are sometimes faced with the challenge of conflicting concepts, descriptions and approaches (Kleinaltenkamp & Ehret, 2006). Paravatiyar and Sheth contend that one reason for this may be that relationship marketing has not yet developed from a field of interest to a discipline (Paravatiyar & Sheth, 2001, p.21).

Grönroos (2000) defines relationship marketing as the process of identifying, establishing, maintaining and enhancing the relationships with customers and other stakeholders to achieve mutual benefit so that the objectives of all parties are met. Both parties, the organization and the consumer, form a closer relationship based on mutual benefit. For example, a relationship develops between a customer and an organization when there are benefits to both from one or more exchanges (Bhattacharya & Bolton, 2000). In the 1980s, Hunt (1983) challenged the then traditional economic thinking about exchange based on transaction-cost economics (Coase, 1937; Williamson, 1975, 1996) and agency theory (Jensen & Meckling, 1976; Ross, 1973) by stating "... the primary focus of marketing is the exchange relationship". Today, the exchange relationship has become more integral to marketing theory. For instance, relationship marketing has been described as the establishment, development and maintenance of successful relational exchanges (Morgan & Hunt, 1994). The relationship marketing metaphor enabled organizations to view customers as relationship partners with whom mutually beneficial exchanges are vital to business.

Another development was the move from a goods-dominant view to a service-dominant view in which intangibility, exchange processes and relationships are central (Vargo & Lusch, 2004). This service-centered marketing view is more customer-centric (Sheth, Sisodia & Sharma, 2000) and market-driven (Day, 1999). This means not just a focus on the customer, but also collaboration with and learning from the customer, and adaptability to the customer's needs. As such, the emphasis of relationship marketing is not on selling a product or service to consumers, but on fulfilling customer needs (Levitt, 1960) and creating value for the customer. In the process, this creates value for the organization as well (Kleinaltenkamp & Ehret, 2006). This is what many have loosely termed a 'win-win exchange'. Extending Kumar, Pozza, Petersen and Shah's Reverse Logic framework (2009), relationship marketing gives organizations the unique perspective of seeing customer benefits as the core reason for engaging with customers, rather than seeing customer benefits as secondary to organizational profits. The outcome is that, by investing in customer relationships, organizations can establish favorable market exchanges and improve their bottom line.

#### *The love lens*

Due to its links to a relationship metaphor, relationship marketing practitioners and researchers began to explore the construct of love, particularly organization–consumer love. Although it is more consumer research than academic research, Sternberg's triangular theory of interpersonal love from psychology attempted to explain consumers' love for brands. Fournier (1998) also included love as one of the core elements of consumers' relationships with brands. Indeed, 'brand love' became a popular catchphrase in the marketing practitioner world in the 1990s. Bestselling books such as *Lovemarks* captured attention at that time. Academic research on the construct of brand love has been substantial, particularly since 2005. However, despite the scholarly attention given to brand love, very little agreement exists as to an adequate definition (Batra, Ahuvia & Bagozzi, 2012).

Still other academics extend the organization–consumer love metaphor even further, linking organization–consumer relationships with romantic love and marriage relationships (Guillet de Monthoux, 1975; Scanzoni, 1979; Haubrich, 1989; Bertrand, 1995; Zineldin, 2002). Haubrich (1989) refers to "long-term marriage relationships" when describing the relationships between banks and borrowers. Likewise, Bertrand (1995) speaks of the just-in-time partnership as "getting married vs having a date". Zineldin (2002) proposes that these relationships "are, ideally, based on shared interest, love, ethics, mutual trustworthiness, and commitment to continue the relationship" (Zineldin, 2002, p.548). One advantage of a romantic organization–consumer relationship is that this type and level of love adds an extra dimension of motivation to charm, endear and, indeed, persuade the partner/customer. It also alludes to an increase in commitment, loyalty and trust between both parties, which are desirable qualities in organization–consumer relationships.

#### *Long-term relationships*

This focus on love, especially romantic love, suggests that relationship longevity is a desirable goal in both personal and organization–consumer relationships. Marketing theory initially focused predominantly on exchanges between buyers and sellers, treating these exchanges as discrete events rather than ongoing, progressive relationships that can increase in value for both

parties over time (Dwyer, Schurr & Oh, 1987). However, relationship marketing theory has addressed this gap and analyzed the process of establishing and developing relationships over a period of time. Marketing researchers have long suggested that marketing efforts should transition from a focus on immediate exchange to long-term relationships with customers (Anderson, 2005). In other words, the goal is to decrease exchange uncertainty, and to create customer collaboration and commitment through gradual development and ongoing adjustment of mutual norms and shared routines (Andersen, 2001). As a result, relationship marketing results in increased profits by attaining a rising proportion of specific customers' lifetime spending rather than maximizing profits from individual transactions (Palmer, 1994). Relationships with customers therefore can be nurtured through a series of cumulative phases during which the trustworthiness of both parties is tested and mutual norms governing exchange activities are developed.

Long-term relationships are vital to organizations, largely because it is more cost-effective to retain customers than to search for and acquire new ones. Peppers and Rogers (1993) found that it costs six to nine times more to acquire a new customer than it does to retain a current one. Additionally, profits per customer increase with longer term customers; the longer a customer is loyal to a company, the more willing that customer is to pay premium prices, make referrals, demand less hand-holding and spend more money (Reichheld, 1994; Duncan & Moriarty, 1998).

The determinants of long-term relationships have been studied under the influence of models and methodologies developed by the psychology of interpersonal relationships (Thibaut & Kelley, 1959), economic sociology (Granovetter, 1985) and social networks theory (Boissevain & Mitchell, 1973; Burt & Minor, 1982; Burt, 1992). From the 1970s onwards, relationship marketing scholars began investigating exchanges process that were repeated over time and that were based on dyadic and network relations that, in a given social context, encourage cooperative partnerships between buyers and sellers (Hakansson & Osteberg, 1975; Ford, 1980; Hakansson, 1982; Turnbull & Valla, 1986). Additionally, many studies on the topic highlighted the central role of trust. A fundamental contribution of Dwyer et al. (1987) identified trust as the critical factor for the move from discrete market transactions towards continuous exchange relationships, which are central to long-term relationships.

#### *Consumer relationship life cycles*

Much research has investigated the various phases of long-term organization–customer relationships (Gronroos, 1990; Dwyer & LaGace, 1986; Dwyer et al., 1987; Ford, 1990; Halinan, 1995; Zineldin, 2002). One of the best known relationship life cycle models is Ford's (1980) five-stage life cycle analysis of relationship development (subsequently reduced to four). He proposes five sequential stages in a buyer–seller relationship progression: (1) a pre-relationship stage, in which both parties (organization and consumer) gather information and then evaluate the contents of the relationship; (2) the exploratory stage, in which both parties experiment with exchange processes; (3) the developing stage, in which both parties become involved in high reciprocity in learning processes, investment and commitment; (4) the stable stage, characterized by the mutual importance both parties extend to each other; and (5) the final stage, in which both parties adopt routines of exchange (here they aim to manage the interactions in order to minimize uncertainty and to apply sanctions discouraging the interruption of the relationship). Zineldin incorporated romantic relationship elements into what he called Zineldin's Relationship Life Cycle: (1) discovery (romance); (2) development (engagement); (3) commitment (marriage); and (4) loyalty

(old-married) (Zineldin, 2002).

This paper not only re-categorizes, renames and re-describes a six-phase consumer relationship life cycle model; it also introduces communication variables into each phase. It suggests a renaming of the model to reflect both a romantic relationship perspective as well as the integration of communication variables. The Romantic Stakeholder Life cycle Model of Communication (RSLMC) describes six stages: (1) search, in which both parties seek a relationship; (2) attraction, in which both parties get to know each other; (3) connection, in which both parties experience more connection points through follow-up exchanges; (4) engagement, in which both parties experience a healthy progression of exchanges and value co-creation; (5) commitment, in which both parties demonstrate longer term commitment to the relationship, such as through regular high-level investments; and (6) separation, in which the stakeholder ends the relationship (and yet, for some organizations, continuing a dialogue in this final phase can lead to re-establishing the relationship). The model can be applied to all stakeholders, whether customers, suppliers, employees or donors.

**TABLE 1.** Romantic Stakeholder Life Cycle Model of Communication (RSLMC)

	<b>Aim</b>	<b>Personal romantic context</b>	<b>Non-profit organization context</b>	<b>Corporate context</b>
<b>Phase 1: Search</b> (previously termed <i>prerelation</i> (Ford, 1980))	To look for the right long-term partner in the right places in order to gain a positive interest.	Involves the search for a date through advertisements, dating agencies, other relationships, and so on.	Involves seeking out a potential donor through advertisements, events or other donor relationships.	Involves seeking a potential customer through advertisements, events, retail spaces, and so on.
<b>Phase 2: Attraction</b> (previously termed <i>exploration</i> )	To attract the date/potential donor/potential customer to seek to invest in furthering the relationship.	The first date, in which both parties meet and attempt to get to know and attract one another.	The initial contact with a first-time donor through an event, email, letter or face to face.	Involves providing the potential customer with a valuable experience through a purchase or other exchange.
<b>Phase 3: Connection</b> (previously termed <i>development</i> )	To get to know each other to determine if both parties are compatible for a long-term relationship.	Involves seeking and experiencing more follow-up dates.	Involves attempting to convert the first-time donor into a more committed, engaged donor.	Involves seeking and experiencing more follow-up contact points with the first-time customer.
<b>Phase 4: Engagement</b> (previously termed <i>stability</i> )	To get to know each other more intimately and gain value from the relationship.	Involves a strong commitment to the long-term relationship through multiple dates and meaningful experiences.	Involves a healthy progression of financial (and other) exchanges (donations/purchases/sharing resources).	Involves a healthy progression of financial (and other) exchanges (donations/purchases/sharing resources).
<b>Phase 5: Commitment</b>	To gain longer term	Involves the highest level of	Involves loyalty, commitment and	Involves loyalty, commitment and

(previously termed <i>institutionalization</i> )	commitment to the relationship, such as through regular high-level investments.	commitment to the relationship, such as through an exchange of wedding vows or other formal commitment exchanges.	trust evidenced through level of communication frequency, level of intimacy, level of collaboration and longer interactions.	trust evidenced through level of communication frequency, level of intimacy, level of collaboration and longer interactions. Corporations would label customers in this phase as <i>fans</i> .
<b>Phase 6: Separation</b> (previously termed <i>dissolution</i> by Ford (1980), Dwyer et al. (1987))	Elements of the relationship may continue (especially for some organizations) and communication forms a part of this relationship.	Involves separation or divorce (whether amicable or otherwise).	Through careful communication strategies, lapsed donors often become reintegrated into one of the life cycle phases.	May be called <i>lapsed customers</i> .

### Strategic Communication

*Engagement* and *intimacy* are key terms used in all fields of communication, and they can be aptly applied to this Romantic Stakeholder Life cycle Model of Communication. How does an organization, whether a non-profit organization or a corporation, meet potential stakeholders—such as donors, customers, suppliers and staff—for the first time and charm them into a longer term relationship in which they become engaged, committed, trusted, passionate and loyal partners for life? This paper argues that strategic communication and, more particularly, persuasive communication is one of the keys.

Communication is vital to the process of persuading stakeholders to increase their engagement with an organization. Communication with stakeholders, whether persuasive or informative, is one of the central aspects of relationship marketing (Anderson, 2005) and corporate communication. If exchange involves human interaction, and communication is integral to human interaction, then communication should be acknowledged as a critical relationship variable (Holden & O’Toole, 2004). Indeed, Duncan and Moriarty (1998) state that “communication is the primary integrative element in managing brand relationships”. Communication contributes a great deal to the development of a relationship; it is central to forming an understanding of an exchange partner’s intentions, it is a prerequisite for trust-building among partners (Anderson & Narus, 1990), it has a direct impact on customer commitment (Hakansson, Johanson & Wootz, 1976), it is seen as an independent or mediating variable for the development of partnership success (Mohr & Spekman, 1994), it mediates a relationship atmosphere (Hallén & Sandström, 1991), and its information-sharing characteristic is central to the relationship atmosphere (Hallén & Sandström, 1991).

Grönroos (2004) argues for a framework of central processes in relationship marketing which includes an interaction process as the core, a planned communication process as the marketing communication support (through distinct communication media), and a customer value process as

the outcome of relationship marketing. He contends that if the interaction and planned communication processes are successfully integrated and geared towards customers' value processes, a relationship dialogue may emerge (Grönroos, 2004). For example, when customers determine that there is real value in receiving a company's newsletter or other communication piece, this enhances the ongoing relationship dialogue between the customer and the organization (Verhoef, 2003). However, when this occurs, the organization must commit to offering value to the customer in order for the relationship to continue.

### *Persuasion*

On one hand, corporate communication is a means of persuasion (Waterschoot & Van den Bulte, 1992) and is integral to a persuasive rhetoric (Anderson, 2005). Rhetorical philosophy deals with the art of influencing people through language. On the other hand, researchers such as Duncan and Moriarty argue that persuasion should not play a role in relationship marketing, as it goes against the very nature of building and maintaining customer-centered relationships; the notion of persuasion as traditionally used in short-term, transaction marketing is manipulative (Duncan & Moriarty, 1998, p.2). However, this paper posits that persuasion is a necessary, credible and ethical form of communication in organization–consumer relationships. Just as persuasion is inherent in communication between individuals and groups in personal settings, persuasion also is employed as a form of communication by many organizations that maintain positive, long-term, trusting and committed consumer relationships.

### *Personalization*

One of the offshoots of relationship marketing has been the concept of personalization. If relationship marketing places a high value on close relationships with stakeholders, then personalization of communication is critical to this process. Peppers and Rogers (1997) define personalization as the process of using a customer's information to deliver a targeted solution to that customer, which is one reason why customer relationship management is often discussed alongside personalization and direct marketing. Organizations can gain a deeper understanding of their customers' needs by collecting data during interactions between customers and the company in order to improve what, how and when they communicate with them.

### *Communication variables*

Despite the breadth of academic rigor in relationship marketing, this paper contends that contributions to date have not adequately taken into account the dynamic aspects of organization–consumer relationships and, more specifically, the way communication strategies are adopted into various phases of the organization–consumer relationship-building process. Taking Olkkonen's (2000) position that we "communicate for relationship", this paper posits that an organization can adopt communication tactics, such as personalization and persuasion, aimed at intentionally progressing its stakeholder relationships from one phase to the next. It also contends that as the relationship progresses, the communication must also change. In fact, this paper argues that it is largely communication that drives the progress of the relationship from one phase to the next. To entice stakeholders to progress through the various stages of a committed relationship, organizations should consider building strategies that vary the communication according to the different segments (phases) in which stakeholders are placed.

Primarily, the reason for communication should determine the choice of communication variables. Morgan and Hunt (1994) call these variables *subconstructs of communication* and contend three: frequency (see also Mohr & Nevin, 1990), relevance and timeliness. Others include levels of direct/indirect influence (Mohr & Nevin, 1990), collaborative/autonomous communication (Macneil, 1980; Frazier, Spekman & O'Neal, 1988; Mohr & Nevin, 1990), intimacy (Mohr & Nevin (1990) describe this in terms of discrete/closer relationships), formal/informal style, content length, communication attractiveness (design), and level of resource investment in communication. Mohr and Nevin (1990) describe differences in communication between discrete relationships and closer relationships. Paralleling Macneil (1980) and Frazier et al. (1988), Mohr and Nevin (1990) argue that communication patterns could be aligned along a continuum ranging from autonomous to collaborative. Holden and O'Toole (2004) present the perspective that discrete relationships reflect autonomous communication patterns and closer relationships exhibit collaborative communication patterns. They also articulate the view that the closer the relationship, the more relational and innovative (involving joint planning and sharing of proprietary information) the message becomes.

These communication variables (or subconstructs) can be integrated into an organization's communication strategy: target audience/s (for relevance), communication channels (for collaborative/autonomous communication), timeline (for timeliness and frequency), message/s (for content length, formal/informal style, intimacy and collaborative/autonomous communication), and budget (for level of resource investment in communication). Goals and objectives is missing from this list of communication strategy elements, and yet goals and objectives relate to the overall purpose of leading stakeholders from one life cycle phase to the next using these communication variables.

Again, this paper proposes that a love-lens approach can improve a corporate communication professional's focus on *why* (purpose) the organization should communicate with the customer, for this clarifies *what* (message: content), *when* (timeline: timeliness and frequency), *how* (communication channels: collaborative/autonomous communication) and *with whom* (target audience/s: relevance) it should communicate. The love lens enhances the motivation, purpose and relevance behind an organization's targeted and personalized communication with its stakeholders. The motivation drives the communication strategy and the love lens guides the motivation.

## **Conclusion**

By presenting the value of looking through a love lens at communication strategies employed in relationship marketing, it is hoped that this paper can guide and inspire corporate communication practitioners to improve their own communication strategies in the future, not just in terms of creating new stakeholder relationships, but also in retaining and developing current relationships with stakeholders (relationship partners). Corporate communication practitioners should determine the choice of communication variables (or subconstructs) very carefully as they apply to different phases in the life cycle of a stakeholder; the love-lens approach and the model can assist communication professionals to choose the appropriate communication variables according to each stakeholder's life cycle phase. Note that the love lens and model can be applied to all stakeholders—whether customers, suppliers, employees or donors.

From an academic viewpoint, the model presented here requires much further discussion as well as empirical investigation. Not enough research has focused on the centrality of communication in building and progressing organization–consumer relationships. More needs to be understood about how corporate communication strategies can improve relationship marketing processes and organization–consumer relationships, particularly as they apply to the role of persuasion and personalization in the development of stakeholder trust and commitment. The model presented may be used as an outline for developing and testing a set of propositions, especially as they relate to various industries and business models. This paper suggests that further research is needed to analyze how and why communication variables can contribute to the progression of stakeholders through the phases in a Romantic Stakeholder Life cycle Model of Communication (RSLMC).

This paper suggests the need for further research into relationship-building communication variables. In doing so, it offers a unique perspective or lens that enables communication professionals to choose the appropriate communication variables in order to not only continually engage consumers at a more intimate level, but also to proactively and progressively move them through each relationship life cycle phase.

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# Communication with Stakeholders through Corporate Websites

## A Study on the CEO Messages of Major Listed Corporations in Greater China

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*This study has extended the research of Kohut and Segars (1992) who saw CEO communication as an increasingly important strategic communication tool, by cross-examining a corpus of CEO messages on websites of major listed corporations in Greater China. With the adaptation of content analysis, the extra-textual and intra-textual characteristics in the bilingual text are thoroughly identified. It is assured in this study that the styles and patterns of language employed, including linguistic characteristics, intra-regional themes and inter-lingual themes, are associated with a particular communication strategy adopted by corporations, underpinned by the beliefs and attitudes of CEOs, and rooted in their cultural values. The findings will enhance our understanding of how CEOs view their stakeholders and the content to be constituted to compete in the globalized age.*

**Keywords:** *CEO messages, Corporate communication, Greater China, Bilingual texts, Content analysis*

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# Corporate Communication and Complexity on Social Media

## Kopenhagen Fur on Facebook

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**Purpose:** *The purpose of this paper is to discuss corporate communication on social media as a complex process, where companies risk having their messages hijacked by dissident stakeholders.*

**Method:** *Having developed a theoretical framework incorporating corporate communication with a particular focus on CSR communication on social media and NGOs as communicative actors, the paper draws on a discourse perspective to analyze aspects of hijacking and agenda-setting on social media.*

**Findings:** *The analysis supports the view that corporate communication on social media is complex rather than simple, and that social media's characteristics of interaction and linking allows peripheral stakeholders to transfer and take over a debate.*

**Research implications:** *This study implies that research on corporate communication hitherto has taken a too narrow perspective on corporate communication on social media. The case presented in this paper shows the impossibility of delineating communication on social media.*

**Practical implications:** *This paper demonstrates that when companies communicate on social media, it is necessary to incorporate viewpoints of both adversary and supportive stakeholders to take advantage of the dialogic interactions on social media.*

**Value:** *The primary contribution of this paper is to draw attention to the complexity of corporate communication on social media.*

**Keywords:** *Social media, Corporate communication, Corporate social responsibility, Stakeholders, NGO.*

**Paper type:** *Research paper.*

In the corporate communication literature the process of going online is celebrated as a way to connect with consumers (Booth & Matic, 2011) and maintain brand reputation even in times of crisis (Byrd, 2012). However, companies that are not prepared for the interactivity of social media may experience severe trouble (Champoux, Durgee, & McGlynn, 2012). But with strategies of involvement (Morsing & Schultz, 2006) and stakeholder dialogue (Johansen & Nielsen, 2011) corporate communication on social media is often argued to be manageable and profitable, and to create strong relationships with stakeholders (Booth & Matic, 2011). The premise of the corporate communication literature is that stakeholders are interested in the company, care to participate in dialogue and want to 'work' for the companies as influencers, (Booth & Matic, 2011) for example in relation to the topic of CSR.

This paper problematizes the celebrative view of corporate communication on social media by showing the complexity of interactions between companies, stakeholders and corporate messages. Taking our clue from the consumer behavior literature (Cova & White, 2010; Knudsen, 2012; Wipperfurth, 2005), we suggest that stakeholders such as NGOs have their own agendas and that social media facilitates a possibility for hijacking the communication. For example rather than collaborating with companies on CSR initiatives, the CSR communication can be hijacked for the purpose of pushing the NGOs' own agendas (Meriläinen & Vos, 2011). Building on the specific case of Copenhagen Fur's communication of the sensitive issue of animal welfare, we suggest that in this particular case the discourse is hijacked by the Dyrenes Beskyttelse (An NGO for Animal Protection) for the purpose of generating media attention both to the cause and to the NGO as an organization. Where Copenhagen Fur manages and controls the debate on their own Facebook-page, Dyrenes Beskyttelse links to Copenhagen Fur's advertisement and thereby relocates the debate to their own Facebook-page, where they can freely express their own viewpoints without being censored or antagonized by Copenhagen Fur and their supporters. The case highlights the complexity of social media communication, where the interactivity of the media allows stakeholders to share and link to communication messages for individual purposes beyond the reach of company control. After introducing social media CSR communication in combination with NGOs as communicative actors, we analyze the case of Copenhagen Fur. The paper concludes with suggestions for practitioners in terms of dealing with social media communication.

### **Corporate Communication on Social Media**

Early on in the CSR communication literature, the Internet was acknowledged as a powerful medium for reporting CSR initiatives and reaching out to various stakeholders (Adams & Frost, 2006). However, conclusions also pointed to the need for companies to learn more about the Web as a communication tool. Knowledge about how to use the Internet and web-based technologies has then been a primary focus of research for the past years. Thus, recent research highlights how companies should take advantage of the conversion of social activities, content and technology to engage stakeholders in dialogue (Hearn, Foth, & Gray, 2009), turn reluctant consumers into collaborating agents (Harris & Rae, 2009) and map and leverage influencers to build strong brands and consumer relationships (Booth & Matic, 2011). With the most recent development of web-based communication technologies, and social media, the focus on *two-way personal communications* (Bernhardt, Mays, & Hall, 2012 131) has only become stronger.

As critical consumer feedback appeared online, the theoretical perspective has grown to also incorporate strategies for nurturing critical stakeholders, for example through a stewardship-based strategy (Byrd, 2012) or formulating dialogue scripts depending on the stakeholder and their interests in a given company (Johansen & Nielsen, 2011). Yet, despite the knowledge on productive dialogic communication, oftentimes the stakeholders do not respond as companies expect or have other issues at stake besides the company (Luoma-aho & Vos, 2010). Only recently, the literature has begun to investigate how companies deal with dissatisfied consumers on social media. The research on this topic shows that the most common response to critical stakeholders is to delete their comments or not respond (Dekay, 2012). This is due to companies neglecting specific aspects of social media communications such as assigning the responsibility of managing social media sites to specific people/ teams and applying knowledge of crisis communication strategies to social media sites/ communication (Champoux et al., 2012). The result is that companies have trouble creating productive stakeholder dialogues and are challenged by the interactive aspects of social media. CSR communication on social media seems

to present particular problems for companies mainly due to the cynicism that the CSR concept is surrounded by, for example by media practitioners (Tench, Bowd, & Jones, 2007) and consumers (Brunk, 2010; Brunk & Blümelhuber, 2011). Also, companies' tendencies to use CSR activities as a way to divert attention from other issues and as a legitimization of their current practices (Farache & Perks, 2010; Johansen & Nielsen, 2012) leads to particular communication challenges. The reason is, that on social media the same mechanisms that allow companies to develop dialogic relationships with their stakeholders, also allow the stakeholders to develop their own dialogues outside company control (Capriotti, 2011). Thus, on social media everyone can perform the role as media stakeholder (Freeman, 1984; Freeman, Wicks, & Parmar, 2004). Consequently, even peripheral stakeholders might become visible on social media as they can volunteer their viewpoints. This contrasts the traditional one-way communication where peripheral stakeholders rarely are involved (Georg, 2006; Reisch, 2006). Further, CSR is a particularly sensitive issue to approach on social media because both central and peripheral stakeholders have an opinion on social matters and therefore even peripheral stakeholders are likely to approach and participate in the debates following company statements on CSR matters.

### **CSR Communication on Social Media**

Two-way CSR communication models imply organizations' systematic engagement in stakeholder dialogues with the purpose of developing mutually beneficial actions (Morsing & Schultz, 2006). In those models, organizations and stakeholders engage in interactive and symmetrical communication to obtain agreement and consensus (Morsing & Schultz, 2006). The two-way models are not only meant to facilitate dialogue with the stakeholders, but supposedly to learn from stakeholders as well. Building on the corporate communication with reference to the stakeholder perspective, Johansen and Nielsen (2011) argue for the usefulness of tailored and scripted interaction that is attentive towards the discursive practices and conventions which characterizes the individual stakeholder groups. Hereby, the authors argue, the scripts by respecting the embedded possibilities and restrictions respond more closely to the stakeholder expectations and as such facilitate more fruitful interactions. Korschun and Du (2012) present a framework explaining stakeholders' interpretation and response to what they label *virtual CSR dialogues*. In their definition of virtual CSR dialog, they emphasize proactive engagement of stakeholders in the co-creation of CSR activities leading to value creation both for the company and for the cause. This is similar to what Berger, Cunningham, & Drumwright (2007) call the *syncretic* organization, which is an organization that balances the needs of many stakeholders.

Some authors (Capriotti, 2011) suggest the interaction of people on social media is overestimated although they have access to enough tools that facilitate dialogue and participation. Nielsen and Thomsen (2011) highlight the participation inequality – the *90-9-1 rule*. Thus 90% of all users are lurkers, that is, people who tend to read or observe, but not actively contribute, 9% contribute from time to time, and only 1% are creators. Nevertheless, organizations are increasingly under public scrutiny and media attention, and they need to develop a CSR-oriented communication strategy to fit the expectations of the society (Burchell & Cook, 2006). The major part of the research about CSR communication through the Internet has been oriented to analyze the capabilities of web-based tools to disseminate CSR information and to evaluate the dialogic and interactive possibilities of these technologies for CSR purposes (Capriotti & Moreno, 2007b). However, we disagree with researchers such as Chaudri and Wang (2007) and Jo and Jang (2005) when they acclaim the Internet for its capacity of allowing organizations to set and communicate their agenda on CSR without being controlled, altered or manipulated by gatekeepers. This asymmetric sender-oriented understanding represents an underlying assumption

of organizations not expecting to initiate or maintain dialogue. Others have emphasized the ongoing and interactive communication processes related to CSR communication emphasizing transparency and personalization of the relationship between the organization and its stakeholders (Capriotti, 2011; Capriotti & Moreno, 2007a, 2007b; Esrock & Leichty, 1998; Morsing & Schultz, 2006). Nevertheless, the new technologies are frequently used in communication simply as new ways of creating and presenting old media (Capriotti, 2011). In general, research has been concerned with organizations failure to use the full potential of web tools to establish bidirectional and symmetrical relationships with their different stakeholders (Capriotti, 2011; Capriotti & Moreno, 2007a, 2007b; Chaudhri & Wang, 2007; Esrock & Leichty, 1998; Rodríguez Bolívar, 2009).

With the above problematizations of CSR communication in general and on social media in particular, we argue that CSR communication on social media is beyond the strategic partnership aspects of facilitating and promoting the collaborative building of CSR as suggested by Ihlen, Bartlett, & May (2011). Social media must be considered as a relevant component of effective CSR dialogue, but this should be complemented by further understanding of the user interactivity and diverse engagements on social media. Only with a thorough understanding of how the interactivity furthers opposing agendas can companies move from trying to control and censor debates on their own pages to trying to foresee the different stakeholders' responses to their communication and thus actually participate in dialogue.

### **NGOs as Communicative Actors**

Among the many stakeholder groups that a company can have, NGOs are of interest both in the particular case of Copenhagen Fur and in general because as activists they have the possibility of using social media as both an organization and as individuals thereby spreading their messages in many and sometimes covert ways. Generally, NGOs are considered more trustworthy and to be driven by values rather than profit contrary to corporate companies (Ritzer, 1983). Theoretically this image has been complicated by several authors, pointing out the inherent contradictions in many NGOs such as NGOs' need to be present in the popular debate to gain attention and funds and NGOs' need to become a business to operate within a market economy (Dempsey, 2012; Sanders, 2012), whereby their distinctions from corporate companies diminish and create operating tensions for the NGO (Sanders, 2012). With these qualifications of the operations of NGOs as communicative actors in market economies, we want to highlight how this case exemplifies how these operations unfold on social media, where for example NGO members can be mobilized through hijacked corporate communication.

Further, NGOs to a large extent are political actors, because they speak on behalf of others. As such they both shape public understandings of social problems and their solutions (Dempsey, 2011, 2012). The political agenda setting is tightly connected to the NGO's ability to manage media and particularly online media (Meriläinen & Vos, 2011). Both NGOs and researchers consider online media as a crucial aspect of NGO agenda setting, even if the circulation of material can be somewhat unpredictable (Meriläinen & Vos, 2011; Wallsten, 2007). On social media the interactions between more stakeholders become visible and therefore the impact of NGO communication becomes stronger and targets not only members and journalists, but also companies. Rather, the interactive part of social media becomes a communicative aspect in itself, because it allows any communicative action to be visible to all the actors. Thus, the 'doing' of communication becomes an act in itself. That is, the very act of hijacking communication on Facebook is a way of communicating to their own members, that they are active and ready to

respond critically to companies' messages. In the following case, we will demonstrate the complexity of this interaction between stakeholders and we will show how NGOs share and link to corporate communication messages and thereby use the corporate messages for their individual purposes beyond the reach of company control.

### **The Case**

April 18 2012 Copenhagen Fur launched the campaign "The World's Best Fur Industry – but not perfect" on print, TV and social media. The campaign consisted of print ads and commercial videos showing aspects of Danish fur production including evocative images from farms and employees within the fur industry working and having fun. As the images flow, a voice over explains how many jobs the fur industry creates and how much revenue the industry produces for the Danish welfare state. Further, the voice over explains how improved animal welfare makes better fur, which subsequently results in higher returns to the industry. The main message of the video is that attention to animal welfare pays off. However, the animal welfare is also the Achilles heel of the industry, since every year sick and hurt animals have to be killed before their time. Yet, the videos all end by asking whether the Danish society can accept this weakness, considering all the other benefits the fur industry brings to Danish society. Thus, the point of the campaign seems to be that the industry is doing so much good for Danish society and therefore does not have to work on the animal issues.

Since 2010, Copenhagen Fur has subscribed to the UN's Global Compact 10 CSR principles. Animal welfare, however, is not considered a CSR issue. Rather, animal welfare is addressed as *responsible production* together with environmental considerations (e.g., CO2 neutral energy, use of by-products from the fish and meat industry as fur animal feed and recycling of fur garments) and ethical considerations based on the belief that fur farming should be reviewed on par with any other livestock production. Contrary to for example the Netherlands, Danish fur production does not consider animal welfare a CSR activity. Animal welfare emphasis is on compliance to rules and regulations and on the low number of received complaints.

Animal welfare activist groups continually critique and question the Danish fur industry. Usually the critiques rise with fashion shows or other public events such as sponsorships. And thus, as the campaign was launched on Facebook, animal rights groups quickly seized the opportunity to debate the statement of the videos and question the morals of the fur industry. As the comments spread on Copenhagen Fur's own page and the animal rights pages it also spread to conventional media, where reporters asked the same questions only amplified by broadcast media. The mink farmers joined the debate heavily and user interactions on Facebook were not particularly amiable. Further, critical comments were deleted and only supporting comments remained on the site. As the critiques spread, the story also spread from social media to traditional broadcast TV, providing the activists with a stronger voice and allowing them to ask the critical questions in broadcasted live-debates.

Thus, following the campaign, animal rights activists linked to the campaign on their own Facebook-pages, thereby allowing them to critique the campaign more fully and to a more susceptible audience. For example as of February 2013 there were 28 comments, 78 likes, and 47 shares on Copenhagen Fur's own page, whereas Dyrenes Beskyttelse linking to the same video with a critical comment, received 146 comments, 317 likes, and 220 shared the message. Further, where Copenhagen Fur had one status update about the videos, Dyrenes Beskyttelse kept

updating their Facebook-page with comments about the case as long as it was running in conventional media and all the status updates had a strong response in terms of user interactivity.

*Delete and Control.* On Kopenhagen Fur's page the campaign was uploaded among all kinds of other fur-related news. The closest posts are for example about various fashion shows, images of a new celebrity endorser and an update of Kopenhagen Fur's Web page. These posts have between sixteen and seventy likes and three to eight comments and they have only been shared a few times, if they have at all been shared. Thus, the campaign creates quite a change in the activities on the Facebook page, even if some of the activity is invisible now.

The comments about the campaign on Kopenhagen Fur's page primarily reflect the mink farmers and their position, their sharing of happy experiences on the farms and invitations to visit farms. There are traces of more critical comments, however, but they have been deleted either by Kopenhagen Fur or the commenters themselves. There are only three comments that seem negative to the video's claim of being the best, but not perfect fur industry in the world. These are the three last comments and they have been uploaded late in the debate-period. One comment seems to be a direct response to the last question in the video about whether Denmark can accept the weakness of the industry and is just the word *no* followed by an endless line of exclamation marks. The other two critical comments are directed at Kopenhagen Fur and question both the communication strategy and the claims made in the video. One commenter raises the issue of the communication strategy through his question of whether this is a campaign directed at the mink farmers themselves or at the general public. Further, the commenter remarks on the seeming arrogance of the question at the end of the video; and points out that the arrogance displayed might put off the general public. The last commenter questions the claim in the video that Kopenhagen Fur and Denmark are world leaders of the fur industry, and points out that other countries have higher standards when it comes to providing animal welfare.

However, it is clear that there have been many more critical comments from the comments of the supportive mink farmers. They refer to names that are no longer visible in the commentary and to - among other things - twelve critical points made by one frequent critic. The effect of the obviously missing critical comments is that the supportive side of the debate seems overly defensive and quite hostile to the now removed comments/ commenters. For example a comment by a female commenter runs: "*Stop it!!! Shame on You!!!!!! Where did you get that ridicules nonsense from??? You ought to think before you speak, and definitely visit a farm. Maybe then you would know about reality. Disgusting!!!!.*" Often the supportive comments are both emotional and filled with spelling as well as grammatical mistakes, they thus have the character of being uploaded spontaneously and without much deliberation. Also, the moderator often has to remind the users to mind their language and tone.

*Stakeholders with Multiple Voices.* On Dyrenes Beskyttelse's Facebook-page, the campaign is commented and discussed among other topics such as bans on sex with animals and petitions against laboratory animals. The context surrounding the debate therefore in itself highlights the activist nature of the debate and approach to the topic. Thus, as the campaign is transferred to Dyrenes Beskyttelse's Facebook-page, the premise of the debate, the context, and the users' changes from being primarily supportive to aggressive and disbelieving.

Dyrenes Beskyttelse continuously updated their page with the developments concerning the campaign. First they link to a remake of the campaign, then to a news debate between the secretary for Dyrenes Beskyttelse and the communications manager of Kopenhagen Fur. The day

after Copenhagen Fur's campaign is launched, Dyrenes Beskyttelse distribute a 'copy edited' version, where several of the statements from Copenhagen Fur are being problematized or corrected. Through the various status updates they manage to keep the debate alive for a week on their own Facebook-page and the most commented post has a debate where the last post is from November 2012, seven months later than the original update.

In addition further voices are raised on the matter, and particularly six individuals keep the debate going, with others joining in occasionally. There are both supporters of Copenhagen Fur and Dyrenes Beskyttelse in the debate, and where Copenhagen Fur clearly deletes the most antagonizing posts, this does not seem to be the case on Dyrenes Beskyttelse's Facebook-page.

It is a characteristic of the debate that it is oppositional and aggressive. Both sides accuse each other of lying and manipulating facts, videos and photos. Further, the supporters of Copenhagen Fur demand to know the eating habits as well as the duvette-filling of the animal rights activist. Several of the commenters seem to search for available online knowledge of the others to discharge them as representing particular interests and throw personal insults at each other. The debate develops from a narrow focus on the campaign and the claim of Copenhagen Fur to be the world's best to a debate about mink farming in general and who is to be trusted in a mediatized world.

The debate on Dyrenes Beskyttelse's page has a stronger life and involves more topics, spreading out over a longer timeframe, whereas the debate on Copenhagen Fur's page is closed and does not develop and spread to the same degree.

## **Conclusion**

In this case, the challenge for Copenhagen Fur is not to handle the debate on their own page as is so often the case (Champoux et al., 2012; Dekay, 2012), because the debate on their own page is closed and overall supportive. Rather, the challenge arises from the hijacking of the campaign and the related debate by the NGO-stakeholder Dyrenes Beskyttelse. When Dyrenes Beskyttelse decides to enter the debate they do it via their own page, thus allowing them to take charge and carry out the debate in their own fashion. A further problem regards the number of followers of the respective Facebook pages; where Copenhagen Fur in February 2013 has 15.289 followers, Dyrenes Beskyttelse has 27.144 which gives the latter a far wider circulation radius and therefore a much stronger base on social media. In this way, the case shows part of the complexity companies experience when communicating on social media where dissident stakeholders have the possibilities of hijacking debates and commercial message for their own purposes.

As developed in the case, the campaign-text is the link between the company and the various stakeholders. But when a particular critical group of stakeholders experience that their view points are not legitimate on Copenhagen Fur's Facebook-page, they decide to move the debate and allow it to unfold in their own space. Copenhagen Fur did not anticipate the Facebook-users' interactive awareness and behavior, and therefore they did not find it necessary to acknowledge the dissident stakeholders' viewpoints. Yet, on social media stakeholder dialogues cannot be dictated by the company as companies have little leverage outside their own pages on social media. Stakeholders can simply (re)open the debate in another space allowing the critical viewpoints more space and less qualification.

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## Corporate Communication Practices and Trends in Hong Kong 2012 & 2013

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This report will present findings of the second survey of a three-year project on the captioned topic that commenced in 2012. This project is a replication here in Hong Kong of Corporate Communication International's (CCI) benchmark study in the Chinese mainland, the European Union, South Africa and the United States (US). As the first survey, this survey is conducted under the auspices of the Hong Kong Chapter of CCI (CCI-HKC).<sup>1</sup> The data of the survey are to be collected between January and March, 2012. The third and final survey of the project is expected to be completed in March of 2014. Afterwards, the survey will be done on a bi-annual basis, starting 2016. It will be the major activity of the CCI-HKC. The instrument used in this survey is the same as last year's for the purpose of comparability and continuity.<sup>2</sup> In the first survey, the target population was corporations of medium-size or above that are registered in HK.<sup>3</sup> Eventually 85 sampled corporations were contacted via a combination of emails, letters, phone-calls and personal approaches; 55 corporations participated in the survey. The response rate is 64.7%. 25.5 % of the participants were medium-size corporations if their overseas staff was not included; otherwise the percentage is 14.5%. In the second survey, the target population remains the same. However, an attempt will be made to increase the representation of medium-size corporations among the participants so as to facilitate a meaningful large-size vs. medium-size corporation comparison and analysis.

The findings of this survey will add to that of the first one<sup>4</sup> by providing a longitude dimension to it, and set the three-year project firmly on the course of a study of trends. Specifically, based on the findings of the first study, the proposed presentation at the conference will focus on whether or not there are any significant changes to (1) the demography and profile of the profession; (2) major clients served, and major functions & role performed by the participants' CC Department; (3) major functions & business tasks involving the use of an Agent/Vendor; (4) the respondents' perception about (a) the profession's major challenges, (b) CC practitioners' important traits and the quality of local graduates with reference to these traits; (5) the respondents' recommendations to undergraduate education with reference to (4b). In sum, the status and function of the CC

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<sup>1</sup> However the funding is provided by the Department of Chinese & Bilingual Studies, PolyU

<sup>2</sup> As a replication of the CCI studies, the design of the questionnaire of the HK study is done with close reference to that used in the US study of 2011. However, in order to take into account of the HK situation, and the fact that it is the HKC's first study, some adaptations have been made. For example, the number of items is reduced from 27 to 24, with 19 of these items overlapping in varying degrees with their counterparts in the US study. The remaining five items are "new" and are included for a CC-related academic program at our university.

<sup>3</sup> By HK norms, medium-sized corporations are those having 100 or more employees on their full-time payroll.

<sup>4</sup> The findings were presented at the CCI 2012 Conference.

profession in HK will be examined probably for the first time along the axes of continuity and change.

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## Crisis Communication and Social Media

### A Chick-fil-A A Case Study

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*This paper examines the impact that social media has had on crisis communication through a case study of Chick-fil-A and their crisis on the issue of same-sex marriage in the summer of 2012. Despite expectations based on dominant crisis communication theory that the company would experience reputational damage as a result of the crisis, it instead experienced an increase in market share and awareness. This gap between theory and practice can be partly explained by the social media driven change in the way individuals and organizations communicate. Individuals are now in the position to determine and distribute content due to a new many-to-many model of communication. Social media and the increased ability of individuals to not only share content but also create it during a crisis have therefore led to a greater importance of the medium over the message. (Utz, Schultz, Gloka) Social media is also the medium most greatly associated with emotional support (Liu, Austin, Jin) and is also conducive to secondary crisis reactions, such as a boycott, that have a strong effect on stakeholders. (Utz, Schultz, Gloka) Throughout the crisis, Chick-fil-A was often responding to social media discussions and actions, such as the externally created Chick-fil-A Appreciation Day, rather than controlling the situation. The Chick-fil-A case demonstrates that further research is needed into the role of emotion in crisis communication as individuals with a strong emotional connection can be the driving force of a crisis and essentially remove it from the hands of the organization. It also demonstrates that generally accepted crisis communication theories that were designed for a one-to-many model of communication are no longer entirely applicable.*

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# Crisis Communications Agencies and the Communication Department

## Interaction and Relations During a Crisis Situation

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*When an organization is facing a crisis, the whole organization including the communication department is put under pressure. There is a need for strategic communication and strategic decisions. To handle this, organizations sometimes need external eyes upon the situation, and/or extra manpower for strategic and/or tactical communication purposes. This makes the organization turn to a public relations and crisis communication agency for help. But what is the relationship between the communication executive and the crisis communications consultant? What if the consultant is called upon by top-management and not by the communication executive? How do the communication executive and the consulting agency interact? What kind of support does the communication executive get?*

*Thus, the aim of this paper is to examine the interrelationship between the crisis consulting agency and the communication executive (communication department), and to study the kind of crisis communications services offered by the agency as perceived by crisis consultants and communication executives. The study is based on theory on client consulting relationship (Clark 1995, Sturdy et al. 2009, Engwall and Kipping, 2013) and on crisis management and crisis communications consulting (Frandsen & Johansen, 2012, Pang et al., 2013).*

*The research design consists of two series of in-depth interviews: (1) with senior partners/directors from national and international crisis communication agencies, and (2) with communication executives from private/public organizations who have worked with crisis consultants, all of them located in Denmark.*

**Keywords:** *Crisis consulting, Crisis communication, Client-consultant relations*

**Paper type:** *Explorative study*

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# **Crisis Communications During Hurricane Sandy at NYU Langone Medical Center Evacuation**

## **A Case Study**

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*On the night of October 29, 2012, 322 patients were evacuated from NYU Langone Medical Center in New York City over the course of 12 hours. This case is an example of a situation where communications were essential to helping maintain the reputation of a world-class medical center, and limit negative coverage of an unprecedented situation in New York City. That night, and over the course of weeks and months after, a crisis communications plan was enacted in order to maintain trust with the public and patients who rely on the medical center for care, notify media of re-opening activities, and ensure all information was communicated in a timely manner. There were many facets to this communication including: news of the closing and re-openings of the medical center, news stemming from the more than 20,000 research rats who were killed when research labs were flooded, personal stories of the crisis, and updates about the rebuilding. Overall, communications were successful and though still ongoing, will remain an example of how effective crisis communications can be, when handled effectively.*

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## The “Cushion Factor”

### Explicating Media Reputation as a Key Influencer of Crisis Preparedness and Recovery

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*This study identifies a niche construct in monitoring crisis preparedness and measuring crisis response effectiveness: **Media Reputation**, linking reputation and media, two crisis variables that have been largely measured and evaluated separately, and enriching the understanding of the antecedents and outcomes of effective corporate crisis responses.*

*Taking the perspective of the contingency theory (Pang, Jin, & Cameron, 2010) and the framework of “media reputation” which highlights the role of media coverage on reputation formation (Deephouse, 2000), we conduct a meta-analysis of peer reviewed studies published in leading public relations and corporate communications focused academic journals (2000-2012).*

*A Media Reputation in Crisis Communication (MPCC) model is then delineated with testable propositions, defining what constitutes Media Reputation and how different levels of Media Reputations influence stakeholders’ perceived corporate reputation (providing “crisis cushions”), before, during, and after a corporate crisis. Theory development aspects and practical insights for crisis managers are further discussed.*

**Keywords:** Media reputation, Crisis management, Meta analysis

**Paper type:** Research

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# The Designing of Decision Support Systems for Corporate Communication

## Increasing Professionalization by Linking Theory and Practice

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*Research shows that communication practitioners make little use of insights from (communication) sciences to underpin their choices. Interviews with communication professionals support the Venus and Mars hypothesis (Van Ruler, 2005) that this is not because they are reluctant to adopt the scholarly work, but because practitioners and scholars have different perspectives on what they need to become professionals. In this paper we will show how a combination of scholarly and practitioner views can lead to the design of decision support systems in which the best of both worlds is combined: systems easy to use for practitioners and based on scientific evidence. For the design of these decision support systems the methodology of design-based research has been used. An academic collaborative center served as a platform in which scholars and practitioners co-create these systems. This approach seems a good starting point to increase professionalism, although there are still some questions to be answered, and optimization of the method and setting is required.*

**Keywords:** Professionalism, Professional growth, Design-based research, Decision support system

**Paper type:** Research paper

Bridging the gap between theory and practice has been an objective of numerous communication programs all over the world, but it seems to be difficult to achieve this objective. In *Public Relations Review*, van Ruler referred to communication professionals as being ‘from Venus’ while scholars are ‘from Mars’ (van Ruler, 2005). In the article she addressed the question how to professionalize the communication management field. She concluded that the various participants in the field have different perspectives on what is required to be professional. As a consequence there seems to be a big gap between academia and the ‘domain of practice’.

Bridging this gap will be possible only if scholars and practitioners are willing to accept each other’s ideas about professionalization, they must be willing to meet, to discuss their ideas and work together on a professional identity that stipulates parameters but leaves room for the width and the dynamics of the practice (van Ruler, 2005).

In this paper we will address the question: what is the ideal setting to increase professionalism?

First we will explain why theory should meet practice, and why professionalization is not easy to achieve. On the basis of recent in-depth interviews with Dutch communication practitioners (Wehrmann, 2013), we will formulate prerequisites for optimal cooperation between academia and communication practice. Then, we will describe a case study for designing a decision support system for communication professionals. This project was realized in an academic collaborative center at Delft University of Technology in The Netherlands as a platform of close cooperation between academics, practitioners, and clients. The project aims at both developing personal professional growth of the participants and increasing professionalization of the field as a whole. We will conclude this paper with a discussion on what improvements could still be made to this process of bridging the gap between theory and practice.

### **Professionalization: Different Perspectives**

#### *Professionalism, professionalization: confusing terms*

The term 'profession' comes from the Latin *profiteor*, which means 'to declare publicly' and derives from the notion of an occupation that one 'professes' to be skilled in. According to the sociologist Nagla (1993), professionalism is best seen as a 'state of mind,' because it is a way of thinking about the cognitive aspects of a profession and the characteristics that typify a professional. This means that professionalism has to do with both the concept of a profession ('which tasks belong to an occupation and which tasks do not') and with a norm ('what is and what is not good'). In the sociology domain, the term professionalization is therefore used to indicate the development of a profession to a certain desired level of quality. The professionalization of the profession, for instance, takes place by discussing professional identity and drawing up competency profiles.

However, within practice, the term is often used to indicate the process of the personal development of a practitioner within his or her occupation. To avoid confusion in this paper, we will use the term 'professionalization' to refer to the development of the profession as a whole, and 'professional growth' or professional development to indicate personal professional development.

#### *Various models on professionalization*

Theory building on professionalism and professionalization started about a century ago. It was based in Durkheim's idea of the division of labor (for details, see Ritzer, 2000) and has become a much-debated part of social theory. Many authors developed a categorization of theories on professionalization (see e.g. Abbott, 1988; Biemans, 1999; Modarressi et al., 2001). However, not much effort has gone into interpreting the differences between theories in order to reveal the consequences of the various approaches towards the practice of professionalization. That is why van Ruler (2005) made an inventory of models of professionalization relating to the communication field (see Figure 1).

All four models give a different perspective on what qualities a practitioner needs to be called 'professional'. From the perspective of the knowledge model, the emphasis is on applying the theories the profession has identified as important. The focus is on rational intelligence, directed by academia and associations of professionals. In contrast, in the personality model, knowledge is based on emotional intelligence, and professionalization is

seen as a result of interaction between professionals and clients. A visualization of this typology can be found in Figure 2.

**Knowledge model:** professionalization is the development of an organized group of experts who implement scientifically developed knowledge on a cluster of tasks defined by the professional group, in order to deliver a unique contribution to the well-being of the client and the progress of society.

**Status model:** professionalization is the development of an organized elite who use general and specific knowledge on a cluster of tasks defined by the professional group, in order to gain autonomy, power, and status for its profession.

**Competition model:** professionalization is the development of experts who gain value for their clients by implementing those scientifically developed models that match the demands of the client and the determinants of the problem on a cluster of tasks negotiated with the client.

**Personality model:** professionalization is the development of experts who gain value for their clients by their commitment and their personality, their creativity, and their enthusiasm for a cluster of tasks negotiated with the client.

FIGURE 1. Four historical models of professionalism and professionalization (van Ruler, 2005)

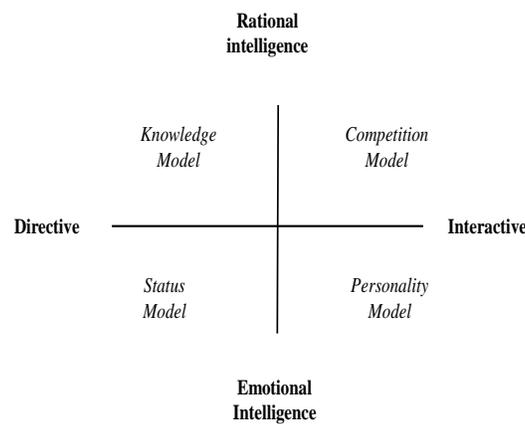


FIGURE 2. Typology of professionalism models based on who decides what knowledge is needed and what kind of knowledge is preferred

Van Ruler mentioned that although communication practice is suffering from low standards of professionalism, practitioners are not looking for support from scholars. She proposed that this is not because practitioners are reluctant to adopt the scholarly work that has been done, but because, in defining what professionalism is all about, practitioners and scholars live in different worlds. Scholars tend to prefer the knowledge and competition models, while practitioners are more oriented towards the status and personality models.

That is why we need to combine the relevant and useful aspects of each model in one integrated model of professionalization, in order to create a strong brand and valued

expertise. This will be possible only if scholars and practitioners are willing to accept each other's ideas about professionalization (van Ruler, 2005).

That means that scholars and practitioners must be willing to meet, to discuss their ideas, and work together on a professional identity that stipulates parameters but leaves room for the width and the dynamics of the practice.

### **Practitioners' views on professionalization and personal growth**

In 2012 Wehrmann interviewed 20 communication practitioners, active on different levels of the communication field and with various functions and tasks. The selection of practitioners was aimed at maximizing diversity in communication jobs and in level of performance. During these in-depth interviews, she asked practitioners to describe in detail the tasks they perform in daily work, their motivation to professionalize, the knowledge and skills they would like to obtain, and the pathways they prefer in achieving professional growth. The goal of this qualitative research was to create a broad overview of the needs of communication professionals in relation to their own personal development and to the profession as a whole.

In describing their motivation to participate in professional development activities, respondents came up with a variety of reasons, ranging from 'climbing the social ladder' and 'to plan my career' to 'I would like to perform better within my profession', and 'to provide well-founded advice to my clients'. Almost every interviewee mentioned that 'to stay motivated for my own job', to 'meet colleagues', and 'to get inspired' were most relevant. All interviewees stressed the need for recognition and acknowledgment of problems by colleagues.

For most of the interviewees, personal development proved to be an important item, but their effective participation in professional development activities proved to be restricted: one of the interviewees took a vocational training in change management; another considered training as a coach. Most respondents occasionally took part in information and discussion meetings organized by the company, the professional association, or other circuits of communication practitioners. One of the respondents referred to conference visits organized by the Association of communication professionals. All of them indicated having access to a limited number of journals or books on communication, but only two interviewees said that they actually read them regularly.

However, all respondents reported being actively involved in social networks: they are linked via social media with colleagues, clients, and sometimes with academics. They use these media to get information about news and events, trends and developments, and to take part in discussions about the profession. One of the respondents (an independent communications advisor) said: 'I like to share information with others on social media. It's the easy way, and it's a good means to profile yourself. ... But the knowledge exchange is usually limited to facts and opinions. We don't share theories, and we have no substantive discussions about our own work, only about general subjects'. Some practitioners admitted to reading blogs and tweets of scholars, but they were not directly in contact.

Most of the respondents mentioned that acquiring knowledge is not an end in itself. One of the respondents noted: 'I simply don't have time to explore ... I try to gain knowledge which is directly relevant for the work I do'. Another respondent said: 'it really has to be applicable in practice'. That does not necessarily mean that practitioners have a limited view: 'For me it's

important that communication is discussed in relation to the adjacent areas ... from outside the communication field ... It's a pity that discussions in journals and conferences about communication are usually academic, narrowed discussions, with focus on details'. Other respondents criticized the current state of communication research as well: 'I have an academic education myself. I would like nothing better than to ground my decisions. My tasks are often complex, situations unpredictable. I need to be flexible and adjust my approach to the context. I would like to get knowledge or guidance, but communication science is still in its infancy'; ... 'I don't think science can be of help. I would rather consult experienced colleagues'.

About the possible activities to professionalize, one of the respondents answered:

There isn't one ideal means, it's good to have a whole range of different activities, but what I really miss are small meetings in which a few colleagues with similar tasks from different organizations jointly discuss and solve problems they face in practice, whether or not assisted by an expert. This is only possible when you are sure that information you provide won't be communicated outside of this limited group. A lot of information is confidential, you know.

#### *Prerequisites to professionalize*

If we relate these results to Van Ruler's typology, most answers fit well with the personality model, but that does not mean that bridging the gap between theory and practice is no option, Wehrmann (2012) shows that at least some of the interviewed communication professionals in The Netherlands are really interested in gaining knowledge and are eager to use rational intelligence as well. For practitioners, working together with scholars seems possible if a joint project would meet four criteria:

1. questions and problems from practice should form the starting point for joint research
2. research should result in knowledge, applicable in practice
3. the research should pay due attention to the complexity and dynamics of the context
4. within the cooperation process there should be much room for reflection on practice and discussion with experienced colleagues who face the same sorts of problems.

Is there a chance of meeting these criteria? The increasing civil engagement of academia has resulted in a broad range of initiatives to bridge the gap, varying from transfer groups, science shops, and task forces to all sorts of networks. Although there are many differences in the way these groups and organizations operate, for most of the scholars it is important that the cooperation with professionals contributes to new theoretical insights. Moreover, research has to meet scientific standards, and it should be possible to publish research outcomes in scientific journals (Stenick & Scheetz, 2002).

One particular initiative appears to meet both requirements of practitioners and academia: the cooperation within academic (collaborative) centers. In section 4 we will show an example of the approach of the academic collaborative center at Delft University in The Netherlands. In section 5 we will discuss to what extent this initiative can serve as a model to bridge the gap between theory and practice.

### **Case study: Designing Decision Support Systems for Corporate Communication**

The department of Science Education and Communication (SEC) is an educational and research program at Delft University of Technology in The Netherlands. Its mission is to professionalize teachers and communication practitioners who work in a science and technology context; to enable them to design and manage complex communication processes and products; and to support them with decision support tools, training, and education. They focus on the research themes: professionalization, strategic communication, and communication within networks. SEC wants to initiate innovative ideas and to solve problems communication practitioners face in practice. The cooperation takes place in an academic collaborative centre.

#### *Academic collaborative centres*

Academic collaborative centres are virtual and/or real institutions where university professors, researchers, university students, and practitioners work together in solving specific problems; in developing new methodologies and innovations; and in applying scientific results. In short, the academic collaboration connects scientific research to concrete activities in order to give support and integrate knowledge required by specific civil groups. What sets these centres apart is a combination of the following characteristics (Jansen & Burhenne, 2011):

- ‘participatory’ research approach: practitioners can contribute, grow and learn
- iterative processes, linking theory and practice
- experiential knowledge and academic viewpoints are combined and tested in practice
- scientific methodology: procedures vary from one field to the other but meet scientific standards
- structural relationships between stakeholders: the managers of academic centres lead the centres from business model.

The SEC academic centre has a character of open innovation in communications. Researchers and practitioners together define projects and support each other in pathways that are risky but which offer significant learning and development opportunities. Although cooperation and co-creation are not obligatory, cooperation has clear benefits based on practical application and valorisation.

#### *The design process*

The methodology used in this SEC applied research is called design-based research (DBR). DBR is a type of research that developed in the field of education (Friedman, 2003) but also found many applications in industrial design engineering (Hórvath, 2008) and is starting to find its way into the field of (science) communication. DBR works from three points of view: the development of practice, the development of design methods, and the critical testing of theory. DBR can be defined as: ‘a systematic but flexible methodology aimed to improve educational practices through iterative analysis, design, development and implementation, based on collaboration among researchers and practitioners in real-world settings, and leading to contextually-sensitive design principles and theories (Wang and Hannafin, 2005).

DBR has some overlap with action research, but there are differences as well. Action research aims at improving the practical situation. The researcher is driven by the need to make a change to create a better social situation. It resembles DBR in the sense that it identifies and aims to solve real world problems, while at the same time analysing the research to understand underlying

causes. The researcher does not work on a stand-alone basis: practitioners are involved in the process. Both action research and DBR are iterative processes. The research plan that is made in the beginning is subject to change, based on evaluation of each subsequent step in the process. A major difference is that an important goal of DBR is to generate theory that can be generalized to other similar situations (Wang & Hannafin, 2005; Edelson, 2002). Therefore, in DBR the researcher plays a more prominent role than in action research. In action research it is usually the practitioners who initiate the research and the researcher who helps facilitate the research process (Wang & Hannafin, 2005). However, in DBR a researcher usually initiates the various stages of the research process.

### *Three projects*

Currently, the SEC department in The Netherlands runs three projects within the academic collaborative centre:

- The design of an interactive dashboard and interface to analyse and align the different (internal and external) identities of an organization. The professional can make informed decisions based on a link between theory and business strategy. This tool is based on the AC3ID model of John Balmer and uses many different types of information. A ‘reasoning engine’ (approach from the decision support software and game world) generates a possible solution on basis of the available information.
- The development of campaign scenarios for the deployment of smart energy meters: by digitally sliding the slider bar, the professional can click on a map of the city of London to see in which area what type of campaign is most likely to be successful. This instrument combines consumer behaviour models, survey data from real consumers, and communication scenarios and is – among others - based on agent-based modelling techniques from the world of serious games (Van der Sanden, 2012).
- The development of a decision support system to support communication directors in composing their communication department (Wehrmann, 2012) This project will be described in the next paragraph as a case study.

### *Case study: Decision support system to compose a communication department*

Communications departments in companies and non-profit organizations are expected to make a valuable contribution to achieving organizational objectives. But how can organize the communications function be organised as effectively and efficiently as possible to deliver maximum value to the company? This is a question that many companies in the Netherlands are facing, especially in light of the financial crisis and increasing pressure to restrict the number of communications professionals and the communications budget. SEC was commissioned by a communications consultancy to design a benchmark that provides insight into how the communications function of large companies and organizations in the Netherlands is organized and to find heuristics for the development of the communications function that actually contributes to the success of the organization. The ultimate goal is to design a digital decision support system that helps communication directors to make decisions in composing his/her team.

To reach this goal, a network of researchers and practitioners has been created. The core of the network was formed by two staff members from university and two representatives from the consultancy. Both the university and the consultancy involved other parties to find financial

resources and to deliver substantive input. Not everyone who participated took part in the whole project: some were only involved in parts of it. All participating practitioners were communication directors or managers of large companies and semi-public institutions. They were selected because in daily work they are professional decision makers who actually experience the problems described, and because they were characterised as 'reflective practitioner' or 'adaptive expert' by their colleagues. Added to that, the companies they represented jointly provided the funding to appoint a researcher who conducted most of the research tasks under the supervision of a SEC staff member and in close contact with two members of the consultancy.

The participatory process is visualized in figure 3. It shows the constant zigzag movement from theory to practice and vice versa. Several steps are made explicit below.

0 In several meetings between representatives of SEC and the consultancy an agreement was reached on general objectives of the project, the different stages of the research process, and on intellectual property. The consultancy then identified nine 'launching customers': the communication directors who took part in the research project.

P1 The project started with a preliminary 'kick-off' meeting of the researchers, consultants, and directors of communication of the nine participating companies. In this meeting everyone made their expectations explicit, and targets were set. All professionals explained to what extent and in what settings they encounter problems with showing the added value of their department and the composition of their teams.

T1 An important principle in developing the benchmark is that it should be able to yield measurable results of the success of the communications function and connect the activities and composition of the communications function with the performance of the organization. Existing surveys on the corporate communications function are often based on the assumption that financially successful organizations are also communicatively successful (Watson-Wyatt, 1999). To avoid mere correlations and instead obtain an insight into causality, the team of researchers decided to use the Balanced Scorecard (Kaplan & Norton, 2001) as a basis for a conceptual model. The balanced scorecard considers strategic objectives of an organization as a series of explicit and testable causal relationships and lists the conditions that will lead to the desired results (Critical Success Factors). These CSFs are characteristics of the organization necessary for the success of the organization and therefore of specific interest.

This process of designing the conceptual model, the determination of the strategic objectives, and CSFs was an iterative process in which the professionals played a crucial role in commenting and pretesting.

P2 The process resulted in an online benchmark survey that was validated with help of a new group of communication managers and directors. The benchmark was published on-line; about 70 communication managers of companies filled in the survey.

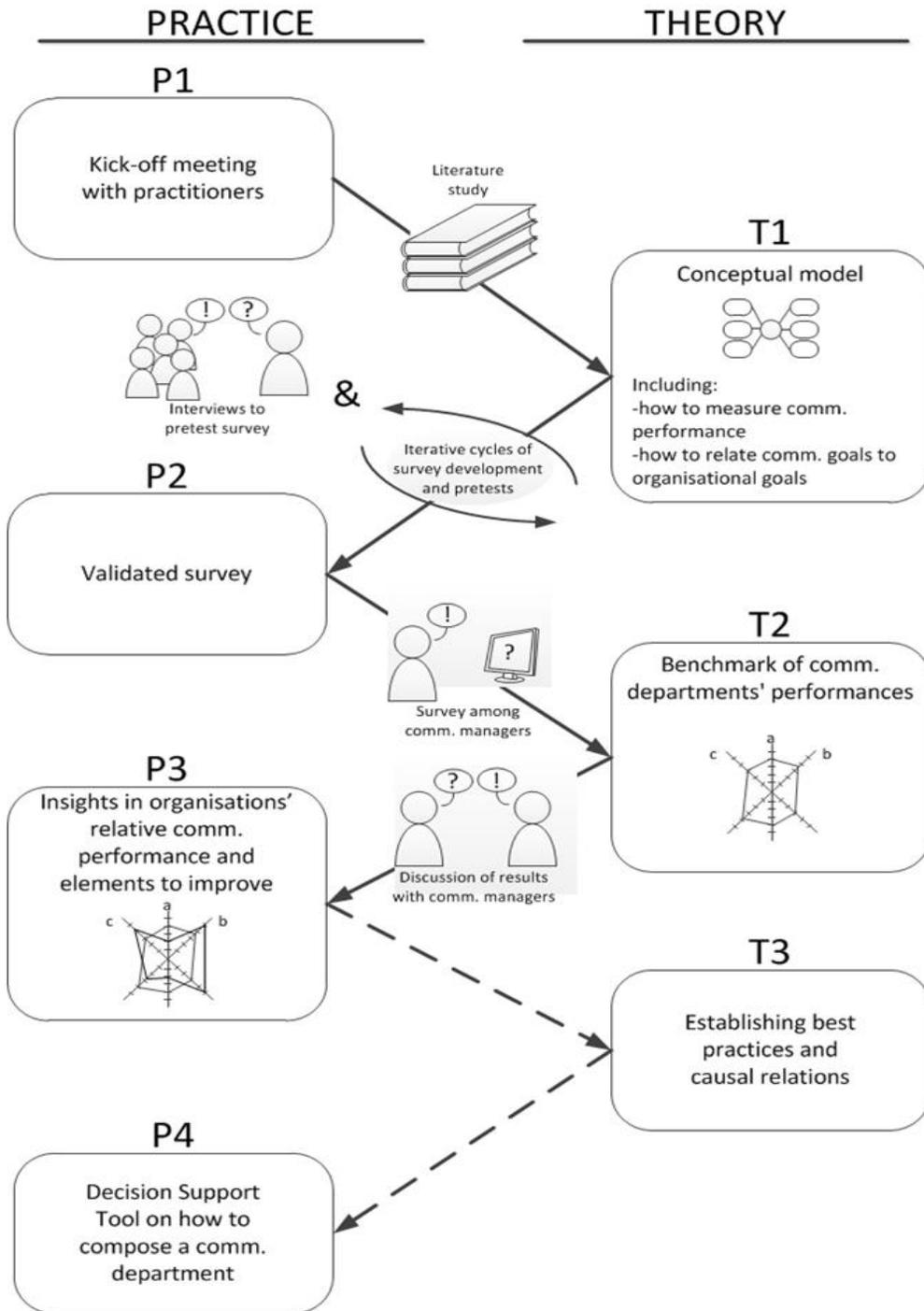
T2 The researchers analysed the data and were able to compare the performances of the various communications departments and to provide summaries of the outcomes to those who filled in the benchmark survey. The nine launching customers were given a detailed report comparing their communications department with several peer groups.

P3 The researchers and representatives of the consultancy visited the nine launching customers to discuss the analysis and the implications of the benchmark outcomes for the composition of their department. A new group of communication directors was asked to discuss, in focus groups, the general outcomes of the benchmarks and mechanisms to compose a communications department.

T3 Currently, a researcher and a thesis student are ‘translating’ the practitioners’ insights into design criteria for the development of a prototype of the decision support system. At a later stage this prototype will be tested with help of practitioners.

*Evaluation of the cooperation process*

In an evaluation of the designing process (at P3), almost all participants said that they were convinced of the added value of this method for various reasons. Researchers enjoyed gaining real insights into practice and appreciated the practitioners’ ability to deal with complex and dynamic situations. Most of the professionals liked to discuss their daily work in detail and were open to answer questions. They accepted the researchers’ need to substantiate every stage, even though the process took a lot of time. Other participants were particularly interested in the outcome of the benchmark and in the tools used. Their contribution to the process of co-creation remained limited.



**FIGURE 3.** Visualisation of the DBR process used in the case to build a decision support system to compose a communication department.

## Discussion

The case study seems to be an example of successful cooperation of the practitioners and researchers. The principles of the academic collaborative centre and the DBR method make it possible to comply with all criteria formulated above. Does this mean that this is an ideal setting to bridge the gap between theory and practice? In our opinion it is too early to draw this conclusion: a lot of questions have to be answered.

Firstly it is a relatively small project in which a limited number of practitioners and researchers took part. Moreover, in the case study, the ‘coordinators’ (researchers and representatives of the consultancy) initiated the project and planned the research process. Practitioners were recruited from the networks of the consultancy. This could be an advantage - the qualities and capacities of the professionals were known - but it is not clear if that is actually the case. In addition, practitioners were asked to give input and respond at particular moments and in a manner indicated by the coordinators due to the fact that the researchers wanted to maintain control over the methodology. In this sense real interaction was limited. It is possible that ‘open innovation’ and crowdsourcing to find participants would have led to different results and contributed more to professionalization of the communication discipline.

Another interesting question is: to what extent has DBR actually contributed to the professional growth of the practitioners? In 2002 Clarke and Hollingsworth presented the Interconnected model of professional growth, a non-linear model in the field of teacher education. The authors distinguished four domains that encompass the teacher’s world: the personal domain (teacher knowledge, beliefs and attitudes), the domain of practice (professional experimentation), the domain of consequence (salient outcomes), and the external domain (sources of information, stimulus or support). Professional change can take place in any of the four domains. Change in one domain is translated into change in another through the mediating processes of ‘enactment’ (an action that represents something a teacher knows, believes, or has experienced) and ‘reflection’. Assuming that this model is applicable to professional growth in communication practice, it should be interesting to apply this model to the case study and explore to what extent the mechanisms of reflection and enactment actually took place and if all relevant pathways to professionalization actually have been used.

## Conclusion

The relationship between academic research and practice has traditionally been plagued by an unfortunate gap. In this paper we addressed the question: what would be an ideal setting to bridge the gap between theory and practice? We showed how a combination of scholarly and practitioner views can lead to the design of decision-support systems. The case study shows that academic collaborative centres could be used as a platform for scholars, clients, and practitioners to cooperate. Design Based Research (DBR) as a method has potential as well: it can be used in real-world settings and leads to contextually-sensitive design principles and theories. The focus of the SEC research group in Delft (The Netherlands) on designing decision-support systems to provide communication managers with tools to make better-informed decisions contributes as well to the professionalization of the communication field. Still, it will be a challenge to maintain the scientific approach and, at the same time, give practitioners the maximum possibility of participation. Moreover, it is not clear yet to what extent DBR can be used to actually contribute to professional growth of the participants. The contest to find the best setting is still open.

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## Dilemmas of Co-Creation

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*Since the concept of co-creation was introduced it has had an immense impact on scholars of marketing and communication. The potential of consumers' activity and ability to create value for firms is the new logic and has been studied in relation to different products or services, assuming that co-creation work in a similar way regardless of context. Less attention is directed to the consumers and their opportunities for co-creation in various contexts. The aim of this paper is to explore the potential of using art events for public engagement in city renewal. The paper is based on a single case study. Participant observations and document analysis have been used for the study. This paper problematizes conventional assumptions about the concept of co-creation by illustrating the potential of co-creation of various art forms and by revealing the expectations on the consumer for co-creation when art is used.*

**Keywords:** Co-creation, Consumer expectations, Art events, Public engagement

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# Effective Project Communication

## A Case Study in a French –Russian Joint Venture

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*The purpose of this paper is to investigate the effectiveness of project communication and mutual understanding in cross-cultural context of a French-Russian industrial project. It seeks to propose a perspective from which apparent tensions and misalignment can be transformed into communication satisfaction and effectiveness indicating the impact of them on project success.*

*Despite the acknowledged need to focus on effective communication as a prerequisite to success of the project, the survey found very little indication that collaboration between partners of different cultures was efficient due to frequent cases of misunderstanding and inflexibility of the parties concerned at both managers and employees levels.*

*It also demonstrates that the companies display a strong theoretical awareness but no practical application of how intangible resources, such as teamwork, effective negotiation skills and employee attitudes, contribute to the company's success.*

**Keywords:** *Cross-cultural communication, Communication satisfaction, Corporate culture, Internal corporate communication, Project communication, Project management*

**Article type:** *Case study*

### Introduction

Economic, political and cultural globalization has led to intensification of intercultural contacts all over the world. Multinational corporations as well as large and small national companies seek new markets and start looking east. More and more European and American companies want to open their affiliated branches or form joint ventures with partners in Russia and oriental countries. Thus, economic development spurs scientific research: the necessity of well-tuned communication is perceived as one of the keys to business success.

The present case study is carried out in Russia at a French-Russian joint venture on scientific research and development and production of railway transport, namely, electric locomotives, with the aim to investigate the pitfalls in communication that make both sides stumble at presumably smooth and carefully considered route of collaboration. The purpose of the research is to investigate the effectiveness of project communication and mutual understanding in cross-cultural context of a French-Russian industrial project. It seeks to propose a perspective from which apparent tensions and misalignment can be transformed into communication satisfaction and effectiveness indicating the impact of them on project success.

It is rare to find up-to-date publications comparing Russian and French corporate cultures and issues both parties face when working together. There is comparative analysis of corporate cultures in French-Japanese, French-American and French-British joint ventures. Papers on Russian way of thinking and of doing business are also available, but no contemporary detailed study of changing Russian-French stereotypes, developing corporate culture or overcoming communication issues are found. The original contribution of the research also lies in extending the concept of project communication by defining the aspects of project communication effectiveness and their potential in project success with both theoretical and practical implications.

### **Theoretical Background**

Cross-cultural communication research implies analysis of the problems of “cultural profile” formation and requires focusing on several groups of factors:

- influence of national culture,
- influence of the specific corporate culture,
- influence of professional culture peculiar to each profession,
- influence of personal characteristics.

Our research is primarily concerned with the analysis of national culture impact on a manager’s “cultural profile”, management processes and interactions with colleagues from different cultures. It is based on the concepts that consider and define culture from the point of view of its value systems and personal self-estimation.

The following concepts comprise the theoretical basis for the study: labour value orientations paradigm by Geert Hofstede (Hofstede, 1980); the conceptual model “individualism-collectivism” by Harry C. Triandis (Triandis, 1995); seven dilemmas of culture model by Fons Trompenaars and Charles Hampden-Turner (Hampden-Turner, Trompenaars, 2000); cultural definitions of “I-concepts” by Hazel Rose Markus and Shinobu Kitayama (Kitayama, 1997), and intercultural differences in communication based on the context, time and space by Edward T. Hall (Hall, 1985). The concepts include studying culture and a person’s behaviour in the culture. The methodological approach for conducting French-Russian cross-cultural research also includes comparing behaviour and mentality, meaning the way of thinking, of two different cultures – Russian and French – and propose optimal ways of interaction between the two.

G. Hofstede has worked on the problem of employees’ values orientations. He formulated a factor model of national cultural differences and proposed the following dimensions: individualism-collectivism; power distance; masculinity-femininity; uncertainty avoidance and time-scale attitudes. According to Geert Hofstede, there are five dimensions to assess cultural differences:

- Individualism (as opposed to collectivism), meaning more responsibility and a low level of affectivity;
- A large hierarchical distance, meaning more centralization and less participation;
- High control on uncertainty meaning low acceptance of the unknown of the future, leading to strict rules and little delegation;
- Masculinity (as opposed to femininity) as the sign of the high level of competitiveness and value given to performance;
- Long term (as opposed to short term), emphasizing the relationship more than immediate results.

*Individualism* – collectivism means regulations in relation to a personality or a group. Individualism pertains to societies in which “the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family“. Collectivism as its opposite refers to societies in which “people from birth onwards are integrated into strong, cohesive groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” (Hofstede, 1991). The results of this empirical research testify that the level of individualism-collectivism influences the approaches to conflicts settlement, behaviour patterns, and the system of employees’ motivation and some other essential processes of social behaviour.

*Power distance* – willingness to admit differences is connected with power and rights. On the basis of this approach, a power distance index was calculated for each country, it varied from 0 for countries with small power distance to 100 for countries with large power distance. In small power distance counties there is limited dependence of subordinates on bosses, and preference is given for consultation, that is, interdependence between boss and subordinate. In large power distance countries there is considerable dependence of subordinates on bosses, employees in similar jobs are more likely to prefer autocratic or paternalistic bosses.

*Masculinity* – *femininity* shows the degree to which men’s and women’s self-perceptions include the characteristics regarded as typical of men or women of this or that culture. This dimension, worked out by Hofstede on the basis of factor-analysis, shows the degree to which values connected with self-assertion, money and property prevail in a society over the values connected with upbringing children, quality of life and personal qualities. The construct could be called “materialism”, but Hofstede called it masculinity (MAS), since men-employees generally preferred the former group of values, while women regarded the latter as more essential. G. Hofstede discovered the following interdependence: in countries or companies with a high MAS level, independent decision-making prevails over group decision-making. Also, these countries are characterized by a stronger motivation for goal achievement; work involves more pressure and is an essential part of people’s lives (Hofstede, 1991).

*Uncertainty avoidance* – readiness to accept uncertainty index is associated with the choice of strategy for employees’ participation in organizational changes. The higher is the index of uncertainty avoidance, the greater are the chances for choosing a democratic strategy for organizational changes and involving employees in organizational processes.

*Long term* –*short term* orientation in life construct was added by Hofstede later to the list. Hofstede's fifth dimension is based on the study of Canadian scholar Michael Bond (Bond, 1988) in Hong Kong which had noted that Hofstede’s previous four cultural dimensions did not adequately reflect Asian perspectives on culture. As Hofstede notes:

Long Term Orientation stands for the fostering of virtues oriented towards future rewards, in particular, perseverance and thrift. It’s opposite pole, Short Term Orientation, stands for the fostering of virtues related to the past and present, in particular, respect for tradition, preservation of ‘face’ and fulfilling social obligations.

G. Hofstede’s pioneering work “Culture’s consequences”, where he offered the parameters characterizing national cultures gave an impetus to cross-cultural research and contributed to its popularity. The individualism-collectivism dimension is well studied and widely used, which can

be accounted for by the significance of the individualism concept for the social sciences as a whole.

Following the research of G. Hofstede, H. Triandis, in his turn, introduced the concept of horizontal and vertical characteristics of individualism and collectivism. Such combinations make it possible to distinguish four types of national culture: horizontal individualism (HI), vertical individualism (VI), horizontal collectivism (HC) and vertical collectivism (VC) (Triandis, 1995). In his research France, for instance, is characterized by vertical individualistic culture of behaviour, and Russia's culture is vertically collectivist.

Horizontal and vertical characteristics of individualism and collectivism put forward by Triandis are essentially connected with Hofstede's dimensions. The vertical aspect is conceptually related to Hofstede's "power distance". But unlike Hofstede, Triandis emphasizes that individualism and collectivism are not opposites. Another problem considered by Triandis regarding regulated and free societies is conceptually related to Hofstede's idea of "uncertainty avoidance". H. Triandis analyzes the major differences between individualist and collectivist cultures and attitudes to the group. He points out that a collectivist normally belongs to one or two groups and has a profound emotional relationship with them. An individualist belongs to a great number of groups, but their relations with groups are superficial and are maintained as long as they are "justified". As soon as they find another group more "beneficial" for them, they leave the former.

In the context of N. Guseva's research (Guseva, 2006) this tendency is of interest from the point of view of analyzing the process of employees' loyalty to the company. In individualistic France the tendency reveals itself in a strong preference for "a better proposal" even it comes from a competing company. The research conducted in Russia showed controversial results. They varied depending on the respondents' age and their length of service in the company. Most employees over 40, who had been working at a particular company for ten years or more, remained loyal even in case of a more profitable financial offer. Younger people, at the same time, preferred to change employment for economic reasons.

In his latest works H. Triandis introduced a new concept of "cultural syndrome" and distinguished its three types (Triandis, 1996). Cultural syndrome is a generally accepted system of beliefs, purposes, self-definitions, standards, roles and values combined into a certain theme. The first syndrome type is that of complexity – simplicity, where information societies are opposed to elementary and primitive "mushrooms and berries pickers" societies. The second syndrome is rigid regulation – uncertainty, i.e. strictly regulated society with a lot of norms to public behaviour and the mechanism to observe these regulations is opposed to free society with a relatively small number of norms and their deviations. The third cultural syndrome type is individualism – collectivism. Triandis puts forward the theory that there is maximum collectivism in rigidly regulated and simple cultures and maximum individualism in complex and free cultures (Triandis, 1996).

Findings and theories of G. Hofstede and H. Triandis are of great theoretical value as the former proposed several dimensions of national culture and the latter contributed to the individualism-collectivism distinction and its influence on social interaction.

The principles of cross-cultural relations are understood as specific solutions to and characteristic of a certain group or nation, which people choose in decision-making. In the research by Fons

Trompenaars and Charles Hampden-Turner, it is pointed out that there is no “one best way” of company management that could be applied in all countries (Hampden–Turner and Trompenaars, 2000). They suggest considering cross-cultural differences under three headings: relations with people; attitudes towards time; attitudes towards the environment. The most important part of their research refers to the group of differences “relations with people” which includes five dimensions reflecting people’s relationships (Trompenaars, 1994): universalism – particularism; individualism – collectivism; neutral – emotional; specific – diffuse; achievement – ascription. This conceptual model is of interest both from the point of view of its practical approach and the author’s recommendations on considering cross-cultural differences with the aim of effective and mutually beneficial intercultural French-Russian relations.

According to Edward T. Hall (Hall, 1985), intercultural differences in communication are based on the context, on time and on space. Understanding between people results from the combination of information and its context. Some cultures have a rich context (close links between people, high level of the unspoken/unsaid). These cultures are highly “implicit”. Other cultures valuing communication only when it is very clear in itself are said to be “explicit”. For “monochronic” cultures, time is seen as a tangible resource coming from the past and going to the future: it has value and can be measured in itself. For “polychromic” cultures, time is seen as an element of several tasks which can take place at the same time and which are linked more by relation than by time. Interpersonal distance is limited by a sort of protective bubble around each person: entering it is an intrusion. In some cultures, the bubble is very small, in others, very large.

I-concepts by Hazel Rose Markus and Shinobu Kitayama conceptualize the self-schema of the mutual constitution of self and culture, and of the distinction between the independent and interdependent self (Markus & Kitayama, 1991). The self-schema is a cognitive representation that organizes knowledge about the self and guides processing of self-relevant information. I-concepts are taken into consideration when influence of personality on working context is discussed. Self-schemas affect responsibility issues, emotional involvement, individualism-collectivism preferences, etc.

#### *French cross-cultural research*

National approaches to cross-cultural research are of special interest since conducting Franco-Russian research requires considering both theoretical and methodological approaches to the research and the accumulated knowledge in this field.

Philippe d'Iribarne's analysis emphasizes the concept of "honour" which values unselfishness and grandeur (Iribarne (d'), 1989). For instance, delegating responsibility and then controlling it is considered perfectly normal in the USA and absolutely insulting in France. This is a perfect example of the logic of the contract as opposed to the logic of the relationship.

Philippe d'Iribarne studied problems of management, organization, power hierarchy, relations between managers and subordinates. His research team conducted cross-cultural research in France, the USA, and Holland and compared these countries' manufacturers that belonged to the same transnational company. The results obtained in the research showed a considerable power polarization in France, which is characteristic of countries with large power distance.

Ph. d'Iriban notes, that "The often strongly emotional character of hierarchical relationship in France is intriguing. There is an extreme diversity of feelings towards superiors: they may be either adored or despised with equal intensity" (Iriban, 1989). Visible signs of status in large power distance countries contribute to the authority of bosses. The results of cross-cultural research into the problems of organization in France, the USA and Holland enabled Ph. d'Iriban to describe the French approach as "the logic of honour" that has been known since pre-Napoleon times. It means that "everyone has his/her own position", i.e. according to G. Hofstede, corresponds to large power distance, but "the implications of belonging to one's rank are less imposed by the group than determined by tradition. It is not so much what one owes to others as what one owes to oneself" (Iriban, 1989), which corresponds to stratified forms of individualism.

#### *Problems of cross-cultural research in Russia*

In Russia N. Berdyaev's work "Self-knowledge" can be regarded as one of the first cross-cultural researches. In the chapter "Russia and Western world" Berdyaev offers a comparative analysis of Russian and French mentality and national character of the early XX century. His approach to individualism and group formation – "communitarianism" – include power distance, masculinity and femininity problems and the question of uncertainty (Berdyaev, 1991). The problems raised can be seen as the beginning of modern cross-cultural research.

N. Berdyaev pointed out that "the word individualism, ambiguous in its essence, is mostly applicable to the French". "Russians are no good at acquiring western rules... I wouldn't say that Russians are particularly inclined to individual friendship. Rather, Russians are communitarian people. It's amazing that whatever part of the world they get to, Russians unite into groups, join into Russian organisations, hold meetings" (Berdyaev, 1991).

In his research in the first half of the XX century, N. Berdyaev also gives description and comparative analysis of behaviour and relations between the Russian and the French. He argues that "the problem of communication is the problem of overcoming loneliness" and "the difficulty of communicating with Russians is of different nature than the difficulty of communicating with French". Analysing masculinity and femininity problems, he points out that "even when a man and a woman speaking the same language pronounce the same words, they mean different things" (Berdyaev, 1991).

N. Berdyaev's researches can be regarded as the first stage of cross-cultural studies when scholars collected and described materials on differences inherent in two cultures, but nevertheless this is a most interesting heritage for present-day research.

Modern cross-cultural studies in Russia began in the 1990s. A. Naumov applied G. Hofstede's concept to evaluate the system of company management and business communications. In his research he makes one of the first attempts to calculate Hofstede's constructs with regard to Russian peculiarities: individualism – collectivism; uncertainty avoidance; power distance; masculinity – femininity (Naumov, 1996). The results of his research are given in table 1.

TABLE 1. Influence of National Factors on the Management System in Russia (Naumov, 1996)

Factors	Large power distance	Strong uncertainty avoidance	Collectivism	Femininity
<b>Self-identification in the organisation</b>		Subordinates are obliged to identify themselves for the authorities by means of formal symbols.	Awareness of oneself as « the ».	
<b>Relations with colleagues</b>	More fear and less trust in each other, envy of other people's success.	Suspiciousness, divergence of opinions enhances distrust.	Perceived in moral terms similar to those of a family.	Emphasis is put on relations, equality, solidarity and interdependence.
<b>Problems settlement and decision making</b>	Priority for political solutions. It's not easy to find a person responsible for the solution.	Trust in expert and « special » knowledge, belief in only one correct answer. Only structured problems are valued. Decisions are made by consensus: those who disagree are dangerous and intolerable.	Belief in the efficiency of group decisions.	Trust in efficiency of consensus decisions; Consideration for other people's opinions.
<b>Conflict (attitude to conflict)</b>	Hidden conflict between power levels.	Causes aggression and must be avoided or settled by force.	Regarded as rather a destructive force ; The way of settlement is consensus.	Settled through compromise and negotiations.
<b>Power relations</b>	The basis of power is authority and charisma. The one who has power is always right. Personal basis of power.	The subordinates are for an executive. When subordinates disagree with the authorities' solution, they keep silence.	Mainly status sources of power.	Emphasis on personal sources of power.
<b>Attitude to leadership</b>	The leader demonstrates maximum power.	A strict manager is preferable; subordinates are dependent on executives; Leaders are either liked or hated.	Relations are more important than results when managing a group of individuals.	Relations are more important than results; Maintenance of hierarchy within the organization.
<b>Career (principles for promotion in the organisation)</b>	The education degree does not influence the power level.		Procedures may change. The group's opinion is taken into account to a large degree.	Stable horizontal ; Widely specialised.
<b>Character of</b>		High significance of	High significance	Non-verbal aspect

<b>communications</b>		contract. A high level of secrecy. A strong non-verbal aspect.	of a context.	is important ; Care, discretion.
<b>The system of staff motivation</b>	A considerable difference in payment. Differentiation in payment in the form of bonuses and perks.			Moral incentives, sympathy for the weak and unhappy.

Later, T. Shamsutdinova in her philosophical-sociological research based on various theoretical works characterizes Russian society as “the society with high power distance and uncertainty avoidance, which is expressed by the index of collectivist orientation and femininity in the Russian public consciousness” (Shamsutdinova, 2000). These specific features of Russian national mentality, according to T. Shamsutdinova, determine the culture of Russian organisations.

The above considered theoretical and methodological approaches for conducting cross-cultural communication research serve as a basis for empirical Russian-French research into the processes of corporate communication, studying the problems of international project management and achieving efficient joint activity. The study also gives attention to the construct of “individualism-collectivism”, since Russia is a striking example of collectivist culture, while France is a striking example of individualistic culture.

**Practical Background**

The study was conducted in a French-Russian research and development joint venture based in Russia at a manufacturing site. Both partners are leading producers of the product in their countries’ market. The Russian company has been the market leader since 1930s and at present has over 11 000 employees at the manufacturing site. Working with the French is not the first and only joint project for the Russian company, but it has always been working only at home, though for both domestic and international markets. The French company has been in business since late 1920s and has over 60 000 employees worldwide, only about 660 of which are working in Russia.

The paper investigates the effectiveness of internal communication in the framework of the joint manufacturing project by comparing the perceptions of internal communication by Russian and French partners. The study explores how colleagues of different cultural backgrounds mean to communicate with each other, how their partner-colleagues interpret these efforts, and what impact it has on the overall communication effectiveness and project effectiveness.

The analysis is based on semi-structured interviews and an open-question survey aimed at comparison within the same organization. The researcher carried out personal interviews with Russian and French managers randomly selected following three criteria: interviewees have at least one year of continuous employment in the same company, they are currently working at the joint project and they frequently interact with partner-company colleagues. Frequently is meant to be on the daily basis and more often.

The survey was conducted by e-mail. E-mail questioning facilitated the collection of comparable data and easy identification of themes and patterns. The survey instrument was an open-statements questionnaire with a total of 25 questions. Questions investigated the perception of communication behavior of the colleagues, methods of internal communication used, management roles involved in internal communication, the kind of language used to describe colleagues and communication with them, and the difficulties and evolution of internal communication.

The researcher analysed 12 interview transcripts and 237 responses to survey questions using qualitative summary. The themes identified meet the criteria of frequency across cases, dominance in emphasis and repetition within cases. The approach to data collection and analysis is more qualitative and interpretive than quantitative.

### **Findings**

Analyzing interviews and questionnaires the researcher identifies the perceived misunderstanding between French and Russian colleagues lying within cross-cultural differences and corporate policies. The latter is clearly understood by project management, openly discussed and more or less taken into consideration when working out procedures, action plans and schedules.

Both companies concerned have work-priority philosophy, meaning that work is more important than everything else in life. It results in no-vacation situation for ordinary employees. When general planning was being made, the fact that Russian and French public holidays do not coincide was missed out. As a result, both French and Russians had to work during their Christmas-New Year season and May holidays. One day holidays, though, are respected according to the Russian holiday schedule. Working overtime is considered normal, especially for middle management. You can also see many people working Saturdays.

The bottom line of the existing two-camp mentality and conflicts of interests lies in the idea of superiority. Both companies are leaders in their field in their countries. Each party thinks it is superior over the partner. The French company thinks of the joint project as only their own with the Russian partner being just on the production side. For the French the Russian plant is a facility where they can develop their ideas and affirm their superiority. When the French come to work in Russia they have on their mind the mission to teach, control and supervise, not to collaborate. Many position themselves as “lux in tenebris” for the barbarians, being surprised later that their Russian colleagues have at times an even a deeper understanding of a problem than the French themselves. The Russian side refers to the French partner as one of their suppliers, a big and troublesome one. The Russians are not prepared to be taught the things they already know, but gladly learn new developments and follow technological advancements. They admit their weak points in industrialization of the production site but demand acknowledgement of their R&D achievements.

Deadlines are one of the sore points. On the one hand, Russians perceive deadline as not the line we cross but the line we go along, meaning that some minor delay is not a delay at all. And if the product is to be presented to the client at the end of the month, it will be the 31st or even the 32d of the month, when necessary, meaning we sign the documents on the day of presentation and acceptance but we put the date necessary to fulfill the contract’s obligations. On the other hand, Russians being the descendants of the Soviet system have always been very particular about plan

fulfillment. Being on schedule or ahead of time is the most important index of productivity. Salaries, bonuses and even vacations depend on the plan. If we are ahead of time, we get a bonus; if behind the schedule – a reprimand and a salary holdback. The French, in their turn, couldn't seem to care less about deadlines. When it comes to an urgent delivery, shortage at delivery, reparation or modifications to be done, the French seldom specify the time frames for the necessary actions. They definitely promise to do it, but don't specify when, even upon request. This causes complaints, heated arguments, and delays in product delivery to the client. As a result, both partners think of each other as unwilling to cooperate, to understand the situation, and even, of trying to exacerbate the issue.

Procrastination seems to thrive in both cultures but at different manifestations. The Russians are known to harness their horses slowly but to ride them fast. They seem to be slow starters, but if it is necessary to finish a phase of a project in a limited timeframe, they are ready to work nights and weekends to fulfill their obligations and they are highly successful at it. As for the French, they can also be slow in getting into gear, but then they slam on the gas. The difference is that the French care less about the time. Quality of achieved result prevails over time spent on achieving it, while for the Russians, scheduled time is predominant.

Moreover, planning is the route to follow for the Russians and the route to consider for the French. The Russians are used to working according to an agreed and signed plan. What is scheduled is to be done. The French can work with no plan at all, receiving result as they are. If any kind of planning has been fixed, it is considered a recommended guideline but not a rule to follow and the schedule can be altered frequently at necessity or at will.

Hierarchical distance is another stumbling point. Russian companies have a very strict and traditional company structure, and the company concerned in this study is not an exception. Project management methodology has recently been introduced but is still based on traditional organization. The Boss is the Boss; his opinion is the ultimate truth and his ideas are guidelines for action. The advantage of the system is that the boss always takes responsibility and the subordinates follow instructions. The drawback can be seen in the lack of free opinion exchange, but in fact, it depends on the boss's personality rather than the hierarchical system of the organization. Colleagues who come to the project from the French side, they are all Bosses. They are eager to give orders rather than follow them. If a hierarchy is implied by the work contract of a person and the subordinate is to report to the immediate boss, the former has the right to his own opinion on all matters and exercises it fully. The decisions are, consequently, harder to make; the subordinates will not follow it if they don't agree; and there is no one responsible.

Meanwhile, problem solving methods of Russian and French colleagues are in contrast to their structural hierarchy. Russians prefer horizontal inter-department contacts based on personal relationships to solve minor problems. They are ready to react quickly in order not to bother the boss with the problem, but be able to report the fact that the problem is solved. The French prefer to do only the work assigned to them. As a result, in order to have a helping hand from another department it is necessary to ask your boss to contact their boss to ask them for help.

Difference in concept approaches can be illustrated by the complicity of test – validation – quality triangle. For the Russians, test and validation go together; for the French, they are two separate processes. To check if the lamp is working – it is test, to check if the light from the lamp is enough for the designated room – it is validation, to verify that the lamp is well-fixed in the

right place – it is quality. For the Russians, to check if the lamp is working –it is test, if the lamp gives enough light – it is quality, if it is in the right place – it is design.

Furthermore, collaboration is hindered by both parties from the “I am the Boss” concept. The French stick to the approach that their technology and methodology is the best, give no technical explanation to validate their belief except for disputable reasons such as “it has been in place for years” and “it is mine”. Consequently, there are situations when a Frenchman suggests a well-calculated action but is not welcomed by Russian colleagues due to unfortunate previous experience. The French also talk a lot about what needs to be done, but wait till others do it. So, they tend to find themselves in a “too many chief, no Indians” situation. The Russians, in their turn, give strict orders to be carried out immediately. In their perception, when the decision is made there is no debate, so their astonishment is high when the French do not follow orders and keep on with the routine instead of responding with a quick response to the order. The situation perfectly complies with Philippe d'Iribarne's analysis of the concept of "honour" which values unselfishness and grandeur. This is the example of the logic of the contract as opposed to the logic of the relationship.

Personal relationship for the Russians is helpful to get the work done. If they are comfortable with having dinner together and taking their kids to the same singing class, they will maintain the ties of friendship at work, helping and supporting each other during situations that present business challenges. Colleagues also exchange information freely and eagerly. The French rarely mix work and friendship. If you have spent an enjoyable weekend sightseeing, playing golf or drinking beer with a Frenchman at your home; it doesn't mean you can count on him when you need backing at work and information is often distributed selectively, even within a team.

Also, readiness to help is viewed differently. The Russians, in general, are always ready to help. No matter if the question is personal or business, Russian colleagues start helping their French ones at once. As for the French, when they need help, they demand it immediately and insist on all possible aids and helping hands. When the situation is the opposite: Russian colleagues ask for help, the French accept all requests only in written form and take their time to contemplate the action or the decision required.

Business meetings are also affected by cultural differences. The Russians think of the French as arrogant because they love to ask destabilizing questions at meetings and show they know more and have understand the discussion better. They are also perceived to be weak professionals by Russian colleagues because they seldom give specific and clear directions. The French are uncomfortable with Russian strict agendas and demands to provide immediate answers, but their ability to live comfortably with inconsistency is shocking to their partners. The Russians are annoyed with the French approach that only written commitments are serious, only written questions require answers, and lying is no big deal. For the Russians to keep your word is a prerequisite for professionalism and reliability. A Meeting for Russians is held to reach a decision by consensus, for the French – to exchange ideas and to show off. The Russians think the French devote to much time to identifying risks, weaknesses, and errors instead of searching for solutions. The French argue that the Russians try to push their own views rather than consider the views of the partner, and that a win-win solution just doesn't exist. As a result, meetings are intricate, complicated and slow in decision-making.

The findings described above can be visually summarizing using the theories of G. Hofstede, C. Hampden-Turner and F. Trompenaars, and E. Hall.

According to G. Hofstede’s analysis of five dimensions to assess cultural differences, as compared to France, Russia is a much more hierarchical culture with high collectivism, strong emphasis on the relationships and rules, more "feminine", valuing short term.

**TABLE 2.** Cultural differences in Russia and France according G. Hofstede's theory

	Russia	The Russians think that the French are...	France	The French think that the Russians are...
Individualism / collectivism	<b>High collectivism:</b> Group decisions by consensus	selfish, do not listen to others	<b>High individualism:</b> Personal decisions by context	selfish, do not listen to others
Power distance	<b>Very high</b> autocratic I do what my boss tells me to do	bossy	<b>High</b> autocratic I do only what I am assigned to do	authoritarian
Uncertainty avoidance	<b>Average</b> it is good to take reasonable risks, but rules must be respected	bureaucratic do not take risks	<b>High</b> no risks, rules and structures must be respected	too aggressive take too many risks
Masculinity	<b>High femininity</b> Emphasis is put on relations, equality and solidarity; Highly supportive within the group	moody, not reliant	<b>Average masculinity</b> Result is achieved with good relation maintained; Highly competitive inside the group and between groups	have too many holidays
Long-term orientation	<b>Low</b> emphasis on quick results	underperform	<b>Average</b> relationships and market position important	over perform

According to Hampden-Turner and Trompenaars’s research about “relations with people” relating to group differences and their dimensions as reflected in people’s relationships, the French as compared to Russians, are less particular, highly emotional and highly defuse, focus on achievement though care much of their own status.

**TABLE 3.** Cultural differences in Russian and France according the theory of Hampden-Turner and Trompenaars

	Russia	The Russians think that the French are...	France	The French think that the Russians are...
Universalism – particularism	<b>Universalists</b> Great attention is given to the obligations; there is one universal truth	Do not keep their word, surrender at difficulties	<b>Particularists</b> Judgments focus on the exceptional nature of circumstances	Do not accept changes, are rude
Individualism – communitarianism	<b>Communitarians</b> Consider the company's needs first	Tell others what to do, seldom if ever do the job themselves	<b>Individualists</b> Individuals contribute to the company's success	Have no patience, can't wait
Neutral – emotional	<b>Reserved</b> Monotonous tone of voice is a symbol of self-control and respect	Don't smile, cold-tempered	<b>Highly emotional</b> Statements declaimed fluently and dramatically	Hot-tempered, explosive, but often lie
Specific – diffuse	<b>Highly specific</b> Precise, definitive	Bureaucratic	<b>Defuse</b> Evasive, indirect	Ill-organized, wordy
Achievement – ascription	<b>Ascription-oriented</b> Boss has power-to-get-things-done	Have no desire to ameliorate	<b>Achievement-oriented</b> Boss achieved more	Insist on doing better or more than necessary

According to Edward T. Hall's analysis of intercultural differences in communication based on the context, time and space, France compared to the Russia is a highly contextual and polychronic culture. It is a small bubble culture, like Russia, but unlike Russians, they value group security over group identity.

**TABLE 4.** Cultural differences in Russian and France according E. Hall's theory

	Russia	The Russians think that the French are...	France	The French think that the Russians are...
Context	<b>low context :</b> everything must be clear; everything is said in face; everything is in the contract	disorganized insincere not disciplined	<b>high context</b> there is always room for adaptation and interpretation; everything is in the relationship	importunate too straightforward boring
Time	<b>"monochronic"</b> work is done when it is necessary to be done;	not focused, dispersed, slow workers; much ado about	<b>"polychronic"</b> schedule independent you can be late if	too bureaucratic; too persistent

	exactitude is important	nothing	you get a better achievement	
Interpersonal distance	"small bubble" Proud of being part of the group	arrogant and demanding	"small bubble" security is being part of a group	blunt and serious

*Some language peculiarities.*

Being a multinational company, the joint venture has chosen English as their official language. Given the fact that neither Russian nor French are widely studied at schools of partner-countries, English seems to be the only option to communicate. Official letters are written in English and meetings are conducted in English as well. But it doesn't imply that every person in the companies really speaks English well. Internal communication, both oral and written, between the Russians unquestionably is done in Russian. Absolutely, the same is true about the French. The French start speaking English only when addressing someone who surely doesn't speak their mother tongue. If they presumably suspect the person knows French a little, e.g. for a sales-girl it is a "must", they speak French to him/her. The Russians behave from the position "when in Russia – speak Russian" and just address the French in their own language. It is mainly perceived as being friendly and sociably welcoming

Moreover, the company has developed their own local slang over the four years of its intensive collaborative work. There are some short forms of words that are widely used both in colloquial speech and official emails e.g. "loco" for locomotive, "transfo" for transformer, etc. There are some Russian, French and English words, being of specific terminology, especially acronyms, that are used in all languages as they are without translation, e.g. OPN – excess-voltage suppressor – is used as OPN, TCU – traction convertor unit – is used as TCU, "defect" means non-conformity or error, etc. All Russian realities are also used non-translated, e.g. NIIAS – scientific research institute on automated systems and systems security. Besides, there are some French words with Russian equivalents closer in origin and pronunciation than English ones, so the English word is abandoned in favour of the French one, e.g. "montage" instead of "assembling", "étage" instead of "floor", "journal" instead of "registrar", "étape" instead of "stage, phase", "technologue" instead of "technologist", "brigadier" instead of "workshop supervisor" etc.

Furthermore, Russian and French colleagues, who cannot boast of excellent language skills in English, do develop their own means of communication, which can be called Russo-Frenglish, because they mix the vocabulary of the three languages on the basis of the grammar of their mother tongue. "We need go on loco 3 check pneumatic et potom reunion." = "We need to go and check pneumatic equipment of locomotive number 3 and after that we have a meeting". The phrases may sound queer, but the aim of communication is achieved: speakers have understood each other. The language may look strange from the outside, but from the inside it is well-perceived. The above-mentioned features of the local slang can be regarded as local pigeon development, local Russo-Frenglish, as we call it.

The development of Russo-Frenglish is a sign of the willingness to communicate directly and effectively. In their interviews its users showed the most positive attitude towards colleagues of the opposite culture, a higher level of mutual understanding, and higher communication

efficiency. By contrast, the engineers, both Russian and French, who communicate only via translators, displayed the least communication satisfaction and a less positive attitude towards colleagues of the opposite culture. Thus, common language is one of the constituents of communication satisfaction.

## Conclusion

Overall, the survey shows the pronounced two-camp mentality of the colleagues who belong to different companies. Some of the discordance lies in cultural differences, inflexibility of both parties concerned, and absence of a common communication policy in the joint venture. Though communication policies of both mother-companies are in place, the need of a common policy is obvious.

Despite the acknowledged need to focus on effective communication as a prerequisite for the success of the project, the survey has found very little indication that collaboration between partners of different cultures is efficient due to frequent cases of misunderstanding and inflexibility of the parties concerned at both managers and employees levels. It also demonstrates that the companies display a strong theoretical awareness but no practical application of how intangible resources, such as teamwork, effective negotiation skills, and employee attitudes contribute to the company's success.

The results indicate divergence between what partners mean to communicate and what colleagues perceive. Both companies plan excellent communication and make use of official instruments to facilitate it, such as regular meetings, detailed scheduling, clear management structures, while colleagues working together complain about the lack of listening and about the clarity of messages. Both the Russians and the French dislike hierarchical communication and selective privileges for the other, but endeavor to obtain them for themselves. The parties also have very little delegation of opportunities and responsibilities.

The highly contextual and polychronic culture of the French does not easily go together with hierarchical collectivistic-communitarian culture of the Russians. The highly emotional and highly diffuse, less particular French are often misunderstood by the precise, reserved, valuing relationships and rules Russians.

To reduce the misalignment concerned, the companies should strengthen trust relationships between them and, in the joint venture, focus on open and continuous listening during negotiations and raise the team players' awareness of and tolerance for cross-cultural differences and behavioral stereotypes. It is also highly desirable for the parties to work out a joint communication policy and an action plan to increase communication satisfaction to reduce obstacles to the project's success.

The joint venture can adopt central guidelines with local adaptation and discretion, giving clear objectives that need individual initiative and accountability to succeed. A joint communication policy can help colleagues to recognize cross-cultural differences and refrain from making any judgments based on emotions or the lack of them. The main communication principle can be respect for who people are to be able to take better advantage of what they do.

The results of the case study do not have universal validity, given the qualitative nature of the method, but can be applied efficiently in international companies with French and/or Russian participation. Further research is needed to monitor the communication processes in the joint venture and to develop efficient communication policy and strategies that will increase project efficiency. Cross-cultural communication principles awareness of managers and employees involved in the project have proved to be a basic constituent of project success. Consequently, the researcher seeks to promote active communication behaviours among employees and managers of the project.

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# Effects of the Use of English in non-English Advertising Contexts

## An Eyetracking Approach

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*Marketing communication in many non-native English speaking countries frequently uses English although research suggests that this practice deteriorates message comprehension and annoys some consumers. One plausible justification for marketers' persistent use of English may be the intention to raise attention. So far, effects of foreign language use on consumer attention have been tested only indirectly via memory variables. The present study measured directly the attention for English elements in non-English advertising contexts in an eyetracking experiment. Sixty-six native German consumers viewed print advertisements with German or English text and otherwise equivalent pictorial elements. Each ad was presented for a given time and we tracked how long participants looked at text or picture elements, respectively. We controlled for comprehension and proficiency, tested recognition and attitudes. Results revealed a significant attention advantage regarding the use of English, independent of proficiency and recognition. We discuss processing and emotional explanations for the effect and implications for marketing communication.*

**Keywords:** Advertising, Attention, English, Foreign language, Eyetracking

**Paper type:** Research

Marketing communication makes frequent use of foreign or second language elements in branding and advertising (Kelly-Holmes, 2005, Piller, 2001). Content analyses support the intuition that English is *the* language of international marketing communication displayed in many advertisements (ads) to non-native English speakers. For example, the proportion of TV commercials that contain English words in corpora compiled for countries where English is a foreign language ranges from 40% in the Netherlands (Gerritsen et al., 2000) to 50% in Germany (Piller, 2001) up to 84% in South Korea (Lee, 2006). Language purists consider this practice an unnecessary nuisance (Junker, 2008). Yet most brand managers seem rather unimpressed by such criticism and must believe that this practice generates some competitive edge. Beyond opinions, empirical research investigating the differential effects of language choice in advertising to multilinguals with variable levels of fluency focuses on two main issues: (1) psycholinguistic differences between first and second language cognitive processing and (2) sociolinguistic differences in emotional or attitudinal reactions as a result of language choice.

Studies that investigate psycholinguistic differences indicate that foreign language elements may affect memory performance for ad messages. This is attributed to differences in semantic processing and perceptual salience. Ahn and La Ferle (2008), for example, showed four groups of native Korean students four versions of an ad for a digital camera in Korean, in English, or in a language mix. They varied the language of the brand name and/or the body copy. Results of a free recall and a multiple-choice recognition task showed better memory performance for English brand names whereas the body copy was better recalled and recognized in Korean. In an

experiment with Spanish-English American bilinguals Luna and Peracchio (2002) found that memory performance after ad display in the second language (English) was consistently worse or at best equal to first language (Spanish) ads. They infer that first language processing was typically more efficient in that better comprehension fostered memory. In fact, the use of foreign languages in native-language advertising contexts tends to deteriorate comprehension. This has been demonstrated repeatedly for English as a foreign language (EFL) (Gerritsen and Nickerson, 2010, Gerritsen et al., 2007, Piller, 2001), at least below certain proficiency levels (Planken et al., 2010). At the same time the selective recognition memory advantage of information displayed in the foreign language is traced back to its potential to gain more attention than semantic equivalents from the first language (Ahn and La Ferle, 2008). Such recognition advantages have also been found for non-word compared to meaningful brand names within a native-language-only setting (e.g., Lerman and Garbarion, 2002). Current theory and evidence on word recognition (for review see Desmet and Duyck, 2007) suggest that lexical access, i.e., the event of matching an input representation and a corresponding cognitive representation of a word, is language non-selective. This means that words from all languages in which a speaker is fluent are stored in an integrated mental lexicon that is active and accessed in a non-selective mode. Moreover, cumulative word frequency is the dominant factor that regulates recognition speed and accuracy. As a foreign language is typically less frequently used, its items are less familiar and require more processing effort. While this effort hinders speedy comprehension, unfamiliar items attract and demand more attention. The extreme version of unfamiliarity is novelty and novelty, in general and among other factors, determines how much attention an ad can attract (Pieters et al., 2002, Sheinin et al., 2011).

Studies that investigate sociolinguistic differences in the reception of foreign language ads point out that foreign or second languages may evoke associations, frames, and emotions different from what would have been activated when the ad was displayed in the first language. Noriega and Blair (2008), for example, confronted balanced American Spanish-English bilinguals with Spanish or English versions of otherwise identical print ads. They found that the Hispanics reported more “thoughts” related to “friends, family, home, and homeland” in the Spanish condition. The effect was moderated by the consumption context (such as *lunch* vs. *dinner*). Research among the same population found that the persuasive effectiveness of ads that use both English and Spanish is also influenced indirectly via the recipients’ attitudes towards code-switching itself (Luna and Peracchio, 2005, Bishop and Peterson, 2011). Puntoni, De Langhe, and Van Osselaer (2009) demonstrated that Belgians fluent in French, Dutch, and English as a third, foreign language perceived ad messages in their respective first language as more emotional. The authors provide evidence that the emotional differences were due to stereotype associations, comprehension difficulties in English, and to familiarity differences following the frequency of first and foreign language use. Research into the effects of EFL use in marketing communication on consumer attitudes towards the ad, towards the brand, and purchase intention is, however, inconclusive reporting appreciation (Hornikx et al., 2010, Micu and Taylor, 2010), annoyance (Gerritsen et al. 2000), and ignorance (Planken et al., 2010).

Taken into account together, there is converging evidence that initial differences in information processing and emotional activation resulting from the presentation of an ad message in a consumer’s first, second, or foreign language can lead to differences in subsequent pre-purchase emotional and attitudinal reactions and memory performance. While emotional and cognitive processing are important factors in advertising, its effectiveness hinges fundamentally and initially on how much attention an ad can attract. This has been recognized in the earliest and

most-cited models of ad-induced purchase behavior such as Lewis' AIDA (Attention, Interest, Desire, Action) or later and more complex adaptations (Lewis, 1903, Lavidge and Steiner, 1961, Kroeber-Riel et al., 2009).

The use of foreign language elements in native language ad contexts may gain extra attention either because its lower familiarity initiates bottom-up attention drivers (novelty effects) and/or because it requires more top-down attention for processing the message. To date, language-choice effects on consumer attention have only been tested indirectly and *post hoc* via recall and recognition (e.g., Ahn and La Ferle, 2008, Lerman and Garbarion, 2002). The reliability of the indirect link between memory variables and prior attention has been criticized because reaction time and accuracy measures from memory tasks are also affected by working memory capacity and initial information comprehension (e.g., Weierich et al., 2008, Peters et al., 2007).

This study attempts to measure foreign language effects in advertising directly, unobtrusively, and online during the perception of an ad. From his extensive methodological review Rayner (2009) concludes that the observation or *tracking* of eye movements provides a reliable physiological indicator of attention. Visual attention is understood as focusing selectively on an area of a perceptual stimulus and allocating more cognitive resources on its processing at the cost of other areas in the visual field (Henderson, 1992). It is operationalized in different measures of eye fixation time. Visual attention results from the interaction of bottom-up and top-down factors (Pieters and Wedel, 2004). Bottom-up attention drivers in advertising reside in the perceptual salience of an ad and capture attention in an automatic and rapid mode. Top-down factors are the viewers' conscious tasks or goals that determine how much attention they want to pay to an ad. So while a picture in print ads may serve as an initial attention grabber, i.e., the classic eye catcher, viewers only spend more time looking at the text part when they want to read and understand it (Rayner et al., 2008). The relative importance of attention in relation to other determinants of ad effectiveness is context-dependent. According to Petty and Cacioppo (1986), consumers' purchase decisions about low-involvement products represent routine and low-risk situations. Consumers are less prepared to enter in-depth cognitive processing but rather retain to emotional short-cut decisions. In these situations getting attention is even more important than in the case of advertising for high-involvement products.

Therefore, we investigated the question of how the use of English in a non-English advertising context for low-involvement product print ads affects attention and subsequent recognition, attitudes, and purchase intentions by directly measuring attention via eyetracking. Against the background of the previous research as summarized above in mind, we tested three hypotheses:

*H<sub>1</sub>: Attention advantage effect: Foreign language English ad text gains more attention than native language German text.*

*H<sub>2</sub>: Recognition disadvantage effect: Recognition for ad slogans upon re-presentation of the brand name is worse in foreign language English.*

*H<sub>3</sub>: Comprehension disadvantage effect: Comprehension of ad messages is worse in foreign language English.*

These effects may be moderated by EFL proficiency. Given the inconclusive evidence on foreign language effects on attitudes towards the ad and brand as well as on purchase intention, we did not formulate any directional hypotheses about these relationships.

## Method

### *Design and participants*

The experiment used a 1 x 2 within-subjects design with language of the ad as independent variable. Sixty-six native German speakers between the ages of 18 to 59 ( $M_{\text{age}} = 28.1$ ,  $SD = 11.0$ ), 43 women, volunteered in the experiment and were paid €4. They all reported to have learned English as a foreign language in secondary school from five to nine years and to have been in regular contact with English at university or on their job. All had normal or corrected-to-normal vision.

### *Materials*

For the eyetracking study we designed German and English versions of otherwise identical one-page print ads and twelve filler ads for consumer goods. The ads contained a pictorial eye catcher, text (brand name, product category, and slogan), and plain-colored space which were defined as individual Areas of Interest (AOI) on each ad. The pictures were neither semantically related to nor strikingly incongruent with the products to avoid attention effects (see Kress and Van Leeuwen, 2006) and pretested to be equally attractive. The brand names were pseudo-words in both languages and were followed directly by the language-specific word for the product category, e.g., *Finola Haartrockner* vs. *Finola Hairdryers*. In a new line, a slogan put forward a product claim in German or English in a simple main clause that took up the brand name/category as its grammatical subject, e.g., ... *save you precious time with maximum power hair-drying*. All text elements were matched for word length and syntactic complexity and formatted in Arial, font size 28pt, black on white. The experimental ads were for low-involvement everyday-consumer products. The picture was always displayed in the upper half of the screen sized 724 x 1024 pixels. To minimize experimental fatigue, the six German and six English filler ads varied in the relative positioning of picture and text, used more complex and variable language, and featured both low and high-involvement products. Six German and six English ads were assigned to two lists so that each participant saw only one language version for the same product together with the twelve filler items presented in randomized order.

English proficiency was assessed with a one-page cloze test by Slabakova (2000). Following the method by Ahn and La Ferle (2008), recognition was tested with a three-option multiple-choice test on brand names combined with their slogans for the experimental items. In the comprehension task participants were to paraphrase the twelve experimental ad texts from both languages in their own words in German upon re-reading them (method adapted from Gerritsen et al., 2000). Consumer attitudes towards the ad, the brand, and purchase intention were assessed with fifteen items on a seven-point Likert scale adapted and translated into German from often-cited studies (MacKenzie and Lutz, 1989, Neese and Taylor, 1994, Putrevu and Lord, 1994). Reliability analyses suggested the exclusion of two rating questions so that the attitude scales reached a Cronbach's alpha of .93.

### *Procedure*

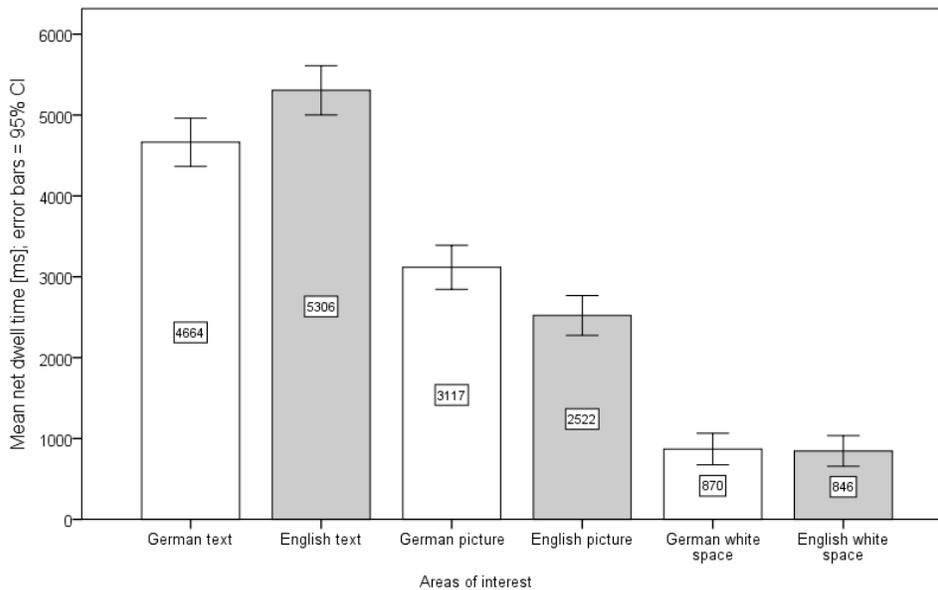
The experiment started with the eyetracking study where the participants were shown 24 ads from one of the two lists as detailed below. Afterwards, they completed the cloze test and a personal data questionnaire. This took about ten minutes and served as a time buffer before the upcoming recognition test. They then completed the comprehension test for each experimental item. In the

final attitude-rating task the participants were shown the twelve experimental ads for the third time; each showing followed by the fifteen questions.

During the eyetracking experiment, participants were seated approximately 70 cm away from a 19"-flat screen with an SMI remote binocular corneal reflection eyetracker attached. A nine-point calibration routine was repeated until the tracking error was  $0.5^\circ$  of visual angle or less. The participants were instructed that they would see several ads and that they would be asked questions after some of them. They self-started the experiment by fixating the word *bereit* (ready) for three seconds. After three practice trials, the 24 ads were displayed for each nine seconds. The item sequence was interrupted in irregular order by twelve rating questions where the participants should evaluate the creativity of the pictures or slogans in the ads. The purpose of the creativity judgment task was to distract participants from the purpose of the experiment and to direct their attention equally to pictures and texts (procedure adapted from Lerman and Garbarion, 2002). The positioning of picture and text was unpredictable across the sequence of all ads in the experiment. Therefore, the participants' first fixation could have landed on any AOI according to individual preferences and, thus, we used net dwell times as a measure of attention. Net dwell time represents the absolute dwell time (fixation time) on an AOI minus the duration of the first fixation in milliseconds. As a matter of fact, net dwell times correlated highly ( $r \geq .87$ ) with the number of fixations.

## Results

A paired t-test indicated that the participants' net dwell time mean difference of -695 ms between the German and English text condition was significant,  $t(65) = -7.51, p \leq .001, d = -.52$ . When given the free choice, the participants spent more time looking at English ad texts than at ad texts in their native language, where they devoted significantly more gaze time (595 ms) to the picture,  $t(65) = 6.35, p \leq .001, d = .56$ . The differences in gaze duration on the text could be traced back to the differences of language-specific slogans,  $t(65) = -8.79, p \leq .001, d = -.71$ , since there were no significant differences on the language-neutral brand names and on the one-word product categories. Net dwell times did not differ between languages on the remaining plain-colored spaces (white space AOI). Figure 1 illustrates the attention differences derived from mean net dwell times on the AOIs.



**FIGURE 1.** Language-specific attention levels reflected in differential mean net dwell times on textual and pictorial AOIs on native German and foreign language English print ads.

In repeated measures ANOVA, language choice explained 46% of the text attention differences between native German and EFL, Wilks' Lambda = .54,  $F(1, 65) = 56.36$ ,  $p \leq .001$ , partial  $\eta^2 = .46$ . Cloze test results ( $M = 58\%$ ,  $SD = 25\%$ ) indicated a wide range of EFL proficiency. The effect size of the attention advantage of English still remained basically unchanged when EFL proficiency was introduced as a between-subjects factor, Wilks' Lambda = .55,  $F(1, 43) = 35.27$ ,  $p \leq .001$ , partial  $\eta^2 = .45$ . The interaction between language choice and EFL proficiency was not significant. As an individualized measure of how pronounced the attention advantage of English ads was, we computed the difference between the English and the German net dwell times on ad texts. As could be expected from the results of the ANOVA, the net dwell time difference did not correlate with EFL proficiency.

Table 1 details the results from paired t-tests for further dependent cognitive and attitudinal variables. All differences were significant but the effect sizes were small. Recognition and comprehension were slightly worse in English. The attitudinal ratings were generally negative though consistently more positive for English.

**TABLE 1.** Results from the paired comparisons between recognition, comprehension, and attitudes in reaction to German or English print ads.

Variable	Scale	Mean German	Mean English	$t(65)$	$p$	$d$
Recognition	0-6 slogans	4.86	4.54	2.37	.02	.28
Comprehension	0-6 slogans	4.85	4.25	2.87	.01	.44
Attitude to ad	1-7; 1 is best	4.47	4.30	2.22	.03	.17
Attitude to brand	1-7; 1 is best	4.51	4.13	3.49	.00	.36
Purchase intention	1-7; 1 is best	4.86	4.70	2.06	.04	.16

Neither net dwell times on text AOIs nor net dwell time differences correlated with recognition, comprehension, or attitudes. The recognition and comprehension were only significantly related to each other,  $r_{German} = .319$ ,  $r_{English} = .381$ ,  $p \leq .01$ , though the latter correlation became negligible when controlled for proficiency. Attitude towards the ad, brand, and purchase intention correlated moderately to highly in both conditions,  $r = .5$  to  $.8$ ,  $p \leq .01$ .

## Discussion and Practical Implications

This study investigated the effects of English in non-English advertising contexts. The main focus was on how visual attention differs when the ad message text is displayed in the foreign language English versus in the native language. In contrast to previous studies that inferred attention indirectly from later memory performance, we measured it directly in an eyetracking experiment. We controlled for foreign language proficiency and investigated effects of language choice on ad slogan recognition and comprehension as well as on consumer attitudes.

The main results confirmed the hypothesized attention advantage effect of foreign language English ( $H_1$ ). When standardized print ads for low-involvement products were presented for nine seconds with English slogans and brand category labels to native German speakers; they looked at them almost 700 milliseconds longer than when German text was used. Statistically, the attention advantage of English was not an effect of poorer proficiency. Moreover, participants could recognize more slogans when these had been presented in German. This difference was small but it confirmed a recognition disadvantage ( $H_2$ ) for ad message components beyond what has been found for brand names (Ahn and La Ferle, 2008, Luna and Peracchio, 2002). Similarly, the participants performed better at paraphrasing German ads upon re-presentation in the comprehension test. The comprehension disadvantage effect of the foreign language ( $H_3$ ) was moderate and a likely consequence of the task, as it is harder to paraphrase after a translation. In combination with the sample's relatively high English proficiency this finding, thus, indicates a foreign language comprehension disadvantage in advertising (e.g., Gerritsen and Nickerson, 2010) as well as its susceptibility (Planken et al., 2010). Conclusions about attitudinal differences seem also open. Consumer attitudes towards and purchase intentions were below average in both languages and only marginally higher when the ads were displayed in English.

The attention advantage found here is difficult to align with findings from previous, memory-inferred attention effects (Ahn and La Ferle, 2008, Lerman and Garbarion, 2002) where memory advantages of foreign or unknown brand names were traced back to their relative novelty, which is an attention driver in advertising (Sheinin et al., 2011). The present design required language-neutral brand names. The amount of visual attention paid to product category labels did not differ between the languages. Only the multi-word ad slogans induced the attention advantage. According to previous research, the advantage could not have resulted from bottom-up novelty-driven attention, but should be a form of extra top-down attention, following the need for additional processing effort for comprehension. This impression is somewhat matched by the results for recognition and comprehension performance.

However, if there was additional top-down attention, we should have found an interaction effect with EFL proficiency, which we did not. Therefore, it seems plausible that it is the relative unfamiliarity of the foreign language that first attracts bottom-up visual attention through its perceptual salience in word recognition and then gains more top-down attention because the viewers put more processing effort into meaning retrieval. This does neither guarantee better

memory performance nor first-language-like comprehension, which is why measures of these variables can only roughly approximate attention (Weierich et al., 2008). As the syntactic and semantic complexity of the slogans was low, the word finding and linguistic integration task of the cloze test may not have tapped into the appropriate dimension of the fuzzy construct of language proficiency to support this view. A frequency-driven word recognition task, i.e. vocabulary test, may be a future methodological alternative. It would also be useful to replicate the experiment with native English speakers who can speak some German to see if they show the same attention differences in the other direction and to rule out item effects.

A maybe simpler alternative explanation for the attention advantage of English occurring irrespective of proficiency could come from the investigation of emotions associated with the languages *per se* (see Bishop and Peterson, 2011). To fit the present findings, the emotions associated with English should be more attention-driving than those associated with the native language, which means that they could be either more positive or more negative.

In contrast to the research problem, the practical implications for marketing communication in terms of language choice in advertising seem straightforward: If you want to generate attention, use English in non-English advertising contexts. As attention is crucial for successful advertising, it may be of secondary importance to what exactly it leads. Our data could not show an immediate effect of the attention advantage on other, subsidiary variables relevant in the consumers' pre-purchase decision behavior. Yet we operated with intrinsically boring (ads for) low-involvement products where attitudes towards the ads are typically low because of their annoying omnipresence. As such, one might hope for effects of additional attention on ad message recognition upon repeated or abundant ad display which would be closer to reality than a single once-in-a-lifetime presentation for nine seconds. To this end, with real and familiar brand names consumers' working-memory should be less preoccupied than with twelve unknown brand names and, thereby, should provide greater potential for recognition performance of slogans.

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## Employee Engagement Communications

### Employee Engagement Correlates with Communications Topics in Small to Medium-Sized Canadian Companies

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*Employee engagement is widely accepted as a powerful tool to increase strategic alignment and productivity in organizations. There has been little academic study of the impact of corporate communications on employee engagement. This is an initial foray into understanding the link between employee engagement and corporate communications regarding specific topics. It includes a brief literature review then provides a data analysis based on 6,000 individual surveys from 50 small- to medium-sized Canadian companies. The employee survey was administered through an HR industry-university partnership. Correlations between communications topics and overall employee engagement are provided. The results show that corporate reputation, something that can be influenced by communications departments, is highly important. Other important topics include learning, development, and career opportunities as well as honest leadership communications. The results provide guidance regarding tactics that may be used by organizational communicators to support engagement. Further research is suggested.*

**Keywords:** Employee Engagement, Communications.

Increasing the engagement of employees in the work of their organizations is widely accepted today as a powerful tool to increase strategic alignment and productivity within organizations. While many studies look at standard human resource (HR) and organizational development (OD) efforts to increase engagement, little attention has been paid to combining these standard approaches with corporate communications strategies to achieve even greater impact. Certainly, the academic communications literature reveals much less study of engagement than would be expected given the focus on employee engagement in the world of consulting. One of the only academic papers on employee engagement and communication, authored by Professor Mary Welch of the University of Central Lancashire Business School in the U.K., appeared in *Corporate Communication: An International Journal* in 2011 (Welch, 2011). Welch noted that the engagement concept should be well understood by those involved in internal communication management so “they can craft strategies and tactics which contribute to building engagement” (Welch, 2011, p. 329).

This paper is an initial foray into understanding the link between overall employee engagement scores and communication targeted to employees regarding specific topics. The results provide guidance regarding tactics that may be used by organizational communicators to support engagement. The data set is drawn from the results of the 2012 study of Best Small & Medium Employers in Canada conducted by AON Hewitt and the Queen’s Centre for Business Venturing/Queen’s Centre for Enterprise Development, associated with the Queen’s University School of Business in Kingston, Ontario, Canada. The study comprised some 6000 individual

employee questionnaires across the top 50 employers in the small-medium business category. Further, the data can help guide where organizations should place emphasis in both their internal and external actions relative to employees as well as in their communications efforts.

In a global strategic environment where knowledge and innovation is key, today's organizations are at a significant leadership watershed. The corporate resource resident in employees has never been more important. Organizations recognize that the brain is a far more important contributor to competitiveness than brawn and are working hard to increase the level of engagement their employees have with their organizations. Senior leaders in today's successful organizations recognize that it is essential to harness and align the power of human cognition and behavior with organizational strategy. Senior organizational leaders recognize that building trust and sharing knowledge to effectively engage employees must be a top priority in today's work environment. In addition, as new online communications technologies -- already ubiquitous in society -- continue to move into the workplace, the way top organizations communicate with their internal audiences is going through a drastic transformation. More than ever before, it is incumbent on organizations to ensure their corporate communications are authentic, open, honest, transparent, two-way and multi-channel in order to build trust and optimize employee engagement. The old top-down approach to employee communications no longer makes the grade. Additionally, organizations are being called upon to mirror communications in the world outside of work, so that users can select the channels that best suit their personal needs and inclinations. This calls for a greater emphasis on communication -- both through face-to-face and electronic means -- and a move to more of a discourse or conversation within organizations than the one-way, top-down approach practiced in the past (Groysberg & Slind, 2012, p. 10).

Studies show that effective communication with employees contributes to organizational success and that building relationships with employees is essentially a communications process. Hence, those responsible for managing professional communication within the organization have a major role to play and a key responsibility for organizational success. Business researchers note that the way in which people communicate with each other in organizations is "unmistakably in flux" (Groysberg & Slind, 2012). If professional communicators are not up to the task of adapting to the new communication realities, their employers stand to lose strategic advantage and suffer financially. The results of this study provide some initial direction regarding what communications topics correlate most highly with high employee engagement. This can assist organizations in focusing their communications efforts to ensure optimal employee engagement communications.

Note: This paper draws from one aspect of the author's unpublished Master of Communications capstone research paper entitled "A study of Canadian best practices in employee engagement communication" completed in 2012. The key findings of that paper were based on interviews with a range of top employer companies across Canada. The data analyzed for this paper formed a portion of that paper's findings.

### **Research Opportunity**

Businesses and non-profit organizations seeking to improve organizational productivity have paid a great deal of attention in recent years on how to better engage their employees. There is also general agreement that good corporate communications with employees has a significant impact on corporate productivity. However, a review of the literature on employee communication

reveals there has not been as much focus on communication in support of employee engagement as could be expected given corporate interest in how to better engage employees. In addition, management consultants, while focusing greater effort on communication, have not undertaken thorough research regarding the ties between communication and engagement. As a result, there is little in the academic and consultant literature to guide practitioners regarding what topics organizations should be addressing in their corporate communications to assist in increasing employee engagement. The availability of robust data from more than 6000 employee surveys allows correlation of overall employee engagement levels with communications topics and provides initial guidance for practitioners and academics.

## Literature Review

### *Employee Engagement*

Employee engagement has most often been defined as *emotional and intellectual commitment* to the organization. Kular *et al* (2008) noted this in their extensive review of the literature on employee engagement. In addition they found definitions that related to the amount of discretionary effort exhibited by employees in their jobs or simply as passion for work, “a state in which people, during role performance, express themselves physically, cognitively and emotionally” (p. 3). Lockwood, of the Society for Human Resource Management (SHRM), defined employee engagement as: “the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment” (pg. 2). Towers Perrin, the human resource consulting firm, which in 2007-08 surveyed nearly 90,000 employees in 18 countries regarding their work engagement, defines the concept as: “employees’ willingness and ability to help their company succeed, largely by providing discretionary effort on a sustained basis.” Put another way, engagement is the extent to which employees go the extra mile and put discretionary effort into their work – contributing more of their energy, creativity and passion on the job” (Towers Perrin Global Workforce Study, 2007 p. 3).

AON Hewitt, another global HR consulting firm that studies employee engagement -- and undertook surveys of 112,000 Canadian employees in 2011 to gauge their level of engagement -- has another take on the subject. The company uses “say, stay and strive” as its short form definition of engagement. It sees employees as being engaged when they “speak positively about the organization to co-workers, potential employees and customers; have an intense desire to be a member of the organization and exert extra effort; and are dedicated to doing the very best job possible to contribute to the organization’s business success” (QCBV-BSME website, 2011). Note: This is the definition that is the basis of the data used in this study, as it is drawn from a survey designed by AON Hewitt.

Saks (2006) concluded that in the academic literature, employee engagement has been defined as a “distinct and unique construct that consists of cognitive, emotional, and behavioral components that are associated with individual performance. Furthermore, engagement is distinguishable from several related constructs, most notably, organizational commitment, organizational citizenship behavior, and job involvement” (p. 602). An oft-quoted paper on employee engagement published by the Institute for Employment Studies (IES) in the U.K. (Robinson *et al*, 2004) made particular mention of communication and relationship building and the importance this being a two-way process. The IES definition is simple yet captures the key concepts well:

...a positive attitude held by the employee towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. (p. 1).

### *Internal Corporate Communication*

A review of the literature did not reveal a standard definition of internal corporate communications or organizational employee communications. Roy Foltz defined organizational communication as “the exchange of information, ideas and feelings” noting that *exchange* was the key point, with efforts such as transmission of information and the various means of so doing being used to “promote the exchange process and set the tone for communication within an organization.” He went further and noted that the primary responsibilities of organizational communication were to support the objectives and programs of the organization and to meet the needs of the audiences but that “doing both jobs well or closing the gap between the two becomes the real and constant challenge to organizational communication and organizational communicators” (Folz, 1985, p. 4). This certainly accords with Grunig’s view that excellent communications is two-way and symmetrical, with the goal of minimizing conflict and maximizing cooperation between and organization and its key publics (Grunig, 1992, p. 18). This suggests dialogue and give and take between the organization and its stakeholders and communications thus acting more as a *bridging* function than a *buffering* function (2006, p. 175).

In the broadest sense *internal corporate communication* may be defined as transactions between individuals and groups at various levels within an organization and in different areas of specialization. These transactions are intended to design –and redesign – organizations and coordinate day-to-day activities (Dolphin, 2005, p. 171-190). A good system of internal communication provides the “strategic and tactical information resources that all members of the organization need to coordinate activities, provide direction, reduce uncertainty, and do their jobs in an efficient and productive manner” (Kazoleas & Wright, p. 478). Such a system has to be purposely designed to allow information to be moved up, down, and across the organization.

### *Employee engagement and the new internal corporate communication*

Business leaders and consultants have been interested in employee engagement since the 1990s, and more recently, it has attracted wider attention in academic circles (Welch, 2011, p. 328). AON Hewitt noted that organizations that effectively engaged their employees outperformed the total stock market index and posted total shareholder returns 22 per cent higher than average in 2010 (AON Hewitt, 2011). Strategy professor Douglas Reid, of Canada’s Queen’s University School of Business, suggests “increased employee engagement may offer the sole remaining opportunity for companies seeking a step-function improvement in productivity and competitiveness” (QSB Magazine, 2012). Internal or corporate communication with employees is viewed as an important contributor to employee engagement. The global consulting firm Towers Watson has found that “firms that communicate effectively with employees are also the best financial performers” (Towers Watson, 2009/2010). Buckley, Monks and Sinnott (1998) noted that relationships with employees are the “life blood” of an organization, and that these relationships are “essentially communications processes which include a *content* level as well as a *relationship* level, the latter being how the content level is to be understood within the context of

the relationship” (Dachler, 1998, p. 51, as cited by Buckley *et al*, p. 222). The growing use of social media technology within organizations serves to bring together the content and relationship aspects noted above. To a great extent, this new medium is indeed "the message" as forecast by communication theorist Marshall McLuhan in his oft-quoted and truly prescient work of the 1960s.

Employees, especially the generation now entering the work place, have expectations that communications patterns in the world generally are mirrored within the organization (Meister & Willyerd, 2010, p. 37). Businesses, many of which are becoming larger, more complex and more global, are recognizing that the types of people they need in order to remain competitive are those who thrive in a highly connected world. In their book, *The 2020 Workplace*, talent and organizational development experts Jeanne Meister and Karie Willyerd, note key trends facing today’s employers – all of which place pressure on organizations to re-think the way they communicate and otherwise interact and form relationships with their employees. These include:

- an aging and shrinking workforce and a huge requirement for workers with the complex skills needed in the knowledge economy including problem solving, judgment, listening, data analysis, relationship building and collaborating and communicating with coworkers;
- the increasingly digital workplace and the entry of millennials into the workplace who will expect employers to provide them with the same tools to collaborate, brainstorm, and network on the job that they use in their personal lives.
- the culture of connectivity together with the use of technology to get contributions from others creating a *participation society*;
- corporate social responsibility, which is business-driven and integrated into the social, ethical, and environmental agendas of a growing number of companies (pp. 16-39).

Meister and Willyerd give the example of Best Buy's employee contribution system, an online corporate social network called Blue Shirt Nation. Here "retail associates...help one another solve store operational issues, discuss best practices on what works and what doesn't on the sales floor, and even share jokes. Today, Blue Shirt Nation, with more than 24,000 registered employee users, is moderated by the Blue Shirts themselves" (p. 33). The web site has been particularly effective in building awareness of human resources programs and is credited with helping to reduce employee turnover from about 60 percent to below 10 percent while increasing employee engagement (p. 33).

Many medium to large organizations today have put in place social intranets that allow for improved internal communication through the use of social-media type applications. Research undertaken by the author in 2012, looking at a small cross section of Canadian top employer organizations, found that all large organizations had put in place an internal social media (Humphreys Blake, 2012). The McKinsey consulting firm reported on the growing use of Web 2.0 by business in its 2009 Global Survey. While not as great as external use, internal use of such technologies by businesses was significant: 48 per cent were using video sharing; 47 per cent using blogs; 42 per cent using internal social networking; 40 per cent using wikis; and 36 per cent using podcasts. Companies also reported internal use of social media tools such as rating, tagging, peer-to-peer communications and micro-blogging (McKinsey Quarterly, p. 2). For organizations with the inclination, this trend opens up new means of communicating with employees, through channels that are well suited for two-way, cross-functional and cross-silo

dialogue. In addition, and very importantly, it opens the way for strategic relationships and meaningful two-way or multi-directional communications with employees that can lead to effective and sustainable organizational change. As Gioia and Chiitpeddi (1991) noted, the role of the CEO in initiating successful strategic change is one of sense making and sense giving, something that one could argue is contingent on their ability to communicate. However, they also note that there must be a negotiation of this change with others in the organization and this involves “reciprocal processes of cognition and action, and entails cycles of understanding and influence” (p. 446). An argument can be made that this is where having an organizational and communications culture that allows for constructive ongoing dialogue can optimize strategic change efforts. Today, more and more, that involves having an evolved internal communications capacity that includes social connectedness similar to that found in society generally.

As Bradley and McDonald, note in their 2011 book *The Social Organization*, the advent of social media technology for use by employees, customers, suppliers and other stakeholders is nothing less than transformational for organizations. It makes way for mass collaboration, allowing all parties to contribute directly in the creation of value. “They can contribute to, review, and comment on any phase of the firm’s work” (p. 5). It is clear that there is a significant role for well-managed communication with employees as this capacity for engagement through social media is unleashed. However, as Bradley and McDonald point out, most social media initiatives fail for a whole host of reasons including the view sometimes held by organizations that it does not require management to succeed or that benefits cannot be anticipated or measured (p. 3).

With so much in the current organizational and communications environments in flux, Harvard Business researchers Groysberg and Slind (2012) note that the old *corporate communication* is giving way to a model they call *organizational conversation*. “That shift is, for many people, a disorienting process. But it also offers a great leadership opportunity,” they assert. This statement from their blog reveals what is happening at the leading edge of employee communications as seen by strategic leaders:

Our research has shown that more and more leaders — from organizations that range from computer-networking giant Cisco Systems to Hindustan Petroleum, a large India-based oil supplier — are using the power of organizational conversation to drive their company forward. For these leaders, internal communication isn’t just an HR function. It’s an engine of value that boosts employee engagement and improves strategic alignment. (Groysberg & Slind, p. 1).

### **Employee Engagement Survey Data Findings**

The data for this paper was drawn from the 2012 Queen’s/AON Hewitt employee survey. The data comprised the results of engagement surveys filled out by 6,168 employees in the top 50 small to medium-sized (50-400 employees) employer survey. The data was provided based on the condition it was used in aggregate form. The Queen’s/AON team had already tabulated the data, denoting the employee engagement score for each organization. The average engagement score is comprised of an aggregate of six questions used to gauge employees’ interest and intentions in relation to the ‘say, stay, strive’ questions on the survey; in other words, whether they intend to say good things about their employer, stay with the employer, and strive to do their best work or work beyond expectations for their employer. The exact basis of the engagement score is proprietary information. This is the score against which organizations are benchmarked in calculating their ranking relative to employee engagement. The theoretical basis of this work is

that such information can shed light on what communications topics may have the greatest impact on the engagement of employees and thus can be used as a guide for those involved in supporting employee engagement.

For this paper, a simple correlation was calculated between this overall engagement score and the scoring for communications related questions. The questions related to the communication provided by the organizations on the following topics: benefits plans; social and environmental responsibility; programs to help employees maintain/improve health; how the organization manages performance; pay program, recognition outside of pay; retirement/savings; learning and development/ career opportunities. Also included were employee ratings on openness and honesty of senior leadership communication and the organization's reputation. Reputation, while not actually linked to communication in the survey, was also selected given the significant role public relations and communications plays in managing corporate reputation.

Table 1 below documents the correlation coefficient found between the communications-related questions and the overall level of engagement of employees across the 50 organizations.

**TABLE 1.** Correlation of communications-related questions and employee engagement score in Queen's/AON Hewitt Small to Medium-sized organizational survey, 2012 n = 50

Ranking	Communications Question	Correlation Coefficient
1	Organizational reputation	<b>.73</b>
2	Communications regarding learning, development, career opportunities	<b>.64</b>
3	Communications regarding how recognized	<b>.61</b>
4	Honest leadership	<b>.56</b>
5	Communications regarding how performance managed	<b>.47</b>
6	Senior leadership - open and honest communications	<b>.43</b>
6	Communications regarding pay program	<b>.43</b>
7	Communications regarding health maintenance	<b>.42</b>
8	Communications regarding corporate social responsibility	<b>.41</b>
9	Communications regarding environment	<b>.21</b>
9	Communications regarding retirement savings	<b>.21</b>

The data show that the top-ranked and most significant correlations between overall employee engagement and communications indicators are: *organizational reputation; communications regarding learning, development and career opportunities; communications regarding how employees are recognized; and the perception that the leadership is honest.* In terms of the

relative strength of the correlations, there is a clear line of demarcation between the top four results and the rest. According to Stacks (2002, p. 230), correlation coefficients between plus or minus .70 and plus or minus .90 are considered high. Therefore, the correlation relative to *corporate reputation* can be considered high. Correlations between plus or minus .40 and plus or minus .70 are considered moderate. Therefore, a moderate correlation is found relative to communications *regarding learning and development and career opportunities and how employees are recognized, how performance is managed, open and honest communications from senior leadership, communications regarding the pay program, health maintenance and corporate social responsibility*. It is worth noting that statistically, there is still a great deal of random error (Stacks, p. 230) associated with all of these scores so their reliability must be considered. Nevertheless, those involved in employee engagement communications can take some guidance from these results.

### **Discussion of Findings**

These results can provide guidance to practitioners regarding how they prioritize enhancements to their internal communications programs. Given that *reputation* is at the top of the list, efforts to build a strong corporate reputation should pay big dividends in terms of employee engagement and should be dealt with first. It makes common sense that employees want to be associated with an organization that is good at what it does and valued by society. If the organization can manage its reputation, and ensure this positive reputation is communicated through its public and internal communications, there should be a benefit in terms of employee engagement. In addition, the results indicate it is important for organizations to provide information to employees about how they can *learn and develop themselves and about how they are recognized* beyond the pay program. It would make sense, then, for organizations to plan quality communications strategies regarding steps employees can take to further their education and career and what recognition they can expect to receive outside of monetary incentives. Ensuring that employees perceive that *senior leadership is honest* is another very important guiding factor for employee engagement communicators. Of course, it is incumbent on the board of directors, CEO and senior leaders to ensure this is indeed the case. Finally, employee engagement is positively correlated with information on health maintenance and corporate social responsibility, two other areas that should figure prominently in the priorities of internal communicators.

### **Conclusions**

It is clear from this analysis that internal corporate and organizational communicators seeking to have a positive impact on employee engagement and corporate productivity, should place a high priority on *corporate reputation, the reputation of organizational leaders as honest and trustworthy* as well as areas related to *human resources and organizational development*. In the past, the internal communications role has not been influential within organizations. The positive linkage between employee engagement, organizational productivity and communications can assist those in internal communications to better leverage their impact. Internal communicators should be strategic in prioritizing their communications efforts, and base their decisions on what will have the greatest benefit for the organization. They should use their knowledge of the relative potential impact of specific communications topics on employee engagement to plan their efforts. Their plans should include outcome measures to demonstrate a positive link between improvements in communication of the key engagement drivers and actual employee engagement scores.

The findings relative to *corporate reputation* can be used by the corporate communications function broadly -- both external and internal -- to place emphasis on carefully managing organizational reputation. It is not enough to just let reputation happen. In today's environment, where public standards are high and the use of social media can result in news of corporate failings travelling quickly and widely, organizations must be seen as open, highly ethical and socially responsible. The senior leader responsible for corporate communications and reputation management must be ready to speak up at the senior table to ensure all issues affecting reputation are given priority.

Given the importance of HR and OD on employee engagement, corporate communicators should ensure strong linkages and cooperation with these organizational units to support engagement. Too often, these functional areas remain focused within their narrow silos. It would be beneficial to each of these areas -- and the organization in general -- if they were to work more closely together in support of employee engagement. Organizations using corporate-wide engagement or pulse surveys to guide improvements in productivity would benefit from additional probes in these instruments into how corporate communication supports engagement. Failing that, and recognizing that there is heavy demand for inclusion of various questions in such instruments, communicators should find alternate ways to measure the effects of their work. The results would be a useful guide for both HR/OD and corporate communications practitioners. A more thorough approach might include intelligence gathered by well-designed focus groups combined with rich "as it happens" data derived through responses to communications through internal social media. Finally, as many studies indicate that employees highly value communication with their direct supervisors or managers, it would be worthwhile for organizations to investigate what specific topics employees would like to learn about from their managers. Managers could then be given specific training and support regarding such communications.

### **Further Research**

Further study is needed regarding the type of information that should be provided to employees to best keep them engaged. It would also be beneficial to look into how best to present this information and what channels work best for specific groups. With regard to information that contributes to increasing employee engagement, where would *financial and strategic business information* fall in the continuum? This study has demonstrated that organizational reputation has a big impact on employee engagement. How can organizations optimize their communications and relationship building with employees based on reputation? What elements of reputational content could be expected to have the most impact on employee engagement? Is information about financial success more or less influential than information on the organization's ranking as a top employer or its environmental record? Would coverage in external media regarding corporate accomplishments be better than internal efforts? Should specific internal audiences be targeted in different ways? This could involve research into ways of understanding the individual personalities of employees and determining how to provide communication in various ways, through various channels, with content based on what is appropriate and of interest to the employee to heighten individual levels of engagement as suggested by Welch (Humphreys Blake, 2012). There is also the question of whether organizations need to tailor content and channels to specific internal audiences or whether providing various options allows employees to design what is best for them. This is particularly pertinent given the current move by many organizations into internal social media. In fact, internal social media channels and applications provide many potential options for increasing the discussion within organizations, allowing for critical upward

and horizontal communication. Finally, as we know that employees value hearing directly from their immediate managers regarding certain matters, it would be useful to determine the specific ways managers can help employees to become and remain engaged.

### **Limitations of Study**

Care must be taken in drawing conclusions from the data used in this paper. While the correlations show a link between the topics and overall engagement scores, respondents may not have actually based their answers on what they recall from corporate communications, but solely on their views regarding the importance of the topic. In other words, the efforts by employers in the study to communicate about the various engagement-linked topics may not have had a direct cause and effect relationship. An additional limitation of the study is that the survey subjects comprised employees who worked in small to medium enterprises with 50 - 400 employees. The results might be different for larger companies. Indeed, large companies would be more likely to have formalized internal communications programs leading to better recollection of communications than in the subject companies. Nevertheless, communicators can take guidance from this assessment in that these topics resonate with employees who are considered highly engaged. Another caution is that given the surveyors have developed their own proprietary analysis of engagement, there is not full transparency regarding the method or its validity.

Given that there is random error associated with these findings, it is important that practitioners use these results as a starting point and continue to measure as they go. One way of approaching this is to enhance communication in each of these areas one at a time and then measure to determine if any change has occurred.

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# Employee Relationship Management and Knowledge Workers

## An Analysis of ICT Professionals

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**Purpose:** *To understand how the emergence of knowledge workers in organizations affect employee relationship strategies. In particular, the paper questions how communication evolves in order to support employment psychological contract based on relationships.*

**Approach:** *A literature review on professionalism, knowledge workers and the related human resource and communication practices and in-depth interviews with human resources managers in 8 companies in the field of Information & Communication Technologies were conducted.*

**Findings:** *Knowledge workers in the ICT sector tend to have a relational connection with their company and expect a communication environment that allows networking, knowledge sharing and continuous learning.*

**Research implications:** *To explore whether firms with different employment relations should adopt a different communication system.*

**Practical implications:** *Companies are expected to develop specific relationship building strategies for knowledge workers based on open and user-generated communication, competency development program, flexibility and organizational well-being programs.*

**Keywords:** *Employee relations, Employee communication, Knowledge workers.*

**Paper type:** *Research paper.*

Economy and production are more and more based on knowledge usage allowing the emergence of the knowledge based companies (Nonaka, 1991) and the knowledge workers (Drucker, 1999 and 2002). Knowledge workers are one of the most important professional component of the modern advanced economies and they could be defined as workers with high degrees of expertise, education or experience and the primary purpose of their jobs involves the creation, distribution or application of knowledge (Davenport, 2002; Kogan and Muller, 2006). Their tasks are knowledge intensive and they are expected to have special abilities, skills, qualifications, and working conditions to accomplish their work, moreover they should be supported by processes, workflows, learning systems, and knowledge management systems (El-Far, 2009).

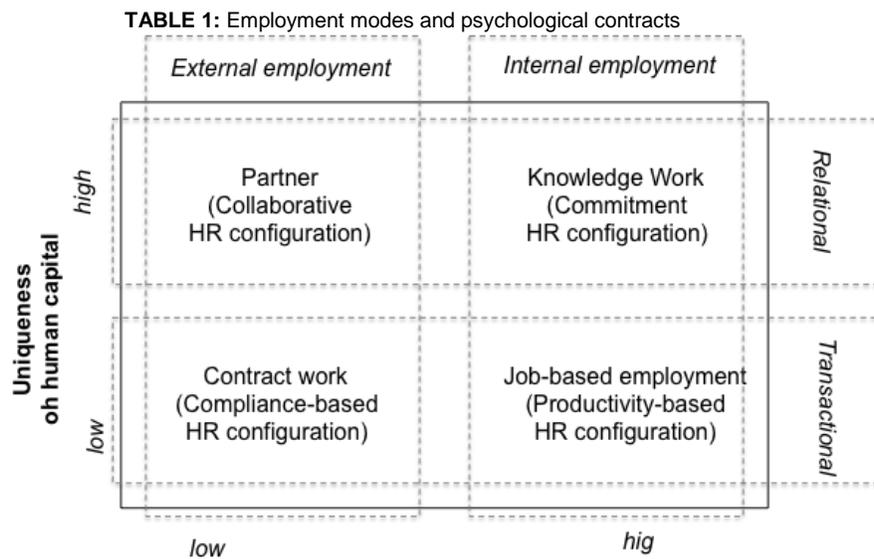
The study in this paper aims at exploring the specific human resources management and communication systems adequate to this professional population. First, it presents a literature review on the employment modes and relationships, human resources strategies and communication in post-bureaucratic organizations. Secondly, it presents the research design and

the main findings of a study conducted on a group of companies in the ICT industry. Thirdly, the paper discusses some concluding remarks for managerial and research implications.

**Literature Review**

Some scholars state that all workers are knowledge workers because all works and workers are knowledgeable. Nevertheless, most scholars in the field of sociology of labor and profession identify knowledge workers as professionals with very specific characteristics (Despres and Hiltrop, 1995; El-Far, 2009). First, the career formation of knowledge workers is dependent on socialization, education and interaction with institutions outside the companies where they work. Second, they show a high level of loyalty toward the profession, their peers and their networks inside and outside of their companies, because networking and social relations are relevant to share and learn knowledge. Third, their tasks are highly specialized and they have to cope with fast obsolescence of skills.

Different employees contribute in different manners to the company performance and as a consequence they should be managed with specific methods (Lepak, Snell, 1999). In particular, two variables are relevant in order to capture the various contributors: the strategic value and the uniqueness of human capital (Lepak, Snell, 1999). Four configurations of *employment modes* emerge crossing the two variables (Table 1).



Source: Adapted from Snell, Wright, Shadur, 2001

- *Contract work*: low uniqueness and low strategic value of human capital. The HR configuration can be referred to as compliance-based and the psychological contract is transactional oriented.

- *Job-based employment*: low uniqueness and high strategic value of human capital. The HR configuration can be referred to as productivity-based and the psychological contract is transactional oriented.

- *Partnership*: high uniqueness and low strategic value of human capital. The HR configuration can be referred to as collaborative and the psychological contract is relational oriented.

- *Knowledge work*: high uniqueness and high strategic value of human capital. The HR configuration can be referred to as commitment and the psychological contract is relational oriented.

Job-based employees and contract workers tend to be controlled according to the principle of behavioral control and transactional employment. On the opposite, the work of people with unique human capital could be hardly specified and monitored. This is the reason why partners and knowledge workers have a high level of autonomy, because they pursue performance goals, and they tend to be linked to the company by means of a *relational connection* based on the sharing of the strategic direction of the company (Snell, Shadur, Wright, 2001).

The mix of employment modes and relational contracts require human resource management strategies tailored for different groups of employees taking into account cultural and competency differences. Regarding the topic of this study, knowledge workers, this implies the development of recruitment, induction, rewards, career, and communication systems as part of a relationship building strategy.

Communication needs of knowledge workers could be better understood deepening the knowledge organization and their communication needs (Blackler, 1995). Organizations are expected to be more dependent on encultured knowledge, i.e. knowledge emerging from process of socially constructed and negotiated meanings and then depending on languages and communication efforts, sense-making, and dialogue. In such organizations, communication and collaboration are the key processes and they are referred to as communication-intensive organizations (Blackler, 1995).

Adopting the active theory, Blackler (1995: 1039) pointed out that "the process of knowing is:

- mediated: it is manifest in systems of language, technology, collaboration and control;
- situated: it is located in time and space and particular contexts;
- provisional: it is constructed and constantly developing;
- pragmatic: it is purposive and object-oriented".

As a consequence, the process of knowing requires systems, through which people achieve their knowing, and processes through which new knowledge may be generated. For example, the context of action in which people improvise, communicate, and negotiate in expanded activity systems is very important (Blackler, 1995).

The evolution of knowledge workers calls for some implications for management and communication studies. Management studies (Drucker, 1999) point out that they should be treated as business partners because they own the knowledge requested for their professional tasks and because they are mobile. Furthermore, they should be enabled to identify their own tasks and considered responsible for their self-assigned tasks.

Particularly relevant is the issue of knowledge workers' loyalty and motivation that impact on the rewarding systems. Drucker (2002) suggests that compensation should stress partnership, i.e.

using stock options. Others underline the importance of intrinsic and non-financial rewards as learning and professional development; long-term compensation and retention policies are also considered suitable. In addition, the compensation system should be tailored according to individual preferences.

In the case of knowledge workers, leadership style should be based on social network, self-management, soft control, and freedom from hierarchical authority. Thus, organizational structures should be flexible and post-bureaucratic.

Finally, it is worth mentioning a study on the communication roles of co-workers in post-bureaucratic organizations that are the natural organizational environment of knowledge workers. The term post-bureaucratic organizations is an ideal-type referring to organizations that "are connected to work in loosely structured networks, delegation, management by goals and vision (rather than detailed rules), self-directed teamwork and an emphasis on horizontal communication" (Heide, Simonsson, 2012: 204).

In the post-bureaucratic organization, the manager becomes a facilitator and a motivator. Co-workers play different communication roles in relationship to managers, colleagues and their organization. As to managers, co-workers are increasingly more involved in dialogic process and in co-production of interpretations of both operative and strategic meaning. As to their colleagues, co-workers engage in dialogue, interact in teamwork and networking, give feedback and share information (Heide, Simonsson, 2012). Then, in post-bureaucratic organizations, the active role of co-workers as communicators clearly emerge (Mazzei, 2010 and 2012). This is highly relevant for knowledge workers because they operate in post-bureaucratic organizations, and are particularly in communication-intensive organizations. Then we can expect that their communication role is extremely intense.

**Field Research**

Based on this background, a field research has been carried out in order to understand how the emergence of knowledge workers in organizations affect employee relationship strategies and how communication is evolving in order to support the employment psychological contract based on relationship.

The research design is based on interviews with eight human resources managers of companies operating in the ICT sector, assuring a relevant presence of knowledge workers. The companies were all Italian branches of multinational firms (Table 2). They are quite large and adopt a well-structured human resources management system.

**TABLE 2.** Companies in the study

Industry	Home country	Number of employees (in Italy)
Housing services	Italy	130 (80)
HR solutions	North America	960
Publishing	Europe	34.000 (200)

Business service	North America	3.500 (60)
Market research	North America	4.000 (180)
Consultancy	North America	150.000 (4.000)
Consultancy and ICT services	North America	400.000 (13.000)
Consultancy and ICT services	Europe	120.000 (2.500)

The interviews focused on the human resources and relational strategies and included the following topics:

- nature of the HR management system
- recruitment and selection practices
- evaluation, career and rewarding systems
- organizational welfare policies
- communication and relationship building strategies

The face-to-face interviews, carried out between October and November 2012, lasted one and one-half hours. In order to assure the respondents' free expression, all findings have been anonymized.

Regarding human resource management practices related to knowledge workers, two main points emerge from the interviews with HR managers: the need to value each person's particular competencies and expectations; and the need for organizational flexibility and adaptability. These two focuses underlie the new practices adopted for the management and development of knowledge workers in the companies studied.

#### *Nature of the HR management system*

According to the respondents, the management of knowledge workers based on a job description system associated with job positions and job evaluations is responsible for the lack of motivation and the decreased interest in professional development of these employees. As a result, the companies in this study adopted a competencies based HR management systems.

Competencies based HR management systems are rooted within the concept of competence, which considers the knowledge worker's personal knowledge, motivations, and skills that influence his/her organizational behaviors (Boyatzis, 1982; Spencer, Spencer, 1993; Prahalad, Hamel, 1994).

Competency based HR management systems are adequate to knowledge workers, as they expect and can manage a very high level of autonomy in self-organizing their own work. They have a high sense of belonging to an inter-firms professional community; they are highly professionally qualified; and thanks to certified education programs, they look for a professional career rather than a hierarchical one. As a consequence, knowledge workers feel linked to their company through a relational psychological contract much more than through a transactional one.

All companies in the study have adopted a competencies based HR management system. Large multinational companies adopt systems that are well structured and globally managed with some national adaptations.

### *Recruitment and selection practices*

The study findings highlight that recruitment and selection practices for knowledge workers are increasingly becoming based on high potential and personal skills appraisal. Most companies are developing employer-branding programs in order to attract the most skilled professionals. Recruitment channels include professional social networks, internal job posting, assessment centers, and internships. After the selection, all companies adopt induction programs in order to facilitate the socialization within the organizational context, to foster the company's culture sharing, and in particular to seed a strong relational psychological contract.

### *Evaluation, career and rewarding systems*

Evaluation systems are crucial in order to create a link between the strategic company's goals and the human resources' quality. From the study emerges that the most common practices are the joint evaluation of position, performance and potential.

Specifically, position refers to the relevancy of the task within the organizational system; performance indicates the alignment between the results and the aims; potential identifies the attitude to cover other organizational roles in the future

Critical questions in the knowledge workers evaluation process are a) the objectivity of the evaluations criteria, due to the fact they have a high level of self-control on their own work; b) the action plan following the evaluation results, because they call for personal development programs.

Indeed, traditional career systems are based on the escalation of the hierarchical ladder, which implies increasing responsibilities, rewarding, power and social prestige. On the contrary, knowledge workers career systems originate from the professional career concept and include a horizontal path bringing it to the development of new competencies and skills.

Reward systems are currently under pressure because companies are usually cutting HR costs while looking for the most skilled workers. The most common solution among the companies in the study is to link the reward to the performance through a management by objectives programs. For knowledge workers, companies are also adopting the broad banding systems, and non-financial customized rewards.

### *Organizational welfare policies*

Knowledge-creating companies need an organizational context capable of fostering creativity and the maximum knowledge spreading and sharing. Then people should appreciate their working context as a high quality one. To this aim, most companies in the study adopt organizational welfare policies to gain employee motivation, commitment, higher productivity, and higher innovation potential, and to attract the best talents. The most relevant organizational development programs aim to leverage all of the differences inside the organizational context. Among the

practices worth mentioning are: work-life balance programs, working at home, training for cultural sensitivity, networking, partnerships with external associations, and the company's health and pension assurance.

### *Communication and relationship building strategies*

According to the findings of this study, employee communication is highly relevant in knowledge-based companies, supporting the creating and the spreading of knowledge, the alignment of employees toward organizational values and aims, the loyalty relationship building strategies, the organization well-being, and the organizational change.

Relationship building strategies are at the basis of the strategic communicative actions of employees in general and of knowledge workers in particular. Their communicative actions are crucial to the knowledge creation processes, to the company's reputation building and protection, and to the networking activities with the external environment.

The companies in the study pay a lot of attention to relationship building and communication practices. Information is widely available to all workers in many different ways. The prevailing and swiftly developing channels are the digital and social based ones. High attention is also paid to the listening activities.

### **Conclusion**

This study explored the emergence of knowledge workers and how the communication supported the employment psychological contract is based on relationships. The Italian companies in this study are developing new HR management systems based on organizational well-being and communication programs.

All of the practices used for knowledge workers are aimed at valuing the particular competencies and expectations of each worker, as well as, increasing the flexibility and adaptability of the organizational system. The individual competencies and peculiar characteristics are central for all HR and employee communication policies.

Knowledge workers tend to be linked to their company through a relational connection based on the sharing of the company's strategic direction. Because of the high level of encultured knowledge, the organizations that employ many knowledge workers are communication-intensive and rely on collective-sense making, co-production, interpretation, dialogue, teamwork, and horizontal communication. Furthermore, it emerges the active communication role of knowledge workers because of the needs of knowledge sharing.

Of course, the validity of the study's findings is limited by the qualitative nature of the interview-based analysis and also by the limited number of companies involved. Nevertheless, these companies are among the largest and more successful in the ICT industry in Italy, so that they can be considered relevant for indicating new trends.

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# Enhancing the Quality of Corporate Writing

## The Efficacy of Editing Software?

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*Because writing is at the heart of the economy and compelling, coherent writing is central to the corporate world, reliable computerised editing would be highly valued in the workplace, particularly by staff who lack confidence in their writing competence. This paper outlines the research I conducted to investigate the efficacy of style analysis software that has been developed as an alternative to long-discredited readability formulas that are still being applied to corporate writing. Because the software sells and has been so positively reviewed in the technical press, I was curious about just how well it measures up to the reviews. I ran an error-riddled, corporate document through a computerised style analysis program and compared the results from that to editing done on the same text by me, an experienced human editor. I conclude that this kind of software can, at best, only flag a small number of potential problems; at worst, it can fail to detect egregious errors and introduce errors by making ungrammatical suggestions.*

**Keywords:** corporate writing quality, readability formulas, style-analysis and editing software

**Paper Type:** Research paper

Organizations create and maintain their corporate reputation by following principles and practices that enhance relationships with their stakeholders. A central aspect of an organization's credibility is its writing quality (Suchan & Dulek, 1990). As Goodman and Varey note: The Internet has underscored that writing of the highest order is still the major talent required of those who create and send messages in and from our major corporations (2003, p. 71). Brandt puts it very powerfully when she argues that

Writing is at the heart of the knowledge economy. Knowledge-intensive companies account for more than 40% of new employment growth during the past 50 years (Stewart, 1997, p. 41). Some analysts estimate that knowledge, most of it codified in writing, now composes about three fourths of the value added in the production of goods and services (Neef, 1998, p. 4), making it more valuable than land, equipment, or even money. (2005. p. 166)

How can an organization ensure that its writing is impeccable? When it is universally acknowledged that ambiguity, errors, and inconsistency erode credibility, how can an organization ensure that its documents are accessible, readable, and meaningful for its intended readers? How does it ensure that its documents have

- an immediately recognizable purpose and significance
- clear structure and sequence
- focus and coherence
- information that is appropriate, relevant, specific, accurate, comprehensive, significant, honest, and authoritative

- a ‘plain-language’ style that is concise, consistent, and compelling
- an appropriate tone, and
- no spelling, grammar, punctuation, or usage errors.

The answer is that expertly trained writers, who are also experienced in systematically integrating the levels of edit—content, structure, style, mechanics, and format (Petelin and Durham, 2001)—into their documents can generate documents that exemplify these characteristics. However, not all organizations hire expertly trained writers; they often shortsightedly hire staff for reasons unrelated to their ability to write for positions that require an extensive amount of writing . Executives widely lament that highly trained writers who can reliably generate excellent prose are rare. Staff complain loudly that they were hired not to write, but to administer, or research, or innovate, etc. Organizations mistakenly hire ‘writing workers’ instead of ‘working writers’ (Petelin, 2002).

The corporate environment demands a constant array of writing tasks that rely on employees’

- sensitivity to their purpose, their readers, and their context
- understanding of how readers read, comprehend, and act upon documents
- ability to research, structure, and sequence information
- understanding of how words, sentences, paragraphs, genres, and graphics work
- knowledge of, and ability to conform to, the plain-language style and format conventions used by the organization (though not all organizations have these in place)
- skill in using problem-solving strategies to generate ideas, to write, and to refine their writing for their readers
- critical and analytical skills for reviewing their writing (and that of their colleagues).

The workplace writing situation presents several challenges for staff in the light of these demands:

- lack of self-efficacy in their writing expertise
- lack of a clear briefing on writing tasks
- unrealistic timelines/deadlines
- personal and telephone interruptions and other duties.

In this paper, I want to concentrate on what I see as the most crucial and most difficult challenge to overcome: the writing self-efficacy of staff who write technical and administrative documents, but who are not trained writers. Because writing is at the heart of the economy (Brandt, 2005) and compelling, coherent writing is central to the corporate world, reliable computerised editing would be highly valued in the workplace, particularly by staff who lack confidence in their writing competence. In this paper, I will examine the ways in which industry has responded with technology to the absence of writing and editing self-efficacy and expertise among their staff with readability formulas that writers can apply to test a text’s appropriateness for specific readers and editing software that text can be put through that aims to enhance its quality.

## Readability Formulas

Readability formulas, which came to prominence in the late 1940s, were designed to measure how easy a text was to read. They apply a mathematical formula that is based on sentence and word length (syllable count). These were developed by Flesch (1949), Gunning (1968), Kincaid et al. (1983), Klare (1963), and dozens of others. Flesch's reading Ease Scale gives a score of 1–100, from the easiest to the most difficult. The Flesch-Kincaid scale calculates the supposed years of education the reader needs to understand the text. Both of these scales have been incorporated into Microsoft Word.

Three key problems with using readability formulas are

- 1) The discrepancy between the characteristics of texts that they measure—sentence length and word difficulty—and the fact that they do not take into account other factors that can make a text difficult, such as the lack of cohesion; the degree of convolvement; the presence of ambiguity, metaphors, idioms, jargon, and arcane references; the number of inferences required; the complexity of ideas; the beyond-the-sentence sense; the purpose of the text; the motivations and reading style of the intended reader; and the culture and context in which the text is read. Nor do they consider grammar, or layout, or design. They assume that short words are easier to process than long words, which is an unwarranted assumption. 'Ilk' and 'tort' are not as familiar as 'elephant'. Another problem is that short, familiar words can be used to express an unfamiliar concept, for example, 'black hole in space'.
- 2) Their lack of solid statistical grounding, which is not surprising, given the substantial problems listed in point 1 above.
- 3) The dangers inherent in their prescriptivism, when writers allow themselves to respond to them (Bruce, Rubin, & Starr, 1981).

They ask:

Are there any areas in which the assumptions about the readability formulas are satisfied and the formulas improve on the intuitive estimates of the readability of a text? We think not. The real factors that affect readability are elements such as the background knowledge of the reader relative to the knowledge presumed by the writer, the purpose of the reader relative to the purpose of the writer, and the purpose of the person who is presenting the text to the reader. (1981)

Despite being discredited decades ago (Bruce, Rubin, & Starr, 1981; Duffy, 1985; Redish and Selzer, 1985; Redish, 1980; Selzer, 1981 & 1983), and, despite the designers themselves expressing doubts about their efficacy (Flesch, 1962; Klare, 1976), readability formulas are still being applied by organizations to their documents.

Some, I am afraid, will expect a magic formula for good writing and will be disappointed with my simple yardstick. Others, with a passion for accuracy, will wallow in the little rules and computations but lose sight of the principles of plain English. What I hope for are readers who won't take the formula too seriously and won't expect from it more than a rough estimate. (Flesch, 1962)

Having dismissed the efficacy of readability formulas for judging the quality of writing, I now turn to style-analysis software.

## Style-Analysis Software

In the early 1980s, writing educators explored the use of computer-aided instruction (CAI) in several stages to improve students' writing skills in response to falling test scores (Sterkel, Johnson, & Sjogren, 1986, p. 43). The first types of programs to be developed in these early years of availability of computers in the classroom were practice/drill and tutorial programs. The practice/drill programs, which were usually on a remedial level, concentrated on spelling, grammar, and sentence-building. The tutorial programs responded to students' individual texts and presented material to them that was more flexible and thus more useful (Sterkel, Johnson, & Sjogren, 1986).

The second stage featured interactive programs that guided students through the pre-writing and writing processes, increasing the sophistication of ideas generated by students and helping them to articulate, refine, and preserve their ideas (Burns & Culp, 1980).

The third stage of CAI involved workplace writers at Bell Laboratories (Cherry et al, 1983), who developed Writer's Workbench (WWB), a collection of 30 computer textual analysis programs to help their technical writers to edit their documents. Writer's Workbench scanned a document to find certain types of errors and provided feedback that analysed writing style and suggested improvements for word use, spelling, punctuation, grammar, sentence structure (particularly relying on readability formulas, which I have discussed above). WWB 2013 is now integrated with Microsoft Word and analyses 25 dimensions of text. It is targeted mainly at English composition students.

In the context of developing the Common Core State Standards assessment, The National Council of Teachers of English has recently (April 2013) released a statement condemning 'assessment practices that rely wholly or in part on machine scoring of writing for high stakes outcomes'. They state that 'When states have the opportunity to implement high standards for writing, it will be tragic if machine scoring subverts those standards'. They make nine points, including the following:

- 1) Computer algorithms cannot recognize the qualities of good writing, like truthfulness, tone, complex organization, logical thinking, or new ideas germane to the topic.
- 2) Machine algorithms are reductive: sophistication of vocabulary is reduced to average length or relative frequency of words.
- 3) Machines over-emphasize or misidentify grammatical and stylistic errors.
- 4) Machines cannot score writing tasks long and complex enough to represent levels of writing proficiency acceptable in school, college, or workplace.
- 5) Machines do not approximate human cores for essays that fit real-world writing conditions.

Their statement ends by saying that 'Humans only are capable of reading for the most important aspects of writing. Investment in human scoring is warranted to gain validity and to acknowledge all that we know about writing processes and products'. This statement would seem to be one that the corporate world would need to heed, but many software developers have launched programs that someone must be buying.

## Using Style-Analysis Software in the Corporation

There are many software editing programs currently on the market for corporate writers. Almost without exception, they all claim to be the ‘best’ and to have many, many followers, in some cases as many as several million. *Grammarly* promises ‘fanatical’ support and claims that it is ‘Trusted by 3,000,000+ people’.

One promise that they tout is that they will ensure that you don’t inadvertently plagiarize. *Grammarly* helps you to ‘Avoid plagiarism by checking your texts against over 8 billion documents’.

I fed the following confession from Carl Sandburg into *Gingersoftware.com*, which claims to be ‘The World’s #1 Grammar and Spell checker. Corrects ALL spelling and grammar errors. The only one that really works’.

*I made but one grammar mistake in my whole life and as soon as I done it I seen it.*

The program told me that the sentence was original, not plagiarized. It identified a problem with ‘done’, provided an **ungrammatical** alternative ‘As soon as I have done it I seen it’, and failed to identify any problem with ‘seen’.

It is difficult to believe, and impossible to take seriously, the claim presented by *RightWriter* in this verbatim quote from their website:

*RightWriter is the Fastest and Easiest to use grammar tool available. You do not have to understand grammar rules. Just copy and paste your text, then BAM! You have the corrections listed right in front of you. This is the best way to improve your writing, hands down! Right writer SPECIAL BONUS: If you order by clicking the below button, you will also receive a video grammar course called Speak English Like A Genius which gives you the tricks needed to improve your grammar. This course includes simle [sic] tricks you can use to instantly impove [sic] your grammar.*

I had also problems with the credibility of *WhiteSmoke*, which claimed to be the ‘# 1 English writing software in the world’. Its pop-up ad implored prospective users: ‘Avoid Embarrassing Mistakes your can’t afford’. Is it possible that they are being ironic here with their lack of consistent capitalization and ‘your’ instead o ‘you’? The site has papers on grammar topics, but the first and only one that I read spelt two words wrongly: they had ‘a principle part’ and ‘preterit’ tense. It made me wonder whether they had ever seen ‘preterite tense’ in writing. Yet, *WhiteSmoke* received 9.5/10 in reviews carried out by *TopTen Reviews* (online-grammar-check-review.toptenreviews.com).

I then turned to *Grammarly*, which *Top Ten Reviews* had given 8.15/10 to and which they had decided was ‘the most thorough grammar checker’. I posted for analysis a passage of 10 sentences that I had given my postgraduate writing, editing, and publishing students to edit. What follows is the result of my edit (in purple ink) and *Grammarly*’s edit in brown ink.

~~~~~ What a human editor found. ~~~~~ what a style checker found

Below is a series of sentences from the summary of a research project written by a junior member of staff to their superior within a marketing organisation. Identify and annotate each error, inconsistency, and infelicity.

Re-write the material to produce a coherent text that you think communicates what the writer intended.

- 1) Our project to reach a discovery finding if social networking has a role to play in internal communication has now finished and we have very great pleasure in providing the following findings and recommendations.
- 2) The overwhelming majority of corporate communicators think that social networking tools like Facebook and tweets has a part to play in internal communication.
- 3) This was the verdict of a survey into social networking conducted by us in our capacity of administration officers.
- 4) We, therefore, have a great desire to make the following recommendations: Social networking tools would of had to be tailored to suit their peculiar needs.
- ~~~~~  
 Social networking tools need to be tailored to the client's needs.
- Handwritten annotations:*  
 - Sentence 1: "discover whether i.e.", "nominalisation", "role" (SP), "archaic? inappropriate? virtuous?", "redundant", "extra space", "and-ness", "unnecessary intensifiers", "preaching, would be better", "SP following", "unnecessary comma", "m SP", "nominalisation", "Found 3 spelling errors and misidentified a grammar point."  
 - Sentence 2: "generalisation imprecise/cliché", "believer", "to agree with 'majority'", "Found 1 spelling error and one grammar mistake."  
 - Sentence 3: "Such as", "informal", "Twitter have", "wrong comma", "cliché", "no hyphen", "SP", "the", "about (wrong preposition)", "that we", "passive voice", "verbosity", "nominalisation", "Found 1 spelling mistake."  
 - Sentence 4: "as", "nominalisation", "superfluous information", "superfluous", "unnecessary intensifier", "OK nominalisation", "have", "passive voice", "tailored" (SP), "redundant", "particular", "vague", "wrong word", "Found 1 spelling mistake."  
 - Summary: "Tense is a problem here -> 'would have had to have been tailored?' but this is very wordy. A relation would be: Social networking tools need to be tailored to the client's needs."

5) There are already use of social networking tools - phone, e-mail, text - so the principal messaging is established and a company might find productivity was bolstered and stoked by happier staff that know more about each other.

*Staff already use*  
*expletive*  
*remove hyphen*  
*use an unspaced emdash*  
*sp. le*  
*confusable word*  
*and*  
*Changed this to ND*

6) Equally and more importantly there may be employees out there with great ideas who don't have the means to envision them, do they know how to communicate with the right people?

*and-less*  
*that*  
*nominatisation*  
*SP e and*  
*passive voice*  
*colloquial incorrect use*  
*unnecessary*  
*who*  
*one another,*  
*ganche and unnecessary*  
*Made one non-sensical argument.*

7) Encouraging worthwhile communications that provide a return on investment for the business, without squandering your IT budget on every techno-trend and baffling staff about which channel they are suppose to use.

*contradictory*  
*Space missing*  
*(Staff) Measurus syndrome*  
*unnecessary intensifier*  
*lamina hat*  
*expletive, but OK*  
*colloquial, superfluous*  
*no contractions!*  
*vague*  
*do not*  
*how*  
*cliché?*  
*but doesn't make sense. 'Means' aren't needed to envisage ideas or have vision.*  
*people?*  
*Suggested a full stop here. Noticed everything else.*

8) Because business is all about networking and the facilitation of communication with colleagues and peer groups.

*redundant*  
*loaded word*  
*change to 2nd person*  
*spell out?*  
*appropriate*  
*buzz phrase*  
*OK, nomenclature*  
*SP*  
*jargon, but OK*  
*SP*  
*nomenclature, but OK*  
*Toward 2 spelling mistakes & changed 'staff' to 'stuff'.*  
*e.c. changed 'staff' to 'stuff'*  
*Staff about which channel they are suppose to use. 'Should use' would be better.*  
*wrong word → glove → format*  
*wrong preposition among*

8) Because business is all about networking and the facilitation of communication with colleagues and peer groups.

*colloquial*  
*nomenclature*  
*nomenclature*  
*SP beer*  
*malapropism, perhaps*  
*changed this to 'colleges'*  
*Toward 1 spelling mistake, but changed it to a wrong word*

9) The environmental <sup>n SP.</sup> ~~benefits~~ <sup>SP.</sup> of social-networking tools <sup>hyphen</sup> make a case for substantial <sup>clunky</sup> benefits to be gained using this approach <sup>because close up</sup> for multi national and global corporations need to engage employees as well as create a community of cross-sharing social-networking sites <sup>do we speak of a 'community of sites'?</sup> that have the potential to be a breeding ground for disinformation, leakage of confidential material, and censoring them will be <sup>SP.</sup> ~~labourious~~. <sup>Found 3 spelling mistakes and 1 instance to close up two words.</sup>

10) <sup>two words</sup> It ~~maybe~~ that social networking would certainly create <sup>redundant</sup> appeal to younger members of staff <sup>because</sup> as those entering the workplace have grown up <sup>ambiguos</sup> as an Internet generation <sup>with the Internet</sup> and they <sup>refers to?</sup> can also be used as a replacement <sup>quote marks are inconsistent</sup> to 'blogs'. <sup>Passive voice</sup>

fused or run-on sentence

repetition  
redundant  
superfluous  
passive

tools?

do we speak of a 'community of sites'?

tone? <sup>like</sup>

m <sup>tonic?</sup> <sup>humiliation</sup>

Tone changes here.

not parallel structure

Found 3 spelling mistakes and 1 instance to close up two words.

expletive

contradiction

because  
ambiguos

with the Internet  
weirdy

refers to?  
and-hers

This last part makes no sense.

Found 1 example of one word needing to be split into two.

1. Grammarly found 3 spelling errors and suggested 1 grammar error: ‘Our project have’, which, of course, is incorrect. I found 14 errors.
2. Grammarly found 1 spelling error and 1 grammar error. I found 11 errors.
3. Grammarly found 1 spelling error. I found 8 errors.
4. Grammarly found 1 spelling error. I found 11 errors.
5. Grammarly found only one problem, ‘nd’, which it changed to ‘ND’. I found 16 errors.
6. Grammarly made one incorrect punctuation suggestion. I found 14 errors.
7. Grammarly found 2 spelling errors and suggested changing ‘staff’ to ‘stuff’. I found 11 errors, including the problem that this sentence is merely a sentence fragment, which would not usually be appropriate in corporate writing.
8. Grammarly found 1 spelling error and made a wrong suggestion of an alternative word. I found 6 errors, including the problem that this sentence is merely a sentence fragment, which would not usually be appropriate in corporate writing.
9. Grammarly found 3 spelling mistakes and one instance of two words to be closed up. I found 17 errors, including the problem that this sentence is a fused or run-on sentence, which is an outright error in all but the most creative writing.
10. Grammarly found an instance of 1 word needing to be split into two. I found 12 errors.

To sum up, Grammarly identified 12 spelling errors, made a couple of correct suggestions, and made several wrong suggestions about spelling, grammar, and punctuation. I found 120 problems with the document.

Other editing software that I checked includes *StyleWriter*, which features yet another hyperbolic ad:

*StyleWriter, the award-winning writing and editing software, instantly transforms your writing into plain English—a style that is clear, concise and readable.*

*StyleWriter is an add-on to Microsoft Word to help you edit everything you write into a model of clear English. If you've used Microsoft Word's spelling and grammar checker, you'll notice MS-Word leaves behind grammar errors, style usage mistakes, and incorrect word choices. MS-Word also highlights false errors, especially with the grammar checker, making the process of writing very frustrating.*

*StyleWriter can help with any type of writing task; this includes technical manuals, business letters, web site copy, press releases, corporate white papers, legal documents, editorials, employee handbooks, and so forth.*

*Other so-called "writing enhancement programs" and English grammar checkers offer silly advice or duplicate Microsoft Word's existing spell and grammar checker. StyleWriter is different and more powerful than any editing software.*

*StyleWriter is the best word processing writing aid on the market. It teaches you to write in the style of top authors and journalists by checking every document for thousands of style and English usage faults. Many times more powerful than any other writing and editing software, StyleWriter improves your writing style instantly.*

*StyleWriter assumes you can write a sentence and doesn't check your grammar — as Microsoft Word already offers you this feature. StyleWriter concentrates on offering you practical advice that transforms the way you write. StyleWriter mimics an expert editor checking, cutting and rearranging your words to produce a clear and readable style.*

In claiming that it is more powerful than any editing software, StyleWriter distinguishes itself as an improver of writing style, not a corrector. It promises to translate text into clear English, in other words, what is known as ‘plain language’. Plain language is not easy to achieve. One writer, a London lawyer and plain language consultant, describes it thus: ‘You click on a button and in seconds it has checked the whole document for the three main obstacles to understanding: long sentences, passive verbs, and hard words. It gives the document a score for the first two, and an overall score for clarity . . . it works like a spellchecker, flagging word patterns it has been taught to recognise as potential problems’. In characterizing StyleWriter in this way, Perry takes me back to where I started.

In an article in *The New York Times*, on April 4, 2013, *Essay-Grading Software Offers Professors a Break*, 924 comments were posted within the first 24 hours, and the bulk of them were anti the idea. EdX, the enterprise founded by Harvard and MIT to offer MOOCs (massive open online courses) free to the public, will make this software, which uses artificial intelligence to assess writing, available free on the Web. Two other MOOC enterprises founded at Stanford University, Coursera and Udacity, have stated that they will work with EdX to develop a joint system of automated assessment technology. As one of the posters says: ‘What a joke. Do you think a David Foster Wallace essay would get high marks from an algorithm? No, of course not. At the end of the day, all an algorithm can do is quantify deviations from a benchmark’.

The proponents of this technology argue that the value lies in the capacity to give ‘instant feedback’, but the organization of Professors Against Machine Scoring of Student Essays in High-Stakes Assessment, which, according to *The New York Times* article, has collected nearly 2,000 signatures, including from luminaries such as Noam Chomsky, states:

*Computers cannot read. They cannot measure the essentials of written communication: accuracy, reasoning, adequacy of evidence, good sense, ethical stance, convincing argument, meaningful organization, clarity, veracity, etc.*

They certainly can’t deal with the rhetorical subtlety and sophistication required to ensure that a document adheres to the following plain language precepts:

*Content and form*

- Appropriate to the purpose of the communication
- Accessible content—the reader can get to the message
- Understandable—on a first reading—the reader can ‘get’ the message
- Sensitive to the context of the communication and to its readers
- Accurate, precise, relevant, current content
- Action-oriented—the ‘scenario principle’—the reader is encouraged to act on it
- A coherent, logical structure and sequence, with appropriate transitional words and phrases
- Dot-point/vertical lists to break up complex material

- Appropriate use of ‘advance organisers’/‘signposts’ (e.g., titles and headings)

### *Style*

- Appropriate to the purpose of the communication
- Active voice and crisp, strong verbs—subject-verb-object sequence (where appropriate)
- Elegant sentences—not convoluted, rambling with ‘and-ness’, awkwardly embedded sentences introduced with expletives and nominalisations (‘heavy’ nouns) and noun strings
- Parallel structure—where appropriate
- Unambiguous/clear/coherent (unable to be inadvertently or deliberately misconstrued)
- Formal, but not pompously formal
- Conversational, but not colloquial
- Concise/succinct/economical style—not verbose/inflated nor redundant
- Human in tone—not patronising, glib, presumptuous, polemic, aggressive, defensive, or equivocal (use ‘we’ and ‘you’)
- Positive—where appropriate (negative, if necessary, but avoid double negatives)
- Simple—but not simplistic
- Gender-neutral language
- Common terms rather than technical jargon (unless necessary)
- Familiar terms (avoid archaic and arcane and foreign—where possible)
- Consistent terminology (avoid the ‘thesaurus syndrome’)
- Absence of acronyms and initialisms (unless absolutely necessary), clichés, colloquialisms, contractions, ‘cuteness’, ‘buzz’ words and phrases, neologisms and ‘trendy expressions’, euphemisms, humor, hyperbole, irony, puns, metaphors, and vague quantifiers
- Compelling, persuasive style (avoid standard/empty/phatic/introductions and conclusions)
- Visually inviting and consistent layout
- Polished to perfection. (Petelin, 2010)

### **Conclusion**

If computers can’t read, then they can’t parse. They have no ears. Humans do. Software programs can do no more than apply rigid rules and flag potential problems some of the time and, because they consistently miss blindingly obvious errors and suggest completely wrong corrections to text that is already correct, how are these software sellers able to sustain sales? The solution to the problem of self-efficacy of corporate writers seems to me to lie in places other than computer style-analysis programs.

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## Errors in Organizations

### Opportunities for Crisis Management<sup>5</sup>

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*In the traditional crisis management and crisis communication literature organizational errors are seen as something entirely negative, even though error-free organizations should be considered as a chimera. Attention to errors is an important characteristic of so called high reliability organizations (HRO). These organizations have a safety culture that functions proactively and errors are understood as vital sources for resilience, learning and improvement. The aim of this paper is to explore the role and importance of organizational culture, leadership and communication for error management. We will also elucidate what kind of learning error management can foster and suggest how crisis management as a research field and practice can develop by focusing errors. The paper is based on a qualitative study within a university hospital.*

**Keywords:** Crisis management, Internal crisis communication, Organizational errors, Organizational culture, Leadership, Organizational learning

**“Human beings, in all lines of work, make errors.”**

**Kohn et al. (2000)**

Organizational members make errors on a daily bases, sometimes even every hour. Errors are inevitable in organizational life since organizations are social collectives of humans who work towards defined goals. One type of organization where errors are rather common is healthcare organizations. Research indicates that medical errors cause almost 100 000 deaths a year in US hospitals (Kohn et al., 2000). The same situation is the case in Sweden where there are 9,5 millions inhabitants and 3 000 patients die yearly of errors that were possible to avoid (Thornblad, 2012); (Thornblad, 2012). It is equivalent to a domestic airplane crashing every single week a year. The situation in the healthcare sector is heavily discussed in Swedish mass media, which reports extensively on the negative aspects of the health care – frequent economic reductions, overfull emergency departments, worn out staff and the many errors that occur. The Swedish tabloid *Expressen* has launched the Twitter flow *#akutkollen* (eng. the emergency check), where citizens can report their negative experiences from the health care. This initiative is supported by the Swedish Healthcare Association; an association which also has established the honor “Whistle Blower of the Year”, which is awarded to physicians who uncover inconveniences within healthcare.

In 2000, the Institute of Medicine published a report that demonstrated how medical errors were the eighth leading cause of death in the U.S. (Kim & Newby-Bennett, 2012). This report served as a watershed event since it showed that medical errors were not linked to technical issues but

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rather to patient safety mismanagement. Since then patient safety improvement has become a mantra in healthcare organization – not least in Sweden where the health sector has suffered from economic pressure and increasing critique in recent years. One important way to improve patient safety is error reporting. It aims to register errors, facilitate learning from failures and reduce future errors, and thereby improve patient safety.

We also want to stress that error management is closely related to crisis management, as errors can cause a crisis to evolve. However, this relationship is rarely spoken in research or in practice. More specifically, error management can be described as an essential part of internal crisis management. Recently, several scholars (e.g. Sellnow et al., 2010; Taylor, 2010) have pleaded the need to pay more attention to internal aspects of crisis management and crisis communication in order to develop the field, while the lion share has been directed towards external aspects.

The aim of this paper is to explore the role and importance of organizational culture, leadership, learning and communication for error management at a university hospital. We will also discuss what kind of learning error management supports, and suggest how crisis management as a practice can develop by focusing errors.

This paper follows a traditional structure with the sections theory, method, result and analysis, and finally conclusions.

## **Theory**

There has recently arisen an increased interest in organizational errors and rare events as a resource (e.g. Christianson et al., 2009; Goodman et al., 2011; Hunter et al., 2011; Sutcliffe, 2011). Feedback from co-workers is one of the best resources as a warning system and the information can be wisely used for organizational development (cf. Bisel and Arterburn, 2012). Every little error that individual co-workers make is not in itself a threat and a potential risk to an organization, but the combination of many small errors can lead to severe consequences and even to an organizational crisis (cf. Maitlis and Sonenshein, 2010). Perrow (1984) claims that almost 70 percent of all accidents involve human errors. It is therefore rather common that individuals are blamed when mistakes are made. Nevertheless, Reason (1990) stresses that most errors in organizations are caused by a complex chain of events and represent system errors. An example of a contemporary description of organizational errors is: “the actions of multiple organizational participants that deviate from organizationally specified rules and procedures and that can potentially result in adverse outcomes for the organization” (Goodman et al., 2011). Another definition is offered by Hofmann and Frese (2011) who argue that actions are “erroneous when they unintentionally fail to achieve their goal if this failure was potentially avoidable”. Organizational actions can therefore only be labeled as errors when there is a goal to relate the consequences. A related concept is risk, but it’s not synonymous to error. While error is something that has a potential to be avoidable, risk is rather an intrinsic part of a situation and can be analyzed before action is initiated (Hofmann and Frese, 2011).

In the traditional crisis management literature, organizational errors are seen as something entirely negative, even though error-free organizations are a chimera (Clarke, 1999). Festinger (1983) maintains that all development is a product of human failures. Hence, errors can also have a positive and constructive approach and result in organizational learning (van Dyck et al., 2005). In organizations where error management is imbued with a positive approach towards errors, the potential for error detection and learning is much bigger. Organizational learning can be understood as a process when co-workers revise their beliefs, and they then improve the

performance of an organization (Huber, 2004). The new knowledge produces new response repertoires that prepare an organization's capabilities to handle a future, similar situation (Christianson et al., 2009), and thereby reduce the risk of future crises.

There has been a large emphasis on micro issues in the healthcare literature, such as reducing errors, but macro issues as organizational culture and leadership must also be taken in to account (Ruchlin et al., 2004). Otherwise there is an impending risk that no learning takes place at an overall organization level. At least two comprehensive theories on errors at a macro level can be identified: the normal accident theory (NAT) and the high-reliability organization theory (HROT). NAT originates from Perrow's (1984) work and focus the complexity of systems and coupling between parts of a system. Perrow emphasizes that it is impossible to avoid accidents in complex, tightly coupled systems, and that error-prevention systems make the system even more complex and will increase the risk for more errors and accidents. The solution is accordingly to make organizations loosely coupled and independent. HROT stresses organizational culture of reliability where co-workers focus, discuss and reflect on risk and near misses. The main argument is that successful organizations have great potentials and abilities to learn from past mistakes, which is an effect of a safety culture.

Organizational cultures in HROs (high reliability organizations) are characterized by a high degree of flexibility and learning orientation (Ruchlin et al., 2004; Sutcliffe, 2011). Other important aspects of organizations that work successfully with error reporting are (a) reporting without the all too common "naming, shaming, and blaming", (b) open discussion about errors, (c) statistical analysis of error data, (d) education and training programs, and (e) system redesign (Stock et al., 2006). The most characteristic feature of high reliability organizations is the expectance of errors and that co-workers are trained to identify, learn, adapt and reorganize from errors, and they do not isolate failures but strive to learn and generalize from them (Reason, 2000). It is a great challenge to realize and accept that an error-free world does not exist and that perfection is impossible to achieve (Ruchlin et al., 2004). In all organizations different mental models of how things should be run develops over time, and these create inertia to reconsider when new and contradictory information is presented. The rationale is that people act and react on their perception and sensemaking (Weick, 1995). Initiatives to detect errors are although effectively reduced in organizations where co-workers are punished for making errors or blamed, and where errors are swept under the carpet and not discussed openly (van Dyck et al., 2005). In such an organization errors will be suppressed, the same errors will continue to happen over and over again while no learning takes place, and there is great likelihood that severe accidents and crisis will evolve. There is also a problem with too effective error detection – there will be lesser material and errors to learn from and develop new strategies and actions. In other words, the learning potential will be lesser (Sitkin, 1996). On the other hand, fast error detection is vital for minimizing the risk of a large crisis to evolve and people getting hurt.

## **Method**

This empirical study is part of a three-year research project on internal crisis communication within a University Hospital (UH) in Sweden. The hospital is rather new, founded in January 2010 after a merger between two hospitals in two different cities. UH has 12 500 employees and is a complex, multi-professional organization. In this paper we present one part of this broader project that is focused on error management. So far, we have carried out a total amount of 37 interviews with nurses, physicians, managers, and crisis management specialists within the hospital. In most of these interviews we have touched upon error management, which has

increased our overall understanding of error management and its relation to culture, communication, leadership and learning. However, we have also done 11 interviews with managers and nurses within an emergency department with a special focus on error reporting, and it is these interviews that form the primary basis for this paper. Nine of these interviews have been carried out as individual interviews, and two have been conducted as group interviews with three nurses in each group. Each interview has been recorded and transcribed.

## **Result and Analysis**

At UH there is an error reporting system (a database), which co-workers are supposed to use whenever there has been a deviation from the normal. The official definition of a deviation in this context is: “when a patient has been or could have been harmed”. After an employee has written an error report it goes either to a quality coordinator and then to the nearest manager or directly to the nearest manager. In the case of a serious error or incident, an analysis of the incident is made by nurses being appointed as investigators. If needed the physician having the medical responsibility is also included in the investigation. If no further analysis is needed, the person who has done the report is just given some written feedback published in the database.

Below follows a discussion on the error reporting system at UH from a cultural, leadership and learning perspective.

### *Leadership and communication*

Good leadership has been found to be linked to increased learning and willingness to speak up (Edmondson, 2003). As Kim and Newby-Bennett (2012) argue “this does not mean that good leaders increased errors; instead, they created a non-threatening environment that prompted employees to speak openly about errors instead of hiding them” (p. 160). The interviewees confirm the vital role of leaders, which one of the interviewees expressed in the following way:

*Our hospital does not have a good error reporting culture in general. It varies a lot between different units. If the management team encourages you to write error reports, and also wants you to suggest improvements... and if you also have the complete loop with regular feedback – then, you have a good culture. (Nurse)*

All employees have a responsibility to report errors that have been made, but also risks or deficits that can influence patient safety. However, there are no sanctions if you do not report errors, which mean that error reporting to some extent can be seen as optional:

*Within the airline industry there are consequences if you don't report. You risk a warning and so forth. But here there are no consequences for the individual if you don't follow the regulations and report errors. That is part of our problems... (Head doctor)*

Furthermore, the interviews indicate that the responsibility and role of each manager in terms of error management are not very specific. Considering that UH is a very large, complex and to some extent heterogeneous organization, this quite loose organization and absence of sanctions and strict rules, can be both necessary and advantageous. Nevertheless, the lack of sanctions and clear rules make the role of each manager even more important– not least when it comes to the attitude of error reporting among employees, creating an open communication climate and forums for discussing errors and giving feedback.

The way of organizing and managing the error reporting system varies between different divisions and clinics. In some units it is the managers that are responsible for the whole process of error reporting, but in other units there are also quality coordinators who have a specialized and coordinating role for several clinics. Until quite recently the emergency division had a full-time quality coordinator who had an overall responsibility for error management within several units of the division. The person who held that position is described as a true enthusiast who meant a lot for developing a positive error reporting culture and to increase the actual number of reports. Some of the interviewees also think that the quality coordinator could do better investigations and assessments; as an external she could see new aspects of an incident and since she was not a manager she was not seen as a “threat”. The quality coordinator could also interpret data from several departments and discover recurrent problems and broader patterns, i.e. having a helicopter perspective contributing to learning between different units. However, this does not mean that the managers are not important, but that the quality coordinator was an important support to the managers that have a lot of other responsibilities.

The managers within the emergency department that have been interviewed seem to strive for an open climate stressing that it is not persons who are to blame but the system or the organization. The interviewed co-workers also confirm that they are encouraged to write error reports. Recurrent or more serious errors are discussed on different kinds of staff meetings, which contribute to an open climate and enhance learning. However, both managers and co-workers seem to think that lack of feedback on reported errors is something that needs to be further developed. One team leader reflects upon the importance of feedback:

*Our challenge as employer representatives is to give feedback to the staff when they have written an error report. I think that some employees feel that they write error report after error report, but nothing happens, and then it becomes useless. So, feedback is A and O. Otherwise people get tired of reporting. We have improved our feedback, but we have to be even better.*

Some interviewees claim that it can take months until you get some feedback, which not only means reduced motivation but also less possibilities to make a good investigation. Others argue that it is often some kind of default response that is given, which also hamper motivation. Increasingly high pressures on the staff to do more with less resources also seems to have a negative influence on error reporting. High pressures mean less time to write error reports, but also that employees make more mistakes and errors, which seem to give rise to resignation when it comes to error management. The nurses that we have interviewed declared that there are errors that should be reported after every single work shift, but they do not have sufficient time to report. One nurse argues that when crisis is the normal situation, it is hard to see what is a deviance or error.

#### *Error reporting from a culture perspective*

Organizational culture is often argued to be a primary driver of safety and error reduction (Ruchlin et al., 2004; Stock et al., 2006; Weick and Sutcliffe, 2007). We have therefore tried to find out what ideas nurses, physicians and other employees hold about error reporting, what values and beliefs surround error reporting, whose errors are reported by whom, and so forth. Stock et al. (2006) claim that one critical success factor is to move towards a culture that encourages reporting errors openly and without blame. The interviews strongly confirm this idea,

and several of the interviewees argue repeatedly that a previous blame-culture is gradually disappearing.

*When serious things happen, we must not hush, "ooh this might be difficult" [...] No, we must drop it to the surface, so that you play it down and focus on the actual system errors. It is only then the individual in the event can feel a little bit safer. We do not want to hunt the individuals with a blowtorch. We are not there to 100 percent, but we are working on it. (Quality coordinator)*

As indicated in the quote above, a crucial driver in getting away from an accusation culture is to differentiate between the *person* and the *system/process/situation*. As noted above, it is quite clear that managers and other key persons try to create the idea that it is not persons who make errors, but the system. However, as one of the managers argues, it is not always easy to separate:

*We have talked a lot about why you report errors. It is not about accusing someone, it can be something in the situation, which was the reason... But sometimes you can feel that it is person bound, it is a nurse who has given the wrong medication. But if you investigate it further, you often find that it was a very hectic evening or so. There are often many reasons for why a patient got wrong medication. (Manager)*

The emphasis on openness and on errors as connected to the system rather than to individuals, shows that UH have adopted important HRO-principles. At the same time, there are some nurses who think that the tough situation at the emergency department has formed a "questioning culture" and lack of trust among the employees. One nurse said:

*We are pretty good at questioning each other. "Why are you doing like that?", "Have you followed the routine?" I think that this endless questioning has escalated. The jargon is hard here, and it feels like the colleagues want to set you up.*

It should also be noted that the actual error reporting behavior, e.g. who report errors and whose errors are reported, indicate that the idea of error reporting as a tipping system still exist to some extent. According to the interviewees, most error reports are about errors that employees at other department have made and the interviewees see it as a sign of rivalry within the hospital. "It is quite seldom that we write a report on the nearest colleagues or yourself. You don't want to denounce a colleague", says one nurse.

It is also interesting to note that physicians are said to report much less errors than nurses and nursing assistants. Some mention that there are practical reasons for this pattern; physicians simply do not know how to write a report since they have not got any training in how to operate the actual IT system. Other interviewees argue that there are cultural aspects explaining low levels of error report among physicians.

*Physicians are special. They are extremely collegial. They would never criticize or report each other's errors. All physicians in Sweden regard each other as colleagues. (Manager)*

Thus, physicians tend to identify with their profession and are regarded by nurses as a closed "brotherhood". They have their own meetings where they discuss different issues and problems. In sum, there exist two parallel staff cultures at the hospital, which also make the work -with error

reporting and learning difficult. Even so, some argue that physicians at the emergency department report errors more often than physicians at other departments. Some interviewees also claim that the culture at the emergency department is less hierarchical than at other departments, which can be one explanation to this pattern (cf. Kim et al., 2012).

### *Organizational learning and errors*

Research confirms that communication is a root cause for as much as 70 percent of errors in healthcare organizations (see Weaver et al., 2011). The employees at UH also share this understanding; the head doctor at UH explained: “Miscommunication is a red thread in almost all serious healthcare errors and accidents. In the healthcare sector we are rather unclear in our communication, and start guessing what probably was meant.” Communication is thus a great source to errors, but it is also the most important tool for reflection and learning (Weick and Ashford, 2001). According to the literature communication and an open communication climate is a prerequisite for error-detection and learning. Without communication among co-workers there will not be any shared reflections, sensemaking, experience exchange and learning where new knowledge is produced. It is therefore important that leaders at the emergency focus on error reporting and discuss the most important reports with the staff. Through such discussions experience is shared and new knowledge produced.

At the emergency there are several formal meetings where errors are discussed. There are three, shorter “pulse”-meetings every day when the different work shifts changes. The old shift informs the new what has happened during the shift, and these meetings give thus possibilities to share experiences and knowledge. The team leaders also call the staff to monthly workplace meetings, where a standing discussion point is errors. Different problems or challenges are discussed and the team leaders emphasize that they want the co-worker to deliver the solutions. Before the merger between the two university hospitals there was a strong focus on implementing the ideas of lean management or lean healthcare. The work to implement and work according to the principles of lean management has gradually faded when all energy was put on the merger process. However the emergency will soon start a new project and use “improvement bulletin boards”, which is clearly in line with lean principles. The co-workers will have short daily, improvement meetings and discuss how problems can be solved and errors be avoided.

The interviews also indicate that learning mainly takes place in informal communication between co-workers, for example by trying to solve problems directly. The staff takes own initiatives to find better solutions and routines when problems appear. A nurse explained: “We improvise a lot and take directly care of problems that appear.” This kind of learning is often efficient, but the learning tends to be quite local, limited to a specific work group. The head doctor at UH means that an important effect of this kind of learning is that only vital errors will be reported in the system, since more simple problems are taken care of directly. Further, it seems that the learning focus is on rather simple things such as new routines, while value or norm breaking reflections are not that common. On the other hand, since many large crises are products of small changes and errors, actions taken to correct small problems just as they happen is wise from a crisis management perspective (cf. Christianson et al., 2011).

As discussed above, a problem in a large and complex organization, as a university hospital, is that learning tends to be productive only in small units and in informal groups, but learning between units are problematic (Heide, 2002). Our interviewees cannot recall that they have taken

part of experience or knowledge produced at other departments. One team leader underlines that learning exchange between departments is difficult. At different occasions initiatives have been taken to discuss errors between several departments, but the discussions were unsuccessful and ended up in “custard-pie throwing”. It is further problematic with vertical knowledge sharing at UH. The total amount of errors that is reported on an aggregated level equals at least 10 000 a year. These are errors that quality coordinators and managers in the organization have coded as important for the whole organization, but the reported errors cannot be analyzed and used for an organizational learning purpose. The head doctor shrugged the shoulders and said: “What can we do with 10 000 errors. It is impossible for us at the top level to analyze them. It is at total mess.”

A problem at the UH emergency is the employee turnover which is high; some employees stay only three months, while the majority stay a couple of years at the emergency. One nurse told us: “many errors can be solved with new and better routines, but it becomes problematic when there is a constant flow of new co-workers. This means that new teaches new.” An additional problem is the three shifts that make it difficult to share ideas, experience, new routines and knowledge among the co-workers. Christianson et al. (2011) underline that healthcare organizations have certain characteristics that make it difficult to adapt the ideas of HRO: 1) continuous demands to reduce cost and increase efficiency tends to dismiss the focus on safety, 2) shifting workforces, temporary teams and job rotations obstruct learning and error reducing, and 3) the high demands on the staff to take actions to save life means that there is not sufficient time to reflect or collect information before handling. Another challenge is the physicians who are employed at other departments, and only work at the emergency during a certain time period. There is not yet an emergency specialism for physicians, and the emergency has no permanent physicians in the staff. The physicians are regularly guests at the department, and it does hamper the ambition to improve organization learning.

## Conclusions

An increasing critique against traditional crisis communication research is the one-sided focus on external aspects such as response strategies, image repair and external stakeholder relations (e.g. Taylor, 2010; Alessandra and Silvia, 2012; Johansen et al., 2012). (e.g. Johansen, Aggerholm, & Frandsen, 2012; Mazzei, Kim, & Dell'Oro, 2012; Taylor, 2010). Going beyond the strong focus on external dimensions, while also studying what happens inside an organization, seems to be necessary in order to further develop the crisis management field. In this paper we have focused on error management, which reflects internal communication processes, and relationships that can help organizations detect small changes and deviations that can lead to a crisis and trigger organizational learning. We believe this knowledge contributes to our understanding of signal detection, crisis perception and crisis learning.

The university hospital that we studied has a special IT system for error reporting. There seems to be a continuous development of this system in order to make it more encompassing and easier to categorize different types of error. At the same time, it is quite obvious from this study that it is not the technical tool that is most crucial and challenging here, but rather the communicative aspects of leadership and organizational culture.

Several researchers (e.g. Stock et al., 2006) stress the importance of organizational culture in order to achieve a decline in medical errors. An important part of this culture is a preoccupation with failures and an open climate where employees feel safe to report and discuss errors (cf.

Weick and Sutcliffe, 2007; Hunter et al., 2011). If leaders do not work actively to encourage an open and reflective communication climate, there is an impending risk that errors are accepted, taken-for-granted, and a climate of silence develops as a result of collective sensemaking (cf. Morrison and Milliken, 2000). Organizations, where co-workers are aware of and acknowledge that errors happen frequently and continuously, are in a better position to establish prerequisites for error detection, reporting and learning (Hofmann and Frese, 2011). Leaders have an important function to be facilitators of error reporting. It is essential to exercise strong leadership to ensure errors are emphasized as an important resource for the development of the organization. Failures and errors are definitely at the top of the agenda in the university hospital that we have studied. According to the interviewees, the idea of error reporting as a way of complaining and accusing colleagues is not dominant any more – even if hierarchical and cultural differences between nurses and physicians still exist. A key driver in this increased openness is a meta-message that it is the system or the organization that makes errors, not persons. It is also said that incidents should be reported, not mistakes by individuals. This meta-message seems to have been adopted and communicated by the managers and the quality coordinators that we have interviewed. A challenge in this organization is its size, since larger organizations tend to reduce perception of open communication with managers (Jablin, 1982).

Leaders have also an important role as facilitators of learning in their own staff groups through creating opportunities to discuss and solve serious and recurrent problems at staff meetings. These communication forums seem to have a key role in enhancing both learning and fostering an open communication climate. Managers at different levels and in different key positions also stress the need of feedback in order to motivate employees. However, managers have many different roles and responsibilities, and both managers and co-workers report that there is not enough time to give quick and rich feedback. The lack of feedback creates a credibility problem which can be noticed as a certain indifference among co-workers: “Does it really help if I report errors?”, one nurse asks. Thus, our conclusion is that the managers that have been interviewed seem to be aware of their importance as role models, facilitating detection of errors, prizing those who report errors and building a trustful communication. But the current turbulent situation with increased economic pressures and organizational problems, mean that they do not have sufficient time and energy to work in accordance with such HRO-principles. An important conclusion is that the error management system primarily functions during the pre-crisis phase (signal detection and crisis perception) and the post-crisis phase (learning and resilience). During an acute crisis there is no time or place for error reporting. Many co-workers at UH perceive the current state as an organizational crisis and the error reporting has also decreased during the last years.

As concerns organizational learning linked to the error management system, it tends mainly to take place on a local, micro-level. At the emergency it seems to be quite often that small errors in daily micro-practices are observed and solved directly in informal communication practices among colleagues. As noted above, managers also inform and initiate discussions about recurrent and serious problems at various staff meetings. But even at these formal meetings, learning is limited to the own staff group, and the horizontal learning between different units and departments within the hospital seems to be virtually non-existing. Our study also demonstrates that it is difficult to create learning at aggregated levels, e.g. for a whole division or at the overall hospital level.

Consequently, we have defined a great potential for increasing horizontal and vertical learning from error reporting. We believe this kind of learning is an essential part in working more

strategically with error reporting and crisis management. UH is a large and complex organization composed by loosely coupled departments and units, and they tend to work and function rather independently. According to NAT, organizations should not be tightly coupled since it makes an organization slower in reactions and much more vulnerable in a crisis situation. But a result from our study is that the quality coordinator (QC), that earlier was responsible for the error reporting system at the emergency division, played an important role in facilitating a more comprehensive learning process and a strategic approach. The QC clearly acted as a catalyzer and facilitator for error management and increased the possibilities to exchange experience and knowledge between units within the division. Further, the QC had capabilities to observe error patterns among different departments, and could consequently detect evolving crises. The QC also had an important communication role in being a bridge both vertically and horizontally in the organization. Now when the QC-function is withdrawn, as an effect of economic savings, the responsibility for coding the reports in the system, the interpretations, and feedback is given to the team leaders, which do not have the helicopter-perspective and probably will not have the same possibility to discover overall patterns. We see an increasing risk that practice will be reduced to tactical work and “putting out fires” that break out frequently. A further consequence is that the effectiveness ideal of New Public Management forces SUS away from the fundamental HRO-principles – a change that will increase the focus on success rather than failure, and efficiency instead of reliability (cf. Weick et al., 1999).

Another crucial part in working more proactively and strategically is to create a much closer link between error management and crisis management. It is obvious that our interviewees can see a direct and close connection between them, but this awareness is not reflected in the organizational structure where error management and crisis management seem to be two separate functions or systems. In recent years, there have been various attempts to implement lean health care where reflections and problem solving are important ingredients. The large problem with errors within medical healthcare organizations will certainly require new managerial ideals and practices (Stock et al., 2006), and lean health care can be of great help here. But again, we see a tendency that different functions and principles are not enough integrated, and we would like to see a much closer link between error management and leant health care.

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## Ethics, Culture and Consequences of Naming Suspects in Global Media

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Every summer many Arab families from the Gulf states of Saudi Arabia, Qatar, Bahrain, Kuwait and the United Arab Emirates flee the extreme desert heat for London. Many young Gulf Arab men ship their luxury cars to drive in the Knightsbridge area near Harrods. The value of the shipped cars can exceed \$80 million and sport license plates in Arabic script that London police officers are unable to identify. Other young men rent Lamborghinis, Maybachs or Aston Martins from London car dealers rather than shipping their cars from the Gulf.

On July 25, 2010, before 2AM in Knightsbridge, two young men from Abu Dhabi, United Arab Emirates, recklessly drove their rented Lamborghini Gallardo car valued at \$250,000. The supercar careened out of control smashing into four other expensive parked vehicles, including a BMW that flipped over. There were no injuries in the crash, and the Emirati driver upon exiting his wrecked supercar said, "Don't worry, we'll pay for everything." On August 3<sup>rd</sup>, the passenger Sultan Khalifa Al Muhairbi, 35 years old, was charged with perverting justice, and the driver Abdulla Saeed Khalfan Al Dhaheeri, 28 years old, was charged with risky driving without insurance.

The incident received no coverage in Gulf Arab newspapers except for a mention in the Dubai, United Arab Emirates, tabloid, 7 Days, which did not, as is typical in Gulf newspapers, reveal the full names of the two suspects. Newspapers in the UK and other Western media published the full names. These two approaches to naming suspects in mass media is a cross-cultural ethics issue. While Western media observers may believe suspects are not named in Asian media due to a lack of transparency, there is another underlying reason in Gulf culture that makes naming the accused problematic. In the case of the two Abu Dhabi men in London, they are not the only ones who will suffer a blow to their reputation with their names in the media as potential criminals. In the highly collectivistic culture of the Arab Gulf, members of their family will also be looked down upon. Their sisters will find it difficult to get married since prospective grooms' families will not want to associate their good family name with a suspect family. The naming of suspects in a global media system where everyone has access to the same Google, Facebook, Twitter and other search engines and social media, means the media values of one system can override the ethical considerations that have been put into place in another for reasons of cultural protection and preservation. The individualistic culture of Western media does not consider the ramifications of naming names and shame in non-Western cultures.

This paper explores the ethical considerations of the balance between the West's cultural imperative of transparency and full revelation of facts in reporting, and the East's consideration of the effects of full reporting on the people and community being covered. The Western ethical perspectives of Kant, Mill, Rawls and others will be applied, as well as the reaction of the Emirati students in my Media Ethics classes where this paper was used as a case study. The study

concludes with the question of whether practitioners operating in a global media environment should take into account local culture when creating media that will be consumed around the world affecting not only the individuals they are reporting on but also their extended families.

*Keywords: Image, Identity, and Reputation management*

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## Exploring the Effectiveness of Creating Regulatory Fit in Crisis Management

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*This paper examines an important issue in crisis management, how to influence the public's perceptions of the news media's reporting of a crisis. Previous research has found that the congruency between the regulatory orientation of the consumer and a product recall message, also known as the regulatory fit effect, increases compliance with a product recall request. Could the creation of a regulatory fit effect prior to reading a news article about a crisis also be beneficial to a company? Two separate experiments conducted in the USA and India involving crises in different industries (airline and tires) examined this issue, and found that contrary to previous research reactions towards the company were more negative in terms of expectations for a product recall, and future purchase intentions. In addition, the findings show that these negative consumer reactions occurred because regulatory fit enhanced people's vulnerability to harm after reading the article. These results suggest that a company should consider creating regulatory non-fit in order to influence the public's perceptions of a crisis.*

During a crisis, a company typically encounters negative publicity from the news media which can adversely influence the public's perceptions of the company. This can occur even at the initial stages when there is uncertainty regarding the culpability of the company for the crisis. At this critical stage consumers form their perceptions quickly from media reports, and it is very difficult for companies to change these first impressions (Sjovall & Talk, 2004).

The public's reaction to these media reports also can be swift and damaging to a company. A good example of this is the Toyota sudden acceleration crisis in 2010, where public opinion quickly turned against the company, and sales of its cars were adversely impacted after reports in the news media surfaced (Liker & Olgen, 2011). It is worth noting that a negative reaction towards a company during a crisis can take place even if the company was not the actual cause of the crisis. In the case of Toyota, a 2011 government investigation in the United States vindicated the company, suggesting that the accidents were caused by driver error (Liker & Olgen, 2011).

Despite having limited influence over the news media's message, is there a way for companies to bypass the message, and still influence how the public perceives the news reports about the crisis? This paper examines one way companies can try to manage the public's perceptions during a crisis - creating regulatory fit. Numerous studies have demonstrated that the experience of regulatory fit can affect the persuasive value of a message such that when framed to fit the viewer's regulatory orientation, messages are evaluated more positively as compared to when non-fit framing takes place (Cesario, Grant & Higgins, 2004; Lee & Aaker, 2004). As Laufer and Jung (2010) point out, the regulatory orientations of the target markets can be assessed based on

the positioning strategies of companies, and they give examples from the automobile industry to illustrate this point: “Volvo targets more prevention-oriented customers as reflected by their slogan “Safe and Sound” (www.volvo.com), and BMW targets more promotion-oriented customers which can be seen through their slogan “Driving Pleasure” (www.bmw.com)” (Laufer & Jung, p. 148).

Previous studies examining the effectiveness of creating regulatory fit have focused primarily on situations where companies have control over the message. For example in the context of crisis communications, Laufer & Jung (2010) created regulatory fit by aligning the regulatory orientation of the target market (promotion) with the product recall message associated with defective laptop computers (“By replacing the battery you will enhance the performance of your laptop. The benefits of replacing the battery include faster processing times and a longer lifespan for your laptop”). Laufer & Jung (2010) found that by creating regulatory fit with the message, consumers were more likely to comply with a product recall request.

Despite being much less common than creating regulatory fit with the message, it is worth noting that companies can also create regulatory fit independent of the message. For example, a company can create regulatory fit through the placement of advertisements that are congruent with the regulatory orientation of their target markets before consumers read articles in newspapers about a crisis associated with the company. The placement of advertisements prior to reading about a crisis in the media is increasingly possible in an online environment. For example, Google sells advertising space based on search terms (see www.google.com), and if a company is successful in the bidding process for the search terms, people could see a company’s advertisement before other items related to the search term, such as newspaper articles. Toyota decided to pursue this strategy, and when people searched the term “Toyota Crisis” with Google, the first item that appeared was a paid advertisement from Toyota (see note 1).

An important issue for companies that are considering this type of strategy is determining whether creating regulatory fit independent of the message reduces the negative effects of media reports. For example, can regulatory fit reduce the pressure for a product recall, giving the company more time to investigate the cause of a crisis? An unnecessary recall can be very expensive, and damaging to the company’s image. In addition, can regulatory fit prior to reading about the crisis in the news media increase consumers’ purchase intentions of the company’s products or services? This paper examines these questions, which could have important implications for companies’ crisis communications strategy.

## **Literature Review and Research Questions**

Regulatory fit (non-fit) occurs when the manner in which a goal is being pursued is consistent (inconsistent) with the regulatory orientation of the individual (Higgins, 2000). Consumers can either be promotion-focused who are motivated by achievements or prevention-focused who are motivated by avoiding threats.

Numerous studies have demonstrated that the experience of fit can affect the persuasive value of a message such that when framed to fit the viewer’s regulatory orientation, messages are evaluated more positively as compared to when non-fit framing takes place (Cesario, Grant & Higgins, 2004; Lee & Aaker, 2004). Consistent with these research findings, Laufer & Jung (2010) found that regulatory fit increases compliance with a product recall request by a company.

A number of researchers suggest that this positive effect on persuasion resulting from the congruence of the message with the viewer's regulatory orientation occurs because of a "feeling right" effect that arises from experiencing regulatory fit (Cesario, Grant & Higgins, 2004). This "feeling right" effect increases individuals' feelings about the "rightness" of their reactions, which is then misattributed to the target object. In the case of a message, the "feeling right" effect generates a more positive response in terms of persuasion. In other words, people are more persuaded by a company's message as a result of experiencing regulatory fit.

Although regulatory fit can be created within the evaluation task itself (for example, by framing the message to fit the viewer's regulatory orientation), fit can also be created independently of the evaluation task. For instance, an individual can experience fit (or non-fit), and then be asked to evaluate a task. Could pursuing this strategy generate a positive response for a company during a crisis, similar to the findings from previous research which examined the benefits of framing a message to fit the viewer's regulatory orientation? Or does the creation of regulatory fit independent of the message generate a different type of response among the public? Unfortunately the impact of creating regulatory fit independent of the message has not been examined previously in the context of crisis management. Therefore, it is not clear whether pursuing this communications strategy during the initial stages of a crisis is actually beneficial for a company.

Over the past few years the global environment has become increasingly relevant for even smaller-sized companies due to a number of factors including the emergence of global marketing channels, the internet, and free trade agreements. As a result, it is becoming of critical importance for companies to understand how to effectively deal with product harm crises around the world. An issue of particular concern to a company during a product harm crisis in a global context is whether consumers feel that a product recall is necessary in their home countries, even though the product harm crisis is occurring overseas. In the case of Toyota, the company came under increasing pressure around the world for a product recall, even though the overwhelming majority of incidents were reported in the United States (Liker & Olgen, 2011). If creating regulatory fit prior to consumers' exposure to media reports about a product harm crisis overseas helps a company reduce the pressure to conduct a product recall in their other countries of operation, this could provide companies with more time to conduct a thorough investigation to assess whether a global product recall is even necessary. As previously mentioned, the cause of a product harm crisis is not always company-related, and the costs of an unnecessary product recall can be very significant. Therefore,

RQ1: Does the creation of regulatory fit prior to consumers' reading a news article about an ambiguous product harm crisis occurring overseas reduce the pressure on a company to launch a product recall in their country?

## **Methods – Experiment 1**

### *Participants*

The participants were 119 people from an online subject pool in India. Their ages ranged from 18 to 66 ( $M=29.90$ ,  $S.D.=9.59$ ). The participants were 33% female ( $n=39$ ) and 67% male ( $n=80$ ).

### *Design and materials*

The research was conducted online, and the material was in English. Participants received directions, were randomly assigned to a fit/non-fit condition, and then read a fictitious newspaper article about an ambiguous product harm crisis involving accidents associated with a brand of tires in Europe (see Appendix A for article). This type of stimulus has previously been used in studies both in the United States and overseas to depict a media report of an ambiguous product harm crisis (Laufer & Gillespie, 2004; Laufer et al., 2005). A fictitious brand was used in the article in order to control for the impact of prior reputation. After reading the article, the participants answered questions related to the experiment. The participants completed the entire experiment in about 20 minutes.

### *Measures*

Regulatory fit was operationalized independently from the article, using a method by Freitas & Higgins (2002). It is worth noting that this method of creating regulatory fit has previously been used in both Marketing and Psychology studies (i.e., Koenig et al. 2009). The manipulation of regulatory fit was accomplished by asking participants to first list either a current “hope or aspiration” (promotion-focus induction) or a current “duty or obligation” (prevention-focus induction) and then asking them to list five means they could use to achieve this goal. The participants were randomly assigned to one of two sets of instructions to list means to achieve their goal: 1) “Please list 5 strategies you could use to make sure everything goes right” (promotion-related means), or, 2) “Please list 5 strategies you could use to avoid anything that could go wrong” (prevention-related means). Matching goal type with strategies yields four possible conditions: two regulatory fit conditions (promotion-promotion and prevention-prevention) and two regulatory nonfit conditions (promotion-prevention and prevention-promotion). The regulatory fit conditions and non-fit conditions were combined for purposes of the analysis, so the combined regulatory fit condition (promotion-promotion and prevention-prevention) was compared with the combined nonfit conditions (promotion-prevention and prevention-promotion). This approach has previously been used in the literature to examine the regulatory fit effect (Vaughn et al. 2006).

The dependent variable of interest in the experiment was the degree to which people felt the company should recall the product. The measure was a one-item scale: “In my opinion “Star tires” should recall the product”. Responses were recorded on a seven-point likert scale anchored by “strongly agree” (1) and “strongly disagree” (7).

### **Results – Experiment 1**

A one-way ANOVA was conducted to evaluate the effects of regulatory fit on the degree to which people felt the company should recall the product.

The results revealed significant differences on the degree to which people felt the company should recall the product between the fit and non fit conditions ( $F(1, 118) = 5.62, p < .02$ ). Participants in the fit condition ( $M=2.82, S.D.=1.66$ ) believed more strongly that the company should recall the product, than participants who were in the non-fit condition ( $M=3.58, S.D.=1.83$ ) (see figure 1).

## Discussion– Experiment 1

Experiment 1 found that when a company created regulatory fit prior to consumers reading an article about an overseas product harm crisis, consumers felt more strongly that the company should recall the product as result of reading the article. This suggests that creating regulatory fit prior to reading a news article about a crisis is harmful to a company, and the creation of regulatory non-fit is a more effective strategy.

Due to these non-intuitive results, we wanted to further investigate the phenomenon. We decided to conduct another experiment to examine whether the findings are generalizable to other types of crisis situations (media reports of travel delays associated with an airline) and to other countries (USA). In addition, in the new experiment instead of expectations of a product recall, we examine another dependent variable of interest during a crisis - future purchase intentions. If we replicate the results of experiment 1, it would strengthen the validity of our findings, and provide further evidence that companies should not pursue a strategy of creating regulatory fit, and consider the creation of regulatory non-fit instead.

H1: Creating regulatory fit prior to reading a news article about a crisis reduces future purchase intentions when compared with a non-fit condition.

In addition to examining the effect of regulatory fit on future purchase intentions, we look into a possible explanation for these effects. Whereas previous research has primarily focused on “feeling right” as the underlying explanation for the regulatory fit effect on persuasion, more recent research suggests that in addition to “feeling right”, regulatory fit can cause people to become more engrossed or engaged in a task, thereby causing them to believe there is an increased event likelihood (Pham and Avnet, 2009). Based on these findings, we suggest that the reason people react more negatively to a news report about a crisis after experiencing regulatory fit is because they believe there is a higher likelihood they will experience harm to themselves as a result of the crisis. This could explain why people are less likely to purchase the product in the future after experiencing regulatory fit. By not purchasing the product, they are protecting themselves from future harm:

RQ2: Personal vulnerability to harm will mediate the relationship between regulatory fit and future purchase intentions.

## Methods – Experiment 2

### *Participants*

Participants were 63 undergraduate students from a university in the United States. Their ages ranged from 18 to 23 ( $M=20.54$ ,  $S.D.=1.15$ ). The participants were 49% female ( $n=31$ ) and 51% male ( $n=32$ ).

### *Design and materials*

Participants were seated at separate writing stations during the experiment. They received directions, were randomly assigned to a fit/non-fit condition, and then read a fictitious newspaper article about flight delays (see Appendix A). This type of article was chosen because of the

relevance of this scenario to the participants, who have experience flying overseas due to a study abroad component in their academic program. A fictitious company was used in the article in order to control for the impact of prior reputation. After reading the article, the participants answered questions related to the experiment. The participants completed the entire experiment in about 20 minutes.

### *Measures*

Regulatory fit was operationalized independently from the article, using the same method as in experiment 1. The dependent variable in the study, future travel intentions with the company, was measured by asking participants if after reading the article, they would consider flying with the airline. Responses were recorded on a seven-point scale anchored by “definitely no” (1) and “definitely yes” (7).

Finally the measure used for perceived vulnerability was based on a scale previously used in the literature (Laufer & Gillespie, 2004) and included the following three items: the how likely do you think you would experience flight delays if you used the airline (0 = not likely to 10 = very likely), how concerned would you be that you would experience flight delays if you decided to use the airline (0 = not concerned to 10 = very concerned), and how worried would you be that you would experience flight delays if you decided to use the airline (0 = not worried to 10 = very worried). These three items showed good internal reliability ( $\alpha = .83$ ), and were averaged to form an index measuring perceived vulnerability.

### **Results – Experiment 2**

A one-way ANOVA was conducted to evaluate the effects of regulatory fit on future travel intentions with the airline.

The results revealed significant differences on future travel intentions with the airline between the fit and non fit conditions ( $F(1, 62) = 4.93, p < .03$ ). Participants in the fit condition ( $M=3.78, S.D.=1.36$ ) were less likely to travel with the airline in the future, than participants who were in the non-fit condition ( $M=4.61, S.D.=1.61$ ) (see figure 1). Therefore, H1 was supported.

In order to determine whether personal vulnerability mediates the relationship between regulatory fit and future travel intentions with the airline, a series of four univariate regressions were analyzed (Baron & Kenny, 1986). This method has been used extensively in the literature to test for mediation, including studies related to crisis management (Laufer & Gillespie, 2004).

- 1) Future travel intentions with the airline = f(regulatory fit/non-fit):  $B=0.27; t=2.22$  ( $p < .03$ )
- 2) Future travel intentions with the airline = f(personal vulnerability):  $B=-0.50; t=-4.47$  ( $p < .001$ )
- 3) Personal vulnerability = f(regulatory fit/non-fit):  $B=-0.24; t=-1.94$  ( $p < .06$ )
- 4) Future travel plans with the airline = f(personal vulnerability, regulatory fit/non fit):  $B_1=-0.46; t=-4.03$  ( $p < .001$ ),  $B_2=0.16; t=1.44$  ( $p < .16$ )

The results from the analysis of the four univariate regressions above support a mediating effect of personal vulnerability on future travel intentions with the airline. Mediation is indicated if

inclusion of the mediator (personal vulnerability) in a regression model predicting the dependent variable (future travel intentions with the airline) results in attenuation of any significant relationships between the dependent variable (future travel intentions with the airline) and the independent variable (regulatory fit/non-fit). As a result of the inclusion of personal vulnerability in the regression predicting future travel intentions with the airline, the effect of regulatory fit/non-fit on future travel intentions with the airline becomes insignificant; however, the effect of personal vulnerability remains significant.

### **Discussion – Experiment 2**

Experiment 2 replicated the findings of experiment 1 by further demonstrating that experiencing regulatory fit prior to reading a news article about a crisis is not beneficial to a company, and is actually more harmful than helpful. On the other hand, creating an experience of non-fit reduces the negative effects of the news article. In addition, this experiment found the reason for the negative effect of regulatory fit on future purchase intentions - an increased belief of personal vulnerability to harm resulting from the crisis.

### **Limitations – Experiments 1 and 2**

Experiments have certain limitations, such as limiting external validity. However despite this potential weakness, experiments provide stronger evidence than other methods, such as single case studies, for drawing causal inferences (Coombs & Schmidt, 2000). In addition, multiple experiments in different settings provide stronger evidence of generalizability. Our experiments were conducted in different countries (USA and India) with different samples (students and non-students), and involved crises in different industries (tires and airlines).

### **General Discussion**

This research suggests that companies should exercise caution when incorporating regulatory fit in Crisis Management. Whereas Laufer & Jung (2010) found that regulatory fit is an effective way to increase intentions to comply with a product recall request when regulatory fit was created through the message, this study found that it can be detrimental when regulatory fit was created before consumers read a news article about a crisis. In experiment 1 regulatory fit was found to increase subjects' expectations for a product recall, while regulatory non-fit decreased it. In experiment 2 we found that regulatory fit caused subjects' purchase intentions to decrease, while regulatory non-fit increased purchase intentions. Furthermore, experiment 2 found that the negative effect of regulatory fit was caused because it enhanced levels of personal vulnerability to harm after experiencing regulatory fit. These two experiments taken together demonstrate that the negative effect of regulatory fit created prior to reading media reports about a crisis is generalizable to different crisis situations as well as to different countries.

The findings from this research have important implications for companies dealing with a crisis. For example, a company like El Al, Israel Airlines, whose target market consists primarily of consumers who are prevention-oriented (motivated to avoid danger, such as terrorist attacks) should think twice before running an advertisement highlighting the company's track record for safety (for example, by showcasing advanced high tech equipment that is effective in preventing terrorist attacks in an advertisement) before an article appears about a crisis, such as flight delays used in this experiment. As previously mentioned, in an online environment companies can place

their advertisements before news articles by bidding for search terms through Google. The company may think that by creating regulatory fit through advertising before people read an article about a crisis, consumers will respond more favorably towards the company. However our research findings show that the exact opposite effect is occurring - creating regulatory fit prior to reading the article causes people to react more negatively towards the company. Therefore, the negative consequences for a company like El Al are significant in two ways. In addition to increasing costs through additional advertising, the company is also decreasing its future revenue potential as a result of this type of advertising.

Despite our findings regarding the effectiveness of creating regulatory fit, a company should consider the creation of regulatory non-fit which occurs when the manner in which a goal is being pursued is inconsistent with the regulatory orientation of the individual (Higgins, 2000). Based on our findings, this would be beneficial to a company by lowering consumer expectations for a product recall (experiment 1), and increasing purchase intentions (experiment 2). The reason regulatory non-fit is beneficial to a company is because it makes consumers feel less vulnerable to harm (experiment 2). An example of creating regulatory non-fit with El Al, Israel Airlines would be if the company advertised that its planes are so comfortable that business passengers are able to relax on the flight, and be energized to conduct business when they land in Israel. This creates regulatory non-fit because El-Al's target market is primarily prevention-oriented (concerned about terrorism), and the advertisement is promotion-oriented (increased likelihood of success in business by flying with airline)

This research sheds additional light into the regulatory fit effect in a Crisis Management context. Coombs (2007) rightfully calls for more theory-driven research in the area of Crisis Management. However, when incorporating theories in Crisis Management, it is important to realize that in addition to a main effect, there can be moderating factors. In this research we identified one moderating factor, how regulatory fit was formed (prior to message vs. integral with message). Future research should explore moderating factors in other theories as well. Incorporating theories from other disciplines such as psychology can provide valuable insights to companies in order to improve the effectiveness of their responses to a crisis. However, it is also important to understand the conditions under which these theories operate. The extent to which companies understand the conditions will determine whether crisis management strategies based on these theories are successful, or not.

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## Appendix A

### **Experiment 1 -Conducted in India Accidents Associated with Tire Blowouts Under Investigation by the Consumer Protection Agency**

The consumer protection agency has begun an investigation of “Star tires” after reports of a number of accidents involving the tires. The accidents were associated with tire blowouts and occurred to drivers throughout Europe. A number of people sustained injuries as a result of these accidents.

No conclusive link has yet been found between “Star tires” and the accidents. “Star tires” issued a statement suggesting that the accidents could have resulted from adverse road conditions resulting from poorly maintained roads and bad weather such as hail and heavy rain.

The consumer protection agency will continue its investigation by interviewing more Star employees and drivers in the upcoming weeks.

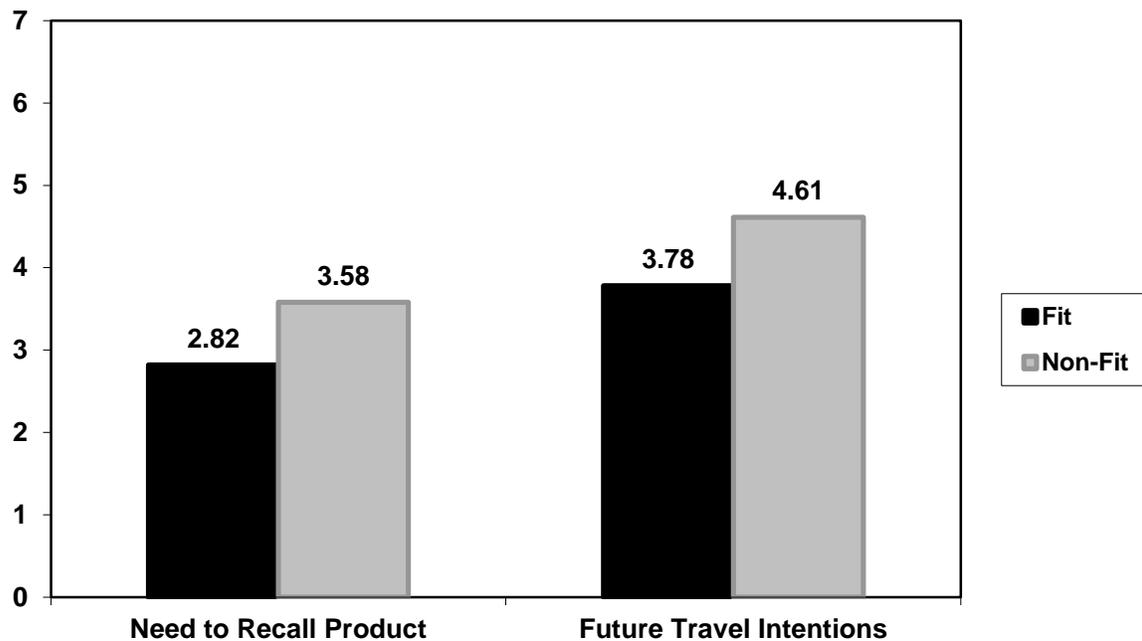
### **Experiment 2 - Conducted in USA Flight Delays to Israel**

The Federal Aviation Administration (FAA) has received a number of complaints from passengers about the airline “Flysky\*”.

In their complaints passengers criticized Flysky for frequent delays, suggesting that the delays were caused by a lack of proper maintenance of the planes. The airline however issued a statement claiming that the delays are typically caused by passengers not following luggage size guidelines while boarding the airplane. Flights cannot depart until all baggage is securely stored, and by violating the baggage guidelines Flysky claims that flight attendants need to spend extra time to find space for the luggage.

The FAA will begin an investigation into the matter over the next few weeks.

\*(Flysky is a fictitious name. The airline’s real name has been changed for legal reasons)



**FIGURE 1.** Effect of regulatory fit on need to recall the product (Experiment 1) and future travel intentions (Experiment 2) – See note 2

## Notes

1. We verified this by searching for “Toyota Crisis” using the Google search engine
2. The need to recall product scale in experiment 1 is a seven-point likert scale anchored by “strongly agree”(1) and “strongly disagree” (7), so the lower the number, the stronger the expectation that the company should recall the product. In experiment 2, future travel intentions was measured by asking the participants if they would consider flying with the airline on a seven-point scale anchored by “Definitely no” (1) and “Definitely yes” (7). Therefore, the greater the number, the higher the likelihood of future travel with the airline.

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# Exploring the Effects of Plausibility and Stability of the Cause in External Explanations of Poor Financial Results

## A Study Among Dutch Professionals

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*Throughout the past decade, the Investor Relations discipline has been heavily criticized as a result of fraudulent financial reporting practices by large multinationals. It seems to have had a difficult task in encouraging favorable corporate impressions, trust and investments. From a scholarly perspective, however, very little is known about what makes performance reports trustworthy and attractive for its financial audiences. This paper aims to explore how financial professionals respond to different external explanations of poor financial results. A small-scale experiment is conducted in which Dutch professionals make company judgments – i.e. in terms of image, trust and investment intentions –after reading a brief statement on a company’s poor performance. The external causes provided are manipulated for plausibility (plausible-implausible) and stability (temporary-persistent). The study shows that companies are trusted and appreciated most when they explain their poor results by plausible, stable causes. Dutch professionals appear to be sensitive to implausible explanations.*

Ever since multinationals such as Enron and Ahold engaged in fraudulent disclosure practices about a decade ago, companies’ reports on operational and financial performance have been received with skepticism by corporate stakeholders. Disclosure incidents have raised worldwide bids for more transparent and reliable communication and have spurred public scrutiny of corporate reporting (Allen, 2002; Laskin, 2009). The media, for instance, have repeatedly indicated that “managers tend to blame poor [...] performance on temporary external factors” (Barton & Mercer, 2005: 510). Recently, this appeared to be the case with Heathrow Airport managers’ claim that unusual west winds had necessitated alternative routes in their new trafficking system which in turn had resulted in severe noise increases (Courtney, 2012). Similarly, in its 2010 annual report TNT’s CEO referred to the volcanic ash cloud from Iceland, mail strikes and harsh winter weather as factors that had challenged the delivery firm’s results (TNT, 2011). Ascribing unfavorable outcomes to external causes allows managers to avoid responsibility and “frame the release of negative earnings news in the best possible light” (Cianci & Kaplan, 2010: 478). It protects them from losing face and helps them to preserve their self-image in a situation that could possibly undermine both their own and the company’s positions (Cianci & Kaplan, 2010; Hooghiemstra, 2003). The worldwide prominence of this self-serving strategy has also been confirmed by academic studies of various corporate communication texts, e.g. annual reports (Keusch, Bollen, & Hassink, 2012), management earnings forecasts (Baginski, Hassell, & Kimbrough, 2004) and earnings press releases (Henry, 2008).

Analysts and journalists have pointed out, moreover, that managers’ self-serving reporting strategies do not always include plausible external explanations for company results. The Krispy Kreme doughnut company, for instance, suddenly blamed a low-carbohydrate diet craze for its disappointing doughnut sales, while diets never hurt customer demands in the past and most

problems seemed to relate to managers' ineffective retailing choices (Stein, 2004). Starbuck also was caught providing a lame excuse for its poor sales, claiming that the heat caused customers to become frustrated by the long queues for iced drinks and to go elsewhere for their purchases (Clark, 2006). Given that stakeholders may pay extra attention to performance information that is negative and unexpected (Wong & Weiner, 1981), reports presenting implausible causes for poor results could be perceived as misleading or incredible (see Mercer, 2004). Subsequently, such disclosure judgments may rub off on the sender of the report, potentially causing damage to management's credibility as well as the company's reputation and stock evaluations (Barton & Mercer, 2005; Gabbioneta, Ravasi, & Mazzola, 2007; Higgins & Bannister, 1992).

Despite the reputational and financial risks of self-serving reporting strategies, studies on the effects of reporting quality have been scarce (Cianci & Kaplan, 2010). While multiple scholars have focused on companies' use of self-serving performance explanations in corporate communication texts, only few have investigated how (financial) stakeholders respond to different types of self-serving explanations. The present paper contributes to prior research by exploring the combined impact of the plausibility and stability of external causes for negative results on Dutch financial stakeholders' perceptions of the company and investment intentions.

### **Corporate Reporting and Impression Management**

Management and accounting literature has indicated that within the corporate communication context self-serving explanations for behavioral outcomes are often motivated by impression management (Aerts, 2005; Bettman & Weitz, 1983; Keusch et al., 2012). Impression management can be defined as "the process by which individuals attempt to control the impressions others form of them." Based on the awareness that impressions formed by others determine how they will be perceived, assessed and treated in social interactions, individuals "may behave in ways that will create certain impressions in others' eyes" (Leary & Kowalski, 1990: 34). According to Leary and Kowalski, it is characterized by distinctive motivational antecedents and content determinants. From a corporate reporting perspective, it can be argued that managers are aware of the public reach and scrutiny of their disclosures of operational and financial results. In addition to providing objective information, management disclosures are therefore intended to establish impressions that facilitate the achievement of corporate goals (e.g. building stakeholder relations, a desirable image or financial growth). Given the importance of these goals in relation to the continuity of the company, the drive to use performance disclosures for impression management is likely to be strong. Furthermore, managers' views on the corporate identity as well as on their own task of being competent and effective leaders will constrain the construction of impressions in their disclosures. Such views may incite managers to employ self-serving explanations for the purpose of influencing stakeholders' interpretations of results, reducing stakeholder anxiety, and encouraging investments in the company (Hooghiemstra, 2003; Keusch et al., 2012).

Previous studies of performance reports have distinguished two primary tactics in verbal impression management: acclaiming and accounting tactics. Acclaiming tactics comprise explanations for successful results and may involve entitlements, i.e. claims that the company itself is responsible for the reported achievements. For instance, management may claim that record profits or sales increases are the result of a new marketing strategy, management decisions or an expert workforce. Accounting tactics are used to account for poor results. They can include defensive strategies such as presenting external, uncontrollable causes for failures. These

defensive strategies allow management to put the blame on the corporate environment and disassociate the company from unfavorable outcomes. A decrease in sales or a fall in operating income, for example, can be blamed on a natural disaster, strikes, competition or changes in regulations (Hooghiemstra, 2003; Keusch et al., 2012).

Drawing on Signaling Theory, it can be argued that both impression management tactics “represent signals of firm quality” (Connelly, Certo, Ireland, Reutzel, 2011: 43). With regard to corporate reporting, management knows that stakeholders lack the information they need for their company valuations. To reduce this information asymmetry, management may decide to communicate “positive information in an effort to convey positive organizational attributes” that enable stakeholders to form favorable impressions of the company and encourage them to support the company’s welfare (Connelly et al., 2011: 44). For analysts and investors, for instance, reported sales increases that are due to an efficient marketing strategy indicate that a company is in control, internally competent and perhaps investment worthy. At the same time, management seeks to assure these stakeholders that reported corporate actions are legitimate and entail low future risk by justifying income losses based on temporary weather conditions (Aerts, 2001; Connelly et al., 2011; Keusch et al., 2012).

### **Self-serving Attributional Bias in Corporate Performance Reports**

The acclaiming and accounting tactics discussed in management and accounting literature are similar to the social-psychological concepts of self-enhancement and self-protection, respectively. These concepts are based in Attribution Theory, which focuses on the inference of cause-effect relationships by means of which individuals predict and control their environment and determine their own position in it (Ployhart & Harold, 2004). In corporate performance reports, management uses attributions to explain the actions and outcomes of the company against the background of anticipated reader effects (Hooghiemstra, 2003). Attributions consist of several dimensions: locus of causality, stability and controllability. While locus refers to the internal (dispositional) or external (situational) cause of an outcome, stability refers to the temporality or persistence of a cause. The controllability of a cause concerns the degree in which individuals or organizations could have had the power to influence the cause (Heider, 1958, and Weiner, 1985, in Ployhart & Harold, 2004). When practicing self-enhancement, people take personal credit for successes by emphasizing dispositional qualities as causes of favorable results. When employing self-protection, people try to minimize their deficiencies by attributing failures to situational factors that are often beyond personal control (Alicke & Sedikides, 2009; Ployhart & Harold, 2004). Based on a review of empirical evidence, Bradley (1978) indicates that self-serving attribution bias is likely to be used by individuals whose performance is public and ego-involvement is high.

The need to maintain and defend self-esteem can be accounted for by the fundamental Balance Theory and Cognitive Dissonance Theory, both of which assume that behavior is driven by ego-biased motivations (Miller & Ross, 1975). Applying the Balance Theory to individuals’ self-evaluation, Feather (1969) argues that individuals aim to establish a balance between their self-beliefs and the outcomes of their behavior. A balance exists, for instance, when self-belief is positive and behavior is successful. Here, success will be attributed to the self but failure will be attributed to outside influences since it is not consistent with self-belief and does not match the high expectations of success (Feather, 1969; Miller & Ross, 1975). Additionally, Festinger’s Cognitive Dissonance Theory (1957) postulates that, individuals strive for consonance between personal standpoints and the implications of behavioral decisions. Cognitive dissonance emerges

when the implications of these decisions are not in line with personal standpoints. This causes an unpleasant state of psychological and emotional arousal that individuals generally wish to reduce. One way of repairing cognitive dissonance is to search and relate to selective information that endorses behavioral decisions or to neglect information that is inconsistent with decisions (Alicke & Sedikides, 2009; Fisher, Greitemeyer, & Frey, 2008). With respect to corporate reporting practices, the Balance Theory and Cognitive Dissonance Theory explain why managers – who believe in the corporate strategy and who are expected by the public to assure the welfare of the company – rely on self-serving attributional bias in order to establish correspondence between self-beliefs and expectations on the one hand and real-life performance outcomes on the other.

Previous research has indicated that self-serving attributional bias is pervasive in managers' accounts of corporate performance. This is confirmed in Clapham and Schwenk's (1991) study of US annual report texts and in Clatworthy and Jones' (2003) analysis of UK-based texts, which showed that chairmen of improving and declining companies employed self-enhancement as well as self-protection tactics to an equal extent. Others have looked at the influence of economic context on attribution choices and have found that while self-enhancement and self-protection may occur in good and bad economic years, biased attributions are particularly prominent in bad economic times (e.g. for USA see Bettman & Weitz, 1983; for Europe see Keusch et al., 2012; for Brazil see Tessarolo, Pagliarussi, & Da Luz, 2010). The role of companies' financial stability has also been investigated. Salancik and Meindl (1984), for instance, find that unstable US firms, in particular, take credit and responsibility for successful and poor results, respectively. Similarly, D'Aveni and MacMillan (1990) observe that managers of US companies failing in a bankruptcy crisis tend to look for internal causes and ignore external factors, while surviving companies primarily attribute failures to the external environment. Aerts' (2005) study of Belgian annual report narratives, however, shows that self-protective attributions are used equally frequently in a positive and negative performance contexts; but they are used more by listed than unlisted companies. Self-enhancement occurs more often for listed than unlisted Belgian companies in negative performance contexts. Self-serving attributional bias has also been researched from a cross-cultural perspective. Results have indicated for example that US-based and Japan-based management forewords do not differ in their use of self-enhancement but that Japan-based texts include more occurrences of self-protection than US-based texts (Hooghiemstra, 2008).

### **Stakeholders' Response to Self-serving Attributional Bias**

Recent studies (e.g. Cianci & Kaplan, 2010) agree with Schwenk's earlier claim that relatively few studies have addressed the question how "attributions may affect those who receive them, those who must contribute resources to ensure the success and survival of an organization" (1990: 335). Ideally, self-serving attributions in performance reports encourage favorable corporate images and confidence among stakeholders such as investors or financial analysts. Although, the well-being of a company depends on resources contributed by stakeholders, to date there is limited insight in how self-serving attributions affect stakeholders' beliefs and intentions towards management or the company. Some scholars have argued that the response to self-serving attributions depends on the stakeholders' assessment of management's self-interest. When management is assumed to be biased, the self-serving message is likely to be discounted (Hooghiemstra, 2003; Lee & Tiedens, 2001). Crocker and Park (2004) explain that self-serving behavior may occur when regard from others depends on people's extrinsic qualities such as performance or when people's identity is liable to negative evaluations. From a management perspective, managers' display of self-serving behavior allows them to boost personal and *public*

perceptions of pride, competence, competitiveness and control, while minimizing anxiety about the vulnerability of management and the company. In addition to these benefits, however, self-serving behavior also comes with costs. According to Crocker and Park (2004: 401), it can obstruct company-stakeholder relationships, because managers may use it to focus on themselves “at the expense of others’ needs and feelings.” This is likely to cause stakeholders to mistrust management’s motives and to feel uncertain about the company.

A few studies have compared the effect of self-enhancement and self-protection in management messages. Schwenk (1990), for instance, finds that both types of self-serving attributions in managers’ performance statements lead diverse stakeholders to contribute less financial resources to the company, and to have less confidence in management. These findings suggest that stakeholders are skeptical about self-serving messages. More recently, Kimbrough and Wang (2008) observe that the use of self-enhancement in earnings announcements does not augment positive stock market reactions, presumably because internal actions are hardly verifiable and are therefore not believed to be trustworthy. Conversely, their study indicates that self-protection including external causes is deemed to be credible: They generate less intense negative market responses than non-biased explanations of results. A congruent conclusion is drawn by Baginski, Hassell and Wieland (2011), who show that analysts’ upwards revision of earnings per share is primarily driven by confirmable external causes presented for good and bad news in management earnings forecasts.

It seems that relatively more effect studies have focused in particular on self-protection than on self-enhancement in performance statements. This may be due to stakeholders’ likelihood of paying close attention to negative outcomes. People tend to search for explanations particularly when confronted with negative and unexpected events. Compared to successful outcomes, bad outcomes instigate a more immediate and effortful search for attributions (Wang & Weiner, 1981). Additionally, outcomes that are incongruent with expectations are more likely to elicit causal reasoning and to be better recalled than outcomes that are expected (Hastie, 1984; Wang & Weiner, 1981). Lee, Peterson and Tiedens (2004) present corresponding results within the corporate reporting context: While explanations for negative events yield multiple significant effects on future stock prices, explanations for positive events do not, thus suggesting that investors contemplate more about negative events and more thoroughly process the reported causes for these events. Furthermore, Mercer’s (2004) review of accounting literature indicates that financial stakeholders will be less likely to believe performance reports and to endorse future investments when reports contain implausible reasoning, i.e. when stakeholders’ expectations deviate substantially from management disclosures and the unexpected explanation hinders prospects on the persistence or future nature of the cause.

In their study on management accounts, Lee and Robinson (2000) find that providing external causes for undesirable management decisions negatively affects perceptions of account adequacy. Also, it has a negative impact on impressions of management’s ability and on the desire to establish future relationships. At the same time, Lee and Robinson’s results show that offering unstable (i.e. reversible) reasons for undesirable management decisions positively influences overall account effectiveness. Similarly, studies by Lee and Tiedens (2001) and Lee, et al. (2004) point out that the use of self-protection in managers’ bad news accounts has a negative effect on perceptions of managers’ believability and likeability, and on future stock prices. They show that these unfavorable effects are particularly applicable to high status executives, who are expected to be responsible for and have control over organizational outcomes. Attributing bad news to

external factors suggests these executives have suffered a lack of power to change the course of events and, therefore, are blameworthy and dishonest in their statements. Attributing bad news to internal factors, however, seems to be more acceptable since this yields more favorable stakeholder impressions and better future stock prices (Lee et al., 2004). Contrary to their hypothesis, Lee et al. (2004) also observe that stable explanations for negative events did not affect future stock prices in a negative way.

Complementary to effect studies focusing on the locus and stability of attributions, Barton and Mercer (2005) have looked at the impact of the perceived plausibility of incidental external causes for bad news. Their experiment shows that financial analysts forecast higher earnings per share when they believe the temporal external cause is plausible, whereas analysts estimate lower earnings forecasts when they believe the cause is not reasonable. Barton and Mercer also find that implausible explanations for bad news harm management's reputation, but that plausible explanations do not affect reputation at all. A comparable study was conducted by Cianci and Kaplan (2010), who analyzed the effect of (im)plausible temporary explanations of poor performance under conditions of favorable and unfavorable CEO reputations. They observe that plausible management explanations lead to higher judgments of future earnings than implausible explanations. In case of an unfavorable CEO reputation, moreover, management's reputation is rated lower when reading an implausible attribution than when reading a plausible attribution. In case the pre-existing CEO reputation is good, however, management reputation ratings do not differ across plausible and implausible attributions.

### **Research Question**

A review of popular and academic sources indicates that managers tend to impression-manage in corporate performance reports by employing self-serving attributional bias. Text analyses in Western countries have shown that self-protection in particular is used in bad economic times (Keusch et al., 2012) and by listed companies (Aerts, 2005) that are able to maintain financial continuity (D'Aveni & Macmillan, 1990). Attributing negative financial and operational results to external factors is believed to equivocate management's role in the unfavorable results; and to accentuate the reversible and, thus, low risk nature of these results. Moreover, it appears that the external factors presented are often temporal and may refer to implausible causes for poor performance, e.g. Starbucks' sales decline due to queuing in the heat for iced drinks (Clark, 2006). Only few studies have investigated whether such self-protective strategies are effective among one of the most important corporate reporting audiences: financial professionals (de Groot, 2008). The majority of these studies have been conducted in the US and they indicate that self-protection yields unfavorable stakeholder responses. They also show that unstable explanations for bad news enhance report effectiveness while stable explanations do not (e.g. Lee et al., 2004; Lee & Robinson, 2000). Furthermore, some scholars have analyzed the impact of the perceived plausibility of unstable explanations for poor performance: Their results indicate that the believability of explanations causes stakeholders to be more optimistic about the company's future earnings but at the same time the believability of explanations does not improve management reputation (e.g. Cianci & Kaplan, 2010).

Drawing on Barton and Mercer (2005: 531), it appears that further research into the effect of self-protective attributions is needed to "deepen our understanding of the determinants and consequences of management's performance explanations." In addition to extending the geographical scope of response research, it should more often include actual decision-makers'

reactions rather than student reactions (Baginski et al., 2011; Cianci & Kaplan, 2010). Directly comparing the impact of persistent versus temporary causes for poor performance; moreover, offers insight in whether dampening future expectations elicits a more positive response than emphasizing the reversibility of causes (see Lee et al., 2004). And the plausibility of causes may well play a concurrent role in such comparative studies (Barton & Mercer, 2005). Based on these opportunities for further research, the present paper focuses on the following research question:

To what extent do the stability and plausibility of external causes for poor results affect the persuasiveness of a performance report among financial professionals in the Netherlands?

## Method

To provide an exploratory answer to the research question, a small-scale experiment was conducted. Within the field of financial accounting, experiments in particular are believed to be relevant for “disentangling the effects of variables that are confounded in natural settings and determining under what circumstances and through which processes specific phenomena arise (Libby, Bloomfield, & Nelson, 2002: 778). In the present study, the effects of the stability and plausibility of external causes for poor performance were analyzed within the context of the narrative section in a financial press release. This text is relevant because (1) it is hardly restricted by reporting regulations and thus often contains impression management, and (2) financial stakeholders tend to rely on it as an important source of information (Henry, 2008).

### *Materials*

In preparation for the final composition of the experimental materials, a preliminary analysis was conducted with 10 Dutch bank employees. In this analysis, each of the participants assessed four versions of self-protection in a press release: (a) bad news + plausible, stable causes, (b) bad news + implausible, stable causes, (c) bad news + plausible, unstable causes, and (d) bad news + implausible, unstable causes. Their assessment was needed to realize manipulations in the actual experiment that would include self-serving attributions with clearly (un)stable and (im)plausible external causes. Non-parametric Friedman’s tests and Wilcoxon signed-rank tests were executed to determine whether the participants believed the attributions were realistic within the corporate context presented and whether they had recognized the distinctions between the four text versions. Scores on a 7 point scale pointed out that on average participants considered the attributions to be realistic ( $M = 5.20$ ). Participants’ evaluation of the *plausibility* of causes showed they had correctly identified the difference between plausible and implausible causes (Friedman’s test:  $X^2(10) = 23.10, p < .001$ ). Participants’ evaluation of the *stability* of causes also indicated that differences between versions had been noticed (Friedman’s test:  $X^2(10) = 11.53, p < .01$ ). While the difference between stable and unstable causes had been correctly identified in three versions of the text, however, this was not the case for version (c) bad news + plausible, unstable causes. In line with the results of the Wilcoxon signed-rank tests, the unstable nature of the external cause in this version was further accentuated in the experimental materials.

In the experiment, participants rated the persuasiveness of four versions of self-protection in a financial press release. The composition of these texts was based on the results of the preliminary analysis. To avoid the potential influence of any company-related preconceptions, the press release contained a fictitious name for a listed telecommunications and IT company, i.e. Your Telecom, and for its CEO, i.e. Remco Voorman. Both the company name and the text in the press

release were inspired by the authentic online corporate communications of an existing Dutch telecom firm that has been listed on the Dutch stock exchange for almost 20 years (cf. Aerts, 2005; D’Aveni & Macmillan, 1990). Before reading the press release, each participant in the experiment was presented with a company profile that not only provided mere background information about the firm but also offered a frame by means of which participants could determine whether the causal attributions in the press release were to be expected within the corporate context (i.e. plausible). Your Telecom was described as a multinational with over 40 million customers and operating on a highly competitive market. The subsequent press release text reported on a decline in revenues in the Netherlands in the third quarter of 2011 (i.e. a crisis year, cf. Keusch et al., 2012). In the four different versions of the materials, the firm’s CEO put forward distinctive self-protective explanations for the decline in revenues. Drawing on Collins and Michalski (1989), the manipulated plausibility of causes was high when the external factor was typical for the telecom industry, when there was a fit between the external factor and the corporate profile, when the external factor was highly likely to occur in reality, and when the external factor was a topical issue in contemporary society. Implausible external causes were still typical for the telecom industry and relevant for the company, but were unlikely to have occurred and/or not a topical issue in society. Following Barton and Mercer (2005) and Hooghiemstra (2003), unstable, temporary attributions referred to incidental causes that were likely to alter within the period of a year. Conversely, stable, persistent attributions involved causes that would continue to influence the corporate results in succeeding years. Illustrations of the self-serving attributions used in the experiment are shown in Table 1. A control version without attributions was also included.

**TABLE 1.** Versions of self-protective attributional bias in experimental materials

| <i>Version</i> |                                       | <i>Text</i>                                                                                                                                                            |
|----------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1              | plausible, stable external causes     | “In the third quarter of 2011, Your Telecom’s SMS bundle sales decreased due to an increase in internet usage among our customers.”                                    |
| 2              | implausible, stable external causes   | “In the third quarter of 2011, Your Telecom’s SMS bundle sales decreased due to the continuous decline in the number of employees in our call centers.”                |
| 3              | plausible, unstable external causes   | “In the third quarter of 2011, Your Telecom’s SMS bundle sales decreased due to a one-off sales offer for SMS bundles by our main competitor on the Dutch market.”     |
| 4              | implausible, unstable external causes | “In the third quarter of 2011, Your Telecom’s SMS bundle sales decreased due to a strike by call center employees in Enschede, the Netherlands, on 12 September 2011.” |
| 5              | No causes                             | “In the third quarter of 2011, Your Telecom’s SMS bundle sales decreased.”                                                                                             |

### *Participants*

A total of 87 professionals participated in the experiment, all of whom were employed within the financial sector. Accordingly, they represented an experienced and important audience in relation to genre of the financial press release. The participants’ mean age was 38.5; the youngest participant was 22 while the oldest was 65. Out of all participants, 73 were male and 14 were female. Most of the participants had a Master’s degree (55) or a Bachelor’s degree (26).

The experiment contained a between-subjects design, where 18 participants read version 1 of the experimental materials, 17 participants read version 2, 19 participants read version 3, 15 participants read version 4, and 18 respondents read the control version (version 5).

### *Instrument*

To measure the effect of the stability and plausibility of external causes for poor results in terms of 'persuasiveness,' the questionnaire included scales for 'Trustworthiness of the company,' 'Attitude towards the company,' 'Corporate reputation' and 'Investment intention.'

The question about 'Trustworthiness of the company' was based on Goldsmith (2001, in Berens & Van Riel, 2004) and included a four-item, seven-point Likert scale (1 = fully disagree, 7 = fully agree). The items were: I trust Your Telecom, Your Telecom's claims are credible, Your Telecom is sincere, and I believe Your Telecom's report. The reliability of the scale was good (Cronbach's  $\alpha = .82$ ).

Participants' 'Attitude towards the company' was analyzed with the help of six of the items in Bruner and Hensel's (1996) scale. The question contained a seven-point scale of semantic differentials, i.e. I think of the Your Telecom firm as bad-good, unpleasant-pleasant, disagreeable-agreeable, negative-positive, unfavorable-favorable, not impressive-impressive. The reliability of the scale was good (Cronbach's  $\alpha = .88$ ).

Perceptions about 'Corporate reputation' were mapped based on a three-item question extracted from Highhouse, Broadfoot, Yugo and Devendorf (2009). Participants were asked to evaluate three statements on a seven-point Likert scale ranging from 1= fully disagree to 7 = fully agree: Your Telecom has an excellent reputation, Your Telecom is a company I admire and respect, and I believe Your Telecom is among the best. Again, the reliability of the scale was good (Cronbach's  $\alpha = .81$ ).

The question for 'Investment intention' was derived from marketing research including scales for product purchase intention (Maxham III, 2001). Participants needed to respond to four statements based on a seven-point Likert scale (1 = fully disagree, 7 = fully agree). The statements were: I intend to invest in Your Telecom, I would spread positive forecasts about Your Telecom, I would recommend my clients to invest in Your Telecom, and I would recommend my family and friends to invest in Your Telecom. The reliability of this scale was also good (Cronbach's  $\alpha = .90$ ).

To be able to check whether participants had recognized the difference between (im)plausible and (un)stable external causes, two additional questions were incorporated in the questionnaire. On a seven-point Likert scale, participants were asked to indicate (a) how plausible they believed the causes were (1 = not at all plausible, 7 = very plausible), and (b) how stable they believed the causes were (1 = temporary, 7 = persistent).

At the end of the questionnaire, participants answered several demographical questions about their age, gender, education and employment sector.

*Procedure*

Participants were approached directly and indirectly (e.g. through friends or colleagues) in businesses operating in diverse financial sub-sectors in the Netherlands, e.g. banking, accountancy, insurance, investments and financial consultancy. They were provided with an email address that gave them access to the online experiment, in which they read the company profile and the press release before answering questions about the text and themselves.

**Results**

Given the number of participants in each of the versions of the experimental materials, non-parametric Kruskal-Wallis tests and Mann-Whitney tests were used to compare the effects of variations in the stability and plausibility of causes across versions.

*Trustworthiness of the company*

The Kruskal-Wallis test showed a trend towards significance ( $H(4)=9.33, p=.05$ ) for perceptions of the company’s trustworthiness. Table 2 presents the median scores for this variable per version of the experimental materials.

**TABLE 2.** Median scores for ‘Trustworthiness of the company’ (1 = Not trustworthy, 7 = Trustworthy)

| <i>Version</i> |                                       | <i>n</i> | <i>Mdn</i> |
|----------------|---------------------------------------|----------|------------|
| 1              | plausible, stable external causes     | 18       | 4.25       |
| 2              | implausible, stable external causes   | 17       | 3.25       |
| 3              | plausible, unstable external causes   | 19       | 3.25       |
| 4              | implausible, unstable external causes | 15       | 3.50       |
| 5              | No causes                             | 18       | 4.13       |

A Mann-Whitney test indicated that the company represented in version 1 was perceived to be significantly more trustworthy than the company in version 2 ( $U=83.50, z=-2.30, p<.05, r=-.39$ ). However, trustworthiness scores did not differ significantly between version 1 on the one hand and version 3 ( $U=119.00, z=-1.59, p=.11, r=-.26$ ), version 4 ( $U=90.00, z=-1.63, p=.10, r=-.28$ ) and version 5 ( $U=120.00, z=-1.34, p=.18, r=-.22$ ) on the other hand. Additionally, version 2 yielded significantly lower trustworthiness scores than version 5 ( $U=79.00, z=-2.45, p<.05, r=-.41$ ). No significant differences were found between version 2 on the one hand and version 3 ( $U=155.00, z=-.21, p=.84, r=-.04$ ) and version 4 ( $U=121.00, z=-.25, p=.81, r=-.04$ ) on the other hand. Furthermore, trustworthiness scores for version 3 were similar to trustworthiness scores for version 4 ( $U=142.00, z=-.02, p=.99, r=-.00$ ) and version 5 ( $U=112.50, z=-.179, p=.07, r=-.29$ ). A final Mann-Whitney test showed that there was no significant difference between version 4 and version 5 ( $U=86.50, z=-.176, p=.08, r=-.31$ ).

*Attitude towards the company*

According to the results of the Kruskal-Wallis test, participants’ attitude towards the company was significantly affected by the self-protective attribution used in the text ( $H(4)=11.46, p<.05$ ). In Table 3, the median scores for this variable are displayed.

**TABLE 3.** Median scores for 'Attitude towards the company' (1 = Negative, 7 = Positive)

| Version |                                       | n  | Mdn  |
|---------|---------------------------------------|----|------|
| 1       | plausible, stable external causes     | 18 | 3.92 |
| 2       | implausible, stable external causes   | 17 | 3.17 |
| 3       | plausible, unstable external causes   | 19 | 3.67 |
| 4       | implausible, unstable external causes | 15 | 4.00 |
| 5       | No causes                             | 18 | 4.00 |

Based on a Mann-Whitney test, it was observed that participants had a more positive attitude towards the company reported on in version 1 than the one reported on in version 2 ( $U=72.50$ ,  $z=-2.67$ ,  $p<.01$ ,  $r=-.45$ ). Attitudes towards the company did not differ between version 1 on the one hand and version 3 ( $U=158.50$ ,  $z=-.38$ ,  $p=.70$ ,  $r=-.06$ ), version 4 ( $U=126.50$ ,  $z=-.31$ ,  $p=.76$ ,  $r=-.05$ ) and version 5 ( $U=120.00$ ,  $z=-1.34$ ,  $p=.18$ ,  $r=-.22$ ) on the other hand. Also, participants showed significantly more negative attitudes towards the company for version 2 on the one hand than for version 3 ( $U=100.50$ ,  $z=-.194$ ,  $p<.05$ ,  $r=-.32$ ) and version 5 ( $U=57.00$ ,  $z=-3.18$ ,  $p<.01$ ,  $r=-.54$ ) on the other. No significant differences were found between version 2 and version 4 ( $U=77.00$ ,  $z=-1.91$ ,  $p=.06$ ,  $r=-.34$ ). Non-significant results also emerged between version 3 on the one hand and version 4 ( $U=135.00$ ,  $z=-.26$ ,  $p=.79$ ,  $r=-.04$ ) and version 5 ( $U=129.50$ ,  $z=-1.27$ ,  $p=.21$ ,  $r=-.21$ ) on the other hand. Version 4 showed no significant differences in attitude when compared to version 5 ( $U=120.00$ ,  $z=-.55$ ,  $p=.59$ ,  $r=-.10$ ).

#### *Corporate reputation*

Corporate reputation scores were not influenced by variations in the plausibility and stability of causes for poor performance, as was evidenced by the Kruskal-Wallis test ( $H(4)=6.88$ ,  $p=.14$ ). The median scores for corporate reputation are shown in Table 4.

**TABLE 4.** Median scores for 'Corporate reputation' (1 = Negative, 7 = Positive)

| Version |                                       | n  | Mdn  |
|---------|---------------------------------------|----|------|
| 1       | plausible, stable external causes     | 18 | 3.33 |
| 2       | implausible, stable external causes   | 17 | 3.00 |
| 3       | plausible, unstable external causes   | 19 | 3.00 |
| 4       | implausible, unstable external causes | 15 | 3.00 |
| 5       | No causes                             | 18 | 4.00 |

#### *Investment intention*

The Kruskal-Wallis test indicated that participants' investment intentions were not influenced by variations in self-protective attributions, either ( $H(4)=6.15$ ,  $p=.19$ ). The median scores per version of the experimental materials are presented in Table 5.

**TABLE 5.** Median scores for 'Investment intention' (1 = No investment intention, 7 = High investment intention)

| Version |                                       | n  | Mdn  |
|---------|---------------------------------------|----|------|
| 1       | plausible, stable external causes     | 18 | 2.25 |
| 2       | implausible, stable external causes   | 17 | 2.00 |
| 3       | plausible, unstable external causes   | 19 | 2.25 |
| 4       | implausible, unstable external causes | 15 | 2.75 |
| 5       | No causes                             | 18 | 3.00 |

### Manipulation check

To determine whether participants had recognized the differences in the plausibility and stability of external causes in the press release, two manipulation checks were executed. For *plausibility*, a Kruskal-Wallis test pointed at significant differences between versions ( $H(3)=28.21, p<.001$ ).

**TABLE 6.** Median scores for 'Plausibility' (1 = Very implausible, 7 = Very plausible)

| Version |                                       | n  | Mdn  |
|---------|---------------------------------------|----|------|
| 1       | plausible, stable external causes     | 18 | 5.00 |
| 2       | implausible, stable external causes   | 17 | 2.67 |
| 3       | plausible, unstable external causes   | 19 | 4.00 |
| 4       | implausible, unstable external causes | 15 | 3.67 |

As the median scores in Table 6 suggest, a Mann-Whitney test showed that participants believed the external causes in version 1 to be significantly more plausible than the causes in version 2 ( $U=15.50, z=-4.55, p<.001, r=-.77$ ), version 3 ( $U=50.00, z=-3.70, p<.001, r=-.61$ ) and version 4 ( $U=53.50, z=-2.96, p<.01, r=-.52$ ). The causes in version 2 were perceived as significantly more implausible than the causes in version 3 ( $U=76.00, z=-2.72, p<.01, r=-.45$ ) and version 4 ( $U=66.00, z=-2.34, p<.05, r=-.41$ ). There was no difference in plausibility scores between version 3 and version 4 ( $U=139.50, z=-.11, p=.92, r=-.02$ ).

For *stability* of the external causes, a Kruskal-Wallis test also revealed a significant result ( $H(3)=28.14, p<.001$ ). Table 7 displays the median scores for stability.

**TABLE 7.** Median scores for 'Stability' (1 = Very temporary, 7 = Very persistent)

| Version |                                       | n  | Mdn  |
|---------|---------------------------------------|----|------|
| 1       | plausible, stable external causes     | 18 | 5.67 |
| 2       | implausible, stable external causes   | 17 | 3.33 |
| 3       | plausible, unstable external causes   | 19 | 3.67 |
| 4       | implausible, unstable external causes | 15 | 2.33 |

According to the results of a Mann-Whitney test, participants rated the external causes in version 1 as significantly more stable than the external causes in version 2 ( $U=48.50$ ,  $z=-3.48$ ,  $p < .01$ ,  $r=-.59$ ), version 3 ( $U=42.00$ ,  $z=-3.94$ ,  $p < .001$ ,  $r=-.65$ ) and version 4 ( $U=12.00$ ,  $z=-4.47$ ,  $p < .001$ ,  $r=-.78$ ). In addition, participants believed that the causes in version 2 were equally persistent as the causes in version 3 ( $U=151.00$ ,  $z=-.34$ ,  $p = .74$ ,  $r=-.06$ ) and version 4 ( $U=81.50$ ,  $z=-1.75$ ,  $p = .08$ ,  $r=-.31$ ). Finally, the external causes in version 3 were perceived as significantly more stable than the causes in version 4 ( $U=73.50$ ,  $z=-2.40$ ,  $p < .05$ ,  $r=-.41$ ).

## Conclusion

The present paper aimed to explore how the stability and plausibility of external causes for poor performance influence the persuasiveness of a press release among Dutch financial professionals. As such, the paper sought to contribute to existing research on attributional bias, which to date has focused primarily on text analyses or – to a far lesser extent – on student response analyses in the US (e.g. Keusch et al., 2012; Lee et al., 2004, respectively). Also, most of the response analyses have not looked at the combined effect of multiple attributional dimensions (e.g. Barton & Mercer, 2005).

The results of the small-scale experiment in this paper suggest that the stability and plausibility of causes in self-protective performance explanations can significantly affect the reactions to a financial press release. With regard to the '*Trustworthiness of the company*,' it was observed that there was a tendency to believe that the company explaining bad results based on plausible and stable external causes was more trustworthy than the company explaining bad results based on implausible and stable external causes. Furthermore, participants tended to rate the company that did not provide any causal explanations as more trustworthy than the company providing implausible and stable explanations. Similar results emerged for '*Attitude towards the company*.' Participants expressed a more positive attitude towards both the company presenting plausible and stable external causes and the company not presenting any causes than towards the company presenting implausible and stable causes. In addition, the attitude towards the company providing plausible and unstable causes for its poor outcomes was more positive than towards the company providing implausible and stable causes. No significant differences were found in relation to participants' scores for '*Corporate reputation*' and '*Investment intention*'. For these variables, variations in the stability and plausibility of causes did not yield any effects.

Based on the present research results, it can be argued that certain self-protective attribution strategies may be useful in companies' performance reporting. Previous studies in the fields of accounting and management have indicated that companies engage extensively in self-protection for the purpose of creating a balance between management's optimistic self-belief and the (unfavorable) outcomes of corporate behavior: By attributing poor results to selective (i.e. external or situational) causes, managers are able to disassociate themselves and the company from these results and maintain their self-worth (e.g. Aerts, 2005; Bettman & Weitz, 1983; Hooghiemstra, 2003; Tassarolo et al., 2010). In line with prior response studies, this study suggests that impression management through the preservation of self-esteem is feasible, presumably because the external causes presented by management are verifiable (e.g. Baginski et al., 2011). However, it also points out that the persuasiveness of self-protective explanations for bad news is likely to be most pronounced when attributing bad news to *plausible, believable* external causes such as changes in customer behavior or competitors' one-off sales offers. This overall observation may be related to stakeholders' ethical considerations: The trust and

confidence financial professionals (e.g. investors or analysts) place in a company largely depends on the perceived honesty and transparency of its financial reports (Ferrell, Faedrich, & Farrell, 2009). The present research results also suggest that self-protection including plausible, *stable* causes tends to be effective in terms of both trustworthiness of and attitude towards the company. Rather than regarding stable causes as an indication of persistent failure in the future, the Dutch professionals perhaps consider stable causes such as changes in customer behavior or European regulations as solid bases for predictions about future corporate performance and recommendations for future investments (cf. Lacroix & Dejoy, 1989).

With regard to corporate reputation and investment intentions, no significant effects were found for the use of particular self-protective attributions. Given that corporate reputations, as opposed to instant corporate impressions, develop over time and comprise collective judgments of companies' financial, social and ethical attributes (Barnett, Jermier, & Lefferty, 2006); it may have been difficult for participants in the experiment to assess Your Telecom – a company they did not know – in terms of general admiration, respect and reputation. Furthermore, the similar and low scores for investment intentions across all versions of the self-protective attributions might be due to the variety of information sources financial professionals usually consult in their investment decisions: Analysts and investors do not merely use press releases in their decision-making, but tend to refer to personal interviews, company presentations, annual reports, investment websites and news media, as well (Bence, Hapeshi, & Hussey, 1995; Penning, 2011).

Despite the fact that some of the limitations of this exploratory study – the limited number of professional participants and the limited success of the manipulations in self-attributional bias (e.g. participants rated the plausible, stable attributions as most plausible and most stable) – hinder full generalization of results, it has several theoretical and practical implications. From a *theoretical* viewpoint, the present study complements extensive research on the use of attributional bias by the corporate sender with insights in the effects of attributional bias on the stakeholder receiver. It indicates that the plausibility and stability of causes for poor performance form determinants based on which receivers of corporate reports evaluate the company, especially with regard to short-term affections such as impressions of trustworthiness and attitude. Also, this study suggests that the impact of attributional bias as described from a social psychological perspective may not always hold in a financial context. Lee and Robinson (2000) for instance argue that explaining bad results by unstable causes leads individuals to evaluate the sender's message as effective, since these causes are believed to be short-lived and reduce the severity of the negative event. However, the current research results point out that this motivation may not explain Dutch financial professionals' positive response to stable, plausible attributions. From a *practical* viewpoint, the paper puts forward some of the dynamics behind the effectiveness of corporate reporting. It suggests that financial stakeholders do not “simply ignore the explanations” of bad outcomes but may “make negative inferences” about the company depending on how these outcomes are explained. In particular, it seems important for corporate managers to gauge “the plausibility of performance explanations for poor performance before they are released” to external, financial stakeholders (Barton & Mercer, 2005: 529). While a combination of plausible and stable causes appears to be relatively effective, the results imply that financial stakeholders are more sensitive to the plausibility than to the stability of causes. Furthermore, this study indicates that management could also practice damage control related to poor performance by solely focusing on the nature of the failures and omitting any external excuses for these failures. Given that corporate impressions and attitudes could form the ground for favorable intentions toward the company (e.g. Fishbein and Ajzen, 1975 in Bravo, Montaner,

& Pina, 2012); carefully considering the inclusion and formulation of causal reasoning in corporate performance reports would seem to be relevant.

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## Forging Community in the Workplace

### A Qualitative Content Analysis of Sabena's In-house Journal (1952-2001)

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**Purpose:** *The main goal of this research was to prove that in-house journals are interesting from an historical perspective. An additional goal of this study was to examine how the in-house journal fits into a plethora of management techniques to forge community in the workplace.*

**Design/methodology/approach:** *Empirical data were generated by means of a qualitative content analysis of Sabena's in-house journal. A total of one hundred editions, covering the last fifty years of the company's existence (1952-2001), were examined.*

**Findings:** *In-house journals offer a unique opportunity to study management's efforts to strengthen social bonds within the company. The analysis of the data has shown that the existence of strong social identities within the company led to difficulties when they conflicted with the organization's interests.*

**Research implications:** *Theoretical bridges have been built between concepts like 'organizational identification', 'commitment' and 'sense of community' that have previously been studied in isolation.*

**Practical implications:** *Internal Marketing and Internal Branding efforts have their limits. Human entities are never perfectly malleable.*

**Keywords:** *In-house journal, Internal communication, Organizational identification, Commitment, Sense of community, Social identities*

Few scholars have devoted their time to the study of the internal house journal. As a result, this important medium in the field of what Neha Sharma and T.J. Kamalanabhan (2012) have labeled Internal Corporate Communication (ICC) did not get the attention it deserves. This research shows that the internal house organ is an important historical source to learn about management's efforts to create a 'group feeling' at the organization.

I have chosen to take the internal house journal of Sabena, the former national Belgian airline company, as my focal point. The first reason why this specific case needs to be examined in more detail is because the company produced an internal house journal on a monthly basis for most of its history. This makes it possible to take a longitudinal approach.

A second reason is that the internal house journal can be used to gain insight into the life behind company doors. Reconstructing a company's history is an interesting exercise but becomes really important when the case has broader relevance. The bankruptcy of Sabena, and its partner Swissair a few days earlier, was the start of a new era for the European airline industry. The events triggered a debate about the viability of the European model in which every nation tries to keep a national carrier. The American model, following the free market principle, proved difficult

to implement in Europe. One may ask whether Sabena and Swissair were the first in a long line of bankruptcies to come. The recent bankruptcy of the Hungarian carrier Malév seems to confirm this hypothesis.

Notwithstanding the turbulent history of Sabena, group cohesion appears to have been strong. Journalists reporting the events during and after the bankruptcy often stressed the ‘Sabena-feeling’. Analyzing the company’s in-house journal offers me the chance to verify whether this feeling was also apparent from the inside and if so, how it developed.

A last argument to defend the choice for this specific case is the fact that the internal house journal played a significant role in the airline’s internal communication system. More so since online communication tools never got the chance to be deployed to their full extent. Even in 2001, the use of the Internet by employees was limited.

Although having a closer look at the social and cultural aspects of work life at Sabena would be valuable in its own right, this research holds both theoretical and practical significance that transcends the context of the case. Trying to discover how an internal house journal can be used to study the development of group cohesion has forced me to take an interdisciplinary approach touching upon various concepts from different disciplines. A valuable theoretical contribution of this study consists of building bridges between concepts like ‘Sense of Community’ (S.O.C.), ‘Organizational Identification’ and ‘Commitment’. Too often they have been studied in isolation.

This study is also relevant for the field of management studies. Fostering emotional attachment of employees to the company essentially comes down to what has been labeled as Internal Marketing (IM) and Internal Branding in the management literature (Ferdous, 2008; Harkness, 1999). I argue that it would prove useful if management and academic studies in the future would transgress the boundaries of their narrow fields of specialization and look at what neighboring disciplines have to offer.

A last and important contribution of this research is that it addresses a gap in the internal communication’s literature. In the Anglo-Saxon literature there are only two studies that have been devoted to the question of how in-house journals are linked to the reinforcement of emotional ties between the employee and the organization. The first is a study by George Cheney (1983). James DiSanza and Connie Bullis (1999) have based their research on Cheney’s work. What they have in common is that they both take a rhetorical approach. This means that these authors believe the in-house journal is important because it is considered to be an element in the strategy of management to create community through the use of internal corporate communication. What is innovative about my research is that it approaches the in-house journal primarily as a historical source to investigate the multiple initiatives taken by management to improve group cohesion.

A qualitative content analysis performed on one hundred editions of the internal house journal during the last fifty years of the companies’ existence has yielded interesting information. Throughout the years Sabena’s management developed numerous initiatives that were explicitly aimed at developing a strong group identity. Inspiration was found in scientific management studies as well as best practices at other companies. Another finding is that the company has tried to extend its presence and influence in ever more areas of the employees’ lives. Internal communication, and the in-house journal more specifically, formed an important part of

management's initiatives to strengthen the ties between the employees and the organization. A last important finding is that latent power structures were discovered during the coding phase of the empirical data. This leads me to conclude that management at times allowed or even fostered the identity and power of sub-groups. Given these elements, it is appropriate to say that the internal house journal offers a unique opportunity to study management's efforts to create a group feeling. At the same time however, the medium also acts as a valuable but somewhat distorted mirror of company life.

## Literature Review

### *Conceptual framework*

Recently, scholars have found that the main function of an internal house journal is its ability to strengthen the ties between the organization and its employees. They came to this conclusion based on the results of surveys that were distributed among communication professionals. Dave Gelders et al. (2009, p. 16) argues that this socio-emotional function of the in-house journal is always stressed when its function is discussed.

To understand this function it is necessary to look at one of the oldest sociological notions used to describe the emotional attachment to a group, namely the concept of 'community'. However, the use of this concept comes with certain reservations. According to the Abercrombie et al. dictionary of sociology "*the term community is one of the most elusive and vague in sociology* (Abercrombie et al., 1994, p. 47)." Of interest to me are the psychological processes responsible for the transformation of an aggregate of people into a 'community'. Social psychologists have called the end product of these processes 'Sense of Community' (S.O.C.). But, just as in the case of 'community' there is no consensus "*over whether 'Sense of Community' is a cognition, a behavior, an individual affective state, an environmental condition, a spiritual dimension* (Bess, Fisher, Sonn, & Bishop, 2002, p. 6)."

Efforts to understand 'Sense of Community' as a concept have led to the discovery of numerous related concepts. What all related concepts have in common is that psychological processes trigger them. During these processes the individual starts to identify with the target group. This process of identification develops parallel to an increased commitment of the individual towards the social formation. Additionally, Amitai Etzioni (1996, p. 127) argues that commitment is a necessary precondition for the development of community.

Researchers have tried to determine the nature of the psychological processes that trigger community formation. Functionalists (Rapley & Pretty, 1999) have sought for answers by applying complex statistical models. Others (Colombo & Senatore, 2005) have followed a discursive approach with more qualitative influences. A third group of scholars has looked at the Social Identity Theory (SIT) originally developed by Henri Tajfel and John Turner (1979).

At about the same time as Tajfel and Turner (1979) developed the SIT, scholars from a neighboring discipline tried to establish a definition for a related concept. Richard Mowday, Richard Steers and Lyman Porter (1979, p. 226) defined 'commitment' as the "*relative strength of an individual's identification with, and involvement in a particular organization*". After Mowday et al. (1979), a number of definitions have been added but truly innovative is the study of Natalie Allen and John Meyer (1997) who claim that commitment is a multidimensional

construct consisting of three components: affective commitment (“employees stay because they want to”), continuance commitment (“employees stay because they need to”) and normative commitment (“employees stay because they ought to do so”).

A common element in studies on commitment is that the concept “*refers to a psychological state that binds the individual to the organization* (Allen & Meyer, 1990, p. 14).” Remarkable about definitions of commitment is that they describe the concept in terms of identification processes. The question here is whether organizational commitment and organizational identification mean the same. Some scholars argue that the concepts mean different things (Ashforth & Mael, 1989; Knippenberg & Schie, 2000; F. A. Mael & Tetrick, 1992; Meyer, Becker, & Vandenberghe, 2004; Pratt, 1998; Van Dick et al., 2004; van Knippenberg & Sleebos, 2006), while others doubt whether it is useful to draw a distinction (Miller, Allen, Casey, & Johnson, 2000; Ouwerkerk, Ellemers, & De Gilder, 1999; Sass & Canary, 1991; Stengel, 1987; Van Vuuren, 2006). The debate has given rise to the study of concepts at meta-level. Both the studies of Michael Riketta (2005) as well as Jolie Fontenot and Craig Scott (1999) have pointed to a substantial overlap in the meaning of both concepts. Fontenot and Scott have found that the correlation between both concepts is high ( $r = .70$ ).

What I conclude from the debate is that organizational identification and organizational commitment are strongly related constructs but that their roots can be traced to different disciplines. In other words, the core is largely similar while some important details differ. Research on organizational identification has mainly been done based on insights from the SIT with a strong emphasis on identification qua self-definition. Commitment research has focused on the affective relationship between the individual and the organization, which implies a view on identification in terms of attraction (Postmes, Tanis, & De Wit, 2001, pp. 229–230).

A number of scholars who argue that a conceptual distinction is valuable have suggested alternatives to the existing theoretical framework. The first alternative comes from George Cheney and Philip Tompkins (1987). What they propose is to view identification as ‘substance’ and commitment as ‘form’ when analyzing the relation between the individual and the organization. Cheney and Tompkins (1987) argue that a person can sometimes identify without being committed and vice versa. They have summarized their idea in a quadrant model.

**TABLE 1.** The relation between identification and commitment according to Cheney and Tompkins (1987, p. 8)

|                                                                                         |                                                                                                 |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <p><b>I. Alienated and non-pledged.</b><br/>(low identification and low commitment)</p> | <p><b>III. Self-appropriative but non-pledged.</b> (High identification and low commitment)</p> |
| <p><b>II. Alienated but pledged.</b><br/>(low identification but high commitment)</p>   | <p><b>IV. Self-appropriative and pledged.</b><br/>(High identification and high commitment)</p> |

Ellemers et al. (1999) offer a second alternative. These authors argue that there is sufficient empirical proof to assume that commitment is only one of three components that together form a person’s social identity. Ellemers et al. (1999) base their argument on the definition of social

identity in the work of Tajfel, Billig & Bundy (1971). The other two components in this definition are ‘self-categorization’ and ‘group self-esteem’.

*The role of internal corporate communication*

Studies on organizational identification and commitment often take a management perspective and, as a result, are often published in management-focused journals like *Management Communication Quarterly*, *Academy of Management Review*, the *International Journal of Human Resources Management* and *Academy of Management Journal*. This explains why a lot of research has been done to discover the antecedents and consequences of identification and commitment. Since several studies have shown that high levels of commitment and identification correlate with desirable outcomes like increased productivity, managers and scholars alike have been particularly interested in revealing those antecedents that can be controlled (Ashforth & Mael, 1989; Bhattacharya, Rao, & Glynn, 1995; Dutton, Dukerich, & Harquail, 1994; Elsbach & Glynn, 1996; Hall & Schneider, 1972; Knippenberg & Schie, 2000; F. Mael & Ashforth, 1992; Van Dick et al., 2004). Corporate communication has been identified as one of these antecedents (Bartels, 2006).

Both Cees van Riel (1995) and Jos Bartels (2006) argue that organizational communication, whether internal or external, does not affect organizational identification directly. Instead, both scholars contend that organizational communication only affects Perceived Internal Prestige (PIP) and Perceived External Prestige (PEP). PIP and PEP thus act as mediating factors. These findings put the role of corporate communication in perspective and place the focus on management perception. Natalie Allen and John Meyer (1997), who go as far as to say that perception is more important than reality, confirm this position.

The next step in my argument consists of discovering which elements of the communication process affect PIP and PEP. Based on the classic communication model of Harold Dwight Lasswell five different variables are considered important: the communicator, the message, the medium, the receiver and the effect. I choose to provide a short literature overview of the first three variables since the receivers are the organization’s members and the desired effect is an increase in the levels of organizational identification and commitment.

The literature on the influence of communicators shows that vertical communication is more closely linked to identification and commitment levels than horizontal communication. According to Postmes et al. (2001, p. 240): “*commitment or, in other words, people’s sense of belonging to the organization does not primarily depend on the quality of their informal and socio-emotional interactions with peers and proximate colleagues, but is related more strongly to their appreciation of the management’s communication.*” This quote stresses the relevance of doing research on management communication and its connections with identification and commitment.

The second variable in the communication process is the message itself. Bartels, De Jong, Pruyn & Joustra (2007) have shown that PEP mainly contributes to the identification of employees with the organization as a whole while PIP is more directly related to employees’ identification with sub-units of the organization. Smidts, Pruyn & Van Riel (2001, p. 1053) formulate the main conclusion by stressing that adequate information is a sine qua non for the cultivation of organization identification and commitment.

*The in-house journal*

In this study I have chosen to elaborate more widely on the role played by different media in the communication process. Most attention will go to the role of the in-house journal since this medium has been taken as the focal point of this research. With this choice I build on Marshall McLuhan's argument that the medium constitutes an important element in the communication process by partially shaping the content (McLuhan, Fiore, & Agel, 2008).

Postmes et al. (2001) who discovered a connection between employee commitment and the direction of communication flows, argue that a logical link exists between the direction of communication flows and the different media. Formal, bureaucratic media channels seem more suited for vertical communication while informal channels (often called 'the grapevine') are more appropriate for horizontal communication. The in-house journal clearly belongs to the first category.

A number of studies have been done on each medium separately. Interesting for this research however are those studies that have focused on the effects of different media on identification and commitment levels. Candace White, Antoaneta Vanc and Gina Stafford (2010, p. 72) have found that *"at all levels of the organization, having direct access and face time with the chancellor (CEO) contributed to the formation of a 'community spirit'. In addition, hearing things directly from the chancellor in committees or at town hall or meetings contributed to a 'Sense of Community' and made employees feel important* (White et al., 2010, p. 80)."

A shortcoming in the work of White et al. (2010) is that they only consider the effect of a limited number of media (e-mail, website, interpersonal contact) on 'Sense of Community'. In a similar study Andi Stein (2006) takes the same approach but includes more media and builds her arguments on a stronger theoretical basis. Stein (2006) applies the 'Information Richness Theory', sometimes called the 'Media Richness Theory' (Higa & Gu, 2007), starting from the hypothesis that information rich media contribute to the development of a 'Sense of Community'. The degree of information richness is based on four parameters: feedback possibilities, the nature of the communication channel, source of the information and degree of formality in language use.

Stein (2006) found that employees do care about experiencing a community feeling and are convinced that internal communication can contribute to the cultivation of this feeling. With regard to the specific media, face-to-face contact appears to be preferred closely followed by e-mail. Telephone, written publications and the intranet are deemed less important. These findings confirm the Information Richness Theory.

Based on different studies discussing various aspects of the communication process and its connections with organizational identification and commitment, I argue that Sabena's in-house journal played an important role in management's attempts to create a 'Sense of Community' in the workplace. Additionally, the magazine acted as a tool for shaping the company's identity, thereby providing the employees with a base on which to build their social identity.

Important to keep in mind is that perceptions exert a powerful mediating influence. Studies focusing on the link between corporate communication and concepts like organizational identification, commitment and 'Sense of Community' must therefore pay attention to how information is framed in internal publications. This is the first time this is being done explicitly.

## Methodology

### *Sabena as case study: context and relevance*

Sabena, Belgium's former national airline, was founded in 1923 and was therefore one of the oldest airline companies in the world. With around 10.000 employees it was also one of the most important employers in Belgium. Throughout its history, Sabena was a medium-sized player in the commercial aviation scene (Vanthemsche, 2002). What makes Sabena a critical case is that it was the first national airline company in the European Union to go bankrupt. During and after the bankruptcy, journalists often wrote about an apparently strong community feeling that existed among employees. By analyzing one of the company's most visible and important internal communication tools, the in-house journal, I am able to investigate management's attempts to strengthen the social and cultural ties within the organization.

In this study I do not focus on rhetorical or lexical features of the text. In addition I have chosen to focus only on the written texts and not the visual material of the in-house journal. The goal of this research is to approach the in-house journal as an historical source in order to gather as much information as possible on three related aspects of company life: (1) the role played by the in-house journal in the organization, (2) the attempts by management to strengthen group cohesiveness and attachment to the company and (3) the representation of employees and various sub-groups within the company. During the analysis, I have put the emphasis on social and cultural aspects because "*cultural experience generates our identity to the extent that it creates an appearance of similarity among those who more or less share it, who seem to belong to it and feel at home within it. Culture is in this way the experience of belonging* (Pickering, 2001, p. 80)".

### *Sampling and methods of analysis*

One method for systematically analyzing the information embedded in written texts is qualitative content analysis. There are several variants of qualitative content analysis but what they have in common is that they look at data as representations, not of physical events but of images, texts and expressions that were created with the intention to influence reality (Krippendorff, 2004, p. viii).

The historical approach allows me to detect changes in social and cultural aspects of company life as well as emerging trends in management's techniques and efforts to enhance group cohesion. Almost the entire post-war history of the company has been spanned. Since Sabena's in-house magazine was a monthly periodical (except for July and August in which only one edition for both months was released) 550 editions appeared in the chosen timeframe. I have decided to take a random sample of two editions every year. As a result one hundred editions have been analyzed for the period 1952-2001. Opting for a random sampling method seems most suited when studying everyday managerial practices in a historical perspective.

With regard to reliability and validity of the research I refer to the work of Bent Flyvbjerg (2001) who argues that case studies are not meant to look for the 'simile in multis' but are best used to generate context-specific knowledge and add to theory building. Additionally Yvonna Lincoln and Egon Guba (1985) argue that qualitative research should be judged by its trustworthiness ensuring sufficient levels of credibility, transferability, dependability and confirmability.

*“Originality and discovery then, might be seen as indicators of the quality of qualitative research, with external validity of lesser importance (Seale, 2004, p. 76).”*

## **Analysis and Results**

### *The role of Sabena’s in-house journal*

In order to understand the role of the in-house journal within the organization, it is important to know which internal corporate communication channels existed and for which purposes they were used. Management was aware of the fact that information spread quickly through informal channels, something they called the ‘black markets of information’ (Onze Sabena, October 1976, p. 1). The grapevine, as it is officially called in scientific literature, was thought to be a source of false rumors and miscommunication (Burke, 1996). Management considered it therefore of paramount importance to be as effective as possible when it came down to communicating with internal stakeholders.

Even in the early days internal communication enjoyed a fair amount of management’s attention. Media were believed to have strong effects on people. Although experienced as ‘disturbing’ for some, managers were quick to see the beneficial effects communication could bring (Onze Sabena, April 1962, p. 20). There were three specialized services that handled Sabena’s internal and external communication: the editorial committee of the in-house journal (= internal communication), the press service (= external communication) and the publicity service (= marketing). In the 1950s a Public Relations Officer (P.R.O.) was hired in order to guard Sabena’s good image both towards internal as well as external stakeholders (Onze Sabena, August-September 1972, p. 4).

As soon as someone was hired he or she immediately came in contact with the organization’s efforts to include the new member in the existing ‘community’. Socialization was considered a first and very important step in developing a bond between employer and employee. New hires received a series of documents to inform them about their tasks, the organization and their role within the company. From the 1970s onwards there were increased efforts to supply the employee with adequate information throughout his or her career. The reason for this is that management realized that true identification could only take place when an employee’s moral and social needs were met apart from the more basic physical and material needs (Onze Sabena, June 1972, p. 5).

Because of the sheer size of the organization and the geographic dispersion of its activities, it was difficult to pass on messages that would reach every employee. Regular self-evaluation reports, including communication audits, revealed that internal communication worked fine for the departments separately but proved difficult to maintain at the organizational level. Over the years there were several attempts to improve the situation (Onze Sabena, October 1991, p. 8).

The in-house journal played an important role in the internal communication structure of the organization in its totality. The journal, which carried the name ‘Our Sabena’, fell under the responsibility of the ‘Press and Propaganda Service’ (Onze Sabena, August 1952, p.8). Unlike the name of its overarching department suggests, the authors of the house organ’s content enjoyed relative freedom when writing. The work council, together with senior management, approved the statutes of the journal and decided on who would be allowed a seat in the editorial committee (Onze Sabena, September 1979, p. 1).

Copies were sent by mail to every working and retired employee. In the last two decades of the company's existence the journal was distributed on the work floor in order to cut costs. The magazine was promoted as something created by and for staff members (Onze Sabena, Januari 1958, p. 4). Its mission was to provide a fair account of life at the organization. Management expected the in-house journal to act as an important internal communication channel in order to offer answers to questions of employees, discuss issues of general interest, strengthen existing bonds between employer and employee and contribute to the culture of the organization (Onze Sabena, August 1986, p. 1).

In the 1950s the main function of the magazine was the provision of information. Gradually, its informative function was taken over by other information channels. More room was freed up for human centered information that was expected to stimulate the employees' engagement and motivation. Management's opinion about the function of the in-house journal was clearly expressed by Director-General De Swarte who stressed its educational role. De Swarte perceived the in-house journal as a medium used to clarify in more detail what had already been communicated via other channels (Onze Sabena, October 1961, p. 2).

Whether all members of management supported the in-house organ can be questioned. In an edition that appeared in the 1980s, I have found information that there were rumors among employees about certain bosses who thwarted distribution of the journal since they considered it to be the cause of declining concentration levels (Onze Sabena, November 1982, pp. 6-7).

In the 1990s there was increased attention for how employees perceived the in-house journal. Regular satisfaction surveys were held. Jean-Luc Barreau, head of the journal's editorial board stated the following: "*if you want to master communication, you need to understand how it works, you need to be prescient and you need to control its evolution* (Onze Sabena, June 1997, p. 4)."

The results of a satisfaction survey carried out in March 1997 revealed that the in-house journal was perceived to bring trivial news since a number of other communication tools (like shorter documents that appeared more frequently) took over its informational function. The employees that filled out the survey indicated that the journal's most important task was to cultivate a 'Sense of Community'. Additional goals were considered to be the provision of both practical information and information about the company (Onze Sabena, June 1997, p. 4).

One of the problems with these kinds of surveys is that there was no systematic way to collect answers. As a result, response rates were usually low to very low (4% for the survey in March 1997). A similar survey conducted two years later yielded more representative results since a quota sample was drawn and trainees collected answers systematically. The results showed that employees were on average satisfied with the content being offered (Onze Sabena, September 1999, p. 3). Consistent in both surveys was that employees indicated that they read the magazine regularly.

*Management's efforts to create community*

As early as the 1950s Sabena's management realized that it would take more than effective communication to overcome problems that led to social conflict. The company's president, Gilbert Périer, wrote that continuous efforts were needed to limit the alienating effects experienced by employees working for a big and rapidly expanding organization. In the wake of May 1968, an increasing amount of employees insisted on more participation in the company's affairs. Senior management however perceived this opportunity more as a threat that could jeopardize their position. In the September edition of 1968 Director General Willem De Swarte wrote that: *"it is certainly easier to quarrel than to participate, because participation means informing oneself of the existing possibilities, staying loyal to colleagues and company, taking responsibility and devoting time to all these elements* (Onze Sabena, September 1968, p. 2)."

There have been multiple accounts where I found similar statements written by other members of management. By saying that work satisfaction, commitment and identification belonged to the employee's personal sphere, management silently transferred responsibility for these elements to the individuals. However, the fact that the individual was held responsible for identifying with the organization does not mean that management did not try to facilitate the identification process (Cheney, 1983, p. 147). Throughout the company's history there are accounts of new HR techniques being tested in order to *"create a new spirit among staff members* (Onze Sabena, July-August 1979, p. 2)." I will discuss all initiatives mentioned in the in-house journal.

In order to accelerate the integration process, new hires were assigned to a mentor, usually an employee who had already worked for the company a number of years. The system became untenable by mass hiring in the 1960s. Training programs were introduced as alternatives (Onze Sabena, April 1962, p. 7). A related initiative was the setting up of employee exchange programs. The idea was that temporary work in another department would lead to a better understanding of the overall functioning of the company. Senior management was convinced that the exchange programs would at the same time increase respect among employees for each other's work (Onze Sabena, November 1957, pp. 8-9).

Socialization was one way of trying to increase commitment. Another way of involving employees was recognizing their individual and collective contributions. The in-house journal was used to praise individuals when they excelled or performed exceptionally well. At least as important was the idea of loyalty. Once hired, it was expected that employees would stay for the rest of their career. Celebrations for exceptional work anniversaries over-time evolved into fully ritualized events. The most senior staff members were awarded symbolic gifts next to more material benefits like financial bonuses. One of the most symbolic gifts was the golden Sabena ring, granted after 25 years of service. The ring resembled a bond between the company and the employee that could best be compared to the sacred bond of marriage (Onze Sabena, September 1956, p. 16).

In the last decade of the organization's history, senior management decided to create 'the Sabena fellow', an exclusive club to which only the most industrious employees could accede. Joining happened only by means of invitation and was considered a great honor (Onze Sabena, January 1992, p. 7). Whether the creation of these kinds of exclusive clubs contributed to increased levels of identification and commitment of all employees remains unsure.

It would go beyond the scope of this article to discuss the initiatives taken by the employees themselves. What can be said is that throughout Sabena's history numerous clubs were created that openly or tacitly enjoyed management support. Employees gathered in sports clubs, art clubs and clubs devoted to all kinds of hobbies. Some employees spent an increasing part of their time at the company. This must surely have influenced their bond with the organization.

Despite all initiatives, Sabena's internal cohesion at times wavered. Several articles have been found in which complaints were voiced about the lack of solidarity and respect among employees. The situation became exceptionally dire in the 1990s when the company's financial situation deteriorated and large-scale restructuration plans came into effect. The 'Welcome Now' campaign was one of the initiatives set up to counter the deteriorating social environment. The 'Welcome Now' campaign consisted of a series of techniques that nowadays would be labeled as Internal Marketing (IM) or Internal Branding. The idea was that colleagues deserved to be treated with the same respect and enthusiasm as customers. There are reports that the campaign did not get the needed support from all managers, which led to the 'Leadership Now' campaign specifically aimed at convincing managers of the benefits an Internal Marketing approach had to offer (Onze Sabena, February 1999, p. 3).

Now that different trends and initiatives have been discussed it is necessary to ask where the ideas and innovations came from. Remarkably, science had always been a major source of inspiration for management. It appears that they were highly interested in how commitment and identification could lead to higher productivity. In one article Director General Willem De Swarte wrote that the phenomenon of organizational identification was "*(...) a complex topic in social psychology, systematically studied by specialists in the U.S.*" (Onze Sabena, June 1954, p. 5)."

The previous quote clearly proves that Sabena's management looked beyond national borders in search for best practices. Throughout the three first decades of the period under analysis, the U.S. was often mentioned as the example to follow. In the eighties, attention increasingly shifted to Japan, which was perceived as an economic miracle at the time. According to one article, the Japanese system put the employee first. The Japanese worker was also thought to be more involved in decision-making which in turn resulted in less social conflict (Onze Sabena, June 1982, p. 8).

It is clear from these accounts that management was aware of scientific findings and successful models applied abroad. At Sabena, there was interest to learn in order to improve existing procedures. At the same time, there was a strong commitment to look inside the company before asking specialists for help. From this I conclude that Sabena's management valued innovative measures without sacrificing independence.

#### *Multiple identities, latent power structures*

The last element in the empirical part of this study is devoted to the analysis of how different social groups were portrayed in the in-house journal. A historical approach holds the benefit that latent power structures can more easily be identified. The most important reason for examining how different sub-groups are represented is that existing and emerging stereotypes have contributed to the development of conflicts within the company. These conflicts have acted as a brake in the identification process of certain groups of employees. I will discuss my findings for each group separately.

The most obvious distinction between employees in the early days of the company's post-war history was skin color. Before the independence of Belgium's colony Congo in the 1960s, Sabena employed a lot of black workers in order to sustain and further deploy its activities on the African continent. In the editions of the fifties I have regularly encountered articles that displayed a colonial undertone. There was even a regular column devoted to anecdotes that happened to white employees when working in the Congo (Onze Sabena, January 1952, p. 4). The number of black employees declined after the Congo became independent in 1961. Colonization turned into cooperation with the creation of Air Congo, a joint project between Belgium's national airline and the newly formed Congolese government. Slowly but surely, messages and stories carrying obvious racial overtones disappeared from the in-house journal. A new focus on an ethnic diversity policy in the 1990s tried to reverse negative stereotypes. The authors of the journal increasingly tried to portray Sabena as a modern employer offering a multicultural work environment.

Another important power disequilibrium was related to gender. The position of women was subordinate to the position of men well into the last decade of the company's existence. The author of an article in 1956 reporting on Sabena's sport matches against teams of other companies mentioned that again "*nothing had to be expected from the weak sex* (Onze Sabena, October 1956, p. 12)." As time evolved gender discrimination became subtler. This is apparent from the fact that articles focusing on female employees tended to stress their 'sweet', 'soft' and 'caring' nature. Elegance and charm were emphasized, not intelligence and competence (Onze Sabena, July 1965, p. 7). The first articles about women in traditionally male professions appeared in the seventies. However, the real breakthrough came in the following two decades when women came to dominate key positions in the company. An independent women's activist group in 1996 found that women were overrepresented in positions where there was immediate contact with the customer. More problematic was the fact that women did often not advance as rapidly as their male counterparts. According to the activists, women had become equal to men on legal terms but prevailing attitudes and behavior prevented true emancipation (Onze Sabena, December 1996, p. 3).

A third difference was that between cabin crew and ground staff. In earlier times, flying was something that had enjoyed a certain aura. It had been romanticized by mass media resulting in the development of strong sub-identities by those employees that were most visibly related to the airline industry: the pilot and the female flight attendant. It is important to stress that gender differences were even more outspoken in this particular section of the company's workforce. The profession of flight attendant was seen as the most feminine of all feminine professions (Onze Sabena, May 1970, pp. 10-16). Pilots on the other hand were overwhelmingly male.

From the start of the company's activities, pilots enjoyed levels of prestige and power that went practically unrivalled. Senior management accepted silently that a strong sub-culture existed next to the organization's identity. When both identities clashed, which happened several times in Sabena's history, the pilots often chose to defend their professional identity. On several occasions, their militant behavior put an extra strain on the company's already difficult situation. During the last days of Sabena, the Belgian Cockpit Association – mostly consisting of Sabena pilots – repeatedly called for strikes in order to hold on to existing benefits (Decraene, Denruyter, & Sciote, 2002, p. 135). In this case, prevalence of a professional over an organizational identity eventually contributed to an array of circumstances that led to bankruptcy.

At Sabena, hierarchy, control and authority were highly valued. These elements were often related to the number of years someone worked for the company. A long career was a sign of loyalty and demanded respect. Seniority was something to be proud of and was rewarded at regular intervals. In the 1950s, new hires were assigned to more senior staff members. The idea behind it was to educate and socialize the new ones into the culture of the organization. In some departments employees used to talk about ‘the drill’ new hires faced (Onze Sabena, October 1953, pp. 3-4).

Already in the 1950s, Sabena had evolved into a full-grown bureaucracy. An important characteristic of a bureaucracy is its hierarchical structure. The higher layers of management had the privilege to have direct access to the in-house journal. Members of senior management regularly used the journal to affirm their position within the organizational system. In 1972, Willem De Swarte, who was CEO at that time, wrote: “*In this magazine the following has already been said and repeated: eventually an enterprise is worth what its people are worth, and first and foremost those people responsible for giving orders, in short those who are called ‘management’*” (Onze Sabena, September 1956, p. 4).” This sentence is one example of many where the image that is conveyed of management reveals a paternalist system. This has stayed this way until the end in 2001.

## **Discussion and Conclusion**

To conclude this research I reflect on how the obtained results fit existing knowledge. I also revisit the reasons why I did this research in order to stress its relevance. This study, like any other, also has its limitations. However, limitations can and must be seen as invitations for future research.

Researchers interested in knowing how, when and why management techniques aimed at creating a ‘Sense of Community’ were introduced in corporations will need to look at in-house journals. There are two principal reasons that back this claim. The first reason is because in-house journals offer a management view on corporate life. A second reason is related to results of existing studies that have shown that in-house journals are mainly used to strengthen social bonds within the organization. The empirical data in this study have confirmed that this was no different at Sabena. What I concluded from this is that in-house journals are important historical sources in the fields of organization, communication and management studies.

With this research I have taken up the theoretical challenge of building bridges between concepts like ‘identification’, ‘commitment’ and ‘Sense of Community’. In the past, scholars have often studied them in isolation. Confusion about their actual meaning has slowed down their adoption in case-study research. I argue that in this case the benefits of interdisciplinary research outstripped the downsides related to minor conceptual differences.

Throughout this research I have become intrigued by the case itself. Sabena’s bankruptcy has led to questions about the viability of a model whereby every country has a national flag carrier. Some specialists argue that the European market is only able to sustain a handful of large carriers possibly combined with a few low-cost companies. Small to medium-sized airlines will disappear or will have to join alliances. Fierce competition and free market principles have forced companies to cut costs resulting in pay-cuts and lay-offs. The sad irony is that the airline sector increasingly relies on the workers to make the difference (Bamber, Hoffer Gittell, Kochan, &

Von Nordenflycht, 2009). At Sabena, dealing with difficult financial conditions was the rule rather than the exception. Employees were frequently asked to make sacrifices. Journalists noticed that they often did and that they stayed loyal to the company and the Sabena community. By addressing the social and cultural history of Sabena I have also contributed to writing the history of one of Belgium's most visible national symbols.

Seen from a different angle, this case study has put management thinking in perspective. The first important point is that there will always be employees that do not and will not identify with the company they work for, no matter how much effort is put into it. Secondly, identification or a strong 'Sense of Community' does not automatically lead to increased performance. Sabena makes a good example since identification was probably high but productivity was low (Vanthemsche, 2002). Finally, I tested the hypothesis that strong sub-cultures can in critical situations become threats to the survival of the organization. The case of the Belgian pilots shows that professional identity at times did prevail over the organization's identity.

This study is valuable but also has its limitations. The first limitation is that I only focused on the in-house journal while other sources could have provided interesting information. However, here I must add that the archives of Sabena have not yet been made available due to an ongoing lawsuit between the Belgian government and the SAirGroup (formerly Swissair). In contrast, all editions of the in-house journal were available at the national library. With regard to method one could raise that qualitative content analysis runs the risk of offering a subjective view on reality. However, this type of methodological debate falls out of the scope of this article. I argue that the historical background and the nature of the research questions demanded such an approach. Additionally, similar methods have not yet been applied in studies on organizational commitment and identification. The results are important in contributing to in-depth knowledge about the case. They have also helped to put research on commitment and identification in perspective. They can however not be directly generalized but than again, this is not the purpose of a case study (Flyvbjerg, 2001).

Some elements addressed in this study demand for further research. One might wonder whether identification and commitment levels are tied to the economic sector in which the company operates. Related is the question of whether the airline industry is different from other industries in terms of commitment and identification of its employees. Thirdly, in-house journals have not yet received the scientific attention they deserve. They could, for example, be used to study organizational culture.

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## From the Size of a Clipping Book to Sophisticated ROI Measuring Corporate Communication Strategic Management

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*Corporate communication (CC) is considered one of the strategic functions within organizations. However, the measurement of CC doesn't have a clear framework in the industry. Sets of recommendations like Barcelona Principles aim to establish it. The following paper analyzes perceptions of CC measurement strategies employed by communication experts. It aims also to see whether there is an expectations' gap between the actual measurement of CC and the perception of the experts how "it should be done". The previous studies and review of literature lead to the hypothesis of the difference between the perception of CC and the way CC is measured and reported within the organizations. This study is based on an expert survey among 242 senior communication experts conducted internationally. The data is analyzed statistically to find the measurement strategies within the organizations.*

**Keywords:** Strategic management, Corporate communication, Measurement, KPI, ROI

The question of corporate communication measurement is present both in the academic and the trade press from the 90s onwards. There seems to be a consensus that measurement should focus more on the outcomes of activities and direct business benefits (Lee and Yoon, 2010; Watson, 2011). Actually, social media and digital tools allow more accurate measurement of the ROI from communication activities. Using specific tools makes several things possible: monitoring brand sentiment, externalization of the brand communication as well as sales leads coming from activities in real time. Therefore, the management of communication can be described in terms of core business and of direct business benefits, and not only as "communication/awareness benefits".

That leads to the research questions – how do companies actually manage their reputation and corporate communication? Which drivers are considered the most important for CC strategic management? What are the key success factors? How is this success measured? Finally, what is the relationship between these variables?

The following paper is based on the quantitative analysis of the data gathered in an online questionnaire. 378 senior communications experts worldwide answered this questionnaire. It gathered 242 fully filled questionnaires which are the basis of this analysis.

### **Theory and hypothesis development: Corporate Communication Measurement**

Corporate communication measurement is one of the "hot topics" in the marketing and communications industries. It is extensively covered in the trade press and magazines. The question of "payback" or ROI has been an emerging research subject for marketing for a long time (Shaw and Merrick, 2005). The similar questions and arguments are now raised in the context of corporate communication. The need to report on the ROI is even a subject of discussion among CC scholars,

whereby some argue that the financial framework does not correctly showcase the true value of communication (Gregory and Watson, 2008, Watson, 2011; Ewing, 2009). Nevertheless, there seems to be an agreement among the scholars and practitioners that the current measurement frameworks are too focused on the output, channel specific measures and not enough on the results (outcomes) of CC strategy (Ewing, 2009). Also, recently the subject of measurement and evaluation in CC is gaining importance for the communications industry (Association for the Measurement and Evaluation in Communication - AMEC). A more strategic view of corporate communication among senior executives requires more sophisticated procedures of measurement and reporting of the performance (AMEC). The industry itself is trying to define the measurement framework (see below: “Barcelona Principles”). There is a common agreement that measurement should be linked to overall performance and should include ROI elements. The Barcelona Principles (established in the document post-summit of AMEC state the following<sup>1</sup>:

- Importance of Goal Setting and Measurement
- Measuring the Effect on Outcomes is Preferred to Measuring Outputs
- The Effect on Business Results Can and Should Be Measured Where Possible
- Media Measurement Requires Quantity and Quality
- AVEs are not the Value of Public Relations
- Social Media Can and Should be Measured
- Transparency and Replicability are Paramount to Sound Measurement

This list names a desired measurement framework from the perspective of communications executives (AMEC, Global Alliance, ICCO, Institute for Public Relations, Public Relations Society of America, AMEC U.S. & Agency Leaders Chapter). These principles show that communication experts aim to create a tailored framework for measurement based on the outcomes of communications activities. It is stressed that “marketing specific” measures such as AVE (advertising value equivalent) do not show the real value of communications and therefore are not appropriate for CC strategic management. The Barcelona principles were agreed in 2009 and, as early as at that stage, there was an explicit need to measure social media activities (see: chapter 5). The current discussions within the industry aim to build a measurement standard which would allow aligning the measures between the companies and throughout the industry.

#### *Hypothesis development*

Both a literature review and previous qualitative research lead to the conceptualization of a dynamic model of CC management. This model would include the drivers of CC management, the key success factors, corporate learning aggregation and finally measurement of CC activities. It would allow for the study of the relationships between these elements.

#### *Perceived learning aggregation impacts the measurement strategy of performance within organizations*

The last hypothesis has been developed to better understand the relationships between the elements in the conceptual model. It provides a framework to understand expert views on how corporate communication should be managed. The learning aggregation and attitude of the senior management towards CC learning define the measurement process within organizations (Ewing, 2009; Lee and Yoon, 2010). The learning aggregation and formalization of the CC learning process impact the measurement framework of CC strategic management (Gregory and Watson, 2008; Watson, 2011). Both elements contribute to the creation of the strategic framework of CC management. Methods

## Methods

The analysis is based on the answers to the online questionnaire distributed among CC experts internationally via LinkedIn direct messages. The choice of LinkedIn as a tool for distribution of the questionnaire has had the benefit of direct feedback from the participants. This feedback was sent in e-mail messages directly and enriched the analysis and provided paths for further researches.

### *Data collection*

The data was collected in 2012 using an on-line survey tool (Survey Monkey ®). Requests for participation in the survey were distributed via personal invitations to participate on LinkedIn. It allowed the gathering of 374 responses and 242 fully completed surveys. The personalized approach allowed the gathering of responses from senior level professionals. It also allowed a quick turnaround of the study (which mitigated the risks of “noise” in the results of an online survey). The data has been analysed in the SPSS and PLS programs.

### *The sample*

There were 54.8% male respondents and 45.2% female. 68.7% of the respondents reported 10+ years of experience in this category (combined categories 10-20 and over 20 years of experience). 29.41% of the participants work in corporate communication management and Communications consulting (33.69%) (see: Figure 9).

## Analysis

### *Reliability and validity tests*

The analysis has been performed using PLS software path modelling. The measurement model has been specified based on a theoretical construct. In order to avoid the bias and misspecification of the model it is crucial to define whether the construct has formative or reflective character. As stated by Diamantopoulos it is a common mistake to consider formative model as reflective (2008). The character of the constructs as specified in the theory and confirmed in the qualitative research suggests using formative model in the case of our analysis (Fornell and Bookstein, 1982; *ibid.*). The correlations between formative indicators can be positive, negative or zero (Diamantopoulos et al., 2008). Therefore, reliability in an internal consistency sense is not meaningful as the indicators can be even negatively correlated and still serve as meaningful indicators for a construct (Bagozzi et al., 1991; Hulland, 1999, Nunally and Berenstein, 1994, Diamantopoulos et al., 2008). In consequence, the reliability assessment has been omitted for this study.

**Statistic results (Formative measurement model):**

*Test of multicollinearity VIF*

$$VIF_k = \frac{1}{1 - R_k^2}$$

In this model  $R^2$  is the value obtained by regressing predictor  $k$  on the remaining predictors. VIF exists for each of predictors'  $k$  in the multiple regression model. VIF is a measure of the variance of the regression's coefficient estimated  $b_k$  which can be superficially blown by existence of the correlation between the explicative variables in the model (Hair et al., 1995). VIF of 1 means that there is no correlation between  $k$  predictor and remaining explicative variables, so the difference of  $b_k$  is not superficially blown at all. This indicator should have a value below 3.3, which is an excellent value (Diamantopoulos and Sigauw, 2006). The value below 10 is commonly accepted as a lack of multicollinearity (Hair et al., 1995). In our case all the values are below 3.3 with the highest one being 2.43. In consequence the lack of multicollinearity is confirmed.

The R Square of the specified model is moderated in the case of this structural model. T-students of Drivers and learning aggregation R are superior to 1.96, so they are both significant at 5%. Also, the  $Q^2$  is superior to 0 in the model, so our model has predicative relevance.

*Results from the Model (Coefficient/Significant' test)*

The results obtained in the SEM model allow us to accept our hypothesis. The following section aims to study the correlations between the respective variables.

*Non-parametric correlations: There is a link between learning aggregation and measurement of CC*

The relationships between learning aggregation and measurement of performance have been studied in order to understand the relationship between the variables. The organizational learning influences the most outcome control and sophisticated ROI measurement. Learning aggregation impacts outcome control (.310) and sophisticated ROI (.348). The learning sophistication impacts the most outcome control (.343) and sophisticated ROI (.321). Also, the managerial attitude towards learning defines the way measurement is performed within the organizations. In brief, the experts perceiving organizational learning of CC strategic management as sophisticated and involving organizational knowledge aggregation perceive also the importance of the more sophisticated measurement frameworks including outcome control and ROI.

**Discussion**

The findings in this international study show similar tendencies to the European Monitor study (Zerfass et al., 2012). However, the model, which was proposed in this paper, includes the monitoring of the performance aspect. It is not only about efficiency and effectiveness; it is about their definition and the impact of this definition on a strategic framework. How the success is

defined and which measures organizations chose to assess their KPIs will define the strategic framework for CC management. SEM shows that the measurement framework is dependent not from key success factors, but from the aggregation of the organizational learning.

Corporate management attitudes influence the importance assigned to corporate image and corporate reputation management (Brinkmann and Ims, 2003; Henriques and Sadorsky, 1999). Therefore, they also influence the KPI framework that is the basis for measurement. In the case of this study there is a correlation between the perception of the learning aggregation and the measurement of performance. That shows that the internal knowledge aggregation and senior management aggregation of this process impacts the measurement framework. It confirms the data from previous studies on corporate image management.

This study reveals an important expectation gap between corporate communication management and expert opinion on how it should be managed. Despite internal campaigning, it seems that corporate communication experts fail to advocate for themselves within organizations. The KPI frameworks are based frequently on the output measures and AVE –measures judged not relevant for the real value of CC. The frameworks desired by experts require more outcome and ROI focus. The inclusion of these elements would actually align CC at the strategic level with corporate reputation management.

Further analyses may be done to find out if other factors may have major roles in the measurement of performance. Cross-cultural analyses were developed by different researchers in several countries to obtain information on the effect on management (Hofstede, 2001). The additional control variables at the micro-level to position the companies in the sectors and geographic location would be interesting to perform. The survey above was based on expert opinions. It validates the relevance of the model. However, it would be pertinent to study defined companies to obtain stronger relations between the variables. SEM already provided the importance of CC learning aggregation for the measurement framework. It would be interesting to observe these relations at the company level.

## Conclusions

In the current stakeholder environment, companies are subject to multiple pressures. Also, their reputation needs to be confirmed and re-confirmed. Therefore, there is a need for a strategic framework of CC management. It would include also a measurement framework closer to the business objective and ROI. The experts participating in the survey clearly indicate the need for strategic management of corporate communication. However, there is still a relatively low positive attitude towards the learning process of CC among senior executives of companies. That results in corporate behavioural patterns which are not aligned with the key success factors. Moreover, the measurement of the performance of CC is still focused on the output results and AVE; measures which have been rejected by the communications industry.

## Notes

<sup>1</sup> Source: <http://amecorg.com/2012/06/barcelona-declaration-of-measurement-principles/> (accessed 15.08.2012).

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## How Companies Handle Complaints on Social Media

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*The public nature of many social media bears opportunities but also risks for companies' reputation management when individuals use these platforms to complain and vent their anger about a company. Based on theoretical concepts from complaint management, crisis communication, and reputation management, we analyzed complaints and corporate responses to these complaints on 20 corporate Facebook sites. Using content analysis as the methodology for data collection, we gauged the effectiveness of corporate responses to stakeholder criticism. Initial results, concerning the relationship between corporate responses and complainants' expression of satisfaction, reveal a significant impact of redress and personalized corporate communication on complainants' level of satisfaction; in contrast, redirecting the complainant to another area of responsibility within the firm has a negative effect on complainants' satisfaction. There is no significant correlation between quickness of the first corporate response and satisfaction.*

**Keywords:** Social Media, Facebook, Content Analysis, Complaint Management

**Paper Type:** Research

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# How Does It Work in Italian Companies?

## The Communication Planning Process

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**Purpose:** *To investigate how and how much corporate communication planning process has been implemented by Italian companies and explore the most widely used communication planning approaches.*

**Approach:** *A qualitative research analysis based on semi-structured interviews with managers and communication professionals from Italian or Italian branches of multinational companies belonging to different macro-sectors.*

**Findings:** *New sense of efficacy refers to the communication planning process: relational effectiveness of the organization, growth of collaborative relationships between roles involved in planning throughout the whole process.*

**Research implications:** *In Italy there are few studies on the issue of communication planning process, and the paper will be a contribution to this field of research.*

**Practical implications or applications:** *It is useful to understand the prevailing approaches in communication planning adopted by Italian companies and to obtain an overview of the trends and practices emerging in Italian companies.*

**Keywords:** *Communication, Planning, Process, Companies operating in Italy.*

**Paper type:** *Research paper.*

The international literature on communication planning emphasizes the importance of the management methods of communication in business processes (Invernizzi, 2000). In particular it shows: the centrality of an explicit client and the circularity of the plan phases (Invernizzi, 2000 and 2005); the opportunity to analyze the internal and external environment to ensure the coherence of the strategies to the communication needs (Vescovi, 2008; Invernizzi, 2005; Gregory, 2000; Cutlip, Center, Broom, 2006); the importance of the result evaluation in a benchmarking approach (Smith, 2009; Wilson, Ogden, 2008; Vescovi, 2008; Invernizzi, 2005; Cutlip, Center, Broom, 2006; Gregory, 2000; Marston, 1963, 1979); the importance of formulating best practices and setting up protocols for controlling the planning process (Van Riel, 1995); the relevance of identifying the critical stakeholders, understanding them, and listening to them (Invernizzi, 2005; Muzi Falconi, 2002); and, ultimately, the proposal of a specific matrix for planning communication in an effective and efficient way (Wilson, Ogden, 2008).

The review of the literature (Mazzei, Esposito, 2011) shows that scholars consider the planning process to be divided into phases in reference to the classic management cycle in order to rationalize and control it. Furthermore, they refer to communication planning as a strategic planning process.

This article adopts a strategic management approach to the communication planning process, because it enables the integration of management structure and corporate culture. This approach highlights how organizations need not only definite plans but also a set of values that actually make up the corporate culture. Individuals are involved in the planning process and their commitment is essential to the success of the organization.

From this point of view the communication planning process is an organizational-relational process, forming proactive behaviours and synergic relationships between people involved. (Mazzei, Esposito, 2011).

At the moment, there are only a few studies dealing with the communication planning process of companies operating in Italy, and none of them aims to explore the whole process, i. e. orientation, processes, methods, and managerial tools utilized by companies to plan corporate communication.

The study presents findings from a qualitative research study based on semi-structured interviews with communication managers of companies operating in Italy, and it highlights the role of corporate communication planning. It also investigates the prevailing communication planning method. Finally, the paper summarizes some remaining open questions and suggestions for future research.

### **Insights About the Planning Process**

Planning is the process that helps organizations to achieve their goals and manage their complexity by addressing specific challenges or by taking advantage of emerging opportunities in a changing economic environment. The growing economic and financial uncertainty has particularly renewed interest in planning.

Despite many studies, literature does not offer a shared definition of the planning process (Quinn, 1980; Goold, Quinn, 1990; Mintzberg, 1996). However, there is a general consensus about the long-term orientation of the planning process and its ultimate goal, which is to lead the organization, minimize threats, maximize opportunities (O'Regan, Ghobadian, 2000; McDonald, 1996), and enhance the performance of available resources.

On the one hand, planning is the process through which organizations define their strategies, anticipating and responding to complex dynamic environments in which they operate in order to meet the market needs and the stakeholders' expectations (Johnson, Scholes, 1997). On the other hand, it is a system of internal decisions aimed at identifying the key resources for formulating corporate strategy (Faccipieri, 1984; Bastia, 2001), defining and achieving goals and objectives of the organization (Armstrong, 1982; Brusa, 2000) in order to gain legitimacy in the eyes of their public. Planning is a process that defines precisely the objectives and shares them with all organization members.

Planning explains and clarifies the *raison d'être* of the organization and allows employees to participate in, and identify with, the general aims of the organization. It becomes a source of motivation and provides the direction in which the organization is going. Finally, it ensures the focus on specific objectives and commitment to the achievement of planned results. In this sense, the benefits of the planning process reflect on the internal aspects in terms of positive

organizational climate, development of corporate culture, and construction of a common language (Marcic, Daft, 2010; Anthony, Govindarajan, 2007).

Planning is the heart of the strategic management process, because it allows the realization of the company's mission, the achievement of competitive objectives in harmony with the external environment, and contributes to spread the business strategy inside the company.

Planning is a process implying the ability to anticipate changes and future orientations (Bolan, 1974; Porter, 1980; Sawyer 1983). It allows companies to make decisions (Galbraith, 1967; Ozbekhan, 1969, Ackhoff, 1979) in an integrated and correlated way (Ackoff, 1979; Schwendiman 1973; van Gunsteren, 1976). "Planning is a formalized procedure to produce an articulate result in the form of an integrated system of decision" (Mintzberg 1996:12). It helps to maintain the organization's cohesion (Weick, 1979), ensure coordination of activities (Mintzberg, 1989); direct rationality (Porter, 1987) and excellence in decisions (Vescovi, 2008), and promote proactive employee behaviors that can have an impact on organizational outcomes (Mazzei, Esposito, 2011).

Considering the strategic planning approach, planning is a tool to rationalize the resources and to control the results according to the basic management process: plan, organize, direct, and control (Mazzei, Esposito, 2011; Pastore, Vernuccio, 2008; Kotler, Keller, 2007; Caroli, 2003; Faccipieri, 1984). The existing literature presents planning as a hierarchical process, with top-down modulation, designed to improve control (Mazzei, Esposito, 2011). This approach derives from the idea that knowledge runs out at the top of the organization.

The vision of strategic planning contrasts with the understanding that, in a systemic logic, knowledge is spread throughout the organization. In this sense, Caroli (2003) notes that strategic planning is ultimately a procedure not sufficiently elastic with respect to changes, and not adequately integrated in the company system.

The strategic management concept of planning stems from the awareness that it cannot be considered a rigidly structured process, devoid of creativity, and the prerogative of top management (Picciotto, 2010).

Strategic management, activating the internal mechanisms that strengthen the relationships between strategic objectives and operational activities, calls for the qualified contribution of all members of the organization by virtue of the knowledge in their possession (Picciotto, 2010).

A strategic management approach considers planning as part of organizational and engagement measures that guide the stakeholders to share the guidelines of the plan and contribute to its realization (Invernizzi, 2000).

From this perspective the planning process is one of the company's pillars. It is a multi-phase, circular, and iterative process with feedback mechanisms to refine decisions over time. The process facilitates the creation of intangible assets arising from the relationships activated between people that are part of it, in line with the vision of the resource and knowledge-based theory.

## Communication Planning Process

Corporate communication is a great lever, which allows companies to build up relationships with internal and external stakeholders and build and strengthen reputation and trust in their reference environment.

Literature on planning, based on organizational theories (Weber, 1947; Fayol, 1949), proposes models for planning based on a regulatory approach and describes the planning process through flowcharts (Kotler, Keller, 2007). Even studies on communication planning (Gregory, 2010; Muzi Falconi, 2002; Invernizzi, 2000; Van Riel, 1995; Marston 1979) propose models based on flowcharts oriented strictly to the improvement and rationalization of the entire process (Mazzei, Esposito, 2011). They reproduce the basic model of strategic planning characterized by four phases: scenario analysis, strategy formulation, implementation of the initiatives and evaluation. Studies on communication emphasize the contribution of planning in supporting governance, corporate and brand identity, and market positioning (Vescovi, Vernuccio 2008), and strengthening relations with the market (Vescovi, 2008) and with stakeholders (Muzi Falconi, 2002). Communication planning allows companies to adopt and maintain a long-term vision (Gregory, 2010), to encourage proactive behavior (Wilson, Ogden, 2008), and to generate intangible assets (Mazzei, Esposito, 2011).

International literature presents different models of communication planning: the Input-Transformation-Output method (Van Riel, 1995), the Apice method (Invernizzi, 2000), the Gregory method (2000, 2009), and the proposal of Wilson and Ogden (2008) and Smith (2009). Except for the Apice method (Invernizzi, 2000), these methods adopt a prescriptive and regulatory vision, which is control-oriented and assumes a strategic planning approach.

The communication planning adopted in this study refers to the organizational-relational approach (Mazzei, Esposito, 2011), assumes a strategic management perspective and highlights the relational aspects of communication planning process. It is based on the Action Workflow model (Medina-Mora, et al., 1992), which describes the communication planning process as a sequence of conversation and negotiation between the workflow participants aimed at defining a network of commitments between the roles involved (Mazzei, Esposito, 2011). An interaction begins with the request phase where the client, i.e. CEO, requests an action to be performed by the supplier, i.e. communication manager, (or the supplier offers to perform a certain action). This is followed by the commitment phase where the two parties agree on the conditions of satisfaction that will guide the interaction, including a time for completion. In the performance phase, the supplier reports the performance of the action to the customer who then declares satisfaction in the last phase of the interaction, which is the evaluation phase. The processes are described in the Action Workflow through loops of interactions between customers and suppliers.

In communication planning the four phases are: exploring, setting, acting, and valuing. Each phase generates intangible assets (Mazzei, Esposito, 2011). The exploring phase includes the context analysis, the stakeholder analysis, and the identification of communication strategic priorities. Setting includes moments in which objectives, strategies, and initiatives are set, the roles are identified, and the budget is fixed. Acting involves the implementation of the plan, the cost, and time management. Valuing is focused on the evaluation of the results achieved. If the original agreement has been met, the process is done, and then it should restart in order to achieve new strategic objectives.

## Research

In Italy, apart from a few studies (Levi, 2004; Esposito, 2011), qualitative surveys have only focused on the communication planning process. To understand how organizations plan communication, this study considers data from a qualitative research study, which focuses on a sample of companies operating in Italy.

The research outlines the planning approach adopted in those companies and describes the guidelines, the prevailing practices used, and the more widespread tools.

## *Methodology*

It has been conducted as qualitative research analysis, based on semi-structured interviews, so the survey follows a qualitative method. Twenty-five interviews were conducted, during late 2012 and early 2013, with communication managers and professionals of Italian or Italian branches of multinational companies, operating in different macro-sectors, such as automotive, textile, cosmetics, distribution, publishing, and other assets and services.

The research has considered a non-probability sample represented by companies, in which there was a communication manager. The sample consisted of mainly large-size companies, retail, or business to business companies, for most unlisted, competing on a mature market, with strategic objectives of growth. It has included some organizations operating in the public sector.

The methodology of qualitative research was considered the most appropriate to bring a thorough understanding of the communication planning process. In fact, qualitative research provides rich information and gathers many aspects of the studied phenomenon. In this respect, it is suited to this investigation, which seeks to understand, through the analysis of the communication planning process, the prevailing approach to planning communication in Italy.

Stages of the investigation are: identification of the research question and the definition of hypothesis, formulation of research design, data collection, data analysis, and interpretation of the results (Merriam, 2009; Bryman, Bell, 2007; Molteni, Troilo, 2007; Silverman, 2004). The data collection was carried out through the semi-structured interviews with communication managers of the selected companies.

The interviews were divided into three sections: the first, consisting of four open questions, was directed at reviewing the communication planning process; the second, consisting of eight questions, aimed to identify the variables of the communication planning process in the opinion of the interviewed managers; and the third aimed to investigate some insights into companies and respondents. The collected information has been developed and interpreted to reflect on the communication planning process adopted by the companies surveyed.

## Findings

The analysis highlighted that communication planning is a strengthened management process in the companies surveyed. The process is divided into several phases, i.e. analysis of the external environment and internal and stakeholders to define the communication, the identification of operational objectives and initiatives, budgeting, implementation, and plan evaluation.

### *Objectives*

The experience of companies surveyed underlines that communication planning is an objective-driven process. Goals are defined by the general manager or, in case of Italian branches of multinationals; they are fixed by the international headquarters and then adapted to suit local needs. Communication plans cover a one year period and must link up with strategies and short and medium-term general objectives of the company. It is a decision-making process aimed mainly at building or strengthening the company renown, developing the brand confidence, and enhancing the social and ethical values of brands.

According to the results, the planning process has changed over time and is much more structured than in the past. This is due to several factors: the growing need for promptly defined plans, the need to control and to make the process more effective, through periodic monitoring and reviewing of plans.

### *The client*

The process starts when the chief executive officer, who represents the client, entrusts the communication manager, who is the process owner, with the corporate communication plan. The client supports the process owner during the first phase of planning, endorsing, for example, communication objectives, strategies, and initiatives.

### *The roles involved in communication planning process*

Frequently, the communication planning process involves many functions depending on the specific nature of the business i.e. sales managers, marketing managers, HR manager, diversity managers, SBU managers, and brand managers.

This stage implies listening for requests and suggestions from the stakeholders involved and sharing inputs and commitment on the objectives to be included in the plan. The rationale underlying the planning process is the strategic management approach that explains the emergence of a strong network of negotiations and collaborative relationships throughout the entire process.

### *The planning tools*

The management tools mainly used by the interviewed companies to support the planning process are those that enable investigation of aspects affecting the structure and the dynamics of the process: swot analysis, stakeholder analysis, and benchmarking. The swot analysis is considered useful in context analysis, compared with other methods, because it enables an integrated vision of the internal and external context. As to stakeholders, there are different situational analysis matrices aimed at understanding their behaviour and all oriented to determine the importance of these subjects compared to goals. However, these tools are not much widely used in practice.

Throughout the management of strategy, the tools most frequently used are the budget, benchmarking, and, in a few cases, a road map. In the management of the planning process, the use of project management tools is widespread. Most of surveyed companies adopt a project timeline that visualizes project activities. In one case, the model adopted is the responsibility

assignment matrix (RACI) that highlights roles, tasks, skills, and information about the plan. It allows the process owner to monitor the process at different stages of its development and to avoid gaps or overlapping roles. Finally, the plan is periodically reviewed, on a one to six month basis, depending on the needs of companies. The review can result in an adjustment of the plan.

### *Evaluation*

Evaluation is the final and often overlooked phase of the communication planning process. The achievements are qualitative and are often evaluated in terms of economic performance, rather than in terms of brand awareness, renown, and reputation. Some companies claim to assess the actual realization of planned activities, the audience reached, and the effects of planned activities, in terms of behaviour, on stakeholders. The results are submitted to Headquarters, the Communication Department, and, in a few cases, it is shared across the company.

### *Critical issues and key success factors of the corporate communication planning process*

The critical issues related to the corporate communication planning process can be assigned to external and internal factors. Among the external factors are the rapidly changing market conditions and the high competition that affects mature sectors. This requires a flexible planning process that allows companies to adapt to the market dynamics. Among the internal factors is the difficulty of keeping a good planning team together.

The successful key factors identified pertain to different aspects of the planning process: process flexibility, team cohesion, and timely sharing of relevant information to maintain cooperation between the roles involved in the planning process. In the case of outsourcing, the success of planning depends on the company's ability to enhance the relationship with strategic suppliers and increase the fine-tuning.

Research has shown the importance of the perspective of planning, of ensuring coherence between vision and communication strategy, of determining correctly the communications objectives, as well as ensuring all key controls, that is, costs and time.

### *The prevailing communication planning model in Italy*

Research has shown an evolution of corporate culture that permeates the whole process of communication planning. First of all, the communications planning process does not seem to be a very popular practice in Italy.

On the one hand, the planning process is still mainly oriented to the efficiency and effectiveness control in terms of cost and performance; but on the other hand, it has been recognized as a process that can generate intangible resources and organizational learning: trust, commitment, and knowledge sharing.

The predominant approach to the communication planning process in Italy can be then defined as a mix between the rational-analytical approach and the organizational-relational one. In fact, even if most respondents consider planning as a control-oriented process for business survival, at the same time they recognize the value of the organizational-relational approach. (This is especially so for service companies.) It produces relational effectiveness of organization in terms of

cooperation, network, and climate so that employees are enabled to do the right things and do them well.

### **Discussion of the Results**

The qualitative research has shown that communication planning is a management process that leads to a strategic vision of corporate communication. Other than in one case, it prevails as a tactical approach to communication planning that is not formalized.

As to corporate communication planning, the prevailing approach is control-oriented. This approach is an expression of the tension between efficiency and effectiveness of business management.

The relational effectiveness of organization is realized and developed through the growth of a network of relationships between the roles involved in the planning. It emerges from hearing, sharing, trust, commitment, and responsibility of the roles involved in the planning process. These intangible resources are difficult to measure, and more importantly, they could also be lost without the right commitment.

Knowledge is maximized in the new communications plan, and it allows the company to meet new challenges. The surveyed companies show a very structured approach to communication planning. They are active and aware of the importance of the process for the success of the organization. The tools used are those to support strategic decisions, including project management tools.

### **Conclusion and Future Research**

The analysis aimed to investigate the prevailing approach to communications planning in Italy. To answer the research questions, a study was carried out. The analysis included the guidelines, processes, methods, and management tools used by organizations to plan corporate communication. The available studies offer a reading of the communications planning process according to a control-oriented approach.

The lack of a qualitative survey of corporate communications planning process in Italy, except for public sector, has given rise to the need for a better understanding of the dynamics of this process and its dimensions.

The research started from a constructivist view of communication and a strategic management approach to business processes. It considered the planning process as an organizational measure to guide people to share the plan guidelines and to contribute to its realization.

The paper has considered the hypothesis of the communications planning process as a business process. This enables stakeholders to develop relationships, goes beyond the rational-analytical approach, and facilitates the creation of intangible assets arising from active relationships between the people that are part of the process. This vision is in line with the resource and knowledge-based theory.

What emerges from the research is a planning process that is a mix of the two approaches described in the literature. On the one hand, the rational-analytical vision is essential for cost management; on the other, the organizational-relational approach is important because it contributes to identification and exploitation of intangible resources. Relationships are a key factor: they enhance the efficiency of invested resources and the added value created by the company. More importantly, they contribute to the generation of the relational effectiveness as a new sense of efficacy. Finally, the research reveals the importance of the organizational-relational approach for service companies, which operate in a proactive way to maintain active relationships with customers and strategic suppliers.

The enhancement of the organizational and relational dimension of the company seems to be influenced by the organizational culture, the education of the management, and its ability to grasp the potential of the relational dimension. The latter stimulates the creativity of the corporate communication team and builds consensus around the communication strategy.

This article presents the results of a qualitative research project that requires further investigation. Future researchers could consider both qualitative aspects, the intangible resources generated by planning, and quantitative aspects, the actual degree of diffusion of communications planning.

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# The Ideal of Neutrality on Wikipedia

## Discursive Struggle over Promotion and Critique in Corporate Entries

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*The purpose of this study is to scrutinize how neutrality is constructed in Wikipedia corporate entries. Neutrality is a complex concept widely discussed in Internet studies. Here we focus on Wikipedia, where Neutral Point of View (NPOV) is one of the core content policies. The full editing histories of the Wikipedia entries of 14 Finnish corporations were analyzed utilizing the concept of discursive struggle by Laclau and Mouffe. We identified the particular expressions (i.e. key signifiers) that caused NPOV-claims or discussions of neutrality, in order to find out what the Wikipedia community understands as neutrality, and how this in general affects the editing of corporate entries. Our findings demonstrate that the ideal of neutrality is discursively contested by two-directed attempts: firstly, promotional language, and secondly by incorporating corporate critique to the entry. As the corporate representations in the entries fluctuate over time, the ambiguity of neutrality becomes visible.*

**Keywords:** Wikipedia, neutrality, Finnish corporations, discursive struggle

**Stream:** Social media and Internet / intranet practices

In this article, we study the Wikipedia entries of Finnish corporations. Wikipedia, the collaboratively created online encyclopedia founded in 2001 has grown to be an important information hub for the web. The English Wikipedia is the 6th most visited site in the world, as well as in Finland (Alexa, 2012). Commonly, the Wikipedia pages are listed among the first 10 in most search engine-results, and they are often used as a starting point for further information search. In addition, due to its open and collaborative nature, the wiki platform offers corporate critics an equal opportunity to shape the public image of corporations, and it gives more visibility to negative narratives such as scandals and issues of social responsibility (e.g., DiStaso & Messner, 2010). This is why the representation of a corporation on Wikipedia at any given time is not of little significance and should gain attention from not only researchers but from corporate communication practitioners as well.

Wikipedia has very unique features compared to traditional encyclopedias, media texts, official corporate pages or social media content. Wikipedia is a constantly changing result of collaborative knowledge production, shaped by its user culture and, most importantly, its internal rules, the core content policies. One of these policies is “Neutral Point of View” (NPOV), which strives to maintain the quality of Wikipedia content by emphasizing the neutrality of information. In order to scrutinize this process of collaborative knowledge work, we address the question, *how*

*does the policy of NPOV show in the discourses describing corporations in Finnish Wikipedia and what kinds of textual expressions or references bring on debate over the appraised neutrality.* Neutrality is by no means a straightforward or unequivocal concept. The ideas on the background of the concept can be traced to philosophical debates of objectivity, and the often idealistic conceptions of neutrality. In the internet studies, the debate over “net neutrality” has been going on for several years. Concerning Wikipedia, neutrality is one of the main editing guidelines, but its implications have been widely discussed both inside the Wikipedia rules-pages as well as in the constant practices of editing and re-editing of sporadic entries.

As a theoretical framework, we utilize the discourse theory formulated by Ernesto Laclau and Chantal Mouffe (1985). The discourse theory of Laclau and Mouffe arrest attention to the articulation processes where identities, social relations and spaces are discursively organized. For Laclau and Mouffe, discourse is a body of converged elements (e.g., concepts) with limits, there is no pre-determined content, and the contents are not stable. The meanings of different elements are interrelated and constantly changing in the processes of construction and linkage of new elements. The changes in the concepts of the discourse and their meanings affect other concepts of the discourse and their meanings. In this framework the meanings are understood to be constructed in social interaction and to be represented through language use. Different views, values and meanings form discourses, through which the phenomena can be discussed. In this study, we concentrate on the analysis of the textual expressions that bring about the discursive struggle.

In the first part of the article, we present the context of the study, the Finnish Wikipedia. We then move on to discuss the concept of neutrality and the previous research on neutrality in journalism and in new media, followed by elaborating on the conception of neutrality in Wikipedia core content policies and its editing processes. In the latter part, we present the method of analysis and results from a qualitative study of the full editing histories of the Wikipedia entries of 14 Finnish corporations. Finally, we will conclude with the discussion of these results, and show the ways in which the ideal of neutrality is reproduced and challenged in the discursive construction of corporations in Wikipedia.

### **The Context: Wikipedia**

The context of our study is Wikipedia, both a typical and a unique online arena of participation. Wikipedia is the world famous open, free, non-profit online encyclopedia, which is collaboratively updated currently in 285 different languages. The content of Wikipedia is open for anyone to edit. The service was launched in English in 2001, and quickly grew to large popularity, reaching the count of one million articles in 2006 and three million articles in 2009. Finnish Wikipedia was opened in 2002 and currently it contains about 318,600 articles. According to statistics, the Finnish Wikipedia has around 60,000 visitors per month (Wikimedia stats, 2012).

Each of the articles on Wikipedia can be edited by anyone, but in practice, only a small number of readers do participate in editing. Some studies suggest the percentage of contributors being as small as 0.003% of all Wikipedia visitors (Ortega Soto, 2009; Nielsen, 2006). Among other topics, organizations and corporations often have their own Wikipedia entries. A typical corporate entry on Finnish Wikipedia consists of topical areas or sections such as corporate history, financial information, organization structure and business areas. At first, when the entry is created, usually it contains a short description of the company. Next, the community starts

building a picture of the history of the company (Laaksonen & Porttikivi 2012). The particularly interesting feature of Wikipedia is the platform's ability to track the steps in the creation of each wiki page. This feature allows us to recreate the interactions that occur among Wikipedia editors as they collaborate to create articles. Although the persistent history is primarily there to facilitate the creation process, it is also an opportunity for researchers to gain unprecedented insight into group behavior and social structure (Feldstein, 2011, pp. 77).

The editing process of Wikipedia is strongly defined not only by the technology, but by the core content policies and editing guidelines. The fundamental principles by which Wikipedia operates are called the "five pillars" (Wikipedia, 2013a). These pillars summarize that Wikipedia is first and foremost an encyclopedia, but one consisting of freely editable and distributed content no one has ownership over. Further they note that while Wikipedia does not have rules "carved in stone," but rather evolving policies and guidelines, the editors should interact in a civic manner even in a situation where disagreement rises. The most interesting and maybe also most profound pillar regarding the content is the third pillar. This pillar, also one of the core content policies (NPOV, neutral point of view) of Wikipedia, defines the prerequisite of neutrality as the determining principle of editing Wikipedia. If the community finds that an article in Wikipedia does not meet the principle of neutrality, editors label it with the template "NPOV," signaling the presence of biased content in the entry. Later in this paper we will discuss the content policy of neutrality in detail.

### **Conceptions of Neutrality**

The ideal of neutrality can be tracked into the philosophical debate about *objective* science and knowledge. As Thomas Kuhn stated, philosophers of science have assumed that science can tell us something objectively true about the world, and that science is constantly progressing closer and closer to some ultimate truth. However, objectivity does not dictate that the theories of science are factually based and correspond to external reality, unless all scientists must share the same values and paradigms (Kuhn, 1977). In the social constructivist paradigm all knowledge is "socially constructed" (e.g., Berger & Luckman, 1956), and therefore ideals of objectivity and neutrality are not fixed.

Within this paradigm, the social theory has been shaped by the so-called linguistic turn (Rorty, 1967). For Rorty (1984) neutrality is linked to objectivity, which he connects with the concept of solidarity. In his line of thinking of the relation between language and reality, objectivity cannot be defined outside language use. This leads to the idea of inconceivable neutrality between and across vocabularies. Thus, the ideal of neutrality of discourses should be given up, and focus should be on the possible neutrality between evolving discursive structures, in order to achieve desired harmony or "shared hope," through which a society affirms itself globally (Rorty, 1984; Ramberg, 2001; see also Fynsk, 1991).

Jurgen Habermas, the advocate of deliberative modes of democracy and communication, places the normative core of political community in political participation and the discursive formation of the public opinion (Habermas, 1989; see e.g., Freeman, 2005). However, the conditions for this discursive formation are viewed to be hypothetical (Baynes, 2002), since participation in interaction is assumed to be taking place between equals, thus setting aside social inequalities (Baynes, 2002; Freeman, 2005), and thus his approach to neutrality has been called procedural (e.g., Karppinen, 2007). Chantal Mouffe (1994) criticizes this approach, which she names "neutrality grounded on rationality," and finds it problematic, since it often leads to leaving

controversial issues off the agenda and forming participants as rational agents pursuing their own self-advantage. Mouffe also points out that, from the viewpoint of the excluded, the requirements of neutrality that are based on rationality, might appear as coercion. Mouffe links the idea of neutrality with the debate of political liberalism, and, more specifically, to the ideals of pluralism. That is why it is important to acknowledge the real nature of necessary frontiers and the forms of exclusion hidden behind appeals on rationality (Mouffe, 1994). Mouffe's agonist view thus includes the dimensions of power, undecidability and the ineradicability of antagonism, which she claims are omitted from the deliberative model (Mouffe, 1999). In our study, we apply the agonist view, which sees Wikipedia entries as discursive structures. In this view, neutrality is a socially constructed ideal, seemingly rational, but constantly under negotiation.

### *Neutrality in journalism and in new media*

In communication research, the concept of neutrality is rooted on the theoretical ideal of objectivity, especially in journalistic tradition. The linkage between truth seeking, objectivity and professionalism has been a result of occupational ideology by journalists themselves as well as researchers and scholars. This belief in objectivity in reporting helped provide professional identity, internal solidarity and cohesion to a particular group: it was a way of constructing boundary lines between professionals and non-professionals (Thorsen, 2008; Shudson & Anderson, 2008; Ward, 2008). The principle of objectivity made way for construction to specific journalistic practices, e.g. careful fact-checking, strict distinction between news and opinion (Shudson & Anderson, 2008; Ward, 2008), and often lead to either moderatism (omission of extremist views in order to maintain order and protect society against potential internal and external threats) or polarization (display of two opposite and competing viewpoints on issues) of news content (McCluskey & Young, 2012).

The norm and ideal of objectivism has been persistently questioned as scholars have come to the understanding that "true objectivity is impossible" (e.g., Schudson & Anderson, 2008). Objectivity as an ideal has been seen not only too demanding and thus impossible to achieve, but also undesirable because it leads journalism to use restricted, replicating formats and encourages superficial reporting instead of in-depth analysis (Ward, 2008). Further, as Ward claims, objectivity makes journalism ignore its other functions in society, such as acting as a public watchdog, and simultaneously restricts freedom of press. According to Ward "[a] democracy is better served by a non-objective press where views compete in a marketplace of ideas" (Ward, 2008). In addition, the movement of public/civic journalism in the 1990's emphasized that in order for journalism to sustain its public service nature; objectivity norm should be replaced by or accompanied with engagement of citizens in solving societal problems (Skovsgaard et al., 2012). In public journalism, social Internet platforms such as blogs and wikis can be seen as a new neutral arena to help mobilize opinions. As they diverge from the constraints of other media, the Web "can be a medium for engaging more widely in, not just presenting and following, civic dialogue" (Stengrim, 2005).

In general, the pluralistic modes of communication in new media have often been seen as possible solutions against the problematic ideal of objectivity and neutralism. The central argument is that new media technologies liberalize the flow of information and create neutrality through larger participation (e.g. Dahlberg, 2011; Van Dijck, 2012, Benkler, 2006). This conception is rooted in the history and philosophy of the Internet, as it is technically built as a decentralized network system with no centralized control mechanisms, and avoids all forms of censorship or regulation (Carpenter, 1996; Barratt & Shade, 2007; Roberts et al., 2007). A term referring to this principle

is *net neutrality*, comprised of two main positions: the Internet has no centralized control mechanisms, and those who own the networks do not control the content that runs over them (Barratt & Shade, 2007).

#### *Neutral point of view (NPOV) in Wikipedia*

Wikipedia defines its conception of neutrality in the editing policy of NPOV, Neutral point of view. In short, Wikipedia states that “Editing from a neutral point of view (NPOV) means representing fairly, proportionately, and as far as possible without bias, all significant views that have been published by reliable sources” (11.3.2013). For Wikipedia, this is first and foremost a means to express and foster their trustworthiness as a platform and as a source of information, building on the journalistic principles of objectivity and neutrality presented above. The community guidelines conclude that:

*Achieving what the Wikipedia community understands as neutrality means **carefully and critically analyzing a variety of reliable sources and then attempting to convey to the reader the information contained in them fairly, proportionately, and as far as possible without bias.** Wikipedia aims to describe disputes, but not engage in them. Editors, while naturally having their own points of view, should strive in good faith to **provide complete information, and not to promote one particular point of view over another.** As such, the neutral point of view **does not mean exclusion of certain points of view, but including all notable and verifiable points of view** (Wiki NPOV, emphasis added).*

Thus in practice, NPOV should lead to referencing material from trusted sources with appropriate citations, and in a case of dispute, the inclusion of all different viewpoints. The policy expects editors to carefully avoid stating opinions as facts and to include opposing views in a situation when controversies arise. However, skeptical views on the possibility of neutrality in Wikipedia have been presented both from the community itself and researchers. For example, one of the founders of Wikipedia now withdrawn from the project, Larry Sanger (2009, pp. 64), has stated that “over the long term, the quality of a given Wikipedia article will do a random walk around the highest level of quality permitted by the most persistent and aggressive people who follow an article.” The neutrality of some articles on a very controversial topic, such as gun control or homosexuality and religion, is constantly questioned, even to the extent that the administrators have to restrict editing of the page to logged-in users only or, in the case of full protection, to administrators only (see Wikipedia, 2013b).

Also research on Wikipedia has highlighted the problems around the NPOV policy. It has been noted, that the stipulation of neutrality is impossible to explain: should it refer to content being unbiased, fair or impartial (Reagle, 2011)? Joseph M. Reagle (2011) also questions whether the bias in neutrality can be sourced to the platform itself, processes and policies, people editing the content, practices, or the articles themselves – and whether a bias in one of these can contaminate the neutrality of others. Thus, in a complicated, open multi-level system such as Wikipedia, it is hard to trace the requisites of neutrality to one part of the system only. According to Reagle (2011, pp. 53) neutrality can rather be understood not so much as an end results, but rather as “a stance of dispassionate open-mindedness about knowledge claims, and as a ‘means of dealing with conflicting views’.” In a conflict, consensus is the primary way of governing Wikipedia and making editorial decisions (e.g., Kittur & Kraut, 2008). If a consensus is not achieved through normal editing process, each entry has a dedicated talk page for discussions regarding the content of the entry.

In addition, the Wikipedia community has developed specific tools for coordinating the editing process. One of these tools is the so called template messages mentioned earlier. Alessandro Rossi and his colleagues (2010) studied the use of NPOV template message on Wikipedia articles using statistical analysis. They suggest that, in general, tagging articles with NPOV template helps them attract an increased attention, and thus lead to improvement of the entry. What is interesting is that the writers suggest that the NPOV template might be used as a guard by some editors to protect the text for which they feel a sense of ownership. This implies that the template and the concept of neutrality is also a tool in the internal power struggles of the community.

Further, studies have shown that the Neutral Point of View is not immune to cultural influences (Callahan & Herring, 2011, Kolbitsch & Maurer, 2006), but different language editions of Wikipedia have different content. The Wikipedia project also suffers systemic bias relating to its contributors' demographic groups, the prevalent points of view representing those of the average Wikipedians – technically inclined and educated, English speaking males from developed countries (Wikipedia, 2013c). Bias takes two forms: articles on neglected topics fade away, and there is a perspective bias present in articles on many subjects. The editing history and the talk pages can be invaluable resources in recognizing these biases. Using the history for example, one can look to see if there were any dissenting opinions, what these different viewpoints were, and what arguments ultimately carried the day (Fallis, 2008).

The neutrality, as formulated by Wikipedia in the core content policy description, is according to our view a combination of the two approaches to neutrality depicted above. In part, Wikipedia builds on the philosophical principles of neutrality attached to Internet communication and architecture in general. It fosters openness, peer production of content, non-hierarchy approach for users, and exhibits no direct legislation or regulation. In addition, shown in Wikipedia's own description of neutrality are traces of journalistic principles and even ethics: careful fact-checking, distinction between facts and opinion, and a striving for no-bias reporting. In this study we focus on the ways how this ideal of neutrality is built and contested in practice when editing the corporate entries in the Finnish Wikipedia. We assume that there is a perspective bias to be found also in the corporate entries, based on different conceptions the editors have regarding corporations and their roles in the society. Thus we are searching for neutrality problems that are more veiled practices and biases, recognized only by systematic research. We seek to analyze this process of negotiation/contestation by tracing the elements of dispute – the discursive struggle.

## **Materials and Method**

### *The materials*

The empirical material for this study consists of the Finnish Wikipedia pages of 100 top companies in Finland (Talouselämä, 2011), a local equivalent of Fortune 500 ratings. The data was collected in June-July 2012. To contextualize the materials, we first focused on the quantitative details of our data. In the first stage of the analysis, we classified these 100 companies by their Wikipedia-coverage using a comparative content analysis of different categories such as presence, entry length, amount of contributors, number of edits, company participation, and amount of debate. Of the 100 companies in the Talouselämä 100 list 85 had a Wikipedia entry, most of them created in 2003-2004.

Based on this data, a number of representative cases were selected for in-depth qualitative analysis in order to gain deeper understanding about the discursive struggles within. Therefore,

when collecting the data and selecting the cases for this qualitative analysis we put special interest on the cases that had conflicts of interests and expectations presented in their page editing history. In total 14 cases were selected based on our observations and the explaining comments made by the Wikipedia contributors in the course of the editing process. We scrutinized the selected Wikipedia pages in order to locate textual cues that pointed to contested categories or concepts. We focused especially on explicit expressions of dispute/disagreement on the talk pages and the remarks that editors themselves had made in edit comments to explain their revisions.

*The method: Analysis of discursive struggle*

Our method of study is influenced by Laclau & Mouffe's discourse theory. The starting point of the Laclau-Mouffean discourse perspective is that no discourse can be fully established since it is always in conflict with other discourses that define reality differently; struggle over the creation of meaning pervade the social realm (Laclau & Mouffe, 1985). In contemporary society, these conflicts over meaning become visible through media. Media have an important role in bringing out the dominant/hegemonic discourses, and in this paper we demonstrate how an online media environment, Wikipedia, serves as an arena of discursive struggle. Discursive struggle is the process where contesting discourses are attempting to acquire a fixation of meaning for the key signifiers (Phillips & Jørgensen, 2002, pp. 50).

The especially interesting signs are thus called *key signifiers*, by which Laclau and Mouffe mean the elements of the discourse that are under struggle. By tracing the key signifiers, we will examine the ways in which neutrality is constructed. In the empirical analysis of Wikipedia entry revisions and commentaries, we aim to discover the specific expressions (textual formulations and choice of words) that generated comments and discussions of neutrality or NPOV claims. Then we will analyze these expressions and their capacity as articulations to explore what meanings they establish by positioning elements in particular relationships with one another and what meaning potentials they exclude. This way we can gradually map the partial structuring of key signifiers into discourses of specific domains. In doing so, our purpose is to show how neutrality is re/constructed and negotiated by analyzing contesting viewpoints and the discourses they form in the Wikipedia environment.

In our analysis, we only included cases that a) had at least two parties (sometimes the editors correct, revise or remove their own texts) and b) the dissimilar/different versions were public for at least some hours (this excludes the cases of clear vandalism).

### **Findings and Discussion**

In this section, we proceed to elaborate on the different representations of neutrality issues of fourteen selected corporate Wikipedia entries analyzed for this study. In order to find the concepts and positions of contestation, we searched for the key signifiers as defined by Laclau & Mouffe (1985). The focus was on the particular expressions of dissent. When these expressions were located, we aimed to identify the specific articulations of different interpretations. Through this analysis we identified four key signifiers: a) products/services b) company activities, c) environment, and d) rules and legislation.

When characterizing the corporations or their products/services, the dissent became visible in the choice of words, especially adjectives. For example companies' business sites have been called "*the busiest*" versus "*most profitable*" or to offer "*popular destination*" versus mere

“destination”. A company was called either as “*one of the leading providers*” or “*a major provider*”. Attempts to call a company “*a flagship*,” its selection “*wide*” or its products “*high-quality*” were quickly removed, in one occasion with a remark “*removed praise without a source.*” However, in some cases we noted that if the information comes from outside parties, a promotional choice of words is not necessarily removed or corrected by the community.

In characterization of the activities of corporations, the emphasis was also in the choice of words, adjectives and substantives. For example, the expression “*supranational*” was revised to “*international*” with a remark “*corrected a politically loaded text.*” One company’s operations in South-America were first called “*error investment*,” and then “*odyssey*.” In one case, one editor wrote that “[the company] has *network covering the whole county (excluding Åland)*,” and another editor revised it to “[the company] has *the narrowest mobile network*, even though it covers Southern Finland well.” When describing a corporation’s business idea, the first statement of “*the basic mission for the company is to insure...*,” was reformulated to “*the basic task reported by the company is to insure...*” Thus the editors choose to emphasize that the fact is indirectly quoted from the corporation and not a fact at its own right. In another case, the company was first “*facing economic difficulties*” but later, more directly focusing on consequences, it was facing “*a decline in profitability.*”

In addition to characterizing the company, its products or basic activities, the environmental issues related to particular companies were also reported and often provoked debate or discussion. The evaluative stances of the editors are exhibited simply in choice of concepts, such as “*atomic power*” versus “*nuclear power*” and “*biodiesel*” versus “*renewable fuel*,” but usually the rephrasing is more intricate. For example, in the original version “the company has been recognized *for its unique plantation concept*,” until an editor replaced it with “*the intensive farming of eucalyptus pollutes groundwater area.*” This evaluation can also appear in changing the epistemic modality of expression. For example, the formulation “*considering the effects on climate change, palm oil is even worse alternative than fossil fuel*” was revised to “*--palm oil might be even worse--*,” and the formulation “*according to Greenpeace, this is not enough, since the raising demand for farmland will indirectly increase the cutting down of rainforests*” was revised to “*---since they argue that the raising demand---*.” This is a typical example of an opening move as described by Jason Swarts (2009), who analyzed fact construction in Wikipedia; a participant is drawing attention to how a fact is constructed or supported by, for example, sourcing the fact.

It must be noted however, that the discursive struggle does not only happen on the level of word selection. In some cases, whole sentences are replaced with new arguments, coincided with the new formulations, and bringing about new viewpoints. For example, a long description of a company’s pursuits in Latin America was shortened as follows: “*In South America, the company has faced many new problems. The worst examples are longstanding; even state-level political disputes and local unrest caser by increasing income disparities, especially among the landless people in weakest position. In the western debate, the company has mainly been asked to take care of the local environmental and working conditions.*” versus “*In South America the company has faced many new problems, especially land conflicts. [The company] has attempted to solve the problems by open dialogue with its critics.*”

The second, more contextual issue we identified as a key signifier was rules and legislation. One way this signifier is expressed is by different expressions of reporting about possible violations of legislation or other corresponding rules. Again, changes in epistemic modality of the sentence and

opening moves are used, along with adding or removing the actors: “[the company’s] *policy is reputedly to hire employees who have not worked in the business before. The store chain is using secrecy as a marketing tool and it does not tolerate journalists or photographers.*” And later, “*the company has been criticized of its employer politics and scarce PR.*” In the course of editing, all of these expressions were removed multiple times and finally reinstated with proper references “*among other the Union of Finnish service workers and its European umbrella have criticized [the company] for its employer politics. In addition, the company’s scarce PR has raised upset?*”

Another example where legislation issues are raised forward is the discussion about state ownership: “*in some incidents, it [the state] has indulged in excesses by favoring [the company]*” versus “*the state strives to favor [the company] with all possible ways.*” This was an issue discussed in wide extent and in detail and even on the level of formulating headers of the section. As the example implies, there are some possible opinions lurking behind the choice of words. Notable here is that the target of criticism is not only the company but also the actions of the state. Thus, discourses on state ownership reflect the relationship between corporation(s) and a state and society in general.

Further, it needs to be noted that issues related to company activities can intersect with rules and legislation issues. A clear example of this is a discussion of a company’s advertising practices, that starts with a pure opinion statement “*advertising is very aggressive,*” then translated through rather neutral and general expression of “*advertising has been criticized*” to a sourced and named fact telling that “*in 2004 consumer ombudsman gave [the company] a notice regarding its advertising.*” Thus again, neutrality is constructed using changes in modality and by adding actors, an opening move (Swarts, 2009). At the same time, this trajectory shows how the key signifiers are interrelated.

To summarize, the ideal of neutrality is discursively contested by two-directed attempts: firstly, using advertising-like promotional language, and secondly by incorporating corporate critique to the entry. That means that the elements of the struggle (in the form of key signifiers), can be arranged in two categories. The characterization of corporations, their products or activities form one category, and the evaluation of corporations’ environmental and legislation issues form one category. We named these categories as *promotional discourse* and *critical discourse*. Within these categories, the neutrality is constructed and contested in different ways, as explained in the following graphic. However, it should be acknowledged that discourses are never exclusive but overlapping.

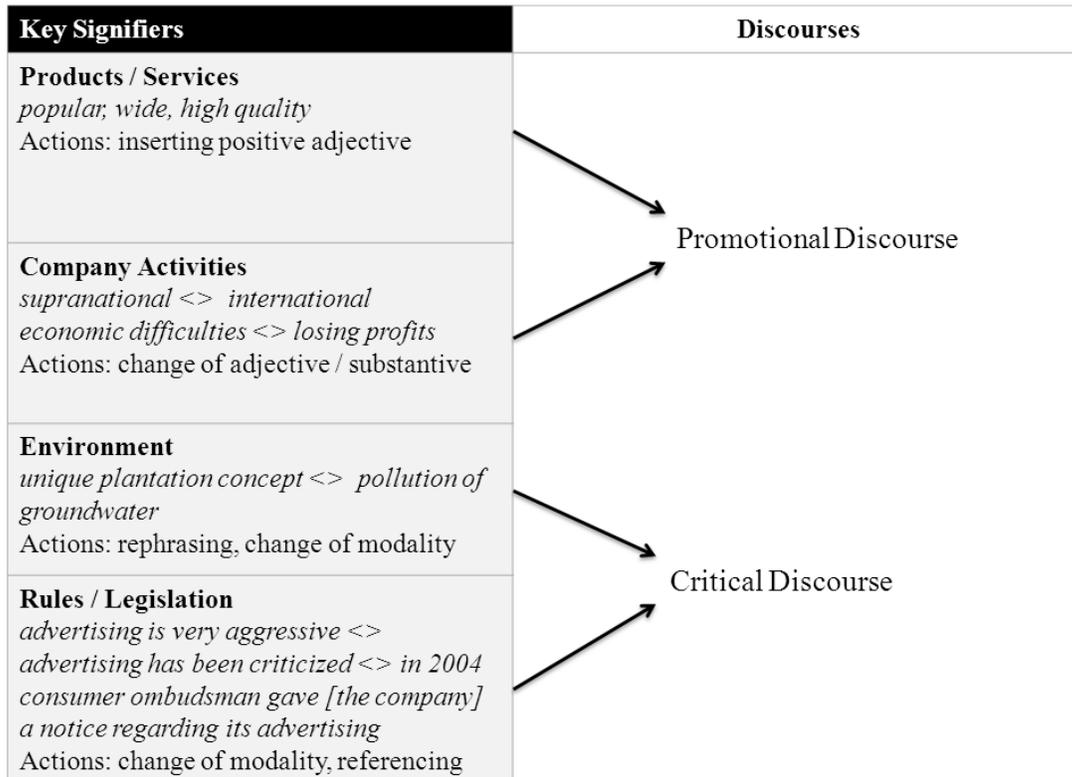


FIGURE 1. The categories of key signifiers and discourses with example and means of production

In the promotional discourse the neutrality is contested in specific choice of words. The contested expressions were often copied directly from companies PR material or press releases, and the wiki community used its power to use terms viewed as more neutral, such as “*international*” instead of “*supranational*.” This is has similarities with journalistic practices, as the viewpoint of only one part (the company itself) is not enough to produce credibility and, thus, neutrality, and, if no counterpart can be found, the expressions were deleted. Within this discourse, the revisions were usually single events, and once the tone was corrected, no attempts to restore it were made. Interestingly, the editors who were commenting on the lack of neutrality usually added some arguments for their claims, but the editors accused of promotional tone usually did not react, or if they reacted, it was simply by adding links to companies’ own texts.

In the critical discourse, the dispute was more on the operations of the corporations, and some editors used colorful expressions in describing the particular wrong-doings. Also in this category, the expressions of critique originated from other sources– as the content policy states – but in the comments there often were explanations to enhance the credibility of the source (like “known financial reporter in leading newspaper”). These actions of neutralizing quite promptly follow the pattern of opening moves described by Swarts (2009). Within this discourse, the disputes can be longstanding. Different parties keep revising and restoring their texts, and the texts can be revisited after a long period of time. A clear example of this is the editing regarding a company’s employer politics described earlier in this paper.

However, despite the cause, style or nature of these discursive struggles, the constantly updating system of Wikipedia makes all these efforts temporary representations. This means that the representation a visitor gets from a certain company depends on the exact time visited on the corporation's Wikipedia page. No single editor, even a company promoter or firm critic, can maintain or manage a solid representation of corporations and their activities.

## Conclusion

Through the analysis, we have shown that the ideal of neutrality is both reproduced and challenged in corporate Wikipedia entries. The premises and implications of different types of claims are laid out and explicitly visible, thus making them transparent and open to evaluation. By concentrating on the actual and exact contested expressions, we were able to show how the community is constantly working in order to pursue the ideal of neutrality. Thus we can point out not only the principles, but also the practices of the implementation of a difficult aim.

The pursuit for neutrality is a means to express and foster Wikipedia's trustworthiness as a platform and as a source of information. This credibility is sought through selection of words, referencing appropriate sources and actors, and changing the epistemic modalities of the sentences. These actions allow us to recognize four categories over which the Wikipedia community is negotiating; products/services, company activities, environment, and rules and legislation. As the struggle over neutrality circles around these four key signifiers two larger discourses can be identified; promotional discourse and critical discourse. As discourses are by nature, these two discourses are interrelated, non-inclusive, and their elements are constantly shifting.

In the light of the results, we can accentuate the temporary nature of "consensus" or "neutrality" on Wikipedia. This is a perfect example of constantly ongoing discursive struggle, taking place in the level of specific expressions, explanations behind them and their occasional visible representations. This highlights the thoughts of Mouffe about the impossibility of neutrality or consensus, and places more emphasis on the understanding of the multi-leveled and fluctuating nature of internet content, and Wikipedia in particular. In the postmodern virtual reality, all participants, whether they are random individuals, active partisans, distinguished editors or corporate representatives, should recognize and be able to understand the agonist nature on online publicity.

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# Image Transformation

## Drivers, Factors, Outcomes and Implications

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*The purpose of this study is to build a Conceptual Framework in Image Transformation. Drivers, factors, outcomes and implications of image transformation are posited, extending on Pang's (2012) Crisis Pre-emptive Image Management Model. The Framework is grounded in identity, brand and image literature, and integrated with Discourse of Renewal (Ulmer, Sellnow & Seeger, 2011). Deductive testing of literature is conducted on a case study in Singapore's Institute of Technical Education. Based on Bronn's (2010) intended-and-construed image notion, analysis is conducted on access to intra-organizational records of leadership decisions and news reports. The Framework has informed that image transformation depends on change adaptability and unique customer relationships, resulting in an elevated status and increased market share. Arguably the first study that expounds on image transformation, image transformation is a practicable strategy to consider in averting foreseeable crises. Organizational resilience is enhanced when uncertainty is better managed (De Wet, 2011).*

The majority of youths who make up the lowest 25 per cent of academic achievers in Singapore have a post-secondary progression pathway to head to: the Institute of Technical Education [ITE]. At ITE, students are put through a more technical-based education, where they learn a skill for employment. However, as a nation that prides meritocracy as a key tenet in its culture and identity (Lee, 2007), the consolidation of these academic underdogs under one roof can be problematic: It does not project an image of success. ITE's grave image situation was substantiated by an image equity study conducted in 1997 ("2010 Corporate Image Equity Study", 2011), which involved more than 900 participants consisting of parents, employers, potential students, the general public and teachers. It revealed that only 34 per cent of those sampled have a positive impression of ITE, with parents and the general public having the worst perception in the 20 percentile range.

This feedback demanded an urgent response, or ITE would risk losing relevance to its key stakeholders. The predominant issue, as it appeared to ITE management, lied with its image, which did not accurately reflect the value of its products and services. Following the study's revelations, ITE launched a series of five-year strategic roadmaps aimed at alleviating public perception of the institution, and at the same time, reviewed its internal workings. Since the year 2000, ITE has won a string of notable awards, both local and international, that acknowledged its organizational excellence and unique ability in helping students achieve success (Law, 2008; Spring Singapore, 2011, October 19; Yong, 2007, August). Political leaders also noted the marked improvement, with former Prime Minister Lee Kuan Yew calling ITE a "Singapore Success Story" (Goh, 2008). In the OECD (2011) publication "Strong Performers and Successful Reformers in Education", it extolled ITE as being an "important pathway in Singapore's journey to educational excellence" (p. 168). During this period, ITE also managed to redevelop their

training centers into three mega campuses with more modern facilities for learning purposes (ITE, 2006).

Drastic change had happened - given that ITE management decided to review its physical and organizational infrastructure, with a focus on public persuasion of ITE's value in society. This change was a necessary response aimed at correcting a foreseeable crisis. The Chinese interpretation of 'crisis', which literally translates into two characters of "danger" [危] and "opportunity" [机], proposes an optimistic outlook in the face of adversity. 'Transformation', as a concept in popular culture, too has a positive undertone and connotes a change for the better. A common analogy of transformation is illustrated in the process of how a crawling green caterpillar becomes a fluttering colorful butterfly, where natural development in the creature's life cycle triggers a sweeping change in its physical features and their functions. ITE's potential to be seen as an integral part of Singapore's holistic education system has been latent until transformation happened.

#### *Purpose and Objective of Study*

The discussed vision and elements of transformation could be relevant for use on an image, which is a malleable entity (Benoit, 1997; Berstein, 1992). This paper purposes to advance the understanding of image transformation, where little research is available, and is arguably the first study to extend and elaborate on image transformation.

The objective of this study is to devise a Conceptual Framework in Image Transformation, as a feasible pre-emptive strike against a foreseeable organizational crisis. This is accomplished through consultation of literature from wider disciplines in identity and brand studies, and testing the draft Framework on a case study in ITE. The Framework will be refined with these deductive findings as a result.

#### *Significance of Study*

As theory can help organizations manage uncertainty (De Wet, 2011), a **Conceptual Framework in Image Transformation**, could support practitioners with options when faced with an impending crisis. Indeed, theory can generate new insights and expand the range of knowledge through its application value to the practical world (Pang, Jin & Cameron, 2010). The rigor of testing involved is what makes theory credible and legitimate. But for crisis communication theory to be applicable, it cannot just be confined to explanatory functions. A 'strategic' theory must be able to inform PR managers "to anticipate how stakeholders will perceive and react to the crisis and the organization in crisis" (Coombs, 2007, p. 174). Without theory, organizations can only rely on 'best practices' shared by counterparts or lessons learnt from previous crises.

#### **Literature Review**

##### *An Introduction to Image Transformation through Pang's (2012) Pre-emptive Image Management Model*

Pang's (2012) Crisis Pre-emptive Image Management Model is a holistic framework for image management with regard to organizational crisis. It argues for a constant need to comprehensively project a new image, boost one's image, soften one's image and make over one's image (Pang,

2012). Each image work in the Model requires change of varying degrees. The study of image transformation is purposed towards explication of mechanisms to ‘boost one’s image’ (Pang, 2012), as a pre-emptive strike to avert a crisis. As a strategy in the crisis life cycle’s strategic phase, image transformation is banded together with image strengthening, a reputation-management response to reinforce existing values familiar to stakeholders (Coombs, 2012). The Model is presented in Figure 1 for reference.

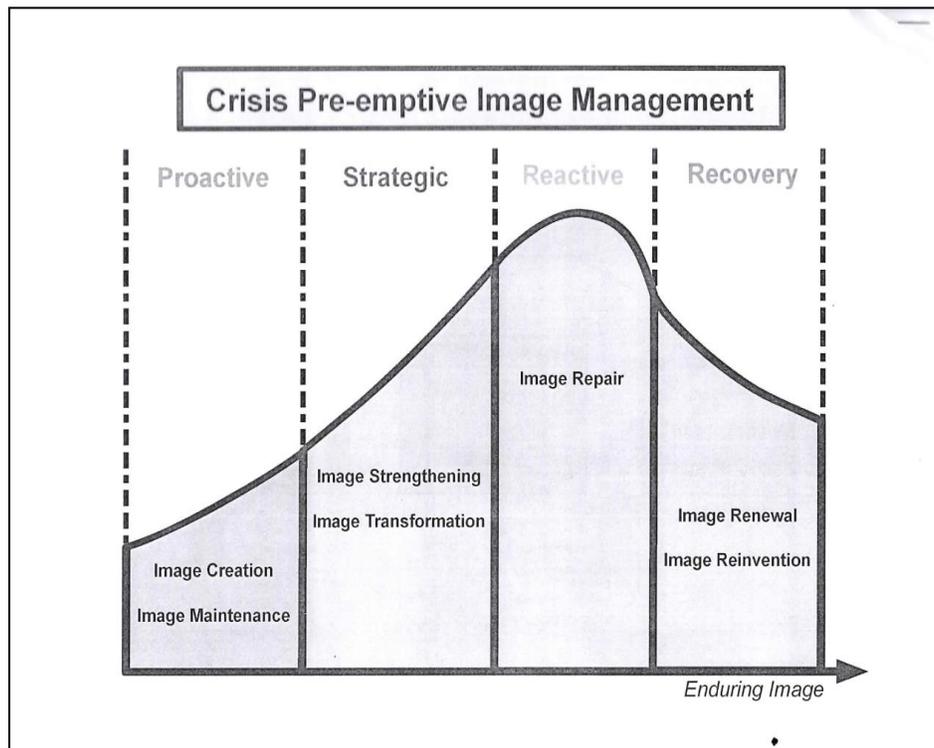


FIGURE1. Pang's (2012) Crisis Pre-emptive Image Management Model

Given the vital importance of image in an organization (Hutton, Goodman, Alexander & Genest, 2001; Fombrun & van Riel, 2004; Ho, et al., 2011), Mitroff's (2003) argument that ‘an organization’s positive public image could be destroyed when crisis occurs’ is valid. In fact, Pang (2012) suggested that crises could even threaten the existence of the organization, and when threats of such gravity loom, image transformation is a feasible response to cope. Image transformation is a way of self-preservation (Pang, 2012), and occurs “when the organization feels its image needs to be refreshed to maintain relevance with audience” (Pang, 2012, p. 366). This could also be done with changes in its mission of existence in order to keep pace with changing demands of stakeholders (Pang, 2012).

#### *The Harmony of Identity, Image, and Brand*

As literature on image transformation is limited, the development of a Conceptual Framework serves to extend Pang's (2012) preliminary notions of image transformation. This has to be accomplished through the consultation of literature in related fields. Understanding image transformation will capitalize on the strong relationship between the three concepts of identity, brand and image. Hatch and Schultz (1997) believed that identity and image form two of three

related parts of “a system of meaning and sense-making that defines an organization to its various constituencies” (p. 357). Oswick (2000) suggested that “the fusion of identity, image, brand and reputation into coherent and organizational expression is both a legitimate and desirable goal” (p. 744). An understanding of the concepts of image, brand and identity, and the transformation theories of brand and identity, must take place first before synthesis of common ideas can happen.

### *Shared Principles of Identity, Image and Brand Concepts*

The availability of theoretical concepts of image, brand and identity are non-exhaustive but their shared principles reveal three broad similarities: First, image, brand, and identity are all **self-constructed entities**. The organization or individual is responsible for stakeholders’ subjective perceptions of it and this demands finesse in design and construction (Birkigt, Stadler & Funck, 1986; Cornelissen, 2011). An external image can be strengthened through measures that enhance relationships (Christensen, Morsing & Cheney, 2008); a brand can be fortified by appealing more to the emotional and social needs of different consumers (Christensen, et al., 2008); and an identity can be more established through clear communication of the organizational personality (Olins, 1978). As self-constructed entities, the onus has to be on the leadership to build and maintain them - through sharing of information with rank and file within the organization. Second, image, brand, and identity require a **deep knowledge of stakeholder groups** in order to be effective. Dempsey (2004) shared that a brand requires understanding of the community the organization serves. For image, Oliveria and Murphy (2009) pointed out that legitimacy is an important aspect of reputation, and therefore of crisis communication strategy. This image projection of the organization operating a socially-legitimate business creates a “halo effect” (Lyon and Cameron, 2004) in times of crisis, where public goodwill shored up over time can help mitigate an image fallout. Identity must aim to be endearing to its publics (Cornelissen, 2011), unique (Albert & Whetten, 1985; Schultz & de Chernatony, 2002) and memorable (Cornelissen, 2011). Third, image, brand, and identity require **commitment and consistency over time** to succeed. Dempsey (2004) contended that a strong brand identity needs an investment of time to build; organizational image or reputation is a lasting impression that is dependent on evaluation by stakeholders based on evidence (Benoit & Pang, 2008); and identity requires temporal continuity or sameness over time in order to strike a chord with stakeholders (Albert & Whetten, 1985).

### *Identity Transformation and how It Informs Image Transformation*

Literature on transformation of the “self” or identity has its roots in cultural studies. The central theme of identity transformation lies in the *adaptation* from one identity to another. Changes to identity can be accompanied by **widespread changes to culture** and they would take time for effects to be fully realized (Temporal, 2002). Chen, Zhang, Y., Zhang, H. and Yang (2010) studied Chinese rural farmers who had been thrust into urban societies. Given the rapid development of the country’s social economy, they **tried to adapt** as a contemporary social group as new urban migrants or landless rural residents. Having seen themselves as rural residents for a big part of their lives, the middle-aged and elderly rural farmers found it harder to adapt, and linked their **status with identity**. When they no longer have land to till, their status in society diminished and shifted to a purely socio-economic one; where financial income became the indicative factor, as prevalent in most modern urban societies.

Lundegård, and Wickman (2009) suggested that identity transformation in education is a ‘**social transaction**’ - where “the human identity, while carrying continuity, is also constantly transformed through the inter-human contacts people live with” (p. 463). They argued that as educational structures involved a choice for sustainable development against a globalized environment of universal values, discussions should not start from a pre-determined set of content. Sustainable development, according to Lundegård and Wickman (2009), has to allow for identity to be negotiated and re-interpreted, focusing on plurality of views over a period of time.

Lundegård and Wickman’s (2009) views reflect an era of postmodernism, where “the postmodern identity depends on the way in which the individual constructs, perceives, interprets and presents himself to others” (Abruden, 2011, p. 25). Abruden (2011) added that the **media culture** is significant in driving the evolution of identity, by creating and offering “images appropriate to certain social roles... corresponding to the ideology of a contemporary era, in continuous change and arrangement” (p. 32).

In organizational identity, Albert and Whetten (1985) posited that members find characteristics as central, distinctive and **enduring**. From the management point of view, “identity and identification are root constructs in organizational phenomena” (Kiyomiya, 2006). Kiyomiya’s (2006) study in the ‘transformation of organizational identity into corporate hegemony’ enlightens on the process of identity transformation, where **collective construction** and **adoration of an identity** are factors for transformation. These views resonate with those of Albert, Ashworth and Dutton’s (2000), where organizational identity processes are affected by the motivation and empathy in the heterogeneity of people and social forms.

#### *Brand Transformation and how It Informs Image Transformation*

According to Kuvykeite and Mascinskiene (2010), consumer behavior, marketing infrastructure, scope of competition and state regulation plays decisive roles in engineering successful brand transformation. But regardless of whether transformation takes place or not, Hollensen (2004) argued that a brand has to remain functional in differentiating its products from competitors; achieving recognition and remembrance of the brand; ensuring quality and consumer satisfaction; and contributing to product sponsorship actions. The impetus for brand transformation could lie in the potential of **increased foreign economic activity** (Kuvykeite & Mascinskiene, 2010), an external influence. Some examples of brand transformation, to be elaborated in the following paragraphs, are found in how **a national brand transforms into an international one**; how a brand can build **stronger bonds with clients through staff behavior**; and how a brand can change its appeal to attract a new profile of customers.

Kuvykeite and Mascinskiene (2010) proposed a model of brand transformation, specific to how a national brand can transform into an international one. The model is comprised of five linear steps in situational analysis: a sensing of a product’s strengths and weaknesses and what the foreign markets are like; brand decisions in foreign markets, where brand creation processes are considered; adaptation of brand identity sources, where the brand positions itself to the tangible symbols of identity; adaptation of **integrated brand communications**, where sales stimulation strategies are implemented; and lastly, control of brand success in the market, where **brand equity or market share is measured for possible reviews in future**.

Another example of brand transformation can be found in Spanish multinational financial group BBVA (Alloza, 2008). The desire for BBVA to appeal to or bond with its clients triggered brand transformation, where BBVA customized an approach called the ‘brand experience’ to strategize how best to achieve brand transformation targets: brand management will take the lead to align employee behavior to better serve clients according to the promise of the brand (Alloza, 2008). Positive interactions between positive clients and employees contribute towards a more positive brand. The brand experience model identified three pillars for transformation: **leadership**, **innovation** and **people**.

This emotional bond with clients is critical to successful brand transformation. In the case of alcoholic beverage Smirnoff, a distilled spirit, the company realized that transformation was necessary when it was losing market share to beer and wine drinkers, due to the advent of favorable media influence over these products (Mosher, 2012). With young drinkers favoring beer and wine, the future looked bleak for Smirnoff when these clients mature. In order to increase its popularity among younger clients, Smirnoff began to develop a distilled spirit beverage that tastes like beer; and was marketed like a beer with a distinctive beer-bottle look. They introduced exciting varieties for the young with an array of fruit flavors in vodka. Smirnoff also injected marketing innovations like association to popular drinking games of the young, and they used viral and digital marketing etc. The understanding of its clientele has helped Smirnoff invigorate and transform its brand into an appealing and modern one, which helped capture market share among the young. In 2010, Smirnoff was even named “the most powerful alcoholic beverage brand by Intangible Business in its Power 100 report” (Mosher, 2012, p. 59).

Brand transformation, like identity transformation, relies on emotional resonance by clients to be successful. From the onset, external economic influence, which could threaten an organization’s existence, is a key trigger of brand transformation. In the case of BBVA, **client satisfaction** and loyalty are prized entities that trigger brand transformation as well. Factors include astute, hands-on leadership; an innovative culture where sharing and implementation of new ideas is prevalent; and inspiring staff to inspire clients. The ability to adapt in new territories and having knowledge of competitors are also notable components to a successful brand transformation.

#### *Adaptation of The Discourse of Renewal for Pre-crisis Perspectives*

The act of renewal is closely related to image transformation, according to Pang’s (2012) Crisis Pre-emptive Image Management Model, as image transformation is more than a superficial makeover but a “change in *raison d’être* and *modus operandi* so that the organization remains relevant in response to changing demands” (p. 367).

Ulmer, Sellnow and Seeger’s (2011) Discourse of Renewal was inspired by the possibility of opportunity in crisis. Although renewal is posited as a “fresh sense of purpose and direction an organization or system discovers after it emerges from a crisis” (Ulmer, Sellnow & Seeger, 2011, p. 213), there are theoretical elements of renewal that are relevant during a pre-crisis scenario, for the purpose of image transformation. Moreover, on a crisis life cycle (Wilcox & Cameron, 2009), the tail end of a crisis just signals the commencement of another life cycle. The elements or theoretical components of renewal are: **‘organizational learning’**, **‘ethical communication’**, **‘prospective rather than retrospective vision’** and **‘effective organizational rhetoric’** (Ulmer, Sellnow & Seeger, 2011). These components will have to be adapted to demonstrate how they could serve as pre-emptive strategies too.

First, systemic learning, or organizational learning in advance of a crisis to prevent one, is helpful in a pre-emptive strike. Ulmer, Seeger and Sellnow (2011) suggested that “organizations seeking to create a renewing crisis response or to avoid some crises altogether should work towards systemic learning” (p. 214). Brockner and James (2008) argued that “organizational learning is an adaptive process in which firms use prior experience to develop new routines and behaviors that create opportunities for enhanced performance” (p. 100). Learning can imbue in leadership an opportunistic mindset when faced with crisis. This is a positive attribute. One of Smith and Elliot’s (2007) relationships between crisis and learning is the process of ‘**learning for crisis**’, where the goal of learning is to develop capability around response.

Second, **ethical communication** is the conveyance of organizational ethical values to stakeholders. Ethics, according to Ulmer, Sellnow and Seeger (2011), “concern basic judgments of right and wrong, good and bad, and desirable and undesirable” (p. 200) and ethical judgments involve decisions based on “values learned and internalized” (p. 200). Farjami (2012) shared that there are unlimited ethical problems to solve and applied ethics matter because only practical ethical issues are dealt with. In crisis, such values are amplified and scrutinized by stakeholders.

Third, the Discourse of Renewal is based on optimism, like transformation. Hence, much of the discourse hinges on a strategic focus on the future, or ‘prospective rather than retrospective vision’. **Risk communication** can provide this direction, as it is designed to avert a crisis through speculation about what might happen based on current knowledge (Ulmer, Sellnow and Seeger, 2011). Sandman (1993) posited that risk is a combination of hazard and outrage, where the public misperceives organizational hazard and the organization misperceives public outrage. According to Palenchar (2010), risk communication engages and encourages “vigilant community stakeholders regarding the discussion and management of risk” (p. 451).

Fourth, ‘effective organizational rhetoric’ is grounded in literature on effective organizational leadership. The dominant coalition, or leadership, is one of the predisposing factors of the Contingency Theory of Strategic Conflict Management (Pang, Jin & Cameron, 2010) and naturally assumes a decisive role in charting the strategic direction of an organization. In other words, the leader is the face of a crisis (Oliveira & Murphy, 2009), and has a role to play in reestablishing stakeholder confidence (Lucero, Tan & Pang, 2009). It has been argued that **transformational leaders** are expected to be able to “provide and persuasively communicate a new corporate vision for an ailing organization and lead its followers through what can often be quite painful changes, including restructuring and sizable retrenchments” (Liu, 2010, p. 233). This view was concurred by Ulmer, Sellnow and Seeger (2011), that leadership leads by inspiration, to instill optimism of opportunity and commitment in the face of adversity.

#### *Conceptual Framework in Image Transformation*

Ulmer, Sellnow and Seeger’s (2011) Discourse of Renewal involves a process of change for the better. Although Bronn (2010) had kept distinct the two facets of image in intended and construed image, the author argues that the ultimate goal for an organization’s image work lies in persuading public perception towards its intended image. To elaborate, image equity will be at its optimum point when construed image becomes the intended image of an organization. Thus, a successful image transformation process has to consider how intended image transformation syncs with construed image transformation. And Ulmer, Sellnow and Seeger’s (2011) Discourse of Renewal provides an opportunity for this purpose, given that an organization undergoing

renewal gets to discover a “fresh sense of purpose and direction... after it emerges from a crisis” (p. 213).

Image transformation does differ from the act of renewal in an aspect, being a pre-emptive strategy against crisis. Thus, its factors must consider pre-emptive crisis management components. As ‘drivers’ of image transformation are largely due to external pressures, and ‘outcomes’ remain a passive finality, ‘factors’ are the key to effective implementation of an image transformation strategy. Identity and brand transformations’ factors remain compatible to the adapted pre-emptive crisis management components. Factors of image transformation are thus posited to be: **‘innovative culture’** or **‘a willingness to create new content’**, and **‘ability to adapt’** [learning for crisis]; **‘committed staff’**, **‘hands-on leadership’**, **‘harness collective construction’** and **‘adoration of new identity’** [effective leadership]; **‘unique emotional bond with clients’** or the **‘presence of social transactions’** [ethical communication and risk communication]; and **‘favorable state regulation’** [risk communication].

Although the individual factors posited are non-critical to the overall success of image transformation, the components that they are categorized in are. This is in agreement with Ulmer, Sellnow and Seeger’s (2011) argument that the four theoretical components of the Discourse of Renewal are *central* objectives and as such, organizational renewal would be impossible should one component be absent. In the course of data analysis, the data must substantiate the presence of all four components: ‘learning for crisis’, ‘effective leadership’, ‘ethical communication’ and ‘risk communication’ for ITE to have undergone image transformation. Figure 2 illustrates the Conceptual Framework in Image Transformation, and how it is derived.

| Conceptual Framework in Image Transformation                                        |                                                                                                                                    |                                                                                       |
|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Combination of Identity and Brand Transformation Drivers                            | Distillation of Identity and Brand Transformation Factors with Adapted Components of Discourse of Renewal                          | Combination of Identity and Brand Transformation Outcomes                             |
|  |                                                 |  |
| Driver/s                                                                            | Factor/s                                                                                                                           | Outcome/s                                                                             |
| External economic influence                                                         | <b>Learning for Crisis:</b><br>Innovative culture; & ability to adapt                                                              | Increased market share                                                                |
| To develop unique relationships with clients                                        |                                                                                                                                    | Measurement of brand equity for future successes                                      |
| Organizational expansion                                                            | <b>Effective Leadership:</b><br>Committed staff; hands-on leadership; harness collective construction; & adoration of new identity | Emotional bond with target clients                                                    |
| Competition                                                                         |                                                                                                                                    | Elevated status in society                                                            |
| Media culture                                                                       |                                                                                                                                    | Sustainable changes                                                                   |
| Changes in societal culture                                                         | <b>Ethical Communication:</b><br>Unique emotional bond with clients                                                                |                                                                                       |

|  |                                                          |  |
|--|----------------------------------------------------------|--|
|  | <b>Risk Communication:</b><br>Favorable state regulation |  |
|--|----------------------------------------------------------|--|

FIGURE 2. Conceptual Framework in Image Transformation

With the identification of basic image transformation concepts from literature, the next steps would be to test them against a single case study in ITE. The following research questions will be examined to advance a basic understanding of image transformation concepts:

- RQ1: What triggers image transformation [Drivers]?*  
*RQ2: How could an image be transformed [Factors]?*  
*RQ3: What are the outcomes of image transformation?*  
*RQ4: How rigorous is the Conceptual Framework?*

## Method

The chief purpose of using ‘case study’, as a method, is to address “the large issue” (Yin, 1994, p.124), which in this study, is to address a literature gap in the understanding of Image Transformation. Yin (1994) also laid out the rationale for single-case designs: first, that it is **analogous to a single experiment**. The single experiment, in this regard, is to build a Conceptual Framework in Image Transformation. ITE is believed to represent a critical case to “confirm, challenge, or extend” the understanding of Image Transformation (Yin, 1994, p. 38). The second rationale is one in which the case is a **unique** one (Yin, 1994). ITE’s transformation story, acknowledged for its innovative practices and potential for global replication, as elaborated in the introduction, sets the organization apart as a special case worthy of a single case study design. The third rationale is the **reveatory** nature of the case. This exists when “an investigator has an opportunity to observe and analyze a phenomenon previously inaccessible to scientific investigation” (p. 40). The author has obtained access to minutes of ITE’s executive committee meeting over the period of interest, which could shed light on internal decisions undertaken that have contributed to the success of ITE’s image transformation strategy. The case is also a real-life situation and the phenomenon itself adds on to theory building and development (Yin, 1994). These three rationales, according to Yin (1994), serve as major reasons for conducting a single-case study.

### Data Collection

Given that image is ‘how you see yourself’ and ‘how others see you’ (Bronn, 2010), data collated for an analysis on ITE as a case study would have to consist *intra-organizational* sources that reveal the inner motivations and actions of the leadership; and *extra-organizational* material that would inform on ITE’s image from the perspective of an independent and influential third party. To this end, public annual reports and minutes of ITE’s executive committee [ExCo], as chaired by the CEO, were consulted. The minutes were accessed with permission. For ‘construed image’, favorable news reports on The Straits Times, a flagship publication of the public-owned Singapore Press Holdings (Presspedia, 2007, October 10), were examined. The author chose favorable reports because image transformation is an optimistic and positive endeavor, as elaborated earlier in Ulmer, Sellnow and Seeger’s (2011) Discourse of Renewal. The Straits Times was also selected based on its wide-reaching influence among Singaporeans, circulating at more than 350,000 copies and is read by 1.43 million people daily (The Straits Times, n.d.).

A total of 10 annual reports and 80 copies of minutes on ITE's ExCo meetings from 2001 to 2010 were scrutinized for intra-organizational findings. The 10 annual reports, intended for public consumption, were downloaded from the ITE website. ExCo minutes were obtained with permission from ITE, with older records procured directly from the National Archives of Singapore.

For extra-organizational findings, 503 news articles from The Straits Times were analyzed over a period of nine years: from 2001 to 2009. Newspaper articles, often referred to as public records of history in the making (Warrington, 1997), are argued to provide a more detailed, comprehensive and chronological account of the management of the crisis. Moreover, The Straits Times, being an external stakeholder, also serves as a representative of public opinion for construed image perception, given its influence as a mainstream broadsheet. The news articles were retrieved, with permission, from the archives of ITE's Corporate & Media Relations Department, and some were procured from the archives of the National Library Board of Singapore.

#### *Maintaining Reliability and Validity of Data*

The author was able to gain access to ExCo minutes, being a staff of ITE. The deductive approach decided from the onset is helpful in ensuring researcher distance and maintaining research objectivity. The method of applying a Framework, with its drivers, factors and outcomes, on ITE as a case study, provided a 'checklist' for guidance, limiting subjective interpretations from the researcher's professional history with the organization. Moreover, data reliability, which entails consistency of data collected; precision with which it is collected; and repeatability of the data collected, had been adhered to by including all content within the stipulated time frame for the study, without selection on the part of the author.

The author had also chosen to rely on only secondary data for the study. This was based on the premise that image transformation, as a strategy, requires a broad time frame for implementation. This premise was substantiated earlier as 'commitment and consistency over time to succeed' is one of the shared principles of image, brand, and identity. Thus, for validity, existing data from 2001 to 2010 was preferred to that of interviews or focus groups for increased accuracy of details. Furthermore, making use of existing information allows for access to larger populations, which leads to greater generalizability of the study, not to mention being more cost-effective and results in economy of time (Kluwin & Morris, 2006).

#### **Data Analysis: Techniques of Pattern-matching and Explanation-building**

Data analysis in a case study, according to Yin (1994), consists of "examining, categorizing, tabulating, or otherwise recombining the evidence to addressing the initial propositions of a study" (p. 102). Yin (2009) added that the process involves an identification of salient points or structures, which is then explained through narrative data and reflected upon theoretically significant propositions (Yin, 2009). These propositions are liken to the Conceptual Framework. The explanation of these salient points is based on specific observations, as concurred by Silverman (2000), who offered that case study data analysis generally involves an iterative, spiraling, or cyclical process that proceeds from the general points to specific ones.

Taking into consideration the above processes, two dominant analytic techniques of **pattern-matching** and **explanation-building** within the strategy of data analysis of case study evidence

are adopted (Yin, 1994), which are applicable in a single case design. First, pattern-matching is a technique that simply compares an empirically-based pattern with a predicted one (Trochim, 1989). It is a straightforward assessment of the pattern of variables between those in the case and those that are predicted. In this study, the former will be a look at whether ITE's drivers, factors and outcomes of Image Transformation is consistent with that of the Conceptual Framework. If results are as predicted, then the Framework is deemed to be a solid conclusion (Yin, 1994). However, if results fail to show the entire pattern as predicted, the Framework would have to be questioned and revised further (Yin, 1994). Second, explanation-building is also used in this study, a technique that is mainly relevant to explanatory case studies (Yin, 1994). The technique follows a series of iterations (Yin, 1994, p. 111): "making an initial theoretical statement about policy and social behavior; comparing the findings of an initial case against such a statement or proposition; revising the statement or proposition; comparing other details of the case against the revision; again revising the statement or proposition; comparing the revision to the facts of a second, third, or more cases; and repeating the process as many times as needed."

### Findings and Discussion

The findings in this chapter are presented in descriptive and narrative form, or what Stake (1995) referred to as storytelling. Perhaps the analogy of a butterfly life cycle is an apt one, given that the Crisis Pre-emptive Image Management model is also resting on a crisis life cycle. Although findings from various stages of ITE's image transformation process are mapped onto that of a butterfly's four-stage metamorphosis, results are not as 'cleanly' defined along ITE's timed strategic plans, i.e. the actual timeframe of *ITE Breakthrough*, *ITE Advantage* and *ITE Innovate*, according to the organization. To elaborate, reports significant enough in altering construed image perception might predate or overlap between the strategic plans.

#### *RQ1: Drivers of Image Transformation – The 'feeding' stage for ITE Breakthrough [2001 to 2003]*

The primary purpose of the caterpillar is to eat and grow, and it could grow 100 times from its birth size during this stage. Food eaten during this period is also stored for use later as an adult butterfly. Similarly for ITE, many initiatives were mooted during *ITE Breakthrough* to pile a deep foundation, which is a bold vision to build 'ITE into a world-class technical education'.

The drivers of intended image transformation during this stage are notably focused on the 'offensive', i.e. beyond just assuring the public that ITE is fulfilling its role to provide a decent post-secondary education. A key driver included **physical change**, which helped provide a visual representation of image transformation, where the old makes way for the new. This was illustrated through the Government's pledge to rebuild ITE - from small satellite campuses littered over the island to three mega campuses that consolidate multi-disciplinary resources and facilities (Davie, 2001). But beyond physical change was also determination in improving organizational image and business operations. First, corporate publicity was focused upon, with the advent of annual corporate publicity plans, to interest media on developments in ITE (Institute of Technical Education [Institute], 2001, February 6; & Institute, 2003, December 2). It was calculated that with a more **favorable media impression** of ITE, the public would be persuaded of the institution's true value for its students. Second, **external economic pressures** of meeting the current needs of students demands sweeping changes to ensure a market-relevant education. Existing performance indicators were reviewed to consider the changing needs of students;

lessons learnt from past practices; the ever-dynamic VTE environment; and how to best improve student retention rates (Institute, 2003, December 2). Facilities were upgraded for students (Davie, 2001; Institute, 2002, October 1a), business continuity plans put in place in anticipation of crisis (Institute, 2001, November 6), and entrepreneurship encouraged among students (Institute, 2004, June 1).

In order to support these drivers and justify plans to expand ITE, ITE management knew they had to **expand the organization**. They resolved to “create learning opportunities for all”, as mentioned by the Director & CEO of ITE, despite the resource constraints that will come with plans to expand student population (Institute, 2001, February 28). This endeavor was also extended to upgrading teaching staff without a diploma, who were encouraged to go for courses (Institute, 2003, February 4). A notable shift in focus was the extension of its current branding and image building campaign to S\$1m over two years (Institute, 2001, January 22), aimed at persuading the public of the value of technical education. Political leaders were also cultivated - as an important stakeholder group - by inviting Members of Parliament to ITE to witness the quality of technical education conducted in ITE (Institute, 2002, October 1b).

Internally, one of the biggest changes came in the review of the corporate management structure, which resulted in the ‘One ITE, Three Colleges’ governance model (Institute, 2004, November 2). The model allows each College [East, West and Central] to compete for excellence independently, but at the same time governed by the administrative policies of ITE Headquarters. The spirit of **competition** is important, given that ITE is unparalleled in its resources locally as the main provider of VTE to students pursuing qualifications in this area. To this end, there was an emphasis on inculcating a strong sense of integrity within ITE’s culture (Institute, 2002, February 21).

Besides just short-term achievements, the leadership was also interested in **sustainability of good results**, for example in ensuring the high morale of staff and continued success of its graduates. Several studies were also commissioned for leadership to comprehend issues on the ground: organizational climate survey and graduates’ success rate in the Technical Engineer Diploma of ITE (Institute, 2001, October 2), to name a couple.

To better meet the needs of ITE students and graduates, **unique relationships** were developed to address issues faced by its customers beyond the school compound, the Real Work Scheme was introduced, which allows the employment of ITE students for part-time services within the ITE Establishment (Institute, 2003, February 4). A practical move, needy students now no longer need to skip classes for work elsewhere in order to supplement household income. A former political leader Mr Peter Chen was also appointed as Patron of the ITE Alumni Association, which signifies the prominence of ITE Alumni in the organization (Institute, 2004, August 3).

Of the drivers in the Conceptual Framework, pattern-matching found that ‘**changes in societal culture**’ is unsubstantiated, i.e. no evidence was found, as the public, though unsure of ITE’s image from the onset, had not pressured ITE to change at any point.

#### *RQ2: Factors of Image Transformation in ITE Advantage [2004 to 2006]*

When the caterpillar is fully grown, it anchors itself to the substrate and transforms into a butterfly with wings being formed during this stage of metamorphosis. Before the adult butterfly

emerges from the cocoon, the pupa becomes transparent for all to see. On 24 October 2004, nearing the end of *ITE Breakthrough*, The Straits Times ran an editorial ‘Entrée it is for ITE’, a response to the corrupted acronym ‘It’s the End’. A glowing testimony of ITE, the editorial highlighted ‘image renewal’ in ITE College East, which was the first mega campus to be completed. The article also compared ITE in its role in “modernizing the economy” with the transformation of “Germany’s rise after the war in building an industrial apprenticeship system” (“Entrée it is for ITE”, 2004). It appears that change in ITE had been duly noted by The Straits Times.

The four theoretical components of Ulmer, Sellnow and Seeger’s (2011) Discourse of Renewal, which were critical in ensuring that image transformation took place: **‘learning for crisis’**, **‘effective leadership’**, **‘ethical communication’** and **‘risk communication’**, were found to be present in data.

The year 2005 proved to be a ‘harvest’ from the ‘feeding’ done during *ITE Breakthrough*, particularly in construed image transformation. The milestones validated ITE’s **ability to adapt**, with improved relationships with students staff and media, from its publicity campaigns, and the physical transformation in mega campus ITE College East. To elaborate, Prime Minister Lee Hsien Loong officially opened mega campus ITE College East in 2005 (Ng, 2005, August 23), which introduced to the public a technical education institution with world-class facilities. The campus, which was operational in 2004, enjoyed a media blitz in The Straits Times (Almenoar, 2004a; Almenoar, 2004b; Almenoar, 2004c; Ho, 2004). It promised a “first-class education for all” (Chia, 2005, p. 3).

**Effective leadership** was publicly demonstrated through ITE’s emphatic win of the Singapore Quality Award, a testament to its image transformation success (Lee, 2005). The Singapore Quality Award is Singapore’s highest and most prestigious business award (Law, 2008), boosting the statutory board’s credentials as a well-run outfit of organizational excellence. Follow-up stories ensued, as graduates of ITE with successful careers were interviewed, who largely endorsed ITE as a viable alternative progression pathway (Li, 2005; Ng, 2005, October 4; Ng, 2005, September 11). While the award validated the outcomes of sound management, the process of what entails effective leadership in image transformation has to be mentioned: **Unique emotional bonds with clients** [students] were observed, with students attributing staff with care for their successes (Li, 2005; Ng, 2005, July 25; Ng, 2005, September 11). Needs of staff were also addressed, in an attempt to foster **commitment** to the ITE cause. These were supported through the following measures: revised appraisal systems to reward high performers (Institute, April 4, 2004; & Institute, 2004, November 2), opportunities to upgrade (Institute, 2001, October 2) and feedback about challenges (Institute, 2005, April 5a). Such achievements and factors of improving relationships with students and staff were referenced back to strengthening of the **ITE identity**, through the accomplishment of the ‘reconfiguring ITE’s training programmes for the new economy’ project under the *ITE Breakthrough Plan* (Institute, 2004, February 3), and for meeting the requirements of ITE’s key competencies in its best unique pedagogical best practices (Institute, 2002, August 6).

ITE was exceptionally well-endowed with funds to transform its physical infrastructure. Political support, with the Prime Minister himself setting the tone, was particularly critical in boosting ITE’s public media image, as political leaders are newsmakers in their right. In fact, Prime

Minister Lee Hsien Loong lauded ITE for staying on “the right track” (Davie, 2006). **Favorable state regulation** for ITE’s plans, or generous government support, is clearly evident.

With the momentum of the Singapore Quality Award and a flagship campus under its belt, ITE forged ahead with creating global links - as a credible VTE education institution. The **collective construction** of ITE’s growth with international partners was intended to permeate further the credibility of ITE as a quality education institution. Its Corporate Affairs Division was restructured to incorporate a new International Development and Relations Department in order to strategically attract international brand names from industry and education to collaborate with (Institute, 2006, November 7). On a larger scale, ITE planned to organize an international VTE conference in Singapore, in a bid to position itself as a world-class institution on par with the best in the world (Institute, 2005, April 5b), and eventually executed it in 2006 (“What participants said about the 1<sup>st</sup> Conference on VTE”, n.d.). ITE also played host to international WorldSkills Assembly delegates in 2005 (Institute, 2005, October 5).

*RQ3: Outcomes of Image Transformation - Effects [2007 and beyond]*

The adult butterfly finally emerges from the cocoon in its transformed stage, with colorful wings that allow it to experience flight for the first time. Set to soar, ITE’s image transformation underwent a steep trajectory from 2007 after years of building up its physical infrastructure; reorganizing its structural foundations for staff and students; and repositioning its image to external stakeholders as a world-class organization.

ITE’s notable win of the international IBM Innovations in Transforming Government Award in 2007 once again created an opportunity for The Straits Times to report on ITE’s successful image transformation (Gareka, 2007; Ho, 2007, September 27), **elevating its status**. Follow-up stories now cast a spotlight on the *ITE Care* values, an integral part of its identity that focused on how ITE’s teachers cared for their students and restored confidence in them to do well in school. There was also an observation by the paper that by solidifying its identity, ITE had in turn bolstered the image of its students (“Then I couldn’t, now I can”, 2007).

The **emotional bond with students** is evident, with students finding increased value in an ITE certification. In fact, it is possible for ITE students to be hired before even graduating from their courses (Tan, 2007) Student satisfaction reports point towards outstanding care shown by teachers (Ho, 2007, July 11; “Then I couldn’t, now I can”, 2007, October 27); an improved progression pathway for Normal [Academic] students being able to go to ITE’s Higher Nitec courses [advanced certification] directly (Almenoar, 2007) and opportunities for students to excel in other capabilities (Low, 2008; Tan, 2007).

On outcomes beyond 2007, ITE continued to rely on commissioned studies in **measuring various success rates and brand equity** (Institute, 2007; Institute, 2009; Institute, 2010), which had served the organization well in its successful image transformation. The 1997 image equity report that stirred the organization to act upon its poor public image was a positive precedent for ITE to trust well-researched studies for long-term strategy (“2010 Corporate Image Equity Study”, 2011).

**Market share**, or number of ITE students, was observed to have increased. When ITE was inaugurated, enrolment was at 15,900 (Gwee, 2001). In the year 2000, shortly after the *ITE 2000*

plan, ITE had an enrolment figure of 17,965 (Gwee, 2005). In the year 2005 during *ITE Advantage*, which coincided with the opening of first mega campus in ITE College East, enrolment peaked at 23,029 (Gwee, 2005). In 2008, the year after ITE won the IBM Innovations in Transforming Government Award, enrolment was at 25,098 (ITE, 2008). And in 2010, the year in which the data for this study ends, market share of ITE grew again to 25,620 (ITE, 2010). The target of 7,600 part-time students, set in 2001 (Institute, 2001, January 22), was more than actualized in 18,823 in 2010 (ITE, 2010).

Of the five outcomes of the Conceptual Framework, the outcome of **sustainable changes was unsubstantiated**. This may be due to an overlap with the outcome in ‘measurement of brand equity for future successes’, which is also used to ensure future successes.

#### *RQ4: How Rigorous is the Conceptual Framework?*

The case study in ITE, observed from the onset to have undergone the phenomenon of image transformation, has tested positively to enhance the rigor of the Conceptual Framework of Image Transformation. Since the majority of the variables are as predicted, the Conceptual Framework [proposition] is a solid conclusion (Yin, 1994).

First, the case study has affirmed the rigor of leveraging on brand and identity literature for informing the case study of image transformation, with data matching all of the drivers posited; and four of five posited outcomes, with the exception of ‘sustainable changes’.

Second, the case study affirms the rigor of the adapted Discourse of Renewal, which streamlines the broad theoretical components for categorizing of image transformation factors, and distills the synthesized factors of brand and identity transformation. Smith and Elliot’s (2007) notion of ‘learning for crisis’ is specific to ITE, as the organization engineers itself to upgrade the skills of lecturers (Institute, 2003, February 4), whereas ‘organizational learning’, as posited by Ulmer, Sellnow and Seeger (2011), would have been more retrospective. For ‘risk communication’, ITE relied on government policies and support as a predictable anchor for its transformation strategies, which mitigated risk to a minimum. The use of ‘effective leadership’ over ‘effective organizational rhetoric’ has simply led to the framing of effective leadership attributes in crisis, which provides specific variables for testing.

Revision of an initial proposition is an integral step in the process of explanation-building (Yin, 1994). In this study, the proposition, or the initial Conceptual Framework has been revised along the way with findings in RQ1, RQ2 and RQ3. Informed by the findings of the case study, the Conceptual Framework of Image Transformation has been tweaked to remove the driver of ‘changes of societal culture’, factor of ‘innovative culture’ and outcome of ‘sustainable changes’, which are deemed to be non-requisites. ‘Sustainability of good results’ was added as a driver. Figure 3 illustrates the revised Conceptual Framework of Image Transformation.

| <b>Revised Conceptual Framework in Image Transformation<br/>based on ITE as a Case Study</b> |                                                                                                                                    |                                                  |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| <b>Driver/s</b>                                                                              | <b>Factor/s</b>                                                                                                                    | <b>Outcome/s</b>                                 |
| External economic influence                                                                  | <b>Learning for Crisis:</b><br>Ability to adapt                                                                                    | Increased market share                           |
| To develop unique relationships with clients                                                 |                                                                                                                                    | Measurement of brand equity for future successes |
| Organizational expansion                                                                     | <b>Effective Leadership:</b><br>Committed staff; hands-on leadership; harness collective construction; & adoration of new identity | Emotional bond with target clients               |
| Competition                                                                                  |                                                                                                                                    | Elevated status in society                       |
| Media culture                                                                                |                                                                                                                                    |                                                  |
| Sustainability of good results                                                               | <b>Ethical Communication:</b><br>Unique emotional bond with clients                                                                |                                                  |
|                                                                                              | <b>Risk Communication:</b><br>Favorable state regulation                                                                           |                                                  |

FIGURE 3. Revised Conceptual Framework of Image Transformation

## Conclusion

An organization undergoing image transformation is not in crisis, as the strategy is posited as a pre-emptive strike to prevent one (Pang, 2012). It is nevertheless still a critical period for the organization as drastic changes are required, which demands effective leadership to exercise astute vision and gumption. Although the author had adhered to Bronn's (2010) two-faceted concept of image as one that is both intended and construed, image transformation is unlikely to be achieved if only one facet holds true. Drivers, factors or outcomes realized by intended image transformation that are incongruent to the same components in construed image transformation hints of a communication gap, where changes are not actively conveyed to, or experienced by external stakeholders. On the other hand, if construed image transformation reports more favorably than what is actually achieved within the organization, i.e. intended image transformation, results would be only be superficial, without real change within the organization.

### *Limitations and Future Research*

The limitations of the study are follows: First, generalization to populations is not appropriate or desirable in most case studies (Schmidt & Frota, 1986). In this regard, it would be premature to conclude that the Conceptual Framework in Image Transformation is applicable across the board, in all organizations. However, Berg and Lune (2012) argued that a case study of an organization could illustrate certain administrative systems; provide access on how decisions were made; and enlighten on how communication networks operate. They added that "the case method is an extremely useful technique for researching relationships, behaviors, attitudes, motivations and stressors in organizational settings" (Berg & Lune, 2012, p. 342-343). Second, being tasked with the 'noble cause' of educating youths who are less academically inclined, ITE does enjoy an underdog status. Inspirational underdog stories have always captured the attention, imagination and empathy of people across different cultures, values and domains. Biographies of humble

backgrounds featuring politicians, sportsmen, businessmen and scholars have the potential to affect positive reactions towards branded products (Paharia, Keinan, Avery & Schor, 2011). As such, media empathy might have been a contributing factor in ITE's successful image transformation journey.

Further research could be done through the application of the Conceptual Framework in image transformation on another case study, preferably in a private organization, in order to reinforce the reliability and validity of the posited drivers, factors and outcomes. This is also in line with the explanation-building technique in a case study, where the revision of the proposition could be applied to the "facts of a second, third, or more cases" (Yin, 1994, p. 111). With the firming up of the Framework through multiple case studies, it would move towards a more generalizable model. Next, it would be interesting to analyze if image transformation could be a feasible strategy for mitigation of a negative enduring image. In a pre-crisis situation, a negative enduring image poses an insurmountable challenge as an issue etched in the minds of many. This is the case for the corrupted use of ITE's initials as 'It's the End' (Albright, 2006). An enduring image is a new concept, which is defined as the "shared image of first mention", or elaborated as "the first image that comes to mind when stakeholders recall a certain crisis" (Pang, 2012). The author offers that a negative enduring image could also come on the back of seemingly harmless, but catchy tongue-in-cheek jibes, possibly conjured by social media influencers (Waters, Burnett, Lamm and Lucas, 2009), that may have a viral effect on the public. Although such an enduring image may not necessarily warrant immediate attention by the organization or attract media attention, leaving it as status quo may affect business, especially when there is correlation with an organization's core products. In this respect, a long-term response strategy in image transformation would make sense.

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# “It’s a Great Example that Must-Win Battles Drive a Cultural Change”

## Strategic Text as Constitutive of a Strategic Change

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**Approach:** Montreal school (Cooren, 2012; Cooren et al., 2011; Taylor and van Every, 2000) theorizing of the agency of texts through abstraction and reification forms the theoretical background for this paper which argues that a strategic change comes about in organizational communication while strategy texts become an authority of their own and start directing collective actions and enhancing identification with a new strategic direction. The paper introduces an interpretive case study in a multinational corporation in a major transformation aimed at changing the corporate culture from product to customer oriented, and from locally focused multi-domestic to a collaborative and globally aligned organization. Must-win battles (Killing et al., 2005) were used in this MNC as a mechanism for enacting changes in the organization. Through the empirical case this paper aims at answering the broad research question: how do organizational strategic texts direct collective actions towards a new strategic direction and identification with the new culture?

**Method:** In order to respond to the question, the paper investigates how middle managers’ retrospective stories about their experiences of the transformation make use of strategic texts and portray their identification – and dis-identification – with the new culture. The data used in this paper consists of interview accounts drawn from 12 individual management interviews on three continents and from three focus group discussions held in two countries in three locations. A narrative interview technique was used in order to allow the managers to talk as freely as possible, since the aim was to come up with insiders’ (emic) meanings for the transformation rather than use structured interviews. A linguistically-informed qualitative analysis was used in examining such narrative fragments drawn from the data, that depicted strategy terminology and exposed, what in this research was called, identity accounts through use of linguistic devices such as pronouns I and we.

**Key findings:** In light of the data, firstly, the common English language terminology of the strategic texts was an important enabler of change and a constituent of the new collective identity. Secondly, strategic texts empowered middle managers to act as change leaders by providing a communication tool for leading change in the middle of the organization. Thirdly, the abstraction of the strategic texts and the identification, however, demonstrated different patterns on different levels of management.

**Contributions:** This research adopts a communicative ontology of organizational realities in exploring how a strategic change comes about in organizational communication, and brings together discursive and communication research on the level of language, exploring effects of linguistic devices on communication, like suggested in the conceptualizations of Communication as Constitutive of Organizing approach (Cooren et al., 2011). Through an empirical case study, the paper demonstrates how the strategic texts started gaining authority of their own in organizational narratives and gaining an agency of driving the change.

This paper explores language-based claims of identification at various organizational levels. More specifically, it asks how strategic texts construct identification with a concept termed *must-win battle* (Killing et al., 2005) and start to direct collective actions. In this regard, it relates textual agency to collective identification at different levels of the organization during strategic change. Previous studies on strategic change have demonstrated that change triggers renegotiations of meanings (Gioia & Chittipeddi, 1991; Gioia & al., 1994) which lead to identity alterations. Shifts in identity are intertwined with change situations, and discrepancies between personal, social and collective identities and identification processes are therefore well documented (Fiol, 2002; Corley, 2004; Corley & Gioia, 2004; Rooney et al., 2009; Vaara et al., 2003). Furthermore, it has been established that identification is a narrative process where organization members discursively construct their identities and influence each other through their narratives (Ashfort et. al., 2008). These studies have also elaborated on the role of managerial narratives in influencing employees’ identities and re-identification with changes.

However, despite the agreement that identification is a narrative process, the existing research has largely overlooked the close connections between identification processes and the sensemaking of strategy at the level of language. This interrelation, which is so critical to strategic transformation in organizations, remains largely uncharted (Nag et al., 2007). Moreover, within the abundant body of strategy research, empirical studies on the textual agency of strategy texts are still limited. Consequently, the examination of identification as a narrative process calls for communicative and linguistic approaches.

The present paper views strategic change as a communicative product that is enacted in organizational narratives where identification with the strategic direction takes place. It approaches collective identification as a fluid, narrative process and argues that the collective identification with a central strategy concept – a must-win battle – arises in organizational communication. The strategic texts become an authority of their own and start directing collective actions and constructing collective identification with the must-win battle through a process of abstraction and reification in the organizational narratives, as has been suggested in the work done on textual agency (Cooren, 2012; Cooren et al., 2011; Taylor and van Every, 2000). The paper draws on the communicative ontology of organizations (CCO, see e.g. Cooren et al., 2011), and particularly the Montreal School on textual agency (Taylor and van Every, 2000), which provides the theoretical foundation for the study. The devices available in language are utilized here to explore the linguistic construction of identifications. In this way, it brings together discursive and communication research with identity and identification research.

This paper introduces a qualitative case study on a multinational corporation (MNC) at the time of a major transformation. Must-win battles were used in this MNC as a mechanism for enacting the necessary changes in the organization. This paper is interested in what must-win battles do in organizational narratives in order to enact change, and how organizational levels compare in terms of the collective identification with must-win battles at a particular point in time. This study departs from earlier work in that it takes a snapshot of how identification with the must-win battle is constituted in the top managers’ and middle managers’ narratives at a particular point in time. Previous work has examined communicative constitution longitudinally (see e.g. Koshmann, 2012; Spee and Jarzabkowski, 2011). By using a cross-sectional research design to capture time, the paper is able to contrast and compare identification between representatives of top management, upper-middle management and lower-middle management.

The findings provide empirical support for the textual agency of must-win battles. By the second year of its lifetime, the concept of must-win battle had displaced the original textual authority and context given to it by the president of the company, becoming instead an authority of its own ‘doings’ in the middle managers’ narratives. It started enacting change in the organization. The collective identification with the new direction, however, was not an even or equal process at all organization levels. The findings reveal differences in the process of abstraction and reification between the levels of upper and middle management in the organization, and among the members of the same organizational level.

The rest of the paper is structured as follows. The paper first integrates the two literature streams which form the theoretical foundation of the paper. Thereafter, the case study methodology is introduced. The data consist of documentary data drawn from 16 letters sent by the president to the employees, seven individual management interviews conducted on three continents, and three focus group discussions held at three locations in two countries. A narrative interview technique was used in order to allow the managers to talk as freely as possible, since the aim was to come up with insiders’ (emic) meanings for the must-win battle rather than to use structured interviews. A qualitative analysis benefiting from a linguistic approach was used in examining narrative fragments that exposed language-based claims of identification. The findings are reported by first showing how the president’s strategy text inscribes the strategic direction of the company and paves the way for collective identification. The focus centers on strategic change as embodied in the must-win battle *environmental excellence*. The middle managers’ narratives are examined in order to shed light on their experiences of the strategic change, on their perceptions of the must-win battle and on their identification – and disidentification – with it two years into the lifetime of this concept.

## **Literature**

### *Collective identification in a strategic change*

The organizational literature generally considers ‘collective identity’ and ‘organizational identity’ to be synonymous (Hardy et al., 2005; Pratt, 2006), although the organizational literature uses the term ‘organizational identity’ more frequently. This research paper, too, treats them as equals. Collective identity and identification have been recognized as crucial for the success or failure of strategic transformations in literature that sees strategic changes as meaning processes (Corley and Gioia, 2004; Nag et al., 2007). Furthermore, organizational studies consider identity and identification to be ‘root constructs’ (Albert et al., 2000, p. 13). To understand identification, however, it is first necessary to explain the concept of identity and how it relates to change.

Identity is viewed as a self-referential, discursively constructed concept in the recent organizational research (see, e.g. Ashforth et al., 2008). Depending on its point of departure, organizational research has been interested in personal, social or in organizational (collective) identity (Ashforth et al., 2008). Personal identity can be defined as “a person’s unique sense of self” (e.g. Postmes and Jetten, 2006, p. 260). Social identity, in turn, has been defined as “that part of individual’s self-concept which derives from his knowledge of his membership of a social group(s) with the emotional value attached to that membership” (Tajfel, 1978, p. 63) in social identity theory and its sister theory, self-categorization theory (see Haslam and Ellemers, 2005). Collective identity, moreover, is the central, distinctive and enduring characteristic of a collective,

such as an organization, providing answers to the question “who are we as a collective, as an organization?” (Albert and Whetten, 1985).

This paper is particularly interested in the last perspective of identity, collective identity in an organizational context. Furthermore, it embraces social identity as essentially connected to collective identification as the part of an individual’s self-concept that derives from his knowledge of belonging to a social group(s) (Tajfel, 1978). Personal identities, however, are not the direct object of examination in this research.

Identity has close ties to organizational change through the concept of sensemaking. Identities are altered when meanings are distorted, as is typical of a change situation since sensemaking is grounded in identity construction (Weick, 1995). When the context changes, employees and the organizations as a whole need to make sense of the new situation and to redefine their place; what they are about and where they are going (Ethier and Deaux, 1994; Fiol, 2002; Haslam et al., 2000; Jones et al., 2008; Komoor-Misra, 2009). Change therefore triggers cognitive reorientations (Gioia and Chittipeddi, 1991; Gioia et al., 1994) and renegotiations of socially constructed meanings, leading to identity alterations (Weick, 1995).

Identification, in turn can be viewed as the process of self-definition, as the “perception of oneness or belongingness to some human aggregate” (Ashforth and Mael, 1989: 21). Organizational identification is concerned with the question “How do I perceive myself in relation to my organization?” (Ashforth 2008, p. 333). As Haslam and Ellemers (2005) explain organizational identification: to identify with the organization, one must have an identity as a member of the organization; this comes close to the definition of social identity (Tajfel, 1978, p. 63).

Most of the traditional views within organizational literature consider that organizational identity persists among organization members (Albert and Whetten, 1985). However, studies also mirror an interesting dichotomy between the perceived impacts of organizational identity. Whereas mainstream change research links strong organizational identity to successful transformations; other studies challenge the enduring, stable view of organizational identity. These studies draw on the plausibility of identities in a change situation and maintain that a strong organization-wide identification can paradoxically also create resistance to change (Bouchikhi and Kimberly, 2003), or can even function as an obstacle to a radical organizational change (See e.g. Fiol, 2002).

On the basis of an empirical study on identification transformations unfolding between individuals and the organization during an organizational change, Fiol (2002) argued that de-identification from the old ideology is needed if a change is to be successful. Applying Lewin’s seminal theory (1951) of change as three stages labeled unfreezing, moving and refreezing, Fiol suggested a process model for identification during various stages of the change, correspondingly calling the stages of the identification process de-identification, situated re-identification and identification with core ideology. Furthermore, Fiol proposed that with well-chosen rhetoric techniques, managers in the organization can help employees to re-identify with the core ideology of the new desired status of the organization. This proposal links Fiol’s study closely to the actual paper and its interest in examining the dynamics between a strategic change and collective identification at different levels of the organization.

In their empirical case study, Corley and Gioia (2004) elaborated on the identity ambiguity that change creates. “Identity ambiguity represents a state of identity destabilization and the process of filling the void of ambiguity with meaning can facilitate identity change”, Corley and Gioia maintained (p. 203). Drawing on Gioia and Chittipeddi’s (1991) model of the meaning processes in an organizational transformation, they argued that attentive leaders can take steps to promote collective sensemaking during moments of collective identity ambiguity, using it as a window for creating re-identification opportunities.

Corley (2004) studied the multiplicity of organizational identities in organizational identification processes in an empirical case study conducted at the time a spin-off was created. Corley found differences in perceptions of organization’s identity among organization members that were based on their hierarchical position. Corley’s study connected organizational identity with organizational culture and strategy, and reported differences in the perception of organizational identity at different levels of the organization. In light of Corley’s findings, those at the top were more likely to see organizational identity in relation to the organization’s strategy and purpose. The top management viewed organizational identity largely through labels, such as strategy-related language and the terminology that was used to describe the strategy and purpose. Furthermore, the top management considered changes in those labels to be pivotal to any attempts to change the organizational identity. However, few of the executives interviewed were concerned about the potential that those identity labels might mean different things to different people. On the other hand, according to the same study, those at the lower levels of the organizational hierarchy associated organizational identity with culture, and as construed of values and beliefs, and therefore perceived organizational identity as being more stable in nature and harder to change.

Thus, there is agreement that a strong, enduring organizational identity can potentially impede change (Bartunek, 1994; Gioia and Thomas, 1996; Brown and Starkey, 2000). Consequently, there is a need for a more dynamic conceptualization of organizational identity that would connect the narrative meaning-making processes of a strategic change (see e.g. Gioia and Chittipeddi, 1991; Sonenshein, 2010), and collective identification with the strategy (Corley, 2004). Examination of the interrelations between collective identification and processes critical to strategic transformations calls for following in the steps of the research done, e.g. by Fiol (2002) and Corley (2004). They both challenged the enduring views and sought to explain the relationship between identification and the collective discursive practices that characterize how organization members conduct their daily work, such as strategy (Jarzabkowski, 2005).

Viewing collective identification as a fluid, narrative process resonates with the approach to strategic change as enacted in cycles of individual and collective meaning-making, and is therefore of great interest for this study. A narrative view to collective identification offers ways to examine the plausibility of organizational identity during a dynamic process of a strategic change. In his conceptual paper, Brown (2006) suggests that collective identity is a discursive construct and resides in the collective identity stories (Brown, 2006 p. 734). Brown’s theorization of narrative identities notes the reflexive nature (Gioia et al., 2000, p. 76) and the linguistic constitution of identities. The identity of an organization is a “linguistic construct, and participants are reflexive within the discursive quasi-constraints imposed on them by language, and in particular by the narratives on which they draw and to which they are subject” (Brown, 2006, p. 738).

In consequence, the examination of identification as a narrative process calls for more communicative and linguistic approaches. The recent communicative ontology of organizing, which builds on the concept of sensemaking and the social construction of organizational realities through sensemaking in communicative practices, opens avenues for researching strategic change and identification as communicative phenomena.

*Collective identification and action as textual agency*

Several communication scholars categorize themselves as representing a constitutive view of communication, a scholarship which maintains that organizations can no longer be seen as entities within which communication occurs but that they should instead be viewed as accomplishments within communication (Cooren, 2012; Cooren et al., 2011; Craig, 1999; Fairhurst and Putnam, 2004; Latour, 2002). This scholarship provides a foundation for a more comprehensive view of the role of communication in the organizational context than the traditional sender-receiver based, informative view of communication. One of the core premises of the communicative scholarship relates to the action and agency in communication, of which this scholarship takes an inclusive view, expanding from only the human agency and acts to a more inclusive approach of all kinds of agencies as producers and acts as modes of communication (see Cooren et al., 2011). This expansion builds on Cooren’s notions of the action and agency in communication (see Cooren, 2010) drawing on Derrida (1977a, 1977b, 1988), Kuhn (2008) and Latour (1996).

Theorizing on the agency of texts embraces a process of text-conversation dialectics in which the core text becomes distanced from the original author and its original context. A dialectical process of texts and conversations leads to abstraction and reification of this core text. As a result of this dialectical process, the text gradually becomes an independent and situated authority of its own, abstracted from the original author and context (Kuhn, 2008; Taylor et al., 1996; Taylor and van Every, 2011). The process is grounded in the reciprocal relationship between communication and its actors, and the co-orientation between two modes of communication in a particular: conversation and text (Cooren and Taylor, 1997). Text and conversation operate in dialogical loops of reiteration and abstracting in organizational communication, and lead to the emergence of new authoritative texts independent of the original text, author and context (Cooren et al., 2011). The theorization on textual agency has by now become one of the farthest developed constitutive models of communication, although empirical research initiatives engaging it as a theoretical foundation are still scarce.

Koshmann (2012) used this theoretical foundation for a communicative re-conceptualization of collective identity as a dynamic concept. He adopted a narrative view of organizational identity in his ethnographical, longitudinal study of interorganizational collaborations in the social services and community sector. Interorganizational collaborations do not have any linear authority over each other but rather represent informal collaboration networks. A change in the established collaboration between the partners and concern about the identity form the background for Koshmann’s study. Drawing on the theories of textual agency (Kuhn, 2008; Taylor et al., 1996; Taylor and van Every, 2011), he maintained that communication has the potential to gain power through abstraction and reification of authorized texts, and as a result, it can function as a substitute for hierarchical mechanisms of control in directing collective action (Cooren and Taylor, 1997; Taylor and Van Every, 2011). Koshmann demonstrated how the collective identity of the focal interorganizational collaboration emerged as an authoritative text from local social

interactions, through text and conversation dialectics in meeting discussions, meeting records, memos and other documents (Koshmann, 2012).

In their longitudinal (12 months) case study carried out in a medium-sized British university, Spee and Jarzabkowski (2011), in turn, examined the process of strategy planning conceptualized as a dialogic abstraction and reification of the strategy texts as well as the actors involved in shaping them (Cooren, 2004; Taylor et al., 1996; Taylor and Van Every, 2011). Differing from Koshmann’s study, in this case, strategy texts originally bore formal authority that was linked to the original context of the text. Spee and Jarzabkowski (2011) drew on the concepts of decontextualization and recontextualization (Ricoeur, 1981) in framing the activities constituting strategic planning. In Spee and Jarzabkowski’s model, (2011, p. 5) recontextualization of text takes place when it is actualized by an organizational actor in his/her talk, and in this process, it becomes interpreted to the current situation and the context of that actor. Then, in the decontextualization process, the talk becomes materialized in some sort of written text, e.g. in meeting memos. In this process, the meaning of the oral text is detached from the actor’s intentions and interpretations, and the text receives a meaning decontextualized of the situation and context of the actor. Spee and Jarzabkowski (2011) conceptualized the university’s strategic planning production as a cycle of this kind of interpenetration processes of text and talk.

This study applies the concept ‘must-win battle’ from the practice of change management in order to examine the textual agency of strategy texts. Must-win battles are a management school concept for leading change (Killing et. al., 2005). Choosing three to five core strategic areas of change and calling them ‘battles’ that an organization must win in order to achieve its most important goals is the key idea of using must-win battles in enacting organizational transformations. Must-win battles are used as focal attention areas in the organization, and thus they help management to center the organizations’ actions and energy around the most essential tasks in order to make change happen. Must-win battles also have a time dimension, a lifetime. Individual must-win battles are won or lost, but over time; what endures and contributes to future successes are the new ways of working together in new core strategic change areas (Killing et. al., 2005).

Building its theoretical foundation on the previous literature, bringing together identity and identification research with the theories of textual agency, this research uses the management concept ‘must-win battle’ to empirically explore how strategy texts gain the authority and agency to direct collective identification and actions.

## **Data and Methods**

### *Case selection*

The empirical research site selected for this project was a European multinational corporation (MNC) at the time of a major transformation. For the sake of anonymity, the MNC in this research project is called ENOQ. The first three-year phase of the strategic change was carried out in 2005–2007, and the second three-year phase started at the beginning of 2008. This particular paper is specifically interested in the second phase, the ‘new phase of the journey’ as it was called internally, especially in one particular change program that was initiated at the beginning of 2008. This study thus embraces the change process during the years 2008 and 2009, and it is part of a larger research project that was carried out in the same context.

The entire strategic change had been initiated by the new president, who introduced a new strategy shortly after joining the corporation early in 2005. The substance of the strategy was to transform ENOQ from a product-oriented company into a customer-driven company and to ensure operational excellence through global alignment of the company’s processes. Furthermore, for the first time in ENOQ’s history, the strategy was shared within the entire organization of more than 30,000 employees. A centrally planned and supported communication program was utilized to implement sharing of the strategy.

Five change programs were used to operationalize the new strategy. The main principle was to involve everyone in the company in the change programs. The five programs were chosen in order to help employees to focus on areas most urgently in the need of improvement, to enable measurement and follow up of the progress, and to make it easier to communicate about the change. The change programs were called *must-win battles* in the internal company talk. When the second phase of the change was launched in 2008, three of the original must-win battles continued and two were new. This particular study focuses on one of these new must-win battles, which was called *environmental excellence*.

This particular must-win battle and ENOQ provided a highly interesting object of research into identification with a new strategic direction, for the following reasons. The must-win battle ‘environmental excellence’ was especially interesting because it embraced everyone in the company. In essence it comprised both the products and ENOQ’s own operations, thereby involving every ENOQ employee as a stakeholder. This must-win battle was also of interest from the time perspective because environmental excellence was launched at the beginning of 2008, and the data provided a real-time window into examining identification with the new must-win battle at different levels of organization in the middle of its three-year execution and communication process. Thus, this study provides a real-time snapshot of collective identification on several organizational levels.

Furthermore, in this second phase of the strategic transformation, ENOQ’s strategy story was placed at the center of all communication and a storytelling approach was adopted. Supported by coaching and materials that were provided centrally, managers on all levels of the organization were encouraged to engage in active strategy dialogues with their employees. Thus a number of team meetings were organized to discuss the strategy and must-win battles, and conversations about them were taking place at all levels of the organization. A new direct communication tool, letters by the president, was introduced at the beginning of the entire strategic change in 2005. These letters were sent to all employees, and continued to be the most important means of direct communication, as they constituted the authored strategy story.

#### *Data production and analysis*

An interview to discuss the background and the process of the strategic change with the president of ENOQ kicked off the data production in the autumn of 2009. The data for the study were then produced in narrative individual interviews with representatives of upper-middle management and in focus group discussions with lower-middle managers in late 2009 and early 2010. Time-wise this was two years into the second phase of the strategic change. When the research participants were asked to share their experiences, they did not narrate retrospectively but rather provided insights into the real-time organizational events. Altogether seven personal interviews with managers from four different locations in Scandinavia, Continental Europe, and the

Americas were conducted. In addition, three focus group discussions in three different locations of ENOQ’s operations in Europe were used as a way of constructing data with lower-middle managers, who may not feel as comfortable as higher management in discussing issues such as strategy. It was hoped that the group setting would facilitate personal disclosures through the solidarity and support of its members (Moisander and Valtonen, 2006; Wilkinson, 1997). Furthermore, company documents consisting of 16 original president’s letters (nine in 2008 and seven in 2009) written in English, which is ENOQ’s corporate language, played an important role in this study by providing data for examining the authoritative strategy text.

For the sake of anonymity, the managers are termed as middle manager MM1 to MM7 and focus group participants correspondingly as FG1 to FG3-1–4. Furthermore, the president of the company is anonymized as *John* in the quotes from interviews and focus group discussions.

The interviews were all recorded with the permission of the interviewees and then transcribed. The material was then subjected to a qualitative analysis. Both the transcripts and the documentary data were read multiple times. Themes particularly relating to the strategy, and especially the must-win battle *environmental excellence*, were of interest for this paper. Narrative fragments associated with this theme were analyzed for any mentions how the must-win battle was perceived and used in the organization. Then, a linguistic approach (See e.g. Fairclough, 2003; Poncini and Hiris, 2011; Poncini, 2007) was applied to examining language-based identity claims in the texts, considering both the documentary data and the data drawn from the oral narratives as *text*. The analysis strove to identify linguistic devices that depicted identification with the strategy and the must-win battle, such as recurring lexical associations with the company-wide strategy discourse as represented in the president’s letters, and to the specific must-win battle *environmental excellence*, or pronouns and positioning of self and others (Benwell and Stokoe, 2006; Fairclough, 2003; Poncini, 2007; Tajfel, 1982; Wodak & Meyer, 2009). The analysis consisted of multilingual data: English produced by native-speakers, English produced by non-native speakers, and data in the parent company language, which was then translated into English by the researcher. Therefore, the focus centered on particular linguistic elements that would have had a similar communicative function in most Western languages.

## **Findings**

The findings of the study are presented from the top of the organization towards the deeper layers in the middle of the organization. In this case study, there was a core text (Kuhn, 2008; Taylor et al., 1996; Taylor and van Every, 2011) – the authoritative strategy text written by the company president since the beginning of the strategic change, which was available in his letters to the employees. Furthermore, interviews and focus group discussions produced data that provided a window to the text-conversation dialectics at a certain point in time. The interest of this study is to seize the time two years into the second phase of the change, and to provide a cross-sectional overview of the agency of the strategic text in the organizational narratives at that point in time.

The analysis concentrated on identifying linguistic devices that construct collective identification. First, terminology relating to the strategy discourse and to the specific must-win battle *environmental excellence* was examined. Additionally, linguistic markers depicting positioning of self in the narratives were elaborated, such as the pronouns *I* and *we/us/our* as well as and linguistic markers of self vs. others, such as active/passive voice (Benwell and Stokoe, 2006; Fairclough, 2003).

*The president’s attempts to construct collective identification*

The president of the company innately represents strategic agency by virtue of his position. In this case study, the president vocalized his strategic agency by authoring strategic texts in the form of personal letters to all of the employees. The strategic texts authored by the president inscribed the company’s legitimate new course of action from the president’s position of authority in the organization.

The president’s strategy discourse uses two different types of terminology: first, terminology impacted by military vocabulary, which is common to strategy discourse in general; and second, company situation specific terminology. Terms such as ‘fighting spirit’ and ‘winning attitude’ in the president’s discourse are example of the military-impacted discursive practice of strategic management (O’Rourke, 2009), whereas expressions such as ‘growth in sales and profitability’ and ‘focus’ represent general business management discourse. Terminology related to ENOQ’s own change agenda, on the other hand, includes the lexis used to talk about the company’s must-win battles – lexis that has gained company-specific meanings.

This frequent use of common lexical features from the discursive practice of strategic management and repetition of the strategic change-related terminology portray an attempt to create a new company-wide strategy discourse intimately linked with the new strategic direction of the company. The following extracts demonstrate how the president connected these two types of strategy discourse in his strategy text. The one particular must-win battle on which this paper focuses, *environmental excellence*, was discussed at the very beginning of the second phase of the change in February, when the president introduced all five new must-win battles and set the mission for the next strategic change period, as well as laying down the goals for each must-win battle:

*Our five new (1) must-win battles will again help us (2) focus on the key areas that we need to work on in order to put our strategy into action and continue to achieve good (3) growth both in sales and profit. [February, 2008]*

- (1) – Must-win battle(s) – a military term adopted into strategy discourse in general - used as the context and company specific term for change program  
(2), (3) – Focus on the key areas; growth in sales and profit represent general managerial discourse

Next, closer attention is given to the president’s use of pronouns indicating identification. The narrative fragments demonstrated frequent use of the pronouns *I* and *we*, including the forms *us* and *our*. In linguistic studies these are associated with emphasizing solidarity (Poncini and Hiris, 2011), building rapport (Pullin, 2010; Spencer-Oatey & Xing, 2003; Spencer-Oatey, 2000), and enhancing identification with a social group consisting of ‘us’ (Fairclough, 2003). The use of the pronoun *we* is of particular interest because the existing linguistic literature identifies *inclusive we*, *exclusive we* and *ambiguous use of we* (Poncini, 2007), listing several referential domains for ‘we’ as a combination of these main reference points (e.g. Banks and Burns, 1987). Inclusive *we* embrace the speaker-I with the reader; exclusive ‘we’ includes the speaker with others but not with the reader; and ambiguous ‘we’ does not give a clear reference point.

In light of this data, the president used ‘we’ in the inclusive form in a bonding function, the reference point being ‘all of us ENOQ employees’ including the president. However, from the perspective of the audience for his letters, i.e. the ENOQ employees, he also used an exclusive *we* when he referred to the top management in his use of ‘we’. And finally, there were instances in the president’s narrative where ‘we’ was ambiguous (Poncini and Hiris, 2011). The following excerpt from the letter of February 2008 sheds light on the ambiguity that is quite typical for the use of ‘we’ (See Poncini, 2007; Poncini and Hiris, 2011):

*In environmental excellence, (1)our main focus is to minimize energy consumption. (2)We have also started to prepare active communication on our achievements in eco-efficiency. (3)Our objective is to become the eco-efficiency leader in our industry.*  
[February, 2008]

(1) – ‘Our’ could use all employees of ENOQ as the reference point, but it could equally be a form of institutional ‘we’ (Drew and Heritage, 1992) and refer to the company; or it could be an exclusive ‘we’ from the point of view of the reader, referring to the top management.

(2) – Who is ‘we’ who have started communication? Perhaps the president and top management? Or, the president and the communication team? Either way, the reference point seems to exclude the reader.

(3) – Whose objective: ENOQ’s, or the objective of the president and the top management, or everyone’s objective? Institutional exclusive, or inclusive we?

Nevertheless, the president’s attempt to build a ‘community of us’ is clear in this data. The president attempted to impact on the employees’ collective identification with the must-win battle *environmental excellence* by using an inclusive ‘we’ as a means of bonding and to show solidarity:

*In (1)environmental excellence, (2)we already know that we are capable of significantly reducing energy consumption of our solutions.* [April, 2008]

(1) – The president’s strategy text uses contextual strategy terminology, such as the name of the must-win battle *environmental excellence*, and

(2) – Links this terminology with attempts to build collective identification with the must-win battle through use of inclusive ‘we’.

To sum up: The president used general and context-specific strategy terminology (Fairclough, 2005) to create a company-wide strategy discourse. He therefore used strategy language in order to support the construction of a new collective identity through shared expressions, vocabulary, and terminology relating to the strategic change actions and goals (see Fiol, 2002). This demonstrates that the president viewed the organizational identity through strategy and mission, and through the labels used to describe strategy (Corley, 2004).

*Upper-middle management’s engagement with the must-win battle and collective identification*

The data drawn from the narrative accounts of the seven upper-middle manager interviews reflect deep loyalty to the must-win battles by the middle managers. The following quotes taken from the interviews demonstrate this loyalty. The first quote (1) sheds light on the role of the must-win battles from a more general perspective while the latter quotes (2, 3) relate particularly to the

must-win battle *environmental excellence* (the underlining highlights the fluency of the concept must-win battle in the managers’ own narratives):

*(1) Strategy, in my mind, is not our target but it’s the way how we reach the goal, and it’s crystallized in these must-win battles. [MM2, translation by the author]*

*(2) Now, the latest phase has been that we have linked everything together, our processes, environment and quality. People have been positively engaged, everyone has seen why. It is because we have had a clear program behind this must-win battle (environmental excellence), and we have been able to communicate that here is the target level where we aim at. [MM1, translation by the author]*

*(3) It’s a great example that must-win battles can drive cultural change. [MM5]*

Based on the data, must-win battles seem central for the enactment of the strategy in the organization, and the managers portray themselves as apostles of this ‘mechanism to drive change’ (expression from an interview account). The fact that the strategic change was unfolded in change programs, must-win battles, was perceived as bringing clarity to the strategy and the changes needed for enacting the strategy. Must-win battles, hence, provided means for leading change in the middle of the organization. Must-win battles empowered middle managers as leaders, while the strategy text became a mechanism, an instrument, to direct actions, and to endorse the change, as revealed by these upper-middle managers:

*Thus what these must-win battles did for us, they gave us kind of the focus but also the way to communicate it to the rest of the organization. So here with the communication strategy it was quite clear, we as leaders were given the focus, and the words with which we should communicate it. [MM4]*

*We don’t really think about what our must.win battles are on a daily basis; we do them. [MM2, translation by the author]*

Hence, these data demonstrates how must-win battles performed their function of “driving the change and focusing the attention and energy of the organization” (Killing et al., 2005). Must-win battles represented the strategy and provided means for communicating about strategy. They helped the middle managers to make sense of the strategy, and give sense to others in the organization while they became an everyday practice of ‘doing strategy’, representing very much the strategy-as-practice approach to doing strategy, as the last quote above clearly indicates.

Moreover, the textual reification and the abstraction from the original context and author of the must-win battle were prominent in the narratives. The upper middle managers’ narratives portrayed reification of the strategy text through recurrent and fluent use of strategy-related terms and terminology. Despite the intertextuality with the original strategy text, the narratives had disposed all of the original author, the president, and the original context, the president’s letters. Instead, a collective ownership and unanimous identification with the strategic text had replaced the original author. As a result, the must-win battle began to gain authority and power to direct collective actions through collective identification with the new strategic direction.

The data reflected indicated an interesting feature about the reification of the strategic concept ‘must-win battle’ in these managers’ narratives. The must-win battle was frequently referred to by various ‘nicknames’ – more so that than by its authorized name, *environmental excellence* – such as the ‘environmental piece’ or ‘environmental items’. This tendency of renaming and reformulating the must-win battle in the managers’ narratives took place throughout the multilingual interview data.

This characterizing feature in the upper-middle managers’ narratives can reflect two very different issues. The feature can refer to an intertextual struggle concerning the official term/name of the must-win battle, or, alternatively, it can signify a well-established, shared understanding describing what the must-win battle is all about – “we all know what this environmental piece/side/issue is – and thus leading to disuse of the original official name. The latter, in turn, would refer to the high-level abstraction and independent authority of the must-win battle, achieved in its two-year lifetime.

When the identification was elaborated through language-based identity claims, the social identities of the upper-middle managers were solid and unequivocal. The managers frequently made use of inclusive ‘we’ mainly with reference to the manager’s own team and own people, the company, and sometimes the top management when they narrated about their own change leadership and actions in practice in order to demonstrate the role of must-win battles in their leadership.

The following narrative fragments from one of the interviews encapsulate the collective identification at this level of the organization, demonstrating the fluent use of lexicography from managerial strategy discourse (1) in the president’s narrative as well as at the text level; use of the linguistic device (2) ‘we’ as a sign for strong socialization with the team of (2) ‘us’ and with their (3) leadership role:

*“(1)The focus has changed so that of course this (1)eco-efficiency has come...it’s the same now as efficiency. And at least I have communicated that if it is something else, (2)we need to consider carefully whether it is important (2)for us....It entails common sense, it’s not about ‘tree hugging’ but long-term continuous efficiency improvement.”*  
*“Particularly that I’ve been given a (3)leadership [position], it’s been really a positive experience; (3)I have seen how such a program is set up, how you get people engaged, how together with communication and marketing you build communication inside and outside of the company. (2)We have had a (3)great team. (2)we have accomplished a lot.*  
[MM1, translation by the author]

Hence, in light of this data, the upper-middle management demonstrated loyalty and constructed strong collective identification with the must-win battle in their narratives. The narratives portrayed apparent abstraction and reification of the strategy text (Cooren et al., 2011; Taylor and van Every, 2000). The strategy text had lost its original authorship. Interestingly, when compared with the president’s strategy text, the strategy text had also lost the context of the general managerial strategy discourse with its close ties to military roots. Instead, the upper-middle managers’ strategy text reified in their narratives was more closely linked to the company-specific and everyday work-related context, achieving even a certain level of informality, as shown by the several nicknames for the focal must-win battle. At the same time, the must-win battle had clearly started doing things – having an agency – in their narratives. Finally, the upper-

middle managers’ identification was less ambiguous than the president’s; their social identity was closely related to the leadership role in the middle of the organization; as the leader of their own people and teams, and with the company.

*Lower middle management’s identification ambiguities*

In light of the data produced in the focus group discussions, the lower-level managers were generally happy about the amount, openness and accessibility of communication during the strategic change. They particularly appreciated the fact that the president wrote directly to every employee. As one focus group participant said:

*Direct communication that the president is doing with his letter to everyone...It is really important for the people to see that the change is patronized [supported] by the top management. Their involvement is important. [FG1-4, sic]*

Moreover, similar to the findings obtained from the data gathered in the upper-middle management interviews, these data demonstrated that must-win battles played an important role in the strategic change and for the change actions. As the following discussion participant put it:

*All these must-win battles, they are really great in our work. [FG2-2, translation by the author]*

Another participant of the same focus group discussion framed hers/his experience of the strategic change as being deeply personal, as reflected by the following highly emotional expression:

*I felt the strong change in my skin from a production-oriented to a customer-oriented company. [FG2-4].*

However, in light of the data, lower-middle managers also struggled with the strategy communication. The second phase of the change process was done with the help of a consultant who facilitated the enrollment of a storytelling scheme through the global organization in early 2008. Despite the availability of tools to support and encourage abundant communication in the organization, the data revealed a continuing struggle with the ‘story’ element in the middle of the organization two years into the second phase of the change. The findings don’t reveal whether it was because a ‘story’ as a concept operates at a conceptual level that these managers were not accustomed to working with, or whether it was a direct struggle with the contents of the story – or perhaps both. The following excerpt from the discussion that took place in one of the focus groups, however, is an interesting illustration of how all but one of the lower-middle managers seemed confused about the story and what it was about:

*This new phase of change that started last year...the good thing was that we had good tools and progressed quickly to the level of practicalities and seriously started thinking about what this means to me and my team. [FG3-3]*

*Wait, what happened, was it this story-thing? [FG3-2]*

*Yes, it was it, and then the tools with which we unpacked the story. [FG3-3]*

*I never understood the story....but maybe it was just me. [FG3-2]*

*Well, there was some sort of a story.... We had tools, those paper sheets where we wrote team targets and such, and there was a story behind it but I don't even remember it anymore. That story never really reached me. I don't think it worked very well but I don't know if you have similar experiences? [FG3-4]*

*What was that story...Even now, I am still now a bit unclear about what our present story is? [FG3-1] [All translations by the author]*

The data uncovered a number of differences in the abstraction and reification, and in the collective identification processes between upper-middle and lower-middle managers. In the following, an extract from a narrative constructed in a focus group is discussed in order to shed light on some differences and similarities. First, in contrast to the upper-middle managers, lower-middle managers' narratives indicate the personal nature of the change process. This is shown by the discussion participants' use of the framing 'in my opinion' (Bamberg, 2004, Davies and Harre, 1990). On the other hand, the first speaker is perhaps also using it as an expression of uncertainty, since the speaker connects it with 'surely' and 'maybe not'. Second, the text is characterized by a lack of lexicography from the company-wide strategy discourse except for the must-win battle *environmental excellence*, which is referred to by its nickname 'this environmental side' and a related term from the strategy text, 'eco-efficient'. This indicates that some still had ongoing intertextual struggles with the strategy terminology, unlike the fluency with the strategy terminology that was demonstrated by the upper-middle managers. In contrast, the use of the nickname of the must-win battle, 'this environmental side', would refer to a similar shared understanding of the meaning of this must-win battle, and convenience with talking about it. Third, some distancing from the company and top management is going on during this discussion. It is demonstrated by giving an agency to the 'company' which 'has been taking visible steps' instead of giving agency to the speaker of any group that the speaker would socialize with. The same distance is expressed by another speaker who used the expression 'they try to profile it as this kind of eco-efficient.' This sentence in particular also portrays the speaker's disidentification with the must-win battle, and the verb 'try' reflects almost resentment – it's *not* I/us but *they* who *try* to profile it? as eco-efficient. The fourth notion relates to the use of the passive. Passive voice demonstrates a similar disengagement; the speaker is not indicating who is trained but uses the expression 'they have been trained'. In the following, this analyzed, vivid discussion is played out as a whole, and the explanations for the numbers are below it.

*(1)In my opinion, this environmental side (1)surely is ...the one that automatically gets quite a lot of attention nowadays, except (1)maybe not here. But it's the most visible one. [FG3-3]*

*In that the (3)company has (1)in my opinion been ....taking visible steps... [FG3-4]  
...(3)they try to profile it as this kind of (2)eco-efficient... [FG3-2]*

*A lot of [activity] has taken place on (2)the environmental side. [FG3-1]*

*Yeah well I don't know how much (4)they have been trained, haven't followed so closely how efficiently it has started. But it has received a lot of publicity. Maybe it has*

*crystallized the message, and image, and the aim is to communicate it to customers and internally. It is a good thing. [FG3-1]*

- (1) Personal framing and evaluating the events with the expression ‘in my opinion’ displays either the personal nature of the experience, and perhaps also uncertainty when connected with the use of mitigation device ‘surely’ and ‘maybe’.
- (2) The only intertextual lexicals with the original strategy text are the nickname for the must-win battle, ‘environmental side’, and the term ‘eco-efficiency’.
- (3) Giving agency to the company that ‘has taken steps’ indicates distance. Similarly, the third speaker expresses distance to the top management and disidentification with the must-win battle: ‘they try to profile it? as this kind of eco-efficient’
- (4) Passive voice expresses distance and disengagement.

Hence, the narratives of this group of lower-middle managers depicted ambiguities in their identification with the strategy, the change and the must-win battle. In contrast to the group of upper-middle managers, this group of managers also demonstrated discrepancies in the identification claims within their own peer group. The discrepancies can be explained by the fact that although representing the same level in the organization, the discussion participants represented different functions and had different superiors, and this may have had an impact on the identification.

Moreover, the personal nature portrayed in the lower-middle managers’ narratives was a feature that differed from the upper-middle managers’ relationship to the change. The existing research provides an explanation for this, contending that at lower levels of an organization, identification is connected more with meanings, values and culture than with strategy and strategy labels (Corley, 2004). In this case involving a multilingual organization, however, an alternative explanation may relate to the language of strategy communication. At the lower levels, superiors communicated and received communication about the strategic change and must-win battle in their own language, whereas the upper-middle management largely used the corporate language, English, in their communication. Use of the native language would be more likely to produce an emotional reaction. And finally, the struggles with the story concept relate to the managers’ efforts to make sense of the strategy story and indicate that this process was ongoing at the time of this study.

### **Conclusion and Implications**

The findings of this study provide empirical evidence for the textual agency of the strategic concept ‘must-win battle’. By the second year of its lifetime, the must-win battle had disposed of the original textual authority and context given to it by the president of the company, and started having an agency of its own in the organizational narratives. This was particularly clear when the upper managers narrated *what* the must-win battle *did* – it helped them to communicate about the change, to lead the change and to ‘do the must-win battle’ as a daily practice. The strategy text also had lost its connection to the military roots of the managerial strategy discourse. Instead, the upper-middle managers’ strategy narratives were close to the company-specific and everyday work-related context, achieving even a certain level of informality, as indicated by the several nicknames for the focal must-win battle.

Furthermore, the data empirically demonstrated close interrelations between the sensemaking processes of strategic change and identification. Collective identification with the must-win battle was an integral part of the social construction of meanings for the must-win battle in the upper managers’ narratives (see Weick, 1995). While the managers made sense of the strategy, the must-win battle and the new strategic direction, they collectively identified with the must-win battle which empowered their own change actions and change leadership. These data showed how the communicative products of such process, the intentions around the strategic concept must-win battle and identification with it, started to coordinate and control collective actions in the organization (Cooren, 2010; Cooren and Taylor, 1997; Taylor and van Every, 2000; Taylor & Van Every, 2011).

Moreover, this study offers new insights into comparing textual agency and collective identification at different organizational levels at a particular point of time. This case study shows a cascading process of abstraction and reification of a strategic text. At the same point of time as the upper-middle management had adopted collective ownership of the must-win battle and the strategic text had become an independent authority in their change leadership, the lower-middle management still struggled to make sense of the strategic text. Consequently, it seems that the lower-middle managers’ collective identity was still under construction due to their struggles with making sense of the strategy. This was visible in the identity discrepancies contained in their narratives.

This study showed that collective identity indeed is a linguistic construct. In this, the paper also contributes to the linguists’ call for a more dynamic view of language according to which ‘things are done through language; business is done through language’ (Charles, 2009). Participants in the interviews and focus group discussions were reflexive in their narratives of making sense of the strategy and the must-win battle, and in how they used linguistic device to position themselves and others. Consequently, examining identification as a narrative and fluid process provided new insights for understanding how strategy text enacts change in an organization.

By taking a snapshot in time, however, this study revealed that the abstraction and reification process differed according to the level of the organization. This finding indicates that this particular strategic change was to some extent a top-down process where the abstraction and reification process of the strategic text progressed as a cascaded process through the organization. The cross-sectional perspective through the organizational levels also called attention to the fact that the must-win battle brought the strategy closer to the practice of everyday work the deeper in the organization the data was constructed.

The findings of this case study suggest that the topic of culture relates closely to the topic of organizational identification. The topic of culture surfaced in the interview data on several occasions. The interviewees made references to ‘new culture’, ‘corporate culture’, and ‘leadership culture’ while they narrated about the changes underway. The existing strategy and, in particular, the practice-oriented management literature on organizational culture reveal an interesting dichotomy about culture. On one hand, management and strategy scholars emphasize the role of organizational culture as a management tool, as a means for controlling and legitimating change (see, e.g. Alvesson and Sveningsson, 2008; Välikangas, 2010). On the other hand, empirical research carried out in multinational companies (Welch and Welch, 2006) maintains that a strong organizational culture can in fact impede a strategic change, and represents the risk of inertia (Staber, 2003; Welch and Welch, 2006). The latter view is coherent with Fiol’s (2002) claim that

a strong organizational identity may represent a risk for strategic change progress. Therefore, viewing organizational culture as shared meaning (see, e.g. Brannen and Kleinberg, 2000; Pettigrew, 1979; Trompenaars & Hampden-Turner, 1998) and thus as a dynamic social construct would provide interesting new avenues for examining the links between organizational culture and collective identity as constructed in the discursive processes of meaning-making in organizational narratives.

For management practice, this paper provides new insights into what must-win battles do while they “help to put the strategy into action” (president’s letter, February 2008). In light of the findings of this particular case, must-win battles receive an agency for direct collective actions through a narrative process of collective identification. Sensemaking and identification are closely interconnected in an organizational context (Weick, 1995), and are core processes in a strategic change (see, e.g. Corley and Gioia, 2004; Gioia and Chittipeddi, 1991). Hence, the agency of the must-win battle was largely dependent on the progress of the sensemaking of strategy in the organization. Therefore, the findings of this study suggest that the agency of must-win battles can be different at different levels of the organization, and even at the same level at the same point of time, depending on the progress of sensemaking. This was empirically demonstrated by the differences in the abstraction and reification of the strategic text and by the differences in collective identification at different levels of the organization in this case study. This interdependence between the ongoing sensemaking and the collective identification processes critical for the progress of a strategic change implies that from the communication management point of view, continuous communication about the strategic intent is crucial for the change to progress, since the communication both constitutes the change while providing a space for these narrative processes, and at the same, communication provides the means for enacting the change.

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## Mergers in Higher Learning Institutes

### The Challenge of Identity and Identification

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*South Africa's higher education sector has been transformed through a series of mergers and incorporations aimed at collapsing 36 universities and technikons into 22 institutions. The concern about a new identity that will accommodate the merging institutions had become an issue of strategic importance. By using the model of corporate identity this study explored the challenge(s) of communicating the NMMU identity to its stakeholders. In addition, it described the identity awareness level of the stakeholders. An exploratory-descriptive design was used. Data was obtained through extensive literature review and by means of a survey. Through the analysis of the empirical findings, two strategic issues were found: First, the issue of identity and identification, and secondly, the low corporate identity awareness levels of students.*

**Keywords:** *corporate identity, corporate awareness, corporate culture, Nelson Mandela Metropolitan University (NMMU)*

**Paper Type:** *A case study*

South Africa has been revamping its higher learning education system as part of a broader national reform movement aimed at overcoming the inequities and divisions caused by the now obsolete apartheid regime. The higher education sector has been transformed through a series of mergers and incorporations aimed at collapsing 36 universities and technikons into 22 institutions. Some have argued that the merger between the universities and technikons could have weakened the university's academic programmes by bringing in less-qualified students and academics, even though this would give the university the ability to offer certificates as well as degrees (Rossouw, H. 2004).

Because of this, the concern about the new corporate identity that will accommodate the merging institutions has become an issue of strategic importance. As a consequence of these mergers, higher learning institutions in South Africa have been forced to adjust their strategies considerably to better compete in attracting high quality students and intellectuals at both national and international levels.

On 1 January 2004, the Port Elizabeth campus of Vista University (Vista P.E) was incorporated into the University of Port Elizabeth (U.P.E). Shortly thereafter, on 1 January 2005 the University of Port Elizabeth merged with the Port Elizabeth Technikon (Ogude, N. 2004). As a result, Nelson Mandela Metropolitan University (NMMU) came into being.

These merged institutions had their own cultures and identities that had been in existence for a long time. For various reasons, the stakeholders might still prefer to identify themselves with their previous institutions. For instance, there are some students at the NMMU who prefer to identify

themselves with their old institutions (Technikon for North campus students, U.P.E for South campus students, College for Second Avenue campus students and Vista for Missionvale campus students).

The question needs to be asked whether this so-called resistance to change has to do with the new projected corporate identity of the fully merged institution or the low corporate identity awareness level that exists among the students.

Therefore, this study aimed to explore and describe the challenge(s) of communicating the NMMU brand to current students. In addition, it aimed to describe the corporate identity awareness level of these stakeholders.

### The Theoretical Framework

In connection with the objectives, the model on how corporate identity works, developed by Alessandri S.W (2001) was used to describe the corporate identity awareness levels of NMMU students.

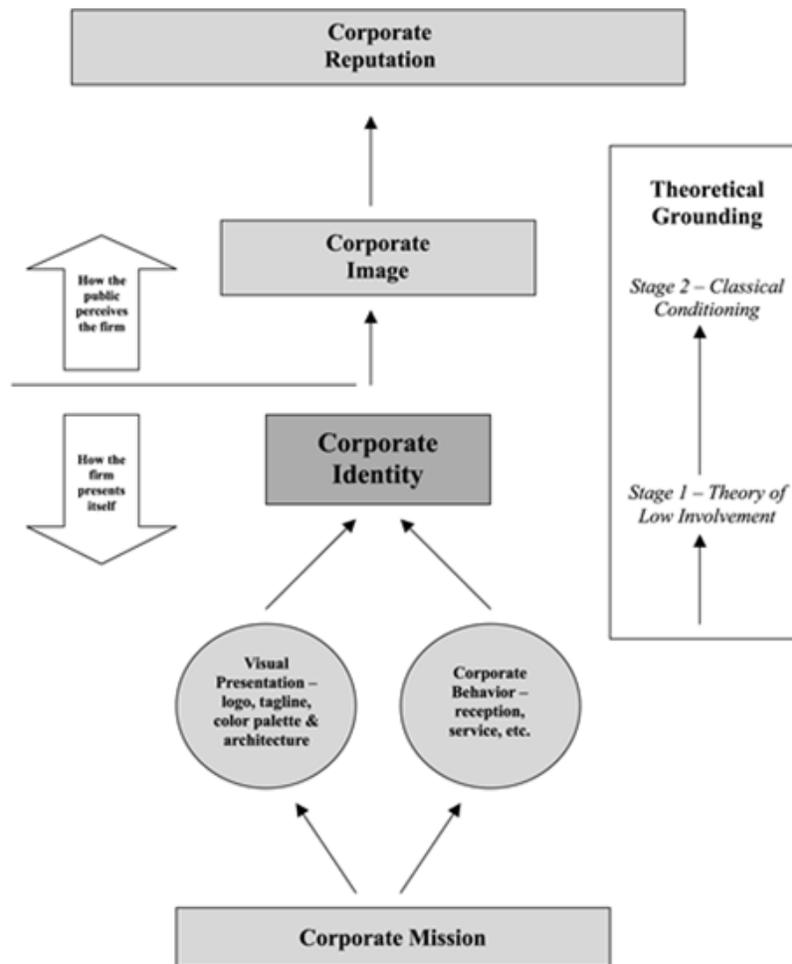


FIGURE 1. Corporate Identity Theoretical Framework  
Source: Alessandri S.W. (2001)

The writer's model adopts multi-disciplinary approaches in explaining how corporate identity works. It encompasses psychological, marketing, advertising and public relations paradigms. Alessandri wrote that the model represents different schools of thought on corporate identity that aim at providing a plausible theoretical explanation on how corporate identity works (Alessandri, 2001).

This model represents the corporate identity as a bottom-up process. The mission of a given organisation affects the identity, while identity affects the image. As a result, the organisation's image builds its reputation. The bottom half of the model, that includes the mission and the identity, is within the control of the organisation. The top half of the model includes all those elements that are within the control, in the form of their perceptions, of the stakeholders (Alessandri, 2001:177).

The author offers two theoretical explanations that assume that the learning of perceptions works in two different stages. Firstly, at a low-involvement level, and secondly, after an image has been formed through classical conditioning.

The theory of low involvement is most useful for explaining how stakeholders may actually come to recognise the corporate identity of an organisation. The writer cited Krugman (1965) who explained that the repetition of a message will bring two results; Firstly, repetition will move some information from short-term to long-term memory and secondly, it will bring a change in brand perception.

The writer concluded that consistency, as well as repetition, is crucial for an organisation that is trying to gain a favourable corporate image, and as a result a positive reputation in the minds of the stakeholders.

### **Studies on Corporate Identity**

Different academics in the management, marketing and communication disciplines did research regarding corporate identity. Melewar, T.C. and Akel, S. (from the Warwick Business School) researched the role of corporate identity in the higher education sector. The main goal of their study was to analyse the strategic intent behind the University of Warwick's new corporate identity. They did this by using the four components of the corporate identity model developed by Melewar and Jenkins.

The researchers explained that the main reason that necessitated the change of Warwick's corporate identity was the mismatch between its then identity and reputation. On 1 October 2002, the University of Warwick introduced the new corporate identity. The researchers explained that corporate identity changes were attempts to bridge the gap between appearance and (perceived) reality.

The writers discovered that the new Warwick corporate identity is one-dimensional. It focuses mainly on visual aspects of the corporate identity mix. They argued that corporate identity is the combination of several elements. It would be a complete failure for the management to assume one single element as being more important than another.

However, the researchers did not highlight the challenge(s) of communicating the new corporate

identity to their (either external or internal) stakeholders. The old corporate identity existed for more than 35 years. For this reason, the new corporate identity might meet possible resistance from various academics, non-academic staff and students.

On the other hand, Palacio, A.B. et al. (2002) did a study on the configuration of the university image and its relationship with the satisfaction level of students. The writers mentioned that their work aimed at explaining the process of image-forming by means of different components, both in its cognitive and affective dimensions and analysing its relationship with the students' satisfaction with the university.

“Visual identity: trappings or substance?” is another study done by Barker, and Balmer (1997), the main objective of their study was to describe the development of a corporate identity programme at the University of Strathclyde, in particular, the adoption of the new visual identity. Unlike some other academics, the writers explained how the visual identity is the most important aspect of an institution's change of identity and why it tends to detract from other elements of the identity mix.

The writers highlighted that weak visual identity might be the symptom of weakness in one of the following: corporate strategy, corporate culture and formal corporate communication policies. The writers continued to stipulate that institutions should be aware when responding to confused visual systems of identification, because the solution lies not in dealing with the symptoms, but with the cause (Barker, M.J., et al 1997:381).

Towards a framework for managing corporate identity, is an article written by Markwick, N. and Fill, C (1997). Their work aimed at exploring a number of components associated with corporate identity (i.e. corporate image, reputation and personality), and to integrate them to form a corporate identity management process. The writers developed a framework called corporate identity management process. They explained that it seeks to articulate the means by which corporate communication is used to harness information generated through image research studies.

Unlike most of these studies, the research investigation aimed at describing and exploring the challenge(s) of communicating the NMMU brand to students. Consequently, it is imperative to assess the level of corporate identity awareness among the different students.

### **The Nelson Mandela Metropolitan University's Corporate Identity**

As noted earlier, the Nelson Mandela Metropolitan University (NMMU) came into being after the incorporation of Vista University and the merger of the University of Port Elizabeth and Port Elizabeth Technikon. Since these three institutions had their own identity, the new University has to develop a strategic plan to come up with a new corporate identity. The new brand focuses on corporate visual identity, typography, slogan and colour.

According to the NMMU Brand Strategy (2007), the document highlighted that since there was no approved mission, vision or values at the time, the brand strategy and logo were developed based on the draft vision and mission, and then refined and integrated with the vision and mission, as the latter were refined. The current vision, mission and values of the University as taken from the NMMU Brand Strategy document (2007) are as follows:

### *Vision*

Our vision as a values-driven university is to be the leader in optimising the potential of our communities towards sustainable development in Africa.

### *Mission*

The Nelson Mandela Metropolitan University is an engaged and people-centred university that serves the needs of its diverse communities by contributing sustainable development through excellent academic programmes, research and service delivery.

### *Value statement*

Inspired by the leadership qualities of Nelson Mandela in the transformation to democracy in South Africa, we are guided by the following eight core values and principles in our transformation towards the NMMU:

1. Transformation of equality and fairness
2. Respect for diversity
3. People centeredness
4. Student access
5. Engagement
6. Excellence
7. Innovation
8. Integrity

In this millennium, higher education is seen as a service that can be marketed globally. Considering other competitors, the document highlights the fact that the NMMU brand positioning focuses on the university marketing and communication of the key brand message which highlight aspects that concern different stakeholders.

### *The corporate name*

The name Nelson Mandela Metropolitan University lends our institution wisdom, integrity and dignity. Mandela's example inspires our transformation to an equitable, accessible university. We are dedicated to serving the citizens of the Nelson Mandela Metropole, the neighbouring areas, the Southern Cape, and in so doing, we serve our country and our continent.

### *Logo*

The NMMU logo is a visual expression of what a truly African University stands for, what sets it apart and what it aims to achieve. It draws on the vision, mission and values of the institution itself.

The circular nature of the outer element suggests cyclical and continuous change – a key element of a university, fostering fresh thinking and innovation. It is also suggestive of technology and science, of a rising sun, a new dawn – a birth of a new university. The circle is a symbol of unity, with the triangular elements suggesting diversity, as well as engagement and interaction, both among ourselves and with our stakeholders in the broader external community. The inner element emphasizes that we are a people-centered organization, striving to optimize the potential of all our people. It is also suggestive of a supportive learning environment. The globe represents our

international linkages as well as our connection to our natural resources.

### *Slogan*

NMMU is a university *for tomorrow* – we nurture innovation, foster creativity, embrace technology and develop people to meet the challenges of the world of tomorrow. *For tomorrow* also symbolises our commitment towards sustainable development.

### **The Brand**

Essentially, people base their choice of university on more than purely rational reasons such as cost and education quality. A number of tangible and intangible factors play a role in the decision-making process, including individual perceptions such as:

- a) Personal recognition among his or her peer group
- b) The recognition of the institution among peers
- c) Expectations of future prospects
- d) Stability and excellence
- e) Alignment (or fit) of the institution's perceived values with internal values and
- f) The potential for a good student "experience" (including student life and culture).



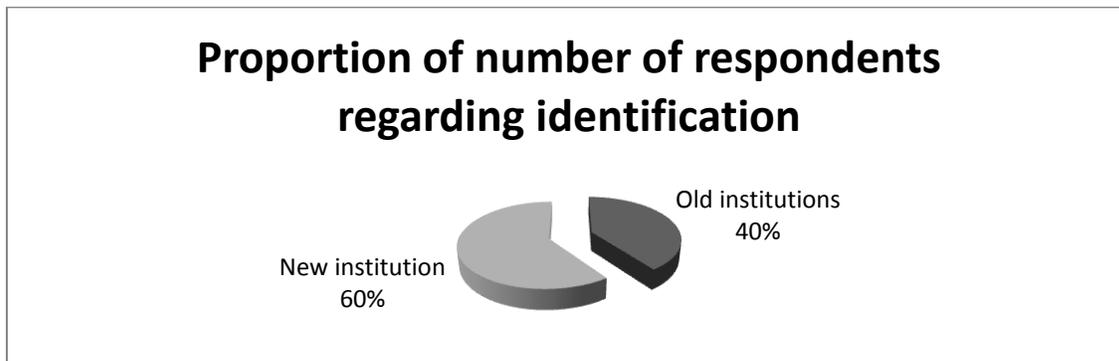
FIGURE 2. NMMU parent brand

### *Other sub-brands within NMMU*

The decentralised structure of the University is reflected through faculty brands used alongside the NMMU parent brand. The faculties have developed their own sub-brands that reflect what they are about. These sub-brands are used as internal differentiators and to direct potential students plus other stakeholders to the correct place.

### **Findings**

The empirical work that was carried out was based on self-administered questionnaires in a survey of 350 students from five University campuses. The self-constructed questionnaire represents a range of the NMMU brand statements (33 statements).



**FIGURE 3.** Propostion of number of respondents regarding identification

In a nutshell, a total number of 172 (which is 60% of the total number of respondents who responded to the question) identified themselves as studying at the new institution. More importantly, 114 (i.e. 40%) of the respondents saw themselves as studying at the old institutions. Out of 114 respondents, 63 were senior students (third and fourth years plus postgraduate students). On the other hand, 51 respondents were junior students (first and second years).

However, some campuses have adapted better to change than others. These campuses (that have been, and still are seen as adjusting more quickly to change) are the Second Avenue and North campuses.

#### *Students' perceptions on the NMMU identity*

One of the aims of this study was to measure students' attitudes and perceptions towards the NMMU brand. Consequently, the researcher used the Likert scale as the measurement scale. This helped the researcher in assessing the degree to which respondents agree or disagree with the statements on the NMMU brand. In the analysis of individual brand statements, weighted averages were interpreted as follows:

- A score between 1.0 and 1.49 indicated an exceptional level of disagreement
- A score between 1.50 and 1.99 indicated a high level of disagreement
- A score between 2.0 and 2.49 indicated disagreement
- A score between 2.50 and 2.99 indicated mere acceptance
- A score between 3.0 and 3.49 indicated a moderate level of agreement
- A score between 3.5 and 3.99 indicated a high level of agreement
- A score 4.0 indicated an exceptional level of agreement

### **South Campus**

**TABLE 1.** The number of respondents = 78

|    | <b>The NMMU brand statements</b>              | <b>Score for 1</b> | <b>Score for 2</b> | <b>Score for 3</b> | <b>Score for 4</b> | <b>Weighted average</b> |
|----|-----------------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|
| 1. | The NMMU mission reflects leaders of tomorrow | 12                 | 23                 | 29                 | 14                 | 2.58                    |
| 2. | NMMU is a people-centred                      | 2                  | 3                  | 68                 | 5                  | 2.97                    |

|     |                                                                          |    |    |    |    |      |
|-----|--------------------------------------------------------------------------|----|----|----|----|------|
|     | university                                                               |    |    |    |    |      |
| 3.  | The NMMU logo reflects a truly African University                        | 3  | 6  | 57 | 12 | 3    |
| 4.  | NMMU does not foster creativity                                          | 19 | 31 | 19 | 9  | 2.23 |
| 5.  | NMMU does not nurture innovation                                         | 50 | 10 | 13 | 5  | 1.65 |
| 6.  | The NMMU vision of the “future” unites all the campuses                  | 57 | 13 | 8  | 0  | 1.37 |
| 7.  | The NMMU brand communicates values one can associate with                | 1  | 1  | 72 | 4  | 3.01 |
| 8.  | The NMMU brand does not reflect any cultural diversity                   | 32 | 41 | 3  | 2  | 1.68 |
| 9.  | The NMMU brand reflects respect                                          | 8  | 13 | 57 | 0  | 2.63 |
| 10. | NMMU provides empowerment through education                              | 0  | 1  | 33 | 44 | 3.55 |
| 11. | The NMMU brand does not reflect high academic standards                  | 15 | 51 | 10 | 2  | 1.99 |
| 12. | NMMU does not produce high quality graduates                             | 42 | 27 | 9  | 0  | 1.58 |
| 13. | I am proud to be part of the NMMU                                        | 0  | 2  | 71 | 5  | 3.04 |
| 14. | NMMU serves the needs of the community                                   | 0  | 3  | 66 | 9  | 3.08 |
| 15. | The NMMU brand does not reflect the needs of the industries              | 65 | 10 | 3  | 0  | 1.21 |
| 16. | The NMMU brand is credible                                               | 7  | 29 | 39 | 3  | 2.49 |
| 17. | The NMMU programmes prepare students to be the leaders of tomorrow       | 3  | 7  | 40 | 28 | 3.19 |
| 18. | The NMMU brand identity is not promoted to students                      | 0  | 5  | 15 | 58 | 3.68 |
| 19. | The NMMU brand does not reflect the leadership quality of Nelson Mandela | 9  | 61 | 7  | 1  | 2    |
| 20. | NMMU helps students to realise their dreams                              | 0  | 0  | 73 | 5  | 3.06 |
| 21. | NMMU is an internationally recognized brand                              | 0  | 7  | 59 | 12 | 3.06 |
| 22. | The NMMU brand is not trendy                                             | 7  | 11 | 37 | 23 | 2.97 |
| 23. | The Nelson Mandela name is good to be associated with                    | 0  | 0  | 23 | 55 | 3.71 |
| 24. | The NMMU brand colours                                                   | 5  | 11 | 55 | 7  | 2.82 |

|     |                                                                        |    |    |    |    |      |
|-----|------------------------------------------------------------------------|----|----|----|----|------|
|     | represent all races within the institution                             |    |    |    |    |      |
| 25. | NMMU provides career-oriented programmes                               | 0  | 0  | 75 | 3  | 3.04 |
| 26. | NMMU is the university of the new South Africa                         | 0  | 3  | 63 | 12 | 3.12 |
| 27. | NMMU embraces technology                                               | 5  | 13 | 60 | 0  | 2.71 |
| 28. | The NMMU brand is well recognized nationally                           | 2  | 7  | 23 | 46 | 3.45 |
| 29. | NMMU develops people to meet the challenges of tomorrow                | 0  | 17 | 60 | 1  | 2.79 |
| 30. | NMMU provides professionally oriented programmes                       | 0  | 0  | 53 | 25 | 3.32 |
| 31. | The NMMU brand does not reflect hospitality                            | 9  | 27 | 33 | 9  | 2.54 |
| 32. | The NMMU brand message is not clearly communicated to its stakeholders | 0  | 6  | 41 | 31 | 3.32 |
| 33. | The NMMU brand reflects the integration of the campuses                | 15 | 47 | 13 | 3  | 2.05 |

The table above indicates different weighted averages on how the respondents from South campus felt about the Identity. Overall, the positive brand statements that had a high weighted average of between 3 and 3.5 amounted 13. The highest amounted to 3.71, and these were students who rated that the *Nelson Mandela name is good to be associated with*. Moreover, the majority of the respondents strongly agreed that *the university provides empowerment through education*. This item had a weighted average of 3.55. Apparently, the South campus students have yet to buy into the idea of the new NMMU vision of the *future* that unites both campuses. It is interesting to note that a total number of 70 students (57 who strongly disagreed plus 13 who merely disagree) disagree with the statement that the NMMU vision of the *future* unites all the campuses.

Furthermore, some students from South campus did not feel that the NMMU brand is credible. This statement had a weighted average of 2.49. However, this statement contradicts statement 13, *I am proud to be part of the NMMU* and statement 14, *NMMU serves the needs of the community* (which are both positive statements). Statement 12, *NMMU does not produce high quality graduates* and statement 15, *The NMMU brand does not reflect the needs of the industries* are both negative statements. Most of the respondents who disagreed were junior students (27), while the majority who agreed with the statement were senior students (36). The results were in contradiction of statements 12, 13, 14 and 15.

#### North Campus (Number of respondents 74)

The respondents from North campus had different views about the NMMU identity. They strongly disagreed with some brand statements. Seven brand statements scored the high level of disagreement, between 1.0 and 1.99. The outstanding level score was 1.28, showing that the respondents disagreed with the statement that stated *NMMU does not produce high quality*

*graduates*. People might argue that it is too soon to judge whether the university produced high quality graduates or not. However, out of 72 respondents who felt that NMMU produced high quality graduates, 38 were senior students and 34 were junior students.

Some statements produced even scores. One of them being *I am proud to be part of the NMMU*. This statement had a weighted average of 2.73. This has been interpreted as being neutral because this score is more than two (that is disagreement) and less than three (which is agreement). When further analysed, the researcher found that more junior students felt strongly about being part of the NMMU compared with the opinions of the senior students. Out of 74 respondents, 41 were junior students (first and second years) while 33 were senior students (third and fourth year students plus postgraduate students).

As mentioned earlier, after 1994, the South African higher learning institutions had to undergo different changes. The researcher wanted to know whether the students felt that NMMU was the University of the New South Africa. All 74 respondents from North campus agreed with the statement that says that *NMMU is the University of the New South Africa*. The statement had a weighted average of 3.34. The reason for this might be that this campus adapted more quickly to the change.

#### **The Second Avenue (Number of respondents 65)**

It is interesting to note that the respondents from the Second Avenue campus disagreed with the statement: *the NMMU brand reflects integration* as well as *the NMMU vision of the "future" unites all the campuses*. All weighted averages were below 2.49 on a four-point Likert scale. This shows that students have yet to feel that they are one under the new identity. However, the respondents agreed on several statements. Among others were, *The NMMU brand reflects respect* and *NMMU provides professionally oriented programmes*. The weighted average of these items was above 3.0 (3.31 and 3.06 respectively).

It is also interesting to see large numbers of international students who disagreed with that statement *The NMMU brand does not reflect cultural diversity*. Of the 57 students who disagreed with the statement, 30 were international students. The remaining 27 were non-international students.

Moreover, the majority of the respondents showed strong levels of agreement when rating the statement, *NMMU provides empowerment through education*. This statement scored the weighted average of 3.74. This result correlates with the rest of the Port Elizabeth campuses. Senior and junior students alike had strong feelings about the above-mentioned statement. Out of 65 respondents (who agreed with the statement) from Second Avenue campus, 30 were senior students while 35 were junior students.

#### **Bird street campus (Number of respondents 64)**

The respondents from Bird street campus responded differently to the negative and positive brand statements provided as options. All but two negative brand statements presented in the scale received weighted averages of between 1.0 and 2.49. Most respondents seemed to disagree with the negative statements about the academic standards and the quality of the graduates. These statements received a weighted average of 1.66. However, one thing that most of respondents seemed to agree on was that, *the NMMU corporate identity is not being promoted to students*, and

*the NMMU brand message is not clearly communicated to its stakeholders.* These statements received respectively weighted averages of 3.14 and 3.16.

Furthermore, most of the students from Bird Street campus felt that the university catered to the needs of the industries at both levels, nationally and internationally. This was the reason why they strongly disagreed with the statement the NMMU does not reflect the needs of the industries. This statement had a weighted average of 1.86.

Furthermore, respondents from Bird Street campus showed their level of disagreement when responding to the statement the NMMU brand colours represent all races within the institution. The statement had a weighted average of 2.36. It seems that junior and senior students alike felt the same about the said statement. A total number of 40 respondents disagreed with the statement. Among them, 25 were junior students while 20 were senior students.

### **Missionvale campus (Number of respondents 69)**

Some respondents from the Missionvale campus felt very strongly about certain elements of the NMMU identity, while others strongly disagreed with other elements. Overall, the positive brand statements that had a high weighted average of between 3 and 3.5 amounted to 14. Most of the respondents agreed that *the NMMU logo reflects a truly African university.* This statement has a weighted average of 3.2.

*NMMU is an internationally recognized brand* was among the statements that received a weighted average of 3.32. This is a more positive response than all the other responses from the Port Elizabeth campuses. Students felt that the NMMU brand was well known outside South African borders. Out of 69 respondents, 60 agreed with the statement. Amongst them 25 were international students and 35 were South African students.

*The NMMU does not reflect hospitality* was another statement with which most of the respondents agreed. As many as 41 out of 69 respondents agreed with the statement. This result was even more positive when one compares it with those of other NMMU campuses. It is interesting to see that 17 respondents were international students, while 24 were of South African decent.

### *Students' awareness level of the NMMU identity*

One of the questions was aimed at exploring whether a respondent could recall the NMMU corporate brand colours.

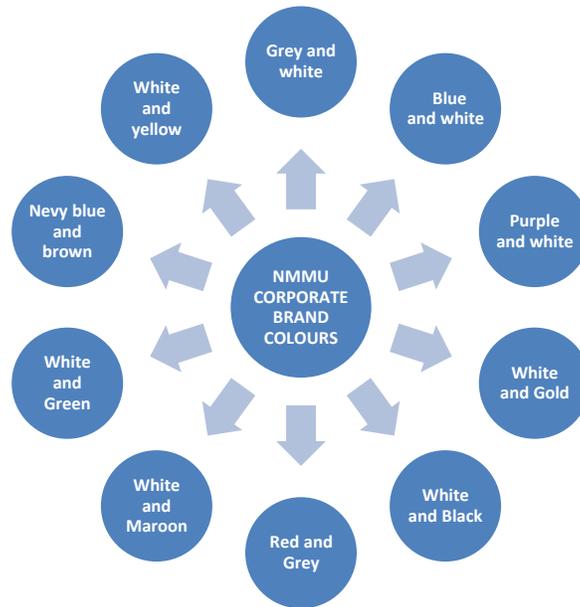


FIGURE 4. The NMMU corporate brand colours

Figure 4 indicates different responses from different respondents in regard to this question. This clearly shows that the students are not sure of what the other corporate colour is beside *white*. However, having observed that out of 350 respondents, 147 indicated that the corporate colours are *blue* and *white*. Conversely, it was observed that there were some reasons behind the different answers given. Most of the NMMU merchandise comes in different colours. They have one thing in common though, and that is the NMMU logo on them. On most of the merchandise observed the NMMU logo is white in colour. Therefore, one might find a green jersey, for example, with a white logo on it. Consequently when some respondents were asked to name the NMMU corporate colours they mentioned *green* and *white* or *black* and *white*.

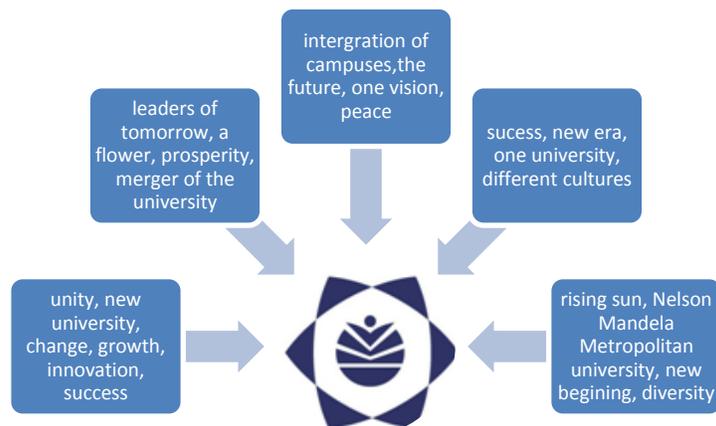


FIGURE 5. What does the NMMU logo represent?

A total number of 145 respondents mentioned that they did not know what the NMMU logo represents. Conversely, because this was an open-ended question, 205 gave different answers when responding to the question. The figure above shows some of the answers given.

However, some respondents mentioned that they did not care what the NMMU logo represents. In addition to this, others indicated that they did not remember what the NMMU logo actually represented. Moreover, three of the respondents mentioned that the NMMU logo has a long description of what it represents.

**TABLE 2.** When you think of NMMU brand values, what words come to mind?

|                  |                |             |                |
|------------------|----------------|-------------|----------------|
| Education        | Vision         | Race        | Equality       |
| Professionalism  | Empowerment    | Diversity   | Perseverance   |
| Leadership       | Respect        | Money       | Trust          |
| Innovation       | Success        | Freedom     | Sustainability |
| Unity            | Excellence     | Prosperity  | Transparency   |
| Wisdom           | Tomorrow       | Power       | Humility       |
| Technology       | Knowledge      | Hope        | Creativity     |
| Mandela          | Future         | Honesty     | Integrity      |
| Entrepreneurship | Transformation | Development | Achievement    |

- Respondents who listed 1-2 words were seen as having a low corporate-brand value-awareness level.
- The one who listed 3-5 words were seen as having a medium corporate brand value-awareness level.
- Respondents who listed 6-8 words were seen as having high corporate brand value-awareness levels.

From 350 respondents there was no one who correctly listed more than two words associated with corporate brand values. The researcher concluded that the degree of corporate brand value-awareness levels among students is still low.

Through the analysis of the empirical findings two strategic issues were found:

- The issue of identity and identification
- Low corporate identity awareness levels of the students

## Discussion

This study has provided further insight into the issue of the NMMU identity- awareness level of the students, and the issues of identity and identification. As expected, the NMMU students feel differently when it comes to the corporate identity. However, this should not be seen as a negative factor, but the springboard to improving or modifying corporate communication within the university and reshaping the corporate identity.

The multiplicity of perceptions is being viewed by some scholars as a fundamental principle on which the management of corporate identity is built (Markwick, N. et al., 1995:398, cited from Dowling, 1993). One could say that the perceptions of these strategic stakeholders are fragmented; that is why there are some students who still refer to themselves as studying at U.P.E, Technikon, Vista and College campuses.

It is interesting to note that there are many first and second year students who identify themselves with the old institutions. These are the post-merger group of students, yet they see themselves as studying at the old institutions. One wonders whether they inherited these attitudes from some of the senior students, or perhaps they feel it is a matter of prestige and they possess a superiority complex.

In analysing the data two strategic issues were discovered. Firstly, there are the issues of identity and identification. And secondly, there is the unsatisfactory corporate identity- awareness level of NMMU students in general.

However, if there is no proper communication strategy in place, the corporate identity awareness level of strategic stakeholders will continue to be low. Internal stakeholders are not always satisfied with the amount of brand information they receive from management, especially after a merger. This factor might affect their identification with the institution. Therefore, stakeholders will tend to identify less with the institution as a whole and more with their individual units.

The main focus of communication strategy should be holistic. Internal and external communication must be organized in such a way that they create or increase the corporate identity awareness levels of strategic stakeholders. To provide anything less is to renounce essential responsibility of the function for corporate communication (Clifton, R. et al. 2004)

It is disconcerting, however, to see a large number of students who are neither aware of some of the words that are associated with the NMMU brand values, nor are they aware of what the NMMU logo represents. This is evident when one takes into account some of the answers, as shown in Table 2 and Figure 5. The brand values of any institution form a common culture. A dominant culture of the university expresses the core values that are supposed to be shared by the majority of strategic stakeholders. These core values give the organisation its individual personality.

A strong culture is characterized by the university core values when they are intensely held. This is true, especially when these core values are widely shared by its members. It is important for the students to recognize these values if the institution wants to have a shared corporate culture. Creating a community of internal stakeholders (in this case the students) who share an understanding of these corporate identity values and their underlying philosophy brings a sense of enthusiasm in belonging to the university. This sense of belonging makes it easier to identify with the corporate identity, and hence increases the students' loyalty to their institution.

Another noticeable finding is that an overwhelming number of the respondents indicated that the corporate identity was not being promoted to the students. This is an issue that needs to be further investigated by the concerned department. Since the University is still adjusting after the merger, it is crucial for the brand to be promoted to students to avoid the emergence of sub-identities.

In addition, most respondents from both Port Elizabeth campuses agreed that the NMMU

corporate identity is not clearly communicated to its strategic stakeholders. As the results show, this situation has led to a fragmentation of perceptions. The strategic stakeholders will preferably continue to identify themselves with their old institutions. Fragmentation might prevent the university from fulfilling its mission and vision. Mission and vision statements give the institution strategic alignment and its own reputation.

Moreover, one of the items that received a low rating score from both campuses is the one that explains *the NMMU brand reflects the integration of campuses*. After the merger, the issue of integration is always a true challenge to any communication department. This can only be tackled when corporate communication specialists come together to fulfill the strategic objectives of the institution (Van Riel, 2007).

### **Recommendations**

It is evident that there is a continuous exposure of the NMMU identity via different forms of communication that might help the strategic stakeholders to learn more about their institution. However, without a proper feedback system, the institution will be flying blind.

It is recommended that feedback should be continuous. Conducting annual campaigns could aim at enlightening students about the philosophy, culture and values of the NMMU. Based on the feedback received, improvements could be made on the university's corporate communication strategy.

A longitudinal type of survey is strongly recommended. With perceptions and beliefs that can change over time, this type of survey is ideal because it is much more informative.

Finally, it is recommended that there should be clear bus stop signs at each of the campuses. Students and non-students alike tend to identify these bus stops using the old institutions names. This becomes a concern when it comes to the issue of identification.

### **Conclusion**

This study has demonstrated that the issue of promoting the NMMU corporate identity among its strategic stakeholders should be elevated to a level of strategic importance. The reason for this is that brand communication is vital to the success of the university. In the 21<sup>st</sup> century, most powerful institutions have learned how crucial it is to be understood and appreciated by both internal and external stakeholders.

Sometimes in academic institutions that have merged, it might be difficult to promote shared corporate values due to their complexity. However, a communication plan must be put in place to help prevent the recurrence of sub-identities among stakeholders.

To sum up, as noted earlier in the NMMU brand strategy plan document (2007), the University recognises that the students are the leaders of tomorrow. It is important to make students aware of this ideology, and thereby make them easily acknowledge and identify with the corporate brand.

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# Motivating Public Participation without Sharing Decision Making Authority

## Collaborative Policy Making in the U.S. National Forest Service

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*A key theme within contemporary corporate communication and related fields of study is the increasing awareness of the importance of engaging multiple stakeholders in ever-more meaningful ways in organizational decision-making processes. For public organizations, a key concern in this regard is public participation in policy making. It is now well-established that to ensure successful public involvement in decision-making processes, organizations need to share decision-making authority with the public (e.g. Thomas, 2012). This case study is an examination of the ways that The U.S. National Forest Service attempted to motivate the public's engagement in their most ambitious public participation project ever, despite not sharing decision-making authority. Through interviews with key agency staff, written reports on public events, and evaluations of the process, this study aims at charting and understanding the means by which public motivation to engage was sought, and thereby at learning lessons which can improve organizational practices.*

**Keywords:** *Public participation, Stakeholder participation, Public management, Public involvement*

**Paper type:** *Case study*

### Reference

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## Notions of Meaning in the Corporate Communication of the Dutch Government and/or NGOs Regarding Nature

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*In my research, I investigate the role that notions of meaning play in the corporate communication regarding the natural environment in the Netherlands, and how these notions change over time due to communication between people. This research will provide insight into the way nature is viewed and the role communication plays in developing these views. In this paper, I present my work-in-progress concerning the way nature is viewed, and narratives within the corporate communication of the Dutch government and some NGOs regarding Tiengemeten. Tiengemeten is a small island in the Southwestern part of the Netherlands, which was recognized by the Dutch government as an important new nature reserve. In this paper, I describe my theoretical and methodological approach and present my findings to date.*

**Keywords:** Views of Nature, Notions of meaning, Frames, Narratives, Communication, Qualitative research

In my on-going PhD research, I investigate the role of notions of meaning in the corporate communication surrounding nature policy between Dutch government and/or NGOs and society at large, and how these notions have changed over time due to that communication process. This research will provide insight into the role of communication on nature policy and the place that different views of nature have in this communication process. Views of nature tell us how we perceive the natural environment and how we want to relate to it. Views of nature and views about ourselves are closely related (Schouten, 2005). Authors such as Buijs (2003) and Keulartz et al. (2000) conceive views of nature as socially–culturally determined mental constructions about the natural environment, in particular regarding the character, value and appreciation of nature<sup>1</sup>. In this sense, views of nature function as interpretative frameworks that underlie our preferences for certain types of nature, and provide meaning to our experiences with nature. From this point of view, views of nature have the character of cognitive devices or frames that we use to understand things<sup>2</sup>. Frames are understood as selective views on certain matters. They navigate our thoughts and debate or discourse by presenting something in a particular way. By doing so, they give things their specific meaning and, consciously or unconsciously, influence our interpretation (Entman, 1993; de Vreese, 2005). Lakoff (2006) emphasizes the unconscious character of frames in saying that “for the most part, our use of frames is unconscious and automatic—we use them without realizing it” (25). Therefore, frames are often seen as closely connected with the functioning of our brains. However, if we explain the working of frames only by the way our brains function, we ignore the cultural aspect of frames. Frames are culture-specific. In this context, the distinction of two levels or types of frames is interesting: ‘surface frames’ and ‘deep frames’.

According to Lakoff (2006), 'surface frames' are the most basic frames that constitute a moral worldview or a political philosophy. Meanwhile, 'deep frames' define one's overall 'common sense'. "Without deep frames there is nothing for surface frames to hang on to. Slogans do not make sense without the appropriate deep frames in place" (Lakoff, 2006, 29). 'Surface frames' are strongly related to our daily language and make clear what the language is about. 'Surface frames' are leading; they identify the context of the discourse and provide a certain point of view. By appealing to underlying values and convictions, 'deep frames' ground our daily language in deeper normative convictions regarding the world and our lives. In other words, 'deep frames' show our convictions and value patterns. 'Deep frames' articulate our moral views and embody our vision of reality. 'Deep frames' are more fundamental and abstract than 'surface frames' (Darnton & Kirk, 2011). The relation between 'surface frames' and 'deep frames' is most interesting. Darnton and Kirk (2011) argue that "surface frames can activate deep frames (that are the evaluative context for the discourse)" (75). 'Surface frames' appeal to 'deep frames'. 'Deep frames' correspond with what Taylor (1991) indicates as 'frameworks of understanding'. As humans, we need these frameworks to distinguish between good and evil, to know if something is important or not, or if things are interesting or just trivial (Taylor, [1989] 2009). "Frameworks provide the background, explicit or implicit, for our moral judgements, intuitions, or reactions . . . . To articulate a framework is to explicate what makes sense of our moral responses." (Taylor, [1989] 2009, 26). We can say that frameworks (1) ensure that our moral reaction has the content we intend it to have and that they (2) provide the context necessary to determine the value things have to us. In other words, our constellation of 'deep frames' as an interpretative framework enables us to attribute meaning to our lives. In this sense, having no such frameworks implies that our lives are experienced as meaningless and, according to Taylor, ([1989] 2009), we uncover the meaning of our lives by putting it into words<sup>3</sup>. This is often done in the form of narratives.

"With narrative, people strive to configure space and time, deploy cohesive devices, and reveal identity of actors and relatedness of actions across scenes. They create themes, plots, and drama. In so doing, narrators make sense of themselves, social situations, and history", Bamberg & McCabe argue (1998 in Riessman, 2002, 698). In narratives, people use language to communicate meaning to their listeners. Experiences seek, as it were, a way to become narratives. It is intriguing that Buijs (2009), in his definition of frames, puts in the words 'narrative' and 'experiences'. He argues that each frame tells a narrative about what is at stake, what is regarded as fact, and what arguments, events, and experiences are important for understanding the issue. Narratives shape the grid within which things can be ordered and valued. Narratives mediate between different domains—the separate domains of biography, history and society intersect (Riessman, 2002)—and hence offer people opportunities to restore the imbalances in their lives (Jackson, 2002). By telling a narrative, the purpose and coherence of our lives will become visible. "They", Laslett (1999) says, "look back on and recount lives that are located in particular times and places" (392). In this sense, narratives are, in their structure, bound to time and place. The storyteller is never the basis of his own story, because this comes up in an already existing web of relationships (Jackson, 2002). Therefore Laslett (1999) concludes that narratives reflect "the social processes by which social life and human relationships are made and changed" (392). This shows that narratives can never be considered and analysed independently. They should be placed in the broader perspective of context and tradition. And narratives always serve something else, such as meaning (Westerhof, 2011). Van de Port (2010) argues that it is typical for humans to accommodate our experiences in narratives. Narratives are embodiments of experiences, or, more related to the content of this paper; narratives offer us a framework for connecting some of our frames with our experiences. To speak about our experiences with nature, we must translate them into narratives and so subject them to our human ordering (Roothaan, 2005). When nature

and our own stories become intertwined in a dialogic way, nature can achieve a deeper meaning (Drenthen, 2011).

In this paper, I investigate whether notions of meaning can be discovered in the corporate communication of the Dutch government and NGOs regarding Tiengemeten. Understanding meaning is an important goal and characteristic of qualitative research (Baarda et al., 2009). In qualitative research, the researcher interviews the respondent about the topic that is the focus of the research. In my case, the focus is on the views of nature in the corporate communication about Tiengemeten<sup>4</sup>. The purpose is to reveal any notions of meaning in the narratives on nature that can be identified in the communication about Tiengemeten. The central questions I will address in this paper are (I) what views of nature can we identify in the communication about Tiengemeten and (II) what notions of meaning can we recognize in that communication?

### Area of Study

Tiengemeten is a small island of five acres in the South-western part of the Netherlands. It was recently (2005–2007) transformed from an agricultural island into a 'natural' island. It is recognized as one of the icons of current Dutch nature policy. Tiengemeten arose as sedimentation of a sandbar between 1750 and 1804 in the Haringvliet. The area was diked in 1750 and became the domain of farmers, fishermen, reed cutters and hunters. After the Second World War (1939–1945), Rotterdam started its restoration and claimed Tiengemeten as a perfect destination for industrial expansion, or a suitable location for a marina, an airport or a sludge depot. However, in 1990 the Dutch government presented an ambitious plan. After having functioned as an agricultural area for many years, the island would become part of the National Ecological Network (NEN), a network of existing and future nature reserves in the Netherlands. Since then, Tiengemeten has been regarded as a new major nature reserve by the Dutch government. Tiengemeten is also regarded as an extraordinary piece of tidal nature of Europe and is supported by the LIFE program, a European Union grant that works towards the realization of Natura 2000, the European network of nature areas. Haringvliet, the place where Tiengemeten is located, is regarded as a Natura 2000 area with unique species and habitats.

In 1994, the Provincial Authority of South Holland designated Tiengemeten as a nature development area, with the intention to make it a natural area of approximately 3000 ha, together with the Ventjagerplaten and Spuimondingen. In 1997 an NGO, one of the Dutch nature conservation organizations called 'Natuurmonumenten', became the owner of Tiengemeten. After a thorough study and plan development, the transformation of Tiengemeten into a natural island started in September 2005. Influenced by the new nature policy, the dikes around Tiengemeten were broken to give free rein to the sea and to let nature take its course. The realization of the nature island Tiengemeten is considered as a landmark in the history of the Dutch nature policy. It represents a next step in the dealing with land, that of preference of nature over agriculture. In 2006 the last farmer left the island and the restoration was completed in 2007.

During the transformation process, the preservation of the island's history and its patterns was pursued. Tiengemeten has become an island for a wide audience of nature and countryside lovers. According to my research, experiencing nature and landscape is the main motive for visiting the island, which is divided into three spheres or zones. On the eastern side of the island there is a relatively small area called 'Wistfulness'. Here, the starting point is the memory of the cultural landscape of the past. In the area called 'Wealth', human influence should be barely visible. According to the planners, the name, 'Wealth', implies a wealth of plants and animals. This part

of the island is characterized by a limited control of natural processes and the main aim is to maintain the different types of nature. The last and largest part of the island is referred to as 'Wilderness'. Here, the influence of the tides of the Haringvliet is dominant. This area without any management is defined as an area of the wild, exciting and vast experience, a natural area for wanderers, naturalists, as well as for those who seek quiet.

### **Methodological Approach**

Views of nature in the communication about Tiengemeten are the central focus of this paper. Views of nature are narratives that allow people to attribute meaning to reality. To expose these underlying notions of meaning, I used qualitative research. There are various definitions of qualitative research, depending on which tool is used. Evers (2007) concludes that qualitative research is an umbrella term, but Baarda et al. (2009) argue that it is an independent research methodology with its own independent merits and its own dynamics. Evers (2007) identifies six characteristics of qualitative research: (1) data is collected in a natural situation, (2) the quantity of data is not important, but the purpose is to learn from and understand the situation, (3) the inductive method prevails, which means that the collected data will be abstracted i.e., 'theory' will be developed from the data, (4) it is directed to the 'inner world' of the respondent; the perspective of the respondent is central, (5) the whole context is considered and (6) the results are not statistical, but narrative. In my research, the second and sixth characteristics prevail—it is my purpose to understand not only what happens, but also the underlying notions. For that reason my approach will be primarily hermeneutic. The distinction between an empirical-analytic and a hermeneutic approach, according to Oudemans (1988), is not a matter of method but a matter of epistemology. The aim of a hermeneutic approach is to gain knowledge, to understand the situation and reality "from the person who undergoes" (Evers, 2007, 8). For research tools that are rooted in the hermeneutic tradition, several possible interpretations can exist next to each other. Notwithstanding the emphasis on the interpretation of the respondent, according to Evers (2007), there is a perceiving reality: "what the respondent says during the interview might not be 'the truth' [in absolute terms - and what a hermeneutical approach is not about -], but it is a statement which can be captured and interpreted and placed along other statements"(9). That is what provides validation, since there is no canonical approach to the validation in interpretive research (Riessman, 2002).

I chose interviews as an instrument for my qualitative research. I let myself be inspired by two concepts of quantitative research that are closely related but also have their own accents: Grounded Theory and Philosophical Hermeneutic Interviewing.

#### *Grounded Theory*

The Grounded Theory (GT) is one of the well-known concepts of qualitative research in which the perspective of the actor is leading, and aspects from the main question are only to give direction to the quest (Evers, 2007; Verhoeven, 2007). Munhall (2012) argues that the assumptions of GT are twofold: "(1) change is a feature of social life that needs to be accounted for through attention to social interaction and social processes; and (2) interaction, process, and social change are best understood by grasping the actor's viewpoint" (228). She observes that, according to the founders of GT, "the assumption of grounded theory is that people actively shape the worlds they live in through the process of symbolic interaction and that life is characterized by variability, complexity, change and process" (228). From this perspective she concludes that there are two underlying concepts of GT: symbolic interactionism, and pragmatism. Smaling and

De Boer (2011) bring these two concepts together when they argue that "the pragmatic philosophy [is] the main source of symbolic interactionism . . . within which grounded theory originated" (15).

Symbolic interactionism assumes that the meaning people give to something is important for understanding humans or social reality. Blumer (1969) argues that there are three assumptions underlying symbolic interactionism: (1) people respond to things around them based on the meanings these things have had for them, (2) meaning is formed in interaction with others and (3) this meaning is used and changed in an interpretive process that people use to deal with the things they encounter—it gives direction to their actions. So, one could conclude that symbolic interactionism is based on the idea that things can only be understood in and through relationships with others. The word 'symbolic' refers in this case to the process of attribution or assigning meaning to something. From this point of view, meaning is a consequence of social interaction i.e., communication. This implies that through GT a researcher enters the research field as openly as possible. The researcher does not first define concepts; operationalize these concepts, and then measure, but steps into the research field itself to find the concepts that fit in with the situation examined. In GT it is not important if a certain hypothesis or theory can be confirmed or rejected. This makes GT different from the traditional way of doing research, where research is based on a certain theoretical paradigm that applies to research themes. GT is a strategy for the development of a theoretical model based on systematically collected and empirically analysed data (Baarda et al., 2009). This explicit goal of theory development makes GT unique among qualitative methods (Munhall, 2012). It is more an inductive than a deductive approach. GT entails pragmatism, as Munhall (2012) explains: "From a pragmatist perspective, truth cannot be arrived at through deductive reasoning from a priori theory but rather must be developed inductively with constant empirical verification . . . . Pragmatism supports seeking revised understandings for the purpose of making useful change through inductive exploration of diverse situated human experience with reflexive confirmation and use of applicable existing knowledge" (Munhall, 2012, 229)<sup>5</sup>.

#### *Philosophical Hermeneutic Interviewing*

Not unlike GT, Philosophical Hermeneutic Interviewing (PHI) is a search for what Vandermause and Fleming (2011) describe as "the essential nature of phenomenon of interest", and that "may be revealed through the conduct and analysis of interviews that permit participants to share their stories" (367). PHI as a concept adds something to the process by approaching the process of interviewing in a more Gadamerian manner. This means that it recognizes the interpreter as part of the process and does not place him outside of his subject of interpretation (Oudemans, 1988). The result is that both the interviewer and the respondent step into the process and the result is not a foregone conclusion. Understanding is a back-and-forth between 'parts' and 'wholes' and both the interviewer and the respondent do not have an open mind about it. "Interpreting is confronting anticipatory expectations of wholes with the application, successful or not, to the parts" (Oudemans, 1988, 59). And we all are dealing with foreknowledge and prejudices—to ignore this preconception is not only impossible but also absurd (Gadamer, [1975], 2004; Oudemans, 1988; Vandermause & Fleming, 2011). We interpret information discussed in the interview and, depending on our background; it eventually leads to the adjustment of our knowledge<sup>6</sup>. "Fore-conception is the part of interpretation that allows anticipation of what might be (possible)", argue Vandermause and Fleming (2011, 369). "This past, present and future oriented understanding is an all-inclusive circular process that characterizes humans as self-interpretive beings and represents what could be described as the hermeneutic circle" (Diekelmann &

Ironside, 2006 in Vandermause & Fleming, 2011, 369). So knowledge is intersubjective, in a relational, time and context- bound way (Gadamer, [1975], 2004).

This brings us to one of the most important principles of PHI: the researcher/interviewer takes an involved or acting part in the interpretation process - the interviewer cannot place his own convictions and traditions outside the process during the collecting and analysing of data (Vandermause & Fleming, 2011, 369)<sup>7</sup>. Nobody can escape the tradition in which he lives and operates and that determines man's perspectives of acting - what questions he poses, what aspects he sees—"all understanding is anticipatory and anticipations root in tradition" (Oudemans, 1998, 55). A person inherits a culture that is formed in a specific historical situation. There has always been a point of departure where a person comes from, a history, a life story to connect with (Van der Stoep, 2012). It does not only set limits to what may be reached, but it is also a necessary condition for entering the social field and giving shape to reality. According to Taylor (1991), we do not exist autonomously, but are integrated into a cultural tradition, which gives our lives orientation and direction. We are 'dialogical beings' and together with others we stand in a certain tradition; we grew up in a certain socio-cultural environment and share our histories with others. As humans we need this kind of evaluation or 'frameworks of understanding'. We need them for getting a good understanding of ourselves, and also for a good interpretation of a situation and to see it in a wider perspective (Taylor, 1991). A person cannot choose between different options without having a sense of self as part of a larger cultural project that gives meaning to what they are doing. Cultures are integral wholes, historical patterns that connect past, present and future. They represent a continuity that preserves its uniqueness by adapting to new situations time and again, argues Van der Stoep (2012).

The essence of PHI is the narrative that was told between the parties. "The interviewer", argue Vandermause and Fleming (2011), "seeks to uncover what it means to be as it shows up or reveals itself through story. As the stories are elicited, the interpretation begins. . . . An important goal of this method is to understand (come to know) meaning and to make sense of experience" (369). PHI's strong emphasis on narrative and experience is consistent with the purpose of my research, which is to enlighten and interpret views of nature, understood as stories that embody experiences. Here the interviewer comes close to the Socratic notion of the philosopher as midwife—helping the respondent to bring forth the valuable information within him. But there is always an uncertain or unpredictable moment—the researcher does not know in advance how the narratives will turn out. So Vandermause and Fleming (2011) suggest that PHI is "a shift away from positivist thinking", because "the researcher must remain open to unexpected or unfamiliar responses, making space for an interactive exchange to manifest" (369).

#### *Type of interview and selection of respondents*

The principles above define the type of interview and its structure. The way of interviewing must be consistent with the research question and chosen research method. Vandermause and Fleming (2011) suggest that for interpretive approaches, such as in my research, an open or semi-structured interview is most obvious. During the recruitment process the researcher speaks with the potential respondent about the topic that will be the focus of the research, in my case the views of nature in communication about Tiengemeten. In this way the respondent can think more deeply about the topic and can call experiences more accurately to mind. After permission is granted, an appointment for an interview is made at the respondent's home or at a place of his/her choice.

Vandermause and Fleming (2011) suggest that immediately after permission is granted, or at the beginning of the conversation, the interpretive process begins - the process of give-and-take. "A 'fusion of ideas' (dialogic intersection) takes place and a narrative text emerges" (370). They also indicate that it is crucial to ask a question in such a way that the narrative will be told without specific answers being pursued. The point is that the respondents are asked to tell their own narrative about the phenomenon in question. Therefore, the questions are open and have a reflective character<sup>8</sup>. Vandermause and Fleming (2011) argue that if the questions are asked in this way, the respondent will often remember an experience that is connected with the phenomenon. Those experiences give precise insight into the deeper layers of meaning. In that sense, the researcher does not play the role of interviewer, but rather operates as "a facilitator and translator of the shared meaning that is generated . . . the story that is forefront in the participant's memory is the story the interviewer facilitates" (371, 373). Researcher and respondent: "work together to generate an understanding as narrative text emerges and language is interpreted" (371).

For the selection of the respondents, (n= 25), I used 'criterion-based sampling', which means that the selection of respondents is based on predetermined 'criteria', such as whether they are regular visitors to the island (visitors), (n=15), people involved in policy during the transformation process, or members of an influential party in the corporate communication (key figures), (n=10).

#### *Analysing and interpreting interviews*

After collecting data, the next step was analysing, interpreting and theorizing. The goal was to bring structure to the data and to identify patterns. The intention was to come to a satisfactory classification, so that concepts could be discovered and interpreted and ultimately contribute to answering the formulated research question (Baarda et. al., 2009). For this purpose, the entire process of interviewing was recorded and then transcribed. Identifying elements and irrelevant parts were removed from the transcription. After transcription, the text was read as a whole to get a general overview of what kind of information is available, in order to choose an analyzing level. Baarda et. al. (2009) distinguishes four levels of analyzing: (1) words, (2) sentences, (3) fragments and (4) themes. I chose a combination of levels (2) and (3). Consequently, I divided the text into small fragments based on similar themes or content and keywords were ascribed to the text (open coding). In the next phase, the coded sections were compared for similarities and differences and grouped around concepts. This is the phase of synthesis and abstracting (axial coding). In the final phase the results were connected to the central research question (select coding).

#### **Preliminary Results**

Both visitors and key figures applied a wide understanding of nature. Most of the respondents had an Arcadian-colored view of nature. Sometimes this took the form of the wilderness ideal, but it was also visible in the pastoral landscape ideal some respondents preferred. According to the respondents, the wilderness ideal reigned in the Dutch government's and the NGOs' communication about Tiengemeten. Some key figures argued that this fits with the former era of rising awareness about nature and the environment. Ideal-typical images were outlined and natural values were central in the communication. The key figures chose words with appealing effect<sup>9</sup>. Despite this, there was no central message in the communication about Tiengemeten. Some respondents argued that recently there had been a visible change in the communication about Tiengemeten. They claimed that there was a stronger emphasis on facilities in the

communication and there was a trend towards minimal communication and even removing communication expressions in the field. These respondents said that there was also a visible change in the general communication of NGOs in terms of the technical and mental aspects of nature—colored, of course, by the perspective of natural values—in the direction of experience and wondering about nature.

Most respondents did not look seriously at the communication about Tiengemeten. They came to experience nature and were not primarily interested in the communication. However, for some respondents, the communication about Tiengemeten was a trigger to come to the island. Most of the respondents had some thoughts and feelings towards the words used. They recognized that some words could appeal to something. According to some respondents, whether or not the words evoked something depended on experience. The current experiences had to match with the evoked emotions. That did not always happen. Some respondents wondered if communication about nature nowadays used too many big words, causing a certain superficiality to take place. Words like 'paradise' no longer have religious connotations, but have become synonyms for 'a pretty nice place'.

Notions of meaning were used when it came to nature in general, but also specifically regarding Tiengemeten. The only way to get to the island is by crossing the water. This is one of the reasons that there were immanent notions like "experiencing a different world" and "leaving behind the ordinary everyday life." Due to the vastness and space, the respondents experienced peace and freedom. Also, silence was frequently mentioned. One of the respondents expressed, "many people don't come to Tiengemeten to think, but maybe to let go of the mind."

Transcendent notions were rarely found in the communication about Tiengemeten. Some key figures were afraid of losing grassroots appeal by using transcendent notions. But transcendent notions were apparent when the respondents spoke about personal experiences of nature. Then, they used words like "part of the system" and "meeting with the higher". A lot of people working at NGOs or nature organizations were aware of the aspect of meaning. Some respondents argued that their own histories and experiences with nature played a role in ideologically oriented organizations. This consciously or unconsciously affects the communication. Some key figures expressed that they would therefore prefer people who loved nature to hold communication jobs above people who were fully educated in communication sciences.

## **Conclusion**

In this paper I shared some of my first thoughts about views of nature. I demonstrated that views of nature embodied a meaningful dimension. In the first part of this paper I drew a line from frames and frameworks to narratives. I concluded that narratives were meaningful devices. If we consider views of nature as narratives, they also are meaningful devices.

In the second part of this paper I described my theoretical and methodological approach. I presented my preliminary results of a qualitative case study. The purpose of the case study was firstly to investigate what views of nature can be identified in or play a role in the communication about Tiengemeten. The second purpose was to investigate what notions of meaning can be recognized or discovered in the communication.

Despite the fact that the research about the topic of this paper is ongoing, I concluded that the Arcadian view of nature is still dominating the communication about Tiengemeten, and we can

observe an intriguing change that seems to be contradictory to the new communication strategy of the NGOs. In the communication about Tiengemeten, there is a tendency towards the direction of facilities instead of nature values. This seems to be in contrast to the signaled general development at the NGOs, which places less focus on the technical and mental aspects of nature, and more focus on the emotional and experiential aspects of nature.

Noteworthy is that respondents believed that notions of meaning in communication can evoke something, but that with respect to the communication about Tiengemeten this is not necessarily the case. Used words or images in the communication only evoke something if they fit with someone's needs and actual experience; the named emotions have to match with the experienced emotions. For some respondents there is a gap between the used words and the experiences on the island. They don't fit in a sufficient way, or the development of the natural environment on the island is still insufficient.

### **Notes**

1. Keulartz et al. (2000) described these three aspects or views of nature as the cognitive, normative and expressive dimension of nature. The cognitive dimension is about the knowledge element of nature. The normative dimension is about our relationship to nature and the moral status we ascribe to (parts of) nature. This dimension also deals with the ethical criteria that determine which behaviour with respect to nature we find justified or not. The expressive dimension refers to the way we experience nature, aesthetically or emotionally. It is about which elements of nature we find beautiful, attractive, inspiring, restful, etc.
2. I borrow the term 'cognitive devices' from Darnton and Kirk (2011). They argue that frames are cognitive devices "that we use to understand words and things, and by which we structure our thoughts" (66). When we hear or read a word "it automatically evokes in us a set of ideas, values and feelings . . . the conceptual frame for that word" (66). They further argue that if we discover a new word, we understand or interpret it by referring to existing frames and that "what occurs with words also occurs with sensations and experiences: we understand the world by reference to our existing frames" (66).
3. Taylor ([1989] 2009) writes "a life can have meaning, or may lack meaning, while the word meaning also refers to language and other forms of expression. We . . . acquire meaning in the first sentence by creating it in the second sense" (57).
4. I use purposive sampling, which means that the main topic leads by selecting the area of study. The goal in purposive sampling is not to maximize external validity by means of a random sampling, as in quantitative research, but to interpret a theme by using a chosen example—in my case the views of nature in the communication about Tiengemeten. Baarda et al. (2009) argue that it is difficult to repeat qualitative research under the same conditions, because the researcher does not control the many factors that play a role on location. They argue that validity and reliability of data and decisions based upon these aspects are typical quality criteria for quantitative research. (7) They indicate that qualitative research is more about terms such as credibility, transparency and adequacy.
5. Furthermore, Munhall writes, "knowledge development is not value free and is historically contextualized . . . Differences in perspectives are valued and provide a basis for reciprocal problem-solving, drawing on existing knowledge and resources, and ongoing revisions of understanding" (229).
6. From a Gadamerian perspective, adapting knowledge is not the same as increasing knowledge. Understanding has more to do with understanding differently rather than understanding better (Oudemans, 1988).

7. Within qualitative research in general and in a hermeneutic way of interviewing in particular, the concept of objectivity has a different connotation than it usually has in science. Objectivity has less to do with a neutral approach of the subject, and more to do with the connotation of researching reality in a systematic and traceable manner. Thus the subjectivity of the researcher is framed by reflexivity (the on-going reflection on oneself during the process) and intersubjectivity (others look along with the researcher).
8. This does not imply that the questions are neutral. The choice of the phenomenon or issue in question navigates the conversation—it determines what topics will or will not be discussed—and in terms of PHI it also determines in a certain way the direction of interpretation. By 'reflective' I mean that there is a call on the experience. That call implies that the respondent casts his mind back to the experience he or she had in order to become aware of that moment and the corresponding feelings. I speak in this context about pre-reflective experiences or lived experience, the moment of experience before it is expressed in language or words.
9. The three spheres or zones of Tiengemeten in the Dutch as well as English language fit within the symbol of 'world wide web' and some of them have a strong emotional connotation: 'Wistfulness' ('weemoed'), 'Wealth' ('weelde') and 'Wilderness' ('wildernis'). Words like 'real', 'pure' and 'authentic' are used in the communication about Tiengemeten. In an official leaflet of *Delta Natuur* we can read that Tiengemeten presents the wilderness we have missed: "True wilderness, with flowing creeks and gullies where you can walk endlessly through unpaved and trackless terrain, while the mighty sea eagle is circling above your head. En route you can take a rest at the eastern tip of the island, where the atmosphere of the countryside of 1850 comes back to life."

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## Peering Through Glassdoor.com

### What Social Media Can Tell Us About Employee Satisfaction and Engagement

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*Glassdoor.com is the largest online database of information concerning working conditions and salaries at for- and not-for-profit organizations worldwide; most information is submitted anonymously by present and former employees. This paper presents the results of a study involving comments posted by 20 randomly selected individuals from each of Glassdoor's five "Best Places to Work in 2012" and from each of the five "Worst Places to Work in 2012." Comments were coded according to the Job-Attitude Factors proposed by Frederick Herzberg's Motivator-Hygiene theory. Research findings confirm the validity of major components of Herzberg's theory, although the study suggests the need for substantive revision of this theory. The paper examines practical implications for employers, including the emerging role of benefits, work/life balance, corporate culture, and organizational reputation as sources of job satisfaction.*

**Keywords:** Frederick Herzberg, Employee engagement, Job satisfaction, Social media, Motivator-Hygiene theory, Two-factor theory

**Paper Type:** Original research

In 1959 three psychologists—Frederick Herzberg, Bernard Mausner, and Barbara Snyderman—published the book-length results of an experiment which, more than half a century later, still excites controversy. Their book, *The Motivation to Work* (1993; originally published 1959), presented a new theory of job satisfaction which has generated innumerable articles, both supportive and oppositional. According to Gardner (1977), writing almost twenty years later, the theory proposed by Herzberg et al. "...has certainly been very fertile—more so perhaps than any other theory in applied social psychology. Many industrial psychologists have not only survived but indeed thrived on the theory" (p. 197). Proceeding into the second decade of the twenty-first century, this theory continues to serve the interests of textbook authors, managerial consultants, and researchers in the field of human resources.

Despite the frequency with which the theory has been cited, there is no single title with which it is associated. The three original authors referred to it as the "Motivator-Hygiene Theory" (Herzberg et al., 1993). Herzberg, who is generally credited as the primary author, continued to use this name in several of his subsequent writings (*Work and Nature of Man*, 1966; "One more time: How do you motivate employees," 1968). Other scholars have abbreviated this to "M-H Theory" (Gardner, 1977); it is also commonly known as the "Two-Factor Theory" (Brockman, 1971; Gardner, 1977; King, 1970).

Regardless of the name, however, the theory itself represented a brashly contrarian voice when it emerged in the late 1950s. At that time, conventional thinking held that job satisfaction could most appropriately be measured as a continuum, and employee surveys were consequently

designed to elicit responses from the very positive “Highly Satisfied” to the most negative “Highly Dissatisfied” (Herzberg et al., 1993). Salary was considered a significant variable affecting an employee’s level of perceived satisfaction (Herzberg, 1968). M-H Theory, however, denied the validity of these assumptions.

According to Herzberg, job satisfaction cannot be explained on a single Likert-type scale. Rather, he insisted, there are *two separate sets of factors* that equally contribute to an employee’s feelings of satisfaction and dissatisfaction (Herzberg et al., 1993, pp. 44-49). The first set, “Motivators,” consist of six factors which motivate workers to perform their jobs well; these elements are:

- Recognition
- Achievement
- Possibility of Growth
- Advancement
- Responsibility
- Work itself

If employees perceive that their work experience provides most of these elements, then workers will tend to feel high job satisfaction. However, persons who believe that their jobs provide none of these elements will likely experience no job satisfaction. The second set, “Hygiene,” consists of eight factors associated with the environment in which work takes place (Herzberg et al., 1993, pp. 46-49):

- Salary
- Interpersonal relations
- Supervision—Technical
- Company policy and administration
- Working conditions
- Factors in personal life
- Status
- Job security

Herzberg and his co-authors referred to these factors as “Hygiene” because “...when feelings of unhappiness were reported, they were not associated with the job itself but with conditions that *surround* the doing of the job....Factors involved in these situations we call factors of *hygiene*, for they act in a manner analogous to the principles of medical hygiene. Hygiene operates to remove health hazards from the environment of man. (Herzberg et al., 1993, p. 113)

Unlike the motivators, hygiene factors cannot cause employees to be satisfied; rather, they tend to result in persons feeling *dissatisfied*. If employees feel that their workplace adequately addresses most of the hygiene elements—if, for example, salary is sufficient, supervisors are fair, and colleagues are pleasant—then workers will probably claim that they are *not* dissatisfied. However, if a job poorly provides for hygiene, then employees will likely feel very dissatisfied. M-H Theory does not maintain that it is possible to determine an overall satisfaction rating for a specific employee or group of employees. Rather, the theory claims that workers will likely be satisfied with some aspects of their job and dissatisfied with others; these feelings will be held simultaneously (Gardner, 1977).

Herzberg and his co-authors reached these controversial conclusions as the result of an experiment involving 203 engineers and accountants who worked in or near the city of Pittsburgh (Herzberg et al., 1993). Each individual was asked the following question by a researcher:

Think of a time when you felt exceptionally good or exceptionally bad about your job, either your present job or any other job you have had. This can be either the “long-range” or the “short-range” kind of situation, as I have described it. Tell me what happened. (Herzberg et al., 1993, p. 141)

After the respondent had described the incident, including details concerning his or her emotional responses, the researcher asked a second question. If the first response dealt with good feelings, the second query asked the subject to relate a story concerning bad feelings, and vice-versa. The researcher recorded these responses. Later, the content of all responses was analyzed. References to factors responsible for good or bad feelings were identified. Finally, researchers calculated the frequencies with which feelings were associated with specific factors. As a result of these calculations, Herzberg and his colleagues developed sets of motivating factors (the “satisfiers”) and also hygiene factors (the “dissatisfiers”).

Virtually on the day of its publication *The Motivation to Work* gathered scores of advocates and an equally numerous group of detractors. Between 1959 and 1970, at least 46 separate studies emerged to confirm or to deny the validity of Motivator-Hygiene Theory (Brockman, 1971). As more and more articles reached publication, a pattern emerged: M-H Theory did not accurately delineate the factors responsible for job satisfaction. Only one of every three studies supported Herzberg’s conclusions (Gardner, 1977). Many researchers also objected to the method by which Herzberg collected data, maintaining that respondents are more likely to attribute good feelings to their own accomplishments while blaming supervisors, work conditions, company policy, or other external factors for negative elements of the workplace (Sachau, 2007). Other scholars claimed that M-H Theory presented an oversimplification of the relationship between “motivators” and “hygiene;” for example, salary—an element of hygiene—may reflect an employee’s accomplishments and responsibilities—elements that are considered motivators (Adair, 2006). Several investigators, examining Herzberg’s own data as well as data emerging from new studies, noted that, for some employees, motivators seem to *contribute* to dissatisfaction while some hygiene factors appear responsible for job satisfaction. One psychologist concluded that Herzberg’s writings were sufficiently ambiguous and contradictory that M-H Theory could be associated with five separate theories, each requiring its own unique tests to determine validity (King, 1970).

However, the twenty-first century has witnessed a revival of interest in Herzberg and the concept that subjective, or intrinsic, factors are likely to contribute more to job satisfaction than extrinsic, or contextual, factors such as work conditions and salary. These more recent researchers tend to borrow selected elements from M-H Theory and jettison those components that are deemed superfluous. The positive psychology movement, for example, focuses on Herzberg’s motivators as factors most likely to contribute to satisfaction and happiness on the job (Falkoski, 2012; Fisher, 2010; Sachau, 2007). Employee engagement theorists also tend to support the notion that some job-related factors contribute to motivation while others are statistically associated with dissatisfaction. A study by the Gallup Organization, for instance, concluded that several elements similar to Herzberg’s motivators are responsible for the behaviors of high-performing (or engaged) employees; hygiene factors were determined to have little effect on motivating high performance (Buckingham & Coffman, 1999).

Despite this renewed interest in M-H Theory, there has been scant concern to resume the conducting of empirical research to test its validity. This is especially paradoxical, because Herzberg's critics, writing primarily in the 1970s, offered several suggestions concerning research methods that would tend to confirm (or disaffirm) M-H Theory. King (1970) and Gardner (1977), for example, assert that all studies that have affirmed Herzberg's conclusions are also studies that replicated his critical incident interview method of obtaining data. King and Gardner claim that further research, using a method unlike Herzberg's original interview analysis, is needed to test the primary tenets of M-H Theory.

## **Purpose**

The purpose of this study is to test M-H Theory using a method unlike the critical incident interview analysis technique adopted by Herzberg and his supporters. This method will generate quantitative data that will be used to affirm or dispute three hypotheses, or statements, associated with M-H Theory:

*Hypothesis 1: For any sample population of employees, all reported motivators combined contribute more to job satisfaction than to dissatisfaction, and all reported hygienes combined contribute more to job dissatisfaction than to satisfaction.*

*Hypothesis 2: For any sample population of employees, all reported motivators combined contribute more to job satisfaction than do all reported hygienes combined, and all hygienes combined contribute more to job dissatisfaction than do all motivators combined.*

*Hypothesis 3: For any sample population of employees, each reported motivator contributes more to job satisfaction than to dissatisfaction, and each reported hygiene contributes more to job dissatisfaction than to satisfaction.*

According to King (1970), any or all of these hypotheses may represent the true meaning of M-H Theory as indicated in Herzberg's writings. However, because of the ambiguities and occasional inconsistencies of Herzberg's writings, the actual meaning remains unclear. Therefore, any attempt to test the theory must specify which hypothesis is being tested. This study will examine all three hypotheses.

## **Method**

Glassdoor, founded in 2007, is an online social media site ([www.glassdoor.com](http://www.glassdoor.com)) that has adopted as its mission "to become the world's largest and most trusted career community to help people make more informed job and career decisions" ("Are you able to see your next career move through the Glassdoor?", 2012, December 23). The site contains job postings throughout the globe, as well as salary information and typical interview questions asked of job aspirants at specific companies. In addition, Glassdoor includes "Company Review" content where current or past employees can anonymously rate and discuss their employers. Presently, Glassdoor includes more than three million postings concerning salaries and company reviews ("What is Glassdoor?", n.d.).

A review consists of four distinct components, each of which must be completed by a respondent:

- An overall company rating, requiring the employee to indicate five stars (“Very Satisfied”), four (“Satisfied”), three (“Neutral, OK”), two (“Dissatisfied”), or one (“Very Dissatisfied”);
- Free-form comments concerning “Pros,” or positive elements which the employee experienced while working for the company;
- Free-form comments concerning “Cons,” or negative elements which the employee experienced while working for the company;
- Free-form comments concerning “Advice to Senior Management,” where the employee can recommend changes to improve the company’s working environment.

Glassdoor maintains that all reviews are screened prior to publication and that this process consists of ensuring that the respondent is an actual human being with an active email address; the site also states that all reviews will be published anonymously.

This study obtains data concerning job satisfaction and dissatisfaction from the anonymous company reviews posted on Glassdoor. Reviews were selected from two sample groups: the five highest-rated (five- and four-star overall levels of satisfaction) companies in 2012 and the five lowest-rated (one- and two-star overall levels of dissatisfaction) employers in 2012. The highest-rated companies were identified by Glassdoor (“Top 50 Best Places To Work – 2012 Employees’ Choice Award Winners Revealed,” 2011, December 13):

- Bain and Company (highest rated)
- McKinsey & Company
- Facebook
- Mitre
- Google

The five lowest-rated companies were identified by the website 24/7 Wall St. (“America’s Worst Companies to Work For,” 2012, August 10), which used Glassdoor data to compile its listing:

- Dish Network (lowest rated)
- Dillard’s
- Radio Shack
- Hertz
- Office Max

Thus, a total sample of ten companies was selected. For the highest-rated employers, it was assumed that the comments related to positive job satisfaction (the “Pros”) would occur with greater frequency than comments pertaining to job dissatisfaction (the “Cons”). Conversely, it was assumed that the lowest-rated companies would evoke more frequent “Cons” than “Pros.” For each company, 20 reviews—each selected at random—were selected for analysis. Therefore, a sample of 200 employee reviews was chosen; this is approximately the same size as the employee population chosen by Herzberg et al. in the experiment from which M-H Theory emerged.

“Pro” and “Con” comments posted by each of the 200 reviewers were analyzed by coding each comment, or complete thought, according to Herzberg’s categories of six Motivators and eight Hygiene factors (see Herzberg et al., 1993, pp. 44-49 for definitions of these categories). A single sentence might contain multiple comments. If a comment could not be associated with one of

Herzberg's original 14 factors, a new factor name was created. In order to reduce the possibility of coding bias, analysis was conducted by two coders. Also, coders were not informed of the three hypotheses to be tested or other purposes of the study. Any differences between coders were discussed and negotiated. At the conclusion of analysis, coders attained consensus for 98% of all comments.

Results of the coding efforts were compiled as frequency data, expressed as raw numbers. Table 1 presents the frequency data resulting from this study. Finally, the raw numbers were used as input for tests to determine which of the three above-mentioned hypotheses are affirmed or disputed. Tests were derived from King's (1970) study of appropriate methods for examining M-H Theory. In addition, tests of statistical significance were performed.

## Findings

Table 1 presents the results of the study, indicating the number of Glassdoor comments recorded for each of Herzberg's 14 original motivators and hygiene factors.

**TABLE 1.** Results of Analyzing Comments Posted to Glassdoor.com Five Highest- and Lowest-Rated 2012 Companies, Arrayed According to Herzberg's Original Motivators and Hygiene Factors

| Factor     |                                   | Highest-Rated Companies |     | Lowest-Rated Companies |     |
|------------|-----------------------------------|-------------------------|-----|------------------------|-----|
|            |                                   | PRO                     | CON | PRO                    | CON |
| MOTIVATORS | Achievement                       | 11                      | 1   | 3                      | 1   |
|            | Recognition                       | 2                       | 5   | 2                      | 2   |
|            | Work Itself                       | 32                      | 9   | 12                     | 7   |
|            | Responsibility                    | 1                       | 1   | 2                      | 1   |
|            | Advancement                       | 6                       | 19  | 9                      | 12  |
|            | Growth                            | 35                      | 3   | 19                     | 11  |
|            | TOTAL                             | 87                      | 38  | 47                     | 34  |
| HYGIENE    | Company policy and administration | 17                      | 24  | 2                      | 47  |
|            | Supervision—technical             | 1                       | 2   | 11                     | 36  |
|            | Work conditions                   | 7                       | 4   | 15                     | 18  |
|            | Salary                            | 14                      | 9   | 24                     | 27  |
|            | Interpersonal Relations           | 0                       | 1   | 0                      | 0   |
|            | Personal Life                     | 0                       | 3   | 0                      | 0   |
|            | Status                            | 0                       | 0   | 0                      | 0   |
|            | Job Security                      | 0                       | 1   | 0                      | 7   |
|            | TOTAL                             | 39                      | 44  | 52                     | 135 |

In this table, the PRO columns display the number of positive comments recorded by current or past employees in Glassdoor's 2012 highest- and lowest-rated companies; these represent the comments that reflect satisfaction with the employer. The CON columns indicate the number of negative comments posted by current or past employees of Glassdoor's 2012 highest- and lowest-rated companies; these represent comments that reflect dissatisfaction with the company. The "Total" columns are the sum of PROS and CONS for all motivators and all hygiene factors.

#### *Analysis of hypothesis 1*

According to King (1970), Hypothesis 1 represents a possible statement of M-H Theory:

*Hypothesis 1: For any sample population of employees, all reported motivators combined contribute more to job satisfaction than to dissatisfaction, and all reported hygienes combined contribute more to job dissatisfaction than to satisfaction.*

King maintains that this hypothesis can be tested by using the following formula:

$$M_g > M_b \text{ and also } H_b > H_g$$

For purposes of this study, data derived from Table 1 are used to populate the formula. That is,  $M_g$ = the total number of PRO comments (King refers to these as "good," or "g" comments) recorded for all motivators in both groups;  $M_b$ = the total number of CON comments (King denotes these with the subscript "b," for "bad") recorded for all motivators in both groups;  $H_b$ = the total number of CON comments recorded for all hygiene factors in both groups; and  $H_g$ = the total number of PRO comments recorded for all hygiene factors in both groups.

Using the numbers presented in Table 1, the formula is populated:

$$134 > 72 \text{ and also } 179 > 91$$

Because the populated formula is true, the study affirms Hypothesis 1.

#### *Analysis of hypothesis 2*

King (1970) also claims that Hypothesis 2 may represent an accurate statement of M-H Theory:

*Hypothesis 2: For any sample population of employees, all reported motivators combined contribute more to job satisfaction than do all reported hygienes combined, and all hygienes combined contribute more to job dissatisfaction than do all motivators combined.*

*King asserts that this hypothesis can be tested by using the following formula:*

$$M_g > H_g \text{ and also } H_b > M_b$$

This notation has the same meaning as described for Hypothesis 1. Using the numbers displayed in Table 1, the formula is populated:

$$134 > 91 \text{ and also } 179 > 72$$

Because the populated formula is true, the study affirms Hypothesis 2.

### *Analysis of hypothesis 3*

According to King (1970), a third hypothesis may also be a correct statement of M-H Theory:

*Hypothesis 3: For any sample population of employees, each reported motivator contributes more to job satisfaction than to dissatisfaction, and each reported hygiene factor contributes more to job dissatisfaction than to satisfaction.*

This hypothesis differs from the previous two statements; unlike hypotheses 1 and 2, this statement is not concerned with the combined totals of motivators and hygiene factors. Rather, hypothesis 3 requires that a test must be performed on each motivator and each hygiene. For the hypothesis to be valid, the PROs associated with each motivator are combined for the highest- and lowest-ranked companies. This total must be larger than the number of CONs associated with each motivator for the two groups. Conversely, the CONs associated with each hygiene factor are combined for highest- and lowest-ranked companies. This total must be larger than the number of PROs associated with each hygiene for the two groups. When this calculation is complete for all 14 motivator and hygiene factors, the following factors do not conform to the predicted results:

- Recognition, a motivator, appears in 4 PRO responses and in 7 CON comments;
- Advancement, a motivator, appears in 15 PRO responses and in 31 CON comments;
- Work conditions, a hygiene factor, appears in 22 CON responses and in 22 PRO comments;
- Salary, a hygiene factor, appears in 36 CON responses and in 38 PRO comments.

Coding errors may account for the anomalous results of the two hygienes. However, it seems unlikely that errors explain the unpredicted scores of Recognition and highly unlikely that errors result in the scores associated with Advancement.

Because these results do not conform to the conditions required to affirm Hypothesis 3, this study disputes the validity of the hypothesis. The finding is not without precedent. In fact, King (1970) maintains that no published study—including those conducted by Herzberg—has persuasively affirmed the stringent conditions of Hypothesis 3.

### *New factors*

During the process of coding comments posted to Glassdoor, it became apparent that several comments could not be associated with any of Herzberg's original motivators or hygiene factors. However, a considerable majority of these "orphan" comments seemed to describe one of the following five new factors defined in Table 2 (definitions were developed by the coders).

Table 3 presents the total number of times each of these factors is mentioned in a Glassdoor posting; the table follows the same format as the graphic presented in Table 1.

Because these factors are all associated with the environment in which work occurs they are considered hygienes. The coders did not identify any new motivators mentioned by the 200 randomly selected Glassdoor respondents.

Frequencies associated with the new hygiene factors do not generally follow the same patterns evinced by data representing the frequencies of Herzberg's original hygienes. As demonstrated by the sums calculated in Table 3, the total number of PRO comments exceeds the number of CON comments for both highest- and lowest-rated companies. In fact, the new factors—taken by themselves—dispute all three hypotheses mentioned above. Also, when these data are added to the frequencies presented in Table 1 (data representing Herzberg's original 14 factors), the strength of the new hygiene factors is sufficient to dispute the validity of all three hypotheses.

**TABLE 2:** Definitions of New Factors Identified in the Study

| <b>New Factor</b>               | <b>Definition</b>                                                                                                                                                                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Culture of the company          | The shared values, attitudes, standards, and beliefs that characterize member of an organization and define its nature. Culture is rooted in an organization's goals, strategies, structure, and approaches to labor, customers, investors, and the greater community                                                  |
| Benefits                        | Indirect and non-cash compensation paid to an employee. Some benefits are mandated by law (such as social security, unemployment compensation, and workers compensation), others vary from firm to firm or industry to industry (such as health insurance, life insurance, paid vacation, pension, cafeteria services) |
| Work/life balance               | For a specific employee, having the correct combination of participation in paid work (defined by hours and working conditions) and other aspects of their lives. This combination will change as people move through life and have changing responsibilities and commitments in their work and personal lives.        |
| Brand/reputation of the company | How positively, or negatively, a company or similar institution is perceived by its key stakeholders such as employees, customers, members of the media, investors, suppliers and financial analysts.                                                                                                                  |
| People                          | Individuals with whom an employee works.                                                                                                                                                                                                                                                                               |

However, when the total PRO and the total CON hygiene-related comments (combining the hygiene data in Tables 1 and 3) for highest-rated employers are compared to the total PRO and total CON hygienes associated with lowest-rated companies, the Fisher Exact Probability Test demonstrates a highly significant difference ( $p < .00001$ ) between the two groups of employers. This would seem to indicate that employees associated with low-rated companies are significantly more likely to attribute their dissatisfaction to hygienes. Conversely, Glassdoor respondents representing high-ranked employers are significantly more likely to report low incidence of dissatisfaction with hygiene factors.

TABLE 3: Frequency of Comments Associated with New Factors

| Factor                      | Highest-Rated Companies |     | Lowest-Rated Companies |     |
|-----------------------------|-------------------------|-----|------------------------|-----|
|                             | PRO                     | CON | PRO                    | CON |
| Culture of the company      | 23                      | 8   | 6                      | 11  |
| Benefits                    | 34                      | 0   | 1                      | 3   |
| Work/life balance           | 11                      | 27  | 26                     | 35  |
| Brand/reputation of company | 16                      | 3   | 0                      | 1   |
| People                      | 53                      | 1   | 35                     | 3   |
| TOTAL                       | 137                     | 39  | 68                     | 53  |

Also, when the total PRO and the total CON motivator and hygiene comments (combining all data in Tables 1 and 3) for the highest-rated employers are compared to the total PRO and total CON motivator and hygiene comments for the lowest-rated companies, the Fisher Exact Probability Test demonstrates a highly significant difference ( $p < .0001$ ) between the two groups. This suggests that Glassdoor respondents who are highly satisfied with their jobs present an entirely different array of PRO and CON responses than do respondents representing low-satisfaction companies. The data in Tables 1 and 3 reveal that this difference is probably linked to the very large number of CON hygiene-related comments posted by employees of low-rated employers.

## Discussion

King's (1970) assertion, that M-H Theory may be described by multiple possible hypotheses, has been accepted as a consensus view (Gardner, 1970; Sachau, 2007). In addition, King and Gardner maintain that, whichever hypothesis is adopted as correct, M-H Theory is most effectively tested using a data collection method other than the critical incident interview technique used by Herzberg and his colleagues.

### *Data collection methodology: Glassdoor v Herzberg-style critical incident interviews*

The method selected for this study involves analyzing comments posted to Glassdoor, a social media website. These comments are, in certain respects, similar to Herzberg's critical incidents. Herzberg and his colleagues asked their subjects to describe the feelings associated with very positive and negative work-related experiences; Glassdoor requires respondents to describe the "Pros" and "Cons" of employment at a specific organization. In addition, the Herzberg-style interviews are essentially retrospective remembrances; the comments posted to Glassdoor similarly reflect attitudes toward past occurrences. However, unlike the interviews conducted by Herzberg, the reminiscences of Glassdoor contributors do not necessarily involve specific events. Rather, the majority of comments sampled in the course of this study represent very general opinions that reflect overall patterns of feeling. The types of responses and the words used to describe these responses are dissimilar to the data generated by Herzberg's interviews. Therefore, the data collection methodology adopted by this study attempts to test the validity of M-H Theory in a different manner than the method chosen by Herzberg and his associates.

*Five new hygiene factors*

It is an irony that the study, while providing evidence affirming two hypotheses associated with M-H Theory, also generates data that disputes the validity of all three hypotheses. This apparent contradiction is due to the identification of five new hygiene factors that did not emerge in Herzberg's research. When the Glassdoor comments were coded in accordance with Herzberg's original six motivators and eight hygiene factors, the results affirmed that motivators tend to result in job satisfaction and that hygienes are correlated with dissatisfaction. However, when data reflecting the influence of new factors were incorporated into the analysis, the links between motivators and satisfaction and between hygienes and dissatisfaction disappeared.

The new hygiene factors—culture of the company, benefits, work/life balance, brand/reputation, and people—were unexpected intruders into the supposedly well-defined territory of M-H Theory. The emergence of these five new hygienes as powerful factors influencing employee satisfaction and dissatisfaction may at least partially be explained by the likely age of Glassdoor respondents. Glassdoor does not publish or elicit demographic data concerning the anonymous employees who post online “Pro” and “Con” remarks. However, some indication of age may be gleaned from comments concerning the “Possibility of growth” factor. A majority of “Pro” comments alluding to this factor state that the employer “Is a good place to start a career” or “Is an excellent stepping stone to your next job.” The “Con” comments reverse this judgment; most of these claim that employment with the company “Will lead to nothing.” These comments indicate that the respondents are either beginning their careers or plan many more years in the workforce. Conceivably these individuals would be members of the age cohort often dubbed “Generation X” (persons born between 1965 and 1981) or the group commonly referred to as “Millennials” (individuals born between 1982 and 1999) (Schullery, 2013). Members of both generations have had extensive experience with the Internet and are likely to interact with social media (Tapscott, 2009). It seems plausible, therefore, that many—perhaps a majority—of persons posting to Glassdoor are younger workers.

Twenge, Campbell, Hoffman, and Lance (2010), have conducted longitudinal studies of high school graduates since 1976; one dimension of these studies concerns the work-related values of surveyed individuals. According to Twenge et al., the two generational cohorts who have most recently entered the workforce—Generation X and Millennials—evince a pronounced preference for extrinsic rewards, or factors, rather than intrinsic factors (Twenge et al., pp. 1127-1129). Using the terminology of M-H Theory, the findings of Twenge et al. indicate that younger workers are likely to derive satisfaction from hygienes as well as from motivators. Data derived from Glassdoor—especially the identification of five new hygiene factors—would seem partially to confirm this conclusion. Anonymous postings representing the highest-ranked (most satisfactory) companies reveal that four of five new hygienes represent “Pros.” However, of the same five hygiene factors, only one—People—has a higher frequency of “Pros” than “Cons” among employees from low-rated companies. Thus, it is possible that new hygiene factors have emerged because respondents represent generational cohorts which bring new values to the workplace, such as Work/life balance. However, only the employees associated with the highest-ranked companies consider these hygiene needs to have been satisfactorily addressed by their employees. Workers in the lowest-ranked companies continue to view these new needs—as with the other hygienes—as generally contributing to job dissatisfaction.

*Testing M-H theory*

The purpose of this study is to test the validity of M-H Theory using three hypotheses proposed by King (1970). When the hypotheses were tested using data associated with the original 14 motivators and hygienes mentioned by Herzberg et al. (1959), the first two hypotheses were affirmed; the third was disputed. When the hypotheses were tested using all data generated by the study—including the five new hygiene factors—the validity of all three statements was disputed.

The Fisher Exact Probability Test was applied to (1) the totals of all “Pro” and also of all “Con” hygiene-related comments for high- and low-ranking companies and (2) the totals of all motivator- and of all hygiene-related comments—both “Pro” and “Con”—for high- and low-satisfaction employers. For both tests, the results demonstrated very significant statistical differences between the high-rated companies and the low-rated employers. These differences were explained by the high frequency of hygiene-related “Con” comments posted by employees associated with the low-satisfaction companies. This finding suggests that the positive influence of motivators, and a consequent feeling of job satisfaction, is more likely to occur when employees also feel less dissatisfied with hygiene factors. Conversely, the positive influence of motivators is significantly less likely to occur when employees are quite dissatisfied with hygienes. Thus, the data indicate that hygiene needs must be addressed by employers before the motivator factors can demonstrably affect job satisfaction.

The notion that hygiene factors have an interrelationship with motivators was explored by Herzberg and his associates:

Hygiene operates to remove health hazards from the environment of man. It is not a curative; it is, rather, a preventative. Modern garbage disposal, water purification, and air-pollution control do not cure diseases, but without them we should have many more diseases. Similarly, when there are deleterious factors in the context of the job, they serve to bring about poor job attitudes. Improvement in these factors of hygiene will serve the impediments to positive job attitudes. (1993, p. 113)

But what, exactly, are the “positive job attitudes” that will emerge when hygiene no longer represents an impediment? It seems that these positive “attitudes” refer to the motivators which, according to M-H Theory, tend to enable job satisfaction. That is, Herzberg and his associates may posit—although never in explicit terms—that, for any specific population of employees, motivators will be identified in statistically significant frequencies only when hygiene factors have been satisfactorily addressed.

Application of the Fisher Exact Probability Test to the combined data presented in Tables 1 and 3 reveals this relationship between motivator and hygiene factors. For employees representing high-ranking companies, the number of “Pro” hygiene-related comments greatly exceeds the total of “Con” hygiene-related postings; these employees also generate a high number of “Pro” motivator-related comments. However, employees representing low-ranked companies report a high number of “Con” hygiene-related comments and also offer many fewer “Pro” motivator-related comments than their more satisfied counterparts in high-ranked companies. It seems that employees tend to be more satisfied only after the hygiene needs have been adequately addressed.

### *Limitations of the study*

The study has selected a sample population by randomly choosing individual Glassdoor respondents that represent the highest- and lowest-ranked companies for 2012. Most of these companies employ large numbers of workers in the United States. However, these two groups may not present a population that is sufficiently representative of the broader global workforce. A more diverse sample population may yield data that better reflect the influences of cultural factors.

### **Conclusion**

Some representatives of the positive psychology movement claim that Motivator-Hygiene Theory is due for “resurrection” because of Herzberg’s central assertion that satisfaction, or happiness, at the job is linked to intrinsic factors such as psychological growth, rather than to extrinsic factors (e.g., salary, working conditions) (Falkoski, 2012; Fisher, 2010; Sachau, 2007). Similarly, employee engagement theorists have occasionally embraced M-H Theory because of its focus upon intrinsic motivators (Buckingham & Coffman, 1999).

However, this study suggests that focus upon the satisfiers, the motivator factors, is not sufficient to promote positive attitudes toward work. Indeed, these motivators—including psychological growth, sense of achievement, and the work itself—tend to emerge in a statistically significant manner only when the causes of dissatisfaction have dissipated. Thus, based on this research, it seems that motivators (satisfiers) and hygienes (dissatisfiers) do represent two separate groups of factors; motivators, though, do not emerge in significant numbers for a specific company until hygienes no longer represent serious sources of dissatisfaction.

Advocates of positive psychology and theorists of employee engagement do not focus on hygienes, preferring to emphasize the factors—in Herzberg’s terminology “motivators”—associated with positive feelings. This study suggests that relegating those factors concerning the context associated with work—the “hygienes”—to secondary status is a misrepresentation of workplace reality. In fact, many younger employees seem to place considerable importance upon extrinsic factors such as benefits, brand/reputation, organizational culture, and peer relationships. A central tenet of M-H Theory maintains that real employees simultaneously embrace a seemingly contradictory set of attitudes, some that encourage genuine job satisfaction and others that promote considerable dissatisfaction. This tenet cannot be ignored by those who seek to “resurrect” Herzberg’s continuing relevance for workers and their employers.

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# Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

## Products and Audiences

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*This paper reports on the results of a study that addresses the question: “What are the effects of the product, intended audiences, type of commercial, and the company advertising the product on the incidence of depictions of interracial friendship and romantic interactions in prime time television advertisements?” In pursuit of this inquiry, it tests for relationships and patterns between use of interracial casts in prime time commercials on major networks and what is being marketed and to which audiences by coding results, using three raters for interrater reliability, by product, company, television show, audience for shows, and cast within commercials. The main finding is that while interracial relationships are sometimes shown, and that a relationship exists between type of product and the presence of these relationships, most advertisements do not include such relationships, those that do overwhelmingly portray friendship rather than romantic relationships, and that portrayals of interracial relationships vary according to the products and services being marketed.*

**Keywords:** Interracial relationships, Television, Advertising

**Paper Type:** Empirical study

This paper presents results an empirical study of depictions of interracial friendship and romantic relationships in American television advertising. As racial identification is performed to preserve the dominant and as those norms are made possible by standards of accepted historical reality, these analyses contribute to understanding advertising’s role as a shaper of cultural ideas about interracial primary friendship and romantic relationships (IRPR), of how advertisers use race to sell products, and the extent to which commercials reflect real relationship networks and the ways they depict a paradigm consistent with “sincere fictions of the white self” (Vera & Gordon, 2003).

Specifically, it reports on the results of a study that addresses the question: “What are the effects of the product, intended audiences, type of commercial, and the company advertising the product on the incidence of depictions of interracial friendship and romantic interactions?” In pursuit of this inquiry, it tests for relationships and patterns between use of interracial casts in commercials in prime time on major networks and what is being marketed and to which audiences, by coding results, using three raters for interrater reliability, by product, company, television show, audience for shows, and cast within commercials. (See results in Tables 1 & 2).

## Background

Because of the massive amounts of money, sometimes in the hundreds of millions of dollars, devoted to advertising campaigns, companies, to maximize the return on this investment and create the most efficient messages, invest significant time and resources into assuring that the correct message is sent about the right product to the right audiences

Thus, advertisements are designed to appeal to a target audience. Furthermore, as Abernethy, Gray, and Butler (1997) explain that Americans often do not respond to information overload or too many messages in television commercials, an audience that is not open to the idea of interracial friendships or interracial romantic relationships could be so distracted by the relationships being shown in a commercial that they may not respond to the intended message of advertising a particular product. This paper examines which products, shows, and audiences advertisers are comfortable showing images of interracial relationships, and which ones they are not, in order to determine current social ideas on these relationships. The main finding is that many ads include no interracial relationships, and when interracial relationships are shown, a relationship exists between type of product and the presence of these relationships. At the same time, there does not appear to be a strong relationship between type of show or audience and the presence and absence of IRPRs in television commercials airing during that show.

## Hypotheses

The hypothesis tested are that there will be a relationship between commercials that use or do not portray interracial relationships, the product being advertised, and the audience of the show the ad is airing during. Specifically, we hypothesize that products aimed at young, hip, open minded individuals are more likely to depict interracial relationships, especially families or romances, than products aimed at older audiences or families. Additionally, we hypothesize that a relationship exists between the audience of a show and the prevalence of commercials featuring interracial primary relationships.

## Methods

For this paper, we compare data from the overall set with data on the products being sold as well as demographic information. This allows for conclusions to be drawn about relationships between audiences, products, and the use of IRPRs. The methods for this paper include measuring the following variables:

- **Product:** A summary of the type of product, product name, and how the product is being used in the advertisement.
- **Show where Commercial Aired:** Which show did the commercial air during and what is the ranking and popularity of this show.
- **Type of Show:** Sitcom, Drama, Reality.
- **Audience Demographics:** The profile of viewers of different television programs

## Data Set

The data for this project are the commercials from all of the television commercials aired on the four major networks (NBC, CBS, ABC, and Fox) during an eight-day span of prime time (8-10 pm). Primetime television is defined as “the time period when the number of viewers [is] at its

height and, therefore, when the potential for ad revenue [is] the greatest” (Moore, Bensman, and Van Dyke, 41). It is a unique programming block, as many network shows during prime time are aimed at a wide audience, while cable television shows and shows during the morning and afternoon tend to be directed at specific audiences, resulting in targeted niche marketing. As one goal of this project is to create a database of television commercials that attempt to sell to a large diverse audience, prime time television will give the widest variety of commercials compared to cable stations targeted to specific demographics.

## Findings

The results reveal insights into when and where interracial relationships are used and not used in television advertising, reflecting the notion that advertisers have a difficult task appealing to wide audiences and small target audiences at the same time.

Research shows, for example, that when advertisers attempt to appeal to a minority group, they sometimes risk alienating the majority groups or creating commercials that do not make the product appealing to the majority audience (Oakenfull, McCarthy, and Greenlee, 2008). Advertisers also have to be careful when depicting minorities as part of their commercials to appeal to the culture of that minority group without relying on stereotypes or other offensive material. As the goal of the advertiser is to appeal to the target audience, if ethnic or racial symbols or concepts are used inappropriately, minority groups are alienated or majority groups are alienated (Rotfeld, 2003). All in all, it is a difficult task aligning the type of show with the product with the audience with the advertisement, and these findings give useful insight into this process, especially the role that race and interracial friendships and romantic relationships play in these decisions. In examining which products feature IRPRs in their advertising, we hypothesize that products aimed toward younger, hipper, more open minded audiences are more likely to feature interracial relationships, since research suggests these groups are more open to the concept of integration (Rosenfeld, 2007). As scholars point out, younger audiences are more likely to come into contact with diverse groups of people in their daily lives, more likely to have interracial friendships, work relationships, and romantic relationships, and are more likely to be open to the idea of many different types of relationships, and therefore, this paper suggests that when advertisers want to market to this younger demographic, using IRPRs can be a benefit and certainly is not a distraction (Rosenfeld, 2007; Abernethy, Gray, and Butler, 1997).

One of the first places advertisers start gathering market research when beginning a marketing campaign is in examining who is using what products. As Smith, Boyle, and Cannon (2010) explain, that, for example, if a company were trying to market computers “What better way to get people who are interested in computers, this line of thinking suggests, than to target people who have already demonstrated their interest by buying computers in the past” (428). The best place to start in targeting an audience is in finding out who is using a product and then targeting marketing toward that audience.

Therefore, it can be assumed that when an advertisement features an interracial relationship, the people who created the commercial believe that the target market for that product is one that is accepting of interracial relationships. Thus, determining which products feature IRPRs and which ones do not leads to important information about who uses products and what the creators of marketing plans for particular products believe to be the features of this particular audience.

When advertisers create a commercial, they often link the product with their concept of who would use the product and what their social status, class, lifestyle, and relationships are like (Berman 1981; Thomas and Trieber, 2000). Research suggests that products intended for upper middle class audiences feature White characters, while products that are intended for lower class or very wide general audiences are more likely to feature diverse characters, especially Black and Latino characters as part of the plot (Thomas and Trieber, 2000). Furthermore, research shows that products meant for use inside the home are more likely to feature White characters than products used outside the home or in public areas such as restaurants or sporting equipment (Larson, 2002). The effects of historical/institutional racism, though, are evident in where blacks are *not* shown in advertising. For example, in advertisements for children and adults, educational products and clothing are almost exclusively advertised by whites. Minorities are portrayed in the background and only for specific products, most frequently low status or low end products. Racial bias is evident in the overuse of whites as spokespersons for products (Larson, 2002; Li-Vollmer, 2002).

### **Products and Relationships**

#### *Interracial primary relationships*

*Restaurants.* The commercials from this data set that feature characters in restaurants all feature interracial relationships. This supports the idea that White audiences are comfortable with the idea of integration in public places (Bobo, 2001), even if not in private. Wendy's, Chili's, McDonald's, Olive Garden, and Applebee's all feature interracial groups dining together in their commercials. Interestingly, often times the relationships are ambiguous—they feature a group of people who clearly have some sort of relationship: it could be co-workers at happy hour, or it could be a more involved relationship—it is up to the audience to decide. For example, in a McDonald's commercial, a Black woman and Asian man who are co-workers leave the office to eat McDonald's together for lunch. It is unclear whether this is just a lunch or if they have a deeper relationship because they are simply shown going to McDonalds and eating there together, something people do in both platonic and romantic relationships. Applebee's and Olive Garden show large groups of people together enjoying drinks and meals, and no relationships are indicated specifically as romantic. Starbucks is one of the few companies with advertisements viewed for this project that feature a clear interracial romantic relationships between a Black man and a White woman. Starbucks targets its product toward young and hip audiences—with 40% of their sales being by people between 18-24 years of age and 49% being age 25-40 (<http://smallbusiness.chron.com/starbucks-target-audience-10553.html>). One could surmise that Starbucks sees reinforcing the values of target market of cool young people as far outweighing the potential negative reaction of older audiences that may not approve of romantic interracial relationships. The use of an interracial couple to advertise its product is most likely unnoticed or just welcomed by their target market of cool young people with open minds and a desire to drink coffee at a trendy coffee shop.

*Affordable Cars.* A second product that repeatedly features interracial relationships in commercials is affordable cars. Honda, Chevy, Chrysler, and Ford all show diverse groups of customers interacting with employees of different racial backgrounds or diverse groups of people test driving cars. Perhaps the most progressive of these commercials are the series of Ford commercials featuring television host Mike Rowe. One set of commercials features an Indian couple with their friends who are a mixed race couple (one White and one Indian) test driving

cars together. Another shows a group of friends that are Asian and White test driving cars. While there is some ambiguity to the depth of the relationships the characters share, the raters agreed that people depicted buying a car together have a close relationship.

*Credit Cards.* The one commercial in the data set that features an interracial family is for Bank of America. This commercial shows multiple relationships, with a quick image of a hip, young White father with his daughter who is biracial or Black in his shopping cart as they use their Bank of America card to complete their purchases. This commercial shows a clear commitment to showing diversity as it features an Asian woman with her Asian son, a group of girlfriends of diverse backgrounds heading on a road trip, a Black man in a suit getting gas, and the aforementioned White father with his biracial daughter. Since Bank of America is clearly attempting to appeal to audiences who will use credit cards, this seems to reflect a strategy that by representing the largest number of people in a commercial, more customers will be interested in the product. Additionally, the depiction of the biracial child is ambiguous, and when coding this information it took multiple viewings of the commercial to determine that this child is indeed biracial, thus it could be that Bank of America is attempting to employ strategic ambiguity in this case (Eisenberg, 1984).

### **No Relationships**

Research on advertising suggests that audiences are more comfortable with integration in public areas than in private areas and more comfortable with casual friendships and work relationships than with romantic or intimate relationships among people of diverse racial and ethnic backgrounds. This is reflected in our findings.

#### *Household products*

Like many commercials featuring families using a particular product, Dixie Ultra paper plates features an all-White family cooking out and eating together. In fact, all White families are used to show many products that are used at home—Kentucky Fried Chicken eaten at the table at home, Aquafresh toothpaste, Kraft Mayonnaise, Oscar Mayer lunchmeat—all of these products feature White families using the product in expensive modern homes with no attempt at featuring any other type of person using the product or interacting with the characters featured.

#### *High end suburban cars*

While affordable cars appeal to and feature a wide variety of consumers, more expensive cars feature White characters. Volkswagen and Subaru both have commercials that focus on practical men giving their children advice on driving and making responsible choices when it comes to safety, efficiency, and utility of a car. For example, in Subaru commercials, fathers are shown buying Subarus for their children because safety is the most important thing to them.

#### *Vacations*

Supporting the research that suggests that Americans are uncomfortable with intimate relationships among people of diverse racial backgrounds are the commercials for vacations from this data set. These ads feature diverse people on vacation, and no interracial relationships, platonic or romantic, are shown. The implication is that people of diverse backgrounds would not

be integrated enough to share a vacation, share a hotel room, or travel together. For example, the commercials for Disneyworld feature a wide variety of groups and families. There is diversity in the families depicted: White grandparents with their White grandchildren, a Black man with his Black wife and two Black daughters, a Latino man with a Latina woman and their two Latino boys, and a White family with a mother, father, daughter, and son. They are all shown in quick clips enjoying Disneyworld, riding rides, swimming at the resorts, and eating in their restaurants. Even with all of the diversity depicted in the commercial, with many families of different races shown, no interracial families are shown. The target market for Disneyworld is families looking for a fun vacation. In fact, many of their commercials advertise that there are deals for families with any type of budget. So Disney targets families, all different types of families with different backgrounds: significantly, they do not feature any interracial families in their commercials.

Like other commercials for vacations, the commercials for Royal Caribbean cruises feature different types of families and romantic couples enjoying vacation together. Once again, no interracial relationships are shown. The suggestion is that lots of people would enjoy a Royal Caribbean cruise. Importantly, controversy is avoided by only showing groups of people of the same race vacationing together, rather than suggesting that an interracial couple or family would go somewhere and share a hotel room or bed together—reflecting the idea that advertisers avoid the suggestion of sex or romance among people of different racial and ethnic backgrounds. This reflects the idea that advertisers like to use diversity in commercials to reach a wide audience, but advertisers also avoid controversy by not suggesting that there is romance among people of different racial and ethnic backgrounds.

### **Shows that Feature or Ignore IRPRs**

Advertisers spend a lot of money to choose which shows they are going to air advertisements on. So it is important to understand who is watching television and what it is they are watching. Nielsen data shows that America Blacks watch the most television at seven hours a day, then Whites at five hours, Latinos at four hours, and Asians at three hours per day.

Smith, Boyle, and Cannon (2010) explain that because media campaigns are so expensive, typically running in the hundreds of millions of dollars for a major corporation, companies to maximize the effectiveness of commercials by making sure they are appealing to their target audience. They state that “efficiency in this case, simply translates to the cost of effectively reaching those targeted consumers who are most likely to respond to a marketer’s message” (428). They also explain that demographic information is of particular value in linking advertising messages to audiences, as “Demographic categories have intuitive value. People think stereotypically about demographic groups and can visualize their members, imagining them using the product. We can all imagine the up-scale demographic we associate with Cadillac drivers or the youthful demographic of iPod users” (430). There is an important link between audience demographics and the storylines and tactics used in television advertisements as they attempt to reach the desired user.

One hypothesis for this paper is that shows aimed at younger audiences, such as *The Cleveland Show* and *How I Met Your Mother*, and advertise for products aimed at younger audiences, are more likely to show commercials featuring IRPRs than shows for older audiences. Younger audiences are more likely to have tolerant attitudes toward interracial friendships and romances, since, as Rosenfeld (2007) points out, “The visibility of large numbers of interracial and same-sex

couples reduces the moral authority of parental objections against such unions. As each successive cohort of young adults is more likely to form interracial or same-sex unions, the visibility of these nontraditional unions erodes the taboos against interraciality and homosexuality. "Parents learn that objecting to their children's choice of partner is futile and they make fewer objections" (p. 8). In fact, as more Americans have left their homes to head to college and as depictions of interracial relationships in television and film have become "normalized," each generation becomes more accepting of these formerly forbidden relationships. Indeed, even as children leave their homes to attend preschool, attitudes toward interracial relationships change, and this can be directly impacted by television programs that they watch at school or for educational purposes (Gorn et. al. 1976).

Rosenfeld (2007) explains "The post-1960 diversification of families has taken place for a reason that colonial leaders intuitively understood: young adults are less subject to parental control when they live apart from their parents" (6). As larger numbers of students were encouraged to leave home and go to college, independence from families grew, setting the stage for social change. This is one of the reasons the Civil Rights Movement flourished in the early 1960's as White students with some power supported the Black Civil Rights movement and were able to use their power to give the movement momentum across the country (Rosenfeld, 2007). Shows aimed at younger audiences, then, should be more likely to feature IRPRs in the commercials.

*Shows with commercials that feature interracial friendships*

These data support the idea that interracial platonic relationships are over represented and romantic interracial relationships underrepresented in the commercials that aired during nearly every show. The show with the highest percentage is *The Cleveland Show*, one of the only shows from this set to feature a Black family as the main focus of the show. This show had 71% of relationships as interracial friendships. For other shows, the average is around 50% of friendships shown as interracial with very few romantic relationships portrayed. Those shows that do not feature many interracial relationships do not have a large percentage of commercials featuring relationships at all. It seems there is little relationship among type of show, audience, or demographics, rather most commercials featuring groups of friends feature interracial friendships rather than romantic relationships.

*Shows with commercials that feature interracial romantic relationships*

Supporting the other findings in this paper, few interracial romances are featured in commercials airing during any one television program. In fact, the highest number is 25% of relationships shown being romantic interracial relationships. *How I Met Your Mother*, *Harry's Law*, and *Criminal Minds* are the three shows that have a quarter of the relationships shown in commercials as interracial romantic relationships. Interestingly, these shows do not include a large number of commercials with interracial romances, so each only actually showed one interracial romantic relationship. Also, no single show featured more than two interracial romantic relationships within the commercial set in the show, with the exception of *Missing*, which features five out of 24 relationships shown as interracial romances. The data supports the idea that there are few depictions of interracial romance, regardless of show, type of show, airtime, or audience, even if the producers of a television show would be comfortable with it.

**Conclusion**

The findings support multiple conclusions. First, overall there are very few depictions of interracial romantic relationships or interracial families regardless of the product or show. At the same time, a wide variety of programs and products depict interracial platonic relationships, including friendships, employee client relationships, and work relationships. This supports the idea that advertisers see an American public that is comfortable with the concept of non-romantic interracial relationships. The finding, that nearly every product and show has depictions of these platonic relationships, supports the suggestion that these are relationships that advertisers see as actually persuading audiences to buy their product. This supports Vera and Gordon’s (2003) suggestion that many White audiences hold “sincere fictions of the white self” and imagine themselves as being tolerant, hip enough to have a diverse group of friends, and desiring to appear to have a progressive view of race. Importantly, the findings that most products and shows do not use interracial romantic relationships or interracial family relationships in their advertising support claims that many audiences are still uncomfortable with the idea of sex and intimacy among people of different racial and ethnic backgrounds (Bonilla-Silva, 2006) while blatant segregation and racist attitudes are not widely held or acceptable in the United States.

**TABLE 1.** Products and Relationships

| Product Name            | Product Type       | Percentage of Relationships with Interracial Platonic |             | Percentage of Relationships with Interracial Romantic |             | Total Percentage of Relationships of IRPRs Depicted |
|-------------------------|--------------------|-------------------------------------------------------|-------------|-------------------------------------------------------|-------------|-----------------------------------------------------|
|                         |                    |                                                       |             |                                                       |             |                                                     |
| AAA                     | Travel             | 0                                                     |             | 0                                                     |             |                                                     |
| <b>Aaron’s</b>          | <b>Store</b>       | <b>4/4</b>                                            | <b>100%</b> | <b>0/4</b>                                            | <b>0%</b>   | <b>100%</b>                                         |
| ACT                     | Mouthwash          | 0                                                     |             | 0                                                     |             |                                                     |
| Acura                   | Car                | 0                                                     |             | 0                                                     |             |                                                     |
| Acuvue                  | Contact Lenses     | 0                                                     |             | 0                                                     |             |                                                     |
| Advil                   | Medicine           | 0                                                     |             | 0                                                     |             |                                                     |
| AE Doors                | Garage Doors       | 0                                                     |             | 0                                                     |             |                                                     |
| <b>Aflac</b>            | <b>Insurance</b>   | <b>6/6</b>                                            | <b>100%</b> | <b>0/6</b>                                            | <b>0%</b>   | <b>100%</b>                                         |
| Air Optix               | Contact Lenses     | 0                                                     |             | 0                                                     |             |                                                     |
| Aleve                   | Medicine           | 0                                                     |             | 0                                                     |             |                                                     |
| <b>Allegra</b>          | <b>Medicine</b>    | <b>4/8</b>                                            | <b>50%</b>  | <b>0/8</b>                                            | <b>0%</b>   | <b>50%</b>                                          |
| Allusions               | Hair Surgery       | 0                                                     |             | 0                                                     |             |                                                     |
| American Cancer Society | Charity            | 0                                                     |             | 0                                                     |             |                                                     |
| <b>American Express</b> | <b>Credit Card</b> | <b>3/5</b>                                            | <b>60%</b>  | <b>1/5</b>                                            | <b>20%</b>  | <b>80%</b>                                          |
| <b>American Family</b>  | <b>Insurance</b>   | <b>0/1</b>                                            | <b>0%</b>   | <b>1/1</b>                                            | <b>100%</b> | <b>100%</b>                                         |
| Ancestry.com            | Website            | 0                                                     |             | 0                                                     |             |                                                     |
| Androgel                | Medicine           | 0                                                     |             | 0                                                     |             |                                                     |

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|                         |                     |             |            |             |            |             |
|-------------------------|---------------------|-------------|------------|-------------|------------|-------------|
| <b>Angel Soft</b>       | <b>Toilet Paper</b> | <b>0/2</b>  | <b>0%</b>  | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Angies List             | Website             | 0           |            | 0           |            |             |
| <b>Anthem</b>           | <b>Insurance</b>    | <b>0/2</b>  | <b>0%</b>  | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Applebee's</b>       | <b>Restaurant</b>   | <b>8/9</b>  | <b>89%</b> | <b>0/9</b>  | <b>0%</b>  | <b>89%</b>  |
| <b>Aquafresh</b>        | <b>Toothpaste</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| Arby's                  | Restaurant          | 0           |            | 0           |            | 0           |
| Arm and Hammer          | Baking Soda         | 0           |            | 0           |            | 0           |
| <b>AT&amp;T Phone</b>   | <b>Mobile Phone</b> | <b>5/20</b> | <b>25%</b> | <b>1/20</b> | <b>5%</b>  | <b>30%</b>  |
| Autism Speaks           | Charity             | 0           |            | 0           |            | 0           |
| Aveeno                  | Skincare            | 0           |            | 0           |            | 0           |
| Avon                    | Makeup              | 0           |            | 0           |            | 0           |
| <b>Band-Aid</b>         | <b>Bandages</b>     | <b>0/1</b>  | <b>0%</b>  | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Bank of America</b>  | <b>Credit Card</b>  | <b>5/22</b> | <b>23%</b> | <b>5/22</b> | <b>23%</b> | <b>46%</b>  |
| Banquet                 | Frozen Meals        | 0           |            | 0           |            | 0           |
| Bayer                   | Medicine            | 0           |            | 0           |            | 0           |
| Bear Creek              | Food                | 0           |            | 0           |            | 0           |
| <b>Beechmont Toyota</b> | <b>Car</b>          | <b>0/2</b>  | <b>0%</b>  | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Belterra                | Casino              | 0           |            | 0           |            | 0           |
| Beneful                 | Dog Food            | 0           |            | 0           |            | 0           |
| <b>Big Lots</b>         | <b>Store</b>        | <b>0/2</b>  | <b>0%</b>  | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Biotene                 | Mouthwash           | 0           |            | 0           |            | 0           |
| Blue Moon               | Beer                | 0           |            | 0           |            | 0           |
| BMW                     | Car                 | 0           |            | 0           |            | 0           |
| <b>Bounty</b>           | <b>Paper Towels</b> | <b>0/2</b>  | <b>0%</b>  | <b>1/2</b>  | <b>50%</b> | <b>50%</b>  |
| Brita                   | Water Filter        | 0           |            | 0           |            | 0           |
| Buddy's                 | Carpet              | 0           |            | 0           |            | 0           |
| <b>Buick</b>            | <b>Car</b>          | <b>0/2</b>  | <b>0%</b>  | <b>1/2</b>  | <b>50%</b> | <b>50%</b>  |
| <b>Burger King</b>      | <b>Restaurant</b>   | <b>3/11</b> | <b>27%</b> | <b>0/11</b> | <b>0%</b>  | <b>27%</b>  |
| <b>Burlington</b>       | <b>Store</b>        | <b>1/2</b>  | <b>50%</b> | <b>1/2</b>  | <b>50%</b> | <b>100%</b> |
| Cadillac                | Car                 | 0           |            | 0           |            | 0           |
| Campbell's Soup         | Food                | 5/14        | 36%        | 2/14        | 14%        | 50%         |
| Capital One             | Credit Card         | 0           |            | 0           |            | 0           |
| CapriSun                | Drink               | 0           |            | 0           |            | 0           |
| Carstar                 | Car Sales           | 0           |            | 0           |            | 0           |
| CBS CARES               | PSA                 | 0           |            | 0           |            | 0           |
| Centrum                 | Vitamin             | 0           |            | 0           |            | 0           |

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|                          |                       |             |             |             |            |             |
|--------------------------|-----------------------|-------------|-------------|-------------|------------|-------------|
| <b>Champion Windows</b>  | <b>Windows</b>        | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Chanel                   | Perfume               | 0           |             | 0           |            | 0           |
| <b>Chase</b>             | <b>Credit Card</b>    | <b>2/9</b>  | <b>22%</b>  | <b>0/9</b>  | <b>0%</b>  | <b>22%</b>  |
| <b>Cheerios</b>          | <b>Cereal</b>         | <b>1/1</b>  | <b>100%</b> | <b>0/1</b>  | <b>0%</b>  | <b>50%</b>  |
| <b>Chevrolet</b>         | <b>Car</b>            | <b>5/12</b> | <b>42%</b>  | <b>0/12</b> | <b>0%</b>  | <b>42%</b>  |
| <b>Chili's</b>           | <b>Chili's</b>        | <b>1/1</b>  | <b>100%</b> | <b>0/1</b>  | <b>0%</b>  | <b>50%</b>  |
| <b>Chrysler</b>          | <b>Car</b>            | <b>5/15</b> | <b>33%</b>  | <b>4/15</b> | <b>27%</b> | <b>60%</b>  |
| <b>Cialis</b>            | <b>Medicine</b>       | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| Cincinnati Bell Wireless | Mobile Phone Service  | 0           |             |             |            | 0           |
| Cincinnati Museum Center | Museum                | 0           |             |             |            | 0           |
| <b>Citi</b>              | <b>Credit Card</b>    | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Claritin</b>          | <b>Medicine</b>       | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Clean and Clear</b>   | <b>Skincare</b>       | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Clinique                 | Makeup                | 0           |             |             |            | 0           |
| <b>Clorox</b>            | <b>Cleaning</b>       | <b>0/3</b>  | <b>0%</b>   | <b>0/3</b>  | <b>0%</b>  | <b>0%</b>   |
| Coke                     | Drink                 | 0           |             |             |            | 0           |
| <b>Cotton</b>            | <b>Fabric</b>         | <b>0/8</b>  | <b>0%</b>   | <b>4/8</b>  | <b>50%</b> | <b>50%</b>  |
| <b>Covergirl</b>         | <b>Makeup</b>         | <b>3/3</b>  | <b>100%</b> | <b>0/3</b>  | <b>0%</b>  | <b>100%</b> |
| <b>Crest</b>             | <b>Toothpaste</b>     | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| Cricket Phone            | Mobile Phone          | 0           |             |             |            | 0           |
| <b>Crystal Light</b>     | <b>Drink</b>          | <b>6/12</b> | <b>50%</b>  | <b>0/12</b> | <b>0%</b>  | <b>50%</b>  |
| <b>CVS</b>               | <b>Store</b>          | <b>2/4</b>  | <b>50%</b>  | <b>0/4</b>  | <b>0%</b>  | <b>50%</b>  |
| <b>Cymbalta</b>          | <b>Medicine</b>       | <b>3/9</b>  | <b>33%</b>  | <b>0/9</b>  | <b>0%</b>  | <b>33%</b>  |
| <b>Daytona Beach</b>     | <b>Vacation</b>       | <b>0/15</b> | <b>0%</b>   | <b>3/15</b> | <b>20%</b> | <b>20%</b>  |
| Degree                   | Deodorant             | 0           |             |             |            | 0           |
| <b>Denny's</b>           | <b>Denny's</b>        | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Depends</b>           | <b>Adult Diapers</b>  | <b>1/5</b>  | <b>20%</b>  | <b>0/5</b>  | <b>0%</b>  | <b>20%</b>  |
| Diabetic Testing         | Medicine              | 0           |             |             |            | 0           |
| <b>Digiorno</b>          | <b>Pizza</b>          | <b>3/3</b>  | <b>100%</b> | <b>0/3</b>  | <b>0%</b>  | <b>100%</b> |
| Direct TV                | Satellite             | 0           |             |             |            | 0           |
| Discover                 | Credit Card           | 0           |             |             |            | 0           |
| <b>DisneyWorld</b>       | <b>Vacation</b>       | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Dixie</b>             | <b>Paper Products</b> | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| Do Your Share for        | PSA                   | 0           |             |             |            | 0           |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                        |                    |              |             |              |             |             |
|------------------------|--------------------|--------------|-------------|--------------|-------------|-------------|
| Air                    |                    |              |             |              |             |             |
| <b>Dodge</b>           | <b>Car</b>         | <b>7/19</b>  | <b>37%</b>  | <b>5/19</b>  | <b>26%</b>  | <b>63%</b>  |
| <b>Dominos</b>         | <b>Pizza</b>       | <b>3/3</b>   | <b>100%</b> | <b>0/3</b>   | <b>0%</b>   | <b>100%</b> |
| <b>Doritos</b>         | <b>Chips</b>       | <b>0/8</b>   | <b>0%</b>   | <b>0/8</b>   | <b>0%</b>   | <b>0%</b>   |
| <b>Dove</b>            | <b>Soap</b>        | <b>0/2</b>   | <b>0%</b>   | <b>0/2</b>   | <b>0%</b>   | <b>0%</b>   |
| <b>Dr. Pepper</b>      | <b>Soda</b>        | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>   | <b>0%</b>   | <b>0%</b>   |
| Dr. Scholl's           | Foot care          | 0/3          | 0%          | 0/3          | 0%          | 0%          |
| Droid Razr             | Mobile Phone       | 0            |             |              |             | 0           |
| Dulera                 | Medicine           | 0            |             |              |             | 0           |
| Duracell               | Batteries          | 0            |             |              |             | 0           |
| <b>Dyson</b>           | <b>Vacuum</b>      | <b>0/2</b>   | <b>0%</b>   | <b>0/2</b>   | <b>0%</b>   | <b>0%</b>   |
| Edge                   | Razor              | 0            |             |              |             | 0           |
| <b>Eggo</b>            | <b>Waffle</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| <b>Electrolux</b>      | <b>Vacuum</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| Esurance               | Insurance          | 0            |             |              |             | 0           |
| Extra                  | Gum                | 0            |             |              |             | 0           |
| Farmers                | Insurance          | 0            |             |              |             | 0           |
| <b>Fiat</b>            | <b>Car</b>         | <b>0/2</b>   | <b>0%</b>   | <b>0/2</b>   | <b>0%</b>   | <b>0%</b>   |
| Fifth/Third            | Bank               | 0            |             |              |             | 0           |
| <b>Ford</b>            | <b>Car</b>         | <b>18/63</b> | <b>29%</b>  | <b>16/63</b> | <b>25%</b>  | <b>54%</b>  |
| <b>Frisch's</b>        | <b>Restaurant</b>  | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| Friskies               | Cat Food           | 0            |             |              |             | 0           |
| Frizz Eaze             | Hair care          | 0            |             |              |             | 0           |
| Front Room Furnishings | Store              | 0            |             |              |             | 0           |
| Frontline              | Pet Care           | 0            |             |              |             | 0           |
| <b>Frosted Wheats</b>  | <b>Mini Cereal</b> | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| <b>Fructis</b>         | <b>Hair care</b>   | <b>1/2</b>   | <b>50%</b>  | <b>0/2</b>   | <b>0%</b>   | <b>50%</b>  |
| <b>Furniture Fair</b>  | <b>Store</b>       | <b>2/3</b>   | <b>67%</b>  | <b>0/3</b>   | <b>0%</b>   | <b>67%</b>  |
| G.E.                   | Appliances         | 0            |             |              |             | 0           |
| <b>Garnier</b>         | <b>Hair care</b>   | <b>0/1</b>   | <b>0%</b>   | <b>1/1</b>   | <b>100%</b> | <b>100%</b> |
| <b>Gatorade</b>        | <b>Drink</b>       | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| <b>Geico</b>           | <b>Insurance</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0%</b>   |
| Gillette               | Razor              | 0            |             |              |             | 0           |
| Glad                   | Garbage bags       | 0            |             |              |             | 0           |
| <b>Glade</b>           | <b>Scents</b>      | <b>1/3</b>   | <b>33%</b>  | <b>0/3</b>   | <b>0%</b>   | <b>33%</b>  |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                              |                   |              |             |             |            |             |
|------------------------------|-------------------|--------------|-------------|-------------|------------|-------------|
| Gold Bond                    | Medicine          | 0            |             |             |            | 0           |
| <b>Gold Guys</b>             | <b>Store</b>      | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Gold star</b>             | <b>Restaurant</b> | <b>0/2</b>   | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| Good Neighbor Pharmacy       | Pharmacy          | 0            |             |             |            | 0           |
| <b>Great Clips</b>           | <b>Hair care</b>  | <b>1/2</b>   | <b>50%</b>  | <b>0/2</b>  | <b>0%</b>  | <b>50%</b>  |
| <b>H&amp;M</b>               | <b>Store</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Hampton Inn</b>           | <b>Hotel</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Hawaiian Punch</b>        | <b>Drink</b>      | <b>3/6</b>   | <b>50%</b>  | <b>0/6</b>  | <b>0%</b>  | <b>50%</b>  |
| <b>Hellmann's</b>            | <b>Food</b>       | <b>0/4</b>   | <b>0%</b>   | <b>0/4</b>  | <b>0%</b>  | <b>0%</b>   |
| Hertz                        | Car Rental        | 0            |             |             |            | 0           |
| <b>Hidden Valley</b>         | <b>Dressing</b>   | <b>2/5</b>   | <b>40%</b>  | <b>0/5</b>  | <b>0%</b>  | <b>40%</b>  |
| Hollywood Casino             | Casino            | 0            |             |             |            | 0           |
| <b>Home Depot</b>            | <b>Store</b>      | <b>1/4</b>   | <b>25%</b>  | <b>0/4</b>  | <b>0%</b>  | <b>25%</b>  |
| <b>Honda</b>                 | <b>Car</b>        | <b>19/23</b> | <b>83%</b>  | <b>0/23</b> | <b>0%</b>  | <b>83%</b>  |
| <b>Honey Bunches of Oats</b> | <b>Cereal</b>     | <b>5/5</b>   | <b>100%</b> | <b>0/5</b>  | <b>0%</b>  | <b>100%</b> |
| Hospice of Cincinnati        | Medical care      | 0            |             |             |            | 0           |
| Hotwire                      | Website           | 0            |             |             |            | 0           |
| <b>HR Block</b>              | <b>Taxes</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Huggies</b>               | <b>Diapers</b>    | <b>2/3</b>   | <b>67%</b>  | <b>0/3</b>  | <b>0%</b>  | <b>67%</b>  |
| Hunter Douglas               | Window Treatments | 0            |             |             |            | 0           |
| Hyundai                      | Car               | 0            |             |             |            | 0           |
| Iams                         | Dog Food          | 0            |             |             |            | 0           |
| <b>IHOP</b>                  | <b>Restaurant</b> | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Intel</b>                 | <b>Computer</b>   | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| Internet Explorer            | Web Browser       | 0            |             |             |            | 0           |
| iPad                         | Tablet            | 0            |             |             |            | 0           |
| iPhone                       | Mobile Phone      | 0            |             |             |            | 0           |
| <b>JCPenney</b>              | <b>Store</b>      | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Jeep</b>                  | <b>Car</b>        | <b>0/4</b>   | <b>0%</b>   | <b>2/4</b>  | <b>50%</b> | <b>50%</b>  |
| <b>Jeff Wyler</b>            | <b>Car Dealer</b> | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Jell-O</b>                | <b>Food</b>       | <b>0/8</b>   | <b>0%</b>   | <b>0/8</b>  | <b>0%</b>  | <b>0%</b>   |
| Joe Morgan Honda             | Car Dealer        | 0            |             |             |            | 0           |
| John Frieda                  | Hair care         | 0            |             |             |            | 0           |
| Jolly Rancher                | Candy             | 0            |             |             |            | 0           |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                               |                       |             |             |             |            |             |
|-------------------------------|-----------------------|-------------|-------------|-------------|------------|-------------|
| JS Gold                       | Store                 | 0           |             |             |            | 0           |
| <b>Just For Men</b>           | <b>Hair care</b>      | <b>0/4</b>  | <b>0%</b>   | <b>0/4</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Kashi</b>                  | <b>Cereal</b>         | <b>1/1</b>  | <b>100%</b> | <b>0/1</b>  | <b>0%</b>  | <b>100%</b> |
| <b>Keep America Beautiful</b> | <b>PSA</b>            | <b>0</b>    | <b>0%</b>   | <b>0</b>    | <b>0%</b>  | <b>0%</b>   |
| <b>Kemba Union</b>            | <b>Credit Union</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>KFC</b>                    | <b>Restaurant</b>     | <b>0/10</b> | <b>0%</b>   | <b>0/10</b> | <b>0%</b>  | <b>0%</b>   |
| Kia                           | Car                   | 0           |             |             |            | 0           |
| Kings Ford                    | Car Dealer            | 0           |             |             |            | 0           |
| Kings Honda                   | Car Dealer            | 0           |             |             |            | 0           |
| <b>King's Island</b>          | <b>Amusement Park</b> | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| Kohl's                        | Store                 | 0           |             |             |            | 0           |
| <b>Kraft</b>                  | <b>Cheese</b>         | <b>2/8</b>  | <b>25%</b>  | <b>0/8</b>  | <b>0%</b>  | <b>25%</b>  |
| Kroger                        | Store                 | 0           |             |             |            | 0           |
| Lactaid                       | Milk                  | 0           |             |             |            | 0           |
| <b>LaRosas</b>                | <b>Restaurant</b>     | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>LCNB</b>                   | <b>Bank</b>           | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| Lenscrafters                  | Glasses               | 0           |             |             |            | 0           |
| Lexus                         | Car                   | 0           |             |             |            | 0           |
| Liberty Mutual                | Insurance             | 0           |             |             |            | 0           |
| Lincoln                       | Car                   | 0           |             |             |            | 0           |
| Listerine                     | Oral Care             | 0           |             |             |            | 0           |
| <b>Longhorn Steakhouse</b>    | <b>Restaurant</b>     | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>  | <b>0%</b>   |
| L'Oreal                       | Makeup                | 0           |             |             |            | 0           |
| Lottery                       | Lottery               | 0           |             |             |            | 0           |
| Lowe's                        | Store                 | 0           |             |             |            | 0           |
| <b>Lunchables</b>             | <b>Food</b>           | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| Lunesta                       | Medicine              | 0           |             |             |            | 0           |
| M and M's                     | Candy                 | 0           |             |             |            | 0           |
| <b>Macys</b>                  | <b>Store</b>          | <b>0/10</b> | <b>0%</b>   | <b>0/10</b> | <b>0%</b>  | <b>0%</b>   |
| Marshalls                     | Store                 | 0           |             |             |            | 0           |
| Mattress Firm                 | Store                 | 0           |             |             |            | 0           |
| Mattress Warehouse            | Store                 | 0           |             |             |            | 0           |
| <b>Maybelline</b>             | <b>Makeup</b>         | <b>1/2</b>  | <b>50%</b>  | <b>1/2</b>  | <b>50%</b> | <b>50%</b>  |
| Mazda                         | Car                   | 0           |             |             |            | 0           |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                      |                      |              |             |             |           |             |
|----------------------|----------------------|--------------|-------------|-------------|-----------|-------------|
| <b>McDonalds</b>     | <b>Restaurant</b>    | <b>20/24</b> | <b>83%</b>  | <b>0/24</b> | <b>0%</b> | <b>83%</b>  |
| McSwain              | Carpets              | 0            |             |             |           | 0           |
| <b>Meijer</b>        | <b>Store</b>         | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Menards</b>       | <b>Store</b>         | <b>0</b>     | <b>0%</b>   | <b>0</b>    | <b>0%</b> | <b>0%</b>   |
| Mercedes             | Car                  | 0            |             |             |           | 0           |
| Merck                | Medicine             | 0            |             |             |           | 0           |
| Mercy Health         | Healthcare           | 0            |             |             |           | 0           |
| MetLife              | Insurance            | 0            |             |             |           | 0           |
| <b>Michelin</b>      | <b>Tires</b>         | <b>0/2</b>   | <b>0%</b>   | <b>0/2</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Milk</b>          | <b>Drink</b>         | <b>0/5</b>   | <b>0%</b>   | <b>0/5</b>  | <b>0%</b> | <b>0%</b>   |
| Milkbites            | Breakfast            | 0            |             |             |           | 0           |
| Minwax               | Furniture Care       | 0            |             |             |           | 0           |
| Mio Energy           | Drink                | 0            |             |             |           | 0           |
| <b>Mountain Dew</b>  | <b>Soda</b>          | <b>10/10</b> | <b>100%</b> | <b>0/10</b> | <b>0%</b> | <b>100%</b> |
| Mutual of Omaha      | Insurance            | 0            |             |             |           | 0           |
| Nationwide Insurance | Insurance            | 0            |             |             |           | 0           |
| <b>Nestle Water</b>  | <b>Water</b>         | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |
| Neutrogena           | Skincare             | 0            |             |             |           | 0           |
| <b>Nice n Easy</b>   | <b>Hair care</b>     | <b>0</b>     | <b>0%</b>   | <b>0</b>    | <b>0%</b> | <b>0%</b>   |
| <b>Nike</b>          | <b>Shoes</b>         | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |
| Nissan               | Car                  | 0            |             |             |           | 0           |
| Nokia                | Mobile Phone         | 7/20         | 35%         | 5/20        | 25%       | 60%         |
| Nook                 | Tablet               | 0            |             |             |           | 0           |
| <b>Nutella</b>       | <b>Food</b>          | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Nutrigrain</b>    | <b>Breakfast bar</b> | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Oatmeal Crisp</b> | <b>Cereal</b>        | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Ocean Spray</b>   | <b>Juice</b>         | <b>1/5</b>   | <b>20%</b>  | <b>0/5</b>  | <b>0%</b> | <b>20%</b>  |
| O'Charleys           | Restaurant           | 0            |             |             |           | 0           |
| <b>Oikos</b>         | <b>Yogurt</b>        | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |
| Olay                 | Skincare             | 0            |             |             |           | 0           |
| <b>Olive Garden</b>  | <b>Restaurant</b>    | <b>8/8</b>   | <b>100%</b> | <b>0/8</b>  | <b>0%</b> | <b>100%</b> |
| <b>Orbitz</b>        | <b>Website</b>       | <b>4/4</b>   | <b>100%</b> | <b>0/4</b>  | <b>0%</b> | <b>100%</b> |
| <b>Ore Ida</b>       | <b>Potatoes</b>      | <b>0/6</b>   | <b>0%</b>   | <b>0/6</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Oscar Mayer</b>   | <b>Lunch Meat</b>    | <b>0/4</b>   | <b>0%</b>   | <b>0/4</b>  | <b>0%</b> | <b>0%</b>   |
| Outback              | Restaurant           | 0            |             |             |           | 0           |
| <b>Overstock.com</b> | <b>Website</b>       | <b>0/3</b>   | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                        |                    |             |             |             |           |             |
|------------------------|--------------------|-------------|-------------|-------------|-----------|-------------|
| Oxiclean               | Detergent          | 0           |             |             |           | 0           |
| Panera                 | Restaurant         | 0           |             |             |           | 0           |
| Pantene                | Shampoo            | 0           |             |             |           | 0           |
| Payless                | Shoes              | 0           |             |             |           | 0           |
| Pedigree               | Dog Food           | 0           |             |             |           | 0           |
| Penn Station           | Restaurant         | 0           |             |             |           | 0           |
| <b>Pepsi Next</b>      | <b>Soda</b>        | <b>0/5</b>  | <b>0%</b>   | <b>0/5</b>  | <b>0%</b> | <b>0%</b>   |
| Performance Honda      | Car Dealer         | 0           |             |             |           | 0           |
| Pet Armor              | Pet Medicine       | 0           |             |             |           | 0           |
| <b>Petsmart</b>        | <b>Pet Store</b>   | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |
| Pizza Hut              | Restaurant         | 0           |             |             |           | 0           |
| <b>Planet Fitness</b>  | <b>Gym</b>         | <b>1/1</b>  | <b>100%</b> | <b>0/1</b>  | <b>0%</b> | <b>100%</b> |
| Playstation            | Videogame          | 0           |             |             |           | 0           |
| <b>Prego</b>           | <b>Pasta Sauce</b> | <b>0/3</b>  | <b>0%</b>   | <b>0/3</b>  | <b>0%</b> | <b>0%</b>   |
| <b>Progressive</b>     | <b>Insurance</b>   | <b>1/4</b>  | <b>25%</b>  | <b>0/4</b>  | <b>0%</b> | <b>25%</b>  |
| Propel                 | Water              | 0           |             |             |           | 0           |
| Purina                 | Dog Food           | 0           |             |             |           | 0           |
| Qubo                   | Kids               | 0           |             |             |           | 0           |
| Quilted Northern       | Toilet Paper       | 0           |             |             |           | 0           |
| <b>Realtors</b>        |                    | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |
| Red Lobster            | Restaurant         | 0           |             |             |           | 0           |
| Reese's                | Candy              | 0           |             |             |           | 0           |
| Regenerist             | Skincare           | 0           |             |             |           | 0           |
| <b>Remax</b>           | <b>Realtor</b>     | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b> | <b>0%</b>   |
| Rembrandt              | Skincare           | 0           |             |             |           | 0           |
| <b>Revlon</b>          | <b>Makeup</b>      | <b>0/6</b>  | <b>0%</b>   | <b>0/6</b>  | <b>0%</b> | <b>0%</b>   |
| Rimmel                 | Makeup             | 0           |             |             |           | 0           |
| ROC                    | Skincare           | 0           |             |             |           | 0           |
| <b>Royal Caribbean</b> | <b>Vacation</b>    | <b>0/18</b> | <b>0%</b>   | <b>0/18</b> | <b>0%</b> | <b>0%</b>   |
| Ruby Tuesday           | Restaurant         | 0           |             | 0           |           | 0           |
| Safe auto              | Insurance          | 0/1         | 0%          | 0/1         | 0%        | 0%          |
| Sally Hansen           | Beauty Supplies    | 0           |             |             |           | 0           |
| <b>Samsung</b>         | <b>Technology</b>  | <b>3/11</b> | <b>27%</b>  | <b>0/11</b> | <b>0%</b> | <b>27%</b>  |
| Schick Hydro           | Razor              | 0           |             |             |           | 0           |
| Scion                  | Car                | 0           |             |             |           | 0           |
| <b>Sears</b>           | <b>Store</b>       | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b> | <b>0%</b>   |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                            |                      |             |             |             |             |             |
|----------------------------|----------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Seven Up</b>            | <b>Soda</b>          | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| Shingles                   | PSA                  | 0           |             |             |             | 0           |
| Sierra Mist                | Soda                 | 0           |             |             |             | 0           |
| <b>Silk</b>                | <b>Soy Milk</b>      | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Snickers</b>            | <b>Candy Bar</b>     | <b>4/8</b>  | <b>50%</b>  | <b>0/8</b>  | <b>0%</b>   | <b>50%</b>  |
| Special K Chips            | Snack                | 0           |             |             |             | 0           |
| Splenda                    | Sweetener            | 0           |             |             |             | 0           |
| <b>Sprint</b>              | <b>Mobile Phone</b>  | <b>0/13</b> | <b>0%</b>   | <b>0/13</b> | <b>0%</b>   | <b>0%</b>   |
| <b>Starbucks</b>           | <b>Coffee</b>        | <b>0/1</b>  | <b>0%</b>   | <b>1/1</b>  | <b>100%</b> | <b>100%</b> |
| <b>State Farm</b>          | <b>Insurance</b>     | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>   | <b>0%</b>   |
| Stayfree                   | Body care            | 0           |             |             |             | 0           |
| <b>Steak N Shake</b>       | <b>Restaurant</b>    | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Suave</b>               | <b>Hair care</b>     | <b>0/3</b>  | <b>0%</b>   | <b>0/3</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Subaru</b>              | <b>Car</b>           | <b>0/15</b> | <b>0%</b>   | <b>0/15</b> | <b>0%</b>   | <b>0%</b>   |
| Subway                     | Restaurant           | 0           |             |             |             | 0           |
| Sun Drop                   | Soda                 | 0           |             |             |             | 0           |
| <b>Swanson</b>             | <b>Food</b>          | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Swiffer</b>             | <b>Floor Cleaner</b> | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| Taco Bell                  | Restaurant           | 0           |             |             |             | 0           |
| <b>Tampax</b>              | <b>Body care</b>     | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>   | <b>0%</b>   |
| Target                     | Store                | 0           |             |             |             | 0           |
| Temptations                | Pet Food             | 0           |             |             |             | 0           |
| The Basement Guys          | Home Repair          | 0           |             |             |             | 0           |
| <b>The Christ Hospital</b> | <b>Healthcare</b>    | <b>0/1</b>  | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>   | <b>0%</b>   |
| The More You Know          | PSA                  | 0           |             |             |             | 0           |
| The Rug Gallery            | Store                | 0           |             |             |             | 0           |
| <b>Time Warner</b>         | <b>Cable</b>         | <b>4/8</b>  | <b>50%</b>  | <b>0/8</b>  | <b>0%</b>   | <b>50%</b>  |
| <b>TJ Maxx</b>             | <b>Store</b>         | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| T-Mobile                   | Mobile Phone         | 0           |             |             |             | 0           |
| Tom Gill Chevrolet         | Car Dealer           | 0           |             |             |             | 0           |
| <b>Townhouse</b>           | <b>Crackers</b>      | <b>3/6</b>  | <b>50%</b>  | <b>0/6</b>  | <b>0%</b>   | <b>50%</b>  |
| Toyota                     | Car                  | 0           |             |             |             | 0           |
| <b>Travelocity</b>         | <b>Website</b>       | <b>0/2</b>  | <b>0%</b>   | <b>0/2</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Tresemme</b>            | <b>Hair care</b>     | <b>1/2</b>  | <b>50%</b>  | <b>0/2</b>  | <b>0%</b>   | <b>50%</b>  |
| Trico                      | Windshield Wiper     | 0           |             |             |             | 0           |
| <b>Trident</b>             | <b>Gum</b>           | <b>2/2</b>  | <b>100%</b> | <b>0/2</b>  | <b>0%</b>   | <b>100%</b> |

Placement of Interracial Friendship and Intimate Relationships in TV Advertisements

|                       |                     |              |             |             |            |             |
|-----------------------|---------------------|--------------|-------------|-------------|------------|-------------|
| <b>TriHealth</b>      | <b>Healthcare</b>   | <b>1/4</b>   | <b>25%</b>  | <b>0/4</b>  | <b>0%</b>  | <b>25%</b>  |
| <b>Tropicana</b>      | <b>Juice</b>        | <b>3/5</b>   | <b>60%</b>  | <b>0/5</b>  | <b>0%</b>  | <b>60%</b>  |
| <b>TurboTax</b>       | <b>Taxes</b>        | <b>2/2</b>   | <b>100%</b> | <b>0/2</b>  | <b>0%</b>  | <b>100%</b> |
| Ultrabook             | Computer            | 0            |             |             |            | 0           |
| University of Phoenix | School              | 0            |             |             |            | 0           |
| V8                    | Drink               | 0            |             |             |            | 0           |
| Value City            | Store               | 0            |             |             |            | 0           |
| Vaseline              | Lotion              | 0            |             |             |            | 0           |
| <b>Velveeta</b>       | <b>Cheese</b>       | <b>0/1</b>   | <b>0%</b>   | <b>0/1</b>  | <b>0%</b>  | <b>0%</b>   |
| <b>Verizon</b>        | <b>Mobile Phone</b> | <b>24/24</b> | <b>100%</b> | <b>0/24</b> | <b>0%</b>  | <b>100%</b> |
| Victoria Secret       | Store               | 0            |             |             |            | 0           |
| <b>VW</b>             | <b>Car</b>          | <b>0/11</b>  | <b>0%</b>   | <b>0/11</b> | <b>0%</b>  | <b>0%</b>   |
| <b>Walgreens</b>      | <b>Store</b>        | <b>2/4</b>   | <b>50%</b>  | <b>0/4</b>  | <b>0%</b>  | <b>50%</b>  |
| Wal-Mart              | Store               | 0            |             |             |            | 0           |
| <b>Watsons</b>        | <b>Pools</b>        | <b>5/10</b>  | <b>50%</b>  | <b>0/10</b> | <b>0%</b>  | <b>50%</b>  |
| Weight Watchers       | Weight Loss         | 0            |             |             |            | 0           |
| <b>Wendy's</b>        | <b>Restaurants</b>  | <b>12/15</b> | <b>80%</b>  | <b>3/15</b> | <b>20%</b> | <b>100%</b> |
| Werthers              | Candy               | 0            |             |             |            | 0           |
| World Choir Games     | Event               | 0            |             |             |            | 0           |
| <b>Xbox Kinect</b>    | <b>Videogame</b>    | <b>9/10</b>  | <b>90%</b>  | <b>0/10</b> | <b>0%</b>  | <b>90%</b>  |
| <b>Yoplait</b>        | <b>Yogurt</b>       | <b>2/3</b>   | <b>67%</b>  | <b>0/3</b>  | <b>0%</b>  | <b>67%</b>  |
| <b>Yuengling</b>      | <b>Beer</b>         | <b>0/6</b>   | <b>0%</b>   | <b>0/6</b>  | <b>0%</b>  | <b>0%</b>   |
| Zantac                | Medicine            | 0            |             |             |            | 0           |
| <b>Zyrtec</b>         | <b>Medicine</b>     | <b>0/7</b>   | <b>0%</b>   | <b>0/7</b>  | <b>0%</b>  | <b>0%</b>   |

TABLE 2. Show Where Commercial Aired/Type of Show/Audiences

| Show                   | Type of Show | Live Viewers (by millions) | Percentage of Relationships Interracial Platonic |     | Percentage of Relationships with Interracial Romantic |     | Total |
|------------------------|--------------|----------------------------|--------------------------------------------------|-----|-------------------------------------------------------|-----|-------|
|                        |              |                            |                                                  |     |                                                       |     |       |
| NCIS                   | Drama        | 9.9                        | 2/8                                              | 25% | 0/8                                                   | 0%  | 25%   |
| Dancing With the Stars | Variety      | 9.6                        | 15/41                                            | 37% | 2/41                                                  | 5%  | 42%   |
| Dancing ...Results     | Variety      | 8.2                        | 1/13                                             | 8%  | 0/13                                                  | 0%  | 8%    |
| American Idol          | Variety      | 8.2                        | 10/23                                            | 44% | 0/23                                                  | 0%  | 44%   |
| American Idol Results  | Variety      | 7.5                        | 9/36                                             | 25% | 0/36                                                  | 0%  | 25%   |
| NCIS LA                | Drama        | 6.8                        | 6/16                                             | 38% | 0/16                                                  | 0%  | 38%   |
| The Good Wife          | Drama        | 5.7                        | 5/16                                             | 31% | 2/16                                                  | 13% | 44%   |
| Two and a Half Men     | Sitcom       | 5.7                        | 2/5                                              | 40% | 1/5                                                   | 20% | 60%   |
| Person of Interest     | Drama        | 5.3                        | 0                                                | 0%  | 0                                                     | 0%  | 0%    |
| Grey's Anatomy         | Drama        | 5.3                        | 6/22                                             | 27% | 2/22                                                  | 9%  | 36%   |
| Mike and Molly         | Sitcom       | 5.2                        | 3/6                                              | 50% | 0/6                                                   | 0%  | 50%   |
| Big Bang Theory        | Sitcom       | 5.2                        | 2/6                                              | 33% | 0/6                                                   | 0%  | 33%   |
| The Voice              | Variety      | 5                          | 6/20                                             | 30% | 2/20                                                  | 20% | 50%   |
| Criminal Minds         | Drama        | 4.7                        | 2/4                                              | 50% | 1/4                                                   | 25% | 75%   |
| The Amazing Race       | Reality      | 4.6                        | 7/14                                             | 50% | 0/14                                                  | 0%  | 50%   |
| Modern Family          | Sitcom       | 4.6                        | 5/8                                              | 63% | 0/8                                                   | 0%  | 63%   |
| Harry's Law            | Drama        | 4.5                        | 2/4                                              | 50% | 1/4                                                   | 25% | 75%   |
| Survivor               | Reality      | 4.4                        | 3/10                                             | 30% | 1/10                                                  | 10% | 40%   |
| Two Girls              | Sitcom       | 4.2                        | 2/4                                              | 50% | ¼                                                     | 25% | 75%   |
| Rules of Engagement    | Sitcom       | 4.1                        | 3/13                                             | 23% | 1/13                                                  | 8%  | 31%   |
| Missing                | Drama        | 4                          | 7/24                                             | 29% | 5/24                                                  | 21% | 50%   |
| CSI NY                 | Drama        | 4                          | 6/20                                             | 30% | 1/20                                                  | 5%  | 35%   |
| The Apprentice         | Reality      | 3.7                        | 6/12                                             | 50% | 0/12                                                  | 0%  | 50%   |
| Bones                  | Drama        | 3.6                        | 5/16                                             | 31% | 2/16                                                  | 13% | 44%   |
| Don't Trust the B      | Sitcom       | 3.6                        | 6/11                                             | 55% | 1/11                                                  | 9%  | 64%   |
| How I Met Your Mother  | Sitcom       | 3.5                        | 1/4                                              | 25% | ¼                                                     | 25% | 50%   |
| The Biggest Loser      | Reality      | 3.5                        | 8/19                                             | 42% | 2/19                                                  | 11% | 53%   |
| Last Man Standing      | Sitcom       | 3.4                        | 2/13                                             | 15% | 1/13                                                  | 8%  | 23%   |
| Suburgatory            | Sitcom       | 3.2                        | 3/8                                              | 38% | 1/8                                                   | 13% | 51%   |
| Off Their Rockers      | Variety      | 3.2                        | 3/11                                             | 27% | 1/11                                                  | 9%  | 36%   |

|                                |         |     |      |      |      |     |      |
|--------------------------------|---------|-----|------|------|------|-----|------|
| <b>House</b>                   | Drama   | 2.9 | 2/11 | 18%  | 1/11 | 9%  | 27%  |
| <b>The Middle</b>              | Sitcom  | 2.9 | 5/11 | 46%  | 1/11 | 9%  | 55%  |
| <b>Shark Tank</b>              | Reality | 2.9 | 4/16 | 25%  | 1/16 | 6%  | 31%  |
| <b>Glee</b>                    | Drama   | 2.8 | 7/21 | 33%  | 1/21 | 5%  | 38%  |
| <b>What Would You Do</b>       | Reality | 2.7 | 2/8  | 25%  | 0/8  | 0%  | 25%  |
| <b>Hawaii 5-0</b>              | Drama   | 2.7 | 7/19 | 37%  | 2/19 | 11% | 48%  |
| <b>GCB</b>                     | Sitcom  | 2.6 | 3/11 | 27%  | 1/11 | 9%  | 36%  |
| <b>Who Do You Think You</b>    | Reality | 2.6 | 7/18 | 39%  | 2/18 | 11% | 50%  |
| <b>Mike and Molly Replay</b>   | Sitcom  | 2.6 | 5/14 | 36%  | 0/14 | 0%  | 36%  |
| <b>Simpsons</b>                | Cartoon | 2.5 | 2/7  | 29%  | 1/7  | 14% | 43%  |
| <b>Family Guy</b>              | Cartoon | 2.5 | 6/16 | 38%  | 2/16 | 13% | 51%  |
| <b>Once Upon a Time</b>        | Drama   | 2.5 | 7/17 | 41%  | 0/17 | 0%  | 41%  |
| <b>Cougartown</b>              | Sitcom  | 2.5 | 5/12 | 42%  | 1/12 | 8%  | 50%  |
| <b>The Cleveland Show</b>      | Cartoon | 2.4 | 7/11 | 64%  | 0/11 | 0%  | 64%  |
| <b>New Girl</b>                | Drama   | 2.4 | 4/8  | 50%  | 1/8  | 13% | 63%  |
| <b>Grimm</b>                   | Drama   | 2.3 | 6/20 | 30%  | 0/20 | 0%  | 30%  |
| <b>The Finder</b>              | Drama   | 2.3 | 8/18 | 44%  | 1/18 | 6%  | 50%  |
| <b>CSI Replay</b>              | Drama   | 2.3 | 6/16 | 38%  | 0/16 | 0%  | 38%  |
| <b>Rules of Engage. Replay</b> | Sitcom  | 2.1 | 4/13 | 31%  | 1/13 | 8%  | 39%  |
| <b>Bob's Burgers</b>           | Cartoon | 2   | 5/7  | 71%  | 0/7  | 0%  | 71%  |
| <b>The Office</b>              | Sitcom  | 2   | 1/1  | 100% | 0/1  | 0%  | 100% |
| <b>20/20</b>                   | News    | 2   | 1/9  | 11%  | 1/9  | 11% | 22%  |
| <b>Raising Hope</b>            | Sitcom  | 1.9 | 1/6  | 17%  | 1/6  | 17% | 34%  |
| <b>Shark Tank Replay</b>       | Reality | 1.8 | 1/9  | 11%  | 1/9  | 11% | 22%  |
| <b>Parks and Rec</b>           | Sitcom  | 1.7 | 4/9  | 44%  | 1/9  | 11% | 55%  |
| <b>America's Most Wanted</b>   | News    | 1.7 | 8/20 | 40%  | 1/20 | 5%  | 45%  |
| <b>BFF</b>                     | Sitcom  | 1.6 | 3/6  | 50%  | 0/6  | 0%  | 50%  |
| <b>Rock Center</b>             | News    | 1.6 | 4/13 | 31%  | 2/13 | 15% | 46%  |
| <b>30 Rock</b>                 | Sitcom  | 1.5 | 2/10 | 20%  | 2/10 | 20% | 40%  |
| <b>Fringe</b>                  | Drama   | 1.5 | 4/10 | 40%  | 0/10 | 0%  | 40%  |
| <b>Community</b>               | Sitcom  | 1.4 | 2/5  | 40%  | 0/5  | 0%  | 40%  |
| <b>The Firm</b>                | Drama   | .97 | 2/7  | 29%  | 0/7  | 0%  | 29%  |
| <b>Escape Routes</b>           | Reality | .66 | 5/17 | 29%  | 0/17 | 0%  | 29%  |

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## Political Communication in Ghana

### A Case of Secret Tapes, Serial Callers and Foul Language and How Ghana Avoided a Post-Election Civil War in December

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*Elections in Africa have generally increased the likelihood of violence against civilians, as lower intensity conflicts have become the norm. While as Ghana has been touted as an example of democracy in Africa, other West African countries have been confronted with post electoral violence and conflict risks over the past four decades.*

*Acute economic inequality, the many ethnic groupings, and fervent debates on citizenship and 'true nationality' coupled with the North Muslim/ South Christian divides, have been the ingredients for post-election conflicts resulting in civil wars.*

*Ghana recently (December 7, 2012) held its presidential and parliamentary elections amid fears that the once stable nation might scale into election violence due particularly to the new phenomenon of the release of disturbing secretly recorded speeches of prominent political figures, the emergence of serial callers, and the use of foul language and insults on the air waves. Despite the visible presence of these ingredients that have ignited conflicts and wars elsewhere, Ghana came clean.*

*This paper will explore the new phenomenon in Ghanaian politics, (i.e. political rhetoric in media reports), look at the links between rhetoric, semantics and democracy, by analyzing the ways in which media reports in Ghana have used rhetoric to further political interests and influence politics. Drawing upon one of the soft and less obvious aspects of peace, the paper shall draw attention to how the 'language power' of news was crafted by the mass media to promote political views and influence public opinion. It shall then find out why, despite the worrisome situation created by the media, the nation went through the elections unscathed.*

**Keywords:** Political rhetoric, Semantics, Democracy, Elections, Ghana, Africa, Peace, Mass media, Public Opinion

**Paper Type:** Case study

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## Promoting Employee Relations in Challenging Times

### ABC- Association of Business Communication

#### Panel Discussion 2013

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**Background:** *The workplace of today has changed in terms of human resources and expectations for doing more with less. Commonly held employee attitudes of uncertainty, cynicism, and distrust of management can lead to feelings of alienation and disconnectedness from the employer's goals and initiatives. A focus on employee communication efforts can improve workplace attitudes, commitment, and productivity.*

**Purpose:** *The session will involve comment and discussion on various aspects of improving employee relations through effective communication. Topics addressed will include issues related to strategic and personal communications within the organization, motivation of employees, cultural issues in employee relations, and aligning identity with the external image of the organization.*

**Session Description:** *A panel of three ABC members will make opening remarks about the topic and respond to questions posed by the moderator as well as from the audience.*

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## Public Relations in Vietnam

### Examining How Activists Won and a Corporation Lost in a Complex Media Environment

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*This study sought to understand how public relations is practiced in contemporary Vietnam. A controversial case in which the multinational corporation Vedan faced off against Vietnamese fish farmer-activists was examined. Two research questions were explored. The first was what crisis communication tactics did Vedan use to challenge from the farmer activists? The second question was what public relations tactics did the farmer activists use to challenge Vedan? Findings reveal that Vedan relied on denial, justification, excuse, mitigation, concession, and restitution as tactics. The farmer activists utilized boycott and threat of lawsuit as tactics. Although the findings shed some light on the practice of public relations in the country, care must be taken before generalizing to the wider public relations context in Vietnam. This is because in this case, the farmer activists had significant support from the authorities in their struggle against Vedan.*

**Keywords:** *Activism, Crisis communication, Vietnam*

Vietnam is one of the last frontiers of public relations. It was not until the 1990s that public relations agencies started emerging in the country (Mc Kinney, 2000). Although Vietnam's public relations sector is fast growing, there are very few in-depth English language studies of it. The lack of knowledge regarding public relations in Vietnam requires addressing. Experts predict that by 2050, Vietnam will be the 19<sup>th</sup> largest economy in the world (PricewaterhouseCoopers, 2013). Foreign corporations, non-profit organizations, governments, and others will increasingly need to understand Vietnam's public relations landscape. This study aims to provide that insight.

To provide insight on Vietnam's public relations landscape, our study examines a case in which several Vietnamese fish farmers used public relations tactics in their struggle against a multinational enterprise that polluted a river. The case is intriguing because the farmer activists won and forced the multinational to pay. In other countries, this would not be big news; however, Vietnam is complex for activists. All media sources in the country are government controlled. Social media users and those seeking to hold physical demonstrations have to abide by strict regulations. Like many emerging countries, Vietnam is struggling with how to open to be as it faces significant social-economic changes.

How were the farmers able to achieve a public relations victory while operating in this environment? This is the question we examine in our study. Through a content analysis of Vietnamese newspapers, online news sources, social media, and other sources, we explore the complex environment in which activists practice public relations in Vietnam. Our findings provide insight on the public relations activism and crisis communication in the country.

### *Public Relations in Vietnam*

Public relations is a relatively new phenomenon in Vietnam. The first comprehensive study of public relations in the country was by McKinney (2000). He noted that the first public relations agency of significant stature in the country was the Public Relations Bicultural Consulting organization. This firm, known as the Public Relations Bicultural Consulting Organization, started operations in 1995 and served clients such as AT&T and Oracle. The firm's expertise included media relations, cultural training, and special events management.

McKinney (2000) noted that at the time, most people in Vietnam viewed public relations as guest relations aimed at improving relationships with difficult clients and as a reactive rather than proactive tool. Traditional tools of public relations such as news releases and newsletters were not widely utilized and their value not well understood by practitioners.

A second comprehensive look at public relations in the country was by McKinney (2006). In the six years since the first study, Vietnam had experienced a significant transformation. Foreign investment in the country had ballooned as the government thawed relations with the United States and allowed various multinationals to set up in the country. A once isolated country had emerged to be a fast growing economy in the world. The public relations landscape that he found in 2006 was one populated by eleven public relations agencies and several corporate public relations departments. Despite this growth, he found several challenges facing public relations in the country. First, many people viewed public relations simply as free advertising. Second, many viewed public relations as event planning and entertainment for officials. Third, some journalists expected public relations agencies to pay bribes for coverage.

In 2013, the public relations landscape has significantly altered. The largest global public relations multinational agencies (e.g., Edelman, Ogilvy, and Burson Marsteller) have operations in Vietnam. There are over 200 public relations agencies in the country as well (IPRA, 2013). Multinationals and local organizations have also established public relations departments.

### *The media and activist landscape in Vietnam*

While Vietnam has experienced significant economic liberalization and foreign investment, such transformation has not been seen in the realm of media. All major print and broadcast media outlets in the country are owned and controlled by the government. Editors often confer with government officials who ensure that coverage is not disruptive.

### *The case of Vedan*

Little has been written, by outsiders and Vietnam residents, on how public relations is practiced in the country. This study addresses this gap by examining a case involving the multinational corporation Vedan and Vietnamese farmer activists. This case was chosen because it has the parts of an interesting public relations case: a corporation accused of wrongdoing, upset activists, the media, and government regulators. The case also has an interesting twist: at the end, it is the activists who win. This quote from Radio Australia highlights the outcome of the case:

Multi-million compensation for Vietnam fish farmers: In what is being described as a landmark case, a Taiwanese owned manufacturer has made an out of court settlement

with thousands of Vietnamese farmers who claim pollution caused by the firm significantly effected their livelihoods (Radio Australia, 2010).

What intrigued us was how, in a country where media and activism are under significant curbs, the farmers were able to achieve a public relations victory over a multinational. Prior to discussing how we examined the case, we will provide some background for the reader.

Founded in 1954, Vedan is a Taiwanese multinational that produces food condiments. The company's main product is the flavor enhancer MSG. It has 3,765 employees and in 2011, it had \$336 million in revenues (Financial Times, 2013).

In the 1990s, Vedan was among the first group of foreign firms granted permission to operate in Vietnam. The company quickly grew and established 4 plants across the country, one that is the world's largest producer of MSG. The company was a major contributor to Vietnam that in 2002, it was named an outstanding taxpayer (Nguyen & Pham, 2012).

Vedan's tenure in Vietnam was troubled from the start. Nguyen and Pham (2012) explained that in 1994, farmers near the Thi Vai River began to complain that Vedan's plant was harming the river. A government agency, the Dong Nai Department of Science, Technology, and Environment, investigated and found Vedan to be at fault. The company was ordered to reduce pollution levels. The company ignored this request for years. In 2007, Vedan was again warned that it was seriously damaging the river but the company failed to respond. In 2008, investigators from the Environmental Protection Department of Vietnam Environment Police Office and Vietnam Environment Administration discovered that the company was using a hidden tunnel to discharge untreated waste into the river.

Frustrated by Vedan's lack of action, the government ordered it to pay compensation to farmers in three provinces (Vung Tau, Dong Nai, and Ho Chi Minh City). At first, Vedan refused to pay by arguing that the farmers lacked operational licenses and the time to file compensation has passed. Pressured, the company relented and initially offered about US \$335,000 to each community. Faced with outcry that this sum was unreasonable, they gradually relented and offered about US\$716,000. This was also met by an additional outcry and the company refused to budge except to offer about US\$1,430,000 to Vung Tau while the offers to the other communities remained unchanged. Faced with this refusal to pay adequate compensation, the government authorities shifted their efforts and allowed the farmers to spearhead a public relations campaign against the company (Nguyen & Pham, 2012). This paper examines the campaign conducted by the farmers (their supporters) against Vedan and by the company against the farmers (and their supporters). These campaigns shed light on the nature of public relations, crisis communication, and activist public relations in the country.

### **Literature Review**

The communication carried out in the campaign between the farmers and Vedan is forms of crisis communication and activist public relations. For Vedan, it was crisis communication to counter opposition that could lead to a high payout to the farmers. For the farmers, it was activist public relations aimed at preventing Vedan from avoiding paying adequate compensation.

### *Crisis Communication*

Scholars have made significant progress in developing models of crisis communication. These models outline the different ways organizations communicate during a crisis and also recommend particular approaches that should be implemented during a crisis. In order to understand the development of crisis communication as a field of thought, it is important to make a distinction between organizational communication scholars (the pioneers of crisis communication theory) and public relations scholars (currently the group that is focused on enhancing crisis communication theory).

The scholars who exemplify the organizational communication paradigm are Steven Fink, David Sturges, and Ian Mitroff. A common view in the works of Fink, Sturges, and Mitroff is that crises occur in stages. Fink (1986) argued that a crisis has four stages. Prodormal stage is one in which the hints of a crisis emerge. Acute stage is when the event triggering the crisis occurs. Chronic stage is when the crisis lingers and efforts to resolve occur. Resolution stage is one in which the crisis is no longer an issue to an organization and its stakeholders.

Sturges (1994) expanded on Fink's model and outlined the type of communication that is necessary at each crisis stage. He argued that at the acute phase, stakeholders are unaware of what is going on. Hence, they require information on how the crisis impacts them and how they should take measures to avoid adverse effects. When at the resolution stage, an organization can provide stakeholders with information aimed at repairing the organization's reputation.

Mitroff (1994) said that crises have five stages. A signal detection stage is when warning signs should be identified and measures should be taken to avoid a crisis. A probing and prevention stage is when the organization searches for "known risk factors and works to reduce their potential for harm" (Coombs, 2007, p. 15). Damage containment stage is when an organization attempts to prevent the crisis from reaching unaffected parts of the organization. Recovery stage is when the emphasis is on returning operations back to normal quickly. Learning stage is when the crisis is reviewed and lessons learned are added to the organization's memory. Scholars who exemplify the public relations tradition are James Grunig, Todd Hunt, Glen Cameron, and Timothy Coombs. Grunig's excellence theory states that during a crisis, an organization can communicate in three key ways: press-agentry, two-way asymmetry, and two-way symmetry.

Press agentry communication campaigns are crafted without consulting affected publics and are filled with exaggerations, lies, and half-truths. In the two-way asymmetric approach, communicators use research to find better ways of manipulating publics. An example of the two-way asymmetric approach is a company that holds public hearings to discuss how to handle a crisis. The company leaders use the meetings to solicit feedback that they can use to push their own agenda through a public relations campaign. When faced with criticism, the company leaders only make minor changes aimed to appease publics. However, on critical topics where publics express dissent, the company leaders refuse to listen. The meetings are a publicity stunt to gain legitimacy and a means of learning how to exploit the weaknesses of publics.

A third approach advocated by Grunig is the two-way symmetry/mixed-motives approach to communication. An example of two-way symmetry is when a company's leaders make a genuine effort to engage in dialogue with publics prior to carrying out a merger. The goal of meeting with the public is to find a balance between what the company wants and what various publics (e.g.

residents, business owners, non-profits) want. An example of the two-way symmetry/mixed motives approach is a company that holds public hearings where input from publics is seriously considered and used to develop a crisis response process that attempts to meet the needs of everyone. When faced with criticism from dissenters, the company's leaders attempt to make substantive changes that balance their own interests with those of various publics.

Cameron et al. (1997) argued that in a crisis, practitioners cannot be effective if they are limited to only responding in a two-way symmetrical manner. He argues that in order for public relations practitioners to effectively manage crises, a contingency approach (which allows public relations practitioners a variety of ways to respond) should be adopted. Cameron's criticism of the excellence theory can be summarized as follows: whether the two-way symmetrical approach is the most ethical and effective approach to dealing with crises depends on context. Cameron notes that publics differ. In some cases, publics may hold extremely radical views that most in society find repugnant. In this case, engaging them in a dialogue during a crisis may not be the best strategy. Hence, Cameron emphasized a more sophisticated understanding of dialogue and accommodation than what he saw in the excellence theory. He argued that:

The practice of public relations is too complex, too fluid, and impinged by far too many variables for the academy to force it into the four boxes known as the four models of public relations. Even worse, to promulgate one of the four boxes as the best and most effective model not only tortures the reality of practicing public relations but has problems, even as a normative theory. It fails to capture the complexity and multiplicity of the public relations environment. (Cameron et al., 1997, p.32)

In contrast to the excellence approach, Cameron has advocated the contingency approach to crisis communication. The key tenet of the contingency approach is how an organization responds to a crisis should depend on the context: An organization's choices to responding to crises should be seen as existing on a continuum. On this continuum there exist approaches that are more accommodating or less accommodating (advocacy) depending on the situation and the publics being dealt with. In some cases, it might be ethical to accommodate and while in other cases, it might be ethical to resist accommodation (e.g. when dealing with an organization most view as morally repugnant) (Jin et al., 2006).

Grunig and his colleagues have responded to Cameron's criticism by further clarifying the excellence theory. They argued that the excellence theory does not mean an organization has to accommodate at all times, at all costs. Instead, they argue that the excellence theory should be viewed as a mixed motives approach: an organization can engage in asymmetrical tactics (e.g. pure advocacy) as long as the overall goal of the communication efforts is two-way symmetrical dialogue. It is okay, during a crisis, to avoid dialogue with an antagonist group. However, the avoidance of dialogue should be (overall) aimed at creating conditions favorable for dialogue. The excellence theory, according to Grunig et al. (2002), does not mean capitulating your interests into the hands of unreasonable publics. However, organizations should not use crises as excuses to engage in unilateral actions that harm others. The overall goal of a crisis communication program should be dialogue; asymmetrical tactics can be used to achieve this state of dialogue (Cameron, et al., 1997).

Timothy Coombs' work is an attempt to get beyond the intellectual battles between the excellence theory approach and the contingency approach. His work can be described as an attempt to take the best ideas from public relations scholars' writings on crisis as well as

organizational/managerial communication scholar's writings on crisis and combine them into a concise public relations theory of crisis communication.

Coombs' (2007) Situational Crisis Communication Theory exhibits characteristics from both the managerial/organizational communication perspective and the public relations perspective. The managerial/organizational perspective can be seen in the fact that he divides crises into stages. Coombs argues that the first stage of a crisis is the pre-crisis. The pre-crisis is further divided into three substages: (a) the signal detection stage when a crisis manager should develop a system for detecting potential crises and responding to them, (b) the prevention stage when steps are taken to eliminate or lower risk levels, (c) the preparation stage is when vulnerabilities are identified and communication systems are set up to deal with a potential crisis.

Coombs second stage of a crisis, the crisis event, is split into two subcategories: (a) crisis recognition is when an organization realizes a crisis is occurring, and (b) crisis containment occurs when the organization takes steps to communicate with publics and contain the crisis. Coombs third stage of crisis, post-crisis, entails making sure the crisis is truly over, ensuring that stakeholders have a positive view of the organization, and working to make the organization better prepared for future crises.

Coombs, adopting from Cameron's contingency approach and Grunig's mixed-motives approach, argues that how an organization responds to a crisis should be based on contextual variables. Coombs argues that crises fall into three major clusters. In the victim cluster are crises where the organization has the least responsibility. These include natural disasters, rumors, workplace violence, and external product tampering.

The second cluster, the accident cluster, is crises such as product recall, accidents, or breakdowns where the organization has moderate responsibility for the crisis. The third cluster, the preventable crisis cluster, is crises where the organization has significant blame. These include intentional human errors, malfeasance, and other organizational misdeeds.

According to Coombs, the type of crisis an organization is facing should shape how an organization responds. Coombs identified three key strategies to dealing with crises: deny, diminish and rebuild. Managers should use "crisis response strategies with the requisite level of accepting crisis responsibility" (p. 172). In a victim situation, organizations should use the deny strategy. When facing an accident situation, organizations should use the diminish strategy. When facing a preventable situation, an organization should use the rebuild strategy.

Coombs and Grunig exemplify a fundamental shift in the view of what role an organization should play in crisis communication. In Fink, Sturges, and Mitroff (the older scholars) the emphasis is primarily on how an organization can regain order and control after a crisis. The organization is the center in these approaches. The emphasis is on categorizing crises, crisis stages, and trying to predict how to best respond to future crises. The organization is central and a key emphasis is on maintaining control by trying to categorize crisis stages and explaining how the organization can repair its reputation using various tactics.

Grunig and Coombs' work, however, is an attempt to decenter the organization in the crisis communication process. Instead of regaining control, maintaining order, and protecting those with power, Grunig and Coombs posit that crisis communication should be used to alleviate the

suffering of stakeholders. The voices heard in the crisis communication process should not be just those of the organization but also those of various stakeholders. Grunig and Coombs attempt to move crisis communication away from an organization-centric perspective and toward a perspective that equally values multiple stakeholder perspectives.

### *Activism*

The literature on activism in public relations is extensive and in many cases it intersects with literature on crisis communication. Below, we focus primarily on the key issues that have emerged in this research. The most comprehensive summary of activism literature in public relations research can be found in Smith and Ferguson (2001) and Smith and Ferguson (2010).

In these articles, they focused on three areas relevant to our study: (a) how activist groups form and develop; (b) the goals of activists when using public relations; (c) and the tactics they use to achieve those goals. Smith and Ferguson (2001) argued that there are two primary perspectives regarding how activists develop and form. The first is the macro-level perspective which argues that a country's system of government, political climate, media, and culture provide the conditions necessary for activism. Research in this perspective has noted that a media environment that is challenging and contains cultural values that favor freedom of expression as well as distribution of power are conducive to the development of public relations. The second perspective, the publics perspectives, argues that how people perceive a problem, how close they think a problem is to their lives and how they view their ability to affect change shapes how activist groups are formed and how they act.

In regards to the goals of activist groups when using public relations, the authors note that there are two primary goals. First, when activist groups use public relations, they focus on rectifying some issue that needs to be resolved. For example, animal rights groups use public relations to draw attention to maltreatment of animals while forest protection groups use it to highlight the dangers of illegal logging. A second goal when using public relations is to recruit volunteer, raise funds, and carry out other activities to maintain the organization. Activist groups needs various resources to survive (e.g., donations, employees, volunteers, grants) and public relations is a tool they use to obtain these resources.

The tactics activists use to achieve their goals are multifaceted. The authors noted the best way to understand these tactics is to view them as existing on a continuum. On one part of the continuum there are informational tactics (e.g., gaining news coverage) and on the other part are those that are more confrontational (e.g., sit-ins, blocking traffic). On this continuum There also can be found tactics that are legalistic (e.g., filing petitions, lawsuits), organizational (e.g., distributing leaflets), and symbolic (e.g., boycotts).

### *Research questions*

The project outlined in this paper is set to shed light on the nature of public relations in Vietnam by examining a case in which farmer activists challenged a multinational corporation. The following research questions were drafted:

R1: *What crisis communication tactics did Vedan use to challenge the farmer activist group?* This question sought to understand how organizations carry out crisis communication in Vietnam's unique environment.

R2: *What public relations tactics did the farmer activists use to challenge Vedan?* This question sought to understand how the farmer activist group carried out activist public relations in Vietnam's unique environment.

## **Method**

The questions were investigated through qualitative content analysis. A qualitative approach was chosen because, prior to the project, the researchers had limited ideas on what themes or categories would emerge from the analysis. Qualitative methods are appropriate when researchers do not know beforehand what will be found in the research and interested in generating data rich in detail (Maxwell, 1996). In addition, a qualitative approach was chosen because, as Fields (1995) explained, quantitative approaches are more appropriate for tests for "statistical significance while qualitative approaches are more concerned with developing data that can be interpreted for theoretical significance (p.1)."

### *Data collection*

The data collection procedure was as follows. The researchers began by establishing units of collection. In this case, the researchers settled on two units of collection: news articles and social media postings (e.g. blog posts, forum posts). These units were chosen because they best shed light on how Vedan and the farmer activist group carried out their campaigns. In the second part of the data collection, the researchers used the following databases to identify relevant units: Google, Lexis Nexis, Factiva, Technorati Blog Search, and Google Blog Search. In addition, the websites of major news websites in Vietnam were examined. When a relevant unit was identified on each source, the researchers made notes of what the content contained, what message was being conveyed, and then began to develop rudimentary categories from the notes.

Data analysis was conducted using the framework suggested by Miles and Huberman (1994). This framework contains four key steps: data reduction, data display, conclusion drawing, and verification. While analyzing content, the researchers were concurrently selecting, summarizing, and clustering data into categories. After each session of examining content, the researchers wrote a brief summary regarding the data collecting process, their personal reactions to what was happening, and common patterns or categories that they felt were emerging in the data being collected. After taking notes on all the relevant units, the researchers proceeded to conduct data display. This entailed turning data into graphs, charts, and network maps that help facilitate conclusion drawing.

In the conclusion drawing stage, the researchers interpreted the meaning of the data collected. They reviewed the notes on the content and examined the data displays. From this review, the drawn conclusions regarding the questions were explored. In the verification stage the researchers shared findings with fellow colleagues who study a similar topic in order to gain insight regarding whether they agree with his conclusions.

## Findings

*RQ1: What crisis communication tactics did Vedan use to challenge the farmer activist groups?*

Faced with opposition from activist groups, Vedan relied on six primary tactics: denial, justification, excuse, mitigation, concession, and restitution. Denial occurs when an organization tries not to accept blame and instead claims that the problem doesn't exist, or didn't occur, or if it does exist, it is not related to the organization. Examples of denial include pleading innocence or shifting blame to others (Smith, 2005).

Vedan exhibited denial early on in the crisis. When confronted with evidence showing it had been polluting a critical river, the company stated to Vietnam's Water Resources Management Agency that the water it was pumping into the river was actually clean and that others might be to blame for the pollution. This excerpt from *Lookatvietnam.com* exemplifies this denial approach:

Ko Chung Chih, Administrative Manager of Vedan, told an online newspaper that Vedan is not the only company discharging waste water into the Thi Vai River; many industrial zones don't have waste water treatment systems. "Perhaps we are a big company so we are being handled as an example," he said (Lookatvietnam, 2008).

Faced with a large body of evidence from activists and government officials, Vedan shifted from denial to attack. When attacking, Vedan questioned the scientific credentials of those accusing it of pollution. An attack strategy often focuses on portraying the accuser as negligent (Smith, 2005). This excerpt from the *Sai Gon Giai Phong* newspaper illustrates how Vedan attacked the credibility of the evidence against it:

Taiwanese MSG-maker Vedan once again dismissed research by the Institute for Natural Resources and Environment presented at a December 7 meeting showing the company was responsible for millions of dollars in losses to southern residents.

Vedan disagrees with the institute's findings on how much farmers in the provinces of Dong Nai and Ba Ria-Vung Tau have suffered financially due to wastewater discharge from the company.

Vedan representatives argue that the research was conducted in February 2008, while the company was only discovered releasing untreated effluent in September of that year (*Sai Gon Giai Phong Daily*, 2009).

This attack approach can be seen in an article on the fishing blog *The Fish Site*:

Vedan Vietnam's representative, lawyer Hoang Nhu Vinh, dismissed that Dong Nai's claim of compensation as based on Institute for Environment and Natural Resources data that lacks scientific grounds and has not been verified. He stated the information should only be used for reference.

Vedan also added that the data on losses to farmers in Ba Ria -Vung Tau and HCM City provided by the institute is groundless (*The Fish Site*, 2010)

When the attack strategy failed, Vedan shifted to excuse-mitigation strategies. An excuse strategy occurs when an organization tries to minimize its' responsibility for the harm or wrongdoing while mitigation is an admission that a problem occurred but that blame is lessened because of

another factor (Smith, 2005). An example of excuses and mitigation can be seen in this excerpt from *myvietnamnews.com* where Vedan only takes partial blame for the pollution. “The amount of pollution that Vedan contributed to the Thi Vai River in the southern province of Dong Nai accounted for just 65 percent of the total damage to the area,” a company representative said on March 16 (Myvietnamnews, 2010).

This argument that Vedan was only responsible for a partial part of the pollution can also be seen in this article on the *talkvietnam.com* website:

Taiwanese company Vedan sent a scientist to a conference on Tuesday in Ba Ria-Vung Tau to claim less responsibility for the pollution of the Thi Vai River....

Lee Ken, a Taiwanese professor representing the company that produces monosodium glutamate (MSG), said at the conference that the industrial zones along the Thi Vai and its tributaries such as Go Dau, Nhon Trach 2, Phu My 1 and My Xuan A are also responsible for the pollution (Nguyen, 2010).

Excuses and mitigation also failed. Vedan, recognizing that it could not continue to avoid accepting responsibility for the pollution, shifted to concession. A diversionary strategy, concession occurs when organization tries to rebuild its relationships with an aggrieved public by giving a little bit of something they want (Smith, 2005). Vedan conceded to compensate the fish farmers. However, Vedan’s approach to compensation was not a full admission of responsibility. When determining concession rates, the company attempted give as little as possible to the farmers. This excerpt from *Vietnamnews.vn* exemplifies this approach:

Taiwanese MSG maker Vedan, which discharged untreated wastewater into the southern Thi Vai River two years ago, has raised its compensation offer to complaining farmers.

But the offer of VND130 billion (US\$6.8 million), revealed by the company’s lawyer Hoang Nhu Vinh yesterday, is just slightly more than half the VND218 billion (\$11.5million) the farmers want (Vietnam News, 2010).

The farmers, however, refused to accept what they viewed as low compensation. This excerpt from the *Sài Gòn Giải Phóng newspapers* showcases the farmers’ refusal:

Farmers reject latest offer from Vedan: The Ho Chi Minh City Farmers' Association and related departments agreed July 22 that the VND16 billion (US\$800,000) offered by Taiwanese MSG producer Vedan was inadequate compensation for economic damages the company caused to farmers in Can Gio District (Minh, 2010).

Faced with this refusal to accept compensation, Vedan proceeded by refusing to budge and then slowly upping the amount it would offer the farmers. For several months, the company shifted its’ position slowly as it conceded to add more money. This approach not only angered the farmers but also the Vietnamese government. Vedan, in its refusal to rectify the pollution problem, found itself at loggerheads with various agencies in Vietnam’s government. The case began to gain global coverage and showed the Vietnamese government at a loss on how to handle large polluters. The *China Post* article exemplifies international media coverage which showed Vedan as strongly defying the Vietnam’s government:

Talks on Tuesday between the company and the government’s Institute of Natural Resources and Environment, which represents the farmers, failed to make progress. The

government says Vedan owes affected farmers US\$2.9 million, while the company says compensation should be US\$113,000.

“The reason Vedan can't accept that compensation is that the Vietnamese side has not complied with what was agreed” at two prior meetings in December and January, said Hoang Nhu Vinh, Vedan's lawyer (The China Post, 2010)

Vedan's willingness to challenge the government proved to be its folly. Faced with an intransigent multinational, Vietnam's Minister Environment and Natural Resources called for a unified effort to confront Vedan. The following excerpt from *info.vn* illustrates these efforts:

The Minister of Environment and Natural Resources has urged agencies to ensure victory in a lawsuit against river polluter Vedan. The Minister of Environment and Natural Resources has asked all concerned agencies to try to ensure victory in the lawsuit against Taiwanese river polluter Vedan.

Minister Nguyen described Vedan Vietnam's compensatory offers as “too low and not satisfactory.” As a result, he said, the farmers and provincial agencies have “unanimously” agreed to sue the company.

Minister Nguyen went on to say that Vedan has not been serious in compensating the farmers. Vedan has not been cooperative, he said, and has deliberately delayed and prolonged the case without good reason.

“We have to be determined that as long as we sue, we win and win the way the farmers have hoped for,” Minister Nguyen said during a July 28 meeting with representatives from Ho Chi Minh City, Dong Nai and Ba Ria-Vung Tau provinces (Info.vn, 2010)

*R2: What public relations tactics did the farmer activist group use to challenge Vedan?*

The farmers' public relations efforts were implemented when Vedan decided to battle against paying what it saw as excessive compensation. Vietnam's government officials, frustrated at Vedan's intransigence, essentially gave the farmers leeway to wage a public relations campaign against the corporation. Two primary tactics were utilized by the farmers and businesses: boycott and lawsuit.

The boycott that the businesses implemented was unique. Most boycotts entail consumers refusing an organization's products and activists calling on retailers/consumers to avoid a company's products. However, in this case, the significant amount of negative publicity convinced retailers that it was bad business to sell Vedan products. The farmers did not directly call for a boycott. At the same time, the farmers did not discourage the boycott. The negative media coverage and potential for a consumer backlash convinced the major grocery stores in Vietnam to stop stocking Vedan products. Hence, the boycott was two pronged: not only would consumers avoid Vedan products but retailers would also avoid selling them. The following excerpt from *Thanh Nien News* explains why the retailers chose to take this stance:

Perhaps for the first time in the country, a product boycott has been launched by major retailers in protest against an environmental polluter unwilling to accept responsibility for its actions.

The Saigon Coop and Big C supermarket chains announced last week they have stopped selling Vedan products, the Taiwanese MSG maker whose environmental practices have sparked public outrage.

Saigon Coop said it began pulling Vedan's seasonings from their shelves last week. Sales will not resume until Vedan solves the pollution problem and satisfactorily compensates local farmers, it said.

Nguyen Thanh Nhan, deputy general director of Saigon Co.op, said the retailer wanted to support producers that respected the environment and oppose those causing damage to it.

French retailer Big C also confirmed it had stopped distributing the products in its outlets throughout the country last week (Minh, 2010).

The second tactic was a lawsuit. This lawsuit was both a legal and public relations tactic. From a legal perspective, it was the final push aimed at confronting an inflexible opponent. From a public relations perspective, it aimed at embarrassing Vedan in Vietnam and on the world stage. Already facing a boycott, Vedan stood to gain more negative headlines as the battle with farmers transformed into a protracted court battle. The following section from the news website *Sài Gòn Giải Phóng* gives insight into the lawsuit strategy:

140 attorneys help farmers in Vedan lawsuit: More than 140 lawyers said they would help farmers sue Taiwanese MSG producer, Vedan, which polluted Thi Vai River, causing huge economic and environmental damage.

Thi Vai River was polluted by Vedan Vietnam which has a factory along a Thi Vai River bank. Dong Nai Province Lawyers Association had a meeting with 40 law offices on July 29 to discuss on helping farmers in completing legal procedures to bring Vedan to court. They agreed to form four delegations with more than 100 lawyers to provide legal consultancy and support (Sai Gon Giai Phong Daily, 2010).

Faced with the prospect of a lengthy lawsuit and boycott, Vedan finally backed down and decided to properly compensate the farmers. Ignoring the advice of lawyers who favored to keep fighting, the company moved to provide adequate compensation. This section from *dztimes.com* illustrates how the conflict was resolved:

Farmers to drop lawsuits following Vedan payout agreement

Farmers in Ho Chi Minh City and Ba Ria – Vung Tau Province said they will drop their lawsuits against the MSG manufacturer, Vedan Vietnam, if the river-polluter fully follows-through with its compensation commitments.

On Monday, Vedan agreed to compensate farmers in Can Gio a total of VND45.7 billion (US\$2.39 million) for damages caused by its fourteen year pollution of the Thi Vai River. For the past year, the Taiwanese-owned manufacturer has turned down the district's compensation requests and made meager counter-offers to affected farmers.

On Friday, representatives from the Can Gio District Farmers Association in HCMC signed an agreement to postpone litigation on the condition that Vedan pays out 50 percent of the sums promised within the next week (Vietnews, 2010).

## Discussion

This study illustrates that public relations is, to some extent, vibrant in Vietnam. Vedan, in the battle to avoid paying what it viewed as exorbitant compensation demands, relied on a variety of crisis communication tactics that organizations across the world rely on. The farmers also relied on boycotts and threat of a lawsuit to get their point across.

The public relations landscape in Vietnam, however, remains unique and one should be careful from drawing too many conclusions from the Vedan case. The reason for this is throughout their struggle, the farmers had significant support from government authorities. This is because in their efforts to confront Vedan, the government authorities had been largely unsuccessful. Multinational in scope and armed with a skilled legal team, Vedan was able to successfully best government authorities ill-experienced with confronting a global corporation.

Hence, when the farmers decided to take the lead in the battle against Vedan, the authorities gave their support. This can be seen in the media coverage that was allowed to lambast Vedan in various ways. To borrow from Hofstede, Vedan made the government lose face and in order to recover that face, it gave the farmers significant leeway in their public relations tactics. The Prime Minister of Vietnam even stepped in and urged a curbing of Vedan's activities. This excerpt from a *Viet Nam Infoterra Newsletter* shows that the government was significantly concerned about addressing Vedan's challenge:

Prime Minister (PM) Nguyen Tan Dung asked the People's Committee of Dong Nai Province and relevant ministries to take strict measures against the Vedan Company's violation of environmental laws. The Government's Office issued a dispatch on November 6, 2008 detailing the Prime Minister's instructions regarding the case.

Prime Minister asked local authorities to cooperate with relevant agencies to ensure effective implementation of the penalties imposed by the Ministry of Natural Resources and Environment (MoNRE) on the Company. If Vedan does not abide by these decisions, the chairperson of the People's Committee of Dong Nai Province may impose further, more severe punishments, including permanent suspension of its operations (*Viet Nam Infoterra Newsletter*, 2008)

The farmers' victory, hence, should be treated with caution. The victory is not due to the fact that the environment for activists in Vietnam has become more welcoming. Constraints on activism still exist and the media landscape remains constrained. The farmers won because it was in the government's best interest to support them. If it had not in the government's interest to support them, how successful their efforts would have been is questionable. The Vedan case, albeit interesting, provides limited insight on the state of public relations in Vietnam.

A limitation of this study is that it is reliant primarily on secondary sources such as newspapers and websites that have, to some extent, gone through vetting and editing. In the future, we hope to enhance our study by interviewing the farmers and other activists in Vietnam to gain a better understanding of the role public relations played in their victory. In addition, a case in which activists are not significantly supported by government authorities can shed more light on the public relations landscape in Vietnam.

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## Reputation Counts

### Development and Measurement Properties of the Automated Reputation Quotient

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*This study reports on the development of software for an automated reputation quotient measure to assist corporate communicators in rapid tracking of changes of reputation. The Reputation Quotient (RQ®) (Fombrun et al., 2000) is based on six dimensions with 20 selected attributes. Progress has been made in developing and testing an automated text analysis system, based on the RQ® dimensions, to monitor changes in corporate reputation reflected in texts about the organization.*

*In the context of hospitals within the health sector, this paper is divided into three sections: 1) The efforts to develop the automated reputation quotient (ARQ) software; 2) The measurement properties of reliability and validity for the system; and 3) Concerns about automated quantitative text analysis and the ramifications for use of the ARQ in corporate communication practice and research.*

*The ARQ has shown promise as a rapid and consistent measurement of changes in an organization's reputation.*

Reputation – what others say and think of you – is critical for organizations in our interconnected and global world. Reputation management organizations practice reputation management because it is pivotal in shaping the views of stakeholders, which in turn is instrumental in the success of the organization (Fombrun, 1996). Reputation must be properly managed and management begins with measurement. This project reports on the development of a tool to monitor how media coverage reflects and shapes an organization's reputation. This system consists of an automated text analysis system and a lexicon that has undergone reliability and validity tests for a sample of the hospital sector.

#### *Background regarding reputation management*

Reputation refers to the 'favorability' of a business organization within a social system (Zyglidopoulos, 2003). More specifically, corporate reputation can be used to indicate 'the overall estimation in which a particular company is held by its various constituents' (Fombrun, 1996: p.37). Martin (2010) argues that reputation plays a significant role in shaping the organization's image to the public. In addition, Martin and To (2012) found that reputation is a significant predictor of competitive advantage.

Gotsi and Wilson (2001) proposed a composite definition of reputation after reviewing several scholarly definitions: "A corporate reputation is a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder's direct experience with the company, any other form of communication and symbolism that provides information about the firm's actions

and/or a comparison with the actions of other leading rivals.”(p. 29) When looking at the contributors to reputations, Rindova and Fombrun (1999) argued that reputations can be viewed as social constructions created from the multiplicity of evaluations rendered by specialized evaluators, public observers and media amplifiers. Focusing on the role of media amplifiers related to reputation, Deephouse (2000) developed the construct of “media reputation”; “a collective concept connecting the firm, media workers, stakeholders, sources of news about firms, and the readers of news [that] develops over time through a complex social process.” (p. 1098)

Organizations can measure their reputations in many ways. Fombrun (2007) identified a multitude of organizational reputation measures; 183 public lists that provide ratings and rankings in 38 countries. While methodologies vary, the most underlying organizational reputation measures are the six dimensions identified by Fombrun (Fombrun, Gandberg and Sever 2000). These are also the dimensions included in the Reputation Quotient (RQ®), one of the most widely known and generally accepted (since 1999) measures of corporate reputation. Today, the Reputation Quotient (RQ®) is an online survey instrument with seven-point rating scales that are based on 20 attributes, as described below (Schwaiger 2004).

The Reputation Quotient’s dimensions (and attributes) are:

1. Products & Services (Stands behind its products and services. Develops innovative products and services. Offers high quality products and services. Offers products and services that are good value for the money.)
2. Financial Performance (Has a strong record of profitability. Looks like a low risk investment. Looks like a company with strong prospects for future growth. Tends to out-perform its competitors.)
3. Vision & Leadership (Has excellent leadership. Has a clear vision for its future. Recognizes and takes advantage of market opportunities.)
4. Emotional Appeal (Have a good feeling about the company. Admire and respect the company. Trust the company a great deal.)
5. Workplace Environment (Is well-managed. Looks like a good company to work for. Looks like a company that would have good employees.)
6. Social Responsibility (Supports good causes. Is an environmentally responsible company. Maintains high standards in the way it treats people.). (Fombrun and Foss 2001)

One of the difficulties with all survey research, including online surveys, is the amount of time to complete the project. Because of this, the Reputation Quotient survey is only administered annually. According to Davies et al. (2003) the Reputation Quotient is a valid tool for gauging and analyzing how stakeholders think about companies.

As previously mentioned, this project is to develop and test a tool by which hospitals can monitor how media coverage reflects and shapes organizational reputation. Macnamara (2005) argues for an a priori design for content analysis utilizing a deductive scientific approach to research design. Accordingly, the theoretical framework of the Reputation Quotient (6 dimensions comprised of 20 attributes) is used. The theoretical framework for computer-assisted text-based content analysis software is also adopted.

*Background regarding hospital reputation*

Reputation analysis is among the metrics used to rank U.S. hospitals in a variety of reporting venues, ranging from US News and World Report to the Journal of Health Economics. Reputation rankings are well established; for instance, The US News and World Report rankings were first published in 1990.

Just as methodologies vary, the role of reputation in hospital rankings also varies. In the US News and World Report rankings, for instance, 32.5% of the rating is based on reputation, 32.5% on survival, 5% on patient safety, and 30% on other care-related indicators (USNWR, November, 2012). Reputation ratings for US News and World Report are based on responses from more than 200 randomly selected physicians. The American Hospital Association annual survey includes data sets with 1000 fields on 6500 hospitals in the U.S., while The Harris Interactive Reputation Quotient survey, while not measuring hospitals specifically, measures reputation among health related companies, such as Johnson & Johnson, Pfizer, and others.

Medical Marketing & Media, a monthly publication reporting on health issues since 1966, recently reported that local and national hospital needs among patients are not discrete and separate markets, but blend based on the particular medical need (MM&M, Feb.22, 2013). In that regard, relationship choices regarding hospitals operate partially on a local level, but also often include national hospitals and patient sources, particularly in the areas of specialties. More and more patients are choosing hospitals from a national menu of choices when it comes to specialty practices; hospitals of all kinds in turn deliver specialty practices designed to draw from a larger U.S. audience.

#### *Background regarding computer-assisted text-based content analysis*

Content analysis is a research technique used to make replicable and valid inferences by interpreting and coding textual material. By systematically evaluating content (e.g., documents, oral communication, and graphics), qualitative data can be converted into quantitative data. Text-based content analysis is the research tradition of examining word frequencies and building content dictionaries in order to operationalize document meaning. (Macnamara 2005; Krippendorff 1980; Weber 1990; Neuendorf 2002) Historically, content analysis was a time-consuming process as analysis was conducted manually. Human error and time constraints made this method impractical for large quantities of texts. However, despite its difficulties, content analysis was already an often-utilized research method by the 1940's. Although initially limited to studies that examined texts for the frequency of the occurrence of identified terms (word counts), by the mid-1950s researchers had begun to look for more sophisticated methods that could focus on analyzing concepts. (de Sola Pool 1959).

Today, text-based content analysis is also utilized to explore linguistic, affective, cognitive, social, cultural and historical significance of texts. Most often this establishes the existence and frequency of concepts, most commonly represented by words or phrases in a text. For instance, you have a hunch that your favorite poet often writes about hunger. You can then determine the validity of your hunch by looking at the number of times words such as 'hunger', 'hungry', 'famished', or 'starving' appear in a volume of poems. In this project, the concept of reputation is represented by specific words and phrases.

The emphasis on classifying and counting words and phrases makes it quite straightforward to automate the analysis process. Dictionary methods in text-based content analysis are perhaps the most intuitive and easiest automated methods to apply (Stone et al., 1966). With computer-

assisted systems, a large number of texts (corpus) can be rapidly analyzed using dictionaries (lexicons). In this way, challenges of scarce time and labor resources can be overcome.

### **Development of the Automated Text-based Content Analysis System for Media Reputation**

In short, this project develops and tests an automated text-based content analysis system, based on the Reputation Quotient dimensions. The system monitors changes in corporate reputation reflected in texts about the organization. The automated Reputation Quotient program has two central features – the processing software and the dictionaries.

1. The processing feature is the program itself. It opens a series of text files (documents) which can be news stories, news releases, tweets, blogs, CEO speeches or other texts. It then goes through each file word by word, checking the dictionaries, and coding each word. We use Yoshikoder, an open source multilingual content word-count program. <http://sourceforge.net/projects/yoshikoder/files/latest/download>
2. The dictionary defines the concept of reputation for hospitals with words and word phrases. It is composed of many smaller dictionaries representing particular attributes. The selection criteria for the word selection followed a systematic process. Research assistants compiled an initial list of words chosen from dictionaries, thesauruses, questionnaires, and lists. A panel of experts rated each potential word based on how well it represented the attribute. This process was repeated for each of the twenty attributes which make up the six dimensions. A total of four updates were made as other expert panels evaluated the updated words for the dictionaries.
3. The documents for this test are drawn from the LexisNexis database of worldwide English language news articles relating to four top ranked hospitals for the years 2010, 2011 and 2012. There were 3,971 stories with over 3,519,521 words. Hospitals include Cleveland Clinic, Johns Hopkins Hospital, Mayo Clinic and Massachusetts General Hospital.

### **Testing the System**

This system provides a tool by which hospitals can monitor how media coverage reflects and shapes corporate reputation. Media reputation of the four hospitals during this period can be analyzed in many ways, including story count, the six reputation dimensions, reputation share and reputation rating.

#### *Story count*

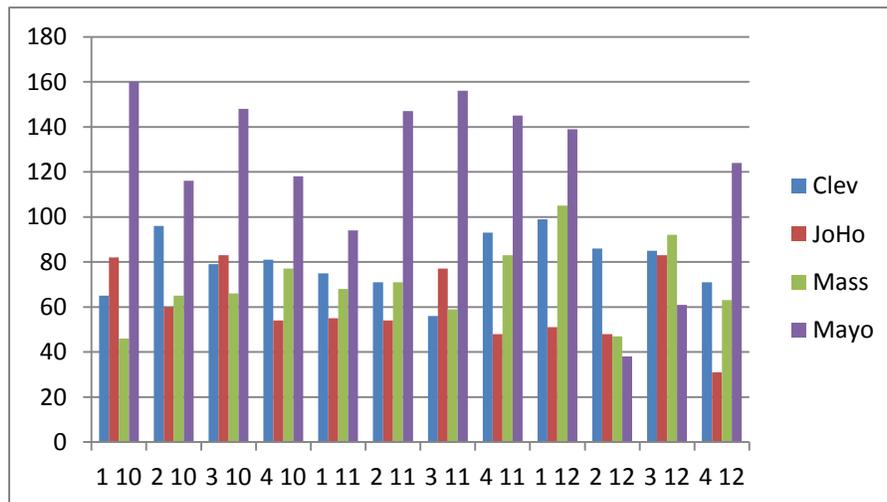
Story count is a basic public relations measurement tool indicating the volume of editorial coverage. (Marketing Metrics Made Simple 2013) In general, an organization needs to be significantly above its sector's media coverage average for a sustained period. Otherwise, the organization is in danger of being overlooked and, eventually, of being disregarded.

Story count of the four hospitals is shown in the chart and corresponding table below (Table 1; Chart 1). Overall, the number of news stories has remained fairly constant for the past three years: 1396 in 2010, 1352 in 2011, and 1223 in 2012. Mayo Clinic has the highest worldwide English

language news coverage. However, it also caused the 2012 drop in story count, representing a drastic reduction in media coverage in the second and third quarter of 2012.

**TABLE 1.** Story Count by Quarter by Hospital

|                        | 1 10 | 2 10 | 3 10 | 4 10 | 1 11 | 2 11 | 3 11 | 4 11 | 1 12 | 2 12 | 3 12 | 4 12 |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Cleveland Clinic       | 65   | 96   | 79   | 81   | 75   | 71   | 56   | 93   | 99   | 86   | 85   | 71   |
| Johns Hopkins Hospital | 82   | 60   | 83   | 54   | 55   | 54   | 77   | 48   | 51   | 48   | 83   | 31   |
| Massachusetts General  | 46   | 65   | 66   | 77   | 68   | 71   | 59   | 83   | 105  | 47   | 92   | 63   |
| Mayo Clinic            | 160  | 116  | 148  | 118  | 94   | 147  | 156  | 145  | 139  | 38   | 61   | 124  |



**CHART 1.** Story Count by Quarter by Hospital

*Reputation rating and reputation share*

The following charts show each hospital’s media reputation in terms of reputation share and reputation rating from the 1<sup>st</sup> quarter of 2010 through the 4<sup>th</sup> quarter of 2012. Reputation Rating is defined as the organization’s reputation words for the quarter divided by the organization’s total words. Reputation Share describes the organization’s reputation words for the quarter divided by the total reputation words for all four organizations.

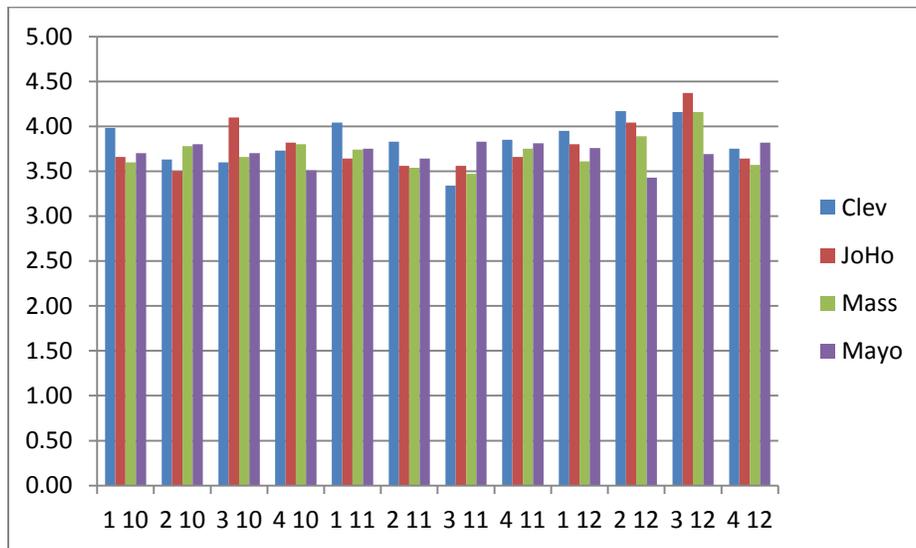


Chart 2. Media Reputation Rating

TABLE 2. Media Reputation Rating

|                        | 1 10 | 2 10 | 3 10 | 4 10 | 1 11 | 2 11 | 3 11 | 4 11 | 1 12 | 2 12 | 3 12 | 4 12 |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Cleveland Clinic       | 3.98 | 3.63 | 3.60 | 3.73 | 4.04 | 3.83 | 3.34 | 3.85 | 3.95 | 4.17 | 4.16 | 3.75 |
| Johns Hopkins Hospital | 3.66 | 3.50 | 4.10 | 3.82 | 3.64 | 3.56 | 3.56 | 3.66 | 3.80 | 4.04 | 4.37 | 3.64 |
| Massachusetts General  | 3.60 | 3.78 | 3.66 | 3.80 | 3.74 | 3.54 | 3.47 | 3.75 | 3.61 | 3.89 | 4.16 | 3.57 |
| Mayo Clinic            | 3.70 | 3.80 | 3.70 | 3.51 | 3.75 | 3.64 | 3.83 | 3.81 | 3.76 | 3.43 | 3.69 | 3.82 |

The Reputation Rating is a measure that provides the proportion of positive reputation words in the organization’s press coverage. This keeps the impact of differences in competitive story count at a minimal level. The overall range across the three years is from a low of 3.47% to a high of 4.37%. The table allows viewing by competition for each time period as well as tracking the trend for each hospital across the three years.

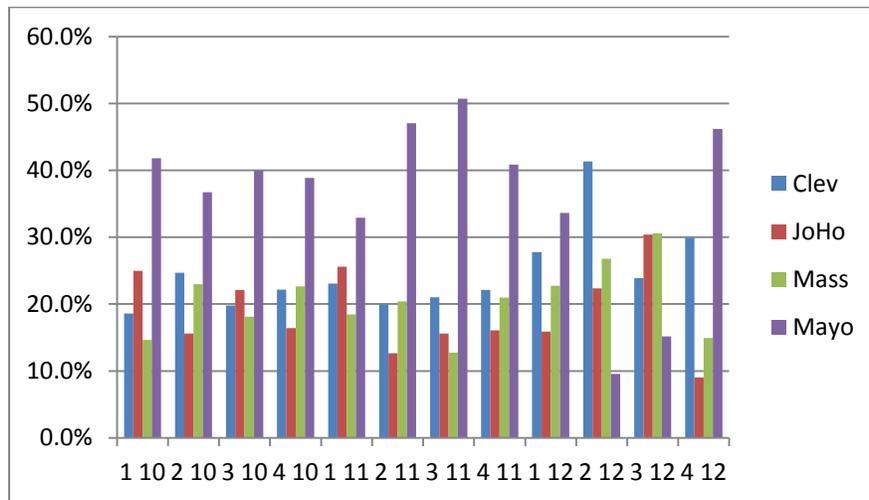


CHART 3. Media Reputation Share

TABLE 3. Media Reputation Share (%)

|                        | 1 10 | 2 10 | 3 10 | 4 10 | 1 11 | 2 11 | 3 11 | 4 11 | 1 12 | 2 12 | 3 12 | 4 12 |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Cleveland Clinic       | 18.6 | 24.7 | 19.8 | 22.1 | 23.1 | 19.9 | 21.0 | 22.1 | 27.8 | 41.3 | 23.9 | 29.9 |
| Johns Hopkins Hospital | 25.0 | 15.6 | 22.1 | 16.4 | 25.6 | 12.6 | 15.6 | 16.1 | 15.9 | 22.4 | 30.4 | 9.0  |
| Massachusetts General  | 14.6 | 23.0 | 18.1 | 22.6 | 18.5 | 20.4 | 12.7 | 21.0 | 22.7 | 26.8 | 30.6 | 14.9 |
| Mayo Clinic            | 41.8 | 36.7 | 40.0 | 38.8 | 32.9 | 47.0 | 50.7 | 40.8 | 33.6 | 9.5  | 15.2 | 46.2 |

Reputation Share is derived from the organization’s reputation words for the quarter divided by the total reputation words for all four hospitals. Thus the Reputation Share is a competitive measurement of reputation, driven by both Story Count and Reputation Rating for each hospital.

Depending on the mix of the three measures, strategies might indicate a program to increase overall story count with selective stories emphasizing particular reputation dimensions. Careful analysis of how competitors are faring may also point to an appropriate media reputation management strategy.

*Six reputation dimensions*

In addition to story counts, reputation words of six different dimensions were counted. Between 2010 and 2012, a total of 132,668 reputation words were counted for all stories relating to the hospitals in the sample. The strongest category is words relating to products and services (32%), followed by social responsibility (20%), emotional appeal (17%), and financial performance (14%). Words relating to the reputation dimensions of vision and leadership (10%), and workplace environment (8%) are lowest.

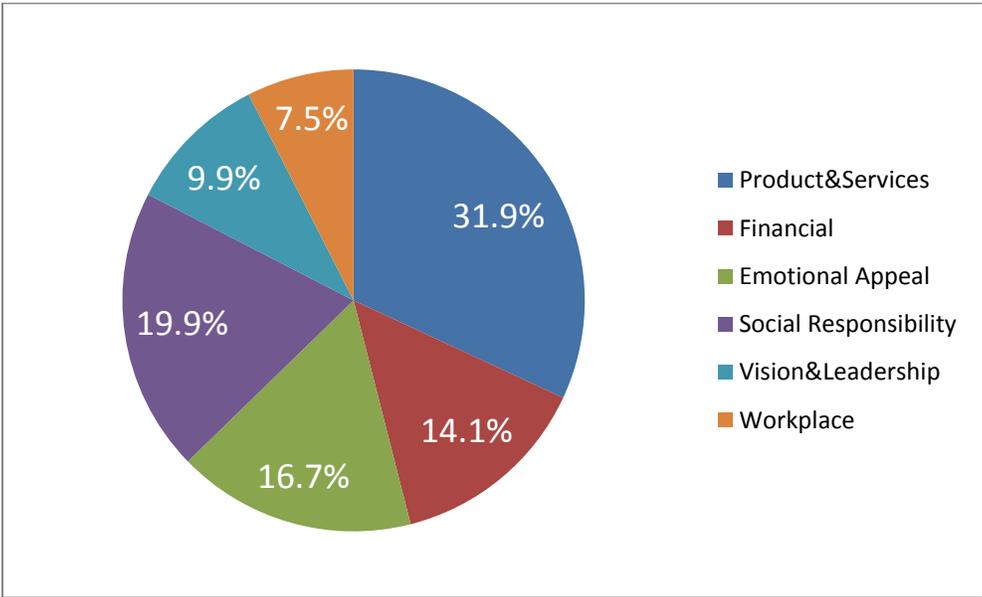


CHART 4. Percent of Words for Each Dimension of Reputation

By looking at each dimension by each hospital, we immediately see what differentiates the hospitals from one another: Massachusetts General Hospital is strongest in product and services and financial dimensions; Johns Hopkins Hospital in social responsibility and workplace environment; Cleveland Clinic in vision and leadership; and Mayo Clinic in emotional appeal.

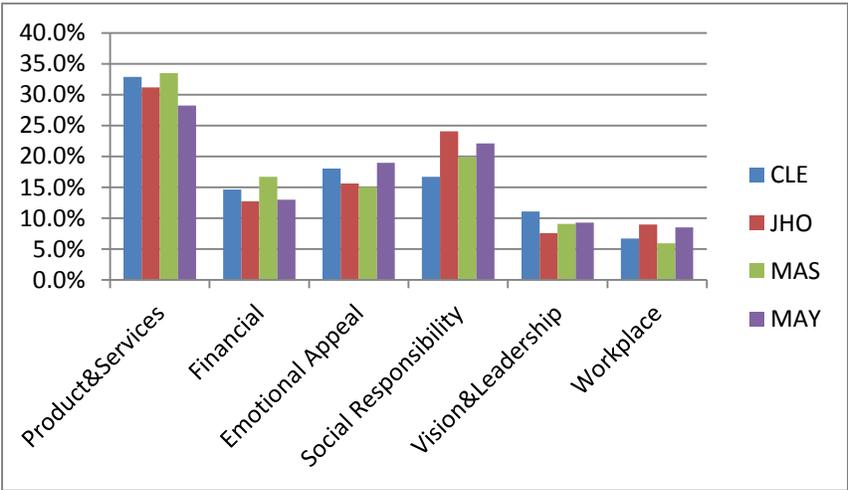


CHART 5. Reputation Dimensions by Hospital

**TABLE 4.** Reputation Dimensions by Hospital

|                       | Cleveland Clinic | Johns Hopkins | Massachusetts General | Mayo Clinic |
|-----------------------|------------------|---------------|-----------------------|-------------|
| Product & Services    | 32.9%            | 31.2%         | 33.5%                 | 28.2%       |
| Financial             | 14.6%            | 12.7%         | 16.7%                 | 13.0%       |
| Emotional Appeal      | 18.0%            | 15.6%         | 15.0%                 | 19.0%       |
| Social Responsibility | 16.7%            | 24.1%         | 19.8%                 | 22.1%       |
| Vision & Leadership   | 11.1%            | 7.6%          | 9.1%                  | 9.3%        |
| Workplace             | 6.7%             | 8.9%          | 5.9%                  | 8.5%        |

### Reliability and Validity

We conducted initial analyses of internal reliability and validity of the automated reputation quotient based on the literature relevant to dictionary-based automated text analysis (Chong et al. 2011; Pennebaker et al 2007; Tausczik and Pennebaker 2010; Grimmer and Stewart 2013; Young and Soroka 2012; Loughran and McDonald 2011; Macnamara 2005 and others).

Chong et al. (2011) state that internal consistency, temporal stability, form equivalence, inter-rater reliability, content validity, criterion validity, and construct validity are the “meanings of reliability and validity are standardized in quantitative research.” (p 736) The following shows the measures identified. Drawing from this, we used:

- Internal consistency is calculated on binary data; can use Cronbach’s alpha. (Reliability and Item Analysis 2013)
- Split-half reliability is calculated for randomly selected samples of the data set (Validity and Reliability of a Test 2013)
- Construct validity refers to whether a scale measures or correlates with the theorized scientific construct (e.g. "media reputation") that it purports to measure.
- Criterion validity is a measure of how well one variable or set of variables predict an outcome based on information from other variables

For these tests, we used data relating to the four top-ranked hospitals from worldwide English language news articles from the LexisNexis database for a three years period, from January 2010 until December 2012.

#### *Internal consistency*

Internal consistency for the 253 word/phrase dictionary across four hospitals, each with 12 quarterly datasets (n=48) of news articles was **.992**. An acceptable level for reliability is achieved at .800.

**TABLE 5.** Internal Consistency of Full Dictionary

| Cronbach's alpha | N of items | Mean    | Variance    | SD        |
|------------------|------------|---------|-------------|-----------|
| .992             | 253        | 3953.67 | 184335672.4 | 13577.027 |

Macnamara (2005) and Chong et al. (2011) suggest being as granular as possible so no smaller part can “hide” behind larger parts. Therefore, analysis should be done for internal consistency for each dimension and each attribute. For the six dimensions, internal reliability is good (.992; .961; .921; .964; .950; .932). For the 20 attributes, all are above .807 except “Admire and Respect” at .731.

**TABLE 6.** Internal Consistency of Dimensions and Attributes

|                              |                                 | Cronbach's alpha | N= words  |
|------------------------------|---------------------------------|------------------|-----------|
| <b>Products and Services</b> |                                 | <b>.992</b>      | <b>69</b> |
|                              | HQ High Quality                 | .836             | 20        |
|                              | IN Innovative                   | .944             | 23        |
|                              | VM Value for Money              | .842             | 16        |
|                              | SB Stands Behind                | .845             | 10        |
| <b>Financial</b>             |                                 | <b>.961</b>      | <b>44</b> |
|                              | OC Outperforms Competitors      | .831             | 12        |
|                              | RP Record of Profitability      | .839             | 13        |
|                              | LR Low Risk Investment          | .877             | 12        |
|                              | GP Growth Prospects             | .940             | 7         |
| <b>Emotional</b>             |                                 | <b>.921</b>      | <b>45</b> |
|                              | FG Feel Good About              | .875             | 18        |
|                              | RS Admire and Respect           | .731             | 4         |
|                              | TR Trust                        | .833             | 23        |
| <b>Social Responsibility</b> |                                 | <b>.964</b>      | <b>37</b> |
|                              | GC Supports Good Causes         | .878             | 14        |
|                              | ER Environmental Responsibility | .909             | 8         |
|                              | CR Community Responsibility     | .924             | 15        |
| <b>Vision and Leadership</b> |                                 | <b>.950</b>      | <b>33</b> |
|                              | MO Market Opportunities         | .888             | 10        |
|                              | EL Excellent Leadership         | .895             | 16        |
|                              | CV Clear Vision for the Future  | .958             | 7         |
| <b>Workplace Environment</b> |                                 | <b>.932</b>      | <b>25</b> |
|                              | RE Rewards Employees Fairly     | .832             | 5         |
|                              | GW Good Place to Work           | .807             | 7         |

|  |                   |      |    |
|--|-------------------|------|----|
|  | GE Good Employees | .858 | 13 |
|--|-------------------|------|----|

*Split-half reliability*

Split-half reliability is calculated for randomly selected samples of the data set. Because actual reputation levels will vary for each company by date, the split sample was randomly selected in the SPSS program for each of the hospitals. Levels are above the minimum requirement of .800.

**TABLE 7. Split-Half Reliability for Each Hospital**

| Cleveland Clinic | Cronbach's  |            |
|------------------|-------------|------------|
|                  | Alpha       | N of items |
| Part 1           | <b>.896</b> | 121        |
| Part 2           | <b>.857</b> | 116        |
| Both             |             | 237        |

| Johns Hopkins | Cronbach's  |            |
|---------------|-------------|------------|
|               | Alpha       | N of items |
| Part 1        | <b>.856</b> | 133        |
| Part 2        | <b>.915</b> | 98         |
| Both          |             | 231        |

| Massachusetts General | Cronbach's  |            |
|-----------------------|-------------|------------|
|                       | Alpha       | N of items |
| Part 1                | <b>.937</b> | 162        |
| Part 2                | <b>.838</b> | 76         |
| Both                  |             | 238        |

| Mayo Clinic | Cronbach's  |            |
|-------------|-------------|------------|
|             | Alpha       | N of items |
| Part 1      | <b>.974</b> | 185        |
| Part 2      | <b>.866</b> | 61         |
| Both        |             | 246        |

*Construct validity*

Construct validity refers to whether a scale measures or correlates with the theorized scientific construct (e.g. "media reputation") that it purports to measure.

To give insight into the validity of the entire construct of "Reputation", all words, regardless of which dimension or attribute they were intended to measure, were randomly split into two samples. This indicates that the dictionary measures the construct of "Reputation". Levels are above the minimum requirement of .800.

**TABLE 8.** Construct Validity

|        | Cronbach's  |            |         |             |           |
|--------|-------------|------------|---------|-------------|-----------|
|        | Alpha       | N of items | Mean    | Variance    | SD        |
| Part 1 | <b>.986</b> | 127        | 2025.06 | 48358788.35 | 6954.048  |
| Part 2 | <b>.980</b> | 126        | 1928.61 | 43875845.66 | 6623.884  |
| Both   |             | 233        | 3953.67 | 184335672.4 | 13577.027 |

*Criterion validity*

Criterion validity is a measure of how well one variable or set of variables predicts an outcome based on information from other variables. Criterion validation can only be determined over a long period of time. At this point in time, we can examine some external variable measures that point to criterion validity of the reputation dictionary for hospitals.

To provide insight into criterion validity, we used the reputation dictionary to look at external databases of different industry, the Macau and Las Vegas casino operating companies, between the quarters from January 2010 through December 2012. The three-company Las Vegas database consisted of 5,935 media stories with a total word count of 5,953,913. The Macau six-company database had 5,027 stories with over 5,856,899 words. These compare with the four-hospital database of 3,971 stories with over 3,519,521 words.

Table 9 shows a very similar pattern in reliability for the hospital database and the external Macau and Las Vegas databases, indicating likely criterion validity.

**TABLE 9.** Criterion Validity for USA Hospitals vs Macau and Las Vegas Casino Operators

|                              | Cronbach's alpha   | USA Hospitals | Macau Gaming | Las Vegas Gaming |
|------------------------------|--------------------|---------------|--------------|------------------|
| <b>Total Reputation</b>      |                    | <b>.992</b>   | <b>.991</b>  | <b>.990</b>      |
| <b>Products and Services</b> |                    | <b>.962</b>   | <b>.973</b>  | <b>.965</b>      |
|                              | HQ High Quality    | .836          | .909         | .867             |
|                              | IN Innovative      | .944          | .935         | .939             |
|                              | VM Value for Money | .842          | .871         | .880             |
|                              | SB Stands Behind   | .845          | .844         | .858             |

|                              |                                 |             |             |             |
|------------------------------|---------------------------------|-------------|-------------|-------------|
| <b>Financial</b>             |                                 | <b>.961</b> | <b>.952</b> | <b>.973</b> |
|                              | OC Outperforms Competitors      | .831        | .825        | .876        |
|                              | RP Record of Profitability      | .839        | .848        | .897        |
|                              | LR Low Risk Investment          | .877        | .877        | .876        |
|                              | GP Growth Prospects             | .940        | .840        | .895        |
| <b>Emotional</b>             |                                 | <b>.921</b> | <b>.924</b> | <b>.908</b> |
|                              | FG Feel Good About              | .875        | .814        | .804        |
|                              | RS Admire and Respect           | .731        | .533        | .586        |
|                              | TR Trust                        | .833        | .873        | .831        |
| <b>Social Responsibility</b> |                                 | <b>.964</b> | <b>.954</b> | <b>.958</b> |
|                              | GC Supports Good Causes         | .878        | .821        | .828        |
|                              | ER Environmental Responsibility | .909        | .925        | .904        |
|                              | CR Community Responsibility     | .924        | .872        | .902        |
| <b>Vision and Leadership</b> |                                 | <b>.950</b> | <b>.960</b> | <b>.963</b> |
|                              | MO Market Opportunities         | .888        | .805        | .888        |
|                              | EL Excellent Leadership         | .895        | .919        | .932        |
|                              | CV Clear Vision for the Future  | .958        | .900        | .918        |
| <b>Workplace Environment</b> |                                 | <b>.932</b> | <b>.939</b> | <b>.912</b> |
|                              | RE Rewards Employees Fairly     | .832        | .815        | .814        |
|                              | GW Good Place to Work           | .807        | .894        | .811        |
|                              | GE Good Employees               | .858        | .861        | .812        |

USA Hospitals (Massachusetts General Hospital, Johns Hopkins Hospital, Mayo Clinic, Cleveland Clinic); Macau Casino Operators (MGM, Sands, Wynn, Melco, SJM, Galaxy); Las Vegas Casino Operators (MGM, Sands, Wynn) 2010-2012

### Concerns and Ramifications Regarding Automated Text Analysis

Concerns are sometimes raised regarding the extreme complexity of language structure and the failure of automated text analysis to handle each and every linguistic situation. Grimmer and Stewart (2013) correctly argue that language is complicated. For instance, the term “flies like” exemplifies the complexity of the meaning of language: “Time flies like an arrow. Fruit flies like a banana.” They argue that any text analysis system cannot be perfect. However, they can be useful, “... the models should be evaluated based on their ability to perform some useful social science task.” including “measuring theoretically relevant quantities from large collections of text.” (p. 4) Our system is to provide a fast, yet reliable, way to handle lots of data. As Grimmer and Stewart (2013) say, “automated text analysis methods can substantially reduce the costs and time of analyzing massive collections of ... texts.” (p5)

Grimmer and Stewart (2013) also correctly argue that quantitative methods should augment, not replace, human abilities. This system quickly signals problems, which then requires focus before actions are taken.

Further, Grimmer and Steward (2013) contend that each set of research questions imply different models to be used for analysis and different methods of validation. We agree and suggest that different segments be fully analyzed prior to relying on the results for decision-making.

The fourth ramification put forward by Grimmer and Steward (2013) is “validate, validate, validate.” (p. 5). The validation step must be included, and must continue over time to demonstrate the level of reliability and conceptual validity.

## Conclusions

This paper reports on the development of a tool to monitor how media coverage reflects and shapes an organization’s reputation. This system consists of an automated text analysis system and a lexicon which has undergone reliability and validity tests for several USA hospitals.

The results show that the system is efficient and can be applied to research requiring great quantities of data. This is a major alternative to hand-coding thousands of news stories or other texts.

The results also show that the system has a high level of reliability for the lexicons for use in the hospital industry.

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## “Sell the Sizzle”

### Communicating Environmental, Social and Governance Issues to Institutional Investors

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*The objective of the present paper is to explore the role of knowledge transfer in the communication of ESG (Environment, Social, Governance) factors between companies and institutional investors, when they attempt to reach a full appreciation and mutual understanding of ESG.*

*This study employed a qualitative research design. Empirical data were gathered through in-depth semi-structured interviews with six European institutional investors, who had already integrated ESG into their investment process. The findings from the interviews were triangulated with archival material, which included documents available in the public domain as well as background material provided by the investors interviewed. The paper contributes to research on investor relations (IR) communication by building a framework for communicating ESG between companies and institutional investors, which depicts the diverging mental models of the two parties.*

**Keywords:** Corporate responsibility, ESG (environmental, social, governance) issues, Knowledge transfer, Investor relations, Responsible investment, Mental models

One of the central points of debate and discussion surrounding the concept of corporate responsibility (CR) is whether or not a business can benefit from acting responsibly (e.g. Porter & Kramer, 2006; Friedman, 1970). In particular, there is a lot of interest in the relevance of CR factors for investors, as these factors have the potential to enhance corporate profitability (see e.g. Porter & Kramer, 2006 & Du, Bhattacharya & Sen, 2010).

Within the investment community, CR has evolved into the concept of “environmental, social, and governance” (ESG) factors, and the question of how ESG can be integrated into the investment process has been widely discussed. ESG integration refers to the incorporation of environmental, social, and governance criteria into investment analysis. It is based on the belief that ESG is a driver of financial returns, and a valuation tool to improve investment analysis and decision making. It seems that the notion of “ESG integration” is increasingly discussed among investors, particularly from a risk-reward perspective and as a way to enhance profits (Gitman, Chorn & Fargo, 2009, p. 6).

While mainstream investors (i.e. the majority of investors that are not part of the niche group of responsible investors) seem to have understood the arguments for incorporating ESG factors into

the investment criteria, to a large extent, they have not actively integrated these criteria into their analysis (Sullivan, 2011, p. 2). Dawkins (2004) notes that “engaging with mainstream investors has long been an ambition of the corporate responsibility movement” and that investor relations officers are increasingly recognizing the importance of communicating with the investment community.

It could be argued that a potential reason for the responsible investment movement remaining within a niche group of responsible investors is the fact that companies have failed to communicate the business benefits of ESG (Sullivan, 2011, p.2; Dawkins, 2004, pp. 111–112). In essence, they are “selling the sausage but not the sizzle” (cf. Elmer Wheeler, as cited in Futerra, 2010, p. 2). This means that while companies may communicate about ESG, they do not communicate these messages in a manner that would make ESG relevant to mainstream investors. Therefore, it could be argued that it is important for companies to pay attention to how they communicate with investors.

The purpose of the present paper is to understand how the concept of knowledge transfer can be applied to the communication of ESG between companies and institutional investors, in an attempt to reach a full appreciation and mutual understanding of ESG. In order to reach an understanding of how communications can be used to help align the mental models of institutional investors and companies, the first step is to examine how investors perceive ESG integration, i.e. what integration means to them and what are the motivations of institutional investors for integrating ESG into the investment process. This may provide some insight into the mental models of investors, i.e. how they process information. Secondly, knowledge transfer theories will be applied in order to understand how companies could begin to bridge existing gaps in the knowledge bases between companies and institutional investors regarding ESG and how mental models could be aligned through communication.

This paper brings together theories relating to the practice of investor relations, as well as Ringberg & Reihlen’s (2008) Socio-cognitive framework of knowledge transfer, with an aim to develop a framework which applies knowledge transfer theories to the process of communicating ESG with investors, in order to reach a mutual understanding and full appreciation of ESG.

Institutional investors, e.g. pension funds and insurance companies, will be the focus of this study as they are widely considered the pioneers of ESG integration (Sullivan & Mackenzie, 2006, p. 15). As they are pioneers in integration, they can be considered elite participants to the study, i.e. they have extensive knowledge of integrating ESG into the investment process (Gillham, 2005). Therefore, research interviews will be used to gain insight to their motivations for ESG integration, and to understand how communication could be used to develop a mutual understanding between companies and institutional investors.

The present study aims to answer the following questions:

- 1) How is the integration of ESG into the investment process perceived by institutional investors?
- 2) What are the reasons for institutional investors to integrate ESG into the investment process?
- 3) How could the communication process help institutional investors and companies to develop a mutual understanding and full appreciation of ESG?

Based on these questions, the study aims to provide recommendations that can be used by companies when communicating ESG with institutional investors. First, earlier literature on the key concepts, i.e. investor relations and knowledge transfer will be introduced after which the findings will be discussed.

### **Role of Dialogue in Investor Relations**

The role of dialogue in the investor relations profession has been widely documented by several researchers. Kelly et al. (2010) surveyed 145 members of the National Investor Relations Institute and the Public Relations Society of America’s Financial Communications Section, in order to understand the use of different communication models in investor relations (IR). They found that the majority of Investor Relations Officers (IROs) felt that they engaged in two-way symmetrical communications, despite the fact that previous literature had considered dialogue in investor communications a utopian ideal.

The purpose of the two-way symmetrical model of communication is to “generate a mutual understanding with strategic publics” of the company’s activities (Kelly et al., 2010, p. 204). This means that, through communications, IROs and investors can attempt to bridge existing differences in understanding the value of information and knowledge being discussed.

Meetings with analysts and investors are generally considered one of the most important elements of investor relations as meetings play a key role in facilitating two-way communications and dialogue. In fact, Marston (2008) found that UK company managers considered one-on-one meetings the *most* important communication channel among both analysts and investors. Kelly, Laskin & Rosenstein (2010, p. 205) hypothesize that the reason for emphasizing these meetings is the power that investors have over a public company. This means that it is important to ensure that investors agree with the current and future direction of the company. Hence, managers view meetings with investors as a brief “opportunity to influence the content of the picture – to augment, adjust, inform, amend and update the complex and mobile gestalt of company identity that is the basis of investor decision making” (Roberts Sanderson, Barker & Hendry, 2006, p. 284). Managers attempt to work on improving investor “knowledge” by, for example, ensuring a mutual understanding of a particular piece of information (p. 285).

### **Knowledge Transfer**

The process of knowledge transfer is more complex than the *transfer of information*, which can be done with less interactive means of communication (e.g. Harada, 2003). The *transfer of knowledge* by means of communication requires conveying insights, skills or experiences which cannot be communicated as easily as facts or figures (Università della Svizzera Italiana & University of St. Gallen, n.d.; Mengis & Eppler, 2008). Ringberg & Reihlen (2008) argue that critical to knowledge transfer are the interpretations made by people; for example, two people with the same education, training and profession may conceptualize similar events completely differently.

Essentially IR, and specifically ESG communication, can be seen as a process of knowledge transfer between companies and investors, which is why it is important to understand how successful knowledge transfer could be achieved. Past studies (e.g. Amaeshi & Grayson, 2010; WBCSD & UNEP FI 2010), indicate that the mental models of investors and company

representatives are not aligned. In other words, one could argue that investors and companies are speaking a different language because they apply ESG to their existing personal and cultural cognitive cultural models, which do not appear to be shared. Therefore, unlike the current practice of treating ESG as information that can be communicated through a one-way practice (see Hockerts & Moir, 2004), a negotiated knowledge transfer process (Ringberg & Reihlen, 2008) might be the framework which could be applied to the act of communicating ESG to investors in order to reach a mutual understanding of ESG issues.

The reason that, to date, the ESG movement still has not met a critical mass seems to be that mainstream investors do not view ESG issues as material to business performance (Dawkins, 2004, pp. 111–112). Ringberg & Reihlen (2008) discuss the immense amount of pre-existing knowledge both parties must have in order for knowledge to be transferred in the intended manner. Without a sufficient knowledge base and relevant mental models, the transfer of knowledge will be meaningless. As for ESG communication, Dawkins (2004) and Ringberg & Reihlen (2008) suggest that both parties should understand the *relevance* of this information, in order for the messages to be effectively received and correctly interpreted.

In the present paper, we argue that current popular one-way communication models applied to ESG communication fail to account for the unique private and cultural mental models of the communicating individuals. Therefore, in the present study, knowledge management theories are utilized to understand the potential significance of the private and cultural models in the knowledge transfer process between company representatives and institutional investors.

Ringberg & Reihlen (2008, p. 914) propose a Socio-cognitive model of knowledge transfer (Figure 1). The Socio-cognitive model emphasizes that the outcome of knowledge transfer is determined by how individuals process information and how this information processing is influenced by environmental feedback (Ringberg & Reihlen, 2008). The different elements of the model are discussed next.

#### *Cultural and private model*

Jameson (2007) defines cultural models as part of a person’s collective identity, i.e. the sense of self derived from membership in groups. The second component of collective identity derives from social identity, which concern the roles people play in the present. However, in line with Ringberg & Reihlen’s framework (2008), collective identity is referred to simply as cultural identity. Private models, one the other hand, are influenced by factors such as personality and character (Jameson, 2007). Ringberg & Reihlen (2008) believe that both private and cultural models have an impact on the way individuals process knowledge, but they note that there is no sharp distinction between where the use of a cultural model ends and the application of a private model begins (p. 922).

Investors, for example, can be considered to belong to an “investor community”. Dawkins (2004, pp. 111–112) argues that, based on dominant cultural models of investors, the relevance of ESG information, for example, is assessed based on how it impacts the “bottom line”

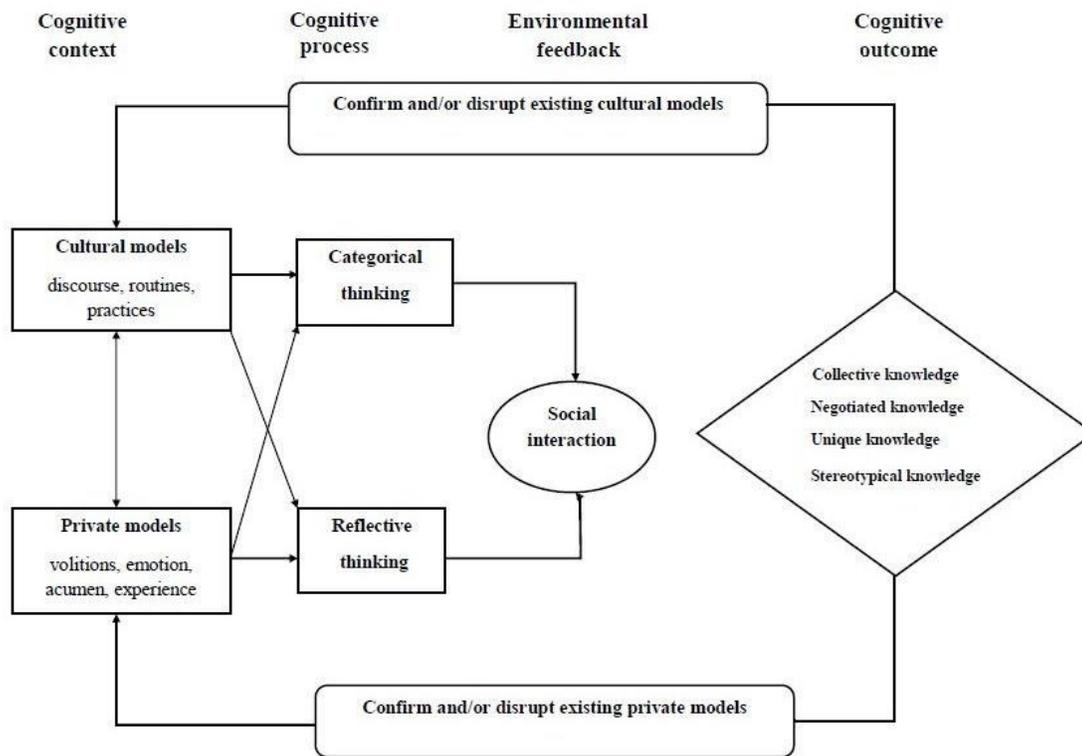


FIGURE 1. Socio-cognitive model of knowledge transfer Ringberg & Reihlen (2008, p. 914)

*Environmental feedback*

The Socio-cognitive model also emphasizes the role of environmental feedback in either “confirming or disrupting” existing cultural models, which impact the way we interpret knowledge. One form of environmental feedback is dialogue. Mengis & Eppler (2008, p. 1291) define dialogues as “a specific form of conversation in which conversers collectively aim to open up problems into multiple perspectives in order to explore the whole among the parts and the connections between the parts. In dialogue, conversers combine inquiry (i.e. inquiry of the underlying assumptions of statements) with disclosure and aim to learn about a problem involving all dialogue partners and to create a shared meaning among many. In other words, conversers aim to recognize each other’s underlying assumptions (that stem from pre-existing cultural models) so that through two-way communication, they can reach a mutual understanding.

Dialogue plays an important role in the practice of investor relations. Through dialogue, the organization and the investment community aim to achieve a “fair valuation” of a company’s share price (NIRI, n.d.). This means that investors must have a “full appreciation” of the company’s business activities (IR society, 2012). In other words, through dialogue investors and IROs reach negotiated knowledge transfer where dialogue is used by investors and companies in an attempt to reach a mutual understanding – or fair valuation – of the company’s market value (Ringberg & Reihlen, 2008). For example, in the case of ESG communication between investors and companies, this might mean that investors recognize their possible skepticism of the business benefits of ESG. Through dialogue investors aim to understand why companies believe in the

business benefits of ESG and companies, in turn, aim to understand the source of investor skepticism. By recognizing the differences in their underlying assumptions, investors and companies can then begin to reach a shared understanding of the business benefits of ESG.

#### *Investor relations officers as gatekeepers*

According to Yakhlef (2007, p. 48), the translation of knowledge between two different contexts is achieved by “boundary brokers, who help interpret and translate reified data (e.g. data, manuals, statistics)”. Boundary brokers are also referred to as gatekeepers (Harada, 2003). In terms of ESG communication, the responsibility of the gatekeeper is to translate ESG from one group’s mental models (i.e. the organization) to meet the understanding of the other group (i.e. the investment community) (Yakhlef, 2007; Harada, 2003). In this case the role of a gatekeeper is perhaps most appropriately assigned to the IRO, as they play an important role of changing the “views and behaviors of management” as well as changing the attitudes and behaviors of the financial public (Kelly et. al, 2010, pp. 199 – 200). It could be argued that IROs should have the ability and existing knowledge base required to demonstrate the relevance of ESG by tying these issues to the existing mental models of investors.

According to Kelly, Laskin, & Rosenstein (2010), some IROs also felt that their task was as much to change the views and behaviors of management as it was to change the attitudes and behaviors of the financial public. IROs also deliver information from the investors and financial analysts back to management (Laskin, 2009). The role of sustainability managers as “crucial to bridging knowledge and expertise on the materiality of ESG” with IROs has been emphasized. (WBCSD & UNEP FI, 2010, p. 9). This implies that ESG communication is not only a two-way communication practice with external stakeholders, but two-way communication (i.e. dialogue) is also practiced internally within companies.

#### **Method**

To explore how knowledge transfer can be applied to the communication of ESG between companies and institutional investors, data were gathered by conducting qualitative, semi-structured interviews with six European Institutional investors. Institutional investors are widely considered the pioneers of ESG integration (Sullivan & Mackenzie, 2006), and all the investors interviewed in the present study had signed the UN’s Principles for Responsible Investment. In total, two face-to-face interviews and four telephone interviews were conducted. To triangulate the findings of the interviews, archival material was used.

Finally, the interviews were conducted among elite participants (Gillham, 2005.), i.e. interviewees knowledgeable in the area of ESG integration; a common feature of elite interview is that the interviewee is more informed than the researcher. (Gillham, 2005, p. 54), which makes this type of interviews specifically suited for investigating an emerging phenomenon. The interviewees are presented in Table 1.

TABLE 1. Profile of interviewees

|    | Investor profile                                        | Interviewee                             | Face-to-face or telephone interview | Total assets under management                        |
|----|---------------------------------------------------------|-----------------------------------------|-------------------------------------|------------------------------------------------------|
| 1. | Finnish investment manager                              | Portfolio manager (Trial interview)     | Face-to-face                        | 6.4 billion €                                        |
| 2. | Finnish mutual insurance company                        | Head of responsible investment          | Face-to-face                        | 27.5 billion €                                       |
| 3. | Swedish insurance company                               | Senior analyst, Corporate governance    | Telephone                           | 300 billion Swedish Krone (approx. 35 billion €)     |
| 4. | Norwegian life insurance company                        | Advisor, responsible investment         | Telephone                           | 271 billion Norwegian Krone (approx. 36.8 billion €) |
| 5. | UK investment manager/Concentrated European equity fund | Fund manager                            | Telephone                           | £ 700 million (in total) (approx. 875 billion €)     |
| 6. | U.K. investment manager                                 | Project manager<br>Quantitative analyst | Telephone                           | Not Disclosed                                        |

## Findings

The findings of the study will be presented and discussed in the following sub-sections, according to the three research questions introduced in the introduction.

### *Investor perceptions on integrating ESG into the investment process*

The present section attempts to address the first research question, which seeks to understand how investors perceive ESG integration. Before proceeding to examine the communications process between companies and investors, initially the meaning of ESG integration to investors will be examined, i.e. how investors *perceive* ESG integration and how ESG *is* integrated into the investment process.

A challenge for communicating ESG with investors is that previous literature suggests that investors may take several different approaches to ESG integration. This view was supported by the investors interviewed. The interviewees unanimously recognized that there are a number of ways companies can choose to integrate ESG, as can be seen by the following quote:

*“Integration [of ESG issues] can be done in so many ways. There are as many ways to integrate as there are investors. More or less it depends on what kind of investor you are and what type of investment strategy you have” (Investor 4).*

However, all interviewees did emphasize that ESG integration means that environmental, social and governance factors are only *one* factor in the investment process and that it is by no means the only investment criteria. The following quotes illustrate this:

*“...to us it [integrating ESG] means that we don’t have separate ESG teams. ESG issues are one factor when making investment decisions. They are not the only factor. That has to be said” (Investor 2).*

Based on the approaches to ESG integration discussed above it can be concluded that there is no universal approach to integrating ESG into the investment process. Furthermore, when interviewees were asked which ESG factors they deemed most important to the investment process, the consensus was that there is no universal set of criteria. Instead, interviewees highlighted that when determining which ESG factors are relevant to the investment process, *“the essential point is materiality” (Investor 5)*. The interviewees emphasized that institutional investors must engage in reflective thinking to determine which set of ESG factors are material.

The reason why materiality represents the use of reflective thinking is that there seems to be no standard set of ESG issues applicable to all companies, or even all industries. Instead, these factors vary depending on the individual target company and which factors can be of financial significance. This further supports the notion that the investment process is highly subjective process, requiring a significant amount of reflective thinking. Therefore, different investors may select different ESG issues to focus on. However, investors may not only focus on different ESG factors but they may also interpret these factors in different ways. This is demonstrated by the quote below:

*“After I have made an investment decision, or we have made the decision collectively with my colleagues, we go through the portion of the responsibility analysis together. Sometimes our colleagues may chastise us and note that “you have not conducted this analysis well enough” or “you should maybe reconsider this factor”. We share all of the information we have with each other” (Investor 1).*

Overall, the interviewees indicated that there seems to be no single approach to integrating ESG into the investment process. Furthermore, the interviewees discussed the fact that material ESG issues were determined based on the specific conditions of the target company. These two factors combined often seem to lead investors to varying investment decisions and conclusions of a company’s ESG performance.

#### *Reasons for integrating ESG into the investment process*

In an attempt to develop a further understanding of the relevance of ESG to the investment process, the present sub-section aims to address the second research question and examines the motivations for integrating ESG into the investment process in more detail. In addition, the role of private and cultural mental models in the investment process will be further analyzed.

Based on the interviews, it can be concluded that while there were many different approaches to ESG integration, motivations for integration among the interviewees were virtually uniform; the link between ESG issues and financial factors was also highlighted by all of the investors interviewed.

*“In our point of view the discussion about integration is sometimes a bit funny...In a sense that some people feel that ESG factors are non-financial, or you sometimes hear they are “extra financial”, quite often E, S, and G have a financial link; or most of the*

*time they do ... We feel that it is important that our portfolio managers look at ESG issues just as they are looking at profit and loss and balance sheet statements and making their cash flow predictions and so-on and so-on. So to us... that's integration” (Investor 2).*

*” Linking governance, or the other ESG factors, to performance [shareholder value creation], is what matters for investors” (Investor 5).*

As demonstrated by the quotes above, all interviewees emphasized the importance of the business benefits of integrating ESG into the investment process and the impact ESG can have on the financial performance of companies. In particular, the interviewees most often discussed ESG as a way to enhance risk analysis. Therefore, it can be suggested that a highly financial approach to ESG is part of the cultural models of the investment community and supports previous findings (e.g. Fieseler, 2011; Hockerts & Moir, 2004) that investors look at ESG from the perspective of familiar financial concepts such as cost reduction, risk prevention, and corporate governance. In order to frame ESG communications in a manner that makes it relevant to investors, it seems that there should be a strong link to the business benefits of ESG integration.

The fact that the interviewees mostly used first person plural such a “we” or “us ” when defining and discussing ESG integration from a financial framework suggests that this financial perspective is tied to cultural mental models of the investment community. For example, “*In our point of view...*”, “*generally we feel...*”. Understanding this framework can serve as a useful starting point for companies when discussing integration.

During the interviews, very few references were made by investors to more personal values and frameworks, and as it has been previously noted, it is very difficult to distinguish between private and cultural mental models. However, two respondents touch on the influence of what seem to be personal mental models. For example, when discussing the integration of ESG, one interviewee said “*My dream is that it would all be more integrated into a day-to-day basis...*” The use of “my dream” implies that this is a highly personal statement.

#### *The communication process as a means of reaching a mutual understanding of ESG*

As discussed in the literature review, Kelly, Laskin, and Rosenstein (2010) found that most investor relations officers felt that their role was to create a mutual understanding between the company and the strategic publics of the companies’ activities. The literature reviewed suggested that meetings were considered important by companies due to the immense influence of investors and also because of the opportunity they provided to improve the “knowledge of investors” (Roberts, Sanderson, Barker, & Hendy, 2006, p. 284; Kelly, et al., 2010, p. 205).

The notion that investors exert a substantial influence over the target company was certainly evident in the interviews. In fact all interviewees emphasized the importance of one-on-one meetings. The interviewees described a relational approach to investing, indicating that companies and investors had very close relationships where the aim was to both foster trust between the parties and to develop a mutual understanding between the company and investors. This is demonstrated by the quote below:

*“My job description is to engage in dialogue with the investee companies’ top management, Supervisory Boards, shareholders and other stakeholders on a regular basis about current progress, what could be improved, and what we as long term involved owners could do to help” (Investor 5).*

The investors interviewed primarily described their relationships with companies as extremely proactive and even supportive. While at times investors are required to exert pressure on companies if their performance is subpar and they are unwilling to change, this was seldom cited as the case.

*“... to a certain extent, our role as owners in some way is also that of an advisor from a capital markets’ perspective. We do not just ask ‘Should we invest given the direction of the company and its valuation?’ but also ‘What can we, as involved owners, do to help the company move to a better direction and/or faster?’” (Investor 5).*

*“Our approach to engagement is predominantly constructive. We want to understand an investee company inside and out and always seek a dynamic dialogue with the company’s management, Board and main shareholders. Acting as a constructive sparring partner allows us to present our views to the company and ask them to prove us wrong. If the company presents us with information [that] proves our views incorrect, we change our mind. If they agree with our views or cannot prove them wrong, we want to cooperate with the company to address them” (Investor 5).*

*“We welcome [companies educating us on material issues]. Just as they present their quarterly results and annual results - they are the experts of that company in that sense - they know what they are doing and what they are not doing... so it’s a key issue for them to talk about ESG issues as well.” (Investor 2).*

In addition to taking a reactive position by “defending” themselves to investors in the engagement process, the interviewees emphasized the role of companies in proactively educating investors regarding the business benefits of ESG, i.e. allowing investors to fully appreciate ESG. In fact, just as progressive investors had managed to bring ESG onto the corporate agenda, the interviewees believed that companies could also make efforts to bring ESG onto the agenda of the capital markets:

*“... there are so many actors in the financial market that need education, need more knowledge; there are so many analysts for instance that really haven’t grasped what is this all about and why is it relevant to “me”...It would be good if we could talk about these things more at the capital market day, because that would be part of educating the analysts, educating the investors or at least make people aware of these issues. If they haven’t grasped them in the past” (Investor 4).*

The interviewees did highlight that there is still a critical mass of investors and analysts who were not considering ESG factors actively. Therefore, companies were seen as having an opportunity to educate them. Proactively discussing ESG was also seen as an opportunity for companies to set the agenda in terms of what ESG issues they wanted to discuss, as they were not forced into the discussion by investors.

Through the interviews with investors, it became clear that, first and foremost, investors were looking to form a mutual understanding of the current and future state of the ESG issues of companies. Through the process of one-on-one discussions and engagement, the unanimous objective was to reach a mutual understanding and full appreciation of the company’s ESG efforts. Furthermore, the interviewees also hoped that companies would learn to appreciate the investor’s perspective regarding the company’s current and future ESG performance. This objective is demonstrated by the quote below:

*“...Our aim is to understand where the company management’s thought process has come from. We do not want to make hasty decisions, which make no sense. Our job is to first form our own perspective on value creation opportunities and key priorities, and then through a long-term oriented dialogue and relationship building, understand the company’s perspective and finally work together to find alignment”” (Investor 5).*

Overall, the interviews conducted among investors seemed to imply that the process of ESG integration and communicating ESG to investors was characteristic of a negotiated knowledge transfer process. While it seemed that initially the mental models and understandings of a company’s ESG performance were often not completely aligned, dialogue was used as a form of environmental feedback to align diverging mental models. Investors provided their views to companies through an engagement process which could take the form of constructive and informal discussions; in more extreme cases voting rights at Annual General Meetings were used to voice investor opinions. Similarly, companies could offer their opinions and justify their actions to investors – these views were often welcome, because investors considered companies the experts of their own business. It was acknowledged that companies had knowledge about their business that investors did not have access to, and that the process of dialogue was an ideal opportunity to communicate this knowledge. The interviewees referred to the fact that more often than not this process lead to investors and companies resolving differences in a process that would result in reaching what Ringberg & Reihlen (2008) call negotiated knowledge. Overall the knowledge transfer process which takes place when ESG information is communicated is aptly summarized by a Norwegian investor interviewed:

*“We have had so many cases where the dialogue starts from the companies arguing that that our judgment is really unfair, that ..., they are actually doing really really well... but after a while all of a sudden the tone really changes: “OK this is something we will definitely look into, we will do this and that we are implementing this and that process”. I don’t know, it is really difficult to see a pattern of what actually has happened and what has led to the change, but it has happened so many times. That the dialogue starts in a very defensive way and that now they are looking into the problem... and that is really really exciting” (Investor 4).*

As a final element of the knowledge transfer process between companies and investors, the role of an internal gatekeeper needs to be emphasized. Past literature has suggested that ESG is most effectively communicated by the IR managers who have grasped the jargon that is familiar to investors (UNEP FI, 2010, p.9). The role of the CEO and CFO was not discussed in depth by literature regarding ESG communications; however, the interviewees all almost exclusively mentioned the importance of carrying out a dialogue with *top management*. The role of the target company’s Board of Directors was also highlighted by several of the investors interviewed.

In fact, one interviewee noted that if a company is about to convincingly argue that ESG is part of the business case, and a great source of competitive advantage, the role of the CEO cannot be overlooked. Many referred to the fact that the credibility of a company’s ESG agenda was seriously compromised if the CEO was unable to discuss ESG issues. This is in line with Roberts, Sanderson, Barker & Hendry’s (2006, p. 286) view that the behavior and representation of top management are believed to define investor views of the state of ESG issues at the company. The important role of the CEO is demonstrated by the quote below:

*“...it has been quite surprising to see some CEO’s talking about ESG issues when you have seen that they are not comfortable, and that they do not know the topic by heart. That it’s, let’s say it’s their head of sustainability that has done the slide show, and although the CEO is familiar with the slide show, you sort of get the feeling that they know the slideshow but they don’t know anything beyond that. And you get the feeling that ‘hang-on... you are still saying that this is a vital part of your strategy and the CEO is not happy talking about this? What is going on?’” (Investor 2).*

Another investor noted that conversations with the CEO and top management were a reflection of how important these issues were on the corporate agenda, and often had an influence on the “responsibility score” assigned to companies. Sometimes, conversations resulted in additional information that was not available in reports. However, an investor interviewed noted that in some cases company CEOs were not even aware that the company published a CR report.

The role of the sustainability manager was only mentioned in passing by two interviewees. Perhaps the reason that these investors engaged in discussions with the ESG manager was that within the investment companies they represented, they had an ESG related role. The fact that the role of sustainability managers was not discussed by the remaining investors perhaps supports the fact that the role of the sustainability manager is to *internally* educate the investor relations officer. (Gitman, Chorn & Fargo, 2009).

## **Conclusions**

The findings of the study indicated that the integration of ESG was perceived in several different ways. However, to all of the investors interviewed, integration mainly meant that ESG factors were only one consideration when making investment decisions and that these factors were mainly assessed from a business perspective. Nevertheless, a variety of different strategies, such as negative screening, were used to integrate ESG into the investment process. Furthermore, the investment process was characterized by a high level of analysis (i.e. reflective thinking) and investment decisions were often subjective.

We also found that the most widely cited motivation for integrating ESG factors was the fact that it provided an enhanced understanding of the company’s risk factors. ESG was also cited as a strategic business opportunity as well as an opportunity for cost reductions. Several investors noted that those ESG factors which could not be measured were not of interest as they could not be tied to existing financial valuation models. The approaches to ESG integration were most often discussed using “we” and “us”. The use of the first person plural seems to suggest that the opinions expressed were not entirely those of the investors interviewed alone. The fact that all of the investors made a point to stress the importance of examining ESG from a financial

perspective suggests that there may be existing cultural models which lead investors to examine ESG through a financial framework.

During the interviews there were select moments when the interviewees switched from the first person plural to the first person singular form. For example, one investor expressed that it was *her* dream that ESG would be integrated into day-to-day operations. This suggests that personal models are indeed present during the investment process. However, the present authors recognize it is extremely difficult to evaluate a person’s existing mental models, and making a distinction between cultural and private models is even more difficult – if not even impossible (Ringberg & Reihlen, 2008; Morris & Rouse, 1986; Jameson, 2007). However, identifying the private mental models of each investor is beyond the scope of this paper. Furthermore, identifying these models may not add value for companies as there exist as many private models as there are investors; therefore, it is impossible for companies to frame communications to meet each person’s individual needs.

Dialogue was used by companies and investors to confirm and disrupt existing beliefs of both parties. Investors, for example, used dialogue to elicit change within a company’s ESG performance when necessary. Investors sometimes even took on an “advisory” role. Companies were invited to actively participate in this dialogue and to challenge the views of investors. The investors interviewed recognized that the companies were the experts of their own business and therefore investors were open to the option of being “proved wrong” as long as the arguments were justified. The ultimate goal of the dialogues, as cited by the investors interviewed, was to form a full appreciation and mutual understanding of the company’s ESG efforts.

The literature surveyed suggested that the most appropriate company representative to take part in the dialogue with investors was the investor relations officer. It was noted that they would understand the jargon used by investors and therefore they would be able to frame communications in a manner that made ESG relevant to them. However, the investors surveyed placed a much greater emphasis on top management, and even the Board of Directors, as gatekeepers of ESG information.

While the study provided significant insight to the process of developing a mutual understanding between company representatives and investors, the knowledge transfer process may in reality be impeded by several factors, which Szulanski (2000) identifies as “stickiness”. Such factors include the motivations of the communicating parties. As suggested by Roberts et al. (2006), the communication process between investors and companies is also characterized by power relationships, where investors may utilize their power to influence the decisions of management. It is important to acknowledge that this power dynamic may also have implications for the knowledge transfer process (see Sharma, 1997 and Zhu, 2004). Zhu (2004, pp. 70–71), for example, notes that many knowledge transfer theories stress that knowledge transfer does not occur in a vacuum and that power relationships impact the process and outcomes.

Nonetheless, the present study provides several valuable insights to ESG communication between investors and company representatives. Firstly, in order for companies to ensure that investors develop a full appreciation for ESG efforts undertaken by companies, companies should ensure that their communications are framed in a manner that makes ESG relevant to investors. Based on the study it can be concluded that ESG issues should be tied to a financial framework, and the link between ESG issues and risk factors and business opportunities, should be emphasized.

Companies should also ensure that communicating ESG issues is not confined to reports. The findings of this study suggest that reports are mainly used to search for information while a deeper understanding of ESG issues is developed through dialogue. In fact, most of the investors interviewed made use of service providers for the facts needed for investment models. Instead, a proactive two-way dialogue should be emphasized as it offers opportunities for companies to justify their current positions and to better understand the mental models of investors. These dialogues will also provide companies with a better understanding of what issues companies deem material.

Furthermore, Sullivan (2011) has noted that there still seems to remain a critical mass of investors that do not actively consider ESG factors. Therefore, it can also be recommended that companies also proactively discuss ESG issues when meeting investors at annual general meetings, road shows and capital market days, for example. By proactively discussing these issues companies will not only play a role in educating capital markets about ESG issues, but they will also seize the opportunity to set their own agenda.

The final implication of the present study is a recommendation that companies should ensure that ESG issues do not remain exclusively on the agenda of the sustainability manager. The investors interviewed for this study clearly preferred seeing that top management had taken ESG issues onto their agenda and that they were actively advocating improvements. Having a CEO who is visibly uncomfortable discussing ESG issues only compromises the credibility of any ESG communications and developments in ESG performance. Therefore, companies should ensure that the CEO is an advocate of ESG issues and feels comfortable discussing them. Finally, it should be emphasized that when discussing ESG issues with investors, communicators should be able to “sell the sizzle”, i.e. assume a financial framework.

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# Social Media and the World of Work

## A Strategic Approach to Employees' Participation in Social Media

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*This research paper explores the risks and benefits of employees' social media use for an organization's reputation, and delivers suggestions for a strategic management approach.*

*Through social media, employees function as powerful brand ambassadors who shape reputation with everything they do and say online. This requires a strategic management approach to employees' social media use, including research, Internet access at the workplace, a strong commitment from the C-suite, the establishment of social media teams, the implementation of guidelines and policies, training and education, integration, as well as goal setting and measurement. These eight key steps will help communications professionals to better prevent the risks and leverage the benefits of their employees' participation in the social web.*

*The findings of this research paper are based on a comprehensive literature review and supported by a leading practice example.*

**Keywords:** *Employee social media use, Reputation management, External communication*

**Paper type:** *Research*

### Introduction

As one of the most defining developments of our time, social media has fundamentally changed people's private and professional lives. It is no longer a trend or playground for first movers, but communications professionals' most important challenge in the twenty-first Century. It has introduced an entirely new way of communicating that transforms workforces and reputation management discipline alike.

### *Executive Summary*

Social media has transformed the workforce. The use of the social web is an increasingly important part of employees' private and professional lives that cannot be restricted or eliminated. Since employees' online activities represent an organization's corporate character, their influence on reputation is more important than ever before, making them powerful external communicators and brand ambassadors. This poses numerous benefits for organizations. It can improve an organization's reputation, increase its visibility and reach, foster relationships with key target audiences, demonstrate transparency and an authentic corporate character, and keep employees informed about industry news.

At the same time, employees' power as external communicators and brand ambassadors poses numerous risks, including loss of productivity, message and brand voice inconsistency, workplace lawsuits, regulatory audits and fines, social media crises, loss of confidential data, mismanaged and misplaced business records, exposure of company secrets, and security breaches. It is for all these reasons why employees' participation in social media requires a thorough strategic management approach.

This research project is built upon significant deficits in the management approach to employees' social media use and provides eight strategic key steps to better handle employees' participation in social conversations. These key steps include research, unrestricted Internet access at the workplace, a strong commitment from the C-suite, the establishment of social media teams, the implementation of guidelines and policies, the training and education of employees, integration, as well as goal setting and measurement. As a leading practice example, this paper prominently features the #domosocial project which was developed by the business intelligence startup company Domo.

### *Relevance and Purpose*

Employees increasingly use social media both at home and at the workplace, which makes them influential external communicators. What they say and do online can help an organization improve its reputation and build valuable relationships with key target audiences, or damage reputation and even cause crises. Both the opportunities and the risks of employees' participation in social conversations are significant.

Literature, research and practitioners are aware of the importance of employees' social media use in the reputation management process. There are many suggestions on how organizations should manage the risks and benefits of their employees' participation in social media in order to protect their reputation, but they focus on tactical measures, rather than on strategic management.

The thesis of this research paper claims that communications professionals need to manage employees' social conversations strategically by implementing eight key steps: Research, unrestricted Internet access at the workplace, a strong commitment from the C-suite, the establishment of social media teams, the implementation of guidelines and policies, the training and education of employees, integration, as well as goal setting and measurement.

The purpose of the present research project is to investigate employees' social media use today, and how organizations can better manage the challenges this brings to their business. The goal of this paper is to provide recommendations on how organizations can further develop their efforts in managing employees' social media use to become a well-founded strategic management approach.

While employees' social media use is being widely discussed from the perspective of customer service, internal communications, and recruitment, this research project focuses on a less explored area, which is the external communications and reputation management aspect of employees' social media use.

### *Method*

In order to investigate employees' social media use today, and to provide recommendations for a strategic management approach, the present research paper begins with a comprehensive literature review which explores the changes social media has brought to the workforce, as well as the importance and the risks of employees' social media use for organizations.

Provided with these insights, the second part of this research paper provides eight key steps for a strategic management approach to employees' participation in the social web. Therefore, the #domosocial project will be featured as a leading practice example. #domosocial was developed by the business intelligence start-up company Domo, and was analyzed during qualitative interviews with one of Domo's social media professionals.

### **Literature Review**

In order to understand the importance of a strategic management approach to employees' participation in social media, one first has to understand the impact social media has on the workforce. Therefore, the literature review explores the changes social media brings to the workforce, as well as the benefits and risks of employees' social media use.

#### *How social media is changing the workforce*

Social media is changing the workforce, as its use is an increasingly important part of employees' private and professional lives that cannot be prevented or eliminated by employers.

Research shows that both private and professional social media use is increasing among all generations, including Millennials, Generation X and Baby Boomers (Palo Alto Networks, 2012; Pew Research Center, 2010, p. 16). The overall importance of social networking sites among employees is increasing, and the majority of them access social networking sites one or more times a day (Auditore, Bulmer, & Dimauro, 2011, p.8; SilkRoad, 2010, p. 9).

The increasing use and importance of social media in the workforce is changing how teams collaborate, make decisions, get work done, and connect among themselves as well as with consumers and business partners (IBM, 2012). Employees can no longer be considered an internal stakeholder group, as they are increasingly blending into different constituencies by simultaneously being shareholders, customers, recruiters and members of the community (Argenti, 2009, p. 188; Arthur W. Page Society, 2007, p. 40).

Especially Millennials, the generation born between 1980 and 2000, are changing the world of work as they enter the workforce. They grew up with modern technologies right at their fingertips, and are extensively using emerging technologies at work (Goodman & Hirsch, 2010, p 49; Smith et. al., 2010, p. 4). Contrary to what many employers believe, Millennials do not think that social media and new technologies decreases their productivity, but that it makes them more effective at work (PwC, 2011, p. 9), and helps them improve both their work and their career (Accenture, 2010, p. 3).

However, Millennials see deficits in their organization's social media support, as IT departments do not sufficiently support the social networking sites they use at work. On the other hand, while expecting their employers to support social media, Millennials struggle when it comes to their understanding of and compliance with organizations' social media policies. They are colliding

with their attitudes towards security, loyalty, privacy, and work style, causing them to often ignore corporate IT policies (Accenture, 2010, p. 6-7).

However, neither insufficient support through IT departments nor social media policies will keep Millennials from using social media at the workplace, as they tend to bring their own technology and devices to work (Accenture, 2010, p. 7). Particularly, the increasing use of smart phones featuring mobile applications for social networking sites make social media access faster and easier than ever before.

With the increasing use of social media both at home and at the workplace, and a generation full of digital natives about to dominate the workforce, organizations face new challenges and opportunities in the reputation management process. This poses benefits and risks that will make employees' social media use more important in the future.

#### *The benefits of employees' social media use*

Today, employees' participation in social media is more important than ever before as they embody an organization's corporate character and shape its reputation by functioning as powerful, far-reaching representatives of their organizations.

Employees' social media use is essential in leveraging the benefits social media brings to an organization as a whole (McKinsey Quarterly, 2009). One reason employees play such an important role in the social media era is their function as corporate advocates and brand ambassadors. They know their company's business and spirit well, which makes them credible and authentic representatives of their organization (Agesta & Bonin, 2011).

Their participation in social media is inevitable and impossible to eliminate, causing a company's culture to become increasingly transparent online. Thereby, employees' social media activities make organizational values, behaviors, beliefs, and overall organizational character visible to stakeholders, which makes their social media use a central contributor to an organization's reputation (Arthur W. Page Society, 2012; Brito, 2012). Thereby, social media amplifies their reach as external communicators by connecting them with potential customers, friends, shareowners, vendors, business partners, public officials, and future talent, as well as nonprofit and nongovernmental organizations (Accenture, 2010; Arthur W. Page Society, 2007; FedEx & Ketchum, 2012). This is why the importance of employees as trusted organizational spokespersons and brand ambassadors has skyrocketed over the past three years (Edelman, 2010, p. 21; Edelman, 2012, p. 40).

The majority of employers associate employees' function as brand ambassadors with business benefits (Manpower Inc, 2010). Thereby, an organization's reputation management can benefit the most as employees' social media activities can positively influence the perception of the organization among key target audiences, support thought leadership, and advocate for brands, products, and the organization as a whole. Furthermore, employees' participation in social media increases the organization's visibility and reach, as they share their messages with significant networks online. Another benefit of employees' social media use is that they can build and foster valuable relationships with key target audiences such as customers, future talent, community members or investors. Thereby, they demonstrate transparency and authentically embody an organization's corporate character. Not least, social media allows employees to keep up with

news from their industry and profession, which further develops their expertise and fosters innovation.

However, the power social media gives to employees' role as external communicators and brand ambassadors does not come without risks, as it also can backfire on an organization.

*The risks of employees' social media use*

It is inevitable that employees, intentionally or not, will participate in online conversations about the brands and companies they work for. This poses not only reputational and legal risks for organizations, but also risks for employees' careers.

Following Smith, Wollan and Zhou, there are three main problems that make social media difficult for organizations to address both externally and internally. First, social media requires organizations to give up control, since the use of social media cannot be fully regulated, monitored or controlled, nor its impact stopped or undone (2010, p. 5). Social media provides a public stage for employees to create and exchange content regardless of communications strategies, defined brand voices, or other regulations (Agresta & Bonin, 2011). This poses significant risks that can lead to costly and protracted consequences, including loss of employee productivity, message and brand voice inconsistency, workplace lawsuits, regulatory audits and fines, public relations and social media crises, loss of confidential data, mismanaged and misplaced business records, exposure of company secrets, and security breaches (Agresta & Bonin, 2011; DLA Piper, 2011; Flynn, 2012; Goodman & Hirsch, 2010; Manpower Inc, 2010).

Second, organizations have to accept that social media is everywhere; transcending geographic, demographic, and economic boundaries while being amplified via viral effects (Smith et. al., 2010, p. 5). Hence, social media risks can have wide-reaching effects on the reputation of a company or an entire industry. Once something is said on social media, it may last forever and be accessible to everyone, including customers, journalists, regulators, and competitors (Agresta & Bonin, 2011). The scale of employees' influence through social media becomes clear considering the enormous reach of workforces which can cause serious social media crises (Agresta & Bonin, 2011; Hampton, Goulet, Marlow, & Rainie, 2012).

Lastly, social media is highly emotional and functional (Smith, Wollan and Zhou, 2010, p. 5). It is a space where employees express both happiness and frustration, and force organizations to make decisions much more quickly and with less precise information. It transforms the Internet to a real-time communications medium that requires around-the-clock-monitoring and fast, yet high-quality responses.

With all these risks, employees' participation in social media can cause reputational damage, trigger lawsuits, cause humiliation, crush credibility, destroy careers, create electronic business records, and lead to productivity losses (Flynn, 2012, p. 4-6). An example for an employee-caused social media crisis hit the news in July 2012 when a Burger King fired three employees because they posted inappropriate content that caused a food scandal. Domino's Pizza experienced a similar situation in 2009. Another example is Congressman Rick Larsen who fired three young staffers for writing tweets about drinking at the workplace and how much they disliked their boss. In a more recent case, an employee at the non-profit program LIFE has been placed on unpaid leave from her job after posting a prank photo to her Facebook page.

*In conclusion – The need for a strategic management approach*

Based on the insights gained in the literature review, this research paper states that leveraging the benefits and preventing the risks of employees' social media use, requires a thorough strategic management approach.

Social media has transformed organizations and their workforces. While organizations are facing new degrees of openness and transparency, employees are increasingly acknowledged as trusted, knowledgeable, and authentic brand ambassadors. The inherent risks and benefits are complex and ample, making employees' social media use extremely important to an organization's reputation management efforts. This is why managing an organization's reputation separately from its workforce and culture is no longer sufficient (Arthur W. Page Society, 2012, p. 9). Instead, communications professionals have to pay more attention to what their employees do and say online, and develop a strategic management approach to managing the benefits and risks of their employees' social media use.

**Suggestions for a Strategic Management Approach to Employees' Social Media Use**

The literature review showed that addressing the risks and benefits of employees' participation in social media is a challenging task that requires strategic communications management.

Although independent research in the field of employees' social media use is scarce, there are many best practice examples, guidelines and practical tips on how organizations should address their employees' participation in social media (e.g. Altimeter, 2011; Brito, 2012; DLA piper, 2011; Flynn, 2012; SilkRoad, 2012, p. 5; Weber Shandwick & Forbes Insights, 2011). A closer look at these suggestions, however, reveals that they focus on a few tactical measures. The following sections merge these suggestions into eight key steps for a strategic management approach to employees' participation in social media.

All recommendations will be supported by literature and the leading practice example #domosocial, which was developed by the business intelligence start-up company Domo. The purpose of Domo's #domosocial project was to help its employees adopt social media at the workplace. The program was mandatory for every employee, and included a set of social media tasks that needed to be completed over the course of eight weeks, for example updating one's Facebook profile to include the timeline, using a QR code, downloading three apps from the iTunes store, completing one's LinkedIn profile, or creating three circles on Google+, to mention a few (Domo, 2012b).

Each completed task earned an employee a badge. Employees who had completed all badges were rewarded with one additional day off from work, as well as a \$100 cash reward. In addition, Domo asked its employees to nominate and vote for 13 *Individual Super Star Awards* such as the *Best Blogger Award*, or the *Cooldest Follower On Twitter Award*. Each of these awards included prize money of \$500. Another \$10,000 award was given to the employee with the most net followers (Domo, 2012b).

The #domosocial project is outstanding because it is a unique approach to strategically manage employees' social media use in order to prevent the inherent risks and leverage the potential benefits.

### *Research*

The first step in managing employees' social media use is to conduct research in order to make informed, strategic decisions. Even though the importance of research for strategic communications programs generally is common knowledge, it is hardly addressed in the context of managing employees' participation in social media.

Flynn elaborates on the importance of social media policy audits in order to determine the risks and rules an organization's social media policy should address (2012, p. 133-139). However, this is too short-sighted, since managing employees' social media use is not only about preventing risks through rules, but leveraging benefits through encouragement and motivation. This is why social media audits also should aim to gain insights into employees' attitudes towards social media, why, what for, and how they use it, as well as their knowledge gaps, interests and concerns. Furthermore, social media audits should assess how employees and executives see their company's corporate culture and character in order to identify and address inconsistencies. Hence, the value of social media audits goes far beyond the identification of risks and rules. They inform every decision the social media team makes, and are the basis for the entire strategy.

Research was also an important part of the #domosocial project. Before it started, Domo conducted a baseline quiz to measure its employees' social IQ (Hawkins, personal communication, November 8th, 2012). This gave Domo not only a reference point for future measurement, but also insights into its employees' knowledge about social media, and their level of comfort and familiarity with the social web. However, Domo could have dug a little deeper by also asking its employees about their understanding of the company's corporate character, as well as their interests and concerns regarding social media. This would have helped Domo to identify inconsistencies in how employees perceive their company, and to address potential weaknesses.

### *Facilitating unrestricted social media access*

Literature, research and practitioners agree that completely open social media access, as well as sufficient support through an organization's IT department, is the most important technical requirement in managing employees' social media use.

Many organizations still believe that blocking or restricting social networking sites can help them to protect their reputation from the risks posed by their employees' social media use (SilkRoad, 2012, p. 5). This is a fatal misconception, as banning social media at the workplace only shifts the problem, but does not provide a solution to the inherent risks. This is why Qualman compares banning social media at work to banning phones or paper and pens because employees could make a personal phone call or take a not work related note (2011, p. 251). Organizations also have to be aware of the fact that mobile devices allow employees to access social media regardless of workplace restrictions. If they cannot use social media via their work devices, they will use it through their own gadgets, bringing the social web in through the back door (Flynn, 2012, p. xvi). Consequently, blocking or restricting social media at work today is unrealistic, and will in no way help organizations prevent their employees from participating in social conversations (Altimeter, 2011; Brito, 2012; Flynn, 2012; SilkRoad, 2012).

Unrestricted access to social media was an important element of the #domosocial project, since employees were asked to complete their social media tasks during their work time using all kinds

of channels and platforms. This shows that Domo understands that social media is an essential part of its employees' private and professional lives that cannot – and should not – be restricted at the workplace. Instead of blocking or restricting social media in order to protect the company from the inherent risks, Domo launched the #domosocial project in order to actively prevent these risks and leverage the benefits. This helped Domo to become a part of their employees' social conversations and allowed the company to monitor, measure, and shape their employees' participation in social media.

*Emphasizing commitment from the C-suite*

Experts from literature, research and practice agree that a strong commitment from an organization's executives and leaders is an essential requirement in handling employees' social media use, as the process of embracing social media at the workplace has to start at the core of an organization's culture.

Therefore, a senior-level executive should serve as the champion or public face of an organization's commitment to social media (Flynn, 2012, p. 124). The reason executives' and leaders' commitment to social media is so important is their credibility, trustworthiness, and authority, which will help to gain support for the challenging changes social media brings to an organization (Brito, 2012, p. 20). It will signal to employees that the organization is truly committed to managing the risks of social media while ensuring compliance with legal, regulatory and organizational rules (Flynn, 2012, p. 124). If executives do not use the same social media vehicles as their employees, they will not be part of the conversation and unable to manage the risks and benefits of their employees' social media use. While in theory, the importance of executives' commitment to social media is common knowledge, research showed that there is a huge deficit in this field, since the majority of company leaders do not have a presence on social networking sites (Ceo.com, 2012, p. 2).

The strong commitment from Domo's CEO Josh James makes the #domosocial project an outstanding leading practice example. As the company's leader, James understands that his commitment to social media is an important motivational factor for Domo's employees. By embracing social media at the workplace himself, he was able to serve as the public face of #domosocial, and to gain employees' acceptance and support for the fundamental changes #domosocial brought to their everyday work. At the same time, the strong commitment from Domo's CEO also led to several interview opportunities which resulted in a number of media placements and blog posts<sup>6</sup>.

However, James' strong commitment to social media is also critical, since he did not only advocate for it, but tried to enforce his commitment upon his employees by making the participation in the #domosocial project a condition of employment. By making an extensive project like #domosocial mandatory for everyone, some employees might have felt forced to use technologies they are not interested in, or do not feel comfortable with. This could have led to frustration and resistance which could have had counter-productive effects on these employees' social media use and the company's reputation.

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<sup>6</sup> E. g. forbes.com: <http://www.forbes.com/sites/marketshare/2012/07/10/a-transparent-live-case-study-of-a-company-going-social/2/>; thebuildnetwork.com: <http://thebuildnetwork.com/leadership/domo-social-media-strategy/>; techcrunch.com: <http://techcrunch.com/2012/06/23/domo-social-josh-james/>

To avoid these risks in the future, organizations should respect that employees may not want to participate in social media projects such as #domosocial. While policies, guidelines and basic social media training should be mandatory for all employees, companies should not enforce participation. The most fundamental characteristic of social media is that it is social, which is why its use has to evolve naturally and without pressure. Instead, companies should provide rewards and incentives for those employees who do want to embrace social media at the workplace, and support their activities with more extensive training.

#### *Establishing a social media team*

Literature, research and practitioners agree that managing employees' social media use is not a side job, but requires a dedicated expert team that forms a social media committee or council for social media excellence.

An organization's social media team provides guidance and support for employees and executives, and is responsible for the establishment and execution of social media guidelines and policies, best practice examples and social media training, and reports into the marketing department (Altimeter, 2011; Brito, 2012; FedEx & Ketchum, 2012; Flynn, 2012). Therefore, the social media team has to be equipped with experience in social media technologies and management skills, as well as a profound understanding of the organization's corporate culture and character, its products and services, as well as its departments, structures and hierarchies.

This is why the ideal social media team is cross-functional and consists of – or at least collaborates with – representatives from different departments, including marketing, public relations, internal communications, sales, customer service, and senior management to ensure diverse expertise and reach.

The social media team formed by Domo was responsible for planning and implementing the #domosocial project from its inception to today. The #domosocial team was headed by the company's communications department, but worked cross-functionally and collaborated with a variety of different departments, including human resources, IT, and public relations. It provided employees with instructions, best practices and training to help them succeed in social media (Hawkins, personal communication, November 8th, 2012). This makes #domosocial a good example of how a dedicated team can build the backbone of a company's social media program.

#### *Creating social media guidelines and policies*

The development and implementation of social media guidelines and policies is the most widely discussed step in managing the risks and benefits of employees' participation in social media.

The purpose of social media guidelines and policies is to communicate organizational, legal, and regulatory rules to employees and executives of all levels, to provide a clear understanding of appropriate and lawful social media use at the workplace, and to help organizations demonstrate to courts, regulators, and other stakeholder groups that they are truly committed to operating a civil, compliant and correct business environment (Altimeter, 2011, p. 6-8; Flynn, 2012, p. 170-175). Thereby, social media policies and guidelines help to avoid productivity losses, and protect an organization's reputation, intellectual property and other proprietary information (Manpower Inc., 2010).

Research delivers highly inconsistent information about the implementation of social media policies and guidelines in current practice. Figures range from a minimum as low as 20 percent (Manpower Inc., 2010, p. 3) to a maximum of 57 percent (PayScale, 2011, p. 19), with other studies delivering numbers in between these two ranges (SilkRoad, 2012, p. 10; Weber Shandwick & Forbes Insights, 2011, p. 13; Zerfass et. al., 2011, p. 96). The general importance of social media policies and guidelines for business success, however, is beyond dispute.

Domo's *Social Media Guidelines and Best Practices* (2012) are a good example for effective social media policies. They provide employees with general information about what the social media landscape looks like, where and to whom the policies apply, and who owns the company's social media accounts. They also explain employees' responsibilities in the social web, provide best practices, and identify social media do's and don'ts. They consist of concise bullet points and short, straightforward sentences, use conversational English, and give concrete examples wherever possible. This makes Domo's social media guidelines easy to understand, engaging and relevant.

However, Domo's social media guidelines do not sufficiently cover information about the risks employees' social media use poses not only for the company, but also for themselves. In addition, Domo also should address measures of disciplinary action in case of violation. Domo commented that "violations will be looked at in context and we'll respond in the way we think is the most appropriate manner. Thankfully we haven't had to deal with this yet" (Hawkins, personal communication, November 8th, 2012). This procedure should have been made clear in the company's social media guidelines, too.

Domo's social media guidelines also do not address the company's corporate character. The corporate character is the basis for all communications, and determines how the company acts, talks, and behaves on- and offline. To foster a consistent understanding of the company's corporate character among employees, Domo's social media guidelines should have elaborated on its values, shared beliefs, corporate identity, and brand voice.

#### *Providing training and education.*

Another integral step in managing employees' social media use is an ongoing commitment to social media training and education.

In order to manage employees' participation in social media, social media guidelines and policies need to be reinforced by education (Altimeter, 2011, p. 16; Brito, 2012, p. 33; DLA piper, 2011, p. 23; SilkRoad, 2012, p. 15). Thereby, social media training should target employees and executives at all levels, use a variety of onsite, online and interactive methods, and incorporate a certification system (Flynn, 2012, p. 201-210). The goal of every social media training should be to educate employees about their social media use at work, its risks, rules, policies, and procedures (Flynn, 2012, p. 201). Additionally, social media training should address the benefits and opportunities of employees' participation in the social web, and ensure that employees understand and embrace their organization's corporate character, its values, beliefs and mission. Not least, social media training should provide technical know-how about the function and purpose of different social media platforms, as well as best practice examples of appropriate social media communication. To reach these goals, social media training needs to be an ongoing education effort, rather than a one-time event (Altimeter, 2011, p. 10; Flynn, 2012, p. 205).

In current practice, organizations have a lot of catching-up to do, since most of them do not have proper training and certification processes in place (SilkRoad, 2012, p. 10; Zerfass et. al., 2011). This is another aspect that makes Domo a leading practice example. Domo held two mandatory training sessions; one about the fundamentals of social media, and another one about the company's social media guidelines and recommended best practices. In addition to the training sessions, all materials and resources were available for employees online.

These training sessions were essential steps in starting off the #domosocial project. However, to keep its employees engaged and to reinforce the company's social media guidelines, Domo should also have had an ongoing training approach in place. Employees – especially technology savvy Millennials – are unlikely to pay attention to a lifeless set of guidelines, as social media use is an essential part of their personal and professional lives that is often taken for granted. Instead, employees need to be engaged and motivated through interactive training using different online and offline methods such as face-to-face meetings, intranet resources, or video content.

The social media tasks along with the badges and reward system Domo developed for the #domosocial project are an excellent way of taking social media training beyond the classroom. They provide intrinsic motivational factors such as recognition and appreciation, as well as extrinsic motivational factors such as money and additional vacation days. They create a competitive atmosphere and let employees see their success evolve gradually over a long period of time, which keeps them engaged and motivated. At the same time, Domo's task and badge system serves as a model for an effective certification system which every new employee has to go through. Another advantage is that Domo's badge and rewards system can be extended as needed. For example, Domo regularly introduces new badges to keep their employees active and to further develop their social media skills (Hawkins, personal communication, November 8th).

However, as mentioned in section 3.3, everything that goes beyond a basic social media certification process based on social media policies and trainings should be voluntary. In addition, training should always involve employees by asking them for suggestions and feedback. Today, employees are demanding participation in business decisions and organizational change, and expect that their opinions are appreciated and being heard. If senior managers ignore lower-level employees in their decision making process, they will feel alienated and often be unwilling to accept change (Argenti, 2009, p. 184). Therefore, a company's social media team should value employees' ideas and try to implement their suggestions. Therefore, managing employees' social media use has to be a process based on two-way communication.

### *Integration*

Employees' social media use needs to be integrated into an organization's overall marketing and communication strategy, as well as other business practices relevant to external communications.

The integration of employees' social media use into an organization's overall communication and marketing strategy helps to create seamless communications programs with consistent messages. By connecting all communications efforts with one another, communications professionals can maximize the effectiveness and efficiency of these measures by creating and leveraging valuable synergy effects. To achieve the integration of employees' social media use, the social media team has to work closely together with different departments, such as internal communications, marketing, research and development, public relations and human resources. For example,

integrating employees' social media use into an organization's internal communications could be achieved through a *Share Online* button in employee newsletters or intranet articles. This share button would encourage employees to share strategic messages, stories or news with their social networks online. Appropriate topics include newly launched marketing campaigns, media placements, general company news; quotes from executives, open positions, new products, industry insights, trend forecasts, or executives' views on industry related events of the day. Confidential or unpublished information should be highlighted in the same way to prevent them from being spread online.

Domo ensured program integration through a close collaboration between the social media team and other departments. For example, #domosocial is closely intertwined with the company's human resources practice. Not only did the human resources team help to establish Domo's social media guidelines and best practice examples, but it also incorporated the #domosocial project into the hiring process by requiring every newly hired employee to go through the entire project in order to get certified (Hawkins, personal communication, November 8th & December 7th 2012). Another example is the integration of the #domosocial experiment into the company's public relations efforts. The press coverage about #domosocial and Domo in general was shared with employees, who in turn shared the articles with their social networks. This synergy effect amplified the digital footprint of Domo's public relations efforts and increased its effectiveness.

Another area that requires careful integration and alignment is customer service. As a start-up in the highly competitive business intelligence industry, excellent customer service is a key to success. Employees of all levels can help provide this service as they connect and interact with customers on social media. To leverage the benefits of employees' social media use for customer service, Domo should include guidelines on how its employees should engage with customers, what kind of problems they can help solve themselves, and what issues they should forward to a customer service member. In the same way, companies should provide department specific guidelines for all other practice areas. For example, public relations professionals should be equipped with information on how to build relationships with reporters, while members of the human resources department should be advised on how to engage with potential employees.

#### *Goal setting and measurement*

When it comes to employees' social media use, experts in literature, research and practice fail to address the importance of setting measurable goals.

Defining specific, measurable, timely, and realistic goals is a key step in managing the risks and benefits of employees' participation in social media, just as in managing any other communications activity. Strategic goals help an organization's social media team to identify useful tactics that lead to the desired results, to measure the success of the developed tactics, and to adjust their strategy if needed. Without strategic goals, the management of employees' social media use is a random set of tactics that is left to chance. Measuring these goals is challenging, but imperative to determine the outcome and success of the implemented tactics. To ensure effectiveness and efficiency, the social media team has to identify meaningful metrics and measurement processes to pre- and post-evaluate all measures. This will allow the social media team to identify tactical strengths and weaknesses in order to improve their strategy.

The #domosocial project had three goals. The first goal was to have all social media tasks be 90 percent completed on average. This goal was measured throughout the experiment and the results were updated daily on the Domo website. Domo's second goal was to double the company's collective audience, including all its Twitter followers, Facebook friends, LinkedIn connections, and Pinterest followers. This goal was also measured on a daily basis throughout the experiment. The third goal was to achieve a 50 percent company-wide retweet of company tweets, which was measured at the end of the project (Hawkins, personal communication, December 7th, 2012).

This goal system is a good example for measurable, timely, and specific communications goals. It helped Domo to develop appropriate tactics, track their effectiveness, and measure the program's progress and success. By posting the measurement results publicly on the company's website, they also served as a motivator for employees, as they made the program transparent and allowed them to see the direct effects their social media activities had. Domo also measured the change in its employees' social media knowledge by repeating the social IQ quiz at the end of the program, which delivered a good indicator for the effectiveness of the project.

However, these goals only measure the short-term success of the #domosocial program, not its long-term effects. For example, it would have been important to measure employees' social IQ again a few months after the end of the program. Another aspect Domo should have measured is the quality of its employees' social media use, rather than just its quantity. Domo could have achieved this by measuring its employees' social media sentiments in order to determine their attitudes, opinions and emotions. Another important area of measurement is the quality of employees' connections, for example by analyzing whether employee tweets are retweeted only among other employees, or by important influencers.

## **Conclusion**

In today's social media era, communications professionals have to pay more attention to their workforce as the social web is an essential part of their lives, amplifying their power as brand ambassadors and external communicators. Managing the risks and leveraging the benefits of employees' social media use requires a thorough, strategic management approach.

The value of the present research paper lies in the generation of knowledge that helps communications professionals to understand the need for a strategic management approach of employees' participation in social media. Furthermore, the present research project recommends eight strategic key steps to better prevent the risks and leverage the benefits of employees' social media use.

This has implications not only for the management of employees' participation in social media, but for communications professionals' entire approach to internal communication and employee relations. They have to embrace the fact that employees' social media activities are going to shape their organization's reputation and that the Millennial generation entering the workforce will do so more and more in the future. Reputation will no longer be owned and managed by communications departments, but by an organization's entire workforce. With everyone having the possibility to participate in social conversations online, everyone becomes a contributor to the reputation of their organization. What communications professionals yet have to learn is how to embrace and facilitate these new challenges and opportunities in the reputation management

process. In this process, enhancing the strategic management of employees' social media use is not the only step, but one of the most important ones.

### *Limitations*

As with any research project, the present research project is subject to limitations. The most important limitation is the lack of independent research that meets the academic standards of transparency, reliability, validity, and objectivity. Most of the available studies were conducted by commercial enterprises such as advertising agencies or technology startups. These studies often give reason for concerns regarding the quality of their results, since many of them do not provide sufficient information about key aspects such as methodology, sample selection, or actual wordings of the questions used.

It is important to understand that the purpose of these studies is not the creation of new knowledge in the first place, but the promotion of their sponsor's strategic thought leadership programs. Consequently, these studies may be biased and influenced by the commercial interests of their sponsors. However, due to the scarcity of independent research in the field of employees' social media use and social media in general, these studies can be used to provide general guidance in navigating the endless waters full of advice from self-proclaimed social media experts.

Another limitation of this research project is the selection of the leading practice example. The absence of reliable and valid measurement standards for the management of employees' social media use makes the identification of leading practice examples extremely difficult. Also, leading practice examples are always limited by the quality of the available information. Domo was very open about the #domosocial project and provided valuable information both publicly online and during personal interviews, but it is important to be aware that the disclosed information might be biased or incomplete.

Another limiting aspect is time. These research findings should be considered a snapshot in time picturing the current understanding of the topic. As social media and its effects on organizational communications changes rapidly, the core arguments of this thesis might need to be adjusted over time, as well.

### *Future Research*

Future academic research should continue to explore employees' social media use and its effects on organizations and their reputation, as many questions still remain unanswered. Are employees aware of their power as social brand ambassadors? What is their motivation when talking about their employer online? How big is the impact of their social media use on an organization's reputation in comparison to the social media use of other stakeholder groups such as customers, investors, or the media? To answer these questions, research has to utilize both qualitative and quantitative methods in order to further support the insights gained in this study.

Future research also should address the differences of employees' social media use in different types of organizations and industries. There is no one-size-fits-all solution when it comes to managing the risks and benefits posed by employees' participation online. Certain industries, such as financial service providers or pharmaceutical companies, are especially challenged as they are highly regulated or subject to strict privacy rules. Also the special characteristics of

nonprofit organizations pose interesting implications for employees' social media use, which have to be further explored by research.

Not least, there is a great need for repeat studies. Many of the existing results provide valuable snapshots of our time, but no basis for long-term comparisons in order to predict future developments and trends.

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## Standardized Pharmaceutical Advertising?

### An International Comparison Of Non-Prescription Drug Advertising With Regard To Ad Appeal In General And CSR Appeal In Particular

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*This cross-cultural research presents an investigation into how promotional messages for non-prescription, over-the-counter (OTC) medications are designed with regard to advertising appeal in both the United States (US) and Germany/Austria. The aim of the research was to identify a potential for standardization. A content analysis was conducted over a period of nine months and comprised a total of 385 print advertisements. Results indicate that informative appeals dominate OTC drug advertising, aiding consumers in making qualified decisions when purchasing medications. With regard to numerous advertisement elements, a lot of similarities become obvious, thus offering a large potential for standardized execution in the countries investigated, in spite of little standardization currently being practiced. Whereas informative appeals prevail in both the US and Germany/Austria, it is noteworthy that, in the US, emotional approaches are used more often than they are in Germany/Austria, especially with regard to the advertisement's general appeal, and the headline and body text of the advertisement. Despite the growing importance of corporate social responsibility (CSR), appeals emphasizing companies' social and green (environmental and sustainability) practices do not yet constitute dominant appeals in the US or Germany/Austria. Limitations of the study are addressed and implications for further research are provided.*

**Keywords:** *Pharmaceutical advertising, Standardization, Localization, Advertising appeal, CSR*

Pharmaceutical advertising can be defined as messages created by marketers of pharmaceutical products that attempt to inform, persuade and even entertain members of the target audience, with the goal of influencing recipients' attitudes—and ultimately behavior—in a favorable manner. (Diehl, Mueller & Terlutter, 2008: 100). It concerns both prescription and non-prescription or over-the-counter (OTC) drugs, where the latter can be categorized as self-medication preparations that are directly promoted to physicians and consumers alike. They are also the only kind of medications allowed to be promoted according to European law, whereas in the United States (US) all kinds of drugs can be publically advertised (Buckley, 2004: 4f.).

Medical marketing and promotion encourage competition among pharmaceutical companies and leads to an eventual reduction of drug prices (Wind, 1994: 323). In addition, pharmaceutical advertising can be considered as a useful tool for providing the public with information, thereby also fostering self-medication practices. Nonetheless, it often only presents pharmaceuticals' positive effects, while neglecting possible negative side effects, and is thus accused of white-washing potential risks. In addition, inequalities in advertising spending might result in large brands being predominantly purchased (Diehl, Mueller & Terlutter 2007)—a trend that actually contradicts the purpose of self-medication.

While the area of pharmaceutical advertising is claimed to be widely researched, the highly competitive non-prescription drug market has received very little attention, with only 24 studies having focused on this important market segment over the last half century (DeLorme, Huh & An, 2010: 208f.). This leads to the assumption that some findings might be outdated as well as incomplete. Consequently, the present study, expanding the example of Main, Argo and Huhmann (2004: 130), who have only surveyed the U.S. medication market, intends to add to this field of research by conducting an extensive cross-cultural content analysis with reference to advertisements' visual (image) and textual (headline, body text and slogan) data.

### **Purpose of the Study**

This study serves the following purposes: first, to investigate whether or not a potential for standardization exists in the countries examined and if there are already a lot of standardized advertisements prevalent in the US and Germany/Austria. Second, it intends to compare whether advertising practices in the US and Germany/Austria use predominantly informative or emotional advertising appeals to reach their prospective customers (Main et al., 2004). Third, it will look at advertising strategies in different countries to determine whether there are cross-cultural differences in advertising appeals employed in Germany/Austria and the US, and whether there is a potential for standardized advertising application and execution. The countries examined are not only amongst the most important pharmaceutical markets, but also share another important aspect: they all classify as low-context cultures (Hall, 1976), where messages are communicated explicitly, that is, in a clearly comprehensible manner and without any hidden implications (Wells, Burnett & Moriarty, 2006: 522). Fourth, the present project extends previous research by adding an additional dimension, corporate social responsibility (CSR). As part of companies' ethical and moral commitments (Wells et al., 2006: 86f.), promotional messages now contain references that communicate businesses' social and green (environmental and sustainability) engagements to the public. Due to similarities in the countries' communication behavior and cultural dimensions, which allocate them in the same cultural bands according to the GLOBE study (House, Hanges & Javidan, 2004), this content analysis is expected to bring about similarities in results for both regions' pharmaceutical print advertising markets.

### **Theoretical Background**

#### *Localization vs. standardization*

The cultural similarities lend support to the assumption that the two regions examined in this content analysis present an ideal environment for standardized advertising execution. Nonetheless, the topic is still highly debated, as in a globalized and converging world, advertising executives are often confronted with the difficult question of whether to apply standardized or localized advertising messages. On the one hand, localized advertising executions are recommended by Shoham (1999), who argues that, due to micro-differences, consumers' attributes are not converging, but diverging (Shoham, 1999). The claim is supported by studies that show that the existence of a global homogeneity regarding consumer characteristics cannot be confirmed, owing to dissimilarities between countries' local cultures, which clearly exist and cannot be denied (Caillat & Mueller, 1996; Wiles, Wiles & Tiernlund, 1996). For instance, local languages as well as social customs are components that prevent the realization of standardized promotional messages (Howard & Ryans, 1989; Harvey, 1993), but foster adapted/localized

approaches that are regarded as beneficial to companies, since adaptations can be turned into competitive and differential advantages (Hite & Fraser, 1990; Onkvisit & Shaw, 1990).

On the other hand, a standardized (or global) advertising strategy presupposes consumer homogeneity (Levitt, 1983; Okazaki, Taylor & Zou, 2006: 17) instead of heterogeneity (Hofstede, Steenkamp & Wedel, 1999) and assists companies in creating a consistent image across cultures, thus preventing recipients from getting contradictory impressions when exposed to various localized advertisements (Backhaus & van Doorn, 2007: 37). This has already received a considerable amount of attention from scholars (Agrawal, 1995) and is put into practice as part of a global marketing strategy (GMS; Zou & Cavusgil, 2002) that focuses on cultural communalities of markets among consumers. Consumers are claimed to become more similar, especially in terms of their psychological needs, which can be attributed to globalization and converging markets (Onkvisit & Shaw, 1990; Link, 1988).

Researchers have tried to determine which local environments and/or product categories particularly favor standardized advertising approaches (Doherty & Ennew, 1995), but they have not been able to find a coherent answer. Some studies have demonstrated that most globally operating companies still predominantly pursue localized advertising campaigns that require them to adapt their promotional content to local conditions (Kanso, 1992). One possible reason for businesses' reluctance to apply standardized promotional messages might be that advertising lends itself to being uniformized less than other communication forms, as it depends heavily on cultural conditions that influence its marketing process (Boddewyn, Soel & Picard, 1986; Hite & Fraser, 1990). Another factor impeding classification concerns adaptations, as "it is unclear when an advertisement, with some degree of modification, ceases to be a standardized advertisement and becomes localized instead" (Onkvisit & Shaw, 1990: 19). Some scholars claim that as long as a common and central theme is maintained, the promotion can still be rated as standardized (Onkvisit & Shaw, 1990: 21).

Societies' communication strategies are culture specific, and thus, people's media usage patterns need to be taken into consideration (de Mooji, 2001: 11f.). As mentioned, the regions examined (US, and Germany/Austria) both classify as low-context cultures, where messages are communicated explicitly, that is, in a clearly comprehensible manner and without any hidden implications (Wells et al., 2006: 522). Furthermore, individualistic societies are described as being verbally oriented, whereas collective cultures are visually focused instead (De Mooji, 2001: 12). In the context of a textual (content) analysis, four cultural dimensions taken from the GLOBE study (House, Hanges & Javidan, 2004) are of particular importance: Uncertainty Avoidance (Practices: Ger: 5.27/Aut: 5.10/US: 4.15 vs. Values: Ger: 3.70/Aut: 3.65/US: 3.99; Sullyde Luque & Javidan, 2004), Performance Orientation (Practices: Ger: 4.29/Aut: 4.47/US: 4.45 vs. Values: Ger: 6.26/Aut: 6.12/US: 6.14; Javidan, 2004), Future Orientation (Practices: Ger: 4.23/Aut: 4.47/US: 4.13 vs. Values: Ger: 5.21/Aut: 5.15/US: 5.34; Ashkanay et al., 2004) and Humane Orientation (Practices: Ger: 3.38/Aut: 3.77/US: 4.18 vs. Values: Ger: 5.60/Aut: 5.68/US: 5.51; Kabasakal & Badur, 2004). As the figures suggest no substantial differences between the regions in terms of the manifestation of cultural dimensions, similar results are anticipated for the content analysis.

Exemplified through the most relevant advertisement elements, the standardization potential of the countries analyzed should be pointed out, particularly in terms of advertising appeals in diverse textual elements. The appeals that prevail and are expected to be successful in Germany/Austria and the US will be debated in the following sections.

*General advertisement appeal and textual advertisement components*

According to Pieters, Rosbergen and Wedel (1999), advertising attention is best captured by advertisements' visual components, which are not only processed faster and with less effort, but also transmit their messages more implicitly than written texts, whose comprehension is far more effortful and time consuming (Pieters & Wedel, 2004: 39; Okazaki, Mueller & Taylor, 2010a). When looking at different advertisement elements, Rosbergen, Pieters and Wedel (1997) found that the visual elements and/or headline are the biggest attention catchers, followed by the product illustration (packshot) and the actual product text (i.e., the body text) (Rosbergen et al., 1997: 313).

*Textual elements*

Even though illustrations play an essential part in print advertising by transmitting the intended message more rapidly than written words (Leonidou & Leonidou, 2009: 522), this section will solely focus on textual elements, which are—due to/stemming from their written form—attributed a high degree of formality, credibility and authority (Piller, 2001: 160), characteristics that are especially important for pharmaceutical advertising.

In the process of composing advertisements, it is recommended to avoid negative attention-getting devices in the headline and to reduce the body copy to the most relevant information, bearing in mind to include the products' or brands' unique selling propositions (Piller, 2001: 175). While it is important for the textual and visual elements to complement each other (Batra, Myers & Aaker, 1996: 425), it is essential to establish coherence and cohesion between the advertisements' different textual elements (headline, body copy and slogan) (Piller, 2001: 154).

Following Williamson (1978), advertisements are said to convey either latent or overt meaning, the prior referring to direct and hard-sell advertising appeals that use rhetorical devices to stress particular product features. The latter, however, employs metaphors and emotions, expressing claims less directly and more figuratively (Okazaki, Mueller & Taylor, 2010b: 7f.), with “the advertising message not stated outright but only implied” (McQuarrie & Phillips, 2005: 8). Hence, it can be assumed that advertisements applying informative/hard-sell appeals expect readers to evaluate and reflect critically upon advertisements' messages, while emotional/soft-sell appeals are meant to trigger emotional and affective responses in recipients (Okazaki et al., 2010b: 5f.).

*Informative or direct/hard-sell appeals*

Informative appeals are explicit and direct in their nature, basing their arguments on tangible information and proof (Okazaki et al., 2010a: 20f.). They also address only product-related aspects, such as their functionalities and utilities (Okazaki et al., 2010b: 8), which can be evaluated independently and objectively (Leonidou & Leonidou, 2009: 522; Edell & Staelin, 1983). In pursuing a logical stance, usually positive and measurable, product-related benefits (such as value and/or quality) are stressed (Kotler & Armstrong, 2008; Churchill & Peter, 1998). Direct/hard-sell appeals extend this concept by adding a competitive dimension, whereby the advertised product is directly compared to its strongest opponent, usually in terms of effectiveness, performance and/or price (Okazaki et al., 2010a: 20f.; Okazaki et al., 2010b: 6). Comparisons with competing brands can be established either directly (the name of the strongest

competitor is stated) or indirectly (vague references, such as “other leading brands”, are included) (Wells et al., 2006: 345).

Hence, it can be said that hard-sell or “rational appeals offer a factual presentation on news about a brand, the brand’s features, attributes, or benefits; comparisons with other brands; statistical or research information; or product usage information” (Main et al., 2004: 124; see also Schiffmann & Kanuk, 2004). Mueller (1987) proposes an extended definition and adds other important aspects, such as direct appeals’ sales intentions and “leader” or “#1” statements (1987: 53). Taking product category into consideration, informative/hard-sell appeals perform best when promoting utilitarian, industrial or technologically advanced products that require excessive thought processes before being acquired (Johar & Sirgy, 1991). Furthermore, in cases of high-risk or high-involvement products, objective advertising claims are recommended (Wolin, 2003: 113).

#### *Emotional or soft-sell appeals*

Emotional approaches are characterized by a clear visual dominance and convey general associations and/or emotional messages when a brand or product/service is being promoted (Okazaki et al., 2010a: 20f.). Image-centered and indirect/abstract/subtle marketing approaches can be classified as soft-sell appeals, which are meant to transfer basic product associations (Okazaki et al., 2010a: 20f.; Okazaki et al., 2010b: 5f.). Generally, soft-sell appeals perform best when “image and atmosphere are conveyed through a beautiful scene or the development of an emotional story of verse [as well as when] human emotional sentiments are emphasized over clear-cut product-related appeals” (Mueller, 1987: 53). Two major approaches, which both aim at evoking favorable/unfavorable and affective responses in consumers, can be distinguished as positive and negative emotional approaches (Main et al., 2004: 124).

In general, emotions are best described as internal arousals that are consciously experienced as either pleasant or unpleasant (Kroeber-Riel, 1991: 147ff.). Positive emotional appeals can contain humor, nostalgia, fantasy or even sex. Humor is a very effective means of attracting and maintaining consumers’ attention, while nostalgia is useful by linking advertisements to personal experiences, thereby creating favorable images of the past. Fantastic and sexual appeals are normally linked to achievement but receive very little attention in the area of medical advertising (Main et al., 2004: 125f.). Negative emotional appeals, by contrast, center on adverse emotions, such as fear, guilt, shame and/or anger. Thereby, the product or service promoted is presented as a solution or cure to a current condition as well as a means of lessening consumers’ anxieties (Main et al., 2004: 126f.). Different advertisement components are linked implicitly when employing soft-sell advertising appeals (Okazaki et al., 2010a: 26). The concepts presented seldom occur in their pure forms in reality, but blur at times, taking mixed forms. Mixed appeals are characterized by both tangible product information and facts coupled with emotional recounts or personal statements (Kroeber-Riel & Esch, 2011: 101f.).

#### *Choice of advertising appeal*

Choice of advertising appeal mainly depends on two factors, namely product category and target audience. If close attention is directed towards products as well as their distinctive features and benefits, informative appeals are utilized more often (Leonidou & Leonidou, 2009: 541). High-involvement products present the ideal environment for the application of rational approaches (Okazaki et al., 2010a: 22) and are predominantly featured in Western societies (Okazaki et al.,

2010a: 23) or low-context cultures (Hall, 1976), such as the US and Germany/Austria, where factual content is perceived more favorably than emotional messages (Hofstede, 1980). The use of soft-sell and/or emotional approaches is, however, particularly recommended for specialty convenience products demanding little thought, as the information provided by advertisements is usually intangible and subjective (Johar & Sirgy, 1991; Leonidou & Leonidou, 2009: 543). Due to their emotionally loaded and personal statements, models and celebrities (attributed to a particular life-style group) are more frequently featured in advertisements applying soft-sell appeals (Leonidou & Leonidou, 2009: 540f.). Pharmaceuticals affecting people's wellbeing and health can be said to be high-involvement products. This means that they do not only address a sensitive topic, but are also bought on an irregular basis and usually require extensive review processes before they are acquired. Extensive and detailed advertising information is demanded to aid consumers in their evaluation (Diehl et al., 2007: 40).

Studies concerning target audiences have determined that women and men react differently to advertising appeals. While females are more easily persuaded by ads in general, independent of their promotional approaches (Eagly & Carli, 1981), men prefer competitive (hard-sell) over non-competitive (soft-sell) product claims (Prakash, 1992). As a consequence, "higher-risk products should be advertised to females with either objective or subjective claims whereby the advertisements directed to males should exhibit only objective claims" (Wolin, 2003: 125).

Studies on OTC drug advertising content have revealed that promotional messages are highly likely to contain rational/informative appeals in either the advertisements' visual and/or textual components (Main, Argo & Huhmann, 2004: 132). Previous studies examining the content of OTC medication advertisements found that by centering on dosage information and distribution channels, informative approaches exclusively stressed positive product features, thereby completely ignoring potential side effects and risks. It even appeared as if advertisers' major goal entailed creating product awareness, while ironically avoiding 'overloading' their messages with too much detail, such as areas of product use and time of application (Tsao, 1997; Sansgiry, Sharp & Sansgiry, 1994). These findings allow for the following hypothesis:

*H1a: Advertisements for non-prescription drugs apply informative appeals more often than emotional appeals in advertisements' general appeal in both the US and Germany/Austria.*

### *Headline*

First of all, advertisements' images and textual elements have to be literally tailored to please the recipients' expectations. Thereby, it is important to note that the image acts as an eye-catcher, independent of the person's involvement, and is usually able to generate 60% to 70 % of all attention. The headline presents the second-- most important focal point, achieving an overall fixation of 20 % (Rosbergen et al., 1997). The authors further note that the headline's design and setup are, together with the pictorial, important factors in how advertisements are perceived, also positively influencing consumers' gaze duration. The headline plays a crucial role in capturing the advertisement's gist (Rosbergen et al., 1997: 310) and, together with visual stimuli, does not only offer factual information but often also pleasure and/or entertainment (Rosbergen et al., 1997: 312). Headlines constitute essential elements in advertising since they are, due to their concision, usually read thoroughly, and are expected to segue directly into the body copy. The headline and the body copy both guide and ease the information flow while drawing readers' attention towards important and crucial details simultaneously (Moriarty, 1991). Ogilvy (1985)

suggests that a headline's importance must not be underestimated and claims it to be an essential advertisement component, particularly in print advertising. He even goes as far as saying that the "wickedest of all sins is to run an advertisement without a headline" (1985: 104). A similar stance is taken by Belch and Belch (2001), who consider the headline the most important element in a promotional message (2001: 290). Hence, the following can be concluded:

*H1b: Advertisements for non-prescription drugs apply informative appeals more often than emotional appeals in the advertisements' headlines in both the US and Germany/Austria.*

#### *Body text*

If professionals or executives wish to optimize consumer responses towards their advertisements, Pieters and Wedel (2004) recommend dedicating more space to advertisements' body texts, as they are usually closely linked to the brands' identities (2004: 48). Serving as an extension to the headline, the body copy's major purpose is to transport the advertiser's intended message by providing readers with information and explanations of product features and specifications alike (Wells, Burnett & Moriarty, 2003). In addition, it is also important to provide information in a certain order, preferably following hierarchical structures. In doing so, confusion and disorientation in consumers is prevented, ensuring their train of thought follows a particular and pre-given way (Kroeber-Riel, 1991: 173f.). To guarantee the successful implementation of these goals, the body text needs to be well structured (that is, consist of multiple paragraphs) and allow for a comprehensive (simple and smooth) reading experience, in the course of which a clear and consistent picture of the product or service should be created (Bové & Arens, 1992). As recommended by experts, the body copies' complexity should be kept rather low in order to attract a broader audience (Wells et al., 2006). This allows for the following hypotheses:

*H1c: Advertisements for non-prescription drugs apply informative appeals more often than emotional appeals in the advertisements' body texts in both the US and Germany/Austria.*

#### *Slogan*

Advertisements are recommended to close with features that are memorable to consumers, such as distinctive symbols (product or company logos) or slogans (Wells et al., 2006: 337). Slogans, best understood as short phrases accompanying brands and/or products, are meant to condense or summarize companies' philosophies and goods' identities for the audience in a comprehensible manner (Piller, 1997). At first, advertisers use taglines—short statements or sentences used to summarize products' core features and/or unique selling propositions—on an infrequent basis. However, after some time of consistent application as a marketing tool, they qualify as slogans (Wells et al., 2006: 337) and are usually used to provide some information on product specifications or brand origin, such as unique qualities and traditions, as well as authenticity. By re-using a short but memorable statement, identification is created and maintained (Piller, 2001: 154). Together with the advertisements' headlines, slogans constitute advertisements' central voices and are utilized to reinforce a company's expertise and competence (Piller, 2001: 162). Thus, the following hypothesis can be derived:

*H1d: Advertisements for non-prescription drugs apply informative appeals more often than emotional appeals in the advertisements' slogans in both the US and Germany/Austria.*

*Corporate social responsibility*

Piotrow, Rimon, Payne Merritt & Saffitz (2003) note that present-day communication strategies deserve to be labeled as an “era of strategic behavior communications” that requires companies to set examples in terms of social and environmental objectives. Nowadays, the discourses and standards on sustainability are gaining importance, with companies being pressured to favorably respond to these new commitments that demand they engage in social and environmental practices. In this context, a concept commonly applied is CSR. According to the World Business Council for Sustainable Development (WBCSD), CSR is to be understood as “the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large” (Flaherty, 1998; cf. Nussbaum, 2009: 68). Therefore, companies are asked to adapt their communication and marketing strategies to recent standards and engage in a dialogue with the public, who expects transparency of businesses as well as the disclosure of their social and environmental engagements (Kotler and Lee, 2005; Esteban, 2008: 78). Hence, CSR can be turned into a way of positively shaping and influencing public perception (Kermani, 2005).

Lately, CSR has been more frequently addressed by medical companies and put at the center of their business and advertising communications, aiding those firms in strengthening their position with regard to social and environmental involvements (Esteban, 2008: 77). Two mentionable examples for successful CSR initiatives were put into practice by leading pharmaceutical companies: Pfizer’s ‘Leaders for Health Project’, a joint initiative between the Philippines’ private and public sectors, and Johnson & Johnson’s ‘Campaign for Nursing’s Future’, a project established because of shortages in nursing staff (Nussbaum, 2009: 70). While businesses are starting to seize current ideas and trends and translate them into sustainable and environmentally friendly actions (Nussbaum, 2009: 74f.), they have not been able to successfully respond to or overcome their biggest obstacle: increasing drug prices. These continue to pose the biggest challenge to pharmaceutical companies (Kermani, 2005), who have been repeatedly accused of neglecting or even completely ignoring their ultimate goal: to provide efficient and affordable health care for a broad public (Lefebvre & Miller, 2006). Companies start to consider CSR appeals as an integral part to their communication practices but it is not yet a dominant appeal in pharmaceutical advertising. Thus, the following can be concluded:

*H2: CSR (social and environmental) appeals in OTC drug advertising are not a dominant advertising appeal in the US or in Germany/Austria.*

**Methodology**

This study comprised 385 print advertisements obtained from special or general interest magazines. Of the sample, 183 advertisements (47.5 %) were taken from German and Austrian magazines<sup>7</sup> and the remaining 202 advertisements (52.5 %) were collected from U.S. magazines over a nine-month period in order to guarantee a broad coverage of the pharmaceutical print advertising markets surveyed. Promotions were only selected for analysis if they fitted into the category of non-prescription drug advertisements, meaning that only advertisements containing references to minor disease treatment purposes or OTC availability (i.e. in supermarkets or pharmacies) were included (Craig, 1992: 306), with any repeat advertisements being purposely dismissed. Coding of advertisements occurred along a pre-developed scheme of analysis covering

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<sup>7</sup> Most magazines cover both the German and Austrian market.

48 variables (see Koinig, 2012); of which only selected variables referring to advertising appeal will be discussed in this paper. In order to ensure objective and comparative results, each of the 385 advertisements was analyzed by two independent coders, who scored an inter-coder reliability of .88 according to Cohen's Kappa (Cohen, 1968). Any possible disagreements were addressed in the course of a post-coding discussion.

## Discussion of Results

### *General advertising*

The present study found 51.7 % of all OTC drug advertisements use plain informative appeals (Germany/Austria: 55.7 % / US: 48.0 %), which clearly outnumbers plain emotional appeals (Total: 5.7 %; Germany/Austria: 2.7 % / US: 8.4 %). Mixed appeals occur in 42.6 % (Germany/Austria: 41.6 % / US: 43.0 %) of all cases. Most advertisements also apply product illustrations (Total: 96.1 %; Germany/Austria: 95.1 % / US: 97.0 %), which are not only essential in familiarizing the public with the product and its package, but also characteristic of rational advertising appeals. Hence, hypothesis H1a can be confirmed for the complete advertisement sample ( $\chi^2 = 141.760$ ,  $p = .000$ ) as well as for Germany/Austria ( $\chi^2 = 87.935$ ,  $p = .000$ ) and the US ( $\chi^2 = 56.140$ ,  $p = .000$ ), where informative appeals prevail. The regions are marked by significant differences in general advertising appeal ( $\chi^2 = 6.456$ ,  $p = .011$ ), since US marketers employ more emotional appeals in OTC drug advertisements.

### *Headline*

For the headline, a clear preference for informative (Total: 50.6 %; Germany/Austria: 49.3 % / US: 51.4 %) and mixed elements (Total: 37.5 %; Germany/Austria: 40.7 % / US: 35.7 %) over emotional/soft components (Total: 11.9 %; Ger/Aut: 10.0 % / US: 12.9 %) can be noted. The attention-getting devices in the headline can take various forms, such as questions, questions and answers, general statements, facts, appellations and personal statements.

Among all textual categories, the major proportions are made up of general statements (Total: 63.4 %, Germany/Austria: 61.7 % / U.S: 64.8 %), followed by personal statements (Total: 10.6 %, Germany/Austria: 7.1 % / U.S: 13.9 %) and questions and answers (Total: 9.6 %, Germany/Austria: 14.8 % / U.S: 5.0 %), as well as appellations (Total: 8.8 %, Germany/Austria: 8.2 % / U.S: 9.4 %). The use of these rational textual devices indicates that clear informative appeals dominate over emotional approaches in all countries ( $\chi^2 = 129.754$ ,  $p = .000$ ). Also, in the US and Germany/Austria, informative appeals constitute the majority (US:  $\chi^2 = 37.926$ ,  $p = .000$  / Germany/Austria:  $\chi^2 = 97.200$ ,  $p = .000$ ). As a consequence, hypothesis H1b can be confirmed, further revealing highly significant differences between the regions examined ( $\chi^2 = 12.466$ ,  $p = .000$ ): in the US, informative as well as emotional appeals are featured more frequently compared to Germany/Austria. However, the large percentage of informative appeals would clearly allow for a standardized advertising execution.

An additional analysis indicated that hard-sell appeals that use competitive stances compare with rivaling businesses are rarely featured in OTC drug advertisements' headlines (Total: 4.4 %; Germany/Austria: 3.8 % / US: 5.0 %). However, stemming from the dominance of informative approaches, personalization (meaning personal messages supposedly generated by the advertisements' endorsers) is kept to a minimum, reaching a low of 30.4 % (Germany/Austria:

23.5 % / US: 36.6 %). Instead, headlines often include references to the actual products (Leonidou & Leonidou, 2009: 543) and, in the case of OTC drug promotions, also references to the diseases they are meant to cure. On the one hand, these assumptions only find confirmation to a certain extent in the present study, as about one third of all advertisements examined contain product references (Total: 35.6 %; Germany/Austria: 42.5 % / US: 35.6 %). On the other hand, immediate references to the subject matter are established, with almost half of all advertisements (Total: 49.1 %; Germany/Austria: 63.4 % / US: 36.1 %) already including illness references in the headline, which intend to directly lead into the body copy.

### *Body text*

In primarily focusing on central and objective aspects concerning the medicinal products promoted (e.g., quality, dosage), informative and rational appeals continue to dominate the advertisements' body texts. Out of the total 385 advertisements, 84.2 % (Germany/Austria: 94.0 % / US: 74.8 %) pursue a clearly direct stance by exclusively focusing on factual and tangible product information, followed by 15.0 % (Germany/Austria: 6.0 % / US: 23.3 %) of mixed advertisement appeals, which combine product facts with a few personal success stories. Due to the fact that OTC medications constitute high-risk/high-involvement products, emotional matters take a backseat in advertising, accounting only for 1.0 % (Germany/Austria: 0.0 % / US: 2.0 %) and are specific to the US. References to both the visual and other text blocks are established explicitly, and thus, the different elements directly link to one another (total: 59.6 %; Germany/Austria: 55.2 % / US: 63.4 %). Moreover, the body text is characterized by a rather low level of personalization (total: 23.4 %; Germany/Austria: 8.2 % / US: 37.1 %). As a consequence, hypothesis H1c can be acknowledged for the complete sample ( $\chi^2= 312.195$ ,  $p= .000$ ) and the US ( $\chi^2= 319.413$ ,  $p= .000$ ). Germany/Austria presents a special case, as no emotional approaches in advertisements' body copies were coded. This allows for significant differences between the markets investigated ( $\chi^2= 4.520$ ,  $p= .034$ ), with the US showing more emotional elements in the advertisements' body texts. Thus, in the case of standardized advertising messages, informative advertising appeals should be applied.

Additionally, peculiar to hard-sell appeals, advertisers' value messages are enhanced either by recommendations or statements of superiority that concern products' performance, uniqueness and, at times, even price (unique selling propositions). In the first case, suggestions are made on behalf of alleged experts or market analysts, whereas in the latter, companies themselves state their leading roles, often attesting their claims with scientific evidence, as legally requested by law. Either form is incorporated to attest to companies' competences and achievements, while eliminating consumers' fears and doubts at the same time. In the present study, nevertheless, recommendations are rarely seen (Total: 14.8 %; Germany/Australia: 7.7 % / US: 21.3 %), while all other components are featured more frequently: references to medications' superiority (Total: 33.8 %; Germany/Austria: 20.8 % / US: 45.5 %), products' uniqueness (Total: 28.6 %; Germany/Austria: 19.1 % / US: 36.2 %) as well as performance (Total: 33.0 %; Germany/Austria: 27.0 % / US: 37.8 %). As the numbers suggest, the US achieves twice as many references in all categories when compared to the European countries, advertising to significant differences between the two regions.

In order to ensure text comprehension for the widest public possible, the advertising message's text structure is of vital importance, for it steers individuals' reading flow, making individuals pay attention to particularly important elements, while ignoring less relevant ones. Well-structured

texts are those that use subheadings or information boxes to arrange their messages in a particular order, while advertisements not exhibiting any of those markers qualify as simply structured. In cases where messages are composed of a large running text, they are labeled as unstructured. The present study shows that the majority of advertisements qualify as being either well structured (Total: 49.1 %; Germany/Austria: 63.4 % / US: 36.1 %) or simply structured (Total: 47.5 %; Germany/Austria: 33.3 % / US: 60.4 %), with only half of the promotions consciously applying means to achieve this clear structure: hierarchies (Total: 34.4 %; Germany/Austria: 44.3 % / US: 25.0 %) and/or fact or information boxes (Total: 9.2 %; Germany/Austria: 11.9 % / US: 6.6 %). When comparing the two regions, results indicate that promotional messages in Germany/Austria are considerably more structured than their U.S. counterparts. Unfortunately, while these devices assist consumers in forming an opinion about the actual product, the information they presented remains mostly one-sided (ignoring risks and side effects; Total: 95.3 %; Germany/Austria: 94.0 % / US: 96.5 %), and, thus, raising more questions instead of providing answers.

### *Slogan*

Underrating both the importance and effect of this precise textual element, not even half of all advertisements utilize slogans (Total: 43.3 %; Germany/Austria: 42.6 % / US: 44.1 %). If slogans are applied, they are composed in a similar manner to the remaining textual elements and, accordingly, informative appeals continue to dominate (Total: 48.5 %; Germany/Austria: 53.8 % / US: 43.8 %). Mixed appeals are only slightly inferior (Total: 43.7 %; Germany/Austria: 39.7 % / US: 47.2 %), while emotional approaches rank far behind (Total: 7.8 %; Germany/Austria: 6.4 % / US: 9.0 %). Also, this textual element predominantly offers informative/factual content in order to satisfy customers' need for information, leading to the confirmation of hypothesis H1c ( $\chi^2=51.194$ ,  $p=.000$ ). The hypothesis also applies to the German/Austrian ( $\chi^2=29.128$ ,  $p=.000$ ) and the U.S. OTC drug markets ( $\chi^2=22.261$ ,  $p=.000$ ) individually, and no significant difference between Europe and North America can be noted ( $\chi^2=.434$ ,  $p=.510$ ).

### *Corporate social responsibility*

Transparency in terms of communications does not only help companies to create and maintain more favorable public images, but is also met with approval by stakeholders. As the public attaches more importance to sustainability standards, businesses are put under pressure to respond to these demands in socially appropriate ways. They cannot allow themselves to miss any opportunities and have to ensure that both their social and environmental actions are met with public approval (Esteban, 2008). Hence, they begin to incorporate both social and green appeals into their promotional messages. Social appeals, on the one hand, usually concern companies' expression of support for welfare and/or community projects, and are often realized by cooperating with aid agencies.

Despite their importance, those social stimuli are seldom used in advertising (Total: 2.6 %; Germany/Austria: 1.6 % / US: 3.5 %) as most companies decide to do without them. Green appeals, on the other hand, are featured more frequently (Total: 19.2 %; Germany/Austria: 20.2 % / US: 18.3 %) and involve businesses paying close attention to environmental causes and using organic ingredients and substances, as well as preserving natural resources when producing products. These appeals also allude to companies' willingness to rethink their priorities and adapt to ever-changing environments and social conditions. As CSR initiatives are irregularly featured in OTC drug advertising, they can be turned into competitive advantages. Hence, hypothesis H2,

which assumed that CSR appeals do not constitute dominant advertising appeals in OTC drug advertising, can be confirmed. As CSR appeals concern both social and green concerns, the variables were clustered, whereby their minor importance applies to both the complete sample ( $\chi^2 = 129.166$ ,  $p = .000$ ), Germany/Austria ( $\chi^2 = 60.246$ ,  $p = .000$ ) and the US ( $\chi^2 = 68.931$ ,  $p = .000$ ). In terms of the application of CSR appeals (either social or environmental appeals), country-specific differences do not exist ( $\chi^2 = .016$ ,  $p = .901$ ).

## Conclusion

The present study examined the extent to which advertising messages promoting non-prescription, or OTC medications are characterized by commonalities and/or distinctions across the globe, exemplified by reference to the two largest drug industries, namely the US and Europe (represented by the two countries of Austria and Germany). This extensive content analysis was conducted to determine the potential for a standardized advertisement execution. Since these two parts of the world share some important characteristics in terms of cultural dimensions and communication processes, similar results regarding advertisement design and setup, in particular to advertising appeal as well as CSR appeal, were anticipated. The present study confirmed a dominance of information prevailing in the US and Germany/Austria, and this is applied to all textual elements scrutinized in this paper (general advertising appeal, headline, body text and slogan). Thereby, by focusing on drug facts, ingredients and features, consumers are approached in a cognitive manner. The use of rational information, as opposed to emotional information, is also recommended by experts (Main et al., 2004), since OTC preparations qualify as high-involvement/high-risk products. Companies' social and environmental commitments, however, are poorly reflected in OTC drug advertising. So, either pharmaceutical companies have not discovered the societal need for social and green engagements, or they have not yet started to communicate their CSR activities in their advertisements. If references are included, they use environmental appeals more than they use social appeals.

Even though a high degree of standardization was assumed on the grounds of the markets' commonalities, little evidence was found: only 2.9 % of all advertisements were completely standardized in the US and Germany/Austria. However, a clear potential for standardized advertising execution cannot be denied, as the study results indicate. In all countries, informative appeals continue to dominate and are applied to the different textual elements addressed herein in order to draw a coherent picture. In spite of some minor differences between the regions (e.g., more emotional appeals are utilized in the US), similarities outweigh possible differences, and thus it is recommended for advertising executives to seize this opportunity. The question of whether standardized advertising messages would be recommendable for the pharmaceutical industry can be answered with a clear yes. If companies opted for implementing standardized messages, the messages would have to be, in accordance with present study results, of an informative nature to appeal to both U.S. and German/Austrian target audiences.

Even though some experts claim that the pharmaceutical industry is disqualified for standardization for a variety of reasons, such as heterogeneous consumer groups, varying demands for preparations and dosages, and differences in drug administration, as well as prescription habits (Doherty & Ennew, 1995; Corstjens, 1992), the present study proved otherwise. The outcomes are suggestive of more similarities than anticipated and, as a result, marketers should grasp the opportunity to approach consumers in equal ways around the globe—

or at least in countries characterized by a high degree of communalities according to recent and significant studies (e.g., House et al., 2004).

Some limitations to the present research project exist: first, only two regions belonging to the same categorization (low-context, individualistic cultures) have been examined; second, consumers' evaluations of and responses to OTC drug advertisements must not be left out, and should be addressed in future research projects in order to determine a potential overlapping between the present results and customers' judgments. An interesting research question would be to analyze whether consumers' involvement is overestimated, or if they even might prefer or respond more favorably to mixed or emotional advertising appeals. Further research should also inquire into how consumers react to social and green advertising appeals in pharmaceutical advertising. And third, a follow-up study should focus not only on print advertising, but also include the medium of the Internet. The Internet must not be underestimated, for its advancement has brought some far-reaching changes: the availability of medications has increased, and possible treatment options have become more transparent and turned into a "lifestyle" (Harms, Gänshirt & Rumler, 2008: 147ff.), with consumers actively engaging in their health care decisions. Thus, the Internet plays a vital role in fostering self-medication for self-responsible consumers.

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## Appendix

| GENERAL APPEAL | TOTAL |        | GERMANY/AUSTRIA |        | UNITED STATES |        |
|----------------|-------|--------|-----------------|--------|---------------|--------|
| INFORMATIVE    | 199   | 51.7 % | 102             | 55.7 % | 97            | 48.0 % |
| EMOTIONAL      | 22    | 5.7 %  | 5               | 2.7 %  | 17            | 8.4 %  |
| MIXED          | 164   | 42.6 % | 76              | 41.6 % | 88            | 43. %  |

| HEADLINE APPEAL | TOTAL |        | GERMANY/AUSTRIA |        | UNITED STATES |        |
|-----------------|-------|--------|-----------------|--------|---------------|--------|
| INFORMATIVE     | 200   | 50.6 % | 69              | 49.3 % | 131           | 51.4 % |
| EMOTIONAL       | 47    | 11.9 % | 14              | 10.0 % | 33            | 12.9 % |
| MIXED           | 148   | 37.5 % | 57              | 40.7 % | 91            | 35.7 % |

| HEADLINE TEXT TYPE | TOTAL |        | GERMANY/AUSTRIA |        | UNITED STATES |        |
|--------------------|-------|--------|-----------------|--------|---------------|--------|
| QUESTION/ANSWER    | 37    | 9.6 %  | 27              | 14.8 % | 10            | 5.0 %  |
| GENERAL STATEMENT  | 244   | 63.4 % | 113             | 61.7 % | 131           | 64.8 % |
| PERSONAL STATEMENT | 41    | 10.6 % | 13              | 7.1 %  | 28            | 13.9 % |
| FACT               | 8     | 2.1 %  | 1               | 0.6 %  | 7             | 3.5 %  |
| APPEALLATION       | 34    | 8.8 %  | 15              | 8.2 %  | 19            | 9.4 %  |
| QUESTION           | 21    | 5.5 %  | 14              | 7.7 %  | 7             | 3.5 %  |

| HEADLINE          |                                                                                                                                                                                                                                                                                                                                               |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| QUESTION          | <ul style="list-style-type: none"> <li>If you could take fewer pills, why wouldn't you?</li> <li>Is this the end of...JOINT AGONY?</li> </ul>                                                                                                                                                                                                 |
| QUESTION/ANSWER   | <ul style="list-style-type: none"> <li>Can a protein from jellyfish give you better memory? Scientists say "Yes!"</li> <li>Constipated? Choose relief that's right for you.</li> <li>Cracked heels? Dry feet? Soften feet while you sleep with Kerasal.</li> </ul>                                                                            |
| GENERAL STATEMENT | <ul style="list-style-type: none"> <li>Many people don't understand their occasional digestive upsets. But Gastroenterologists do.</li> <li>Epson Salt to relieve aches and pain. Lavender to get a good night's sleep.</li> <li>MiraLAX is clinically proven to relieve constipation and soften stool with no harsh side effects.</li> </ul> |
| FACT              | <ul style="list-style-type: none"> <li>About 50 % of all US women experience urinary tract health concerns every year. ""</li> <li>Fact: Children's Advil brings fever down faster than Children's Tylenol.</li> </ul>                                                                                                                        |

|                            |                                                                                                                                                 |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>APPELLATION</b>         | <ul style="list-style-type: none"> <li>• Warm up your throat before you use it.</li> <li>• Think naturally.</li> <li>• Live healthy.</li> </ul> |
| <b>PERSONAL STATEMENTS</b> | <ul style="list-style-type: none"> <li>• I beat that funk!</li> <li>• "Mom...You're back!"</li> </ul>                                           |

| <b>BODY TEXT APPEAL</b> | <b>TOTAL</b> |        | <b>GERMANY/AUSTRIA</b> |        | <b>UNITED STATES</b> |        |
|-------------------------|--------------|--------|------------------------|--------|----------------------|--------|
| <b>INFORMATIVE</b>      | 324          | 84.2 % | 173                    | 94.0 % | 151                  | 74.8 % |
| <b>EMOTIONAL</b>        | 4            | 1.0 %  | 0                      | 0.0 %  | 4                    | 2.0 %  |
| <b>MIXED</b>            | 58           | 15.0 % | 11                     | 6.0 %  | 47                   | 23.3 % |

| <b>SLOGAN</b> | <b>TOTAL</b> |        | <b>GERMANY/AUSTRIA</b> |        | <b>UNITED STATES</b> |        |
|---------------|--------------|--------|------------------------|--------|----------------------|--------|
| <b>YES</b>    | 167          | 43.3 % | 78                     | 42.6 % | 89                   | 44.1 % |
| <b>NO</b>     | 218          | 56.7 % | 105                    | 57.4 % | 113                  | 55.9 % |

| <b>SLOGAN APPEAL</b> | <b>TOTAL</b> |        | <b>GERMANY/AUSTRIA</b> |        | <b>UNITED STATES</b> |        |
|----------------------|--------------|--------|------------------------|--------|----------------------|--------|
| <b>INFORMATIVE</b>   | 81           | 48.5 % | 42                     | 53.8 % | 39                   | 43.8 % |
| <b>EMOTIONAL</b>     | 13           | 7.8 %  | 5                      | 6.4 %  | 8                    | 9.0 %  |
| <b>MIXED</b>         | 73           | 43.7 % | 31                     | 39.7 % | 42                   | 47.2 % |

| <b>SLOGAN</b>      |                                                                                                                                                                                          |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>INFORMATIVE</b> | <ul style="list-style-type: none"> <li>• Great Digestion through science.</li> <li>• The Better Vitamin C.</li> </ul>                                                                    |
| <b>MIXED</b>       | <ul style="list-style-type: none"> <li>• Enjoy your vitamins.</li> <li>• Trust your gut to Culturelle.</li> <li>• Relief you can trust.</li> <li>• Delsym: Silence is Relief.</li> </ul> |
| <b>EMOTIONAL</b>   | <ul style="list-style-type: none"> <li>• Feel the good.</li> <li>• How healthy works.</li> </ul>                                                                                         |

| <b>SOCIAL APPEAL</b> | <b>TOTAL</b> |        | <b>GERMANY/AUSTRIA</b> |        | <b>UNITED STATES</b> |        |
|----------------------|--------------|--------|------------------------|--------|----------------------|--------|
| <b>YES</b>           | 10           | 2.6 %  | 3                      | 1.6 %  | 7                    | 3.5 %  |
| <b>NO</b>            | 375          | 97.4 % | 180                    | 98.4 % | 195                  | 96.5 % |

| GREEN APPEAL | TOTAL |        | GERMANY/AUSTRIA |        | UNITED STATES |        |
|--------------|-------|--------|-----------------|--------|---------------|--------|
| YES          | 74    | 19.2 % | 37              | 20.2 % | 37            | 18.3 % |
| NO           | 311   | 80.8 % | 146             | 79.8 % | 165           | 81.7 % |

| STANDARDIZATION | TOTAL |        | GERMANY/AUSTRIA |        | UNITED STATES |        |
|-----------------|-------|--------|-----------------|--------|---------------|--------|
| YES             | 11    | 2.9 %  | 3               | 1.6 %  | 8             | 4.0 %  |
| NO              | 374   | 97.1 % | 180             | 98.4 % | 194           | 96.0 % |

|     | COUNTRY CLUSTER  |      | GERMANY/AUSTRIA  |      | UNITED STATES    |      | COUNTRY DIFFERENCE |      |
|-----|------------------|------|------------------|------|------------------|------|--------------------|------|
|     | chi <sup>2</sup> | p    | chi <sup>2</sup> | p    | chi <sup>2</sup> | p    | chi <sup>2</sup>   | p    |
| H1a | 141.760          | .000 | 87.935           | .000 | 56.140           | .000 | 6.456              | .011 |
| H1b | 129.754          | .000 | 97.200           | .000 | 37.926           | .000 | 12.466             | .000 |
| H1c | 312.195          | .000 | ---              | ---  | 139.413          | .000 | 4.520              | .034 |
| H1d | 51.194           | .000 | 29.128           | .000 | 22.261           | .000 | .434               | .510 |
| H2  | 129.166          | .000 | 60.246           | .000 | 68.931           | .000 | .016               | .901 |

**Scheme of Analysis**

GENERAL ADVERTISING

- APPEAL:  informative  emotional  mixed
- HEADLINE APPEAL:  informative  emotional  mixed
- HEADLINE TEXT TYPE:  question  question/answer  general statement
- fact  appellation  personal statement
- BODY TEXT APPEAL:  informative  emotional  mixed
- SLOGAN:  yes  no
- SLOGAN APPEAL:  informative  emotional  mixed
- SOCIAL APPEAL:  yes  no
- GREEN APPEAL:  yes  no
- STANDARDIZATION:  yes  no

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# Strategic Communication in a Knowledge-Intensive Network

## An Ethnographic Study: The Netherlands

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*The purpose of this paper is to explore the role of strategic communication in knowledge-intensive environments. Looking at current attempts of the TU Delft, the largest university of technology in the Netherlands, to adapt to the needs of society, we explore the value of examining everyday interactions between multiple actors in building network relationships. An ethnographic study of strategy meetings within the university and beyond was carried out. The findings point to existing tensions between disciplinary specialization and integration. The results indicate that specific ways of interacting in meetings kept disciplinary specialization in place, blocking integration, and in turn forming a potential barrier to successfully implementing strategic change. This paper offers an original contribution via insights into the organization of communication, as well as communication research methodologies.*

In the 21<sup>st</sup> century, the spread of network logic has substantially changed the way we think about relations between organizations and their environments (Castells, 1996). Organizations are increasingly pictured as fluid and flexible systems that are primarily structured around information and networking. In this type of organization, networks are regarded as the ideal means of dealing with external changes. This paper proposes that established ways of thinking about strategic communication do not always capture the communicative complexity of today's networked spaces. Although high-profile campaigns have become the norm, their success is not guaranteed in situations where the organizational images are negotiated, exchanged, and produced along social lines (Hatch & Schultz, 2002). In knowledge-intensive networks, transferring or exchanging information through marketing or advertising is often of secondary importance to communication processes that take place between actors in the networks. In situations in which multiple actors are deeply involved in communication, and greatly determine the course of things, centrally managing communication hence becomes a complex, if not impossible, task for communication practitioners. Although communication networks have received the most attention, what is often missing in most of these accounts are the experiences of the actors themselves. In this paper, we therefore take a closer look at the interactional exchanges occurring in strategy meetings, and identify several communication issues, problems or opportunities that may arise in these complex networked contexts.

### *Communicating about universities: Making excellence visible*

The above issues are examined in a knowledge intensive sector. The role of strategic communication in present attempts of universities to reposition themselves in relation to current changes in their external environment, are explored. Even though large differences exist between national and political contexts (Becher & Trowler, 2001), universities, in one way or another, face great challenges such as decreases in public funding, competition from other knowledge producers, and the need to accommodate growing numbers of students (Weber & Duderstadt,

2010). These challenges create various strategic dilemmas for universities. On the one hand, they must answer to a society that places great trust in universities as potential ‘engines of innovation’ that will solve tomorrow’s problems (Thorp & Goldstein 2010). On the other, it expects of them to differentiate and diversify within research and educational ‘profiles’.

In the face of increased outside demands to specify their profiles, universities increasingly recognize the value of communication for convening strategic goals and missions (Osseweijer & van der Sanden 2011). Strategic communication is used by younger universities to construct new image in established fields (Clark, 1998; Czarniawska & Genell, 2002), while ‘older’ ones use it to reconfigure their existing image to adapt to changing conditions. However, universities are complex organizations with distinct features that do not easily allow for central coordination and planning of communication. To name just a few characteristics: they have (1) little formalized structure, (2) unpredictable goals and ambivalent outcomes, (3) lack of clear clients (4) multiple groups of participants with high degrees of specialization and expertise, and (5) a low internal coordination (Shattock 2004). In addition, work processes are de-centralized and increasingly take place in multi-disciplinary networks. In such an organization, ‘systems, structures, technologies and products matter much less than what the personnel do and, in particular, how they impress clients, partners and others. Marketing and production are heavily sensitive to the identities of the personnel’ (Alvesson, 2007).

Even though strategic change in universities have received considerable attention in ‘management’ and ‘business’ literature (Enders, de Boer and Westerheijden, 2011), the role of strategic communication in conveying research and educational profiles is rarely investigated. The intention of this paper is, therefore, to use material from our ethnographic study to look more closely at the processes of how differentiation and diversification of research and education, and its according organization, is linked to communication. The first section briefly discusses three relevant theoretical concepts frameworks for thinking about strategic communication. The subsequent section provides result from our ethnographic case study of the Delft University of Technology, the largest university of technology in the Netherlands. From this analysis we draw conclusion about the role of inter-human, everyday communication processes in organizing thematic multidisciplinary collaborations aimed to framing the university's academic profile as a world-class, socially engaged university.

## **Review of the Literature**

Strategic communication is typically discussed in the context of business or commercial organizations, where it is thought to serve the strategic interests of the organization at large (Cornelissen, 2004). Hallahan et al, (2007:3) offer a definition of strategic communication as “the purposeful use of communication by an organization to fulfill its mission”. Numerous studies have also indicated that strategic communication is closely linked to questions about identity and image of organizations (Gray & Balmer, 1998). Since our research focus is understanding inter-human communication processes, we start from two widely accepted ways of conceptualizing the relationship between organizational, identity, image and strategic communication.

### *Inside-out thinking*

Inside-out holds that communication flows from within the organization outwards, and is used to ‘bridge’ the space between image and identity. The central idea is that communication can help

the company present its desired corporate identity to the outside world (Melewar, 2003). This common conceptualization of strategic communication echoes Albert and Whetten's (1985) famous definition of identity as being a central, distinctive, and enduring aspect of organizations. Organizational identity marks the distinctiveness of the organization as it is rooted in the behavior or culture of its organizational members (for example, Gioia & Thomas, 1996). Strategic communication is about deliberately conveying to the outside world how the organization perceives itself, which usually has the form of corporate advertising, glossy brochures, and media activities. Even in meetings between members of a knowledge-intensive network, strategic communication is portrayed as a one-directional flow of information, as if passed down through a pipeline from sender to receiver.

### *Outside-in thinking*

Over the years, the inside-out framework has been widely criticized in the literature for being asymmetrical and neglecting deeper social and cultural aspect at play in communicating the mission, vision, and identity of an organization (Riel, 1997). Over the years it has been replaced by 'symmetric' approaches that view adaption as balancing relations between "outside" and "inside" (Grunig 2000). Two-way frameworks recognize that input from stakeholders is important for strategic communication, and implies a back-and-forth motion between organizations and stakeholders in which dialogue is valued over informing or persuading. Grunig (1989:17) describes two-way efforts as "based on research and evaluation and that use communication to manage conflict and to improve understanding with strategic publics". Strategic communication hence becomes a 'balancing act' through which the organization's identity is adapted to fit the values and expectations of relevant stakeholders.

### *Process thinking*

Despite the fact that both ways of thinking discussed above are well established in practice, various authors suggests that strategic communication should be understood in the context of relationships within and between networks. Debates about the notion of the network society have pointed out that organizations consist of networks of fluid interactions that span organizational boundaries. From this perspective, organizations are inextricably connected to the external environment through processes of globalization and networking (Castells 1996). In a densely interconnected environment, distinctive organizational capabilities are largely acquired through the relationships organizations build with their environment. Continuous interactions between organizations, Kansson and Ota (1989) explain, mean that "activities connected with positioning in the network and performed within the framework of external relations - i.e. the process of relating - assume the primary role" (Kansson & Ota, 1989). Recent studies also stress that network relationships have become a recourse in themselves (Collins & Guillén, 2012). In this context, building internal and external networks can secure the right communicative 'output'.

Various authors propose that a broader definition of strategic communication is needed that takes into account these networks of interactions (Ford, 1999; Leeuwis & Aarts, 2011; Stacey, 1993). Aarts (2009) offers such a definition, stating that strategic communication is about organizing meaningful interactions to ensure adequate positioning of the organization in the networks that people form with each other, both within and outside the organization. As this positioning is given shape in human interactions, strategic communication must be understood from the bottom-up, as an everyday, self-organizing processes (Leeuwis & Aarts, 2011). This approach stresses

the need to examine how communication shapes the way individual and groups of individuals convey the organizational mission. Since organizational boundaries are constantly drawn and redrawn in human interactions, classical communication management is not always successful in organizing management and implementing strategic communication. The rest of this paper examines the question of how universities deal with positioning, and what the role of informal communication is in this process.

### **The Research Setting**

The empirical findings presented below were collected in the context of the Delft University of Technology (TUD). Founded in 1842, with over 16,000 students in eight faculties and 54 departments, the university is the oldest and largest of three technical universities in the Netherlands. The university has an international reputation for its high quality of technological research and teaching, with a special focus on civil engineering.

In addition to enhancing its external visibility by way of media strategies, the university is developing towards a flexible network organization for adapting to aforementioned external challenges. Since the 1990s, heightened importance has been given to the beneficial positioning in national and international networks, at both the institutional and peer-to-peer level. This intensified commitment to relationship building is most clearly reflected in the updating of its image in strategic documents to that of a network university. The concept of a "network university" refers to current institutional efforts to take advantage of "traditional capacities of academic and scientific networks, as well as on inter- and intra- organizational networks that are based on reciprocity, trust, and long-term commitment" (Enders, File, Huisman, & Westerheijden, 2005:77).

The TU has done this in several ways, foremost by establishing formal partnerships with three Dutch technical universities, as well as two large regional universities: Leiden University and Erasmus University. In addition to these formalized connections, the university attempts to expand existing informal academic networks by establishing research centers that bring together educational and research-related activities in four fields: environment, infrastructure and mobility, health, and energy. In the next section we discuss how the TU is organizing its positioning as an expert organization in the area of Environment. More specifically, we describe how the TU tries to enhance its position and steer (policy-related) developments in water safety in Dutch society.

#### *Renewing relations in the Dutch water sector*

The TU Delft has a reputation as a leading institute in the area of water research through the course of the 20<sup>th</sup> century. In the 21st century, debate about water safety has become a complex management issue in which large numbers of competing experts and professionals participate. In the face of these changes, the university has gradually lost its position as a preferred supplier of water expertise to government agencies and public works. To maintain and strengthen its position as a leading research institute in this area, the TU aims to reposition itself in relation to socially relevant themes that asks multi-disciplinary collaboration. In the rest of this paper we take a closer look at the efforts of small project group to build closer ties with Deltaprogramme, a large national program that looks to measure, prepare and plan the decisions that need to be executed to keep the Netherlands safe from water by 2100.

To examine how this connecting of the university to the Deltaprogramma is organized, we look at the initiatives of an project group was established called the ‘outboard motor’ by participants, indicating the university’s preferred role as a potential driving-force for scientific innovation in the Deltaprogramme. Part of this initiative was to organize the 2012 Deltaprogramme Knowledge Conference, which was to bring professionals together in the Deltaprogramme to explore scientific and practical solutions and strategies to ensure the future water safety of the Netherlands. Due to its strong research presence in various areas of water research, the knowledge conference was an excellent opportunity for the university to make its position as linking pin in the Dutch water sector visible. However, to ‘match’ the university’s strong academic profile with the integrated scope of the Deltaprogramme, integration of disciplines of hydraulic engineering, governance, policy, spatial development and design was needed, bringing into focus the issue of thematic multi-disciplinary collaboration. The rest of this article describes the role of inter-human communication in the organizational practices of the working group, which consisted of members from departments of civil engineering, architecture, policy and management, complemented by a member of the supporting communication staff from the university’s corporate communication department.

### **Research Methods**

Ethnographic methods were used to examine human interaction in the process of strategic positioning of the university within a complex network of organizations. Ethnographic methods, Denzin & Lincoln (1994:3) explain, study ‘things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meaning people bring to them’. Usually tools involve in-depth interviewing, (participant) observation, or shadowing. Used in organizational settings, ethnographic methods are particularly useful for examining organizational experiences (Ybema, Yanow, Wels, & Kamsteeg, 2009). Typically ethnographic research generates data about cultural phenomena in organizations. The approach has been extensively used for examining formal as well as informal features of organizational life, and showing the tensions and frictions that are at their basis. This is usually done from the perspective of those involved in work or processes. The central idea on which this approach is that ‘insight always comes from the inside’ (Bate, 1997:1161). Researchers widely use this method to examine such issues as organizational change, consumer behavior, and product design. Within communication research this research method is rather scarce. Therefore our research adds to both insights in the organization of communication, as well as communication research methodologies.

#### *Meetings: Getting inside strategy*

Although there is a strong emphasis on quantitative assessing identities through surveys or stakeholders analysis, ethnographic methods can add a valuable contribution by making inter-human communication processes in networks of interaction visible, so providing insights into things that cannot be measured at first hand, such as collaborating and cultural assumptions. These ‘hidden’ dimensions of communication can be a key for understanding professional behavior and decision-making processes in organizations.

More exactly, we examined strategy meetings between multiple actors inside and outside the university that took place at the TU between 2010-2011. By focusing on meetings, we explored the less tangible sides of strategic communication processes as situated practices in complex networks of interaction. Various authors have articulated the value of meetings as a difficult to

observe in strategizing and organizing practices visible (Jarzabkowski & Seidl, 2008; Karreman & Alvesson, 2001; Schwartzman, 1989).

Various sorts of meetings were observed: internal project team meetings, broader university-wide strategy meetings, and meetings with representatives of the external network. Studying meetings within the university and beyond made it possible to observe interactional exchanges between people at various places in the network. In total twenty-six meetings were observed first-hand. All meetings were attended and observed by the first author. The university granted the researcher full access to documentation such as records of proceedings, working documents, and email contact between members. Because conversations could not be tape-recorded in all situations, special importance was given to producing written accounts of interactional detail, which was done through systematic jotting down and writing-up and observations notes of meetings as described by Emerson, Fretz, & Shaw (2007). This produced detailed accounts of the meetings that were observed. The observations of meetings were complemented by 12 formal in-depth interviews and numerous personal conversations with key informants before and after meetings.

## Results

This section first looks at some general interactional elements of meetings in order to get a deeper understanding of how the communication process was organized. The meetings analyzed principally concerned organizing of the aforementioned Deltaprogramme Knowledge conference, in which different faculties and departments had to combine efforts at to position the research field effectively in relation to the Deltaprogramme. Subsequently, we discuss the role of meetings in relation to underlying tensions between integration and specialization of academic departments and faculty interests. The length of this article does not allow for an extensive description of the results, as such we limit ourselves to describing the most important observations on a more conceptual level.

### *General characteristics of the meetings*

Following Jarzabkowski & Seidl (2008), the meetings are analyzed on three main meeting activities; initiation (how the meeting is set-up), conduct practices (how it is carried out) and termination practices (how it is concluded). When meetings were initiated, agendas were often lacking; if they were present, participants usually did not stick to them. There was also no scheduling and official opening. Conduct practices, in a similar way, indicated that rather chaotic nature of meetings. For example, turn taking occurred through self-selection. People also talked at random, unstructured moments, walked in and out of the office at unannounced moments to make phone calls, interrupted each other, and had private one-on-one conversations, excluding themselves from the group. Participants also tended to engage in spontaneous and unstructured discussions. In the midst of conversations, they would suddenly switch topics. Decisions were made quickly on a rather ad-hoc basis, often at the very last moment. Voting on subjects did not take place. Considering termination practices, meetings often ended abruptly. Issues for future agenda were never indicated at the end of the meetings, which caused the same topic to be discussed several times in consecutive meetings. Concluding, it can be said that the first impression when attending the meetings was that these were disorganized gatherings.

Observations of conversational aspects showed that strategy was also discussed in a rather unorganized way during meetings. Participants never took enough time to talk together and

reflect about what was important. Only occasionally did they discuss topics that mattered strategy-wise: how they would give shape to the desired image of disciplinary integration and collaboration. At the very few moments that the group reflected on strategy related issues, everybody jumped into the conversation, but nobody established any connections between ideas. Moreover, participants interacted in such a way that they never developed any collective perspective on how to show their collaboration. This way of conversing made that disagreement rarely surfaced, neither were there confrontations on sensitive topics. Discussion about strategy hence remained at the level of individual ideas and contributions to the process, causing the same issues to be raised at every meeting without providing any new insights.

#### *Interviews and informal conversations*

Interview material showed that outside of strategy meetings, participants were less inclined to avoid delicate subjects. They revealed that large cultural differences and conflicting interests were at the basis of the cooperation. This was for instance reflected in underlying assumptions and beliefs about disciplinary differences, for example hydrologists considered architecture ‘nice for hedonism in water hydrology’, who in turn described them as ‘childish’, ‘arrogant’ or ‘stubborn’. When these differences in outlook were brought to the surface during meeting, which happened only on a few occasions, this immediately influenced the strategy process. At one occasion a seemingly relatively insignificant difference of opinion about the participation of a keynote speaker at the conference led to a misunderstanding about the role of causing a member of project group to retreat from the project group, never to return. This event revealed existing tensions between specialization and integration.

#### *External meetings*

While internal differences were not openly discussed during the internal communication processes, the tension between disciplinary specialization and integration manifested itself in communicative interaction with the external network before, during and after the conference.

The tension became apparent before the conference during the presentation of organizational conference documents, written in the internal strategy meetings, to external parties among which was a representative from the Deltaprogramme, as well as other participants. Although the presentation was intended to inform the external network of the project group’s progress in the form of a draft document, it was interpreted as conformation of the image they held of the TU; that of a combination of specialized pockets of expertise as opposed to an open network of researchers. Several participants openly questioned the sincerity of the initiative, pointing to the document with the names of prominent TU persons printed in bold and citing it as an example of an ‘old boys network’ that was still based on hydrological engineering knowledge.

Disciplinary barriers furthermore manifested themselves during the actual conference. Participants mainly discussed the availability and strengths of scientific expertise, at the costs of putting forward the desired image of integration the participants intended to convey. Several members of the project group mentioned their disappointment with the conference. For example, a professor of architecture commented that the conference ‘resembled a marketplace rather than a genuine collaboration’; meaning every person promoted just their own interests. Other participants described the failure to put forth a collective image of the university’s strengths as

follows: 'the knowledge conference can be compared to a football match; the goal is to convey our ideas in a common way. If the common idea is lacking, you don't score any goals'.

After the conference, the tension between integration and specialization was again expressed in a document intended to assess achievements of the conference, and was circulated among participants. Despite this intention, the document did not provide an integrated discussion on the conference whatsoever, expressing rather the fragmentation visible at various points during the process. Surprisingly, the document was not assessed by participants during a special post-project evaluation meeting. This was in line with the overall atmosphere, in which participants rarely moved beyond personal anecdotes of their experiences, again avoiding reflections on the organizational processes altogether.

## Discussion

From the results of the study we can say that interaction between multiple actors in meetings had a negative effect on strategy development aimed at communicating a shared sense of purpose. Even though meetings are usually seen as the carriers of business strategy, our findings indicate that the meetings had a role in stabilizing change initiatives, forming a barrier to coordinating and integrating different organizational goals, perspectives and agendas around a theme. This has also been described by Jarzabkowski and Seidl (2008).

Observations of the meetings show that for the most part, communication lacked a true sense of interaction, and remained on the level of disparate talk and action. In the interviews, it appears that participants were largely occupied with internal relations within the university. The sensitivity of these internal tensions obstructed overt communication about them, resulting in strategy meetings not focusing on actual collaboration.

Where internal meetings were structured by formal codes and rules about how to communicate, the tension between the complexity of academic specialization and demands to integrate disciplines, in which the collaboration between actors within university was required, did however arise in interactions with external network relations. A harmless object like a working draft revealed the outcome of the internal communication process revealing that disparate interests had not been brought together. In a similar way as the working document, the final document symbolized the enduring specialization rather than multi-disciplinary collaboration and exchange. In interaction with external relations unwanted image of disciplinary isolation was this exposed.

The avoidance of underlying tensions may partly be explained by the fact that initiatives to form a new image based on collaboration were submerged beneath the weight of the past, in which relations are determined by a historically developed identity of hydraulic engineering within the university. Even though new relations needed to be defined, the interdisciplinary meetings were clearly not the place to discuss the vanishing power of hydraulic engineers. It was a 'tense' theme that touched on participants' personal identities. Because of this, the new relations could not explicitly be discussed and disciplines could only exist separately from each other. Collaboration could not transcend local disciplinary boundaries.

## Conclusion

In the final section, we briefly reflect on the role of communication professionals in these processes. In this paper, we suggested that strategic communication in network environments could benefit from paying closer attention to everyday communicative exchanges between actors inside and outside organizations. At present, however, there is still relatively little room for this in the practice of corporate communication. The practice of communication professionals is still largely occupied with planning and communicating strategic initiatives. However, due to the complex nature of exchange in knowledge-intensive environments, communication initiatives are bound to fail if communication problems are not tackled from the bottom-up (Osseweijer and Van der Sanden 2012). Lack of understanding of everyday interaction between actors within the organization and beyond can disturb the plans of management or communication departments. This is what happened in our study, in which specific ways of interacting during meetings kept disciplinary specialization in place, blocking integration and so forming a barrier for strategic change.

Moreover, corporate communication practitioners are unlikely to support today's complex communication processes in a sufficient way if they conceptualize their role as that of 'communicative engineering and planning of predefined changes' (Leeuwis & Aarts, 2011). They would benefit greatly from taking a step back, and developing interventions that are 'close to the skin' of the people working in these settings. Of course, this is not always easy; individuals in knowledge-intensive environments may not be the easiest to work with; they can tend to follow personal goals, and are used to operating autonomously. Nevertheless, getting as close to inter-human communication processes as possible, and working collaboratively with organizations in building relationships, is crucial for successfully 'nudging' (Thaler & Sunstein, 2008) strategic communication processes. Better understanding of mundane and overlooked events, such as meetings, can be of great value in accomplishing this, since meetings are key "communicative events" where strategy is shaped or impeded (Schwartzman 1989). By participating in them effectively, communication practitioners can engage with people on their own terms and on their own turf, 'steering' collaborative activities at the work floor level. Our future research hopes to reveal these processes in more detail, generating insights that will form the basis for strategic decision aids for such complex knowledge-intensive networks.

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# Strategic Media Communication

## The Development of Media Relations and News Management

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*The purpose of this paper is to describe and develop strategic media communication theory and practice, based on a review of existing research in media relations in public relations and sources, and news management in media studies. The review shows that research in media relations is undeveloped and isolated from relevant media research on sources, production and effects. Research about contemporary journalism and journalists show tendencies toward de-professionalization. At the same time there has been increased professionalization of corporate communication and public relations and media relations practice. In the final part of the paper, new directions, integrating media relations and news management and linked to contemporary development, are described and analyzed.*

Since the 1980s, the public relations industry has expanded dramatically in many countries (Davis, 2002; Cottle, 2003; Larsson, 2005). Efforts aiming to professionalize relationships between organizations and the mass media are something that almost all institutions and actors in society occupy themselves with. From a historical standpoint, the public has conceived public relations as the same thing as media relations or publicity, even though it is only one sub-field of public relations work. News journalism has enforced the framing of public relations as “(...) the antithesis of rational discourse, insofar as it represents the conscious management of opinion, image and symbol” (McNair 1996:35). In parallel with the professionalization of the PR industry, some researchers believe that journalism has been de-professionalized (Nygren, 2009). This process is suggested to be a result of poor working conditions caused by structural and technological changes, as well as increased competition in the news media industry.

The aim of this review is to develop media relations theory by integrating it with research in sources and news management, mainly conducted in media studies. Two main questions are discussed, focusing on the lack of journalism- and society-oriented approaches in media relations research, as well as contemporary late-modern media development:

- (1) How may research about news management and media sources develop media relations theory?
- (2) What consequences does contemporary communication development have for media relations?

The focus in the article is on professional sources, especially those who work in the PR or corporate communications industry, and journalists. It is based on a review of selected earlier research and conceptual analysis.

## Definitions and Perspectives

Relationships—or power games—between professional sources and the news media received increased attention by media researchers in the 1990s (Corner and Schlesinger, 1993; Sanders, Bale and Canel, 1999; Cottle, 2003). One of the main reasons behind this interest was the professionalization of political communication in the U.K. and other countries from the 1980s and on. However, there is also earlier research, especially about news sources, of high importance, which I will go into later. This research area has different names depending on perspective. In public relations or corporate communication the area is mostly named *media relations* (e.g. Broom, 2009; Coombs and Holladay, 2010), which emphasizes that it is an exchange relationship, rather than a power struggle. In media and political communication research, the concept of *news management* (e.g. Manning, 2001; Esser and Spanier, 2005) had a strong impact from the 1990s and later. News management is used as a concept in critical contexts to show how different actors influence journalism, sometimes in dubious ways. News management may be defined as the strategies and tactics that professional sources use to create, manage, change, or reinforce their perspectives and ideas through news journalism.

Journalists do not use either media relations nor news management as concepts. In many countries, the common word for these activities is *spin*, often linked to political strategic communication and associated with propaganda. In other countries, such as Sweden, the acronym PR is used for media relations or news management. This is, of course, problematic since public relations, in both theory and practice, covers more relationships than simply those of journalists and mass media. This is one of the reasons why the concept of strategic communication has been established internationally as an umbrella for all types of organizational targeted communications (Hallahan, Holtzhausen, Van Ruler, Verčič, & Sriramesh, 2007; Falkheimer and Heide, 2011), where media relations is one sub-field. But the concepts of media relations and news management are problematic. I propose a new integrative concept: *strategic media communication*. Strategic media communication has the advantage of linking media relations to news management and communication management, and is a broader concept that may gather different perspectives. Media relations, as a singular concept, does not take into account that the practice is a form of strategic action (Habermas, 1984). *Strategic action* is instrumental and aims to achieve certain goals; in this case, organizational ones. *Relation*, as a concept, implies a communicative action where a critical discourse leads to common understanding. *News management*, on the other hand, makes it clear that this practice is instrumental, but builds on the premise that professional sources control and manage news media, which is a simplification of a complex process. Professional sources may influence news, but do not manage it.

## The Growth of Media Relations

The first signs of media relations were seen when the modern mass media was developed in the late 1800s. In the United States, the PR industry, then mainly focusing on publicity issues, emerged as a systemic response to the journalism that had already emerged. This first wave of progressive and social-liberal journalism included strong critiques of corporate power and political corruption. The critique took extreme forms in the so-called “muckrake journalism”, i.e. the sensationalist press (Ewen, 1996). Public relations in Europe has a different story and is not as closely linked to media relations as in the US. In Germany, public relations existed even earlier than in the United States. Major industries such as Krupp and Siemens started PR departments as early as the 1870s. The military sector in Germany also was very early to develop public relations

strategies (Bentele and Wehmeier, 2003). In the Nordic countries, such as Sweden, public relations developed mainly inside public authorities (in municipalities as well as regional and national government agencies, and, as in several other countries, in the military sector) focusing on public communication and social marketing campaigns.

The latest expansion of the PR industry, mirroring the late-modern development in society, took place in most countries from the 1980s and 1990s. In Great Britain, the number of PR consultants increased by about 1,000 per cent in the 1980s and 1990s (Davis, 2002). Another example is Sweden, where the expansion boomed from 1992-1996 and continued for ten years. In parallel with this expansion of consultancy agencies, corporations and other organizations hired an increasing number of public relations or corporate communications practitioners. However, as mentioned before, not all consultants and practitioners work with strategic media communication. Just as many practitioners in other fields, such as internal communications to education, work in other functions, "Public relations is more than media relations" (Coombs and Holladay, 2010:108). The expansion of the public relations industry has been heavily criticized by British researchers (Miller and Dinan, 2000). Their critique views public relations as a crucial force behind corporate power, and equates public relations with capitalist propaganda.

The long-dominant theory of Excellence in public relations (e.g. Grunig and Hunt, 1984) shows a marginal interest in publicity issues. The four or five public relations models are based on a distinction between asymmetric and symmetric communication, where the normative goal is to create symmetrical relationships between organizations and their publics. The oldest form of public relations is called the publicity model and is, according to Grunig and his colleagues, viewed as one-way communication, with similarities to propaganda. The publicity model lacks a truth objective, is only interested in media exposure, and is completely unidirectional. In practice, this has given public relations a bad reputation since it "(...) define(s) public relations as the use of communication to manipulate publics for the benefit of organizations" (Grunig, 1989:18).

News management as a concept and practice is based in a political-economic perspective on public relations. While much of the research on public relations has had a consensus perspective on communication between, and within, organizations and publics, news management is based on a belief that the main aim for public relations is to influence and manage the news media and public opinion. This does not mean that public relations should be equated with propaganda, as Hermann and Chomsky (2002) and Ewen (1996) assume when they conclude that only the elite players determine the media image conveyed to an unsuspecting public. News management does have a power perspective, but this does not necessarily mean that power is only exercised by elite actors (Strömbäck and Kiousus, 2011:8) or that the images that are spread by professional sources are necessarily untrue.

### **Research on Sources and News Management**

Research on news management integrates different research fields. In a broad sense, it vaguely involves public relations research, but focuses on journalism studies, especially studies of news sources and the sociology of news production. The focus is primarily on production and supply, rather than media consumption or reception. Regarding the study of news sources and news production, there is a vast amount of existing research. There is no way to account for more than a fraction of that research here. Rather, the primary focus is on professional sources, i.e. the players who have specialist skills in strategic media communication and work either on behalf of, or as employed by, an organization (Allern, 1997:11). A news source may be defined as a person

or organization that conveys information through a channel to a journalist or media organization (Cameron, 1997:113). The main criterion “(...) determining a person's chance of becoming a news source and having a public voice is the extent to which he or she is assessed by journalists as credible” (Reich, 2011). Case studies (e.g. Reich, 2005) show that interpersonal communication has a crucial role, especially when journalists interact with sources.

News sources do have a large impact on news production and news (Entman, 1993; Fahm, 2005). What sources, then, are dominating the news? This is, of course, a question that is answered differently in different countries, although there are some general patterns. Gans (1980) made an early and well-known ethnographic study of four news organizations in the United States. The study showed that news media was dependent on elite sources in government agencies and other authorities. He also examined the relationships between news sources and journalists, concluding that: “The relationship between sources and journalists resembles a dance, for sources seek access to journalists, and journalists seek access to sources. Although it takes two to tango, either sources or journalist can lead, but more often than not, sources do the leading” (Gans, 1980:116).

Similar conclusions were drawn from other milestone studies, including Hall (1978) who termed the official elite sources as the “primary definers” in a study. Hall found that the police and other authorities were formulating problems, controlling the news agenda, and dominating as credible sources. These primary definers received their importance due to three reasons: (1) they already had established power, (2) they were regarded as legitimate representatives, (3) and some of them had expert status by their affiliation. Schlesinger (1990) argued against Hall’s conclusions since he found them to be too definite, and suggested that alternative definers could be important news sources.

Manning (2000) made an extensive theoretical and empirical study of news sources importance in Great Britain and attached particular importance to organizational processes in media corporations. Organizational drivers, such as the desire to create security and control, are crucial for the selection and use of elite sources. More specifically, two driving forces are mentioned: (1) the pressure to meet deadlines and to produce content that is “newsworthy” (leading to that those with established power being given more space, as they are considered more “newsworthy”); (2) the need to be efficient and cost-effective (which means that news agencies and other media are important sources).

A key follow-up question to Gans' (1980) conclusion that the sources often led the dance: who has the power in these relationships? Although elite sources dominate the media, it is not certain that this is only dependent on the strategies or influence of sources. It may be inherent news logic, or perhaps organizational structures, that are crucial. A Swedish study (Nord and Strömbäck, 2006), of relations between journalists and political sources during election campaigns before the 2002 election in Sweden, contradict the thesis that it is the professional sources that lead the dance. Through interviews, content analysis, and a survey, the researchers came up with a nuanced conclusion: “Thus, journalists and their political sources seem to share the power over the process of news making and the media agenda, whereas journalists seem to exert most of the power when it comes to the content and the framing of news” (Nord and Strömbäck, 2006:160). In a cross-cultural study, Strömbäck and Dimitrova (2009:78) conclude that “sources may have more power during both the news discovery and news-gathering phases, but journalists may have more impact on news content”.

## Early Media Research Revisited: Three Types of Relationships

Research on power relations between news sources and journalists has a long history in sociology, political science and mass communication research. During the 1950s, research started on a broad front (Schudson, 2000:176). An early and central concept was *gatekeeper*, originally coined by social psychologist Kurt Lewin. A gatekeeper is the person who decides what passes various filters. The first media study that applied the gatekeeper theory was made by White (1950). The organizational procedures, structures, and culture for the process was further developed, in particular, by Gieber (1964), Sigal (1973) and Siegelman (1973) who showed that most news editors tended to make similar assessments.

Relationships between sources and journalists can be sorted into three different categories (Larsson, 1998; Gieber and Johnson, 1961), depending on who is assumed to be dominant: journalist dominance, interaction, and source dominance. "Journalist dominance" assumes that it is the journalist, or media logic, that dominates the relationship. This means that news and professional sources, as well as non-professional sources, have marginal influence over what is selected and how news is constructed. An example of a study supporting such a model has been presented by Ålbæk (2011). The study analyzed the relationship between experts (in this case, academic researchers) and journalists in newspapers in Denmark. Ålbæk (2011) showed that the number of experts in the Danish daily press increased sevenfold in the period 1961- 2001. More importantly, the study also showed that journalists, rather than experts, who initiated and determined the content frame. The study supports the thesis that journalists have "the power". The aforementioned study of political communication in Sweden (Nord and Strömbäck, 2006) draws a similar conclusion.

If one has a *journalist dominance* perspective, the focus is another perspective. Simplified, one can assume that it is either actors or structures that determine the news. An actor perspective emphasizes the individual journalist: their background, location, training and knowledge, values, and situation. A structural perspective means that journalists and their news production are adhering to structural or systemic conditions. For example, one may draw on neo-institutional theory (Meyer and Rowan, 1977; DiMaggio and Powell, 1983) that assumes that organizational structures and behaviors consciously and unconsciously adjust to the expectations and requirements of the system. The result is uniformity, since most organizations imitate each other.

Another potential framework is *interaction*: that it is either journalists or sources that dominate the relationship. Rather than the absolutes of the other categories, contextual and situational conditions make the outcome relative. Both players have power capacity, and it is through the interaction of these powers that news is created, depending on various factors. In public relations research on media relations, this perspective is probably the most common. "Public relations practitioners and journalists live in close association with one another for their whole careers. There are times when public relations practitioners need to place information into the news media and there are times when journalists must have information from practitioners to complete a story" (Coombs and Holladay, 2010:109).

Public relations research puts less emphasis on critical aspects and more emphasis on the tactics and strategies that are most effective in influencing journalists and the media. In the journals *Public Relations Review* and *Public Relations Research*, there are many reports of case and efficacy studies, done in this consensus, organization-centred tradition.

This research stands in contrast to the that conducted in the third field: *source dominance*. The premise of this category is that changes in media and social conditions have induced professional sources to increase their power over media content. Increased speed and competition, as well as tougher working conditions for journalists, in parallel with the expansion of the PR industry, have changed the game roles. Technological advancements are, of course, also crucial: through new technologies and social media, people can communicate beyond the traditional media. The power of distribution and production of content is no longer only in the hands of professional journalists and media organizations. A source dominant perspective often involves criticism of this development. An important study in this tradition is from Allern (1997) who, by means of a number of cases, studied how professional sources dominated the media in Norway. Within this source dominant perspective, there are also a number of British studies that have previously been noted, including those of Hall (1978) and Manning (2000). What is missing in this perspective, and those studies, are empirical materials focusing on public relations actors. Instead, they mainly focus on news selection and are executed by content analysis. One exception is Davis (2000) who studied the PR industry in Great Britain from a critical perspective, but who concluded that elite sources do not dominate all the time:

Thus the rise of the professional public relations means that institutions and corporations can further extend their media influence in the long term, but also that non-official sources have gained a new means of access and can sometimes upset their official oppositions quite dramatically. (Davis, 2000:19).

In a recent study, Davis (2009) found that the struggle between professional sources and journalists has become more equal since journalists have become increasingly aware of news management methods.

An important concept, within dominant source research, “information subsidies”, was coined by Gandy in 1982. Subsidized information is hard currency in the relationship between a source and a journalist. The professional source’s potential to influence journalism is strongly connected to the source’s potential to reduce information costs, and thus production costs. Strong players can maintain and exercise their power by providing subsidized information to the media. At press conferences, through press releases, or via other tactics, the media receive the information necessary for the production of news..

Another theory of value is Bennett's Indexing Theory (1990). This theory is based on research of the media coverage of politics, and states that journalists unconsciously follow arguments defined by the dominant political leadership or the state. Bennett's theory supports the conclusion that news management supports the dominant players in society. A Swedish study, based on Bennett's theory, essentially confirms this (Shehata, 2010).

### **Publicity Research in Public Relations**

Grunig’s (1984, 1992) disparaging view on the publicity model and the early history of public relations practice (unethical publicity) has meant that research in public relations has weak interest in strategic media communication. As mentioned earlier, the research that dominates media relations is dominated by empirical efficiency studies; there are few theories or conceptual approaches. There are exceptions, including Hallahan (2010:524), who, for example, made a typology of publicity from an organizational perspective with four types of publicity (controlled, compromised, corroborative and countervailing).

One of the few attempts to build a theoretical model of media relations—there are parallels with Lieber and Golan (2011)—combines previous research on framing, subsidized information and agenda-building (Zoch and Molleda, 2006). Framing has a background in social psychology (Goffman, 1956) and is well-known in media research. Framing, in this context, deals with the social construction of media content. Entman (1993:54) notes that “frames select and call attention to particular aspects of the reality described, which logically means that frames simultaneously direct attention away from other aspects”. These frames can occur consciously or unconsciously, and are available in different parts of the communication process: from the source (e.g. a professional source), the cultural or social context of media producers, in the message itself, or in the media consumer’s mind. The setting can apply to the definition of what is the problem, actors’ roles and responsibilities, values and consequences. The second building block is subsidized information (Gandy, 1982), mentioned previously. Zoch and Molleda (2006) note, as I did earlier, that there are numerous studies of how the subsidized information—primarily in the form of press releases—should be designed, and the effectiveness it has.

The third building block is agenda-building, a further development of agenda-setting theory (McCombs and Shaw, 1972). The first study was made of the 1968 U.S. presidential campaign, and it was concluded that the media had a major impact on public policy issues that were discussed, but they do not necessarily affect the outcome of these discussions. There have been many studies of agenda-setting at different levels after this showing that the media may have far more impact than that. The focus on agenda-building is undoubtedly of great importance to public relations. The question is, who sets the agenda? Zoch and Molleda (2006:292) argue that framing and subsidized information are two main theories for understanding how the agenda-building works “while no one researcher has previously interconnected the three concepts we have set out here – framing, information subsidies, and agenda building – it became obvious to us in our reading that each of the areas overlaps the other in informing the practice of media relations”.

### **A New Conceptual Framework**

As shown in the review, there are numerous studies of media sources, production, and news management, but comparatively little research in public relations and corporate communication regarding media relations (even if I do not attempt to show everything that has been done). There is no doubt that strategic media communication is a major field in public relations and corporate communications practice, and also an important social phenomenon in society, linked to crucial societal values such as transparency and democracy. In this part of the paper I develop this further, based on two questions.

*How may research into news management and media sources develop media relations theory?*

The isolation between news management, media sources, and public relations research is not constructive. The limited empirical research in public relations mostly has an organization-centric perspective, neglecting the role of public relations in its social context. Research in news management mainly, but not always, has a conflict approach to organization and society. This approach also has limitations, but the focus in news management on societal consequences would develop public relations research immensely. News management research is founded in media research, such as media sources, organizations, and effects, and therefore has a more valid framework than media relations research, where there are few examples of links to established media research. The conclusion above supports the “call to see public relations in its social context” (Ihlen and Verhoeven, 2012:163), when it comes to media-related public relations research. On the other hand side, news management research would benefit from public relations

research. The empirical media-centric focus in news management research also needs to be developed. However, compared to news management research, it is clear that media relations research is the most isolated field.

As mentioned earlier, I propose a new conceptual framework, strategic media communication, which is more holistic and integrates news management and media relations research to create a new critical arena for understanding the communication processes involved. This call for a new conceptual framework is in line with the transboundary and late modern development in society, where the organizational-functional and spatial borders in modernity are challenged.

*What consequences does the contemporary development have for the field?*

Most of the source studies referenced earlier are made in a media context that differs from that of today. The previous context was dominated by traditional mass communication, where professional journalists and professional sources had clearly defined roles. Media technology and distribution channels belonged to professional players. With the emergence of social and “new” media, there has been a change. The lines between public relations practitioners and journalists are no longer as clear as they were before. Periodically, traditional media expose famous journalists who have chosen instead to work as press spokesmen for companies or governmental agencies. This is not new in itself, but it is possible that this trend has become even deeper. In Sweden, used as an example here, secondary data may support this thesis. The journalists’ union in Sweden currently has about 17,500 members and has about 90 percent of all active journalists in Sweden as members (Nygren, 2009:48; Swedish Journalist Association, 2010). Two trends are evident in the statistics. First, the proportion of freelance journalists is increasing, and more and more journalists are employed through the staffing industry. The proportion of permanent staff journalists has decreased while the proportion of hired journalists has increased in recent years. This is part of the rationalization processes in media companies. It is inevitable that freelance journalists often work in both public relations and journalism. Based on the reduction of staff journalists, one can therefore assume that the line between journalism and strategic media communication has become somewhat vague.

From the professional perspective of the sources, new and social media has meant several changes. The dyad that existed between journalists and professional sources has gradually evolved into a *triad*, where a third party - made up of individuals and different social groups that have not previously had access to either the media or distribution opportunities - becomes more important. The traditional tools of strategic media communication, such as press conferences or press releases, are still used but there are signs that new forms of communication challenge them. Gaber (2011), in a study of the British election campaign in 2010, showed that well-planned press conferences and press releases were used less than before. Instead, the public relations practitioners worked more with direct contact with voters and focused broadcast debates on television. Waters, et. al. (2010:243) notes that the one-way communications which dominated earlier news management and/or media relations is being replaced by “media catching”, i.e.: “rather than having practitioners contacting lots of journalists, broadcasters, and bloggers in hopes of gaining media placements, thousands of practitioners are being contacted at one time by journalists and others seeking specific material for stories, blog postings, and Web sites with upcoming deadlines”.

The professional sources that are most successful with “media catching” are those who are best at delivering services that create value for journalists. Perhaps we are entering a new phase: the first

phase was *publicity hunting*, through more or less spectacular efforts, to create media coverage. In the second phase a *fairly stable relationship system* was created where the sources applied classic media tactics such as press conferences or sending press releases to journalists. The possible third phase is a *media service era*, where journalists are viewed as customers in a fast market. This can be interpreted both positively and negatively. Gans (1980), who found that elite sources dominate the relationship with journalists, expresses another interpretation thirty years later. He now believes that the media development in recent decades improved the possibilities for broader and more diverse news journalism that not only serves as a channel for elite sources (Gans, 2011:4). The reasons are that, today, there are more news media that compete with each other; the journalists are better educated; media critics are more common; and awareness of the importance of diversity has increased in society in general. In any case, the dance between professional sources and journalists continue.

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## Strategies for Composing the Communications Function of Large Companies

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*Communication departments in companies and non-profit organizations are expected to make a valuable contribution to achieving organizational objectives. But how should the communication function be organized to perform as effectively and efficiently as possible to deliver maximum value for the company? This is a question that many companies in the Netherlands are facing, especially in light of the financial crisis and increasing pressure to minimize the number of communication professionals.*

*In this article I will argue that communication departments should compose their communication department in a more flexible way than most do now; and I will outline strategies to do so. I will underpin my theorem with both quantitative and qualitative research: results from the Delft University of Technology Communication Benchmark to provide insight into how the communication function of large companies is organized in the Netherlands; interviews with communications managers and practitioners; and the literature on professionalization and on connecting the competencies of people within companies and networks.*

**Keywords:** Strategic corporate communication management, Communication benchmark, Communication department, Professionalization, Competencies

**Paper Type:** Research

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# A Study of Intercultural Communication in Offshore Outsourcing

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*This study is aimed at exploring the offshore outsourcing industry and investigating the multifaceted features which contribute to the communicative success or failure of call center interaction. It is intended to adopt a multidisciplinary approach and investigate the offshore outsourcing industry from the perspectives of management, intercultural communication, sociolinguistics and professional discourse analysis. Drawing on insights from Critical Discourse Analysis (CDA), this study will carry out a workplace discourse analysis of call center communication, a questionnaire survey among customers and interviews with outsourcing clients. Both qualitative and quantitative methods will be applied. The purpose of this study is to identify the problems and causes of communication breakdown and find out ways to enhance communicative effectiveness in call center services. The findings of this study will inform both the service industry and the academia.*

**Keywords:** *Offshore outsourcing, Call center service, Intercultural communication, Professional discourse*

**Paper type:** *Research*

Business Process Outsourcing (BPO), which comprises a variety of back office functions, support services and call centers that are more cost-effective to run overseas in developing countries, has grown at a phenomenal rate in the last two decades. In offshore destinations like India, China and the Philippines, a large proportion of outsourcing has been the development of call centers focusing on telephonic customer service support for English-speaking banks, insurance companies, travel agencies, IT support, retail and outbound sales. This study is aimed at exploring the offshore outsourcing industry and investigating the multifaceted features which contribute to the communicative success or failure of call center interaction. A multiple perspectives approach will be adopted to conduct a comprehensive professional discourse analysis in order to find out what causes communication breakdown in call center services and how to improve the intercultural communication in this global industry.

## Literature Review

As an important economic and social phenomenon, offshore outsourcing has generated intense interest from practitioners, academics, the popular media, and policy makers. A great deal of research in this area has been done by industry groups. A series of articles on outsourcing or offshoring have appeared in journals like *The Economist*, *BusinessWeek*, *Outsourcing Journal* and *Harvard Business Review*. Issues discussed include the offshoring trade balance, advantages and disadvantages of outsourcing, the effect of offshoring on employment in developed economies (*The Economist*, 2004, 2005, 2008), etc. Studies on the development of the BPO industry in offshore destinations like India and China are abundant (e.g. Sharda & Chatterjee, 2011; Jones, 2009). Academic research on outsourcing approaches this industry from a macroeconomic point of view. Outsourcing decisions are typically based on the potential to realize cost savings through economies of scale and specialization by the outsourcing provider (Hecker & Kretschmer, 2010). Considerations for companies in choosing offshore suppliers may

include cost, the size of the labor pool, the quality of the education system, the work ethic, sense of teamwork, service quality, low attrition rate, and culture (Rosenthal, 2008).

The majority of studies on outsourcing focus on business and management, productivity, labor relations, information systems, etc. (e.g. Taylor & Bain, 2005; Poster, 2007). There is consensus in many studies on the work of Customer Service Representatives (CSRs) that the front line workers in call centers experience considerable stress and pressure due to an increase in customer expectations (e.g. Irish, 2000; O'Neill, 2003; Knights & McCabe, 2003; Huang et al., 2010). Customer satisfaction and service quality are widely discussed in the call center studies (e.g. Jaiswal, 2008; Helms & Mayo, 2008; Labach, 2010).

Different aspects of technical communication in outsourcing have also been examined, such as communication modes, visuals and software products used in offshoring activities, etc. (e.g. O'Donnell, 2007; Hofmann, 2007; Wareham et al., 2007). Advances in global communication networks result in the outsourcing of more knowledge-based work, which now includes everything from computer programming to research and development (St. Amant, 2007).

There is growing literature on linguistic and cross-cultural research into the language and communication in this multilingual industry. Relevant studies in this area which have revealed the importance of the English language in call center communication from different perspectives range from sociolinguistics (Cameron, 2000), corpus linguistics (Adolphs et al., 2004), systemic functional linguistics (Hood, 2010; Wan, 2010), and applied linguistics (Lockwood, 2012), to employee language assessment (Friginal, 2007), accent accommodation (Cowie, 2007; Cowie & Murty, 2010), conversational structure (Murtagh, 2005), genre structure (Xu et al., 2010), and communication breakdown (Forey & Lockwood, 2007), etc. There are also discussions on linguistic globalization and the call center industry, and the implications for language policies (e.g. Sonntag, 2009; Friginal, 2009; Morgan & Ramanathan, 2009).

The profession is developing faster than the research in the area of call center communication. There is little cross-cultural understanding of call center communication. The role of CSRs is becoming more demanding as a greater degree of professional expertise is required. Customer expectations have also increased and frustration is frequently experienced and expressed by customers. The industry, as well as academia, is in great need of a better understanding of the intercultural communication in call center services.

As global forces shape a new workplace, situational changes form the context for new ways of communicating – via new technologies, across organizational functions, or across national boundaries. Business communication is becoming increasingly intercultural, virtual, horizontal, strategic, and change focused (Thomas, 2007). The literature reviewed above has explored the outsourcing industry from different perspectives and provided perceptive insights into relevant issues to a great extent. In order to gain a more comprehensive understanding of the intercultural call center communication, this study uses an integrated framework drawing on insights from different specialties to provide a complete picture of the macro, meso and micro contexts of call center services.

### **Research Methodology**

This study adopts a multidisciplinary approach and investigates the offshore outsourcing industry from the perspectives of management, intercultural communication, sociolinguistics and professional discourse analysis. Within the framework of Critical Discourse Analysis (CDA), a

workplace discourse analysis is carried out both qualitatively and quantitatively combined with the analysis of the results of interviews and questionnaire surveys.

The research questions to be addressed are:

- (1) *What factors contribute to the client companies' choice of offshore suppliers?*
- (2) *How are customer satisfaction, quality assurance assessment, and performance evaluation and training for CSRs carried out within the offshore outsourcing industry? How can service quality be improved?*
- (3) *How are communication success and communication breakdown realized linguistically in call center interactions and how can CSRs' intercultural communication competency be increased?*

Interviews with a number of U.S. client companies were conducted in order to gain a good understanding of their particular perceptions of quality assurance and their rationale for selecting offshore call centers. Questionnaire surveys among the American customers of overseas call center service were conducted to explore customer needs and their perceptions of the intercultural communication with the offshore CSRs. A critical discourse analysis of the call center interactions is the focus of this research. The audio taped conversations between the CSRs and customers were analyzed as a type of workplace discourse, using relevant analytical tools informed by Systemic Functional Linguistics (SFL), genre analysis and corpus linguistics. The linguistic realizations of successful and unsuccessful communication in the calls are identified. The professional and social practices of the outsourcing industry are also discussed in order to achieve a comprehensive understanding of the intercultural communication.

Concerning research ethics and confidentiality, non-disclosure agreements and ethical considerations were agreed upon and honored, consent was sought, and anonymity was maintained.

#### *The data*

The data for analysis in this research include the following:

- (1) *Recordings of telephone conversations between CSRs and customers*

The data of call center conversations are all authentic recordings collected from the professional call centers in different parts of the world, which serve as a database in the form of an open corpus established for Call Center Communication Research at the Hong Kong Polytechnic University (See [http://www.engl.polyu.edu.hk/call\\_centre/CCCR.html](http://www.engl.polyu.edu.hk/call_centre/CCCR.html) for more information). For the present study, 100 calls were randomly selected from several call centers in the Philippines which provide customer service to the American client companies.

- (2) *Results of questionnaire surveys among the American customers of offshore call center service*

Ten multiple choice questions were designed to ask the American customers' opinions on call center communication. The questions include: the customers' preference for customer service providers, the communication problems between customers and offshore CSRs, the causes of communication breakdown, customer satisfaction, customer expectations, the impacts and future

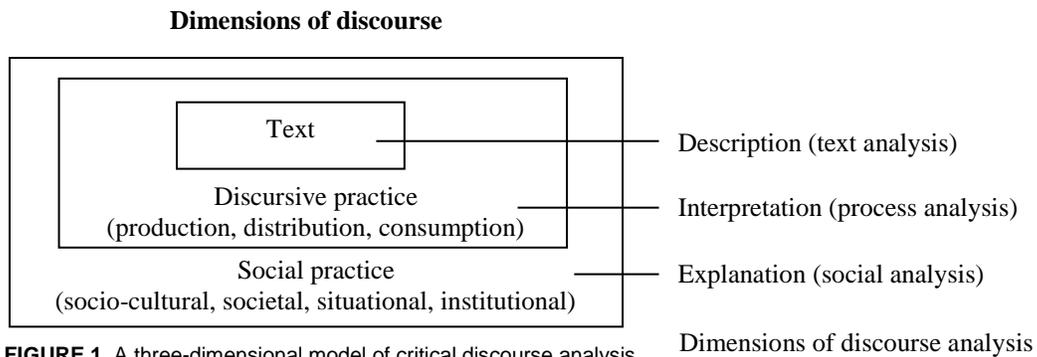
development of offshore outsourcing, etc. Using the Survey Monkey platform, the questionnaire was distributed through three online collectors (Website Survey, Web Link, and Facebook Collector). The respondents were customers with experience in offshore outsourcing call center service who are based in the United States.

*(3) Results of interviews with the selected U.S. client companies*

A number of informal interviews were conducted through face-to-face talk, telephone conversation and email exchange with the management of some outsourcing client companies in the United States (covering insurance and traveling, IT, financial services, pharmaceutical industry, etc.). The areas explored in the interviews include the outsourced business processes, the factors contributing to the offshore decisions, customer satisfaction and quality assurance assessment, customers' complaints and intercultural communication problems in call center service, the company's training and performance evaluation for the offshore CSRs, the company's future plan on offshore outsourcing and their predictions about the future development of the outsourcing industry.

*Theoretical framework*

The data was analyzed in the professional context within a three-dimensional framework of critical discourse analysis (CDA) proposed by Fairclough (1992, 1995). The three dimensions of discourse, i.e. text, discursive practice and social practice, determine the three dimensions of discourse analysis, i.e. description, interpretation and explanation (Figure 1).



**FIGURE 1.** A three-dimensional model of critical discourse analysis  
(adapted from Fairclough, 1992, 1995)

Drawing on insights from CDA, the description of texts, the interpretation of discourse practices and the explanation of sociocultural practices of call center communication are conducted; i.e. the lexico-grammatical, structural and intertextual features of the texts, the production, distribution and consumption of the texts, and the ideology and power relations behind the texts were analyzed and are discussed. A corpus-based discourse analysis of call center conversations describes the linguistic features of call-center interactions. The results of questionnaire surveys can help interpret the discursive practice of the professional communication. The results of interviews can explain the social practice of the industry.

The critical discourse analysis of call center communication is aimed at exploring the relationships of causality and determination between the texts, organizational and professional

practices, and the wider social, economic and cultural structures, relations and processes in the context of globalization.

## Analyses and Results

### *The linguistic realizations of interpersonal meaning in call center communication*

For successful communication at call centers, both the CSRs and the customers need to attach great importance to the construction of interpersonal relationship and the various linguistic realizations of interpersonal meaning. According to SFL, the interpersonal function governs the interaction and participation of interlocutors, and the interpersonal meaning is expressed by particular linguistic resources such as the systems of mood, modality, appraisal, among others. Mood is the primary interpersonal system of clause and it is the grammaticalization of the semantic system of speech function in adopting and assigning speech roles. Modality refers to the intermediate ground between positive and negative polarity and it is a system which enables the speaker to express more ambiguous attitudes or opinions (Halliday & Matthiessen, 2004). Appraisal, as a system of semantic resources, provides the framework of the negotiation of social relationships (Martin, 2000; Martin & White, 2005). The linguistic analysis below is focused on the systems of mood, modality and appraisal in order to investigate how the interpersonal functions are realized linguistically and how effective communication is achieved by means of linguistic strategies.

In SFL, the interpersonal metafunction is mainly realized through two systems (mood and modality), based on which two major types of interpersonal metaphors can be identified: metaphors of mood and metaphors of modality. These are two types of grammatical metaphors which address the grammatical variation between congruent and incongruent forms (Halliday & Matthiessen, 2004).

The four basic types of speech function are congruently realized by different moods: statement – declarative, question – interrogative, command – imperative, and offer – various. When they are realized by the incongruent forms, they are metaphorical expressions, i.e., metaphors of mood.

The use of mood metaphors is illustrated by the following examples extracted from the data (C refers to the customer; R refers to the CSR):

- (1) “Question” realized by “declarative”:
  - 1a. C: ..., so I’m just wondering how much is the amount.
  - 1b. Congruent: How much is the amount?
- (2) “Command” realized by “interrogative”:
  - 2a. R: Can you simply restart the computer first?
  - 2b. Congruent: Restart the computer first.
- (3) “Offer” realized by a clause nexus of projection rather than by a simple clause:
  - 3a. R: I am pretty sure that you’ll be receiving your statements by the end of this week, sir.
  - 3b. Congruent: We’ll send the statements to you by the end of this week, sir.

The incongruent or metaphorical form used to realize the non-literal meaning of the utterance is intended to maintain the positive and negative “face” and the predicated “face-threatening” act may be mitigated by indirectness. The degree of mitigation required depends on the three factors

of social distance, relative power and size of imposition (Brown & Levinson, 1987). In the call center context, the relationship between the interlocutors is that of customer and service provider. Due to this relatively distant social relationship, they may not want to impose on the other although most speech acts performed by them are related to requesting information or action. Generally speaking, the CSRs tend to use more indirect and polite expressions to make requests (e.g. 2a), and often adopt a “you-attitude” when talking to customers (e.g.3a). At the same time, customers also tend to be polite by avoiding blunt questions or requests (e.g. 1a).

The system of modality includes modalization (scales of probability and usuality) in propositions, and modulation (scales of obligation and inclination) in proposals. The four orientations (subjective explicit, subjective implicit, objective implicit and objective explicit) determine how each type of modality will be realized. Metaphors of modality refer to those explicit realizations of modal meanings, i.e. the explicitly subjective and explicitly objective forms of modality, in which the speaker’s opinion is coded as a separate, projecting clause in a hypotactic clause complex (Halliday & Matthiessen, 2004). For example:

(4) Modalization: probability (subjective explicit)

4a. C: *I think* it was my mother’s maiden name.

4b. Congruent: It might be my mother’s maiden name.

(5) Modulation: obligation (objective explicit):

5a. R: So *it is suggested* that you use this card in a different mobile phone and try again.

5b. Congruent: So you *should* use this card in a different mobile phone and try again.

In call center communication, both the CSRs and the customers have their rights and obligations. They may use the congruent forms of modality if they fulfill their roles. But when it is related to risk and liability, metaphors of modality will be used to express their own point of view in an indirect way. For instance, if the customer is not certain about the information he/she should provide, he/she will use explicit subjective forms of modality (*I think...*), meaning that the information is to be further verified (e.g. 4a). Whereas the CSR uses the same expression to make it clear that what he/she says is just his/her personal opinion and the organization will not be responsible for the validity of the proposition. In contrast, the explicit objective variants enable the speakers to distance themselves from the proposition or proposal. For example, if the CSR makes a suggestion or request, expressions like *it is suggested/requested/asked/important that...* are often used (e.g. 5a). The proposal turns out to be an institutional instruction rather than a subjective opinion or command, thus the CSR can shift responsibility to the organization. The voice becomes more authoritative and the customer will be more willing to accept it.

Appraisal resources are mainly used for expressing and negotiating attitudes. The system of attitudes includes three semantic resources: affect (emotion), judgment (ethics) and appreciation (aesthetics) (Martin, 2000; Martin & White, 2005).

(6) Affect

6a. C: I mean I *don’t like* that I’m getting transferred to another call that I might get dropped off.

6b. R: I will be *more than happy* to assist you for this.

(7) Judgment

7a. C: But the agent doesn’t have medical information and he’s *not competent* to discuss medical information with me...

7b. R: Thank you for *patiently* waiting.

(8) Appreciation

- 8a. C: Well, you know you're *not very plain*, you have an accent, right?  
8b. R: That's a *good* suggestion.

The resources of affect meaning are used to express feelings and construe emotional reactions. At call centers, the customers often use these expressions to describe how they feel about the product or service, whether they are happy, satisfied, worried or not (e.g. 6a). This appraisal function may help to construct the interpersonal meaning in that the speaker shows his/her feeling to the hearer and the emotional gap between them can be narrowed. The expressions of judgment are used to assess people's character and behavior according to various normative principles. There are assessments of morality, legality, normality, competence and psychological disposition. Appreciation resources are used to construe the value of things and are concerned with positive and negative evaluations of objects, artifacts, processes and states of affairs. When making assessment of human behavior or process in call center communication, the customers are often querulous and use language that criticizes or condemns (e.g. 7a and 8a), while the CSRs tend to use expressions of judgment or appreciation that show approval or praise (e.g. 7b and 8b).

*A corpus-based analysis of the lexical features of call center discourse*

The Frown Corpus (The Freiburg-Brown Corpus of American English) can be taken as the reference corpus for a corpus-based lexical analysis of the 100 calls with the corpus analysis program WordSmith tools.

The wordlists of the two corpora can be compared. The type/token ratio (dividing the number of words in a corpus that are spelled differently by the total number of words in the corpus) of Frown is 3.66%, and that of the call center data is 3.98%. This shows that the call center discourse has a relatively more diverse vocabulary than the general American English. A wider range of vocabulary of products and service is used in customer service calls. The content words used in call center discourse have a higher frequency than the general language. Among the top 50 high-frequency words in the two corpora, there are no content words in Frown except the verb "said", while a number of nouns and verbs appear in the call center discourse. Nouns like "customer", "number", "name" and "policy", and verbs like "have", "thank" and "know" appear very frequently. Most call center communication focuses on requesting and providing service for the purchased products. The frequent use of certain nouns reveals the content of the conversations, for example, the customer service of insurance. Verbs are used to get things down, stating problems, enquiring information, making suggestions or expressing thanks. Other high-frequency words include two address forms, "ma'am" and "sir", and some interjections "right", "alright", "yeah", "now", etc. Personal pronouns "I" and "you" are the most frequently used words. At the top of the KeyWords list, we can see "OK", "I", "you", "yes", etc. These lexical features indicate the dialogical and interactive nature of call center discourse, which is different from the general written language.

*A linguistic analysis of communication breakdown in call center discourse*

The expressed dissatisfaction by customers can be identified in the calls. The communication breakdowns can be attributed to the foreign agents' strong accent when they speak English, their weird communication style, their lack of business or technical knowledge about the products, their low efficiency of problem solving, customer agitation, etc.

(9) accent

- 9a. R: OK, is she an agent, ma'am?

C: I'm sorry?  
R: Is she an agent?  
C: I don't know what she is.

9b. C: Well, you know you're not very plain, you have an accent, right? I'm having trouble understanding you, right?

In the case of 9a, the CSR's pronunciation of the word "agent" ([ˈaɪdʒənt] rather than [ˈeɪdʒənt]) is difficult to understand. In another similar case, the customer repeatedly asks the CSR to pronounce the word "reinstatement" until the latter spells the word out in the end. The customers may find it funny and cannot help laughing. Some customers may explicitly point out that they cannot understand the strange accent (e.g. 9b), which is surely an unpleasant experience to the CSRs.

(10) communication style

R: Er... what is it regarding to?  
C: Regarding to getting a different number for what we are discussing...  
R: Well... unfortunately that's only one contact number, I don't even know what we were discussing about. So... I know... you know... if you tell what's the problem I might be able to help you... but if you just, er... you know, I'm sorry I don't have anything to give you.  
C: Oh, then I'd like to speak to Dave and we'll get back on track.  
R: Well... I don't... don't know any Dave, sir. OK... and if I did, it's no way for me to answer you.

The customer keeps asking to talk to another agent, while the CSR keeps asking the customer what his problem is without putting it directly. There is no effective communication between them. Finally, the call ends up with an exchange of dirty words, and the telephone is banged down.

(11) lack of business or technical knowledge

R: Thank you for patiently waiting. I would need to transfer your call to our collection department for them to be able to give you the em... explanation as to why you have excess 15 dollars fee.  
C: I'm sorry... and you're not able to answer my question.  
R: OK... I'm only able to... inform you that there was a 15 dollars fee... for this account, but I wouldn't... I wouldn't be able to provide you the em... the item... I mean the transaction... is er... why there was an excess 15 dollars fee.  
C: There... so what you are saying is... there was a 15 dollars fee but you're not able to explain it to me.  
R: Yes.  
C: OK... er... about your customer service... it's strange there...

The customer doesn't like to be transferred to another call because he might get disconnected. The CSR's inability to answer his question irritates him, which is expressed explicitly before he is transferred to the supervisor, "I mean I'm trying to be patient myself, you know, be courteous, all of that..."

(12) low efficiency and customer agitation

R: I don't know about that, ma'am. But we're giving here a call back in a week, ma'am.

C: OK, well, in the meantime, what then I need to do is to make a call to make a complaint to Better Business Bureau and tell them exactly how, as a customer, I've been handled ... and it's been very crappy. I've called up... I've talked to twelve people, two from Maryland, I cannot tell you how many from Texas, I cannot tell you how many from New York and this is absolutely pathetic. I expect a call back within a week's period of time and all this mess cleared up and I don't care who you tell or who you write down but I appreciate that this will be done within a week because I have been waiting since December 18th for a call back. It seems that nobody is doing their homework.

[silence, 3 secs]

R: (very softly) Yeah, ma'am.

If the customers cannot have their problems resolved after repeatedly making calls, they will make complaints about their frustrating experience. The customer in Example 12 fires off her complaints at the CSR, using direct expressions of accusation such as “very crappy”, “absolutely pathetic”, “all this mess”, and “nobody is doing their homework”. The CSR seems unfamiliar with the relevant business, and she doesn't know what happened and how to respond to the customer. There is a 3-second embarrassed silence before she said very softly, “Yeah, ma'am”, showing that she has a guilty conscience although it may not be her fault.

#### *The discursive practice of call center communication*

Approaching discourse as discursive practice, i.e., discourse as something that is produced, distributed, and consumed in society, both the global context of action and the communicative resources employed by participants in local action should be analyzed. The rules and conventions that govern how individuals think, speak, and act in certain situations determine rights and obligations of the participants in certain social context. “Intertextuality” plays an important role to link a text to its content. Fairclough distinguishes between “manifest intertextuality” (i.e. overtly drawing upon other texts) and “constitutive intertextuality” or “interdiscursivity” (i.e. texts are made up of heterogeneous elements: generic conventions, discourse types, register, style) (Blommaert & Bulcaen, 2000).

As discussed in Xu, et al. (2010), the socially defined need for telephone-based customer services underlying contemporary business practices gives rise to the call center discourse as a genre. Call centers deal with both inbound and outbound calls which cover a full spectrum of serving, supporting, selling and marketing. Inbound calls are made by the customers to obtain information or services, report a malfunction, or ask for help. Outbound calls are made by the CSRs mostly with intentions of selling a product or service or conducting a survey of customer satisfaction. The close monitoring of calls by managements of call centers and client companies makes call center communication not just a conversation between the two interactive parties. Call centers usually record all the calls and keep them for a certain period of time (often six months) for future reference and for staff performance assessment. The recorded calls can be replayed to audiences with different purposes whenever needed, which is different from the oral discourse in the general sense. As to the intertextual or interdiscursive features of call center discourse, the institutionalization of the professional practice in this particular context, and the agents' practice of following pre-written scripts provided by call center trainers or client companies contribute to the similarities in the genre structure and the conversational structure of the calls (Xu et al., 2010). Call center discourse usually presents similar exchange patterns and generic stages despite language difference. For example, both English and Chinese call center interactions are found to have three common generic stages (opening, servicing, and closing), and the servicing stage includes three exchanges (purpose, information, and service) (Xu, et al. 2010). The similar

generic structure of call center discourse is not a fixed or unchangeable pattern, but a flexible resource for practitioners to exploit creatively. The institutionalized goals and common industrial practices at call centers may dictate the universality to some extent whereas variation in genre structure may be attributed to institutional, cultural, and interactional factors (Xu, et al. 2010).

The results of questionnaire surveys among American customers show that most customers prefer local employees of the company's Customer Support Department to provide the customer service. The offshore CSRs can be distinguished from the local employees by their foreign accent, language proficiency, communication style and efficiency of problem solving. Overall, more than half of the respondents feel fairly dissatisfied with the offshore CSRs' service. The customers pay more attention to the solution to their problems, but more often than not, the CSRs don't quite understand what the customers say and can't solve some technical problems of the products. The intercultural communication problems and cultural differences are not taken as a major cause of communication breakdown by many customers. But they do complain about the CSRs' communication style. This lack of intercultural awareness among customers could be an important barrier to mutual understanding in call center communication. The American customers are concerned about the loss of stateside jobs due to the lower cost provided by offshore suppliers, but most of them believe that the developed countries will reduce the cost of their own customer service and gradually decrease the amount of offshore outsourcing in the future.

As Fairclough (1992) points out, discourse is a practice not just of representing the world, but of signifying the world, constituting and constructing the world in meaning. On one hand, the discursive practices of call center communication are affected and restricted by the social, industrial and institutional norms in the context, including the professional and organizational practices, social relationships and identities. On the other hand, the discursive practices also act upon the social life and constitute the major parts of social activities in the context of call center communication.

The call center discourse exhibits similarities in discourse structure, sentence patterns, choice of words, etc., because some of the discursive practices are the professional requirements. As CSRs working in call centers, they are unitarily trained to use the same expressions of politeness, the same sentence patterns, the same methods to deal with typical problems, the same answers to typical questions, and the same sequences of talk exchanges, etc. The use of scripts prepared by the client companies or the call center management further enhances the feature of intertextuality in call center discourse. The CSRs know what is allowed and expected to say. The customers also show their politeness and their effort to calm down when they are not happy about the service quality, because of the institutionalized nature of this type of discourse. Call center discourse, as a particular type of professional discourse, does not belong to any individual participant him/herself. It represents the history of the outsourcing industry, the social conscience of the profession, a kind of professional language, and the accepted practices of certain social groups.

#### *The social practice of the offshore outsourcing industry*

With the advent of globalization and the new competitive environment, many organizations have started to engage with various kinds of sourcing strategies, such as outsourcing, offshoring, offshore outsourcing, nearshoring, and onshoring. An interesting trend that appears to be emerging in this context is "bestshoring", i.e., mixing offshore, nearshore, and onshore in the same deal (Oshri et al., 2009). When making outsourcing and offshoring decisions and comparing potential sourcing locations, organizations have to consider a number of factors or criteria, such as costs, skills, quality of infrastructure, risk profiles, business and living environment and market potential (Farell, 2006; Oshri et al., 2009).

According to the results of the interviews with some outsourcing client companies in the U.S., the business processes outsourced to offshore suppliers include research and development, manufacturing, product/service enquiries, sales, distribution, business technologies, HR, corporate responsibility, legal, public affairs, meetings management, administrative work, internal issues for the company itself, IT help desk (computer problems), and some other general business. As to the offshore outsourcing decisions, companies generally seek longer-term partnerships and work hard to reduce the number of suppliers. Offshore suppliers must be committed to the client company's approach to business and demonstrate an equitable, fair and respectful treatment of employees, as well in agreement with the company's approach to full compliance with the law and all applicable regulations. Quality is the most important factor when companies choose offshore vendors, and they also look at levels of service, price, experience, expertise and a certain connection to their business. The level of education and the English language proficiency in the offshore destinations are also taken into consideration.

Compared with the customer support provided by the client company's own employees, the offshore call centers can provide overnight service or around the clock coverage for customers and colleagues. Given the salary arbitrage, costs of pensions, benefits and the like, the use of offshore call centers can reduce the overall costs of such services by using contractors instead of the company's own employees. In regard to quality assurance assessment, survey tools are usually used to measure customer satisfaction, and in-house business, financial and manufacturing audit groups review the work of outsourced vendors and provide counsel on identifying areas of improvement. In addition, governments also audit the vendors.

The customers' major complaints center on a perception that it takes too long to resolve a problem, or that a problem isn't completely resolved or that there is difficult communication, generally due to the call center agent's accented English. As to the causes of communication breakdown between the call center personnel and the customer, similar to the customers' responses to the questionnaire survey, intercultural communication problems are not particularly addressed. This result may indicate the client companies' neglect of this issue. They think agitated customers who are bent on "venting" may not be taken well by call center agents. But that may be partly due to the different communication styles of the customers and the agents who come from different cultural backgrounds.

To ensure service quality, some client companies provide extensive "train the trainer" sessions for the call center management, as well as comprehensive source documents/scripts and the like. They generally contract with high quality vendors and make it their responsibility to provide call center agents with good language proficiency and intercultural communication competency. They evaluate the agents' performance through surveys and by the monitoring of calls, as well as audited reports from the call center on calls successfully closed, etc. They share results of surveys and audits with vendors to identify areas where improvements can be made.

Some client companies claim that their offshore outsourcing will probably stay relatively level in the future, because most of the easy gains have been made and outsourcing costs are beginning to creep up. Some believe that they are probably at the point of marginal returns on continued outsourcing. A prevalent view on the future development of offshore outsourcing industry in the global context is that the heyday of outsourcing has passed, and within a few years, the cost advantages offered by markets like China and India will be much narrower than they are today. For example, India has recently increased the cost and the salary arbitrage will not be as considerable as before. Client companies will continue to look for better ways for value, and they will take inshoring and nearshoring as well. They also use their internal subsidiaries located in foreign countries to deal with the local business.

## Conclusion

This study provides a linguistic analysis of the communication skills and strategies used to construct interpersonal meaning in call center discourse, and an investigation of the professional and social practices in the offshore outsourcing industry.

Call center communication has a unique genre structure and distinguished lexico-grammatical features due to the nature of institutionalized discourse. The interlocutors use different communication strategies to construct the interpersonal relationship, but communication breakdown also occurs because of business, language and cultural factors. To improve service quality, the call center agents need to be trained in communication skills and professional expertise, in addition to language and cultural training. However, the intercultural communication problems have not received due attention from customers, client companies and call center trainers. With the perceived advantage of low cost labor disappearing in developing countries such as India and China, the currently booming offshore outsourcing industry will be losing favor with client companies in the developed countries with a high unemployment rate. Low customer satisfaction and high customer expectation present another challenge to offshore call center service.

The findings of this study may have relevance to management, intercultural communication and professional training for the service industry, and can provide evidence and suggestions for policymakers. In the countries and regions where great effort is made to develop the BPO industry, international co-operation should be enhanced through joint efforts by academics and professionals who will advise and guide a better understanding of the call center services and contribute to the healthy development of this industry.

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## There is No Textbook Approach

### Overcoming Culture Shock through the Eyes of Australian Expatriates Working in Jakarta, Indonesia

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**Purpose:** *This research gives broader insight into the culture shock process experienced by the Australian expatriates working in Jakarta. Utilizing the ideas from intercultural communication and Oberg's culture shock stages (1960) as a theoretical base, this research seeks to relate to the culture and communications.*

**Methodology:** *This research used a qualitative method. The author explored the culture shock process through a series of in-depth interviews with nine Australian expatriates that have been working for 3-20 years in Jakarta. They all have the first-hand experiences of working with Indonesian staff.*

**Findings:** *Culture shock occurs in a random manner. It can begin at anytime with the Honeymoon period or proceed directly to the Crisis Stage. All phases have a unique and different approach, so it is important to use much needed cultural wisdom.*

**Research implications:** *Further research could focus on aspects directly related to the East-West difficulty factors, such as, the value of privacy and time punctuality faced by two different cultures.*

**Practical implications:** *Culture shock not only comes from a macro structure such as language and culture, but also seemingly small issues involved in the interaction of daily activity with a local staff.*

**Key words:** *Culture shock, Intercultural communication, Context.*

**Paper type:** *Research*

#### Background Problem

People today are living in an age of diversity. They must live together side by side with others who have different cultures. As stated by an Anthropologist, Edward T. Hall (1959), "Culture is communication and communication is culture." Hall's statement emphasizes the need to understand different cultures in order to communicate well with others.

In this era of globalization, many countries have developed bilateral ties. Indonesia and Australia have maintained good relations for 20 years. Indonesia is a fast developing country in South East Asia which has a population of more than 200 million. It consists of more than 17,000 islands divided into 33 provinces. This has made it very diverse culturally. Indonesia experienced a major financial crisis in 1998 which brought about the end of the Soeharto's 30 year regime. Currently, Indonesia is in the process of developing the country's financial, political, industrial, educational, and other sectors.

Australia is a prosperous developed country which ranks highly when compared with many other countries in such areas as human development, quality of life, health care, life expectancy, public education, economic freedom, civil liberties and political rights. Australia is also a member of the United Nations, G20, Commonwealth of Nations, ANZUS, OECD, APEC, Pacific Islands Forum, and the World Trade Organization.

As neighbors, Indonesia and Australia maintain close economic ties. Although they compete in many fields, they are complementary to each other. Many companies in both countries maintain operations and businesses in the other. Therefore, there is a continuing movement of workers and executives between the countries. Under Indonesian regulation, workers from Australia in Indonesia must have special skills.

There are many Australians working in Indonesia as teachers, company administrative staff, investors, engineers, top executives, and technical advisors. Foreign employees are known as expatriates, living side by side with the local people in their new home. Some of them have difficulties understanding and adapting to the new environment and different culture.

To mingle and blend with a different culture is not easy. When expatriates communicate with the local people, they face different languages, behaviors, and social values. This condition sometimes results in people having different expectations from the communication. These different expectations can cause communication difficulties, resulting in uncomfortable feelings and misunderstandings.

When a company decides to conduct business on an international level and have its managers go overseas to work, cultural differences between people may clash. If it is not handled properly, it can be a source of distress for both the individual and the organization. For example, an expatriate may find it difficult to adapt to a new city or country that she or he must work in. This can be a source of a cultural clash between individuals and organizations that we usually understand as culture shock. It can affect the individual personally and his ability to do his job.

### **Research Purpose and Benefits**

This research has two purposes. First, it is to identify the causes of culture shock among the Australian expatriates working with Indonesian employees. Second, it is to understand the responses of Australian expatriates to the culture shock as they work with Indonesian employees. Through the responses to these two purposes, we identify methods for overcoming the culture shock process through the eyes of Australian expatriates working in Jakarta, Indonesia.

This research has academic and practical benefits. Its academic benefit is to gain knowledge in communication studies and to enhance our understanding of culture shock among the Australian expatriates. It also provides useful information and a good reference point to researchers who may conduct further research. As a practical benefit, this research can be useful for Australian expatriates, international companies, and Australian embassy employees in Indonesia. The findings of this study are also useful to Indonesian employees who will work overseas or work with expatriates in Indonesia.

## **Theoretical Framework**

### *Previous Intercultural Communication Research*

In the journal “Inquiry in Intercultural and Development Communication”, Kim stated that Intercultural Communication is generally defined in terms of two central concepts, culture and communication (2005). The term ‘culture’ has been employed primarily as a label or category representing the collective life experiences of recognizable large groups, such as, a nation or a world region. In addition, the descriptive-interpretative approaches utilized in most cultural communication studies and in some of intercultural communication studies include qualitative research methods, such as: ethnographic field studies, rhetorical analysis, discourse analysis, and conversational analysis. This same journal discussed Edward T Hall’s theory (1976) which differentiates cultures along the continuum of low-context (explicit, verbal, direct) and high-context (implicit, nonverbal, indirect) communication system.

### *Intercultural Communication*

The need to learn intercultural communication skills is experienced by a large number of service providers who interact directly with an increasingly diverse public (Guirdham, 2005). The field of Intercultural Communication comes from two different topics; communication and culture. These two topics are related to each other by understanding the responses of people who experience different cultural backgrounds. Understanding different cultures is important for communicating in this globalized era.

According to Litvin, the purpose of intercultural communication is to be more culturally sensitive, acquire the capacity to engage with members of other cultures, create lasting and satisfying relationship with them, and stimulate a greater understanding of one’s own culture. Additionally, intercultural communication provides a framework to understand cultural contact as a means of communicating one’s own views in a culture different than one’s own and a realization that different systems of values can be studied systematically, compared, and understood (Mulyana and Rakhmat, 2000),.

Intercultural communication happens when the sender and receiver of a message have different culture backgrounds from each other. In this situation, we are expected to understand the differences. Sometimes those differences can cause communication problems. However, we can reduce or eliminate the problems by understanding the dynamics of intercultural communication (Mulyana and Rakhmat, 2000). The Intercultural Communication Model is represented in the figure below.

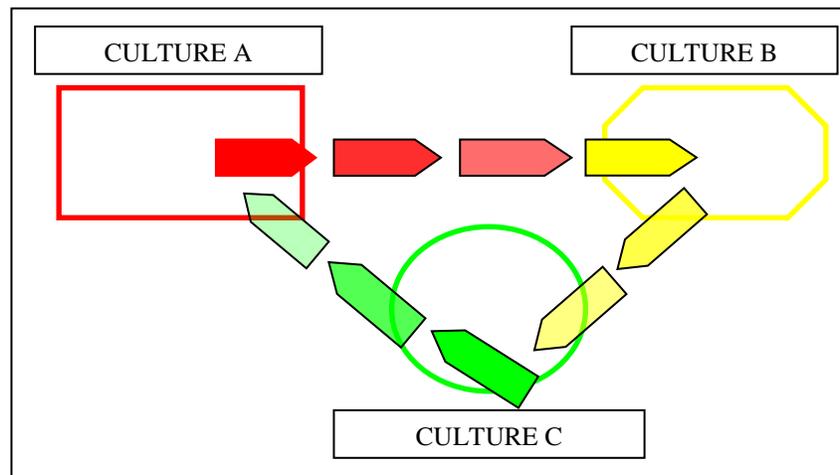


FIGURE 1. Intercultural Communication Model

Three different cultures are represented by the three different shapes; the arrows present the direction from Culture A to Culture B, and to Culture C and denote the encoding and decoding process. When a person in Culture A interacts with a person in Culture B, the message will probably be decoded with a different meaning. This also happens to a person in Culture B when interacting with a person in Culture C. When decoding the message, a different meaning can occur as a result of the different points of view from one culture to another. The behaviors of the persons who communicate are also different and can influence how he or she reacts to the message.

### *Public Relations*

According to Effendy in *The International Public Relations*, public relations is a management function of a continuing and planned character, through which public or private organizations and institutions seek and retain the understanding, sympathy and support of those with whom they are or may be concerned. They do so by evaluating public opinion about themselves, in order to correlate as far as possible, their own policies and procedure to achieve, by planned and widespread information, more productive cooperation and more efficient fulfillment of their common interest (2009).

Public relations is conducted through a two-way communication. The communication is used to inform, influence and change the public's understanding, attitude and behavior. In essence, public relations may result in a good image, goodwill, mutual understanding, mutual confidence, mutual appreciation, and tolerance. There are three functions that emerge from the practice of public relations: to ascertain and evaluate public opinion as relates to the organization; to counsel executives on ways of dealing with public opinion as it exists; and the use of communication to influence public opinion.

### *Public Relations – Internal and External Public*

Public relations, classifies publics into two types, internal and external publics (Banks, 2000). In discussing intercultural communication in this study, the internal publics are the employees and

the executives who have different cultural backgrounds. This study will briefly describe expatriates and local employees.

Internal publics need an internal communication flow within the company or organization. There are two types of internal communication, downward and upward. Downward communication is communication to the lower level employees, such as middle management, their subordinates, and any other positions. Upward communication is communication to the higher level employees, such as executive managers, directors, and above. (Effendy, 2009).

Internal communication can help information flow on such matters to happen systematically on a real time basis. Communications, as a practicing art, has to be developed based on culture and mission so that every employee functions as an effective communicator or as a change agent. Thus, the internal communication programme must be tailored to communicate with the employees' facts, figures, and beliefs, taken from the corporate policies, objectives, and achievements (Banik, 2004).

*Understanding Culture*

According to Kroeber and Kluckhohn, culture consists of patterns, explicit and implicit, of and behavior acquired and transmitted by symbols constituting the distinctive achievements of human groups, including their embodiments in artifacts. The essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values. Culture systems may, on the one hand, be considered as a product of action, and on the other, as conditioning elements of further action (Ferraro, 2008).

Culture does not only consist of physical objects, culture involves symbolic mental and physical (i.e. public) representations of the world, and only those representations which are relatively stable and which form systems shared by the members of a social group are cultural. Therefore, culture distinguishes one social group from another. The three culture components are represented in the figure below.

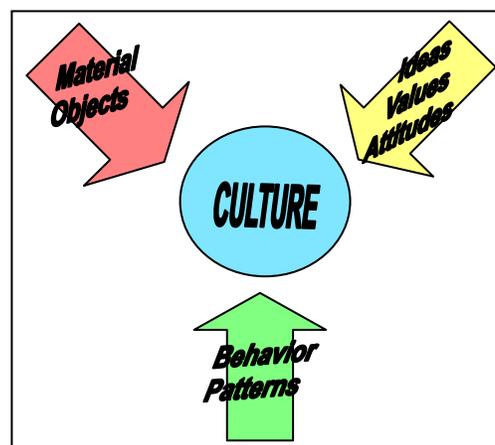


FIGURE 2. Cultural Components

Trompenaars stated that there are three main categories of cultural dimension: relationships with people, attitudes toward time, and attitudes toward the environment (Guirdham, 2005). These three components were used by this author in developing the interview questions for informants.

### *Eastern Culture*

Eastern culture addresses harmony and well being. Eastern cultural values, are, in essence, derived from religions born in the East. Generally, people in the East are concerned that life covers all that exists. They prefer following their intuition. Through their heart, they unite mind, intuition, intelligence, and feelings. Eastern cultural values are influenced by the teachings of Hindu and Buddha. These teachings create an Eastern wisdom that is contemplative and focused on a review of truth. The East emphasizes the disciplines of self-control, simplicity, and being not world-minded, thus avoiding distractions from the material world.

In the East, individuals search for harmony in nature, because nature gives life, food, shelter, and influences art and benefits science. Eastern people desire wisdom and long for salvation and freedom from suffering in the world. They reach this through ascetic and mystic meditation practices. In the face of reality, Eastern people integrate knowledge, intuition, concrete thinking, symbol, and wisdom.

Eastern people are close to nature. They do not push themselves upon or exploit nature. They wish to live in harmony with nature, because nature is something that cannot be separated from human life. If nature is to perish, then so will humanity. Eastern culture also possesses values about living, such as: accept reality, search for serenity, take time for fun, and learn from experiences. Thus, the Eastern world desires the richness of life, but not material things, rather, peace and quiet, unified self, fatalism, passivity, and withdrawal from the world. (Soelaeman, 2001).

### *Western Culture*

The West tends to emphasize objectivity rather than feelings. They are more interested in material development, then to think about the meaning of life. They also favor rational-analysis as a way of thinking, namely, positivism philosophy. According to To Thi Anh (1975), there are 3 basic values: human dignity, freedom, and technology.

The West recognizes the feasibility of human dignity. Human beings cannot be measured by anything. Therefore, human beings need to be respected and supported. Human beings in Western culture are perceived to be the center of everything that has rational capability: creative, and aesthetic. By that, Western culture creates some basic values, such as democracy, social organization, and economic prosperity. All of them originate in an absolute appreciation for human nature

The West assumes religious virtue as the same as human virtue. The effort or attention to objects, pleasure, and harmony in the world achieves their satisfaction. Spontaneity is more appreciated and individuals are free from pressure and interference from other people. This freedom generates self-confidence and the ability, to eliminate social status differences.

According to To Thi Anh (1975), technological development creates dynamism, planning, organization, management, enterprise, mastery of the material, and simultaneously undermines the social and personal life. Affected by the Greeks, Western culture develops in descriptive knowledge and specialization. Humanity and nature are separated from each other. Nature, as the outside world, should be exploited and controlled. Thus, Western people have a different perception about knowledge, free will, behavior, time, and attitude toward nature (Soelaeman, 2001).

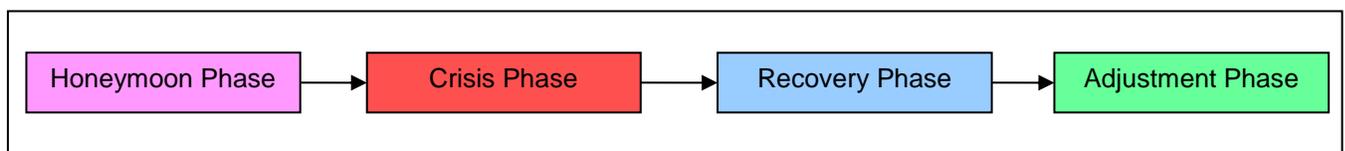
### *Culture Shock*

According to Oberg, culture shock ranges from mild irritation to out-and-out panic. When culture shock sets in, everything seems to go wrong. Sometimes people become irritated over minor inconveniences. The food is strange; people do not keep their appointments; no one seems to like you; everything seems unhygienic; and when communicating, people do not look you in the eye, and on and on (Ferraro, 2008).

Oberg also mentioned that culture shock symptoms can include: confusion over how to behave; surprise after realizing some of the features of the new culture; loss of old familiar surroundings; being rejected; loss of self-esteem; feeling of impotence at having so little control over the situation; and doubt when your own cultural values are brought into question (Ferraro, 2008).

### *The Culture Shock Process*

Oberg identified four phases in the culture shock process: Honeymoon, Crisis, Recovery, and Adjustment. The Honeymoon phase is when a person enters a new culture for the first time. Crisis phase is when a person faces some cultural problem in their new environment. Recovery phase is when a person tries to figure out how to overcome the culture shock. In the adjustment phase a person can accept and adapt to the new culture (Mulyana and Rakhmat, 2000). The process of culture shock is represented in the figure below.



**FIGURE 3.** Phases of Culture Shock

## **Research Design and Method**

### *Descriptive-qualitative design*

The topic of this research is a social phenomenon, which has a descriptive-qualitative design. An interpretative approach is associated with the symbolic interactions. It is often called a qualitative method of research (Neumann, 2006). For interpretive researchers, the goal of social research is to develop an understanding of social life and discover how people construct meaning in a natural setting. By constructing meaning, the researcher will learn what is meaningful or relevant to the people being studied, or how individuals experience daily life. The researcher does this by getting

to know a particular social setting and seeing it from the point of view of those in it. The researcher shares the feelings and interpretations of the people he or she studies and sees things through their eyes (Neumann, 2006).

The author uses a descriptive method with qualitative analysis in this research. According to Taylor and Bogdan (Bungin, 2007), qualitative research can be achieved by research which results in descriptive data about spoken or written words, and behavior that can be observed by the researched people.

#### *Preliminary Research*

Qualitative research emphasizes intimate firsthand knowledge of the research setting and it avoids distancing itself from the people or events in the study (Neumann, 2006). This theory refers to the closeness between the author (researcher) and the informants. In order to gain closeness and mutual understanding between the author and the informants of this study, the author conducted preliminary research.

The author contacted fifteen Australian expatriates and asked each if they would take part in the study. Nine expatriates agreed. Six invited informants had to leave the country on business at the time of the study. The author made appointments to meet each of the nine individually. Interviews were conducted in a relaxed conversation.

#### *Sampling Method and Parameters*

Sampling decisions begin during the early stages of research. These depend on the focus and topic of study, but also include: the setting for the study (where to sample), time and context for the sample (what to sample), the group of people from which to take the sample (whom to sample), and to ensure the people and places are available and accessible to be sampled (Daymon and Holloway, 2002).

Hammersley and Atkinson state that there are a number of dimensions on which sampling takes place. These include: people, setting, events and processes, activities, and time. The most important element of research is the people. They are chosen on the basis of experience of the phenomenon under study (Daymon and Holloway, 2002). This research was planned with these sampling parameters:

- (People) Australian expatriates who work with local employees
- (Setting) in multinational companies in Jakarta
- (Events and Processes) and who communicate and interact with them in their workplace
- (Activities) by managing, conducting, and directing their work activities
- (Time) and who have more than three years of living and working experience in Indonesia.

#### *Sampling Type and Criteria*

This research uses a homogeneous sample, as this sample consists of individuals who belong to the same subculture or group and have similar characteristics. Homogeneous sample units are

useful when interviewing individuals in a particular group. In this study, they are male Australian expatriates who work in Jakarta.

The nine Australian expatriates became informants of the preliminary study, because they have a different cultural background (from Australia); and they moved to Jakarta for business purposes for varying periods of time (more than 3-year stay). They also experienced culture shock and have tried to live side by side with the local people.

This research used purposive and snowball sampling which is valuable type of sampling for special situations. It is appropriate for the selection of members of a difficult-to-reach, specialized population. Another situation for purposive sampling occurs when a researcher wants to identify particular types of cases for in-depth investigation (Neumann, 2006).

This research used a purposive, non-probability sampling, because the data in this research is not numeric, and the methods used in this research are vary, descriptive and qualitative. Based on the criteria above, the author used informants who can provide information that relates to the purpose of the study. They were divided into three groups based on their period of stay in Indonesia: From 3 to 10-year stay, 10 to 20-year stay, and more than 20-year stay.

#### *Data Collection Techniques and Analysis*

After setting the informants into three groups, the author planned the data collection techniques. The plan for collecting the data was according to the qualitative research method. Qualitative data involved documenting real events, recording what people said (with words, gestures, and tone), observing specific behaviors, studying written documents, and examining visual images. These are all concrete aspects of the world (Neumann, 2006).

This research used the in-depth and semi-structured interview as the data collection method. The questions were pre-planned and were asked with every informant in the same order. This allowed informants to freely answer the questions based on their thoughts and experiences. The conversation was kept on track by reminding informants to remain directed to the topic of the conversation.

Qualitative analysis does not draw on a large, well-established body of formal knowledge from mathematics and statistics. The data are relatively imprecise, diffuse, and context-based, and can have more than one meaning (Neumann, 2006). The author used some of Neumann's steps for analyzing data, such as:

- Collecting data: the author conducted the in-depth interviews and transcribed them;
- Analyzing data: the author conceptualized and coded the qualitative data; and
- Concluding data: the author drew conclusions from the data.

This research was conducted between 28 October 2010 and 16 March 2011 and took place in Jakarta. The informants were researched individually, so the places were varying: coffee shops, restaurants, or the informants' meeting room at their office. Generally, every informant spent one hour for the interview with the author.

## Research Analysis

Culture shock is a social phenomenon that can happen to everybody who experiences a new culture. It is posed by the worry of losing signs and symbols of social intercourse. When a person enters a new culture, she or he will take time to adapt to it. It is because they still remember and behave as they would at home, without concern for the different culture around them.

When people are in culture shock, they cannot accept the new culture straight away. They need time to understand and acclimate to what they experience as the good and bad elements of moving into a different country with different surroundings. They also need to be ready to accept the feedback from what they are doing in their new home.

Being far from home or entering a new culture is not easy for expatriates. They need to face the reality of the culture shock that results from their experiences with people and from the environment around them. They will encounter new friends, a new home, a new office environment, new streets, new food, and many various experiences.

### *Comparisons of Indonesian and Australian Staff Characteristics through the Australian Expatriates Point of View*

The author met all the informants to interview them and ask their point of view of the differences of working with Indonesian and Australian staff. They all agreed that Indonesian and Australian staff are viewed as having the following characteristics.

**TABLE 1.** Indonesian and Australian Staff Characteristics

| Indonesian Staff                                                                                                                                               | Australian Staff                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Result minded.</li> </ul>                                                                                             | <ul style="list-style-type: none"> <li>• Process minded.</li> </ul>                                                                          |
| <ul style="list-style-type: none"> <li>• Willing to learn.</li> </ul>                                                                                          | <ul style="list-style-type: none"> <li>• Willing to teach.</li> </ul>                                                                        |
| <ul style="list-style-type: none"> <li>• More receptive to doing things based on demand.</li> </ul>                                                            | <ul style="list-style-type: none"> <li>• Tend to be much more independent, they want to do things their own way.</li> </ul>                  |
| <ul style="list-style-type: none"> <li>• Much more cooperative.</li> </ul>                                                                                     | <ul style="list-style-type: none"> <li>• Much more used to work alone.</li> </ul>                                                            |
| <ul style="list-style-type: none"> <li>• Keen to be given direction, they will go and get it done. They are much more prepared to learn and listen.</li> </ul> | <ul style="list-style-type: none"> <li>• Debate more and argue the point.</li> </ul>                                                         |
| <ul style="list-style-type: none"> <li>• Do not have sense of time urgency.</li> </ul>                                                                         | <ul style="list-style-type: none"> <li>• Concern about timeliness and urgency.</li> </ul>                                                    |
| <ul style="list-style-type: none"> <li>• Very rarely take personal responsibility in getting things done.</li> </ul>                                           | <ul style="list-style-type: none"> <li>• Resourceful; meaning that they find ways to get things done.</li> </ul>                             |
| <ul style="list-style-type: none"> <li>• Do not work as hard as the Australian staff do.</li> </ul>                                                            | <ul style="list-style-type: none"> <li>• Concerned about their work and make sure that they are accomplishing its objective .</li> </ul>     |
| <ul style="list-style-type: none"> <li>• Sometimes do not come on to work on time.</li> </ul>                                                                  | <ul style="list-style-type: none"> <li>• More punctual.</li> </ul>                                                                           |
| <ul style="list-style-type: none"> <li>• Indirect; they like to spend a lot of time trying to phrase sentences whenever they communicate.</li> </ul>           | <ul style="list-style-type: none"> <li>• Typically more frank and direct in communicating.</li> </ul>                                        |
| <ul style="list-style-type: none"> <li>• Have less of overall technical capability and knowledge.</li> </ul>                                                   | <ul style="list-style-type: none"> <li>• Have more skills to do technical capability and knowledge.</li> </ul>                               |
| <ul style="list-style-type: none"> <li>• Have less willingness to make decisions, and tend to ask people for solutions.</li> </ul>                             | <ul style="list-style-type: none"> <li>• Generally have more willingness to make decisions and the ability to find the solutions.</li> </ul> |

|                                                                                                             |                                                                                                               |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Respect their manager.</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Give less respect to the manager.</li> </ul>                         |
| <ul style="list-style-type: none"> <li>• Keep emotions within whenever they are under pressured.</li> </ul> | <ul style="list-style-type: none"> <li>• Tend to address the problem, sometimes can be aggressive.</li> </ul> |

All of the informants have had experiences of working with both Australian and Indonesian staff. They know each party's characteristic. The Indonesian staff characteristics will be explained in more detail in the sections that follow.

*Major Difference, the Language*

The author asked informants their point of view of the basic differences between Australian and Indonesian staff. All of them agreed that the major difference is the language. Australians uses English as their first language and Indonesians use Bahasa Indonesia as their first language. Nowadays, in Indonesia, English is used almost in every company, but the quality of English understanding among the Indonesian staff is still average.

On the other hand, not all Australian expatriates in Indonesia are able to speak Bahasa Indonesia. There are a few people who are willing to learn it. Among the nine informants, only one could speak Bahasa Indonesia quite well. The remaining eight are still learning it.

The different language can cause misunderstandings in communication. Australian English has its own unique idioms. This can be seen by the conversations in the interviews between the writer and the informants. While Bahasa Indonesia also has its own unique slang words.

*Indonesian Staff's Writing and Speaking Qualities*

Based on the informant answers, Indonesian employees are talkative and more social and have more verbal interaction in the Indonesian workplace than the Australian staff. When they use English, they prefer to talk, because they can confirm immediately if both sides understand.

The Indonesian staff is also comfortable communicating in writing, which mostly entails using e-mail and social media. They are more comfortable using e-mail and other writing tools rather than talking face-to-face, when using English. In this era of globalization and given the growth of modern communication tools, people are more likely to write using the Internet (e-mail and social media). However, when they use Bahasa Indonesia, they prefer to talk rather than to write.

One of the informants stated that it doesn't matter whether one is Indonesian or Australian, or what cultural background they are from, it depends on the type of the work. Some of the work requires discussion and less writing, while other tasks require more writing and less conversation. So, it depends on the job that the company assigns.

*Indonesian Staff Group Type of Work*

Based on the informants' responses, the Indonesian staff is much more prone to working together than alone. Indonesians are very social people, they like being in groups. There is a strong group cooperation ethic. Indonesians do not like to work by themselves. Indonesian culture is a social culture, a networking culture.

Because Indonesians work in groups, they tend to work in groups, so you have to make sure that these are coordinating with other internal teams. On the other hand, all the informants agreed that Europeans and Australians are much more used to working alone. One of the informants stated that it does not depend on whether one is Australian or Indonesian or of another cultural background, but it depends on the type of work.

#### *Indonesian Staff's Reaction towards Stress at Work*

Basically, whenever people get stressed, they will react, such as having a headache. It does not matter if the person is Indonesian, Australian, or American, stress causes an emotional response. However, Indonesian employees generally keep their emotions within when they are stressed or angry.

If Indonesians get stressed at work, they generally keep silent. They do not complain. They do not want the expatriate manager seeing them angry. Indonesians will not react much when they are stressed. They will be silent when their boss becomes aggressive and applies pressure.

Indonesians will prefer to walk away from problems by going out for a walk or smoking a cigarette. They do that, because they do not want to bring bad news to the boss and will not tell them bad news. They would rather create a white lie, such as to tell their boss that they are sick, and thus, run away from the problem. Europeans and Australians, in particular, tend to address problems, but can get quite aggressive about it at times. Indonesians rarely are aggressive, they will just walk away.

#### *Indonesian Staff and Their Private Life*

Based on informant interviews, there were different responses to Indonesia attitudes towards discussing their private lives. Indonesians tend to keep their privacy. They do not usually talk about their private lives with people. They might talk among themselves, but not with their expatriate managers.

Other informants said that Indonesians in the workplace do speak freely about private matters with other people, but only after they have built trust on both sides. Indonesian culture is more open and sharing culture than Australian culture. There are a lot of topics which an Australian would not generally discuss with an Indonesian (e.g. a family issue). Indonesians will talk about private matters when trust has developed.

#### *Indonesian Staff Means of Getting Promoted at Work*

Informants had different points of view about Indonesians getting promotions at work. They answered that Indonesian staff get promoted not by their family names, but by their achievement on their job, performance, capability, and ability to do the job. One of the informants is working for Thiess. It is an Australian company, so it has the Australian values which give equal opportunity. In Thiess, the staff works under quite strict rules. If some staff have some family relations or close relatives in the company, they will not be put on the same team or the same site.

Twenty years ago Indonesian staff members may have been promoted due to their family name, but this no longer occurs. Now, it is truly based on job performance. Foreign companies do not

employ people based on their associations. Indonesians know that they will be promoted based on their skill level and ability. Indonesians employees also expect to be promoted based on their working tenure, or because of their education or social status.

On the other hand, some informants felt that Indonesians still can get promoted based on their family name or connections, but it depends on the management and type of company. For example, in extended family businesses, family members may get the promotions. In a western-run organization this rarely occurs, because their norms tend to promote employee based on qualifications and performance.

#### *The Indonesian Staff Thinking Orientation*

On this topic there were various answers from the informants. They felt that Indonesian employees think about the future. Indonesia has grown into a wealthy country. So, Indonesians can look towards achieving personal wealth and success in their careers. Indonesians now wish to build an economy similar in style to many Western countries. They think more about the future, but not necessarily long term. They can make decisions on short term goals, but they are not as good at making decision about long term beneficial gains.

On the other hand, Indonesians also think about the past and are very past oriented. They tend to repeat things that they have done in the past, regardless of whether they were successful or not. If circumstances change, there is a tendency to repeat behaviors from the past, even though the changed circumstances would suggest that it is unlikely to succeed. In general, Indonesians do not like to plan ahead.

One of the informants felt that thinking orientation was not dependent on cultural background, but on the age of a person. The younger the person, the more future oriented is their way of thinking. He stated that an employee, who is more than 30 or 40 years old in a business, tends to still operate based on what he was told and learned in the past. Younger generations are much more articulate about where they want to be and where they want to go. The older staff member is much more reserved, and the younger generation is much more challenged to say and express themselves and contribute.

#### *Indonesian Staff Task Situation*

Informants also provided different responses here. Indonesian employees work on one thing at a time. They sometimes finish the project on the next day and they also like working to fulfill the day. It depends on the company business. If you are in a creative business, you will probably multi-task. Indonesian work habits depend on the task. There are small things that get done very quickly and some things that take longer. Often the work is delayed, because of waiting for others to act (e.g. getting permits from government department where the response can be slow). Often the focus of many managers is to rely on someone else to give them what they need rather than taking direct action.

Not all of the Indonesian employees, but a large number of them, tend to see their job as being a defined role specific to the job. If it is not confirmed as part of their role, they will not perform the task. Secondly, Indonesians like to have subordinates. Because of this situation, there is a tendency to have two or three people busy doing one or more jobs.

Indonesian employees can complete their routine activities very quickly. Some tasks take a number of days to finish due to their complexity. Generally speaking, the time taken is longer than in Australia. Indonesians are not the best at multi-tasking. The better educated Indonesian employee is more capable of multi-tasking. Indonesian culture, in general, is not time conscious. The term of “rubber clock” (not on time) is very applicable to being punctual for appointments, commitments and finishing assigned tasks on time.

Some informants also answered that Indonesians can work on many things at one time. They can work to adhere to deadlines as long as they know the importance of the job. They also know how to set job priorities. However, it depends on the person; some are very good at balancing their time and getting everything done, or at least letting you know that something will be late or something will take longer than usual, and what is the priority. It really depends on the particular personality whether they ask for direction, make up their own mind, and just try to get things done.

Indonesians are used to doing one task at a time, but now because educational levels have risen, so has the ability to multitask. Now that they want to learn, skill levels have improved, and if they do the job well, they will get promoted in the organization. Indonesian employees set priorities as expatriates do, but the priorities in Indonesia are more flexible.

However, it sometimes depends on the type of work. Work which requires creativity will require more days to complete, rather than the work which requires a good quality result. In a law firm or insurance company, multi-tasking skills are more needed. In mining or heavy equipment industries, singular-tasking skills are needed.

#### *Indonesian Staff Friendliness*

Based on the interviews, all informants agreed that Indonesian employees are very friendly. They are also very supportive, very nice, and not particularly aggressive. They are a pleasure to work with and co-operative both socially and in the work place. Indonesians are friendly in their smile, and the way that they will stop whatever they are doing to listen to what the manager says. With an Indonesian staff, you can have a happy workplace where people are talking to each other. You will not have an environment where people sit behind their computer and hide. People might be doing a task on the computer, but they will also be talking to each other.

Indonesians can be friendlier than the expatriates. In many ways, an expatriate often tends to separate his home-life with his work-life. So, if they come to work, they finish their work and then go home. In contrast, Indonesians see their work environment to be more important than their own personal environment. Indonesian employees desire a happy working environment.

#### *Indonesian Staff Indirect Communication*

All of the informants agreed that Indonesian employees are not direct. They are too polite to say “no” and they are afraid to bring bad news to the boss. They do not want to make somebody upset or angry at them, because they are not comfortable working in an angry situation. They often create words, phrases, or sentences with grey meanings. Indonesians often will not tell you if something has gone wrong. Most Indonesian employees have difficulty expressing themselves,

whereas Australians are much more direct. They do not spend a lot of time trying to phrase sentences so they may not offend.

One of the problems working with Indonesians is that they do not want to bring you bad news. As a result, they will not come and tell you that things are not going well or they do not understand. However, that is gradually changing over time. The Batakese (one of the tribe in Indonesia) as an example, are always direct. Indonesian employees, who move up within management, gain in confidence, such that they become more direct. That may also happen as they become more used to working with expatriates.

Indonesians have a low-context culture, in which there is culturally a gap in communication. People often say something to be polite and are not straight forward. It can create a misunderstanding between the both sides when communicating.

However, Australian expatriates have a high-context culture, in which there is more directness in communicating. They are really open to comments or bad news. They are brave in telling someone what did not happen as it should have. They are very straight forward in saying something to their staff. In Indonesia, only a few people can do this (e.g. Batakese).

*Indonesian Staff Cultural Values as Perceived by Australian Expatriates*

Based on the interviews, the Indonesian culture is perceived to have both good and bad values by the informants, as depicted in the following table.

**TABLE 2.** Australian Expatriates Reactions to the Indonesian Staff Cultures

| Good values                                                       | Bad values                                             |
|-------------------------------------------------------------------|--------------------------------------------------------|
| • Friendliness.                                                   | • Indirect.                                            |
| • Politeness.                                                     | • Shame.                                               |
| • Intelligence.                                                   | • Dishonesty.                                          |
| • Respect.                                                        | • Over criticizing.                                    |
| • Cooperative.                                                    | • Afraid of the boss.                                  |
| • Support to each other.                                          | • No sense of urgency.                                 |
| • Have the willingness to learn.                                  | • Not independent.                                     |
| • Easy to get a decision from a man.                              | • Less self-confidence.                                |
| • Have the understanding of what they are doing.                  | • Being late (not on time).                            |
| • Easy to be encouraged by their boss or superiors.               | • Easy to blame something or someone.                  |
| • Act reliably when are asked by their boss to perform tasks.     | • Give less feedback, mostly only positive feedback.   |
| • Have the genuine desire to live together and live harmoniously. | • Less responsible and trustworthy (mostly for males). |

Based on the interviews, the following are some of the reactions that informants had in responding to Indonesian cultural situations. Some expatriates will yell and be angry at their local employees which can make their staff scared of them. It is not a good way to respond to Indonesians. Expatriates cannot be too aggressive in Indonesia, because the local staff will think that you do not treat them well and are not friendly towards them.

Expatriates have to be careful not to make an employee think that they have failed, when they are giving you bad news. Expatriates should understand the reasons why they have failed performed the job. Also, we have to accept the fact that this is a Muslim country where men attend the mosque every Friday afternoon and require half an hour for lunch time and prayers. So, it is not advisable to respond adversely to male staff members when they come back late to the office after lunch every Friday.

As an expatriate, you cannot come in and impose your way of doing business from where you come from. You cannot operate exactly the same way. You have to adapt your management style to the workforce that you have. This will depend on who you are working for. Sometimes, Indonesian employees have problems facing an expatriate management change and difficulties in knowing how to deal with their new management.

At times expatriates manager use the help of an Indonesian staff member to talk to other Indonesian employees, particularly, if the problem is getting worst. Also, when dealing with women, expatriate managers use Indonesian staff to help them to communicate with female employees. Using an indirect method to communicate can be better in some circumstances.

Some expatriates like and enjoy the Indonesian culture, but there are challenges and things to be learned about the way Indonesian society operates. An example is the influence that religion has in local society, which will impact the manner of living in such a diverse nation. Expatriates try to use the positive side of the Indonesian culture. One informant tries to speak directly to the staff. Another is happy to work with Indonesian staff because of their ability to learn and to grow.

Expatriates should always aim for consistency in making their staff aware that time is important to everybody and that honest and factual information is expected. Expatriates need to use constructive ways to deliver the message they want to give to the employees. Expatriates can be upset in some cases, but they also can give praise to the staff that performs well. If an employee does not change over a reasonable period of time, they are replaced with a more appropriate person. This research shows that expatriates will use the good aspects of the Indonesian culture and work around what they perceive are the bad ones. They also like to find and get input from people around them, such as a wife, other staff, and friends.

## **The Culture Shock Process**

### *Honeymoon Phase*

The Honeymoon Phase is when everything is new, beautiful, and exciting. At this phase, mostly people do not see the negative things. People are still learning and experiencing the new things. If they come to learn, they will understand; but if they do not learn, they will not understand. Normally, when you come to a new place, there will be someone who will assist you. So, you can move from the Honeymoon Phase to the next phase.

### *Crisis Phase*

The Crisis Phase is when expatriates discover problems; it can be physical or personal. Physical problems often come from the environment, such as, pollution, lack of good water, no electricity, and traffic jams. Personal problems often come from the individual, such as, different context of communication, different treatment, and different habits. Sometimes, the personal problems can be mixed with cultural matters as well. Expatriates need to recognize the problems immediately, so the Crisis Phase can be ended. They also need to be open-minded and try to find solutions by asking some more experienced friends.

### *Recovery Phase*

The Recovery Phase is when expatriates try to find solutions for the problems at the Crisis Phase. At this phase expatriates have two options, face the problems or leave them. If they choose to face the problems, they will get the problems solved, but if they choose to leave them, the problems will be still there. In order to solve the problems, expatriates should have more experienced-friends to assist or at least to give suggestions what to do to overcome the problems.

### *Adjustment Phase*

The Adjustment Phase is when expatriates are already adjusted and fully adapted to the new culture environment. When they are in this phase, they may not realize that they are already adapted and adjusted. They will feel that Indonesia is their home. At this phase, the expatriates are able to deal with conditions and already know how to solve the problems. They enjoy living in their new circumstances.

In the office environment, expatriates will feel comfortable working with the local staff. They know how to deal, talk, and work with them. They already know their local staff characteristics, language, and the culture in the office. On the other hand, the Adjustment Phase can also produce poor outcomes. It is when expatriates are in their comfort zone, when they stop producing, and stop working to create better outputs and innovation. Thus, it is best if expatriates enjoy their adjusted life but continue to pay attention to the problems which may still occur within their office environment.

### *Culture Shock Can Become a Problem for the New Expatriates Working in Jakarta*

The author has discussed the differences between the Indonesian staff and Australian expatriates cultures. Expatriates can develop culture shock due to these different cultural circumstances. Many Australian expatriates in Jakarta do very well in terms of communicating and working with their local staff. They come here to work and stay for quite a long period of time. However, based on informant interviews, most agreed that having culture shock can be a problem for new expatriates working in Jakarta. If culture shock in the family sets in, they will not enjoy their office life. Expatriates need to live in balance. If both parties are not happy, it means nobody is happy. One informant also added that having culture shock can be a problem for unprepared expatriates and their families.

Having culture shock is not only a problem, but also it is something that you cannot always avoid. It is something that you cannot predict, but it is something that you can be cognizant of. You need

to understand the culture shock process in order to learn how to deal with it. If the expatriates are more aware of culture shock, they will have fewer problems. It also depends on the individuals, in terms of their preparedness to address it, or personally being aware that there will be a culture shock situation. If you continue to behave as if you are in your own country, then the culture shock can become a significant problem. So, do not treat your new home like hometown, because every location is different.

Some people see culture shock as an adventure, but some people see it as a difficult thing. It depends on their mental attitude. Culture shock can be a very serious problem, because you cannot understand why you cannot get anything done properly. For this reason, culture shock is a very important process to understand.

However, having culture shock might not be a problem for some expatriates. Again, this is a human trait, some people can overcome, and some people cannot. People coming here soon realize that this is the friendliest place that they have ever lived. This research shows that expatriates will use the good aspects of the Indonesian culture and overcome the bad ones. They also like to find and get input from people around them, such as a wife, other staff, or friends.

#### *Culture Shock Can Work in a Random Process*

In the section before, the author discussed in detail the phases of culture shock: Honeymoon, Crisis, Recovery, and Adjustment. When moving to a new culture, it can sometimes take time to adapt. Unfortunately, the culture shock process is not always linear. It can follow a random process as well. Linear means the culture shock go through one phase to the next phase. Random means the process can go up and down without a structured direction. For an example, after experiencing the Crisis Phase, a person may face directly the Adjustment Phase.

Culture shock is not a one way process. It can move randomly or jump from the first to the very last phase, or it can jump and back to the nearest phase. For examples: when we become impatient while stuck in the traffic or when the government bureaucracy forces us to pay a location fee and other unimportant fees, a person can jump from first to the third phase of culture shock. Note that Honeymoon Phase can be experienced for a quite long time, and the Crisis and Recovery Phases can also be quite long, and you may jump back and forth.

Moving through the four phase process depends on individual circumstances. You can also be in Recovery Phase in one aspect of your experience, and be in the Crisis Phase on another issue. Certainly, everything does not happen at once. You can go through these phases and not realize it. There is no point in time, such as after three months that you will pass through the Honeymoon Phase, for an example. A person can have attitudes in combination of all phases over time. In order to get a better understanding of the culture shock process flow, linear and random, it is represented in the figure below.

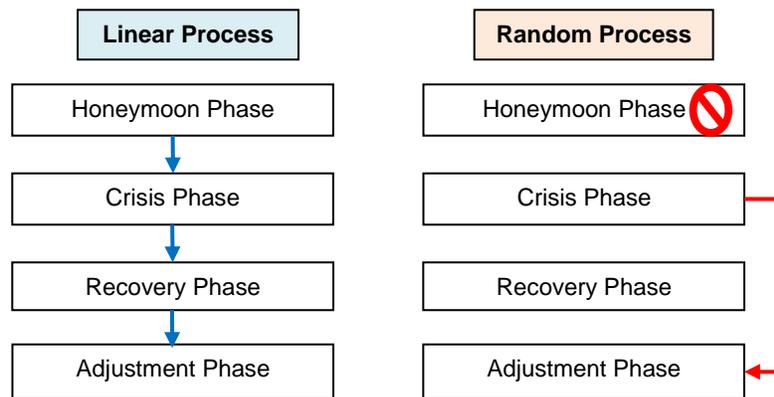


FIGURE 4. Culture Shock Process Flow

## Research Implications

### *Further Research*

This research provides findings for future research: first, to study further the Crisis and Adjustment phase in the culture shock process; secondly, to further look at how the culture shock process among expatriates can work in linear or in a random way and examine their differing reactions to it; and third, to explore further the cultural aspects directly related to the East-West difficulties, such as, the value of privacy and time punctuality faced by the two different cultures.

## Practical Implications

### *Culture Shock in the Real Experience*

Based on this research, the culture shock process can go randomly from one phase to a different phase. It can be understood as a finding of the research that an individual can experienced culture shock that may go directly to the Crisis Phase as they start their assignment, particularly when not adequately prepared. They might have little or no period in the Recovery Phase, but due to their personality and determination, would enter the Adjustment Phase. Other cases might move from the initial Honeymoon Phase, directly to the Adjustment Phase, without encountering a Crisis Phase and the normal Recovery Phase. This finding indicates that in dealing with the expatriate experience of Australians in Indonesia, multiple approaches are needed to meet their needs, depending on the individual.

### *Understanding Culture Shock and Intercultural Communication for Corporate Communication*

As we have learned above, intercultural communication is needed to understand different cultures in order to communicate well with others in cultural and corporate settings. Two different people who have different cultures will meet some difficulties in communication. From this interaction we may experience the phenomenon called culture shock. Culture shock is a process with four unique phases which can be a linear or random process depending on the personal characteristics of individual and the circumstances encountered.

Intercultural communication skills are needed to get a better understanding of communication from and to differing cultural groups; company to company, company to staff, or staff to staff. By understanding cultural difference, staff and managers can more easily culturally communicate. It can also minimize faulty expectations of others. In this way, the communication within the company can be open and fair.

In daily activities at work, people who understand intercultural communication can more easily communicate with others from different cultures. It is not only about language and cultural values, but also about the everyday interactions. Managers who understand the different cultures of their staff can more easily communicate with them. This can make the staff feel well accepted. Because they are happy with their managers, the daily working process runs smoothly. And, it contributes to a good working environment.

On the other hand, understanding intercultural communication can help the company communicate with other companies and its stakeholders. International based companies need to have cultural communication skilled employees. Good relations between companies and their publics can build mutual understanding and good relations.

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## Three Sectors of 'The Most Admired Companies' in Turkey: Automotive, Pharmaceutical and Banking

### What is the Role of Corporate Communication in Them? An Analysis of Five Years, 2008-2012

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**Purpose:** *The main purpose of the study was to examine the corporate communication function in the automotive, pharmaceutical and banking sectors included in the 'Most Admired Companies of Turkey' study, and to understand the link between admiration/reputation and the corporate communication function as well as to look at the similarities and differences in each sector.*

**Methodology:** *The study used a qualitative method. A total of seven semi-structured interviews were conducted with the corporate/communication managers of the three different sector (pharmaceutical, automotive and banking) winners for the last five years (2008-2012) of the 'Most Admired Companies of Turkey'.*

**Findings:** *Being an admired company does not happen by accident. The corporate communication function is understood and supported by the interviewees.*

**Research and practical implications:** *To date there has not been a comprehensive study of the function and perception of corporate communication in Turkey. As an initial step, this study looked at the understanding of corporate communication activities and roles in these three sectors. In the future, follow-up studies of other sectors will be undertaken and analysed and comparisons with this study's data will be made. These three sectors have their own unique features, such as, regulatory limitations and relatively good budgets to promote themselves. These qualitative findings will also help to create a quantitative study as the project continues.*

**Keywords:** *Corporate communication, Sector, Reputation, Turkey, The Most Admired Companies Study*

**Paper Type:** *Research*

Reputations are based on how stakeholders evaluate an organization's ability to meet their expectations and demands. (Coombs, 2007: 164). Organizations that avoid communication with their stakeholders are prone to lose their position. These organizations are the ones which convey little information on what they do, how they do it, and why they do it (Fombrun and Van Riel, 2003: 93). Corporate communication managers need to manage their company's reputation. In

other words, reputation can be managed and in order to manage it, measurement of reputation is necessary. Therefore, corporations measure their own reputations or they have their reputations measured by independent groups, such as, media or research companies or academic bodies.

In Turkey, the importance of reputation and corporate reputation, as well as, the role of communication in this respect was not on the agenda until recently. Discussions, about reputation management, perception management, and measurement of reputation management can be traced to the pioneering efforts of a few companies and public relations/communications consultants in Turkey since 1990s (Gorpe, 2009). However, within a short time frame, the communications/public relations sector involved with reputation management has discovered its importance. In addition to visionary corporations, people understand the importance of reputation management more when they encounter a crises or when they witness worldwide scandals through the media and witness the power of stakeholders. Now, corporations want to measure how they are perceived by their stakeholders; and attempt to measure admiration and reputation of corporate sectors has blossomed. In Turkey, *Capital* monthly business magazine conducted the first 'Most Admired Companies' research study in 1999. This continuing study is the adaption of the research done by *Fortune* in USA and *Financial Times*, and the respondents are top and middle level managers. Academics use their data for research purposes and corporations, which are listed in the research, use this data in their communications.

Currently, there are three studies which are being carried out to better understand the reputations of corporations in industry sectors in Turkey. As stated, one of the -the oldest studies for measuring admiration is conducted by *Capital* business magazine, in cooperation with a research company. The other study that has been initiated recently is RepMan Turkey Reputation Index. This study takes into consideration not only top management views, but also those of other stakeholders, such as, the business community, academicians, non-profit organizations, media, university students and the public. Istanbul Ticaret University has initiated another reputation study with the cooperation of the international research company, Turkey Reputation Index. This research is based on the X- Reputation Model and X- Perception Model developed by the X-Sights research company working with a university. According to the results of the Turkey Reputation Index 2011, the construction sector had the lowest reputation index, followed by the automotive sector. Banking and insurance were also among the lowest five sectors of the 13 sectors analyzed in the study. The sectors with the highest reputation index were: food, electronics and retail. (Guzelcik, 2012: 16). Repman Turkey Reputation Index classified the pharmaceutical (place 11) and banking (place 13) as the sectors with relatively low reputations in the 14 sectors analyzed. The automotive sector occupied the 4<sup>th</sup> place. The top three sectors with the highest reputations in this study were telecommunication/consumer durables, transportation (highways) and fast moving goods (Türkiye'nin En İtibarlı Sektörleri ve Şirketleri Açıklandı, 2013).

These studies use different methodologies, their sampling is different, and they have similar, as well as, differing results. As the other reputation studies mature and continue, research will be conducted using their data as well, but for this study, researchers used the data of the 'Most Admired Companies of Turkey' study. This study investigates the corporate communication function in the 'Most Admired Companies of Turkey', and includes the automotive, pharmaceutical, and baking sectors.

## **Corporate Communication**

Goodman and Hirsch (2010: 17) state that the nature of corporations has changed in response to new technologies and global networks within organizations. This condition has also changed the role of communication in corporations. According to the authors, communication today is more complex, strategic and also more important to the organization than it was in the past.

Communication within corporations is managed/ coordinated by a person, group of persons and/or several agencies supporting in-house corporate communication. According to Dolphin (1999: 1), "each organization needs to communicate with those key publics whose perceptions and opinions it deems important." It should not happen hazardously. The dependency of corporations on their stakeholders is explained by Cornelissen (2004: 10) as "companies need to be judged as 'legitimate' by most, if not all, of their stakeholders in order to survive and prosper, and corporate communications is the management function that works the hardest to achieve that."

"Corporate communication is the term used to describe a wide variety of management functions related to an organization's internal and external communications" (Goodman, 1994: 1). Van Riel and Fombrun (2007: 25) define corporate communication as the set of activities involved in managing and orchestrating all internal and external communications aimed at creating favorable starting points with stakeholders on which the company depends. Corporate communication consists of the dissemination of information by a group of specialists and generalists in an organization and the goal is to enhance the organization's ability to retain its license to operate.

"All organizations, of all sizes, sectors and operating in very different societies, must find ways to successfully establish and nurture relationships with their stakeholders upon which they are economically and socially dependent." (Cornelissen, 2004: 28). He states that the management function that deals with this task is corporate communications.

Corporate communication includes all aspects of communications that a corporation engages in. These are marketing communications, organizational and management communications and public affairs (lobbying) (Dalton and Croft, 2003: 22). According to Van Riel and Fombrun (2007: 22), corporate communication encompasses marketing communications, organizational communications, and management communications. Corporate communication according to the authors has a coherent approach to the development of communications in organizations. We can say that the communication department carries out communication activities by working from a centrally coordinated strategic framework. "Depending on the organization, corporate communications can include the traditional disciplines, such as: public relations, investor relations, employee relations, community relations, advertising, media relations, labor relations, government relations, technical communications, training and employee development, marketing communications, and management communications. Many organizations also include: philanthropy, crisis and emergency communications, and advertising, as part of their corporate communication functions" (Goodman, 1994: 1).

The importance of communication and corporate communication in this respect has been demonstrated by the statements of several academics. For example, Dolphin (1999: 2) emphasizes the importance of executing integrated and coherent messages to internal and external audiences in an attempt to impact the environment and form desired relationships. Van Riel and Fombrun (2007: 1) state that communication is the lifeblood of all organizations; it is the medium through

which companies large and small access the vital resources they need in order to operate. Christensen et al. (2008: 7) view corporate communication as the 'body' of communication and also emphasizes the integration of different dimensions into one unifying expression. Argenti and Forman (2002: 4) state that corporate communication is the voice of the corporation and it projects an image to its various audiences, called constituencies. Corporate communications takes the organization as a whole and has the task of presenting the organization to both its internal and external key stakeholders (Cornelissen, 2004: 20-21).

As mentioned, corporate communication is more than one thing and it is not just a technique. According to Dolphin (1999: 2), corporate communication is an approach that has evolved into a management discipline. Two things arise from this approach. One, corporate communication ensures the consistency of the corporate message and the transparency of the organization. Secondly, it is a function that oversees issue management by anticipating issues before they turn into a crisis. Corporate communication also, through the development symbols and themes, conveys a desired corporate image.

### **Corporate Reputation and Corporate Communication/Public Relations**

Communication plays a vital role in the organizations' achievement of a favorable reputation. In the past, the reputation aspect was not emphasized in the public relations. Things were done, but later, as the definitions of public relations evolved, we see that an outcome of all public relations activities is reputation. For example, IPR (now CIPR) defines public relations as "public relations is about reputation - the result of what you do, what you say and what others say about you." (Kolah, 2004: 16).

Steyn and Puth (2000: 2-3) state that corporate communication originated from press agency and publicity and now the term corporate communication is being used to describe the management function which is referred to as public relations by some people. The use of corporate communication is common now in many organizations and they state that one of the reasons for preference of corporate communication over public relations is that public relations is associated with negative perceptions because of how it was practiced in some instances in the past.

Dalton and Croft (2003: 29) state that "the essence of modern PR concerns the management of reputation, perception and relationships." The Turkish Public Relations Association (TUHID) and Communication Consultancy Companies Association of Turkey (IDA) cooperated on a study concerning the perception of communication services in Turkey across various stakeholders, such as, CEOs, corporate communication managers, agency/consultancy people, media and academics. This study yielded important findings about the communication function. For example, both the CEOs and corporate managers agreed that corporate reputation was a top priority (vital communication serves to achieve business objectives) (Era, 2009). Since corporate communication is a management function, it must be closely linked to the company's vision and strategy (Argenti, 2007: 17). Moreover, communication to stakeholder groups needs to be aligned and integrated by the corporate communication function which provides a guiding communication philosophy. (Cornelissen, 2004: 23).

When we look at the literature, we see that reputation has both tangible and intangible benefits. The benefits of corporate reputation to corporations are as follows: To have an impact on trust in the organization (Dowling, 2001; Larkin, 2003; Graafland and Smid, 2004), to increase the financial value/performance of the corporation (Fombrun and Shanley, 1990; Gotsi and Wilson,

2001; Roberts and Dowling, 2002), to attract better candidates for employment (Schwaiger, 2004; Carmeli ve Tishler, 2005; Coombs and Holladay, 2006), to increase employee loyalty (Chauvin ve Guthrie, 1994; Fombrun, 1996; Chun, 2005), to increase job satisfaction (Dowling, 2001; Graafland and Smid, 2004; Coombs and Holladay, 2006), to increase motivation/morale/productivity of employees (Fombrun and Van Riel, 2003; Carmeli and Tishler, 2005; Coombs ve Holladay, 2006), to have positive media coverage (Fombrun and Van Riel, 2003; Coombs ve Holladay, 2006; Doorley and Garcia, 2007), to attract customers (Graafland and Smid, 2004; Chun, 2005, Coombs and Holladay, 2006), to increase customer satisfaction (Davies et al., 2003; Chun, 2005; Cravens and Goad Oliver, 2006), to increase customer loyalty (Gotsi and Wilson, 2001; Nguyen and Leblanc, 2001; Schwaiger, 2004), to attract investors (Fombrun, 1996; Fombrun ve Van Riel, 2003; Davies et al., 2003), to attract suppliers/service providers (Dowling, 2001; Larkin, 2003; Cravens and Goad Oliver, 2006), to create market share and to sustain (Fombrun and Van Riel, 2003; Kitchen, 2004) and to protect itself during crisis and have stakeholder support during these periods (Fombrun, 1996, Larkin, 2003; Cravens and Goad Oliver, 2006).

According to Cornelissen, (2004: 23), corporate communication is a management function and its overall purpose is to establish and maintain favorable reputations with a variety of stakeholder groups upon which the organization is dependent. Dolphin (1999) states a similar role for corporate communication in these words: "The primary role of corporate communication is to manage the company's reputation and help build public consent for the organization and for its businesses" (1999: 11).

After having looked at the corporate communication/public relations and its link with reputation, we should look more specifically at how corporate reputation is defined and how it is managed by the corporate communication department within organizations. Reputation, image and identity are different from one another. Several scholars have attempted to define corporate reputation. Fombrun (2001: 293) states that "a corporate reputation is a collective representation of a company's past actions and future prospects that describes how key resource providers interpret a company's initiatives and assess its ability to deliver valued outcomes." In this definition, we see that it is different from image which is a snap shot of an organization taken by an individual at any given time. Corporate reputation is the photographs (images) taken over a period of time and thus allow the individual to have an opinion of the organizations (Löwensberg, 2006: 253). In other words, as stated by Van Riel and Fombrun, "reputations are overall assessments of organizations by their stakeholders" (2007: 43). It is the sum of the values that stakeholders attribute to a company. This is based on the perception and interpretation of the image the company communicates and what it does over time (Dalton and Croft, 2003: 9). Corporate reputation is also defined as "a set of collectively held beliefs about a company's ability to satisfy the interests of its various stakeholders" (Gabbioneta et al., 2007: 99).

By stating "reputation in a corporate context is based on perceptions of the characteristics, performance and behavior of a company" Larkin (2003: 1) is referring to doing things, the importance of perception and the characteristics of the organization. The new approach to corporate reputation is complex because it ranges from the institutional and its shareholders, to its individual consumers. It also relies heavily on brand emotion relationships. Therefore, when managing for corporate reputation, understanding the needs of various stakeholders and responding appropriately to them is important (Dalton and Croft, 2003: 33).

Visibility is important for reputation because if you are not visible, you cannot form a perception, however, visibility is not enough for creating reputation alone. Stakeholders receive information about an organization through interactions with it, through mediated reports about it, such as, news media and advertising, and second-hand information from other people (for example word of mouth, weblogs)" (Coombs, 2007: 164). Image and reputation are important for organizations and they seek to influence them through organizational identity. Organizational identity is more than visuals. It is the sum of the proactive, reactive and unintentional activities and messages of the organization (Löwensberg, 2003: 254-255). According to Dalton and Croft (2003: 34), "reputation management is more than the sum of identity, positioning and image. It also embraces all elements of corporate communications, especially internal communications, organizational structure and corporate culture".

Reputation does not occur by chance. It is related to leadership, management, organizational operations and the quality of products and services. More importantly, what counts is the corporation's relationships with its stakeholders. (Watson and Kitchen, 2008: 121). Watson and Kitchen argue, "The companies with the strongest and most resilient reputations are those that have close, interactive relationships with their stakeholders" (2008: 138). Fombrun (1996: 57) states that managers need to invest in building and maintaining good relationships with their company's constituents so that they have a positive, enduring, and resilient reputation.

### **Methodology**

The main purposes of this study were to examine the function of corporate communication in the 'Most Admired Companies of Turkey's study, in particular in the three sectors: automotive, pharmaceutical and banking; to understand the link between admiration/reputation and the corporate communication function; as well as, to look at the similarities and differences in these sectors. The study yielded information on corporate reputation and corporate communication, such as, the structure of corporate communication, its organization and functions, time allocated for each work category (specialized field of corporate communication) etc. Also, how corporate communication functions were differentiated and what the unique demands these three sectors encountered in the practice of corporate communication were explored.

The 'Most Admired' study, which has been ongoing for 13 years provides a picture of the most admired companies in general, and the most admired companies according to industry sector. The research is composed of basic questions in which the respondents are asked to rate companies and sectors on a variety of parameters to come up with the most admired companies of Turkey. For example, what are the top 3 most admired companies in their sector, substantiated with reasons for their response (not including their own company and group); and the rating of attributes on a scale of 1-10. Throughout the years, the research parameters and sectors have been revised. For example, in 2012 study, 1,555 top management executives from 500 companies answered the survey and rated the companies on twenty parameters. 38 sectors were analyzed. These parameters were information and technology investments, quality of service or product, financial reliability, new product development/innovation, quality of management/transparency, social benefits and rights of employees, marketing communications and sales strategies, employee qualifications, ethics in competitive behavior, employee satisfaction, customer satisfaction, creating value for investment, communications and social media management, integration into international markets, support to budget and economy with work force and investments, social responsibility, sustainability in business and social strategies, to be a trustful corporation,

sensitivity to the ecological environment and management, and corporate governance principles. An evaluation of the 2012 results stated that, independent of the corporations, the parameters that affect the most admired companies were found to be quality of service or product, management with corporate governance principles and customer and employee satisfaction. The parameters that were low in the list were ethics in competitive behavior communications and social media management (Capital, December 2012: 2-12).

This study, explored the corporate communication strategy of the most admired companies in the pharmaceutical, automotive and banking sectors over the last five years (2008-2012), through semi-structured interviews with their corporate/communication managers. In general, corporate communication is defined and discussed in different ways by communication academics and professionals in Turkey. So far there has not been a comprehensive study on the function and perceptions about corporate communication in Turkey. This study aims to understand corporate communication activities and roles in these three sectors initially, and then will follow-up with further analyses and sector comparisons in the future. This qualitative research phase will help to form a quantitative study as the project continues.

These three sectors have their own unique features, such as; they are highly regulated industries and have relatively good budgets to promote themselves. An analysis of five years indicates that among these most admired companies, the-top three have not changed dramatically. Over the five years there are 3-5 companies in the Top 3 list of each sector. Altogether, there are 15 companies. Table 1 shows these companies and their sectors. All of these companies were approached in the study.

**TABLE 1.** Most Admired Pharmaceutical, Banking and Automotive Companies 2008-2012

| Sector/Industry | 2008                                                                    | 2009                                                        | 2010                                                           | 2011                                                               | 2012                                                                          |
|-----------------|-------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Pharmaceutical  | 1. Pfizer<br>2. Novartis<br>3. Abdi İbrahim                             | 1. Pfizer<br>2. Novartis<br>3. Glaxo<br>SmithKline          | 1. Novartis<br>2. Pfizer<br>3. Sanofi Aventis                  | 1. Pfizer<br>2. Novartis<br>3. Glaxo<br>SmithKline                 | 1. Novartis<br>2. Pfizer<br>3. Abdi İbrahim                                   |
| Banking         | 1. Garanti Bankası<br>2. Türkiye İş<br>Bankası/ Akbank<br>3. Finansbank | 1. Garanti Bankası<br>2. Türkiye İş<br>Bankası<br>3. Akbank | 1. Garanti<br>Bankası<br>2. Türkiye İş<br>Bankası<br>3. Akbank | 1. Garanti<br>Bankası<br>2. Türkiye İş<br>Bankası<br>3. Finansbank | 1. Garanti<br>Bankası<br>2. Türkiye İş<br>Bankası<br>3. Yapı Kredi<br>Bankası |
| Automotive      | 1. Toyota<br>2. Doğu Otomotiv<br>3. Ford Otosan                         | 1. Toyota<br>2. Ford<br>3. Mercedes-Benz                    | 1. Ford<br>2. Mercedes-<br>Benz<br>3. Doğu<br>Otomotiv         | 1. Mercedes-<br>Benz<br>2. Doğu<br>Otomotiv<br>3. Toyota           | 1. Doğu<br>Otomotiv<br>2. Mercedes-<br>Benz<br>3. Borusan<br>Otomotiv         |

Initially, a letter was sent to the potential participants of the study explaining the study and asking for an interview. Altogether, a total of seven interviews were conducted face-to-face and took place at the companies of the interviewees in Istanbul. One of the interviewees was from the automotive sector, three from the pharmaceutical industry, and the remaining three were from the banking sector. The remaining corporations' (eight) interviews did not take place because they were located outside Istanbul (corporate communication unit/manager) or an appointment during

the period where the research was going on could not be scheduled. Each interview lasted between 45 to 90 minutes and all the interviews were audio recorded with the consent of the interviewees and notes were taken as well. Interviews with the pharmaceutical companies lasted longer because of another project on corporate responsibility policy and practices in the industry. Interviews took place between the dates 11 March and 1 April, approximately one month. Table 2 summarizes the role (title) and industry sector which participated in the study.

TABLE 2. Research participants by role and industry

| Role                                                              | Industry/sector |
|-------------------------------------------------------------------|-----------------|
| Manager –Communication                                            | Banking         |
| Manager - Marketing Communications                                | Banking         |
| Senior Vice President- Corporate Communications                   | Banking         |
| Vice President-Strategic Communications- Corporate Communications | Banking         |
| Assistant General Manager Corporate Communication                 | Banking         |
| Corporate Communications Manager                                  | Automotive      |
| Corporate Communications Manager                                  | Pharmaceutical  |
| Corporate Communication Director                                  | Pharmaceutical  |
| Corporate Communications Manager                                  | Pharmaceutical  |
| Corporate Communications Specialist                               | Pharmaceutical  |

In some interviews, there were two participants. Two banks and one pharmaceutical corporation participated with two people each, totaling 10 participants in the study.

The recorded interviews were transcribed verbatim and the data was analyzed. Semi-structured interviews provided perspectives and experiences of participants coming from complex experiences: The in-depth analysis yielded important information on corporate reputation and corporate communication in general along with the practice of the sectors analyzed.

#### *Scope and Limitations*

The study investigated the corporate communication function of three different industries consisting of companies who were rated as the most admired companies in their sectors by an annual study across five years. These conversations might not accurately reflect industry practice, but the analysis of these interviews revealed rich data. This data can be used to understand what contributes to admiration in terms of best practice. The findings of most qualitative research cannot be generalized, although it is true for this study, however, data and findings presented here can give an insight into the questions addressed and can be used for future studies. Moreover, during the period when these interviews were conducted, there was only one participant from the automotive sector. As a consequence, we cannot speak for the automotive sector at large.

## Findings

The study reported the semi-structured interviews under certain topics/titles. These were: corporate reputation, the organizational structure of the corporate reputation function, corporate communication activities, and sector corporate reputation.

### *Defining Corporate Reputation*

A banking sector participant mentioned that corporate communication is not a function of one department, but that everybody in the corporation has a contribution to make to it. It is holistic in the sense that the CEO and the security person are responsible for it. Any type of activity done for the corporate reputation needs to fulfill business objectives. In the words of a participant from the banking sector, "...corporate reputation needs to actualize the promised results." Almost all participants from each sector mentioned that they regularly conducted reputation surveys for their companies and that these guided them in their decisions. In general, the frequency of these reputation surveys is every two years. One participant from the banking sector mentioned that five years ago, they considered the first survey conducted as the 'birth' and has been used subsequently, as their benchmark. Another participant from the banking sector mentioned that an organization of this scope had a management strategy, but what they did initially was to integrate this into the strategic communication plan and identify the axis effecting financial, social and marketing messages. First, internal stakeholders' plans for the upcoming year are heard and taken into consideration before communicating to the external stakeholders. Then an issues management competitor analysis is done and this is reported to the CEO for input. In the words of the participant, 'our strategic communication is a consensus.' Another participant claimed that reputation was a 'sexy topic', but it was not something that 'you can play to the tribunes.'

A banking sector participant stated that 'whatever you do in different areas and different activities has an effect on reputation.' Reputation, for a bank especially, implies trust. Reputation usually does not change in a year's time unless something really important happens. They also monitor performance areas on a regular basis. The importance of leadership communication was emphasized in the interviews. Another banking sector participant defined reputation as perception from outside but being related to the bank's internal structure. Media relations is emphasized in the banking sector and in the participant's own words, "if you are not visible in the media, they will forget about you." Also reputation in the banking sector is dependent on the age of the bank, as stated by a participant. If the bank is a new bank, what is done in terms of reputation and what should be done is different than that of an established bank. The young bank participants claimed that, so far, what had been done in terms of corporate communication was mostly brand communication. However, after mission and vision revisions, core values came up and they were communicated internally. Again, the importance of internal communication was emphasized. It was mentioned that in the past, corporate reputation studies were conducted when there was a need, but that is no longer the case. Another point brought out was the reputation of the founder/s. For example, one participant stated that the profile of the bank was positively influenced by its founder. When the bank was sold there the organizational structure was revamped and, as a result the bank's communication function was also restructured.

One participant from a pharmaceutical mentioned that, in terms of general sector reputation, they are not doing anything, but as a corporation they are managing in those areas where they can differentiate themselves. They act on their strengths, such as, investment, research, development

and innovation, and their reputation studies emphasized the value of innovation: "To bring the patient the most effective and new treatment." To achieve this, they work with other departments. As one participant stated, "The foundation of reputation is open communication." They attempt to communicate the good things they are doing. Internalization of reputation by all is stated as important. One participant mentioned that their work is not just numbers, but to increase the quality of life in this sector.

Another pharmaceutical sector participant stated that reputation management research needed to include all stakeholder groups, not just one, and in their industry there were many stakeholder groups they needed to reach. The challenging thing is at which level and how (emotional or rational) they can reach their stakeholders. Therefore, comprehensive research, including all stakeholder groups, provided them information on their strengths as well. According to her, their sector was seen externally as 'strong, successful and a little bit distant.' The sector was also seen as profitable (perception was not in reality realistic), but also as profiting from people being sick. They said that they were used to being an admired company. They worked in alliance with their core values and principles. Sincerity and transparency were judged important in creating reputation. Reputation research was conducted every two years. There were also other means of monitoring reputation, such as, media coverage analysis.

Another pharmaceutical participant stated that it could only be possible to talk about a hundred years of reputation for this sector. When the business strategy was being developed, the reputation research conducted was used, and she also emphasized, things had to work in an integrated system. The primary goal is to increase the reputation of the corporation and this is the task of the corporate communication director. The importance of leadership communication was emphasized in pharmaceutical communication as it had been in the banking sector. The vision of the leader is important. Visibility and attitude are necessary for a sound reputation.

The automotive sector participant stated that a variety of factors defined a corporation's reputation. Corporate reputation is the external perception, but it starts with the employees being happy. Happiness is not just salaries, but it is related to the atmosphere, transparent policies, and the activities that the corporation carries out for its employees. Employee communication is an extremely important part of reputation management for their corporation and, the participant mentioned a variety of projects and channels they used to communicate. 'Employees as ambassadors' was emphasized and they are informed about each development, including economic issues, and as stated by the participant, 'the decisions made and the reasons for the decisions are communicated' as well. They recently started to conduct independent reputation studies and, in general, they have always had a high reputation according to them. Being perceived as reputable, according to one participant adds an additional challenge to their work load as they have to work hard to continue to achieve it.

### *Disciplines*

One banking sector participant mentioned that there was no such thing as public relations, or advertising, or corporate social responsibility contributions to reputation. All goes in harmony. Another participant stated that advertising, media relations, public relations and digital communications are based on research. They come up with areas of development and they work with the board on how to develop these areas. Every communication effects reputation. For example, sponsorship increases reputation. Yet, they do not put the corporation in every

television series for visibility. Corporate social responsibility is also important for reputation. A participant from the banking sector stated that on the corporate communication side, there is public relations, but on the brand communication side, there is advertising. They do things together.

One participant from the pharmaceutical sector mentioned the importance of effective media relations. Through media, they clarified certain questions from the public. Also, issues management and corporate social responsibility are the other areas they focus on. Another participant from the same sector claimed that their policies form messages and that they are active, based on their policies, in the corporate social responsibility projects. Since it is a regulated sector, they cannot advertise to end-users, but by other means they educate them about illnesses, such as in the use of corporate social responsibility (CSR) and philanthropic activities. All channels are used, except television. In internal communication, since they see their own employees as the fundamental source of a good reputation, they communicate what they are doing to them, and in particular, their sales group. The participant stated that in an industry where there is heavy regulation, the development of corporate social responsibility projects is up front.

Word-of-mouth is another effective area, especially when one considers the decrease in the circulation of magazines. Sustainability is thus important. Social responsibility projects are especially important for sectors which have limitations imposed externally on them in their communications. It was claimed, "The competition is formed on content." Advertising is a tool. Philanthropic activities are not communicated about on purpose. This respondent stated, "In the past, people were naive. Now there are many stimuli." Content is necessary and content is sought. It was claimed that for corporate social responsibility, you have to provide value and target strategies in the right places. They did things to prevent possible crises. Issues management, in this respect, was preventive, as well as the use of media relations.

The automotive sector participant claimed that products affect corporate reputation, and that you are identified with your products. Service and quality are also important. Individuals are an additional important factor. Thus the education of employees plays an important role and they are not only educated in their expertise areas, but also on whatever area they would like. They rarely rely on corporate advertising, but rather on product commercials. They also prefer to allocate their budget on corporate social responsibility and education projects.

#### *Stakeholder Groups and Concentration*

A participant from the banking sector mentioned that all stakeholder groups, such as, university students and regulators are taken into consideration because corporate reputation has a 'broad spectrum.' He emphasized the importance of internal stakeholders by calling them ambassadors and highlighted the importance of "an open net and transparent communication." Another participant from the same sector stated that they take into consideration every stakeholder group. Internal communication, thus employees and potential employees, in this respect, are also considered. Stakeholder groups are viewed as groups you have to communicate regularly with, but at different dosages based on specific situations, but there is not a priority group in general.

A participant from the pharmaceutical sector emphasized internal and external stakeholder groups, but also stated how internal stakeholders, such as, employees and potential employers are important for them. Increase in loyalty, identification with their work place, and creating pride are

their goals. 'The corporation's employee is an ambassador for every stakeholder group.' In terms of stakeholder groups, one participant classified the stakeholders into health care, government bureaucracy, media, and opinion leaders. She claimed that health care providers know the corporation and its brands to a certain extent, but that with each stakeholder one needs to communicate differently and each stakeholder group's influence is different. For example, with doctors there could be good relations, but with the pharmacists it could not be as good. Medical communication has been done extensively in the past. Reputation is vulnerable and can change. She claimed, "The pharmaceutical sector has a very interesting mix of stakeholder groups. There is no priority group. All activities are targeted to reach each stakeholder group."

The participant from the automotive sector stated that they had different stakeholder groups. What comes first to mind is their brand and their customers, but in terms of additional stakeholders, there are factories, a large employee base with their families, and distributors. Another point made was that their client base is varied with different needs and expectations, and therefore, they have to be communicated to differently. The goal is customer satisfaction, but a customer is not the customer who purchased the product. 'Anyone who had 'contact' with the corporation is the customer in their eyes.

#### *Organizational Structure*

One of the participants from the banking sector mentioned that they report directly to the CEO, and that corporate communication is a management function, implying that it is part of the dominant coalition. The banking sector participant stated that under their own structure there are several sub-functions which are coordinated by their department. Marketing communication, digital communication, media relations, public relations and media planning and buying are some of them. They are also reporting to the board. The banking sector participant wished for the day when the chief corporate communicator would sit on the executive board. Their organization, however, has access to the top management and communicates with them on a daily basis.

One participant from the pharmaceutical sector stated that their department is involved with public affairs and corporate communication and their work is divided under three managers. Another participant in the same sector mentioned the role of the CEO, and the fact that the CEO understood the communication function which made their lives as corporate communicators easier. Also, it was stated that even though reputation is the responsibility of corporate communication, they work with the human resources and all product divisions. Their department has a core group consisting of people with different expertise. The department oversees all activities and creates projects and guides agencies. "The weak point of communication in general, not necessarily for their sector, is that it is not done in a holistic way," a participant emphasized. The marketing communications department functions mainly for therapeutic purposes in this sector and with the end-users through non-governmental organizations. The corporate communication department is not out of the picture in this respect.

The participant from the automotive sector mentioned that the corporate communication department has existed as the media and public relations department for many years. Their task was not media relations only, but in her own words, "they make known the corporation's attitude and form a face for it." The department, whose name changed four years ago, reports to the CEO directly. In addition to this department, there is also a marketing communications unit in which they work together on many projects. "We also have to address their targets as well," stated the

interviewee. Another point raised is that they have a communication policy that outlines who communicates with external parties. Whatever is to be communicated externally is prepared in advance.

#### *Defining Corporate Communication and Activities*

A banking sector respondent mentioned that corporate reputation is under corporate communication management which is under the leadership of the CEO who is the face of the corporation for internal and external stakeholders. Communication should be managed in an integrated fashion, stated one participant, and that accordingly, the “voice table” should be altered. Which discipline is used depends on their ‘strategic priorities.’ Advertising has a different role in that it is good for creating awareness. One participant mentioned that in rough terms, the budget allocation for marketing communications is over fifty percent of their budget. Another participant from the banking sector stated that their communication department engages in market research, public relations, and media relations, and that corporate communication deals mainly in internal communications and corporate social responsibility.

A participant from the pharmaceutical sector stated that, particularly after 2009, they are engaged in issues management. They are active in government communication and also monitoring social media. Their strategic communication plan is shaped by public opinion surveys as in the other sectors studied. ‘One voice’ is the driving force both in public relations and social media. In the words of the participant, “...you do it well, but you communicate it wrongly. Do we communicate it correctly? We think about which message should be given to which stakeholder group.” The goal is not to have an increase effect on sales, but rather to stimulate ‘rational medicine consumption.’ As in the banking sector, the importance of internal communication has also been highlighted in this sector. One participant stated that 40% of their activities are media relations and 40% are employee communication. Employees are the ambassadors’ of the brand and media helped them by sending the right message to the right stakeholder group. Word-of-mouth is effective among peers as well.

“Anything that affects engagement inside the corporation is accomplished”, stated another pharmaceutical sector participant. Corporate social responsibility is an area in which they are active. Also, they do media training and spokesperson designation and training. Corporate communication prepares a report on strategy and activities in which they demonstrate their added value to corporate projects. Importance of one voice- for the continuity of a corporation’s operations was mentioned. A corporate communication manual had been created to assist in the management of corporate reputation. Pharmaceutical corporations had not been concern about their reputation for some time. The reason given was pharmaceutical politics. The result was, the sector had not explained itself well and were accused in the media and by the stakeholders about certain issues

The participant from the automotive sector emphasized that employee communication is an important part of their corporate communication activities. In addition to this, online communication, sponsorship and corporate social responsibility are their main areas of work. Social media, public relations advertising and internet communication are also done. The participant stated that their CSR activities are longitudinal projects. They also involve their employees as do the other sectors researched.

*Sector and Sector Reputation*

Banking sector participants stressed that they are the only sector that is regulated by law and that there are many bodies regulating the banking environment. There is ongoing government supervision; and the number of players in the banking sector is dictated by the government. "You cannot claim 'the most' or 'more than' to your customers," for example, stated one participant from the banking sector. In general, the public has a negative perception of the banking sector. The banking system must work well and orderly, otherwise the system would collapse and, in a country that is that 'volatile,' it is not easy to achieve, according to the participant. They also stated that according to bank law, banks have to manage their reputations. Also one participant added that the banking sector changes fast, therefore, they need to follow the competition – "Not to be late." It was also mentioned that you have to reflect that you can be trusted.

Pharmaceutical sector participants, similar to banking sector participants, mentioned that their sector is also highly regulated. In the words of one participant, "You are dancing in a limited area as an industry." The industry deals with human life and therefore it has to follow the rules. "The doctor prescribes the medicine, the patient uses it, and there is the pharmacy and the government as well," explained one respondent. There are limitations on how to reach the consumer directly. Since the sector deals with human life, everything sent out needs to be filtered and carefully designed. The objective of the sector is to increase the knowledge of patients about illnesses. The biggest player/buyer is the government and it is hard to criticize them. In general, the sector has limited ability to communicate. There are both bad and good examples of behavior in the pharmaceutical sector and this can change the perception of the sector as a whole. One participant mentioned that the perception of the pharmaceutical sector's reputation is 3.5 out of 5 which is not that bad in the eyes of the general public. This is a sector in which one buyer formulates the whole industry.

Another pharmaceutical participant stated that despite sector differences, whatever was done in the name of reputation clashes with others. She claimed that the pharmaceutical sector needs to manage their corporate reputation more than others. Another participant added that reputation is important to this sector because medicine is not something used with the individual's consent. It is given to them out of their control, and thus she emphasized, the importance of brand reputation in this sector. It was claimed that since the field is regulated, that regulation impacts on the industry's creativity. Communication is limited, especially to the end user. Everything is done with the approval of the Health Ministry, thus the sector requires creativity in its communication. "If you are ordinary, no one notices you," it was emphasized. The pharmaceutical sector is a strategic sector. For example, to be dependent on others for chronic illnesses is not a good thing. The sector does not explain itself well to the stakeholders and the discourse is not correct. The sector needs to put forward correctly what they actually do. Also, when timing of communication is not done properly, there are big gaps. Additionally, in the past there was no need to communicate. Then, stated one participant, "The consumer started to get conscious about brands and health issues." They claim that this sector is not similar to other sectors as you cannot talk freely about your products.

An automotive sector participant stated that when she looks at their sector, she sees that corporate social responsibility is practiced in education, sports, culture, and the arts. "In some ways we are along the same lines with the other players in the automotive sector, but this does not mean that

we are copying from one another,” she stated. She claimed there are similarities in corporate communication practice but differences in emphasis. For example, their focus is on education.

### **Discussion and Conclusion**

This research indicates that being an admired company does not happen by accident. The things you do and how you reflect them to your stakeholders is important. Secondly, the corporate communication function is well understood by the corporate communication practitioners in these sectors. This may be taken for granted, but corporate climate also supports the communication function.

Regarding the communication function, we can conclude that it is understood that it supports business objectives. The communication projects carried out do not happen prior from benefitting from the results of research. Also, all the sectors mentioned that the employee stakeholder groups are their first priority. They do not throw out the other stakeholder groups, but indicated that communicating with them depends on their needs and expectations. However, each participant spoke about the importance of their employees and their families and the projects they carry out to motivate them. They were viewed as ambassadors of the corporation and brand.

Their approach to corporate communication is holistic. Participants stated that they cooperate with certain other departments, such as, marketing communications, human resources and sometimes they are the umbrella for overseeing all the activities related to communication.

When we look at their department structure, we see that the number of people allocated for this function ranges from four up to twenty. Department titles show variations, as do the people working in these departments. In pharmaceuticals, public affairs is emphasized and the need to work with brand managers, but in general, when we look at these corporate communication departments there are also functionally related posts, such as, social media experts, media planning and buying etc. Moreover, their work is outsourced to agencies, in some cases, four or even seven agencies support the corporate communication function within their area of expertise.

Contrary to the importance attributed to the power of social media, the participants did not bring this out as substantially, as had been expected. Of course, engaging in social media and monitoring it are important, but it did not discussed as an important concern. Rather, strategy, policy and the approach to communications were described in the interviews.

In terms of the communication disciplines they are engaged in, they make use of them depending on need. Advertising achieves something, CSR achieves another thing, but in the interviews, in addition to the holistic concept of communication, they stressed the need for one voice.

The importance of leadership communication was emphasized. Some participants claimed that the reputation came from a visionary leader, the founder and/or the fact that their working well largely depended on the support of the top management. Communication personnel are part of the dominant coalition reporting to top management, working with them and/or consulting to them and with them. In the interviews conducted, the participants did not view top management as the authority by abiding to what they say. Rather, all sector participants worked inside the corporations- perhaps to varying degrees, to achieve consensus.

The corporations we interviewed regularly conduct their own reputation studies. In general, these studies are conducted every two years and include all stakeholders. This helps them spot their weaknesses and strengths and learn how they are perceived by their stakeholders groups. In other words, these studies are used to structure corporate strategy, whereas, the independent surveys on admiration and reputation are used for publicity purposes.

In terms of communication tools used, we do not see many differentiations among the sectors. In general, CSR and sponsorship are used. All of them have CSR programs, but variations show themselves in the areas they focus on. Related with CSR and other tools used, they care about sustainability of their projects. Public relations is used to describe media relations. So strategic communication is associated with corporate communication, but public relations is more of a tactical perspective within the overall strategy. In brief, tools and communication disciplines are adopted based on their effectiveness.

Participants also noted the corporation’s inheritance from the past. This has either a positive or negative impact and serves as a foundation on which the corporate communication is built. The age of the corporation is also a variable for being a reputable corporation or not.

The fact that banking and pharmaceutical companies are regulated heavily, and that the government has an important role for dictating what they do, restricts these sectors’ communications. This result is the need for sensitivity in communication with certain groups of stakeholders. Also, the needs for creativity and issues management came up. These sectors have to follow the regulatory agenda in order not to encounter crises.

Creating the message and speaking with ‘one voice’ is as important as content creation. We witnessed that message dissemination from these corporations is carried out in a controlled fashion in which certain designated persons are the spokespeople. The challenge they identified for themselves was the production of content. If the content is sound, then it is adapted to other tools and messages.

Except for the banking participants, all participants of the study were females. We do not know at this time whether corporate communication directors of the most admired companies in Turkey are primarily female, but their representation in this study appears to indicate that they are welcomed in the pharmaceutical and automotive industries. We cannot generalize from this study, but gender representation in corporate communication as well as in varying industries is an issue for further research.

At this point, we cannot say that there is a high level of differentiation in the understanding of reputation and corporate communication function, structure, activities among the sectors studied. It appears that the role of the corporate communication function is thoroughly understood.

In further studies, the same research approach can be replicated in the remaining sectors of the *Capital Magazine* ‘The Most Admired Companies of Turkey’ study. The qualitative study can be followed up with surveys with the aim of understanding the corporate communication function of the most admired companies and what it means to be continuously reputable. Also, this study’s qualitative findings have provided information on the structure of corporate communication departments, the work that it outsources, and the challenges and opportunities that is faced by corporate communicators in the sectors studied.

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## Trust, Transparency and Appreciation

### The Contribution of Internal Communication to Innovation Engagement

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*Organizational trust and employee autonomy have been shown to be key elements of an organization's ability to (radically) innovate. For this effect to materialize, though, organizations need a shared sense of purpose and a strong common identity, which bolster trust and support employee innovativeness. Still, there are only few empirical insights into the contribution of strategic internal communication to corporate innovation through the creation and management of common identities. Our research paper details a thorough case study conducted within the skunk works of one of the world's largest telecommunications firms. Based on 49 in-depth qualitative interviews with employees on various organizational levels, we set out to identify drivers of a shared culture of innovativeness. Our research shows that trust, open communication and a transparent feedback culture as well as tangible signs of appreciation all contribute to employee engagement, motivation and innovativeness.*

Fast-paced globalized markets provide a challenging, ever evolving environment for today's corporations. In order to ensure their continued success, organizations have to continuously generate innovations – product, service, process, even business model innovations. Research has come a long way in exploring individual creativity and innovativeness (Scott & Bruce, 1994; Van de Ven, 1986), organizational antecedents of innovation (Hornsby, Kuratko & Zahra, 2002), and the diffusion of innovations in social networks and organizations (Goldenberg et al., 2009; Iyengar et al., 2011). It has been established that the provision of sufficient resources, flexible and unbureaucratic processes, management support and employee autonomy facilitates the generation of innovations (Hornsby et al., 2002). Corporate culture is held to affect an organization's ability to innovate. It would seem reasonable to assume that organizational communication affects many if not all of these antecedents – and thereby should play an important role in innovation management.

Corporate Communication research focusses on the management of information and knowledge diffusion in organizations, the sharing of ideas and understandings (Cornelissen & Elving, 2003; van Riel, 1992; Gioia & Thomas, 1996), and the creation of common identities and values (Stimpert et al., 1998; Diamond, 1993; Golden-Biddle and Rao, 1997). Again, all of these could be argued to affect individual, team or corporate innovativeness. Still, little is known about the impact of corporate, particularly internal communication on organizational innovation. In order to explore this impact, conceptual insights and propositions as to the key drivers and effects of internal communication on innovation are necessary. This article aims to fill this research gap by developing a conceptual model of the impact of internal organization on innovation.

We base our analysis on an explorative study conducted within the skunk works of an incumbent telecommunications company based in Germany. We conducted 49 qualitative, problem-centered interviews with a wide range of employees, covering various backgrounds, departments and

management levels. Emerging from the experiences and perspectives of our interview partners, three core constructs can be said to define the impact of internal communication on innovation: trust, transparency and appreciation. After providing a short overview of the pertinent literature, we will describe the methodology applied, and then continue to outline the resulting conceptual model based on and substantiated by the empirical material. We propose that our model will inform and help structure further research into the effect and contribution of corporate or internal communication to established corporations' ability to innovate.

## Literature Review

### *Innovative organizations*

Innovativeness can be defined as a dynamic concept covering three elements: the intention to innovate, the capacity to introduce new products, services or ideas, and the actual introduction of new processes and systems which can lead to enhanced business performance (Dobni, 2008). A range of theories aim to explain why certain organizations innovate while others do not. Under an *institutional* perspective, isomorphistic tendencies are crucial in explaining organizational change and the diffusion of innovations. Research has come a long way in identifying antecedents of innovation. Hornsby, Kuratko and Zahra (2002) identified five antecedents of entrepreneurial innovations within existing organizations: management support, discretion, rewards, resource availability and organizational boundaries.

While organizational antecedents certainly play a crucial role in fostering innovation, the individual contribution to innovations should not be underestimated. West and Farr (1989) describe innovation as the *intentional* generation, promotion, and realization of new ideas. Scott and Bruce (1994) and Van de Ven (1986) stress the role of creativity as the fountain of innovations. The distinction between innovation and creativity is important, as creativity can refer to idea generation alone and may occur incidentally. Only if ideas are promoted and realized intentionally, can they develop beneficial influences on the effectiveness and long-term survival of organizations and be called innovations (e.g. Amabile, 1988; Mumford, 2000; West, 1997; Woodman, Sawyer, & Griffin, 1993). Innovation includes both the generation of ideas *and* their implementation. Also, innovation usually confers an intended benefit for the organization (at the job level, the level of work groups or the organization level), which is not necessarily the case for creativity (Anderson, De Dreu, & Nijstad, 2004).

Recent studies have investigated innovations and their diffusion under a *social network* lens, e.g. by employing contagion models (Dodds & Watts, 2005; Watts & Dodds, 2007). The social capital perspective and the role of hubs in the diffusion process are other avenues within the network paradigm (Goldenberg et al., 2009; Iyengar et al., 2011). Such a relational perspective is especially helpful in focusing on the role of social interaction in the innovation process. Interrelationships, interactions, and dynamics among actors and components of the organization and of its environment give rise to innovations, often, in order to reduce aversive uncertainty or demands in their environments (Bunce & West, 1994, 1996). Ideas vary from incremental innovations directed to modest, evolutionary changes in existing, established frameworks of theories and practices, to proposals for radical changes directed in the sense of a paradigm shift (Buchanan & Boddy, 1992; Janssen, de Vries, & Cozijnsen, 1998; Kanter, 1988).

It has been found that high levels of creativity in an organization are associated with cultures that emphasize learning development and participative decision making (Hurley & Hult, 1998). Dobni (2008) uses the term 'innovation culture' for what he defines as a multi-dimensional context, including the intention to be innovative, the infrastructure to support innovation, operational-level behaviors necessary to influence a market and value orientation, and the environment to implement innovation. Tesluk et al., (1997) identify dimensions of organizational climate that influence creativity. It is culture that creates the parameters to decide which behavior is desirable and will be encouraged and which behavior is unacceptable and will be censured. Employees may attempt to be creative at work when they feel that their work is meaningful (Cohen-Meitara, Carmelia, & Waldman, 2009) or perceive that the organization values their work and provides assistance in the implementation of creative ideas. Based on these insights, we propose that organizational communication plays a crucial role in the development and fostering of an organization's ability to innovate.

#### *The contribution of organizational communication*

Organizational identity encompassed a corporation's symbols, its communication and behavior. All of these recognizable features of an organization are combined and interpreted as its "personality". Communication is critical to the development of a shared identity. Organizational identity can be understood as the internal view of a corporation, a definition of the organization as a social system by members of the organization—usually based on the identification of a range of relevant, distinctive features or properties (Dutton & Dukerich, 1991; Gioia, Schultz & Corley, 2000; Pratt & Foreman, 2000). An organizational identity can also be described as a cognitive construct shared by organizational members, a schema supporting the understanding of the organization and the interpretation of information regarding its activities (Dutton & Dukerich, 1991; Fiol, 1991; Gioia & Thomas, 1996).

Organizational identity is often understood as a prescriptive construct—it describes a kind of ideal, a target that the organization aspires to (van Riel, 1992; Balmer, 1998). The identity is commonly used as a foundation of how the organization portrays or presents itself to various stakeholder groups (Cornelissen & Elving, 2003). (...) identity is associated with the way in which a company presents itself to its target groups (van Riel, 1992, p. 28). At the same time, organizational identity can also be understood as a descriptive construct: it fulfills a crucial internal function by supporting the members' identification with the organization, connecting and motivating the members and directing their actions (Ashforth & Mael, 1989; Dutton & Dukerich, 1991; van Riel, 1992). Identity describes how a group understands itself as an entity (Pratt, 2003, p. 165). While prescriptive statements, like a company's mission, vision and strategy may well influence the definition of organizational identity, the identity can develop quite apart from these ideals and shape corporate behavior unanticipated by corporate leadership (Dowling, 1993; Gioia & Thomas, 1996; Cornelissen & Elving, 2003; Huff, 1982; Smircich & Stubbart, 1985).

Among the core features characterizing an organizational identity are shared values and norms. Organizational values and norms provide a common normative ground for social action by defining customary attitudes, behavioral expectations, and accepted practices (cf. Stimpert et al., 1998; Diamond, 1993; Golden-Biddle and Rao, 1997). However, there is also a dark side to a strong organizational identity: because values, norms, and beliefs often are so deeply ingrained in the members' thinking and behavior, it can become difficult for them to adapt an objective perspective and recognize wrongdoing on the part of the organization. So while providing

coherence for social interaction, organizational identity shows a tendency to inhibit objective moral judgments. Also, the more deeply ingrained an organizational identity is in the members' perspectives, the more difficult it becomes to change their outlook and orientation - or adapt them to changing institutional and cultural situations.

The fact that an organization as a social system comprised of a variety of actors can be understood as an entity with a distinct (normative) identity is far from self-evident (Cheney, 1992; Pratt & Foreman, 2000). The perception and differentiation of a corporate actor necessitates a certain level of consistency in its actions, appearance and communication (Gioia et al., 2000; Cornelissen & Elving, 2003). Therefore, the establishment of an organizational identity is an eminently communicative function (Argenti, 1998, p. 56). We would expect that corporations striving for innovation will focus their communication on elements perceived as supportive to individual and group creativity and innovativeness. By fostering values of innovation, i.e. by highlighting the benefits of innovations, organizations can foster an environment that encourages individual and team explorations of innovative ideas.

Symbols and symbolic interaction lie at the heart of the description and sharing of an organizational identity (Ashforth & Mael, 1989; Hatch & Schultz, 1997; Cornelissen & Elving, 2003; Simoes, Dibb & Fisk, 2005). "Identity is the visual manifestation of the company's reality as seen in the company logo, its buildings, its stationary, and even in employee's uniforms" (Argenti, 1998, S. 56). The symbolic nature of the construction of an organizational identity is commonly discussed in respect to a "corporate design" or "visual identity" (van Riel & Balmer, 1997; Melewar & Saunders, 1999). Besides conscious and planned visual elements, like a logo, brand, uniform or architecture, documents can be counted among the most important symbolic artifacts used in the strategic definition of an identity (Morgan et al., 1983; Smircich, 1983). Efforts to ingrain innovative values or norms in an organizational identity therefore oftentimes focus on the production of documents like a code of ethics. Practice tends to confirm the old adage that "paper doesn't blush", though. Organizational communication should therefore not rely on written manifestations of prescriptive accounts when trying to foster innovation. Based on an in-depth case study, we analyzed elements of organizational communication that contribute to a shared perception of an innovative organization identity, which in turn fosters individual and team innovativeness.

## **Methodology**

We chose to employ an interpretative research paradigm, using grounded theory (Denzin, 1983; Glaser & Strauss, 1967; Strauss & Corbin, 1998). The purpose of our study was to explore the issue at hand from the perspectives of the professionals involved and in the environment in which they occur (Denzin & Lincoln, 1994). We were especially interested in the experiences, understandings and narratives of the employees involved in innovation projects. Therefore, in mid-2012, we conducted 49 interviews within the skunk works of one of the world's largest telecommunications firms, based in Germany. The sampling strategy followed the theoretical sampling strategy recommended by Glaser and Strauss (1967), according to which the researcher conducts an iterative process of data collection, coding and analysis, leading to decisions on the necessity and type of additional data, until theoretical saturation is reached. In this case, we chose to include additional employees from various teams, educational backgrounds, functions and management levels.

Aside from qualitative interviews, our case study was based on ethnographic research conducted while observing the daily business and way of working in the division's headquarters. The ethnographic research track focused on the understanding of different working environments and cultural backgrounds of the various offices, the history of the company and specific issues raised in the company's innovation initiatives. Opportunities for a participant observation were provided by embedding researchers in the setting of the company for an extended length of time, or by providing them the opportunity to familiarize themselves with the day-to-day workings through induction training or informal interviews. The aim was to complement interview data with more subtle subtexts to fully understand influencing conditions of innovation initiatives. As the telecommunication firm is based in several locations, we interviewed not only employees located in the headquarters in Germany, but also employees based in Israel and the USA.

The interview guidelines were developed so as to assure all relevant dimensions would be covered during the interview, while leaving enough room for discussion, further questions and clarifications. Questions covered the participants' personal background, current working area, personal understanding of innovation, and factors within the company which leverage innovation or could be a facilitator of innovative behavior, best practices of personal and project achievements. Where necessary, the structure of the interview guideline was changed and the wording of the question readjusted, in order to facilitate the discussion and to account for the different communication styles. Therefore, it was able to cover a wide range of diverse experiences and perceptions in relation to innovation and innovative behavior within the company. Each interview lasted approximately one hour.

The interview analysis was based on Atlas.ti and conducted by at least two members of the research team independently. In the coding process, all statements referring to drivers, prerequisites and motivations, and also obstacles or inhibitors of innovation and innovativeness were tagged and labeled, always focusing on their relation to communication. Similar descriptions were then grouped under the same category (Strauss & Corbin, 1998). These initial categories were applied to subsequent interview transcripts (axial coding). Finally, the emerging categories were refined and integrated into theoretical concepts, resulting in three core antecedents of innovation (selective coding). The following segments will present a model of internal communication's effects on individual and team innovativeness as it emerged from the empirical data.

## **Results**

Our analysis resulted in three main categories or factors that drive what we term "innovation engagement". These factors are appreciation, trust and transparency. Where possible we differentiated elements or antecedents of the core factors as well as moderating variables (see Figure 1). We propose that the organization as a whole could greatly benefit in terms of innovation engagement of their employees if the organizational communication is aligned with all three categories.

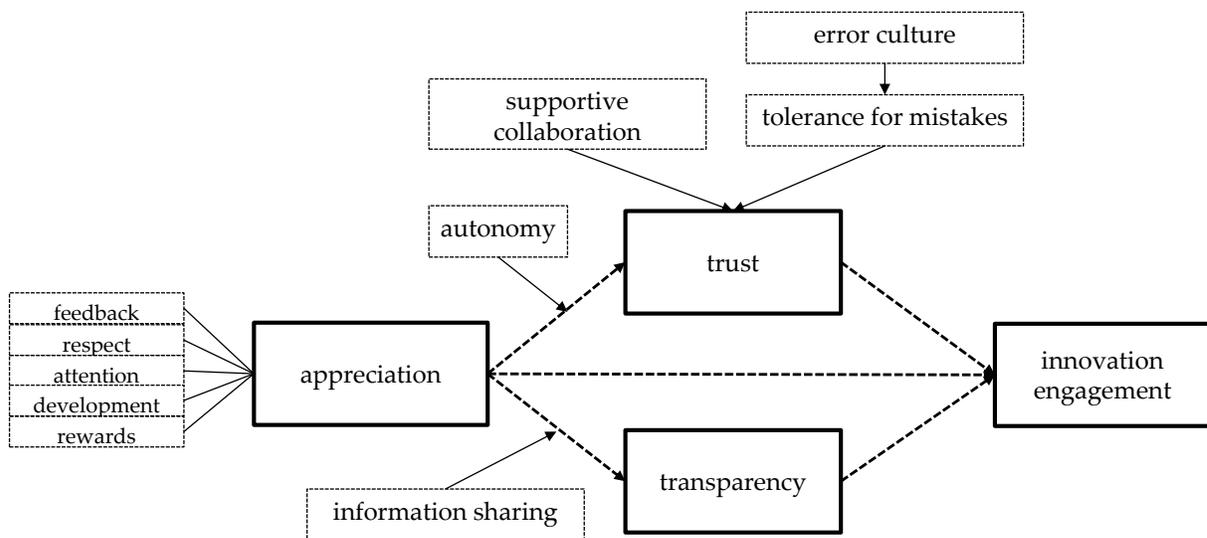


FIGURE 1. Conceptual Model

The following segments will briefly describe the identified antecedents of innovation engagement as reported by the interview partners.

### *Appreciation*

The organization features employees with highly diverse backgrounds in terms of education, mindsets and objectives. This diversity and the employee's complementary capabilities are regarded as a great asset when it comes to creative thinking and developing different strategies for addressing a challenge. However, when it comes to the process of gathering ideas from those diverse individual workers, it is utterly important that they openly share their ideas and contribute to the common idea generation. In order to leverage and live up to the creative potential within the organization, open information sharing and the exchange of viewpoints and knowledge are necessary. Our analysis shows that individual readiness to engage in teamwork and the sharing of knowledge is closely related to a sense of mutual appreciation.

*“What’s really lacking right now, in some situations, is simply the appreciation, that’s why I close down. I think many do. We need to be more open and really share our appreciation, really engage with each other.” (I66)*

As the workforce is highly diverse, it comes as no surprise that different types of appreciation styles were mentioned and demanded by the employees. Not only depending on the position of the employee within the hierarchy of the organization, but also according to the field of interest and personality, employees express varying wishes on how their engagement and contribution to work should be appreciated. Aspects of appreciation which were named by the interviewees and therefore form subcategories of appreciation were personal feedback, respect, awareness, perspectives of future development, and gratification.

Some employees wished for direct, personal **feedback**, usually from superiors, as an expression of respect or gratitude for previous efforts.

*“Primarily I want that my work is verbally appreciated.” (I11)*

*“The direct appreciation of my colleagues is much more worth than an award or something like that.” (I17)*

*“I am somebody who really is more on a personal level. I would like appreciation in a personal conversation.” (I27)*

Aside from personal feedback, employees feel appreciated if they feel they are **respected** by their coworkers. Employees seek signals of such a respect.

*“I think respect is most important. Really being part of the team and having your opinion be regarded as valuable, that is appreciation.” (I55)*

*“First of all, mutual respect is necessary. People have to have an interest in your work.” (I16)*

Similarly – and on a more basic level – employees need to feel that their coworkers pay **attention** to them, that there is awareness for their work and their performance. If nobody is taking note of a contribution, employees feel slighted and demotivated.

*“Above all, I want that my work is taken notice of.” (I15)*

Appreciation can also take the form of **developmental opportunities**. If employees are provided with job opportunities, promotions, educational resources or other forms of professional development, they perceive a sense of appreciation.

*“For me personally, appreciation would mean that I have chances for further development. (...) That would be a form of appreciation where I would say, this effort was worth it.” (I13).*

*“It would be great if [the company] would provide me with a long-term job perspective.” (I64)*

So not all forms of appreciation are intangible. In fact, some employees do look for awards or monetary **rewards**.

*“It has to be possible to reward achievements monetarily.” (I45)*

Internal communication does play a significant role in channeling the appreciation process, including formal feedback, signs of recognition and respect or rewards. But the interviewees also emphasized the importance of ad-hoc and emergent forms of appreciation between colleagues and across hierarchies. Appreciation processes should not be too sophisticated or overly complex.

*“So this new idea management process is being implemented, which is nice, there is this feedback mechanism, you get a small reward as a reviewer, a sign of appreciation. But is incorporated into such a process that it kills all fun, and I don’t think ideas will really be promoted this way. It’s really typical.” (I11)*

As opposed to overly formalized, bureaucratic processes, employees feel that **autonomy** is necessary for innovation. In fact, if individual or team contributions are appreciated, one outcome is organizational trust, a willingness to mutually rely on each other within the team. Freedom, decision making opportunities are a prerequisite of this relationship: if processes are overly bureaucratic and structured, trust cannot develop, even if mutual appreciation exists.

*“If I am given leeway, that is a kind of appreciation. It shows that someone trusts in me, trusts me to do something useful with the time or space I am given. That is a kind of appreciation, but also a kind of trust.” (I25)*

*“I need the trust in me personally and my team, that we can work independently. There is no doctrine on how to do what, because then these things are doomed from the start. Because you’re not free to think independently.” (I51)*

#### *(Organizational) Trust*

Trust is not only a potential outcome of appreciation; it is also a second important antecedent of innovativeness. We found several levels of trust within the organization: interpersonal trust, trust within teams, within the division or towards the overall company. The different levels of trust are interdependent. Also, in order to contribute to innovations employees need self-confidence, they need to trust in their own skills and capabilities.

*“If you don’t want my innovation, then I’ll walk. I’ll go somewhere else and make it there. This kind of self-confidence I’d like to see strengthened. (...) Of course, everyone needs to find his own self-confidence. But it also has something to do with innovation culture. Something like that needs to be encouraged and rewarded.” (I53)*

Trust is also considered a prerequisite of collaboration, knowledge-sharing and a free exchange of ideas. Given trust, team-members feel connected and are willing to add their own expertise to the information gathering process.

*“If I can’t trust my colleague, then we all play ‘hide and seek’. Then he won’t externalize his knowledge or so. But if we trust each other, then I’m really willing to share with you. And I move away from ‘knowledge is power’” (I33)*

*“You have to give your people freedom, you have to support them coming together. Convey this sense of trust in the employees. (...) If you can pursue your own ideas, it’s different from pursuing someone else’s idea. Then you’re more enthusiastic. This kind of approach has to be supported from the top.” (I33)*

Our analysis revealed two drivers of trust, which we termed “supportive collaboration” and “tolerance for mistakes”, the latter driven by a constructive “error culture”. **Supportive collaboration** describes a constructive, goal-oriented form of collaboration, based on mutual respect, which contributes to trust.

*“There are areas that simply don’t fit together, where people obstruct each other. Of course that’s not helpful to the development of innovations. It deteriorates trust.” (I13)*

*“You need your team members to think: ,I am keen on this project and its people.’ This leads to intrinsic motivation.” (I14)*

*“You need to have a good mixture of people with various skills that support each other and drive an topic.” (I16)*

If a corporate culture allows for failure, if an organization is tolerant regarding mistakes, then people are more willing to risk something in order to pursue innovations. In other words, they are more trusting in their coworkers and organization. A high **tolerance for mistakes** requires a common cultural understanding that **errors** are not always bad and not something that requires discipline or punishment.

*“In my area, it’s an important factor that contributes to innovation if you give people leeway. That they can write up their idea without a clear framework. That you tolerate mistakes, mistakes happen and they need to be without fear.”(I27)*

*“A basis of the innovation business is that things can fail. You need to be allowed to make mistakes.”(I30)*

*“I have the feeling that you can’t be completely open, if you say something critical it might have negative consequences. (...) So you need an error culture, so you are allowed to make mistakes, take a wrong path. Be open in dealing with criticism.” (I27)*

In summary, we find that communicating appreciation fosters trust – self-confidence as well as open collaboration, mutual trust, and knowledge-sharing. Communication also contributes to the fostering of a healthy error culture that allows for mistakes and thereby enables rational risk-taking. These elements of trust, individually and combined, contribute to individual and team innovativeness.

### *Transparency*

We found that communicating appreciation is an antecedent of transparent communication within teams: if employees feel appreciated and find that achievements are openly recognized, this leads to a more open attitude towards evaluations and feedbacks, and an exchange of ideas and opinions in general. This effect is moderated by organizational conditions that facilitate **information sharing**, like established processes or available communication resources.

*“What is really important in our project management is transparent communication. I think that is a difficult but very important topic that communication remains sufficiently open and transparent at all gateways or interfaces.” (I50)*

Transparency, in turn, is a third driver of innovativeness identified in our analysis. We find that an open exchange of ideas, and also shared knowledge about tasks, resources, project progress, individual and team achievements, support openness to creative ideas and personal commitment to innovation projects.

*“What we need in order to repeat positive experiences is transparency and trust.” (I29)*

*“We can really motivate people by creating transparency. (...) Otherwise we create our own obstacles.” (I46)*

Transparency also drives innovativeness in that it creates opportunities for inspiration. By allowing access to new perspectives and facilitating constructive input, a transparent communication culture not only facilitates exchange and collaboration, but also the generation of new insights and ideas.

*“Above all exchange, exchange with my colleagues. This requires openness and transparency, which I miss here. Aside from exchange, it is necessary to collect input, because we all have our daily work and little opportunity to look outside the box.” (I29)*

### *Innovation Engagement*

Finally, we termed our dependent variable “innovation engagement”. We find that innovativeness and creativity, though clearly outputs of the described processes, do not fully capture the feeling described by our interview partners. While both are necessary for successful innovation projects, employees need to feel committed to their innovation achievements and to the projects they are involved in. Innovativeness, thereby, is connected to employee buy-in or engagement: communicating appreciation, creating trust through open collaboration, knowledge sharing and a tolerant, forgiving culture. By facilitating transparency within and across teams, open feedback and information sharing, the three antecedents identified in our study allow for employee engagement in innovation.

*“Your team has to carry the innovation. If you have a good team, then you can be successful. Then you have the engagement of each individual, the imagination and the will to succeed.” (I62)*

*“This kind of corporate culture or innovation culture is incredibly important.” (I11)*

*“We have a great workspace here. But you cannot force it, you cannot impose it. You have to work with your people because frustrated employees are the biggest obstacle to innovation you can have.” (I27)*

### **Conclusion**

Our explorative study developed a model of the effect of internal communication on innovation. It identifies three core antecedents of innovation engagement. We find that communication facilitates innovation by providing a sense of appreciation, fostering organizational trust and increasing open communication and transparency. Combined, these factors not only lead to an open sharing of ideas, creativity and collaboration, they also increase motivation. Thereby, innovativeness as an outcome of the model is intertwined with employee engagement in their innovation projects. The model is informed by current findings in both innovation and corporate communication research. We confirm the importance of creativity, autonomy, and collaboration for innovation. Established organizational antecedents like resource allocation (especially sufficient time), management support and open and flexible processes are incorporated into our model (Hornsby et al., 2002).

We also find that corporate communication affects innovation through the sharing of ideas and understandings (Cornelissen & Elving, 2003; van Riel, 1992; Gioia & Thomas, 1996), the creation of common identities and values (Stimpert et al., 1998; Diamond, 1993; Golden-Biddle and Rao, 1997). In fact, the three identified drivers of innovation engagement all have significant implications for the fostering of a supportive and constructive corporate culture and a shared understanding of the workplace as an environment conducive to innovation. We therefore propose this model as a framework for future research into the effect of corporate or internal communication on innovation.

Further research is necessary to test and refine the proposed model. To that end, the composition of the antecedents should be tested through quantitative analysis. Thereby, the appropriateness of the underlying theories should be scrutinized. We consider the interrelations between the core concepts especially worthwhile for future research. The proposition that appreciation affects both innovation engagement and trust and transparency needs confirmation. There may also be an effect of trust on transparency which warrants further research. Finally, a multi-level analysis could help differentiate individual, team and corporate antecedents of innovation engagement. An extension that includes contextual or environmental antecedents could further increase the explanatory power of the model.

For practice, our results provide insights for corporations striving to increase innovativeness through corporate communication. We have identified potential obstacles to successful innovation projects based on actual experiences collected in the setting of an established organization. Given a certain criticism or skepticism of some employees towards current management practices in the organization, our findings may help identify managerial options to also increase motivation and engagement through communication measures. Given that many of our interview partners believe that communication is a key driver of innovation, we hope that our insights may contribute to further advances in our understanding of the complex interplay of communication, organizational and individual antecedents, creativity and innovation.

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## When Friends Become Enemies

### Emotional Stakeholders and Crisis Communication on Facebook

#### The Case of the Telenor Facebook Site

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*When Facebook friends suddenly turn negative and complain about a company's products or way of behaving on its Facebook site, a rhetorical sub-arena opens in which a company has to navigate between enemies and friends. This was the case of Telenor in August 2012. One critical voice triggered a huge attack on the company. However, critical and hateful voices were met with the company's faith-holders acting in its defense. The response strategies of the faith-holders complemented the ones of Telenor. Based on Luamo-Aho's (2010) theory of emotional stakeholders, and a multivocal approach to crisis communication (Frandsen & Johansen, 2010), the aim of this paper is to examine the role of emotional stakeholders as crisis communicators on Facebook and to address the following research questions: What are the characteristics of crisis communication on a company's Facebook-site? How do faith-holders and distrust-holders interact, using what kind of rhetorical strategies? What is the role of the faith-holders for the company's crisis management? Research methodology utilized: meaning condensation (4.368 comments), content/text-analysis, and interviews.*

**Keywords:** Social media, Emotional stakeholders, Faith-holders, Crisis communication, Rhetorical arena

**Paper type:** Case study (completed research)

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## When Thai Corporation Use LINE Application as a Corporate Communication Tool

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*The study of LINE application used by Thai corporations is aimed to report the significance of mobile media as a corporate communication tool. Data of LINE application usage from books, corporate websites, and mass media websites is examined. LINE is a social networking application offering messaging service and free call. The application has become a corporate communication tool for brand engagement with stakeholders, especially, customers. Due to the popularity of mobile usage, mobile gadgets have become a market place essential for organizations to build up corporate relationships with stakeholders. LINE application, claimed to be the most downloaded application in over 40 countries, has become a top mobile application in Thailand. Thai organizations take up on mobile trend since mobile media is a corporate communication tool stakeholders hold in their hands.*

**Keywords:** Corporate communication, LINE application, Mobile media, Brand engagement

### LINE Application

LINE application, claimed as the most downloaded application in over 40 countries, has become a top mobile application in Thailand. Since LINE application allows for both interpersonal and mass communication, the application has been adopted by big business corporations in Thailand. LINE is a short messaging and free call application of Naver Thailand, a subsidiary of NHN Corporation, Japan. Launched in June 2011, global LINE users reached 100 million while LINE users in Thailand have grown to more than 12 million (Thairath.co.th, January 19, 2012). The application is reported to be used mostly in Japan, Taiwan and Thailand in 2012. But Thailand has been reported to most often use LINE application. LINE started its corporate account messaging service on December 2012. Any corporation that wants to use LINE application has to open an official account with Naver Thailand. After the official account is introduced to LINE users to add friends, the company can send and receive messages in real time (Line.naver.jp, 2012). The messages sent by companies to LINE users come in different formats: video, audio, short message, animation, photo, audio and cartoon character etc. Sixteen mascot stickers (cartoon characters) are available for LINE users to download for one month and are allowed to be used for 90 days (see Image 3). LINE is designed to be one-way communication but can be two-way interaction when companies operate their on-air systems. Otherwise, LINE users can only be message receivers.

Thailand lags behind other countries in the Southeast Asia region in implementing 3 G technology due to political unrest and interrogation in auction transparency. Declared on October 16, 2012, the three telecommunication network operators are Advanced Info Service's Advanced Wireless Network; DTAC Network of Total Access Communication; and True Corporation's Real Move (Zdnet.com, November 12, 2012). The three mobile operators paid a total of THB 41.63 billion baht (\$ 1.36 billion) for 45MHz of bandwidth. Each operator obtained 15 MHz

bandwidth with a 15 year license. A news article from the Center of Strategic and International Studies stated that Thailand has struggled to deregulate the telecommunications industry, and this auction may be an important step in allowing private companies to have more control over what services they can offer consumers (Sander, October 24, 2012).

Although 3 G mobile technology in Thailand was delayed, the demand on mobile media and technology is increasing rapidly. Touch screen mobile devices are improving and being adopted. The technology is focused on user friendly interaction. Media convergence technology enhances communication efficiency of mobile communications not only for the technology providers but also for the users' mobile devices. Media convergence, known as 'The Triple Play' aims to combine the Internet with telephone and television. Mobile media can use as communication tool. Media convergence is important to create social interaction among users, and between corporations and their stakeholders. Media convergence on consumer dimension is critical. Consumers can send, receive, exchange, and share many forms of messages to others (Tunshavong, 2006, p.9). Henry Jenkins stated that, "We are living in an age when changes in communications, storytelling and information technologies are reshaping almost every aspect of contemporary life—including how we create, consume, learn, and interact with each other. A whole range of new technologies enable consumers to archive, annotate, appropriate, and re-circulate media content and in the process, these technologies have altered the ways that consumers interact with core institutions of government , education, and commerce" (Jenkins, 2003). Accenture pointed out that Southeast Asia' digital wave has revolutionized the relationship between consumers and business corporations. The consumer is a powerful stakeholder who, collectively as much as individually, can influence product perception as much as the companies that own them. Interaction between brands and consumers are now constant, instantaneous, and multidirectional (Accenture.com, November 16, 2012p.3)

Mobile gadgets have become a market place for business competitors and are full of corporate messages. Various types of organizations such the state-own enterprise, *Thai Airways*, the government organization, *Tourism Authority of Thailand*, and the media organization, *Bangkok Broadcasting & T.V.* (known as Channel 7 under license from the Royal Thai Army) are using LINE application to interact with customers. Media conglomerates, entertainment businesses, and mobile network operators are using LINE application to better reach their customers and to get ahead of the game. Even the Royal Thai Police has launched LINE mobile messaging to boost its efficiency in crime reporting and sharing information among police officers. LINE crime reporting has been operating since February 20, 2012 (Arip.co.th, December 17, 2012, and Voice.co.th, December 18, 2012).

LINE has all the key characteristics of digital interactive mobile media as mentioned by Denis Mc Quail. They are interactivity, social presence, media richness, autonomy, playfulness, privacy and personalization (Mc Quail, 2010, p.144). Playful, plentiful and colorful characters of LINE application allow corporate messages to come in different forms: brand mascots (cartoon characters which represent the brands), chatting, and games. Thais perceive cartoon characters as cute, funny and friendly. Mascot stickers are well accepted by LINE users in Thailand.

Because LINE application uses lots of cartoon characters, business companies take the opportunity to do corporate branding, and create brand followers by chatting and offering free stickers. Corporate brand personality and value are highlighted through brand mascot stickers and messages. Smith and Zook (2011, p .33) wrote, "At any heart of any successful brand proposition

there is a human dimension. That's why brands have personality, values and association. Brands used to be just a seal of quality. Today they have emotional connections that differentiate them.”

### Brand Engagement

Brand engagement is very important when stakeholders are encircled with corporate messages. Stakeholders are closely watched by corporations. Mobile media fits well with the Thai sociable lifestyle. LINE application suits Thais' ways of using mobile media. Last Christmas and New Year holiday provided evidence of why LINE has become so popular among users in Thailand. According to Voice TV.com, the number of interlocutors through Facebook, What's app and LINE increased 30 % during the New Year holiday (Voicetv.com, January 5, 2013). Oishi Group Co. Ltd., and Total Access Communication PLC., announced their official accounts on LINE and offered 16 free stickers to customers just before Chinese New Year and Valentine's Day year 2013.

To differentiate themselves from other competitors, companies are trying to achieve emotional connection and to create brand moments with stakeholders. Critical brand moments are expansive and sometimes difficult to manage. The more stakeholders use media, the greater brand moments they will have. Brand moments are all touch points between the brand and stakeholders. This includes the website, e-mail, telephones, product delivery, the actual consumption of the product or service, handling complaints and after-sales services, as well as marketing contact with stakeholders (Smith and Zook , 2011, p.39). Organizations need to envision good moments when doing brand engagement.



IMAGE 1. Chinese New Year and Valentine's Day messages sent by Thai Airways

Source: downloaded message from mobile phone: Thai Airways on LINE, February 8, and February 14, 2013



IMAGE 2. Free stickers "feel good" from Total Access Communication PLC, (dtac)

Source: Press release, Last Modified February 7, 2013, Retrieved from <http://www.dtac.co.th/pressroom/news/dtacline.html>

### Activities of Corporate Accounts on LINE Application

Thai organizations have taken the mobile trend. Mobile media is communications tool that customer hold in their hands.

Because mobile media is being well accepted as a corporate communication tool, companies are actively boosting their online traffic. Each has to keep their corporate website updated, upload images to Instagram, and elevate the number of “Likes” on Facebook, YouTube, and Twitter. The customer is the main target of online corporate communication. However, any stakeholder who has mobile media is able to chat and download stickers offered by the corporations. As pointed out by Cornelissen (2011, p.61), any individual may have more than one stakeholder role in relation to an organization. Organizations must project a consistent image of themselves; they should avoid potential pitfalls that may occur when conflicting images and messages are sent out. Communication with stakeholders through LINE application is undeniably used to compliment other media usage. LINE usage must lead to a greater communication impact.

Holidays and seasons are opportunities for companies to do online viral marketing with stakeholders. They can send free stickers to friends and family. Most types of messages are corporate brand identity, advertising content, product information, and sales promotion programs-sweepstake, product discounts and free gifts.

As reported by Positioning, an online Thai business magazine, Charoen Pokphand Group (well known as “CP”) followed by Thai Airway (well known as “Thai Inter) were the top two business corporations added to LINE users’ mobile phones. Thai singers, and celebrities were added as friends and Korean signers and girl/boy bands were also welcomed as friends on mobile gadgets.

**TABLE 1.** Top Downloaded Official Accounts on Line in 2012

| <b>Top 10 Downloaded Official LINE in Thailand (2012) , Add Friend*</b> | <b>#of downloads*</b> | <b>Account Types</b>                                              |
|-------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------|
| 1.CP                                                                    | 1,525,892             | Multi-national conglomerate with core businesses in agro industry |
| 2.Thai Airways                                                          | 1,320,546             | State-own corporation                                             |
| 3. miss A                                                               | 491,978               | Chinese -Korean girl group based in Korea                         |
| 4. Opal Panisara                                                        | 461,825               | Thai Celebrity                                                    |
| 5. Wonder Girls                                                         | 442,682               | South Korean girl pop group                                       |
| 6. Lee Min Ho                                                           | 394,751               | Korean Pop singer                                                 |
| 7. Ter Chantavit                                                        | 377,869               | Thai Pop singer                                                   |
| 8. 2PM                                                                  | 345,434               | South Korean boy band ,one singer is Thai                         |

|                                     |         |                          |
|-------------------------------------|---------|--------------------------|
| 9. GTH channel                      | 337,107 | Thai Entertainment Media |
| 10. CNBLUE                          | 287,119 | South Korean rock band   |
| 11. Universal Music Thai            | 280,728 | Music company            |
| *Information as of October 22, 2012 |         |                          |

Source: *Positioning magazine.com*, October 24, 2012

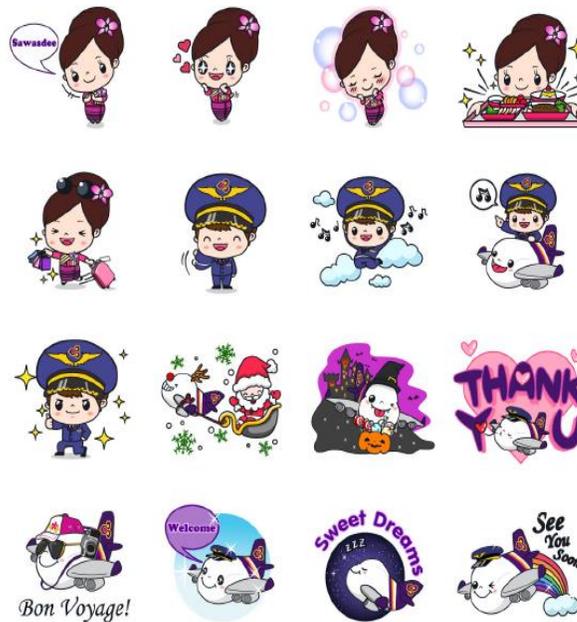
Charoen Pokphand Foods Public Company Limited, a multi-national conglomerate with core businesses in the agro industry, was the pioneer to use LINE App to communicate with customers. The official account and stickers of Charoen Pokphand Foods PLC., known as “CP” on LINE application, are available only in Thailand; however, the corporation does business worldwide. The business deal was made directly with NAVER Thailand, but CP has a local digital media designer and programmers, Praneat Co., Ltd. to manage the marketing campaign. CP is now deciding on whether to continue the free sticker online chatting. CP uses LINE because the application provides rapid communication direct to customers. It is easy to download, and provides the ability to build up good online social networking with customers.

Mr. Anut Pruksuwat, general manager of Charoen Pokphand Foods PCL, said CP used LINE application as a communication tool because, “It was not intended to be used as the communication channel as it's pretty much a one way communication (similar to SMS) unless we enable the ‘On-Air’ function. The main objective in using the LINE application was to give away stickers as a way to thank our customers. We understand that not everyone has a credit card or purchasing power to buy the stickers, so we decided to give them for free as the free download was given to anyone without forcing them to participate in a contest which has only few winners - anyone who downloaded our stickers was a winner. The secondary objective is to express our feeling. We were probably the first one (and also the only one for a few months before the other brands realized what we were doing) who provided the stickers with sad, mad, and some negative feeling because we wanted our consumer to see us as a person not a marketer. There are thousands of CP employees as well as the top management who never have a chance to talk to our consumers to tell them how we are dedicated to our products” (Anut Pruksuwat, personal communication, February 8, 2013).

When sending information to LINE users, the CP tries not to annoy users by sending too many messages. Information is about sales promotion campaigns and advertising messages. Mr. Anut Pruksuwat gave further details that, “Good news’ only! We even sent out our first message telling our followers that we will try our best not to send out too many messages to annoy the users (although sometimes we do need to send some advertisements ). However, most of the time, we send out information when we have giveaways and winner announcements. ... We monitor it 24/7. However, we try to send out messages more than three times a week” (Anut Pruksuwat personal communication, February 8, 2013).

According to by Mr. Suvadhana Sibunruang, director of brand management & commercial communication for Thai Airways, ‘First, Thai Airways uses LINE to promote corporate identity and its reputation. LINE application signifies brand modernity and is well-matched with the

everyday living of modern Thais. Second, it is to strengthen corporate communication channel with a new generation of customers. They use smart phones and tablets while on-the-go to receive corporate and marketing messages from the corporation. Third, Thai Airways wants to reward customers. LINE is for marketing communication activities in order to build brand loyalty through premium or gift giving” (Suvadhana Sibunruang, personal communication, February 21, 2013).



**IMAGE 3.** Thai Airway’s brand mascot sticker version “Air Crew Captain & Cool Aircraft”  
Source: Thai Airways International PLC. , personal communication, February 21, 2013

In addition, “Thai Airways uses LINE application as a corporate communication tool because it provides immediate communication with customers. The company is able to upload and download information rapidly. Most customers have mobile devices and LINE is user friendly. The communication cost is not too high when compared with many other communication tools. Thai Airways can create good online relationships with customers” (Suvadhana Sibunruang, personal communication, February 21, 2013).

The number of official accounts on LINE has increased in early of 2013. Reported by Nationmultimedia.com on December 18, 2012, LINE had signed with 14 Thai businesses to allow them to have LINE’s official account. Among the businesses are Universal Music Thailand, Thai Airways International, Charoen Pokaphand Foods, Tourism Authority of Thailand, BRAND’S, True Move H, Muang Thai Life Assurance, AEON, and Boon Rawd Brewery (Nationmultimedia.com, December 18, 2012). As of March 10, 2013 there are 24 Thai organizations on LINE application. PTT PLC., Nissan Motor (Thailand) Co. Ltd., and Allianz Ayudhya (Thailand) Co., Ltd, are three latest companies launched their official account and stickers in early of 2013. Table 2 is a list of leading Thai corporations that are actively using the LINE application to interact with their stakeholders. The number of brand friends increases in a second. (See Image 4) Most of the official accounts use on-air system for instant response to

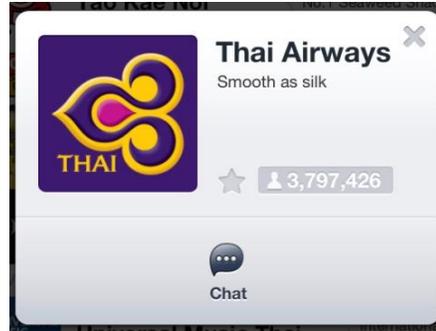
brand followers who want to receive messages. However, the messages from corporations are prepared in advance instead of a real time conversation.

**TABLE 2.** List of Leading Thai Organizations on LINE application\*

| No.                     | Organizations                                                                   | Types of Business                                                 | Official Account On LINE Application | Number of Brand Friends* | Offer Free Sticker | Name of Sticker                                           |
|-------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------|--------------------------|--------------------|-----------------------------------------------------------|
| <b>Launched in 2012</b> |                                                                                 |                                                                   |                                      |                          |                    |                                                           |
| 1.                      | Charoen Pokphand Foods PCL                                                      | Multi-national conglomerate with core businesses in agro industry | CP                                   | 2,443,565                | √                  | P' chef & N' kyo                                          |
| 2.                      | Thai Airways International PCL                                                  | International airline                                             | Thai Airways Smooth as Silk          | 3,839,805                | √                  | Air Crew Captain & Cool Aircraft, Thai & Thai Smile Staff |
| 3.                      | Tourism Authority of Thailand                                                   |                                                                   | Amazing Thailand Official LINE       | 3,115,982                | √                  | Sukjai, Jonathan and Lucy                                 |
| 4.                      | Advance Info Service PCL                                                        | Telecommunication network operators                               | AIS Your World Your Way              | 2,866,299                | √                  | Nong Unjai                                                |
| 5.                      | True Move H Change to Real Move Co., Ltd. A subsidiary of True Corporation PCL. | Telecommunication network operators                               | True Move H FREEYOU                  | 3,899,557                | √                  | Mr. H                                                     |
| 6.                      | AEON Incorporate by AEON Credit Service, Japan                                  | Financial service provider                                        | AEON Everyday AEON Card              | 2,347,305                | √                  | AE-chan & ON-kun                                          |
| 7.                      | Tao Kae Noi                                                                     | Snack manufacturer                                                | Tao Kae Noi No.1 Seaweed Snack       | 2,486,643                |                    |                                                           |
| 8.                      | Major Cineplex Group                                                            | Movie theatre operator and entertainment businesses               | Major Friends World Best Cinema      | 653,297                  |                    |                                                           |
| 9.                      | Cerebos (Thailand) Ltd.                                                         | Food supplement manufacturer                                      | Brand's Club Be Healthy, Be Happy    | 2,468,908                | √                  |                                                           |
| 10.                     | Muang Thai Life Assurance PLC.                                                  | Life insurance company                                            | Muang Thai Life www.muangthai.co.th  | 2,578,988                | √                  | Nong Luckyim                                              |
| 11.                     | Kantana Group PLC.                                                              | TV , film and educational media conglomerate                      | Kantana                              | 2,602,522                | √                  |                                                           |

**When Thai Corporations Use LINE Application as a Corporate Communication Tool**

|                                                                                                          |                                                                                   |                                     |                                                                 |           |   |                   |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------|-----------|---|-------------------|
| 12.                                                                                                      | Sapanan General Food Co., Ltd.                                                    | Beverage company                    | Mogu Mogu<br>An unordinary freshness<br>(สดชื่น...แบบไม่ธรรมดา) | 2,556,342 | √ | Mogu Mogu         |
| 13.                                                                                                      | Universal Music Thailand<br>A part of Universal Music Group                       | Music company                       | Universal Music Thai<br>International Music                     | 521,157   |   |                   |
| 14.                                                                                                      | BEC-TERO MUSIC<br>A partnership with Sony BMG Music Entertainment                 | Entertainment conglomerates         | BEC-TERO MUSIC<br>Official Music LINE                           | 148,926   |   |                   |
| 15.                                                                                                      | Bangkok Broadcasting & TV Co., Ltd.                                               | Media conglomerate                  | BBTV CH7<br>www.ch7.com                                         | 462,797   |   |                   |
| 16.                                                                                                      | Singha Corporation Co., Ltd.                                                      | Beverage company                    | Singha's Life                                                   | 3,987,818 | √ |                   |
| 17.                                                                                                      | Channel V Thailand                                                                | Media conglomerate                  | Channel V Thailand<br>No.1 Music Channel                        | 297,203   |   |                   |
| 18.                                                                                                      | GMM Tai Hub Co., Ltd.                                                             | Film studio of Thai entertainment   | GTH Channel<br>Official GTH Channel                             | 592,265   |   |                   |
| <b>Lunched in 2013</b>                                                                                   |                                                                                   |                                     |                                                                 |           |   |                   |
| 19.                                                                                                      | Serendipity Media Co., Ltd. with License agreement from Conde' Nast International | Publisher of Vogue Thailand         | Vogue Thailand                                                  | 2,473,549 | √ | Miss V and Friend |
| 20.                                                                                                      | Oishi Trading Co., Ltd.<br>A subsidiary of Oishi Group PCL.                       | Beverage, snack, food Retailers     | Oishi Green Tea                                                 | 3,212,668 | √ | Oishi Niekoo      |
| 21.                                                                                                      | Total Access Communication PLC. ( or dtac)                                        | Telecommunication network operators | dtac                                                            | 3,052,541 | √ | feel good         |
| 22.                                                                                                      | PTT PLC.                                                                          | Multinational energy corporation    | PTT Group                                                       | 2,248,656 | √ | Godji Family      |
| 23.                                                                                                      | Nissan Motor (Thailand) Co., Ltd.                                                 | Automobile manufacturer             | Nissan Innovation                                               | 2,030,475 | √ |                   |
| 24.                                                                                                      | Allianz Ayudhya (Thailand) Co., Ltd.                                              | Life insurance company              | AZA Yfan                                                        | 67,981    | √ |                   |
| *Information of official accounts on LINE ,as of March 11, 2013<br>Numbers of brand friends at 8.00 a.m. |                                                                                   |                                     |                                                                 |           |   |                   |



**IMAGE 4.** Thai Airways' Brand Friends hits 3,797,426 on February 25, 2013

*Source: On the author's smart phone, February 25, 2013, 12.00 p.m.*

Corporations use LINE to go global. Thai Airways, Tourism Authority of Thailand, Singha Corporation are samples of Thai companies doing businesses in ASEAN and globally. Chatchai Wiratyosin, Boon Rawd Brewery's marketing director, said that LINE is not an additional marketing communication channel for Singha Corporation, apart from traditional and conventional media. But LINE is the main marketing communication channel for Singha Corporation since it is effective in reaching a wide range of people; and, importantly, it costs less than doing marketing overseas. (as cited in Nationmultimedia.com, December 18, 2013)

Jin-woo Lee, business representative of LINE Thailand stated that, "the 'official account' feature, together with 'sponsored sticker' is a powerful and effective marketing channel, and also acts as an exquisite entertainment tool for its users. The two main criteria we consider in allowing a corporation to have a LINE official account are, they must be a 'big name' and have high reputation in Thai society" (Jin-woo Lee, as cited in Nationmultimedia.com, December 18, 2013, p.3). Below are opinions on LINE usage provided by companies that have official accounts with LINE application.

"LINE stickers can reach people across a wide range of ages, from teenagers to adults. People's lifestyles are changing. They are on new media and new communication platforms. We need to be there where they are. On LINE our position is to be friends of users, not to sell products". (Phittraporn Punyaratabandhu, Muang Thai Life Assurance executive vice president, as cited in Nationmultimedia.com, December 18, 2013, p.4)

"Messages we send over the LINE are not hard sales as we are entering into their private lives. People add us because they want to be our friends. We have to give more than take with our friends. We offer them our privileges and gifts such as concert tickets and Manchester United T-Shirt." (Chatchai Wiratyosin, Boon Rawd Brewery's marketing director, as cited in Nationmultimedia.com, December 18, 2013, p.4)

### **Characteristics of Mobile Media Users**

Southeast Asia's digital wave has been trailing for years. In 2011, Accenture, the management consulting and technology service firm, examined the evolving digital landscape of the Southeast Asia region. The study found that Thais, similar to other Southeast Asian neighbors, like to access the Internet mostly on mobile phones because they are more convenient, have higher speed or

greater connectivity, and are not too expensive. As a consequence of digital disruption, Southeast Asians are mobile addicted (Accenture, September 14 2012, p.8, p. 17).

The numbers of mobile media users in Thailand is growing. Based on a report by Internet World Stats.com; there were 20,100,000 Thai internet users. The number, as of June 30, 2012, accounted for 30 % of total Thailand's population (67,091,089 million). Facebook is very popular among Thais. There were 17,721,480 Facebook users in Thailand as of December 31, 2012 (Internet World Stats.com, January 17, 2013). Reviewed by Thumpup.in.th, a digital technology and social media movement website, Thais who mostly use mobile media are workers 25-34 years of age. Social networking, maps, and email are the preferred applications for mobile usage through smart phones and tablets (Thumbsup.in.th, January 31, 2013). Evidence of increasing mobile media usage in Thailand is traffic congestion. During the rush hours in urban and suburban areas of Bangkok, Thais are confined to their vehicles. They utilize mobile media to kill time. While waiting, they use mobile media for personal enjoyment and for social interaction. However, in remote areas of Thailand where transportation is inconvenient, mobile media provides accessibility.

Not only in Thailand, but also in other Asian countries, the number of Internet users is increasing. There is a new generation of mobile users; who only access the Internet through web enabled mobile devices. According to On Device Research, 38 % of China Internet users only access the Internet through their mobile gadgets. The users in rural areas use mobile Internet more than users in urban areas. 45 % of users in rural China use mobile Internet only as compared to 29% in the cities. (On device research.com, January 7, 2013, Internet World Stats.com, January 17, 2013).

LINE application connects companies with on – the - move stakeholders. When location is not a problem for communication processing, stakeholders can use mobile media anytime, anywhere and on any occasion. Stakeholders' media habits at home and outside of home are intertwined and inseparable. When stakeholders are free to use mobile media their media consumption at home and out-of-home are sometimes combined. Their media consumptions at home or out-of –home are often simultaneous. Personal time overlaps with non-personal time (work/business). Furthermore, online engagement can happen just about anywhere at any time. Revealed by Nielsen.com in a 2011 survey, occasions for mobile media usage are: free time at home, in transportation, while waiting, at work, watching TV/ movie at home, before sleep, while gathering with family/ friends, in the bathroom, and while shopping (Nielsen.com, November 2011)

Internet users are multitasking, using more than one mobile device at a time. They watch TV while surfing the internet on tablets. They sometimes use mobile phones while driving. In addition, they use cross - platform media. They watch videos or movies on mobile devices. Some are called multi- screen media users because they own several touch-screen mobile devices. As pointed out by Nielson.com, innovations in technology, a multitude of connected devices, and evolutions in the media distribution landscape have provided more ways than ever to consume media across different screens, whether at home, at work, or on-the-go (Nielsen.com, May 15, 2012).

### **The Next Move for Online Corporate Communication**

Mobile media consumption behavior of Thais guides Thai corporations on how to manage media choices for corporate communication. Mobile media has changed its role from a supportive corporate communication tool to a leading one. Companies have used more than one online channel to connect with their stakeholders. Mobile media is able to send corporate messages in different formats-- text, images, videos, animation, and voices etc. The messages are digitalized and sharable and stakeholders' mobile media experiences are expanding. Holding mobile media in hand, stakeholders can access corporate messages through either web browsers or mobile applications. They can interact with organizations through a variety of social media networking applications such as Facebook, Whatsapp, Line, Weibo, and Twitter. Stakeholders have direct contact through the official corporate brand application or search for corporate websites through mobile web browsers like Safari, Opera, and Google Chrome. Mobile gadgets, as a market place, are cluttered with all kinds of applications and messages. Organizations' mobile applications are competing with each other to be downloaded from app stores and to be double clicked on a touch-screen window. On the LINE platform, a variety of organizations want to be added as friends.

Nevertheless, a mobile device is a personal device which stakeholders use almost any time of a day. When compare to traditional mass media, companies have 24/7 for doing brand contact with individual stakeholders. To reach every single stakeholder, corporations must orchestrate all online messages. Cornelissen stated that stakeholder groups have become more fragmented and less homogeneous than before. Customers, for example, have become much more individual in their consumption. The greater fragmentation of stakeholder groups means that when organizations want to communicate with any one stakeholder group they have to use more channels and different media to reach them (Cornelissen, 2011, p.23).

Mobile media technology will change and improve. Mobile media developers are always launching attractive new mobile technologies. Mobile applications like LINE are expected to launch new and improved online features to serve the needs of mobile users. At any rate, mobile applications used as corporate communication tools will most likely change over time. Corporations may find new online media to increase their stakeholders' brand engagements. They keep looking for better mobile technology to extend their relationships with stakeholders. The web editor of Thumup.in.th, Mr Jakrapong Kongmalai feels that LINE application usage will drop. Although LINE has launched many services for LINE users such as the latest virtual currency, the innovation pace is slowing down. In the future, there will be a new mobile technology for mobile users to explore (Jakrapong Kongmalai, personal communication, February 10, 2013). However, LINE application is unique when compare to other mobile applications. It provides organizations with a means to manage and control corporate messages sent and received.

### **Conclusion**

Will mobile media change corporate communication in the long-run? As Cornelissen, 2011, p. 155) stated, 'From a corporate communication perspective, the development in new media and web-base technologies may be seen as both a challenge and an opportunity.' It will be interesting to see what happens in the future when the number of mobile media users increases mainly in Asia. What will be the future applications suited for Asian mobile users, particularly Thais? Will mobile applications still be a platform for the mobile Internet? Will LINE application maintain its

popularity in creating users' mobile engagement for corporate communication? Will organizations continue to use mobile media for corporate brand engagement?

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## You're Not That Special

### How Misuse of Social Media among Job Seekers Has Changed the Recruitment Landscape

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*A study of U.S. business managers showed that 70 percent of potential employers decided to reject a candidate's job application based on information found on social media sites. Posts like unflattering pictures, risqué statements and perceived socially deviant behavior doom aspiring professionals' employment searches. The tendency of Generation X and the Millennial Generation to share information freely creates a fertile environment for quick background checks for employers.*

*However, job seekers must also maintain some presence on social media sites to demonstrate their social media competency, while forging a solid online reputation. In essence, job seekers must keep their virtual self, virtuous.*

*The author will ascertain opinions from Human Resource Professionals concerning their use of social media to check candidates' employment potential. By using a snowball technique, the author will draw upon a large pool of Human Resource Professionals with knowledge of the subject.*

**Key Words:** Social Media; Human Resources; Job Seekers; Recruitment; Facebook; Twitter

**Paper Type:** Original Research

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