Conference on Corporate Communication 2010

June 4–7, 2010

Wroxton College • Wroxton, England

PROCEEDINGS

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PROCEEDINGS
Conference on Corporate Communication 2010

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Introduction

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Corporate Communication in Times of Stress

Peter Hirsch and I have written (Corporate Communication: Strategic Adaptation for Global Practice) that the direction of the global economy is likely to be murky at best for some time to come. Three powerful forces have transformed the principles and practices governing the relationship between the corporation and its stakeholders:

- **Globalization** -- a quantitative shift in the globalization of the world economy that has created a qualitative change in how businesses need to communicate;
- **Web 2.0** -- a transformation in the adoption, use and consumption of information technology;
- **Corporate Business Model – The Networked Enterprise** -- 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.

The first of these was the emergence of a truly integrated global marketplace in which the business supply chain operates not only around the world but in a single time zone -- now. Complementing and enabling this integration was the rise of emerging markets, not only those markets in the first tier – Brazil, Russia, India and China, but also was the next eleven: Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, The Philippines, South Korea, Turkey, and Vietnam.

The second major force was the transition of the Internet towards Web 2.0 in which massively greater bandwidth has facilitated a wide range of new communications media from blogs and podcasts to YouTube and Twitter. We explored how the technology transition has created a newly connected, networked and transparent web of social media which has had a profound impact on the speed and extent to which stakeholders could interact with the corporation and with each other in ways that have both positive and negative implications for the corporation.

Both of these major transformations have taken place against a backdrop of a long running decline in the reputation of corporations and other institutions such as religion, the justice system, organized sports and the media with the general public. In the developed economies, this skepticism about corporations has been given additional force by the emergence of the Millennial Generation whose lack of faith in and loyalty to the corporation were so expertly conveyed in Ron Alsop’s The Trophy Kids Grow Up.

The combination of these trends combined with the most perilous economic environment since the 1930s has created conditions of unprecedented volatility for global corporations. Public opinion and political opinion in different parts of the world, about how corporations should behave is likely to shift more quickly than at any time in recent history. From one day to the next, public expectations on subjects such as corporate governance, social justice, environmental stewardship or data privacy could move 180 degrees. Sovereign governments, struggling to find the solution to intractable economic conditions may seek convenient scapegoats in the form of...
large corporations, both tying their hands through new regulations and simultaneously blaming them for failing to create more jobs. Economic nationalism, whether in the form of “Buy China” or “Buy America” further complicates the conditions in which corporations need to operate. Finally, the hyper-transparency made possible by Web 2.0 and demanded by an anxious public raises public scrutiny to a new level.

The global financial crisis of 2008 and the economic turmoil it created in the years following have forced a transformation in fundamental business models, beginning with the evaporation of almost an entire industry sector – investment banking. In 2010 the self-inflicted global crisis of Toyota, has been replaced in the headlines by Goldman Sachs, the impact of Iceland and Greece on the global economy, and the environmental disaster in the Gulf of Mexico as a result of the explosion in April of 2010 of the BP off-shore oil drilling platform.

Paradoxically, the first decade of the 21st century also witnessed an unparalleled increase in the social demands being placed on the corporation. In less than a decade, the expectation that corporations would place corporate social responsibility at the core of their activities has moved from the periphery to the middle of the opinion spectrum. Sustainability, which grew out of the concept of environmental stewardship, came to embrace social justice and a wide variety of micro- and macro-economic issues including “fair trade” and community building. To a greater or lesser extent, corporations have responded positively to the concept that ending poverty and healing the planet belong in their job description alongside providing jobs, inventing new products and services and offering shareholders a return on their investment.

It is too early to predict confidently which of these transformational shifts will have the greatest long-term impact, but what is clear is that the consequences of human exploitation of natural resources have not been abolished merely because economic development has slowed or reversed itself. If anything, the consequences of global climate change and industrial production have made it more important than ever that we find collective solutions to the challenges of hunger, access to clean water and breathable air, as well as sustainable practices in energy production, construction and packaging to name just a few areas.

In this context, the successful management of corporate communication in a global environment requires considerable skill and capability, as well as the most finely tuned judgment, wisdom, understanding, and integrity that the corporate communication professional can muster.

Focus on Recent Research

The CCI Corporate Communication Practices and Trends Study 2009 (See the CCI website for the report at: www.corporatecomm.org/studies.html) included in-depth interviews in addition to the series of survey questions, for the corporate communication officers who chose to participate in the interviews. One of the open-ended questions asked:

“What are the top three critical issues in corporate communication today?”

One executive at a global financial services corporation said the issues are: “how to use communication as a tool to help achieve business goals, how to achieve high performance with restricted resources, and how to stay ahead of today’s militant populism.”

An executive at a global pharmaceutical corporation said, “building trust internally and externally, reputation management, transparency,” and in the context of the U.S. debate on healthcare reform, “positioning the CEO.” In addition to rebuilding trust between front-line workers and management, another executive added engaging and addressing multiple
stakeholders on issues and plans in a world where there are multiple venues for dialogue and in which anyone can be an “expert, as well as demonstrating leadership in a complex and rapidly changing world.

Others noted the need to build credibility and trust to mitigate reputational risk – assessing, protecting, and measuring reputation. Adding strategic value and demonstrating the function’s value in driving business performance is another concern. Another issue is the ability to develop important relationships with investors, media, NGOs, and investing the time to focus on relationship building.

For another executive the issues are: “Responding to a changing workplace; relating to a changing employee body. Younger people are coming in and expecting social media. In corporate communication it is authenticity; keeping the creditability of your firm high; operating in an authentic, transparent manner. Keeping employees motivated and keeping your constituents happy in today’s economy.” For another “skepticism of what we’re saying and the sincerity of the message is a major concern.

One executive indicated the concern we have addressed in this book for strategic adaptation, saying there is “a yearning for the path,” noting that there “is a refusal to acknowledge when things are changing.”

And for another the issues are: a changing media landscape, turning employees into advocates, and the need for authenticity.

Research on corporate communication practices indicates the Chief Communication Officer, and paths toward solutions lie in the strategic functions of corporate communication. Recent research studies by CCI Corporate Communication International (CCI) focused on corporate communication practices and trends in the South Africa, China, United States, and the European Union:

CCI 2009 Corporate Communication Practices and Trends – United States;
CCI Corporate Communication Practices and Trends: South Africa Benchmark Study 2007 - 2008;
CCI Corporate Communication Practices and Trends: A China Study 2008 – Phase II;

These four studies, taken together, form the first global benchmark for corporate communication practices and trends. They can be found on the CCI Website at www.corporatecomm.org/studies.html

The CCI Conference on Corporate Communication 2010

The annual CCI 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 in Wroxton, England from June 4 – 7 to exchange information and explore communication from a global perspective.

The CCI Conference on Corporate Communication 2010 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 in *Corporate Communication: An International Journal*.

The three-day conference features speakers from twelve countries: Australia, Brazil, Canada, Denmark, Finland, Hong Kong, Italy, the Netherlands, Singapore, Switzerland, the United Kingdom, and the United States.

The papers and presentation summaries that follow reflect the discussion of these essential issues:

- corporate communication theory and practice
- strategic corporate communication leadership
- corporate communication management
- cross-cultural communication & stakeholder relations
- corporate governance, policy, and practice
- corporate communication policy and strategy
- language use in a global context
- corporate social responsibility
- corporate culture and identity
- integrated communication
- global corporate relations
- reputation and identity
- crisis communication
- issues management
- corporate branding
- investor relations
- new media

The papers published here were selected based on a peer review process. They were edited for the Proceedings by Christina Genest, CCI Associate Director, and Roslyn Petelin, Ph.D., Convenor of the Writing, Editing and Publishing Program, School of English, Media Studies and Art History, University of Queensland, Australia and students and alumni of her program: Cathy Arnold, Nina Atkinson, Elise Bianchi, Lucy Butcher, Peter Griffiths, Amber Gwynne, Rebecca Harris, Courtney O’Brien, Sarahanna Spencer, Rebecca Stafford, Penelope Teasdale and Rosalind Wilson. We appreciate their hard work and support. We are also grateful to the members of the CCI Conference on Corporate Communication 2010 Program Committee for their insight and expertise in making this conference a success. They are:
We thank our academic partners:

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Employer Branding as Sustainable Relationship Building and Value Creation:
Combining Branding, Human Resource Management, and Corporate Social Responsibility Perspectives

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Purpose: The purpose of this paper is to change the way of conceptualizing employer branding away from the functionalist perspective and create a new understanding of the concept within a social constructivist tradition.

Approach: The paper offers a re-conceptualization of employer branding as a holistic and processual discipline encompassing the theoretical fields of branding, human resource management, and corporate social responsibility.

Findings: We introduce a redefined conceptualization of employer branding and the related premises and processes. The paper also reflects on challenges and questions related to the employer branding processes influenced by varying organizational environments that call for recruitment, retention, and dismissal.

Implications: The key point of the paper is that employer branding is pertinent at any time, and it should be an integrated part of the organizational mindset—a business discipline and a strategic practice.

Paper type: Conceptual paper.

Organizations today increasingly recognize that their attractiveness, future profitability, and ‘licence to operate’ depend on their willingness and ability to recognize employees and potential employees as important stakeholders and contributors to the overall organizational development and value creation e.g., Boudreau and Ramstad, 2005. In the light of this and other challenges facing today’s organizations, the current framing of employer branding is insufficient. There is a need for a new paradigmatic understanding of the employer branding concept within a social constructivist tradition (Berger and Luckmann, 1967). This new approach to the field of employer branding is motivated by a turn in the understanding of an organization and its members. The new understanding is apparent in certain areas: work-life is no longer restricted to working hours and the physical presence within the organizational setting but is seen as an important resource for the construction of the individual’s identity (Baldry et al., 2007; Bourne et al., 2009). Organizations are no longer conceptualized as static entities, but rather as dynamic emergent and social co-constructions negotiated by organizational stakeholders (Taylor and Every, 2000; Cheney et al., 2004). Employees are no longer defined within a Tayloristic notion of humans as raw material, but recognized as meaning-making corporate citizens (Baldry et al., 2007; Cunha et al., 2008). This increased organizational complexity calls for a new approach to the field of employer branding. Consequently, in this paper we re-conceptualize employer branding as a business discipline and relationship-building activity that creates, negotiates, and
enacts sustainable relationships—relationships colored by the concepts of sustainability and Corporate Social Responsibility (CSR), between an organization and its potential and existing employees. Based on a review of the existing employer branding literature, we argue for integrating the theoretical fields of branding, Human Resource Management (HRM) and CSR (including sustainability) into the employer branding concept. The paper questions how to manage the processes of creating strategic, sustainable employer-employee relationships in the conceptual intersection of branding, HRM, and CSR. Based on central concepts and theories of these three fields, a conceptual framework for rethinking employer branding as sustainable development and value creation is proposed. We reflect on the proposed framework in relation to challenges and questions posed by various strategic contexts of the organization. We also suggest implications for organizational practice and future research.

**Current Conceptualization of Employer Branding**

Ambler and Barrow (1996) introduced employer branding as a research discipline with an exploratory study of companies in the United Kingdom investigating the relevance of applying brand management techniques to HRM. Despite a certain empirical resistance to introducing marketing vocabularies and practices to the HRM discipline, we conclude that the employer brand concept is potentially valuable for organizations, and that applying brand management to the HRM function adds value to corporate equity from a customer perspective. Thus, it brings return to both HRM and branding (Ambler and Barrow, 1996).

Inspired by David A. Aaker’s notion of a strong brand (Aaker, 1991), Ambler and Barrow define the employer brand as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler and Barrow, 1996: p.187). This definition has become key in research on employer branding, anchoring present research to the classical branding paradigm (for example, static, sender-focused, and independent of any relational influences), and framing it in relation to outdated practices and challenges. Following this notion, current conceptualizations of employer branding are characterized by:

- A static inside-out notion of the employer brand: the employer brand propositions are defined by brand strategists on the basis of brand identity, conceptualized as stable and enduring core characteristics, or the brand DNA (Aaker, 1996);
- The exposing and transmission of employer brand propositions, internally (Punjaisri and Wilson, 2007) or externally (Ewing *et al.*, 2002);
- A linear employer branding practice entailing static sender (employer) and receiver (employees) positions (Backhaus and Tikoo, 2004); and
- A channel to enhance customer experiences (Mosley, 2007) and organizational performance (Ambler and Barrow, 1996).

In this paper, we argue that the existing conceptualizations of employer branding fail in responding to present organizational challenges. As outlined, current employer branding adopts an outdated notion of brand management, rooted in functionalistic ideals of the relation between employers and employees. We argue that these underlying assumptions prevent employer branding from developing and unfolding its full strategic potential as a value-creating practice for individuals, organizations and society. Further, we propose that, by adapting recent theories on brand management, employer branding is redefined as a dynamic and interactional process of
Employer Branding as Sustainable Relationship Building and Value Creation: Combining Branding, Human Resources Management and Corporate Social Responsibility Perspectives

negotiating brand values; that the introduction of strategic human resource management redefines the notion of employees, and the relationship between employer and employee; and finally, that by rooting employer branding in the philosophy of corporate social responsibility, employer branding is transformed into a sustainable and trustworthy value-creating process.

On this basis, the paper is driven by two research questions:

1) How can employer branding be conceptualized at the intersection of branding, HRM, and CSR, taking into consideration the demands facing organizations of today?
2) How can employer branding be conceptualized as both an individual, organizational, and societal value-creating process in the light of various corporate contexts?

The first question will be answered on the basis of a review of central concepts and theories within branding, HRM, and CSR from which we propose a framework for reconceptualizing employer branding. The theoretical framework will lead to our second question, reflecting upon how the employer brand strategy and the processes of relationship building come into play in various corporate contexts.

Theoretical Approaches to Understanding Employer Branding as a Value-Creation Process

In 1970, the world-renowned Nobel Prize-winning economist Milton Friedman stated that “the social responsibility of business is to increase its profit”, averring “the business of business as nothing but business”. However, as argued by Beckman et al. (2006), increased stakeholder pressures and demands have reformulated the famous wording into “the business of business is value creating” (Beckman, Morsing and Reich, 2006: p.15), urging businesses to move beyond profit maximization and economic precedence and make equal priorities among all stakeholders. Creating value for the firm and all stakeholders becomes the centre of any sustainable business model. However, two persistent questions arise: what is the process of value creation? And how can employer branding be seen as a value-creating process?

In this paper, we adapt the concept of value creation proposed by Prahalad and Ramaswamy (2004) as an emerging alternative to the traditional concept of the value-chain and its firm-centric view (Porter, 1980). According to Prahalad and Ramaswamy (2004), a new mode of value creation has emerged, in which the market transforms from a locus of economic value extraction into a locus of co-creating values. From this perspective, values are not predefined but rather contextualized, contingent, and continuously renegotiated with stakeholders according to their stakes and expectations. What is interesting is not the value in itself, but rather the process of creating and negotiating. This manifests itself, for example, as a mutually beneficial dialogue between management and employees: “Becoming a co-creative organization is about changing the very nature of engagement and relationship between the institution of management and its employees, and between them and co-creators of value—customers, stakeholders, partners or other employees’” (Ramaswamy, 2009: p.33).

From an employer branding perspective, this translates into a shift from a linear transmission of employment propositions and exchange of employer brand benefits within working hours to a process of co-creation of not only economic and organizational value, but also a preoccupation for what is valuable and meaningful for the employee as a human being and corporate citizen (Baldry et al., 2007; Karnes, 2008; Bourne et al., 2009). Following this notion, we argue that a re-conceptualization of employer branding draws on the three theoretical fields of
branding, HRM, and CSR, focusing on the shift from a functionalist to a social constructivist perspective.

**Branding as value-creation**

One of the key concepts in brand management is the notion of brand identity, introduced and developed by Aaker (1996) and Kapferer (1997), and distilled into concepts such as brand essence (Aaker and Joachimstahler, 2000), core identity (Aaker, 1996), or simply the brand DNA (Kapferer, 1997). This implies that brands have intrinsic values, are self-contained, and are independent of any relational influences. However, a new stream of brand management theorists adopts a more dynamic approach to brand identity, recognizing the fluidity, social contingency, multiplicity, reflexivity, and discursivity of identity (Fournier, 1998; Holt, 2002) in the light of recent theories of social and cultural identity (Giddens, 1991). From a consumer-brand relational perspective, Fournier argues that “What matters in the construction of brand relationship is not simply what managers intend for them, or what brand images ‘contain’ in the culture (…), but rather what consumers do with brands to add meaning in their lives” (Fournier, 1998: p. 367). Fournier dislocates the production of brand meaning from the brand strategist towards a locus of social construction: brand meaning is negotiated in social settings.

Following this notion, the management of brand identity and the deriving of brand benefits and promises in relation to diverse groups of stakeholders take on new configurations as the processes of negotiating and the social construction of brand identity are what brand management is all about (McC racken, 1993; Sherry, 2005).

Branding and brand management are no longer questions of transmitting values, but have evolved into a process of value creation, shifting from a short-term sales- and marketing-based discipline to a strategic resource in developing and negotiating corporate and individual identities and stakeholder relations (Balmer and Greyser, 2002; Hatch and Schultz, 2003).

**HRM as value-creation**

Over the last 25 years, it has become widely accepted that one of the most crucial factors of strategic, competitiveness-inducing variables is the management of Human Resources (Wright and McMahan, 1992). The interest in HRM stems from the understanding of employees as unique sources for generating a sustainable competitive advantage—termed the resource-based view—thereby making people strategically important to an organization’s success (Hoskisson et al., 1999). Within the resource-based view, overall strategic goals are met by means of employee selection, assessment, evaluation, retention, rewards, and development (Fombrun et al., 1984). HRM often equates with ‘utilitarian instrumentalism’ (Legge, 1995) as the purpose of HRM is to ensure a fit between the management of an organization's employees and the overall strategic direction of the company.

As an alternative to this understanding of HRM, Iles (2001) proposes that HRM serves as a set of guiding assumptions, techniques, data, frames, models, and assessments that make sense and give direction to the restructuring of organizations and management. With this definition, Iles accentuates HRM as a subjective, emergent and social process of sense making, implying that reality—including HRM—is socially constructed (Weick, 1995). This theory focuses less on differences, measurements, predictions, and performance, which are characteristic of the traditional, objective, and more static understanding of HRM (Holt Larsen, 2005). The theoretical point of departure can be described as developmental humanism (Legge, 1995), in which the
individual is assimilated into a work process appreciating trust, commitment, and communication (Beardwell and Holden, 2001).

Applying this social constructivist perspective to HRM opens up new and interesting perspectives for research and managerial actions, because it focuses more on social-psychological aspects such as relationships, attitudes, interactions, negotiations, identities, and self-images. Following this notion, the social construction and management of employee/employer identities become pivotal to HRM, based on mutual trust, commitment, and matching of expectations in relation to diverse groups of stakeholders.

**CSR as value-creation**

The notions of economic, legal, and ethical responsibilities are central concepts in CSR research, introduced and developed by Carroll (1991, 1994, 1999) and Schwartz and Carroll (2003), and translated into concepts such as people, planet, and profit (Elkington, 1997). This implies that CSR is a static construct consisting of three dimensions which, when managed effectively, will automatically lead to corporate sustainability (van Marrewijk, 2003) and to benefits such as organizational development, market and societal positioning, and risk management (Paine 2003).

However, in the light of recent theories and studies of stakeholder dialogue (Burchell and Cook, 2008; O’Riordan and Fairbrass, 2008) and sense making processes (Nijhof and Jeurissen, 2006; Basu and Palazzo, 2008; Schultz and Wehmeier, 2010), a new direction in CSR research has emerged that focuses on how CSR is socially constructed in a specific context (Nijhof and Jeurissen, 2006). From an employer-employee-CSR relational perspective, Bhattacharya, Sen and Korschun (2008: p. 37) argue that “CSR initiatives reveal the values of a company and thus can be part of the ‘employee value proposition’. A key task for managers, then, is to incorporate CSR into job-products that are tailored to the often diverse needs of employees”. In line with this, managers need to grasp that “the specificity with which a company supports or engages in a social initiative makes a big difference to how it is perceived by employees” (Bhattacharya, Sen and Korschun, 2008: p. 38). Following this argumentation, we adopt a contextual and dynamic approach to CSR, thus distancing ourselves from understanding CSR as a static construct (see also Berkley and Watson, 2009).

Applying a more dynamic perspective to CSR offers alternative perspectives for research and managerial action. It is, for example, characteristic of this perspective that the successful implementation of CSR requires not only the adoption of alternative strategic approaches but also intensive communication and the establishment of new and culturally sensitive relationships.

In line with brand management and HRM, CSR management is no longer a question of transmitting CSR values but a question of negotiating the mutual responsibilities of the corporation and its stakeholders. This ensures that the corporation continuously meets and responds to stakeholder needs and expectations, not only financially, but also in relation to its role in society as a corporate citizen.

**Re-conceptualizing Employer Branding**

Our outline above demonstrates that new theoretical streams within brand management, HRM, and CSR management emphasize processes more than predefined outcomes, resonating a shift from a functionalist reasoning towards a new paradigmatic understanding within a social constructivist tradition (Berger and Luckmann, 1967), thus paving the way for re-conceptualizing
employer branding as a question of co-constructing and negotiating values between management and employees/potential employees. On this basis, we re-conceptualize employer branding as:

a strategic management discipline and activity which creates, negotiates and enacts sustainable relationships between an organization and its potential and existing employees, under the influence of the varying corporate contexts with the purpose of co-creating sustainable values for the individual, the organization, and society as a whole.

The notion of sustainable employer branding processes is conditional on the organization being able to facilitate such processes, to accommodate stakeholder dialogue across organizational functions and on the organization acting its social responsibility at all levels and in relation to all stakeholders. In other words, in order to manage and initiate employer branding processes, certain organizational requirements must be met. The notion of sustainable organizations is of paramount importance.

As mentioned, CSR has been described as a concept leading to corporate sustainability (van Marrewijk, 2003), derived from the concept of sustainability that grounds the development debate in a global framework, within which a continuous satisfaction of human needs constitutes the ultimate goal (Brundtland, 1987). Transposing the idea to a business level, Dyllick and Hockerts (2002) define corporate sustainability as “meeting the needs of a firm’s direct and indirect stakeholders (such as shareholders, employees, clients, pressure groups, communities etc.), without compromising its ability to meet the needs of future stakeholders as well.” This definition contributes to our understanding of what sustainable employer branding is. Towards this goal, firms have to maintain and grow their economic, social, and environmental capital base while actively contributing to sustainability in the political domain. From this definition, three key elements of corporate sustainability can be identified:

- Integrating economic, ecological, and social aspects in a ‘triple bottom line’
- Integrating short-term and long-term aspects
- Consuming income and not capital—in order to achieve long-term sustainability, businesses will have to manage not only economic capital, but also their natural and social capital.

Sustainable organizations are driven by the creating sustainable relationships with present and future stakeholders. They must be able to navigate between contrasting and even conflicting interests (Neville and Menguc, 2006) that make demands on processes within the organization. Based on the notion of corporate branding and its triadic integration of management vision, organizational culture, and stakeholder image (Hatch and Schultz, 2003), the employer brand processes are ensured to be an integrated part of the entire organization. The corporate brand breaks down the traditional silo thinking and integrates organizational functions such as HRM, Research and Development, and marketing by initiating processes across these units (Hatch and Schultz, 2001, 2003). Though employer branding specifically concentrates on employer-employee relationships and thus draws primarily on HRM processes and tools, the rooting in the corporate brand (and the overall sustainable corporate strategy) ensure a constant attentiveness towards all organizational units, their primary stakeholders, and the issues and agendas addressed.
Employer Branding Premises and Processes

Figure 1 illustrates how the integration of CSR (and the notion of sustainable organization), corporate branding, and HRM constitute the concept of employer branding.

Sustainable employer branding processes can take place only in sustainably managed organizations, which is why CSR is placed at the centre of the model, ensuring corporate sustainability in all strategic elements such as vision, mission, and strategic goals. CSR is an integrated part of the overall corporate strategy, and plays a central and permeating role in all corporate activities. The corporate brand is represented by the second circle from the centre. As a management function, employer branding links the corporate brand to the overall sustainable vision, mission, and strategic goals. This translates the values and expectations of stakeholders.
into corporate aspirations and purposes, which, from a corporate brand perspective, becomes a set of corporate brand values (Hatch and Schultz, 2003), continuously negotiated and re-negotiated in stakeholder dialogues. The corporate values serve as a corporate platform for sustainable employer-employee relationships, which, thus, continuously echo and resonate with the sustainable corporate strategy.

The corporate brand is present in a wide range of sub- or stakeholder brands that all have the same core qualities, but subtly differ in terms of scope, depending on the specific group of stakeholders involved with the organization. For example, when the Department of Investor Relations enters into dialogue with potential and current investors, the actors mutually negotiate and agree on certain brand values—in the model termed “the investor brand”. Similarly, when the Marketing department interacts with consumers, the actors mutually negotiate a common understanding of the consumer brand, and accentuate certain brand values relevant for a specific group of stakeholders. This also applies to the dialogue between the HRM department and potential, or current, employee stakeholders as they create the employer brand based on current needs and expectations. Common to all the various sub-brands is the anchoring to the corporate brand, which is strategically founded in the overall corporate vision and mission. Following this notion, the employer brand does not conflict with, or contradict, the corporate brand. On the contrary, the employer brand is an integrated part of the corporate brand: however, focusing on the specific challenges linked to the employer-employee relationship and the processes of negotiation, which is managed from a strategic HRM perspective, as illustrated in Figure 2.

![FIGURE 2. The sustainable employer brand](image-url)
Isolating the employer brand from the other sub-brands, HRM offers a range of organizational behaviour processes, such as the creation of the psychological contract and organizational identity (Edwards, 2010). This contributes to management and employees’ mutual creation of the employer brand and creates a connection between the employee and corporate brand. Understanding HRM as an emergent, communicative, and social process of sense-making, the discipline addresses and includes the employee stakeholders in the mutual interpretation of the organization as a unique and particular employment experience: the employer invites the employees to take part in the corporate branding process (Edwards, 2010).

Strategic, Sustainable Employer-Employee Relationships

Strategic, sustainable employer branding processes feature three distinctive characteristics:

- They anchor and support overall corporate strategy, thus being a strategic management function;
- They integrate three types of capital: economic, natural, and social, thus relying on corporate sustainability; and
- They co-create sustainable employer-employee relationships orienting towards a continuous reflection on mutual needs, as well as current and future expectations.

As illustrated, employer brand management blends the processes of initiating, managing, and negotiating strategic sustainable employer-employee relationships. The concept of the psychological contract can add to our relational understanding of employer branding (Martin and Hetrick, 2006) and the nature of a sustainable employer-employee relationship. The psychological contract forms the basis of an employment offering, which is partly made up of employee perceptions of promises that the organization has made, and whether particular promises are being fulfilled (Miles and Mangold, 2004). Rousseau (1990) makes the distinction between relational and transactional psychological contracts in that the transactional content involves more direct exchange features, while the relational content is based on the provision of subjective perceptions of trust and fairness. Martin and Hetrick (2006) add a third type of psychological contract involving ideological currency. Derived from Thompson and Bunderson (2003) arguments, ideological currency involves “credible commitments to pursue a valued cause or principle” (2003: p. 574). Such organizational acting for an ideological purpose in accordance with a particular set of values and principles can be considered an important aspect of what some employers would be expected to provide for employees.

This is particularly useful in the context of employer branding, as employees may wish to work for a distinctive company that has particular values or principles, if they share these principles (Edwards, 2010). This emphasizes the importance of strategically founded corporate sustainability, as proposed in our redefined notion of employer branding (Figure 2). Following this line, a study carried out by Turban and Greening (1996) found that, when organizations were rated higher on a full range of socially responsible features (community and employee relations, environmental policies, product quality, and treatment of minority groups), they tended to be seen as a more attractive potential employer (see also Albinger and Freeman, 2000; Sen, Bhattacharya and Korschun, 2006).

Currently, there is a discussion within the academic literature about whether the employment brand contributes to the formation of the psychological contract (Backhaus and Tikoo, 2004) or whether the psychological contract forms the basis of an organization’s
employment offering or employer brand (Miles and Mangold, 2005). To complicate matters further, a distinction is necessary between what the employer brand might mean to potential compared with what it means to current employees. Edwards (2010) argues that current employees will have an experience of promises made and delivered, while potential employees will see only the promises made in the employment offering, communicated as part of the employer branding activity (2010: p.15). The type or content of relationship differs depending on which group of stakeholders—potential or current employees—the company wants to enter into a relationship with. However, the relationship, and the employer brand, also depend on the organizational environment, particularly those that call for recruitment, retention, and dismissal, which we will discuss below.

**Contextual Challenges and Strategic Employer Branding Questions**

The employer brand is influenced by the varying current societal contexts facing organizations. Contexts such as societal prosperity, stability, and recession underlie how the employer brand is created, enacted, and negotiated under the influence of societal changes. Or, the varying contexts influence stakeholder goals, needs, and expectations and the nature of the psychological contract and the employer-employee relationship. Organizations must continuously address these contextual challenges and associated questions, and reflect on the strategic employer brand management across differing strategic contexts:

- Does the organization brand itself as employer with one voice at all times or does the voice change depending on differing strategic contexts?
- How prevalent is the employer brand in terms of its dimensions of consistency, continuity, and coherence?
- Do the employer brand values challenge the corporate brand, and does this create identity/identification crisis for the organization and its stakeholders?
- Does it make sense to continuously accentuate the same employer brand values at all times?

What might seem important in times of prosperity, for example high wages, may seem less relevant in times of crisis. In a strategic context characterized by prosperity, low unemployment, increased competition in attracting employees, and the occurrence of new strategic opportunities, one of the persistent goals of an employer brand is to retain highly qualified employees. Relevant questions for an organization to consider in such a context might be:

- Should the organization choose between, or comply with, individual and societal needs such as competency development, higher wages, and job security, and how are these interpreted as value-creating benefits in times of prosperity?
- How can these needs support the employer, and do they correspond to, or compete with, other stakeholder interests?
- Does this prioritization strategy make sense in times of prosperity, or would a more encompassing strategy incorporate the communication of a trustworthy, sustainable, and more multi-faceted employer brand, negotiated at individual, organizational, and societal levels, as value creations are dispersed towards all relevant stakeholders?
In times of crisis, an organization (and stakeholders) may reinterpret its own role in society. From an employer branding perspective, organizations must reflect upon new challenges and questions, such as:

- Should the organization prioritize economic growth, or emphasize the corporate ethical responsibility, giving priority to the emotional relationship to the individual?
- How can such a prioritization support the employer brand—and is the prioritization expected or negotiated with stakeholders?
- Does this prioritization strategy make sense in times of crisis, or would a more dynamic strategy involve a continuous dialogue with stakeholders?
- Does the employee experience a shift in the psychological contract due to harder times, and, if so, how does such a shift impact the employer brand?

The above-mentioned aspects of strategic employer brand management in varying organizational contexts accentuate the importance of inviting stakeholders to negotiate and co-construct the brand, and prioritize the processes of value creation as proposed in our redefined notion of employer branding. With the shift from a product-oriented perspective to a process-oriented perspective, elements such as dialogue, trust, and transparency are crucial to ensure strategic, sustainable relationships between employers, employees, and potential employees, and ensure constructive employer branding processes, regardless of the organizational context.

Conclusion

Now that the attractiveness, future profitability, and ‘licence to operate’ of modern organizations increasingly depend on their willingness and ability to recognize employees and potential employees as important stakeholders, it is important to re-conceptualize the understanding of employer branding away from the traditional functionalist perspective towards a more social constructivist one. Still, many challenges remain. We have offered a re-conceptualization of the employer brand concept as a holistic process, including the theoretical fields of branding, Human Resource Management, and Corporate Social Responsibility. On this basis, we have introduced a new definition of employer branding and the related premises and processes: stakeholder dialogue and sense-making processes resulting in the formulation of three distinct features of the employer brand as illustrated below in Figure 3.
Applying this new stakeholder-oriented definition to various organizational contexts opens new perspectives for employer branding. Successful employer branding not only requires the application of specific techniques or benefits, but also co-creation, negotiation, and enactment of new sustainable relationships between the organization and its potential and current employees. This relationship is under the influence of varying corporate contexts, for example, prosperity and crisis. In order to create sustainable values for the individual, the organization, and society, organizations need to continuously negotiate the employer brand with employees and potential employees. Organizations must reflect upon a series of strategic questions related to their role in society, the corporate context, and their relation to the individual employee, as well as how the employer brand is anchored to the overall corporate brand strategy. These questions pave the way for future research within the field of employer branding.

References

Employer Branding as Sustainable Relationship Building and Value Creation: Combining Branding, Human Resources Management and Corporate Social Responsibility Perspectives


Employer Branding as Sustainable Relationship Building and Value Creation: Combining Branding, Human Resources Management and Corporate Social Resonsibility Perspectives

Mapping and Leveraging Influencers in Social Media
To Shape Corporate Brand Perceptions

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The emerging new influencer community is wielding significant power over the perceptions of brands and companies, largely driven by the rapid expansion of social media channels through which influencers communicate. The “nobody’s” of the past are now the new “somebodies” demanding the attention of communication professionals who seek continuous engagement with targeted consumers throughout the various channels of the social Web. This paper reviews a customizable valuation algorithm created to identify the “new somebodies” which are the influencers creating a revitalized level of brand awareness for companies. The index valuation algorithm measures a cross-section of variables that numerically rate influencers in the social media conversation about a particular company, product or service. The index also identifies the “conversation points” that should guide engagement with each individual influencer, determining aspects such as subject, and tone, and identifies who these influencers are. This information helps us understand how these “somebodies” influence traditional target audiences, and help communications professionals establish strategies to reach these new influencers. Integrating the influencer index data into a holistic social media strategy provides a comprehensive social media approach for optimizing brand equity.

The Brand Will Be Socialized

Global enterprises are struggling today to understand how social media impacts their brand. Corporate management is witnessing a new level of activism from an influential constituency rarely heard from in the past --ordinary consumers. Many of these new consumer influencers are gaining a large share of voice in the market thanks to the power of the Internet, and to technologies that bring together people who share common interests. Consumers are impacting brand equity as never before. This unnerves corporate marketing management with responsibility for brand management. How can corporate marketing control the reputation of their brand in an environment which is increasingly out of their control?

Companies feel pressure to control the brand conversation. They may not currently have a voice in the social media space and feel an acute need to immediately jump in the conversation flow to simply catch up. However, establishing a presence on Twitter or Facebook without the due diligence required to make the effort worthwhile will produce few worthwhile results. Establishing a presence on these sites for the sake of maintaining control over the brand discussion provides the illusion of taking action and taking action often feels like taking control.

The truth is that corporate marketing never had control of the brand. The ownership of the brand and its reputation has always belonged to the consumer. Some companies outsource the solution to this problem to a digital marketing agency which will deliver services which focus on the technical development of Internet-based marketing products. These services can include Web
design, e-mail marketing or microsite software development. Additional services may include viral marketing campaigns, banner advertising, search engine optimization, podcasting or widget development. Digital marketing agencies tend to emphasize Web-based tool development as a means to an end – focusing on everything except the most important social media element: the quality of the relationship between the firm and the consumer.

Public relations professionals know that the key to influencing a brand's perception in the social media space is to concentrate on mastering relationships -- not the technologies. Consumer consumption of the various elements of the social Web in recent years has become a driving force in the way public relations practitioners are developing and maintaining corporate brands and images. Interestingly enough, not long ago fellow practitioners were “once considered ‘laggards’ in regards to (the) adoption of communication technology” (Eyrich, Padman and Sweetser, 2008, pp.412-141). As millions of Americans began to turn to the Internet for information and content, a fundamental shift was occurring among public relations practitioners who started to integrate social media into corporate communications plans to reach their audiences.

In 2006, Forrester Research released a report which highlighted “the connections brought about by cheap devices, modular content, and shared computing resources and discussed the profound impact of these forces on our global economy and social structure.” The report points to the collision of three elements: people, technology and economics, which have combined to create a paradigm of social computing that has moved brand ownership from the corporation to the consumer. (Bernoff, 2008, pp.134-136)

“Individuals increasingly take cues from one another rather than from institutional sources like corporations, media outlets, religions, and political bodies. To thrive in an era of Social Computing, companies must abandon top-down management and communication tactics, weave communities into their products and services, use employees and partners as marketers, and become part of a living fabric of brand loyalists” (Chris Charron, Jaap Favier, Charlene Li, 2006, pp. 2584-87).

As noted by respected social media thought leader Brian Solis in “The Social Media Manifesto,” social media is the biggest evolution to date in the history of public relations. The Internet has become a mainstream medium that is “even more significant than the introduction of radio, television and motion pictures. With the injection of social media tools into the mix, people now have the ability to impact and influence the decision of their peers and also other newsmakers”(Solis, 2007). As a viable marketing channel, the Internet has allowed the democratization of knowledge giving companies, public or private; brands, small or big; and people local or celebrity, an equal footing to share information. Because of this, anyone and everyone is a content producer and can potentially wield significant influential power. “Social media encompasses all the online technologies that people collaborate on, including their opinions and experiences as well as sharing different perspectives” (Breakenridge, 2008, p.71).

This shift has created a new landscape where public relations professionals have moved towards a mixed-motive two-way symmetrical model of communication. A hybrid of one of the four models of public relations developed by theorist James Grunig and Todd Hunter in their 1984 book, “Managing Public Relations,” the mixed-motive model of communication attempts to “satisfy the interests of organizations while simultaneously trying to help a public satisfy its interests” (Grunig, Grunig and Dozier, 1984, p.309). In other words, there is a give and take – sharing – in the flow of communication.

Today millions of users share content such as updates, videos, and photos with their online social community. “In 2009, the U.S. Internet population will grow to nearly 200 million users or 65 percent of the total population” (Phillips). Almost all demographics across the board are showing an increase in growth. One such segment is the meteoric growth of women who...
participate in social media. According to the 2009 Women and Social Media Study (Wright and Camahort Page, 2009) “42 million U.S. women online weekly participate in some form of media activity (e.g., social networks, blogging, reading blogs, posting to blogs, message boards and forums and status update).”

Social media as we know it today – from blogs, micro-blogs, to wikis, product reviews and social networking sites – is not a new concept. Weblogs or “blogs” have been around since the 1990s and more than a decade ago, “the first recognizable social networking site was launched (Boyd and Ellison, 2007)” in 1997. The site, SixDegrees.com, was the precursor to social network behemoths like Facebook.com with a similar concept that allowed users to connect and share information with their friends. The site allowed users to develop their own digital communities and networks through a profile page where users can search for friends and share information. Although the site failed along with the dot-com bust in the early 2000s, the idea that people and companies can “push” content and information is as strong as ever.

Another example is the phenomenon of mommy bloggers as brand advocates. The platform in which they communicate is different, yet the concept of “word of mouth” marketing has existed for decades. “Data shows that content spread from consumer to consumer through word-of-mouth are far more powerful at driving brand preference and purchase intent than content distributed by the brand itself. This has profound implications in social media. To illustrate, if a brand puts content on its Facebook fan page, it is far less likely to go viral than if an influential consumer puts that very same piece of content on his or her page or posts it to a relevant community of enthusiasts” (Hall, 2010).

Brand Ownership

The rate in which Americans are using the Internet for social media purposes continues to increase year-over-year. Most notably, social networking and (micro-) blogging sites and video have increased with “4 out of 5 Internet users visit a social network site on a monthly basis with Facebook and Twitter propelling much growth in the industry and six out of seven U.S. Internet users now view online video content in a month” (Radwanick, 2009). With this increase, brand ownership is increasingly being shared among consumers and the brands themselves. Through social networks, blogs and videos, consumers are entrenched in the dissemination of information. Long gone are the days when media would communicate a brand’s message to consumers. Consumers are now the individuals broadcasting personal or second-hand stories to their social networks and the world – they are a brand’s storytellers – the new brand ambassadors.

These storytellers must be leveraged and cultivated as part of a firm's social media strategy. Recognizing who your storytellers are and engaging them in your brand’s discussion can shape, or in some cases, protect a brand’s reputation. Companies must “listen” and monitor what is being said throughout the many channels of the social Web. Whether the conversations generated are positive or negative, having a firm understanding of their content and the fact that they are even occurring can turn an unhappy consumer into a brand advocate. Companies must first listen and then act to have an active hand in owning their brand’s story.

A good example of what happens when companies fail to listen to consumers or act on grievances is the case of the “Motrin Moms.” The ads, launched in magazines and online on September 2008 centered on new moms who carry their babies in slings (and who might need Motrin). They likened the sling to a fashion accessory and said that while toting the baby can be tough, it “totally makes me look like an official mom.”

“Women saw the ads as sarcastic pokes at motherhood, and the backlash quickly hit a boiling point. Within five hours of the first ad debuting, social media micro-blogging site Twitter
was being deluged with “tweets” and organized moms created a hashtag that registered the reaction to the ads. The following day, the outraged moms uploaded videos on YouTube to express their anger, and shared hundreds of posts by mommy bloggers across the country.

It was only on the third day since the ad appeared that any action was taken by the company. The online ad was removed and an official apology was released to the public, but not without the countless negative comments and social media content that was uploaded. Had the company listened and engaged consumers in understanding their grievances, the initial and ongoing backlash could have been avoided” (Pettrecca, 2010).

Given the veracity of the potential consequences of social media backlash, the idea of control is a huge barrier in the adoption of social media among companies. Juxtapose to consumer consumption of social media, the adoption rates by companies have been slow, because like a “bad habit, the urge to control has confounded many of their best efforts. The problem is that marketers cannot control interactive communication, for the simple reason that interactive communication is not a monologue, but a dialogue” (Peppers and Rogers, 2010). But the changing political climate in corporate marketing management seems to be shifting toward adoption, where research points to a higher rate of penetration among companies. “In early 2007, the results of a groundbreaking study into the adoption of social media within the Inc. 500, an elite group of the fastest-growing companies within the United States, were released. Not only is this widespread adoption being driven by strong familiarity but also from the recognized critical role of social media to a company’s future success in today’s online world. When queried about the importance of social media, 26 percent of respondents in 2007 felt that social media is “very important” to their business and marketing strategy. That figure rose to 44 percent in approximately one year” (Mattson and Ganim Barnes, 2008, p1).

This is a clear indication that businesses understand the value of social media, yet issues such as controlling the message or the lack of knowledge in managing online reputation is a barrier. Companies must change the way they think and approach social media. Even if they decide not to participate, chances are there will be someone engaging audiences and shaping brand perception in the social media universe for them. For better or worse, content is shared instantaneously, so why not share ownership by being part of the conversation?

The Importance of Identifying Activist Influencers

Before any engagement begins in social media such as blogger outreach, practitioners must develop a strategy and align it with communications objectives. “The goal is to stimulate an engaging conversation that allows us to change perception, diagnose expectations and bring clarity to the dialogue. That’s the essence of developing a brand strategy – the foundation of your communication that builds authentic relationships between you and your audience. It is by defining your brand strategy that allows you to utilize marketing, advertising, public relations and social media to consistently and accurately reinforce your character. Without defining the core strategy, all channels of communication can often become a hit and miss expense.” (Tsai, 2009).

A critical element of success in any social media initiative is the strategy that drives the larger plan. Social media is about enabling conversations among your audience or market. Most companies already are deeply engaged in communications. Social media is all about building relationships and enabling conversations within the marketplace. As we know, control is an illusion. Companies cannot control the conversations with social media, but they can influence them.
A Customizable Social Media Valuation Algorithm

With more than 100 million blogs in the United States alone, identifying bloggers can be a daunting task for practitioners. In an effort to streamline the analysis and identification process of influencers, a valuation algorithm was created to help practitioners create a list of key relevant bloggers. The fundamentals in the development of corporate communications campaigns and plans remain the same in social media as they do in public relations. “The process in social media actually begins with management decision processes and not with communication programs. When public relations participates in or has access to decision-making, its contribution is to identify consequences, stakeholders, publics, and issues that result from decisions or require management attention in decision-making. The public relations process then ends with communication programmes, rather than beginning with them as is so often the case when practitioners use new media to implement old programs” (J. E. Grunig, 2009 p.19). After the initial decision-making process, practitioners must then define communications objectives to begin mapping out influencers in which to engage in a digital conversation.

“Influentials generally do have many direct "friends" and "followers," but what makes them truly valuable is the number and relevance of their extended or indirect connections” (Hall, 2010). The valuation algorithm or influencer index seeks to measure these connections to determine blogger influence. The influencer index identifies key influencers; helps brand managers understand how they influence other more traditional target audiences; and aids in establishing new strategies to reach these key influencers. The model evaluates a cross-section of variables, and illustrates a methodology for engaging these influencers in order to support brand affecting communications objectives.

The variables are measured both quantitatively and qualitatively to determine a numeric rank of the blogger’s influence. Additionally, the index identifies “conversation points” that guide engagement with each individual blogger, determining aspects such as subject, and tone. Additionally, the index also identifies conversation points that are intended to guide engagement with each influencer, determining aspects such as subject and tone of conversation. Below is a list of each variable and its definition, as illustrated in the graph below:

- **viewers per month (vpm)** – the number of visits to the blog per month
- **linkages** – the popularity of blog post links inbound and outbound
- **post frequency** – volume of posts per given time
- **media citation score** – volume and level of media that cites blogger
- **industry score** – number of industry guru points based on industry events such as key notes, bylines and panel participation
- **social aggregator rate** – level of participation in the social Web (e.g., Twitter, Other bloggers/blog communities, LinkedIn, etc)
- **engagement index** – reader response and the quantity of comments
- **subject/topic related posts** – volume and velocity of subject/topic related posts
- **qualitative subject/topic related posts** – qualitative review of subject/topic related posts
- **index score** – identification and rank of influencer in the social Web based on above variables

The algorithm ranks bloggers based on an average weighted score called the “index score.” The development of the influencer index measures not only quantitatively but also
Mapping and Leveraging Influencers in Social Media to Shape Corporate Perceptions

To compute the index score, a rating system has been created to assign a value to each variable. The rating score measures on a scale of 1-5 defined as “poor, fair, good, very good and excellent.” Each variable is given a specific scale to measure and rate. The values in the rating system are based on segmenting the differences between an “excellent” influencer to a “poor” influencer. In addition, variable research uses social media monitoring services, manual identification and blogger authority vendors.

Shown on the following page is the influencer index that provides a graphical illustration of the customizable valuation algorithm.

<table>
<thead>
<tr>
<th>METHOD</th>
<th>LOGGER</th>
<th>VIEWERS PER MONTH</th>
<th>LINKAGES</th>
<th>POST FREQUENCY</th>
<th>MEDIA CITATION SCORE</th>
<th>INDUSTRY SCORE</th>
<th>SOCIAL AGGREGATOR RATES</th>
<th>ENGAGEMENT INDEX</th>
<th>SUBJECT/TOPI C RELATED POSTS</th>
<th>QUALITATIVE SUBJECT/ TOPIC RELATED POSTS</th>
<th>INDEX SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;500 = 1</td>
<td>501 - 1,000 = 2</td>
<td>2 - 5 per month = 2</td>
<td>3 - 5 = 2</td>
<td>Microblogs and Social networks</td>
<td>4 - 10 = 2</td>
<td>4 - 8 = 2</td>
<td>Negative = 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;100 = 1</td>
<td>101 - 500 = 2</td>
<td>6 - 10 per month = 3</td>
<td>6 - 10 = 3</td>
<td>Feed aggregator</td>
<td>11 - 15 = 3</td>
<td>9 - 12 = 3</td>
<td>Neutral = 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once a month = 1</td>
<td>2 - 5 per month = 2</td>
<td>3 - 5 = 2</td>
<td>Microblogs and Social networks</td>
<td>4 - 10 = 2</td>
<td>4 - 8 = 2</td>
<td>Negative = 2</td>
<td></td>
<td></td>
<td></td>
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<td>&lt;3 = 1</td>
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<table>
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<th>METHOD</th>
<th>VIEWERS PER MONTH</th>
<th>LINKAGES</th>
<th>POST FREQUENCY</th>
<th>MEDIA CITATION SCORE</th>
<th>INDUSTRY SCORE</th>
<th>SOCIAL AGGREGATOR RATES</th>
<th>ENGAGEMENT INDEX</th>
<th>SUBJECT/TOPI C RELATED POSTS</th>
<th>QUALITATIVE SUBJECT/ TOPIC RELATED POSTS</th>
<th>INDEX SCORE</th>
</tr>
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<tbody>
<tr>
<td>Excellent</td>
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<td></td>
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Ratings

<table>
<thead>
<tr>
<th>Weights Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>VPM</td>
</tr>
<tr>
<td>Linkages</td>
</tr>
<tr>
<td>Post Frequency Rate</td>
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<tr>
<td>Media Citation Rate</td>
</tr>
<tr>
<td>Industry Score</td>
</tr>
<tr>
<td>Social Aggregator Rate</td>
</tr>
<tr>
<td>Relevant Topic Post Rate</td>
</tr>
<tr>
<td>Conversation Index</td>
</tr>
<tr>
<td>Quantitative</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
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</table>
Because the algorithm is customizable, practitioners seeking to uncover a desired variable can add or delete from the influencer index to fit their needs.

**The Influencer Index – An Example**

To put the influencer index to use, we have provided an example of how it works to showcase its value in identifying and analyzing bloggers as influencers. Pretend we are a client seeking to engage influencers who are active in social media that has covered the computer software industry. I’d like to reach out to him or her to support an upcoming product launch. My objective is to engage influencers in computer software with reach in specific arms of the social Web.

<table>
<thead>
<tr>
<th>Blogger</th>
<th>VPM</th>
<th>Linkages</th>
<th>Post Frequency</th>
<th>Media Citation Rate</th>
<th>Industry Score</th>
<th>Social Aggregator Rate</th>
<th>Engagement Index</th>
<th>Computer Software Related Post Rate</th>
<th>Qualitative related Posts</th>
<th>Index Score</th>
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<tbody>
<tr>
<td>Scobleizer</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>4.60</td>
</tr>
<tr>
<td>Rough Type</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>3.70</td>
</tr>
<tr>
<td>Boy Genius Report</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>2.80</td>
</tr>
<tr>
<td>Adam OK</td>
<td>0</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>1.45</td>
</tr>
</tbody>
</table>

After review the results, the influencer index has suggested that Scobleizer is an influencer in this space. Not only is he an influencer, the index provides the level of influence Scobleizer has achieved within the social media universe. His index score achieved a score of 4.6 out of 5, classifying him as a highly-regarded and influential blogger. Once practitioners begin to use this analytical approach to identifying social media influencers, they can begin executing their social media campaigns.

**Tiered Index Results**

As you begin to identify high-value bloggers it becomes possible to categorize them into specific tiers.

Tier A blogs have a large readership and tend to be more news-oriented with their writing. They are often less social than Tier B and C blogs and do not provide the advantages a specifically targeted reach. Frequently, Tier A blogs have a team of contributors, accept advertisements, treat their topics in a broad context and provide the opportunity for expanded content. Many on-line news outlets fit this description.

Tier B blogs draw fewer readers than Tier A blogs, but end to be more focused on a particular topic, providing insight and information occasionally found nowhere else. These writers are considered to be passionate authorities on a subject by their readers. Tier B blogs are often on the verge of massive recognition, often searching for ways to monetize their popularity.
Tier C blogs often draw the smallest amount of traffic, but can be the most influential outlets due to their extremely targeted subject matter. Authors of Tier C blogs are the grassroots enthusiast searching for the story, topic, link or scoop to propel them out of obscurity into the public eye and because of that desire, they write as passionate experts – not as objective, or trained journalists. Frequently, Tier C outlets provide frank, candid, detailed product reviews, and serve as springboards for op-eds and forums for thoughtful discussion.

**Integrating Results into a Social Media Strategy**

Each brand campaign requires a specific strategy to find, analyze and engage with appropriate blogs and bloggers. A well-developed strategy can help ensure effective results. We use a consumer-to-consumer process (C2C) as step-by-step strategy to optimize blogger outreach:

1. **Set Objectives and Strategies**
   - Establish measurable goals that relate clearly to the initiative
   - Pinpoint target audience leveraging the influencer index results: professional bloggers, emerging bloggers, general interest bloggers, academics, developers, consultants, media and analysts
   - Define parameters of the activity
   - Determine strategic approach including reviews, contests, giveaways, causal, informational, sneak peek, invitations to key events

2. **Search & Analyze**
   - Keyword searches
     - Brand, product, services, competitors, industry experts
     - Search engines (Blog search, Google.com, Technorati.com, Alltop.com)
     - Existing blog list (blog rolls and network affiliations)
   - Analyze
     - Subjectively: 45-to-1 rule – devote a minimum 45 minutes to reading every blog to determine relevance. Review “about me, section, postings, comments, tone
     - Three key questions: Who is talking? What are they saying? Do we fit in the conversation?
     - Objectively: Viewers per month, index authority rating

3. **Engage and Socialize**
   - Engagement
     - Clearly identify intent
     - Topic before client
     - Explain relevance
     - Ask, don’t tell
     - Say “thank you”
   - Socialize
     - Comment on relevant postings
     - Follow on Twitter and social aggregators
     - Connect on social networking sites
4. **Report and Refine**
   - Agree on format and/or service
   - Link to objectives
   - Refine strategies

**Conclusion**

In the world of social media, practitioners are transforming the way to communicate with their target audiences. While the fundamentals of public relations are essentially the same as social media relations, the addition of this new marketing channel allows practitioners to engage with influencers one-on-one. Practitioners must listen and act strategically and almost act immediately to continue consumer conversations about their brands. With the immense growth of bloggers and their increasing power as influencers for media and consumers alike, analyzing and evaluating the most influential will be a vital part to any social media campaign.

The creation of a customizable valuation algorithm or influencer index is helping practitioners analyze and evaluate the varying degree of influencer on a particular topic or subject. The dissection of a cross-section of variables provides a qualitative and quantitative review of each blogger being analyzed. The influencer index produces an influence score to help practitioners better identify the various influencers.

Identifying the tier of the influencers and how these influencers integrate with a brand’s social media strategy will ensure a social media engagement that produces measurable results that positively contribute to brand equity.

**Bibliography**


Mapping and Leveraging Influencers in Social Media to Shape Corporate Perceptions

Petrobras’ Study of Publics:
A Step Towards Achieving the Company’s Strategic Vision for 2020

Eraldo Carneiro, Marcos André Costa and Mário Mendes Neto
Petrobras, Brazil
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A challenging study of publics was conducted by the Corporate Communications Department of Petrobras, a Brazilian integrated energy company, one of the 10 largest in its sector worldwide. Petrobras’ strategic vision for 2020 includes the goal of becoming the preferred company among its publics of interest. To achieve this, Petrobras had to conceptualise the role of each group, considering its relationships – established or potential – with the company. The aim was to discover a unique approach to the concepts of publics and their categories, previously used by the company. It involved the analysis of theories related to stakeholders and publics; and data gathering from company representatives in workshops. During the process, the needs and issues of each public were identified; and areas of overlap were recognized, thus providing useful detail for future communication planning. This study, requested by the Executive Board, represents an important contribution to Petrobras’ Strategic Planning.

In a world scenario where multiplicity and the instantaneousness of interactions prevail, social and economic relations have reached unprecedented levels of interconnection. In this context, organizations have become increasingly aware of the strategic relevance of relationships. In view of this, the identification of individuals and groups with whom companies and institutions may interact are regarded as essential to the success and even the very existence of these organizations.

This perspective may be observed in the challenge faced by Petrobras, an energy company of Brazilian origin and one of the largest in its sector. The company’s Strategic Plan for 2020, which aims to place Petrobras among the five largest energy companies in the world and make it the preferred company among its publics of interest, reinforces the importance of relationships for its business strategy. Therefore, the company’s Corporate Communications Department developed a project to conceptualize the company’s publics, taking into account the nature, context and activities of Petrobras. The present paper seeks to describe and analyse the concepts and methodological procedures employed in this initiative. In order to determine the applicability of the ideas and visions adopted, a review was made of some of the main theories about publics, which served as input for the project. It is hoped that the information contained herein may serve as a contribution for academic purposes by providing input for future analyses and as a reference for analogous situations encountered by other organizations.

Publics of Interest – A Review of Some Theories

The theme “publics” has been the subject of study by various authors and schools over the decades, giving rise to different theories and concepts. Gabriel Tarde (1922) affirms that the notion of publics dates back to the development of the press in the 16th and 17th centuries. However, publics started to be analysed in a more formal and structured manner in the early 20th century. According to Paulo Nassar (2008), authors such as John Dewey, Ortega & Gasset, and Tarde conducted studies on the subject of the public, public opinion, the crowd and the masses
Petrobras’ Study of Publics: 
A Step Toward Achieving the Company’s Strategic Vision for 2020

(with the aim of analysing collective phenomena such as strikes and popular movements) at the end of the 19th century and the beginning of the 20th century.

In Mass Communication Research and Public Opinion Research, authors such as Lasswel, Lazarsfeld and Merton proposed empirical research based on surveys in order to study the effects of the mass media upon society. In Nassar’s opinion (2008), this was when communication measurement started to be outlined. However, this approach was based on the concept of mass. The particularities of individuals and groups were not really explored in depth.

The idea of a public as a group that is distinguished by something that its members have in common is described by Tarde, who defines a public as “a dispersed crowd in which the influence of minds [esprits] on one another has become an action at a distance” (Tarde, 1922 apud Andrade, 1968 p.2) and as “purely spiritual collectivity, a dispersion of individuals who are physically separated and whose cohesion is entirely mental” (Tarde, 1922 apud Nassar, 2008).

A psycho-sociological approach

The study of publics made progress in the 1950’s and 1960’s with social psychological and sociological studies. The Brazilian researcher Cândido Teobaldo Andrade (1968) outlines a panorama of the theories in this period and observes that the idea of a widespread “general public” starts to be negated. To Andrade, the concepts of psychology suggest a certain distinction between public and crowd, based on the lack of physical proximity of individuals. Some of the main contributions of this approach refer to the descriptions of characteristics that are common among individuals and thus allow them to be identified as a public. Kimball Young defines the term as “a non-contiguous and transitory mass of individuals with a common or general interest” (Young, 1953 apud Andrade, 1968 p.1). The idea of a “common interest” is also analysed by Irene Carvalho, according to whom “all people who have a permanent interest in common form a sort of dispersed social group, denominated as a public.” (Carvalho, 1960 apud Andrade, 1968 p.2). Arthur Ramos, in his turn, affirms that the public “is composed of a group of individuals who are united by psychological links and whose common function is opinion (...)”. Thus, there are various publics, which is to say various psychological clusters of individuals motivated by the same interests, attitudes and opinions” (Ramos, 1952 apud Andrade, 1968 p.2). The author adds the concept of uniqueness of thoughts and attitudes to the identification of publics, which is a more limited vision when compared to other definitions that do not determine which acts and opinions of the public need to be the same in relation to a given theme.

Sociological studies, in their turn, add other variables to the study of publics, such as: the possibilities of debate or action by the public in relation to diverse issues; their level of clustering and organization; how widespread they are and their duration. To Mannheim, the public is “an integration of many people not based on personal interaction but on reaction to the same stimuli” (MANNHEIM, 1962 apud ANDRADE, 1968, p.2). The author sees the public as something not organised, a sort of intermediate stage between the crowd and the group.

In his turn, Herbert Blumer adopts the existence of an “issue” as a defining feature of the public. For this author, the public is composed of a group of people “(a) who are confronted by an issue, (b) who are divided in their ideas as how to meet the issue, and (c) who engage in discussion over the issue” (BLUMER, 1971 apud FRANÇA, 2004 p.41). This definition does not presuppose the nature of the issue, the convergence of opinions among individuals or the organization of such individuals. Blumer’s concept has a clear affinity with that of Dewey, according to which a public exists when individuals have the same problem, recognize the existence of this problem and organize themselves to do something about it. Blumer’s concept is considered to be more wide-ranging because it does not consider organization of individuals a
precondition of the existence of a public. Also dealing with the idea of issues and problems, Juarez Lopes adds: “there are as many publics as there are problems about which the members of society have divergent points of view.” (Lopes, 1966 apud Andrade, 1968 p. 5). In view of this, Andrade concludes that the size and duration of the public depend upon how wide, complex and relevant the issue that defines it is.

The application of the concept of publics to organizations: studies in public relations

The Theory of Publics gained a new perspective when scholars sought to understand publics in an organizational context. This approach led to the development of several studies in the field of communication, especially in public relations. According to Childs (1967), the essential problem of public relations is to adapt the behaviour of individuals or institutions to the public interest.

The contributions of Grunig & Hunt (1983), the authors of the Situational Theory of Publics, deserve special mention. In their endeavour to understand the connections and influences of organizations in their environment, they analyse the three conditions of Dewey’s concept - sharing, recognition and organization in terms of a problem – and argue that these elements are not always present in all publics. Based on the occurrence of these conditions, the authors classify these groups into four types: non-public, in which there is no common problem; latent public, in which the problem exists but is not recognized; aware public, which recognizes the problem but does not take any action in view of it; and the active public, which organizes itself to deal with the problem. As regards the nature of the common problem, they affirm that this “will usually be the consequence of some pressure that the organization exerts upon the public or that the public exerts upon the organization” (Grunig & Hunt, 1983 apud França, 2003 p. 7). This vision involves certain conditions. By suggesting that the public usually occurs by means of the pressure between two players, it tends not to consider publics motivated by issues of diverse origins, which, even though not generated by the organization, may cause interferences in its objectives. This perspective partially reinforces the idea of the centrality of the organization in relation to the publics, a vision that tends to lose strength when society is analysed as a network. According to Nassar (2008), in this context, communications occur directly between players in society, without necessarily going through a point of centralization or control.

In the 1960’s, Andrade, regarded as a pioneer among Brazilian theorists in public relations, conducted comparative analyses of the concepts of publics. Based on the psychosociological approach, he developed definitions and classifications widely used in Brazil. One of his contributions concerns the so-called geographical perspective of publics, according to which they may be classified as internal, external and hybrid. Nevertheless, when taken on its own, this classification is too limited to cover companies and institutions in a complex communicational environment, where the boundaries of organizations become blurred and the multiple roles of persons and groups are being recognized.

In view of the multiplicity of definitions, Brazilian Fábio França (2003) sought a logical concept of publics that could be applied in general to various organizations and their relationships. He proposed a categorization based on levels of interdependence between organizations and publics. França classified the latter into essential publics (upon which the existence, maintenance and development of the organization’s core activities depend); non-essential publics (those which are not related to the core activity but which provide conditions and support for its realization); or publics of a relationship network (which compose an external scenario and can interfere in organizational performance). However, this criterion on its own cannot determine the strategic relevance of publics satisfactorily. Groups that are not directly
linked to the organization according to this classification (such as the media) may exert a strong influence upon it.

In order to understand the notion of publics in relation to organizations, it is also necessary to analyze the Theory of Stakeholders, as compared with the concept of publics.

**The Theory of Stakeholders and the Theory of Publics – Convergence and Divergence**

The Theory of Stakeholders, described by Robert Freeman (1984), was developed as a management theory, independently of the studies that compose the Theory of Publics. The author proposed the study of members and groups of society that can affect or be affected by organizations. Thenceforth, the concept was widely dealt with in management studies. Various definitions of stakeholders have been developed since then. These definitions usually vary as to the ambit of stakeholders, while always preserving the idea of affecting or being affected by the organization. With the objective of helping companies and institutions to identify which stakeholders demand greater strategic efforts, studies and methods were developed to classify them. The main reference on this theme is the work of Mitchel, Agle & Wood (1997), which proposes the hierarchical classification of stakeholders in terms of their power to influence, their legitimacy and the urgency of their demands.

Despite being considerably more recent than the concept of publics, the term stakeholders appears to be adopted more widely by organizations. This may be partially explained by the very origin of the term itself (School of Administration) and by the consequent presence of the term in methods and practices that are widely used in the corporate world. Such is the case of Project Management methodology. With the aim of identifying the agents that may interfere in the development of projects; PMBOK® recommends the creation of a stakeholder matrix. This tool is used to analyse individuals and groups according to their degree of authority and engagement in the project. PMBOK® defines stakeholders as “individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of project execution or project completion.” (Project Management Institute, 2008, p.24).

It is important to note that the terms stakeholders and publics are quite frequently used as synonyms. In spite of having been developed in distinct schools, the similarity of the concepts is notable as regards the recognition of social segments that possess some characteristics in common. However, there are significant differences between the two terms. This means that they cannot be interchanged without a considerable distortion in meaning. In the definitions of stakeholders, the organization, its activities and purposes are always the points of reference. Based on this, the stakeholders are identified and hierarchically classified. In contrast, the psycho-sociological concepts tend to define the publics independently of their relationship with organizations. When the psycho-sociological approach is applied to companies and institutions, it leads to an important reflection. As this approach does not use organizations as the main reference for the identification of publics, it reinforces the idea that a company or institution is only a part of a complex social system in which it does not occupy a central position. It is precisely because of this lack of centrality that it is not just their immediate interests that need to be mapped out. Therefore, depending on the context and the operation of the organization and the public, they may come to establish between themselves a relationship of influence on one or more themes. In this sense, the approach of mutual influence suggested by the Theory of Stakeholders may be applied as a complement to the Theory of Publics, offering a qualification of groups from the strategic point of view. As cited by Margarida Kunsch (2007), this differentiation is also described by Grunig & Hunt, who conclude that the term stakeholders does not apply to all publics, but serves the purpose of identifying the most strategic ones among them.
In Brazil, in an attempt to translate *stakeholders* into Portuguese, some organizations have applied the term *partes interessadas*, the literal translation of which is *interested parties* in English. However, the use of this term has caused some confusion. In some professional circles, it has caused the false impression that the translated term is a concept distinct from the original English term *stakeholders*. In certain cases, *partes interessadas* is taken to be synonymous with *publics* or even as an evolution of this concept. This use, considered to be incorrect, makes the conceptual unification between different areas of the same organization even more difficult, especially if it is a large-scale company or institution with a wide range of activities.

*Variables considered in the conceptualization of publics*

The visualization and analysis of concepts and classifications enable the identification of some variables that provide basis for building concepts. The following group of variables was extracted from definitions analysed herein. This was done with the primary objective of selecting those topics that can help organizations to identify and classify publics. Each one of the following variables can become a kind of guideline for developing a concept of what a public is.

- **The existence of something in common** – this may be considered as a preliminary outline of the definition of a public. In effect, most of the definitions observed assume that a public is characterized by the existence of something that its representatives have in common.

- **The nature of that which is common** – this variable derives from the observation and description of the elements that publics have in common. The concepts analysed set out a number of these items, such as characteristics, problems, issues, opinions, interests etc.

- **The recognition of that which is common** – the question here is whether individuals who have something in common must recognise the existence of this factor in order to be considered as a public or whether a public can exist even in the absence of such recognition.

- **Convergence or divergence of opinion between members of a public** – what is under analysis here is whether members having the same opinion about a given theme is a condition precedent to the existence of a public or whether members can disagree about the theme.

- **The relationship and organization of those who compose the public** – this involves observation of the levels of relationship between individuals who may come to compose a public. The concepts studied present distinct positions on this theme. The descriptions of publics range from a totally dispersed group of individuals to a group that is structured and mobilised by collective actions and attitudes.

- **The possibility of considering the organization as a point of reference** – this variable is used to analyse whether the public always exists in the function of the activities of a company or institution or whether it may exist independently of the same.

- **Influences between publics and organizations** – this permits observation of influences between publics and organizations, the degree to which they occur and if they are unilateral or mutual. This variable is based on various concepts, especially that of *stakeholders*.

- **The dynamics and circumstances that are involved in the relationships of the public** – this deals with an evaluation of the various relationships in which the
publics are involved (between distinct publics and between the public and the organization). Some characteristics of relationships such as duration, strength and reciprocity are also observed.

- The impact of relationships – This deals with the description of the nature of possible consequences of the relationships between publics and organizations.

The possibility of the development of a concept of publics applied to an organization

The diversity of definitions and classifications of publics makes the adoption or adaptation of these by an organization complex. In his studies, Fábio França (2003) tries to “find a concept of a logical, universal nature, which can be applied with efficacy to the different publics of the organization so as to define the type of the relationship and its other interfaces” (França, 2003, p. 9). However, in a later article, he reveals that “in view of the complexity of the concept, it is impossible to reach a definition that can be applied universally to the different types of relationships between the organization and the publics” (França, 2005).

Upon analysing the same problem, Petrobras concluded that an alternative for an organization is to seek its own concept and classification of publics. According to Nassar (2008), the formulation of its own methodology for mapping out publics can give an organization a competitive advantage and allow it to be more specific in identifying public demands. In accordance with this perspective, Petrobras has implemented the project to develop its own definition and categorization.

Publics of Interest for Petrobras

In order to understand Petrobras’ experience in identifying its publics, it is necessary to give a brief profile of the company, observe the relationships it establishes in its country of origin and the strategic moment that preceded the publics of interest project.

The company profile and context

Petrobras - Petróleo Brasileiro S/A is an energy company of Brazilian origin that operates in an integrated manner in various segments of its business: the exploration, production, refining, commercialization and transport of oil and natural gas, oil products distribution, petrochemicals, electric energy, bio-fuels and other sources of renewable energy. It is regarded as an international technological benchmark in the exploration and production of oil and gas in ultra-deep waters and in the pre-salt geological layer, as well as in bio-fuels. Present in 29 countries and on five continents, Petrobras is the eighth largest company in the world according to Ernst & Young (2009), the fourth largest energy company in the world according to the PFC Energy Ranking (2009) – both of which are based on market value. It is also Brazil’s largest company in terms of revenue, profitability and market value. It is constituted as a publicly traded corporation whose majority shareholder is the Union (the Brazilian Government). Petrobras’ shares are traded on the stock exchanges of New York, Madrid, Buenos Aires and São Paulo.
TABLE 1. Petrobras Worldwide Figures (2009)

<p>| | |</p>
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<tr>
<td>Net profit</td>
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<tr>
<td>Investment forecast in 2009-2013 Business Plan</td>
<td>US$ 174 billion</td>
</tr>
<tr>
<td>Estimated oil and gas reserves</td>
<td>14.864 billion boe</td>
</tr>
<tr>
<td>Average daily oil and gas production</td>
<td>2,565.3 million bpd</td>
</tr>
<tr>
<td>Employees (holding company and subsidiaries)</td>
<td>76,919</td>
</tr>
<tr>
<td>Shareholders</td>
<td>463,870</td>
</tr>
</tbody>
</table>

Source: www.petrobras.com

Petrobras is recognized in its sector for its track record regarding social and environmental responsibility. In 2008, the company invested close to US$ 151.6 million in support for social and environmental projects. It has been included in the Dow Jones Sustainability Index (DJSI) since 2006 and has been a signatory of the Global Compact since 2003.

The history of Petrobras has been marked by a strong connection with its country of origin. Annual research on the company’s image and reputation conducted with the Brazilian population indicate the existence of a strong, generalised feeling of pride in the company. In 2009, for the third consecutive year, Petrobras was evaluated as the company with the best reputation in Brazil according to Global RepTrak™ Pulse, a study carried out annually by the Reputation Institute. Petrobras’ links with Brazil have conferred upon the company’s image a series of characteristics associated with the country – such as cordiality, citizenship and respect for diversity – aspects that differentiate it from other companies in the segment and are adopted by the company as fundamental concepts in its Integrated Communication Plan (Petrobras, 2007).

The strong relationship between Petrobras and Brazil dates back to the foundation of the company. The decree that created Petrobras, signed on October 3rd, 1953 by the then President of the Republic Getúlio Vargas, represented a triumph of a nationalist movement known as O Petróleo é Nosso (The Petroleum is Ours). The movement mobilized various sectors of society with the objective of bringing pressure upon the authorities to allow companies of national capital to take part in the exploration and production of petroleum and gas in Brazil. Petrobras was originally set up as a 100% state-owned company and held a monopoly of these activities in Brazil until 1997. Ever since its foundation, the company has inspired strong feelings of national pride and has been perceived as synonymous with national success.

Throughout its history, Petrobras has expanded and diversified its activities on the basis of the development of its own technology, increasing its participation in the Brazilian economy. In 2009, the company was responsible for 10% of Brazil’s GDP (Petrobras, 2010).

In November 2007, Petrobras announced the discovery of Tupi, a petroleum province located about 120 miles off the Brazilian coast, over 17 thousand feet below sea level, in the geological layer known as pre-salt. This new discovery increased Brazil’s estimated total oil reserves by approximately 50% and represented a development of huge relevance for Petrobras’ strategy and also for Brazilian economic and political scenarios. The discovery could bring an unprecedented increase in the company’s positive exposure. However, it could also increase its challenges within a context marked by a crisis of confidence in institutions, the growth of public pressure in regard to sustainability and the increase in public criticism of the petroleum industry.
Establishing clear relationships with various sectors of society has become an even more relevant goal for Petrobras. The inclusion of the term “publics of interest” in Petrobras’ Vision – the emergence of the strategic demand for conceptualization and classification

The importance attributed by Petrobras to relationships was raised to the highest strategic level in October 2007 with the company’s announcement of the review of its Strategic Plan for 2020 and the inclusion of the term publics of interest in its Vision: “We will be one of the five largest integrated energy companies in the world and the preferred company among our publics of interest” (Petrobras, 2007). This declaration underlined just how decisive interactions with such groups are for the company. At the same time, the target of becoming one of the five largest integrated energy companies reinforced the need to expand relationships on a global level.

The company’s communications team considered the insertion of the term publics of interest in the Vision to be an unprecedented initiative, not only in relation to previous versions of the Strategic Plan, but also among large companies in the sector. These companies’ visions tend to be either more generic (and deal with society as a whole) or more restricted to marketing activities (and specify clients, costumers etc.). However, the Petrobras Strategic Plan for 2020 did not define the term publics of interest. There was also no identification of such groups. The need for such a definition and classification was perceived by the Petrobras Corporate Communications department, who identified an opportunity to contribute directly to the company’s Vision.

In 2007, Petrobras already had a definition and categorization of publics in its Integrated Communication Plan (ICP), which is a development of the Strategic and Business Plan created for Petrobras’ entire communications activity. At the beginning of 2008, in view of the new versions of the Strategic Plan (2020) and the Business Plan (2008-2012), the ICP was revised and submitted for approval to the company’s directors and Business Committee. The concept and categories of publics of interest contained in the ICP were presented with the proposal that they be officially adopted for all Petrobras’ activities. However, the senior administration contended that, perhaps, the classification did not take into account certain particularities of Petrobras’ business areas and enterprises, seeing that it had been developed to guide the activities of communications areas. In the second semester of 2008, in order to respond to this strategic demand, the Corporate Communications Planning Department developed the initiative denominated “Publics of Interest – definition and classification” to establish a concept and categorization of publics capable of meeting the requisites of its implementation throughout Petrobras as a whole.

**Methodology**

In order to ensure that the initiative was in line with the strategic purposes of Petrobras, three assumptions were adopted for the project and its results:

- they will be totally aligned to with the Vision for 2020 – that of Petrobras becoming “the preferred company among our publics of interest”;
- they will be valid and be applicable to any Unit, Area or Company of the Petrobras System;
- they will take into account the diversity of the Company’s activities.

The project started off with a structured data research that was based on bibliographic and secondary data gathering and on extensive consultation of Petrobras areas and enterprises. In the bibliographic research phase – the main findings and conclusions of which are described in the review of theory contained in this paper – some of the principal perspectives and theories...
involving the theme were studied. The concepts and criteria of classification obtained were analysed in order to extract some variables considered by authors in the creation of definitions, as well as to identify the convergences and divergences in respect of each of these points. The secondary data obtained enable the observation of how other organizations deal with the theme. For this purpose, the project consulted sources such as sustainability reports, websites and documents released by organizations considered benchmarks in their sectors of operation.

The gathering of data from Petrobras areas and enterprises adopted a participative method, which consisted of a series of meetings between representatives of these areas and enterprises, the Corporate Communications Planning team (the manager of the Project), a representative of the Petrobras Corporate Relations team and the consultant Paulo Nassar. These meetings were structured as workshops, which always started off with a brief explanation of the Project and the dynamics of the meeting. The agenda was as follows: (a) an explanation of the theories and concepts of publics; (b) a debate about the concept of publics contained in the Integrated Communication Plan, in which the participants were invited to evaluate points such as the clarity of the definition and its applicability to their area or enterprise; and (c) an evaluation of the categories of publics formerly used by the company and their respective descriptions. At this juncture, the participants could indicate if there were groups to be reviewed, discarded or included; present nomenclatures and classifications hitherto utilized by their area; and list individuals or groups with which each area develops relationships in order to observe which categories they could be classified. The Planning team documented all of the main considerations.

The final activity of the workshop was to test a pre-selected approach to check if it could provide a possible distinguishing factor of Petrobras publics of interest: the risk approach. This perspective was selected because of the transversal nature of risk, a concept easily understood and applicable to various activities of an energy company. To evaluate the pertinence of this perspective for Petrobras, the participants received a matrix that allowed the intercrossing between some categories of publics and risks of distinct natures (financial, environmental, political etc.). The purpose of the exercise was not to measure the data entered in the matrix but to observe if the association between publics of interest and risks showed itself to be valid.

A total of eight workshops were held, involving more than twenty Petrobras enterprises and areas. At the end of the series of meetings, the data gathered was combined with the results of the review of the theories and with the secondary data. An in-depth analysis of all the information produced a set of five major themes to be taken into account in Petrobras’ intended definition:

- The characteristics that define a public
- The nature of the publics’ issues and needs
- The potential relationships
- The attributes that distinguish Petrobras’ publics of interest, and the two-way dynamics of relationships or influences
- The diversity of impacts and mutual influences between Petrobras and publics.

Each theme embodied a series of statements that demonstrate the vision of Petrobras about the main variables of the conceptualization of publics. This was the essential basis on which the Communications Planning team synthesized the new concept of publics of interest.

The next step involved analysis of all the comments documented during the workshops that made reference to the categories of public indicated by the participants. This analysis enabled the project team to delineate the categories of publics of interest of Petrobras. In order to facilitate the comprehension and application of the categories, a brief complementary descriptive text with relevant information about the public was produced for each one of them.
Once completed, the first version of the concept and classification of publics of interest was sent to all the participants of the workshops for their consideration, before being submitted for formal approval, at which stage some adjustments were made. In April 2009, the final version was approved by the Board of Directors of Petrobras. At the same time, the Board of Directors gave approval to the Integrated Communication Plan for the period 2009 to 2013.

Petrobras’ positioning and conclusions for development of the concept and categories of publics

As described in the methodology, the positioning of Petrobras about some variables of the studies of publics was documented in statements, which were grouped into five themes. The table below sets out such themes and their corresponding statements. It also lists the variables extracted from the concepts of publics, as contained in the review of theories.

<table>
<thead>
<tr>
<th>Themes</th>
<th>Statements: positioning about the themes</th>
<th>Related variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The characteristics that define a public</td>
<td>• The public exists by virtue of a common issue and/or need shared by its members, in respect of which there may be consensus or divergence. This distinguishes the public from the crowd.</td>
<td>- The existence of something in common</td>
</tr>
<tr>
<td></td>
<td>• The public is not necessarily a result of a spontaneous grouping. It may be identified when, for example, an external agent simply realizes that there are various people that share the same issue and/or need (as in the case of consumers)</td>
<td>- Convergence or divergence of opinion between members of a public</td>
</tr>
<tr>
<td></td>
<td>• The existence of a public does not presuppose that its representatives recognize each other as part of a group or even know each other. Suppliers and investors may be cited as examples of this case.</td>
<td>- The recognition of that which is common</td>
</tr>
<tr>
<td></td>
<td>• A public can exist independently of a company. The issues and needs that give rise to the public may or may not be caused by an organization. However, issues and needs can generate organized groupings. This situation occurs, for example, in the constitution of civil society organizations.</td>
<td>- The relationship and organization of those who constitute the public</td>
</tr>
<tr>
<td></td>
<td>• The issues and/or needs, in terms of communication, can be recognized by messages coming from each group, which messages are checkable through various channels of communication – ranging from traditional media to social or digital media.</td>
<td>- The possibility of considering the organization as a point of reference</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The existence of something in common</td>
</tr>
</tbody>
</table>
2. The nature of the publics’ issues and needs

- The issues and needs that give rise to the publics may be of diverse origins. Thus, the publics are as varied as that which defines them.

- Individuals and organizations can belong to more than one public, seeing that a single representative may possess multiple issues and needs of various natures. This may be observed in the following hypothetical situation: an employee (internal public), who holds shares in the company (investor), fills up at Petrobras gas stations (consumer) and lives in the proximity of a company refinery (community).

- Publics are dynamic and circumstantial. They depend upon the duration of the issue or need which motivates them. The more deep-rooted the issue or need, the greater the probability of the public recognizing itself as a group and organizing itself. For example, the members of a community close to plant under construction may form a residents’ association (civil society organization).

3. The potential relationships

- A public does not have to establish relationships with the company in order to be a public of interest. It does not even have to know of the existence of the Company to be identified as such. This is the case of publics as clients, suppliers, communities and potential consumers in new markets.

- The organization does not have centrality in its relations with its publics of interest. Actually, publics cross through the organization. If the companies used to be seen as a hermetic nucleus of relationships, today they can be observed as a group of connections of equal or similar weight to a series of other links between individuals that operate in a network.

- The degree of the relationship with the public of interest is variable. Relationships can range from those that Petrobras has not yet structured to those of a formal nature. These situations can be observed respectively in the case of residents of areas in which there will be new production plants and in the case of regulatory bodies.

- Publics develop relationships in network and may influence each other. For this purpose, they can make use of various types of media space, such as social media (relationship sites, blogs etc.).
In order to define its publics, Petrobras adopts the idea of the existence of issues or needs that individuals or organizations have in common. However, it does not stipulate that the recognition of the existence of such issues or needs by a public’s representatives is a precondition for the identification of the public. Therefore, it adopts a wider perspective, under which the publics can have different levels of grouping and organization. Under the same perspective, the company considers that the issues or needs that give rise to the public are not necessarily the consequence of the organization, demystifying the idea of the centrality of the company in favour of the understanding that it is immersed in a dynamic network.

Petrobras also assumes that people and groups may be simultaneously classified in more than one category of public because they have issues and needs of diverse natures. This vision reiterates a model of relationship in which individuals and organizations are looked at in their multiplicity and not merely in view of a single role that they play. Another point analysed by Petrobras is the idea of mutual influence and risks between a company and its publics, which is also contained in the theory of stakeholders. In this case, the risk is understood as the potential of the occurrence of positive or negative situations for the company and/or its publics.

From the outset, in view of the need to be fully aligned with the Vision, the Project determined that the term publics – which had hitherto been used by some areas of the company – would be substituted by the term publics of interest. It is considered that this modification brings the term closer to the concept of stakeholders, while preserving the ideas present in the concept of...
publics. Thus, the definition adopted by Petrobras was able to promote a confluence of the two terms.

Another point to be considered is the term preferred company, which is what Petrobras aims to become in the eyes of its publics of interest. The company’s Vision uses the Portuguese word preferida, which, among its acceptations, has the meaning of standing out positively in relation to others, normally as the result of a prior process of choice. At first, some questions arose as to whether the term could be applied directly to all publics. The Corporate Communications department likewise saw the need to study the meaning of the term preferida. Thus, it has proposed an interpretation of the term preferida as a company that, compared with the others in its sector, is the most esteemed, admired, trusted and likeable (four terms that, in accordance with the methodology of the Reputation Institute constitute the quintessential elements of corporate reputation). This interpretation was approved by the Petrobras Strategy department.

The Petrobras concept of publics of interest

For Petrobras, the term publics of interest is defined as follows: “Publics of interest are groups of individuals and/or organizations who have common needs and/or issues of a social, political, economic, environmental or cultural nature, who establish or may establish relations with Petrobras and who are capable of influencing - or being influenced by – the activities, the business and/or the reputation of the company.” (Petrobras, 2009).

The document in which this definition is given contains all the statements used in its creation, as well as five major themes dealt with by the definition. In order to give a clearer picture of how the concept was created, the company has indicated the correspondence between each part of the definition and each of the five themes, as may be observed below:

“Publics of interest are groups of individuals and/or organizations who have common needs and/or issues\(^1\) of a social, political, economic, environmental or cultural nature\(^2\), who establish or may establish relations with Petrobras\(^3\) and who are capable of influencing - or being influenced by\(^4\) – the activities, the business and/or the reputation of the company\(^5\).”

1. The characteristics that define a public
2. The nature of the publics’ issues and needs
3. The potential relationships
4. The attributes that distinguish Petrobras’ publics of interest, and the two-way dynamics of relationships or influences
5. The diversity of impacts and mutual influences between Petrobras and publics.

The categories and characteristics of the publics of interest of Petrobras

The study undertaken with the Petrobras Areas enabled the company to identify 13 categories of publics of interest. Based on the content of these categories, the Petrobras areas and companies can identify the publics with which they relate, chart their main segments and strategically structure their activities in orientation to each one of them.
TABLE 3. Categories of Petrobras’ Publics of Interest

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>Legal entities that acquire or may acquire goods and/or services from Petrobras with the end objective of distribution or own use.</td>
</tr>
<tr>
<td>Civil Society Organizations</td>
<td>Organizations constituted as non-profit entities that have as an objective the defence or promotion of causes relevant to Petrobras and/or its publics of interest.</td>
</tr>
<tr>
<td>Communities</td>
<td>Groups of individuals who inhabit or frequent geographical areas where Petrobras is present.</td>
</tr>
<tr>
<td>Competitors</td>
<td>Companies or enterprises that compete or may compete with Petrobras in its business segments and in the goods and services or capital markets.</td>
</tr>
<tr>
<td>Consumers</td>
<td>Private individuals who acquire or may acquire goods and/or services with Petrobras brands for personal use.</td>
</tr>
<tr>
<td>Institutions of State or of global governance</td>
<td>Institutions and organs that exercise legislative, executive or judicial functions in the countries and regions in which Petrobras operates, as well as the entities that work within the ambit of global governance.</td>
</tr>
<tr>
<td>Investors</td>
<td>Private individuals or corporate bodies that possess or have the potential to acquire Petrobras securities and/or that are intermediaries of their acquisition.</td>
</tr>
<tr>
<td>Internal Public</td>
<td>Employees and retired employees, members of their families and pensioners, counsellors, apprentices and trainees of Petrobras and its subsidiaries, as well as the employees of companies rendering third party services in Petrobras installations.</td>
</tr>
<tr>
<td>Media</td>
<td>Vehicles of communication that deal with topics of interest to Petrobras and operate as channels of communication with various publics.</td>
</tr>
<tr>
<td>Partners</td>
<td>Organizations or individuals that establish with Petrobras a formal relationship of cooperation, investment or mutual support in projects and/or programmes of a business and/or institutional nature.</td>
</tr>
<tr>
<td>Retailers</td>
<td>Legal entities that retail goods and/or services with Petrobras brands.</td>
</tr>
<tr>
<td>Scientific and Academic Community</td>
<td>Organs and institutions that are dedicated to the fostering and/or development of scientific research and to education in the areas of knowledge of relevance to Petrobras, as well as the teaching faculties and student bodies involved in their realization.</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Private individuals or corporate bodies that supply goods and/or services to Petrobras.</td>
</tr>
</tbody>
</table>

*Source: Petrobras Publics of Interest: definition and classification (Petrobras, 2009)*

As regards the classification hitherto present in the Integrated Communication Plan, in which there were 12 categories of publics, there has been a redefinition of the contours of each category and the inclusion of the public denominated as *competitors*. In fact, this public was not originally contained in the Petrobras classification due to a communicational outlook, seeing that the company does not develop structured communication actions for other companies in a competitive situation. However, under the wider approach of the new concept, they constitute a public of interest due to the possible impacts that they can have on the business and the sector.
One of the already charted publics that had its scope significantly altered was communities. Originally, this concept related to those who live in or pass through the areas surrounding Petrobras operational assets. Initially, the term surrounding was abolished as it suggested an interpretation in which the company is the centre of the relationship. Moreover, the idea of the presence of Petrobras has been amplified. It has come to encompass not only the direct physical presence – in terms of refineries, pipelines, gas stations etc. – but also its indirect presence – such as social projects that are supported by Petrobras and that have a strong local participation.

One attribute observed in order to categorize certain publics is their nature as private individuals or legal entities. Consumers and internal public, for example, are always individuals. In contrast, clients, civil society organizations, retailers, Institutions of State or of global governance and competitors are organizations – keeping in mind that they are represented by individuals who also have various social roles. As for the issues and needs common to the types of relations, there are various cases. Consumers, clients, suppliers, investors and retailers are characterized, above all, by the establishment of relationships of purchase or sale of goods, services, securities or assets. In the case of partners, there is a formal relationship of partnership, whatever the purpose may be. Relations with the media, scientific and academic community and civil society organizations are based on an interest shared among these publics and Petrobras with respect to the themes relating to the activities of each of the parties. The category communities, in its turn, involves several issues and diverse relationships that are somehow linked to an issue of a geographical nature and to the sharing of the same space by groups of individuals and Petrobras.

**Main Findings and Conclusions**

Any attempt to conceptualize and classify human groups tends to be as complex as the variables that these groups encompass. In the case of the study of publics, the review of theories set out herein permitted observation of themes used in the conceptualization of publics. There was no intention to exhaust these factors in this study, especially in view of their multiplicity. The purpose was to reveal some avenues that could be adopted by an organization to deal with its publics. In view of this context, this paper reinforces the perspective that, faced with a myriad of concepts, an organization can develop its own definition and classification that can help it to manage its relationships. In this sense, it is understood that the study conducted by Petrobras helps the company to achieve such an objective.

With specific regard to the company’s project, one of the main challenges faced by the team was dealing with the diversity of nomenclatures and approaches in respect of publics identified in Petrobras. These were almost always based on the practices of a single area, without there being any direct concern about a conceptual alignment with other departments. This situation arose because of the very scope and variety of the company’s activities. The project team had to devote itself to getting to know each specific aspect reported by the areas and also had to conciliate the different visions. The concept and the categories obtained, which were later submitted to the project participants for evaluation, proved satisfactory and suffered no significant change.

With regard to the results for the company, it is considered that the project brought greater clarity and understanding of the groups and individuals that compose its network of relationships. The unification of the concept and categories and nomenclatures helped to integrate the meanings among the diverse departments of the company. The participative process of consultation amplified debate on the theme and facilitated the dynamics of cooperation between
participants. Finally, it is considered that one of the project’s most significant contributions was the realization of an opportunity for the direct collaboration of the Communications area with the company’s Strategic Plan, offering an essential strategic basis for the development of the Vision for 2020.

As regards the next steps, Petrobras sees the need for amplifying the internal dissemination of the concept and categories and for deepening understanding of the circumstances in which relationships arise with the representatives of various publics. Other future projects will seek ways of enabling Petrobras to relate with individuals and groups, considering their multiple roles, by means of identifying the categories of publics of which they are part. Likewise, it is clear that the channels of relationship linked to the various company areas need to be rethought in a convergent and ample manner, so as to produce an effective dialogue between the company and its publics.

In view of the complexity of organizational relations, communication has thus become increasingly strategic. The idea of a hermetic organization has given way to a vision in which it is composed of a set of connections and connotations shared by its publics. Therefore, to identify them is a way of understanding the organization itself and of helping its actions to become increasingly conciliatory with the players of the immense network in which it finds itself.

References


New Tensions and Challenges in Integrated Communications

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Purpose: The purpose of this paper is to demonstrate how tensions and challenges associated with the implementation of integrated communications in practice have intensified in recent years under the impact of two conflicting trends: new social and organizational “drivers” towards integration; and the appearance of savvy and sophisticated audiences.

Design/methodology/approach: Taking the point of departure in now classical discussions of structural “barriers” to integration, today more fundamental difficulties limit the implementation of integrated communications – difficulties rooted in epistemological issues of organization and communication are argued.

Findings: Integrated communications present a paradox to contemporary communication management. On the one hand, integration seems to be the most logical and sensible way of managing communications in a complex world of multiple and critical audiences. On the other hand, its prescriptions are essentially at odds with what is known today about organization and human communication. While representing a significant communication ideal, integration in communications is simultaneously beyond reach – at least if the full process of communication is taken into proper consideration.

Originality/value: The paper usefully makes the claim that it needs to adapt the ideals of what integrated communications is to what integration can possibly do to an organization and its communications.

Article Type: Conceptual paper

Keyword(s): Corporate communications; Integration; Communication management.


Public Diplomacy and Image Management: How the US Government Repaired its Image After the 2008 Financial Crisis

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With the rise of globalization, the growth of communication interdependence amongst countries has intensified significantly. Therefore, the need to foster goodwill and cooperation among nations is made more pertinent. The vehicle responsible for the relationship-building process among nations is public diplomacy. However, building good relationships is never an easy task, especially in crisis situations. Using the US Financial Crisis 2008 as an example, this study seeks to examine the dynamics of image repair strategies as a tool to repair, rebuild, and restore goodwill among nations. It also addresses the call from Signitzer & Coombs (1992) to undertake more such empirical research. At the practical level, this paper can offer insights to communication practitioners on how the image-rebuilding rhetoric through the media can be used as a precursor to lay the foundations for subsequent diplomatic efforts in the face of diplomatic rows.

The Changing Face of Public Diplomacy

The rise of globalization has intensified the interaction and interdependency between countries significantly over the years. Thus, establishing a good relationship between countries is necessary for their long term stable development and growth politically, socially, and economically (Scholte, 2005). The vehicle responsible for this partnership is public diplomacy. Unlike public diplomacy efforts in the Cold War era, the ‘new face’ of public diplomacy in the 21st century has adopted a different “concept and practice” (Wang, 2005a, p. 91). Besides maintaining a nation’s reputation and image through political power, contemporary public diplomacy also concerns itself with the economic success of a nation. This has been achieved through strategic partnerships with foreign governments via the role of businesses in public diplomacy (Goodman, 2006; Wang, 2006b). Other current concerns in public diplomacy include the cultivation of good relationships with foreign audiences (Wang, 2006a). Thus, as aptly posited by Wang (2006a), the foreign public’s engagement must now broaden to cater to the growing “civic participation” and “public expression of opinions from around the world” (p. 94) concerning international affairs in this new world order.

Nations, like corporations, have increasingly adopted public relations traditions of reputation and relationship management (Wilcox & Cameron, 2009) to manage their public diplomacy efforts globally. This is especially true during crises. An example is the ‘Made in China’ controversy, where China remained impervious to the accusations made by global consumers about its products (Cai, Lee, & Pang, 2009). Another is the US Financial Crisis of 2008. These serve as good examples of how public relations tools, specifically image repair strategies, can be harnessed to manage and cultivate cooperation in the international arena when a nation’s image and reputation are under threat.
Public Diplomacy and Image Management: How the US Government Repaired its Image from the 2008 Financial Crisis

Objective of Paper

Using the US Financial Crisis 2008 as a case study, this paper aims to investigate how the US government sought to use public relations strategies as part of diplomatic efforts to restore its image worldwide and to elicit the cooperation of its foreign allies to manage the crisis.

Significance of Paper

At a theoretical level, this paper aims to contribute to existing literature on the role of public relations in public diplomacy, and specifically, how public relations tools can be used for public diplomacy to manage a country’s image during crisis (Cai, Lee, & Pang, 2009). It also addresses the call from Signitzer & Coombs (1992) to undertake more such empirical research. At a practical level, this paper offers insights for communication practitioners into how the image-rebuilding rhetoric through the media can be used as a precursor to laying the foundations for subsequent diplomatic efforts in the face of diplomatic rows.

The US Financial Crisis 2008

Since the post Cold War era of the 1990s, the US has been recognized as the leading international superpower—an entity that provided leadership to the world on social, political, and economic issues on global fronts (Shlapentokh & Woods, 2004). After the September 11, 2001 attacks on the World Trade Centre, there was a weakening of this image, primarily due to global disapproval of the US’s retaliatory attacks launched on Iraq in 2003 as part of their ‘War Against Terrorism’ (BBC, 2007). This image took a further battering during the financial crisis of 2008.

The financial meltdown: A background

On 13 September, 2008, the investment bank, Lehman Brothers, showed signs of possible collapse. This prompted the US government to issue urgent warnings to all major financial institutions on Wall Street to rescue the ailing bank as well as to develop plans to stabilize its financial markets (Dash, 2008). Together top executive representatives from Wall Street, US Treasury Secretary (Henry Paulson Jr.) and President of the New York Federal Reserve (Timothy Geithner) sought to look for urgently needed industry solutions to solve the problem that was looming ahead (Dash, 2008). It was hoped that these solutions could contain the crisis within the US because failure to do so could result in a spillover over to the global economy (Dash, 2008). Unfortunately, the failure to find a buyer for the Lehman Brothers in time led to the collapse of the investment bank. On 15 September 2008, the world found itself hit by a financial tsunami; and, the aftershock of this devastating event stunned many in the global financial sector (Pym, 2008).

Soon, rumors of a potential collapse of American International Group (AIG), one of the largest insurance companies in the world, sent world markets into another panic on 16 September, 2008 (Pitzke, 2008). The US government reacted by proposing an $85 billion loan to rescue AIG (Andrews, de la Merced, & Walsh, 2008). On 21 September, 2008 the US government announced its vast bailout plans approximating $700 billion, designed to save more Wall Street financial institutions that were on the brink of collapse (Andrews, 2008a). However, this relief was short-lived as fear of more possible collapse amongst US financial institutions triggered a global panic.
In October of 2008, the US financial crisis began to spread across the globe; its first stop was Europe (Landler, 2008a). With this came a wave of accusations of the US’s failure to contain the crisis, and the lack of government intervention and regulation that triggered the financial crisis that hit Europe and, later, other parts of the globe.

The two major themes that surfaced in this main criticism were:

1. **Poor management and regulation of the US economy**
   The first wave of criticism came from the members of the European Union, especially Germany and France, who criticized the US for the poor management of its economy (Dougherty & Schwartz, 2008). The German Prime Minister, Angela Merkel, blamed the US administration for its mishandling of Wall Street as well as its stubbornness to adopt tighter regulation, for triggering the financial crisis (Euronews, 2008; Kucharz, 2008; Pfanner, 2008). Soon more criticism of US’s mismanagement was aired in the UN (Varner, 2008, p1); by the French President, Nicolas Sarkozy, who was the rotating president for the European Union (MacFarquhar, 2008); and in Brazil, Argentina, and Colombia (Associated Press, 2008).

2. **Failure to reduce the impact of crisis worldwide**
   Another major criticism by world leaders was the US Treasury’s decision in mid September, 2008 to let investment bank, Lehman Brothers collapse, triggering a panic in the European markets (Landler, 2008b). In the latter stage of the crisis, the US received much criticism from China and Russia over the financial crisis. (Schifferes, 2009; The Times Online, 2009; Wall Street Journal, 2009).

   Negative press reports reflected the global audience’s perception that the US had managed the crisis poorly. In 2008, 78% of people surveyed viewed the US financial crisis as having negatively impacted on their economy (Pew Global Attitudes Project, December, 2008). These responses from world leaders prompted the US to execute image repair strategies to restore its global image, reduce tensions and frustrations to foster good will to gain support to arrest the global financial crisis in 2008 collectively (Pew Global Attitudes Survey, December, 2008).

**Public Diplomacy and Public Relations**

*Public relations in public diplomacy: An overview*

The term “public diplomacy” was coined by Dean Edmund Gullion in the 1960s (Edward Murrow Centre, 2009, p. 1). Defining public diplomacy as a tool of influence on public attitudes for the implementation and development of foreign policies, Gullion posited that the central theme in public diplomacy, beyond traditional diplomacy, would be the importance of interaction between various actors—namely governments, private groups, and individuals—in promoting the “transnational flow of information and ideas” (Edward Murrow Centre, 2009, p. 1). Public diplomacy at this time was characterized by the fusion of two traditional schools of thought — the tough-minded (hard) with the tender-minded (soft) perspectives of public diplomacy (Deibel & Roberts, 1976, cited in Signitzer & Coombs, 1992). Despite conflicting views on how public diplomacy should be defined in view of its role in the Cold War era, scholars generally agree that the objective of public diplomacy is to “influence the behaviour of a foreign government by influencing the attitudes of its citizens” (Signitzer & Coombs, 1992 p. 193).

With the collapse of the Soviet Union in 1991, the role of public diplomacy soon evolved to adapt to this new world order (Shlapentokh & Woods, 2004). The themes in public diplomacy...
during this period saw the rise of ‘soft diplomacy’, strategies which mainly centered on relationship building with strategic partners in hope to build a nation’s reputation (Wang 2004/2006a/2006b/2007), as well as to reap the possible economic, political, and social benefits through these tactics (Yang, et al., 2008). Wang (2006b), Yang et al., (2008), and Zhang (2008) posited that public diplomacy today is a multi dimensional function — which seeks not only to communicate a nation’s values but also to develop trust and understanding worldwide.

Country image management

An organization’s reputation is a valuable asset (Benoit, 1995). This is because it is seen as a representation of the organization’s history (Cameron et al., 2008b) thus strategic image management is key. Similarly, a nation’s reputation and image cannot be ignored (Wang, 2006a). Wang states that a nation’s “reputation is unquestionably an instrument of power”, since it “reflects and affects the country’s standing in the global arena” (Wang 2006a, p. 92). It is worth noting that, although the term “image” and “reputation” of a nation tends to used interchangeably, Wang (2004) argues that there is a subtle difference in their meanings. Image, he argues, comprises mental pictures created people’s minds (Walter Lippmann, 1992 cited in Wang, 2004), while reputation is a representation of people’s opinions about a person or organization (Wang, 2004). This means (drawing from Hutton and Dukerich’s study in 1991) that people tend to describe images, while reputations are evaluated, and results can range from positive to negative perceptions (Wang, 2004).

Since a nation needs to establish a good reputation, diplomatic efforts need to harness the public relation traditions of “communication and persuasion” strategies in order to build, maintain, and manage that reputation over time (Gerber, 2008, p.123). Wang (2004) suggests incorporating the elements of branding as tools to manage a nation’s image. This is because like branding, public diplomacy stresses the need for relationship building, implying interdependence between groups with “some level of reciprocity” (p. 17). This view has been echoed by van Ham (2001), Simonin (2008), and Dinnie (2008). For example, positive attributes associated with a nation could stem from its good governance, attracting foreign investments to a country (Johnston, 2008 cited in Dinnie, 2008). Increasingly, the demands to manage a nation’s reputation have been linked closely to the role of business in public diplomacy (Wang, 2006b). This is due to the rise of the “consumer nationalism” (Wang & Wang, 2007, p. 134). “Consumer nationalism” refers to the “consumer’s invocation of collective identities based on their nationality to accept or reject products or brands from other countries” (Wang, 2005, p. 223). Mismanaging a nation’s reputation can therefore affect “consumers’ perception of a country’s products and services” (Wang, 2005, p. 223). The recent case of the ‘Made in China Controversy’ (Cai, Lee, & Pang, 2009) is a prime example of negative effects of consumer nationalism.

In addition, with the rise of new media in this digital age, a country’s image management, particularly during crises, faces tougher challenges ahead. Nations today have adapted the use of new media to allow for mutual understanding among global audiences (Courtright & Slaughter, 2007; Hiebert, 2005; Kioussis & Stromback, 2010; Zhang, 2008; Zhang & Swartz, 2009). This is especially so with the rise of global activism in new media platforms (Seo et al., 2009). Thus, the growing need for communication transparency worldwide requires nations to be cautious in rhetorical attempts to handle the global audience as well (Wang, 2006b). Increasingly, more nations are also adopting the use of symbolic interactions (Zhang, 2006) in their attempt to create images of goodwill (e.g., sending aid for the Acheh Tsunami in 2006) by using opportunities available in crisis situations as part of their public diplomacy strategies.
Country management in crisis situations: Image repair strategies

Benoit’s image repair theory (1995 – present) seeks to analyze messages and communication strategies countries use in order to reduce threats or to restore order during crisis situations. Benoit’s image repair theory has been divided into five major typologies, with fourteen variants in each. These strategies are the denial, evading responsibility, reducing offensiveness, corrective action, and mortification (Benoit & Pang, 2008). Denial has two variants: simple denial or shifting the blame to another party. The purpose of the latter strategy is to position the accuser as victim. The second of the five major typologies in image repair is evasion of responsibility. The first variant is provocation, where a nation reacts by responding to an offensive act aimed at them. The second is defeasibility, when a nation argues its case on the basis of control. The third is accident, where the ‘accused’ states that the accident happened unintentionally. Last is the use of the good intention, where a nation admits to the cause of the crisis situation, however argues that it was done with good intentions. The accused can also attempt to reduce the offensiveness of the situation by using the bolstering strategy which seeks to highlight the positive traits of a nation. Minimization strategies can also be used to reduce the severity of the situation. Differentiation strategies seek to reduce offensiveness by suggesting that the act was less offensive than perceived. Transcendence strategies seek to place the situation at a higher level, with more important concerns. Attacking the accuser seeks to reduce the credibility of the accusations. Compensation strategy is where those responsible decide to offer something of value to the victims in order to restore the organization’s reputation. Corrective action aims to reassure stakeholders that such crisis situations would not reoccur. This strategy can be combined with other image repair strategies as an effective way to rebuild a country’s reputation in the long run. The final image repair strategy typology is mortification, where a country admits its mistake and seeks the forgiveness of its stakeholders.

Research Questions

The following research questions are posed to study the role and effectiveness of image repair strategies, tools in public diplomacy used by the US in the Financial Crisis of 2008:

RQ1: What were the image repair strategies used by the US government to restore its reputation during the financial crisis?
RQ2: How effective were the image repair strategies used by the US government?
RQ3: How were the strategies used helped solve the US government’s image crisis and how do they affect its public diplomacy efforts?

Method

Textual analysis

Textual analysis of statements issued by the US in the media was conducted. Textual analysis follows the rhetorical tradition of what was said and how it had been said (Garyantes, 2006). This allows the researcher to make an educated guess as to the most likely interpretation derived from the text (Garyantes, 2006). Carter & Fife (1961) recommended that the textual criticism method be used if the researcher asks “questions about the social impact of the message” (p. 86 cited in Wimmer and Dominick 2006). In our study, the text will be analysed for its style – the choice and use of words, vocabulary (suitability) of the speaker, the tone used, and
the clarity of expression (Wimmer & Dominick, 2006). The strategies revealed are guided by image repair theory.

The period of analysis was from 7 September, 2008 though to 23 July, 2009. These two dates are significant because 7 September, 2008 saw the start of the US government’s bail out attempts on banks Fannie Mae and Freddie Mac, while 23 July, 2009 saw the release of the first Pew Global Attitudes survey towards the US since the financial crisis in 2008.

News coverage in mainstream media is used. An & Gower (2009) assert that news articles are good sources in which to study the effective strategic messages created by communication practitioners. The sources used include online editions of the New York Times, CNN, Reuters, Newsweek, Associated Press, USA Today, Telegraph, EuroNews, ABC News, Wall Street Journal, China’s People’s Daily, The Times Online, Bloomberg, and St Petersburg’s News. A total of 879 articles were found. Only 130 were relevant for analyses based on the research questions posed. Main keywords used for the search were “US financial crisis 2008”, “US responds to financial crisis”, “Image of US”, and “Countries blame US for recession”.

Additionally, press releases from The White House, The US Treasury Department, and America.gov were analysed.

Data from the Pew Global Attitudes Project conducted by The Pew Research Center were used to study the global reputation of America post September 11, 2001— specifically its ‘Opinion Survey’ on 23 July, 2009 which studied the impact of US image post the Financial Crisis of 2008. Other relevant sources from Pew Global Research Arm: Project of Excellence in Journalism and Gallup: Global Leadership Survey 2008 and 2009 were also used.

Findings and Discussion

RQ1: What were the image repair strategies used by the US government to restore its reputation during the financial crisis?

By October 2008, the US government had to fight two wars. Nationally, they had to explain what was going on to the American people and internationally, they had to address the accusations and concerns of their allies, who blamed them for triggering the global financial crisis. This crisis, in combination with the series of major threats accumulated since 2003, significantly bruised the US’s international image. The US government was under increasing pressure to repair formerly strong relationships between the US and its allies in Europe and the rest of the world. Three major phases have been identified for the crisis through various themes emerging from press coverage. The first phase (October – 14 November, 2008) was characterized by an onslaught of international criticism towards the US. The second phase (15 November – 24 November, 2008) showed some stabilization, with the G-20 Summit taking place. The final stage of the crisis (25 November – end of April, 2009) indicated signs of the renewal of the US’s image worldwide, as well as plans, announced by the new Obama administration, for its economic recovery.

US deals with the criticisms at onset of crisis (Early October – mid November, 2008)

In response to mounting criticism from its allies since October 2008, the US government sought to restore its international standing by using the reducing the offensiveness strategy (Benoit & Pang, 2008). The initial stage of the crisis primarily featured the use of bolstering, with corrective actions and transcendence image repair strategies. For example, the US government bolstered its position with corrective action by reassuring leaders at the UN...
meeting on 23 September, 2008 that it was taking “bold steps” to control the situation in the US (MacFarquhar, 2008; Stolberg & Herszenhorn, 2008; Varner, 2008). The US President also assured members necessary steps had been taken towards promoting the “stability of the markets by preventing the disorderly failure of major companies” (MacFarquhar, 2008 p.1). On 9 October, 2008, the US government announced that the Treasury Department was considering taking ownership stakes of banks that needed help in order to restore confidence in its financial market (Andrews & Landler, 2008a). Using a combination of the transcendence and bolstering repair strategies in justifying its decision, the White House—acknowledging that this action breached President Bush’s free market principles—maintained that it was essential for the benefit of US citizens and for the global market (Andrews & Landler, 2008b).

Towards the latter stage of this phase, when criticism had abated, the US government primarily employed the bolstering and corrective action strategies, along with elements of the attack the accuser strategy. These were used in ongoing efforts to restore confidence in the US’s image as a world leader. For example, at a press conference at the White House on 12 October, 2008, President Bush described the US government’s commitment to solving the financial crisis, saying “All of us recognize that this is a serious global crisis and therefore requires a serious global response, for the good of our people” (Andrews & Landler, 2008b, p.1). Further bolstering the US government’s leadership role, he indicating that countries around the world had agreed with its “general principles to respond to the crisis” (Andrews & Landler, 2008b, p.1). President Bush also stressed that his government had reassured other countries, especially those with large emerging markets (such as China and Russia) of its commitment to solving the crisis, reflected by the October G-7 Summit. David McCormick, Under Secretary of the Treasury for international affairs, further reinforced this point by highlighting that the government wanted to “reaffirm” and “reinforce” its commitment, and that it would not take actions that would “undermine” the economies of other countries (Andrews & Landler, 2008b). The US government demonstrated its commitment through the use of corrective actions strategies, an example of which was the formation of new regulatory boards, (such as the Federal Deposit Insurance Corporation) in an effort to stimulate banks to begin lending again (Lohr, 2008). In an article published in the New York Times, US Treasury Secretary, Henry Paulson, took the opportunity to attack accusers in a bid to defend the actions taken by the US government in the aftermath of the Lehman Brothers collapse on 15 September, 2008 (Paulson, 2008). Attacking accusations that the US government made no attempts to rescue the company, Paulson argued that the government had been hamstrung by legal implications (Sorkin, 2008). He also attacked accusations that countries blaming the US for the crisis were also responsible for their own predicament, citing “wrong-headed loans” as part of the problem (Nocera & Andrews, 2008 p.5).

US at the world leaders meet at the G-20 Summit (mid November – end November, 2008)

The second phase of the crisis saw the coming together of world leaders, led by the US, for the G-20 Summit meeting. The intention of the meeting was to discuss possible global efforts to solve the financial crisis. During this stage, the US government predominantly used transcendence, coupled with corrective action, attack accuser, and differentiation strategies. In an effort to bring about cooperation among world leaders, the US government extensively used transcendence, in combination with corrective action, gaining support and bolstering its own position as a global leader. For example, during the G-20 Summit meeting, President Bush highlighted the need for global reforms, in order to arrest the current crisis as well to prevent such a crisis from recurring (Landler, 2008b; Stolberg, 2008). He argued that “if you don’t take
decisive measure, then it’s conceivable that our country could go into a depression greater than the Great Depression’s” (Landler, 2008b, p.3).

While calling for more “transparency and accountability” (Landler, 2008b, p.1) in the management of global markets at the G-20 Summit, President Bush also took the opportunity to attack accusers a few days before the meeting regarding the overt obsession his administration had with the free market economy. In an earlier press statement, he used the differentiation strategy to separate the concept of the free market from causative factors of the crisis, arguing that “The crisis was not a failure of the free market system, and the answer is not to try to reinvent that system…free market capitalism is far more than an economic theory. It is the engine of social mobility…” (Stolberg & Pear, 2008, p. 1). President Bush further argued in defense of the free market philosophy, saying “We must recognize that government intervention is not a cure-all….History has shown that the greater threat to economic prosperity is not too little government involvement in the market but too much” (Stolberg & Pear 2008, p. 2). He went on to attack accusations by defending the American model of capitalism. He asserted that some European countries that boasted of having tighter regulations than the US actually had “problems almost identical” to those of the US and, in some cases, worse problems (Stolberg & Pear, 2008, p. 2).

Signs of recovery resulting in signs of renewal of the US image (late November, 2008 – early April, 2009)

The third phase of the financial crisis saw signs of recovery for the US economy as well as the renewal of the US image worldwide. This period also witnessed a transfer of power from the Bush to the Obama Administration. The first part of this phase was characterized by the coordination efforts of President Bush and President Elect Barak Obama in a bid to “inject confidence into the trembling financial markets, which rallied and erased most of last week’s losses” (Zeleny, 2008a, p. 1). The corrective action strategy was used in conjunction with bolstering and transcendence image repair strategies. The aim was to communicate with American and international audiences about action plans being put in place to rectify the financial crisis. There was also a call for unity among Americans and the promise that together, they would be able to survive this latest economic crisis, just as they had survived the Great Depression (Zeleny, 2008a).

On 25 November, 2008, President Obama assured the American public and foreign investors that he “was seeking to fill any leadership vacuum” (Zeleny, 2008a. p. 1) to ensure that there was “continuity and co-ordination”, thus assuring his audiences in America and abroad stability during this period of change (Zeleny, 2008a). He applied the bolstering and transcendence image repair strategies here, as he reminded the American public that “while we can’t underestimate the challenges we face, we also can’t underestimate our capacity to overcome them to summon that spirit of determination and optimism that has always defined us, and move forward in a new direction to create new jobs, reform our financial system, and fuel long-term economic growth” (Zeleny, 2008b, p. 1).

Using the corrective action strategy, Obama stated that “we have to make sure that the stimulus is significant enough that it really gives a jolt to the economy” (Zeleny, 2008b, p. 1). Though he declined to estimate the size of the stimulus package, he employed the transcendence tactic again, saying “We are going to do what’s required” (Zeleny, 2008b, p. 2). In addition, Obama used inclusive language (e.g., terms like “We”), to create a connection and to simulate an emotional closeness between him and his nation’s citizens. He sought to manage the expectations of the American public and the world, admitting that “the economy’s likely to get worse before it
gets better”, “full recovery will not happen immediately”, and that “to make the investments we need, we’ll have to scour our federal budget, line by line, and make meaningful cuts and sacrifices” (Zeleny, 2008b, p. 3).

The second part of this recovery phase was characterized by Obama’s swearing in to office on 20 January, 2009. In his inaugural address on 21 January, 2009, which was televised worldwide, President Obama set the tone and vision for his leadership in the future. Using the mortification, corrective action, bolstering, and transcendence image repair strategies Obama began by admitting that the US was in the midst of a crisis that had significantly weakened the economy. He attributed this to the “greed and irresponsibility on the part of some, but also our collective failure to make hard choices and prepare the nation for a new age” (Phillips, 2009, p. 2). He continued to remind his audience that a lesson to be learnt from the crisis was that “without a watchful eye, the market can spin of out control” (Phillips, 2009, p. 3). Using the bolstering, corrective action, and transcendence image repair strategies, he encouraged the American people by saying

we remain the most prosperous, powerful nation on Earth. Our workers are no less productive than when this crisis began. Our minds are no less inventive, our goods and services no less needed than they were last week, or last month, or last year...Starting today, we must pick ourselves up, dust ourselves off, and begin again the work of remaking America....And we will act, not only to create new jobs, but to lay a new foundation for growth. ...They will not be met easily or in a short span of time. But know this America. They will be met (Phillips, 2009, p. 3).

Obama further emphasized his intention to rebuild the US image by the use of bolstering tactics in support of future US financial strategies. This intention was clear when he addressed Congress on 24 February, 2009. In his speech he stated “We will rebuild, we will recover and the United States of America will emerge stronger than before” (Zeleney, 2009, p.1). His speech was an effort to support the upcoming introduction of public-private funds to hold “toxic assets”, capital injunctions, and even “stress-tests” for banks to determine whether they had enough capital to weather any future economic hardships (New York Times, September, 2009). As the US prepared to release stress results for its banks in May, 2009, US Treasury Secretary, Timothy Geithner, continued to garner support from foreign nations and audiences by adopting transcendence strategies. During the pre-IMF meeting, he announced that “The rest of the world needs the US economy and financial system to recover in order for it to revive....Just as importantly, we need the rest of the world to recover if we are to prosper again here at home” (Quinn, Apr 2009, p.1). Further in his speech, Mr Geithner adopted the mortification strategy further by admitting that the US “must bear significant responsibility for the recession....and will go some way to pacify relations with a number of developing countries which continue to blame the US for the world’s current problems” (Quinn, April, 2009, p. 2). These examples clearly show the intention of the US to rebuild and restore its image as well as the confidence of foreign publics in the longer term.

RQ2: How effective were the image repair strategies used by the US government?

The effectiveness of the US’ government’s image repair strategies can be measured on two levels. The first is the use of image repair strategies to boost ties with its international counterparts during the financial crisis. The second is the effective use of image repair strategies
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in restoring its overall image as the world’s superpower following the events of September 11, 2001.

Financial crisis 2008

On the whole, it can be argued that the image repair strategies employed by the US government have been effective in restoring a cooperative spirit amongst world leaders. For example, the ability to rally world leaders at the G20 Summit in November, 2008 was indeed a positive sign for the US leadership and image. However, it must be highlighted that its initial failure to address concerns (domestically and internationally) regarding its controversial bailout plans provoked panic in global markets. It is also interesting to note that the US government did not attack its accusers at the beginning of the crisis; it waited until there was greater market stability. Perhaps this ‘accommodative’ stance (due to the ‘situational factors’ at the time) (Cameron et al., 2008a) ensured that the predominant use of bolstering, combined with corrective action and transcendence strategies at the crisis peak proved to be effective in enlisting the support of world leaders in mid-October, 2008.

It is also worth emphasizing that the transcendence strategy was a recurring theme used by the US at all three stages of the crisis. This could also be attributed to the global magnitude of the crisis. This strategy was perhaps effective in ‘framing’ the crisis, in order to go beyond the blame game (attack accuser strategies) by allowing governments worldwide to ‘focus’, to ‘transcend’, to see the larger picture, and to address their social responsibility by cooperating with the US in solving the global financial crisis. As Schultz and Raupp (2010) argue, the suitable use of frames can help audiences make “sense” of realities and “allows actors to reduce complexity” and to “select or emphasize certain events, that is used to influence interpretations and constructions of reality” (p. 2). This strategy can also be supported by Benoit’s (1997) argument of handling accusations during crisis situations. He posits that “instead of altering the nature of the accusations”, the accused “may attempt to refocus attention on other issues.” (p. 183).

The second phase of the crisis saw some stability, signaled by the coming together of world leaders at the G-20 Summit to propose corrective actions for the prevention of similar crises in future. The main strategies used at this stage were transcendence, together with corrective action, and the attack the accuser strategies. During this more stabilized period, the US government took the opportunity to address earlier attacks made by members of the European Union. This measure was chiefly taken with a view to restoring confidence in the US belief in the free market system—a key factor in global economic progress; but, it also provided the US government with a chance to defend their management of the crisis. Another contributing factor to the effectiveness of these strategies was consistency in the messages reiterated by the US government over time, a contrast to the contradictions found in Former Minister Zhang’s rhetoric over the SARs issue in China, which undermined his other strategies and cruelled his chances of repairing China’s image (Zhang & Benoit, 2009).

The third phase witnessed a major restoration of confidence in the US among foreign governments, following the financial crisis. This was mainly due to effective use of the mortification, bolstering, corrective action, and transcendence strategies adopted by the US. This was particularly evident after 21 January, 2009 when President Obama officially took office. There were clear indicators that his use of image repair strategies to attempt to reposition the US as a global leader and champion of human rights had been at least partially effective. For example, former Russian President, Vladimir Putin, who had previously been critical of the US’s role in the crisis, adopted a more “conciliatory note”, saying that “he would not dwell on who was responsible” and talked, instead, about “mutual interests and mutual dependencies” (Dougherty &
In order to relieve tensions rising among foreign nations, US Treasury Secretary, Timothy Geithner, admitted that the US had a significant role to play in the recession and expressed a commitment to restore the economy and end the recession (Quinn, Apr 2009). To a certain extent, these strategies have been in reducing offensiveness in a pro-active way. Studies have shown that mortification, combined with bolstering and corrective action strategies can bring about restoration and renewal of a reputation or image (Benoit & Henson, 2009; Benoit & Drumheller, 2004; Kauffman, 2008)

The new presidential administration has also prompted a positive shift in global perceptions of the US. The Pew Global Attitudes Project, conducted in July 2009, captured this success through the changing views of foreign publics towards the US’s image. The project was spearheaded by the Pew Global Research Centre, a non-profit organization that analyses worldwide opinions and attitudes towards the US. A total of 24 countries were surveyed for the 2009 study. Overall, trends indicate an improved perception of the US, in comparison to less favorable results recorded in 2008 (Pew Global Attitudes Project, July, 2009). For example, the study reported a significant jump in favorable ratings for the European nations, namely Germany and France, showing a positive increase from 31% in 2008 to 64% in 2009, and from 42% in 2008 to 75% in 2009, respectively. (Pew Global Attitudes Project, July, 2009, p. 2).

In Latin America, the Pew Global Attitudes Project also found that US approval ratings grew from 47% to 61%, and from 22% to 38% for Brazil and Argentina respectively. In Asia and Africa, opinions had also become more positive (Pew Global Attitudes Project, July, 2009, p. 2). Opinions showed that foreign publics felt that the US had negatively impacted their economies, but the overall picture showed a renewed confidence in the US’s image and leadership. This can largely be attributed to the global confidence in President Obama and the belief that he will do the right thing (Pew Global Attitudes Project, July, 2009). These results are also supported by the findings of the US Global Leadership Project, released in February 2009. Results from the project indicate a “median of 51% of the world in 2009 approves the job performance of the current leadership of the US, up from a median of 34% in 2008” (Gallup, US Global Leadership Project, February, 2010, p. 1).

**RQ3: How were the strategies used to help solve the US government’s image crisis and how does it affect its public diplomacy efforts?**

It is clear from the analysis that the US’s of image repair strategies has been effective in repairing its image during the financial crisis. However, it is also interesting to note other public relations concepts were applied to enhance the image repair strategies during the crisis. As argued earlier, image repair strategies seek to rebuild an organization’s image through its communication strategies. They are, therefore, key tools in providing clarity and stimulating dialogue in trying global crisis situations. Analyses of the US’s responses suggest that internal and situational factors were responsible for shaping its rhetoric during the crisis. This brings to mind concepts from the Contingency Theory (Cameron et al., 2008a). At the peak of the crisis, the US sought to project an image of strength and leadership through its control of the situation. At the same time, it demonstrated sensitivity to the concerns of its foreign allies, showing a commitment to working together to solve the crisis. This was an effective strategy, as it allowed tensions to cool and focused on the crisis at hand, avoiding direct attacks on its image. These applied strategies resemble an integration of concepts also found in the Threat Appraisal model (Pang, 2008), as well as the Integrated Crisis Mapping Strategies (Jin et al., 2007). The former addresses the threat at hand, and evaluates resources available for use, while also taking into consideration audience
cognitive coping strategies in crisis situations found in public relations disciplines of communication (Jin et al., 2007).

Other strategies include the use of the traditional media as a platform from which to project the US’s cooperative and resilient ‘image’ to its foreign allies and audience, via repeated messages in speeches and press conferences, made to mass audiences over time. Speeches, for example, provide instant access to the public and media (Lammers, 1982 cited in Liu, 2007) and allow government leaders to discuss issues without interruption from “political commentators and the media” (Hieber, 1981; Ragsdale, 1984 cited in Liu, 2007, p. 41). In addition, speeches are important for “setting the tone of media coverage and influencing public opinion” (Liu, 2007, p. 41). Key messages used by the US included reassurance. Through the use of terms, such as “reaffirming” and “reinforcing”, it demonstrated its determination and commitment to solve the financial crisis, with support from its allies. These key messages were also repeated at a later stage of the crisis, when President Obama addressed Congress about plans to fix the battered US economy. Key ideas associated with “recovery” and “rebuilding” also emerged (Zhang, 2007). A study conducted by Pew Global Research revealed that the terms most regularly cited in the media from February to July 2009, came from Obama’s opening speech to congress: “We will rebuild, we will recover and the United States of America will emerge stronger than before” (Project for Excellence in Journalism, 2009, p. 14). This study also found that there were at least 4,000 recitations of these concept found in online media sources (Project for Excellence in Journalism, 2009).

Thus, image repair strategies, together with other public relations concepts, allowed the US government to effectively use opportunities in the crisis situations to turnaround and renew its image (Ulmer & Sellnow, 2002). At the third stage of the crisis, images associated with these messages included elements of determination, leadership, resilience, and a renewal of the US’s image as an economic world leader. Other elements that contributed to this image renewal were of charismatic leaders and speakers (e.g., President Obama) and symbolism, in terms of what the Obama administration stood for – change (Pew Global Research, July, 2009).

Although the rhetorical strategy can be a useful public relations tool during crisis situations, it has limitations. It is therefore important that US diplomacy efforts consider the characteristics of key audiences they wish to target. Different audiences across the globe do not necessarily interpret messages in the same way. The integration of multicultural concepts and the ability to adapt to new cultural environments (Freitag & Stokes, 2009) can make US diplomatic missions more successful. Culture is a “collective programming of the mind which distinguishes the members of one human group from another” (Hofstde, 1984 cited in Choi & Cameron, 2005, p.175). It is important for multinational corporations to understand how culture shapes the way foreign publics receive messages; and, in order to reduce conflicts and to create better understanding between foreign governments, as well as global audiences, US diplomatic efforts must take heed (Choi & Cameron, 2005). The collision of the USS Greeneville and Japan’s Ehime Maru clearly shows the usefulness of integrating cultures and traditions in image repair responses to foster goodwill among affected audiences in crisis situations (Drumheller & Benoit, 2004). It is worth noting that the role of “local media” in foreign publics must not be ignored. This is supported by Wang & Chang (2004), whose study revealed the critical role of the local press in “managing perception and reputation of a country in the eyes of a foreign public” (p. 11). This is another factor for the US to consider in its diplomatic missions overseas.

Some scholars have suggested that a way forward for US public diplomacy would be through the role of American business in international markets to “promote understanding of US society and culture and values” (Freitag & Stokes, 2009, p. 286) to create a better awareness of its culture with foreign publics. However, before this can take place, the US government must first
foster positive relations among foreign publics. This is because the rise of “consumer nationalism” (Wang & Wang, 2007) can affect “bilateral relations”, which is also “bad for business” (Garten, 2003 cited in Wang, 2005, p. 224).

Other strategies for reputation management that US diplomatic efforts could adopt come from concepts of “symbolism interaction”—fostering goodwill when opportunities arise (e.g., through disaster relief) (Zhang, 2006). Capitalizing on the role of communication as a symbolic resource (Allen & Caillouet, 1994; Benoit, 1995; Coombs, 1998; Coombs & Holladay, 2002 cited in Schultz & Raupp, 2010) can be instrumental in influencing audience perception over time. It was clear that President Obama and his team adopted the corrective action strategy through “symbolic” missions and gestures, with the aim of rebuilding the US’s international image. This is evident from the key words and phrases used in Obama’s earlier interview with Xinhua on 11 December, 2008 including “renew its international image”, “renovate ties with the world”, and “recalibrate relations around the globe” (Xinhua, 2008, p.1). Other examples include diplomatic missions to China in February, 2009, which could be interpreted as “symbolic” efforts by the US to improve ties. Its effectiveness can be implied from Foreign Minster Yang’s response to US diplomatic missions to China when he was quoted saying "I expect to establish a good working relationship with you for the promotion of exchanges and cooperation between our two countries” (Li & Xiong, 2009).

Conclusion and Applications

From this study, it is clear that public relations insights have proven to be valuable strategic tools in the area of public diplomacy between nations. By combining the different image repair strategies, supported by fundamental concepts of public relations strategies in reputation and relationship management, the US government was able to rebuild and restore the US as the world’s leader over time. The analysis of the US financial crisis also shows that public diplomacy in the 21st century requires not only the “human face” but also the “human touch” to foster cooperation and tolerance around the world. So what are some of the key points public diplomacy communication practitioners could consider when using these rhetorical strategies as part of diplomatic communication efforts?

- Being aware of and sensitive to its audience’s multicultural traditions
- Using mainstream media (international and local) as strategic platforms to provide clarity and ease tensions during diplomatic rows
- Maintaining consistency in rhetoric and action to build credibility in crisis situations
- Adopting other public relations concepts to boost the planning and effectiveness of the rhetorical strategy in crisis situations (e.g., using rhetoric and symbolic actions to promote goodwill, and integrating concepts from Contingency theory to identify position before strategies are applied).

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Public Diplomacy and Image Management:
How the US Government Repaired its Image from the 2008 Financial Crisis


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Revealing Corporate Identities:  
The Annual Report as the Company’s Business Card

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The annual report is known as the “calling card” (e.g., Preston, Wright & Young, 1996) of a company and thus inevitably reflects its corporate identity (cf. Cornelissen, 2004). The annual report is also a statutory document used by companies to meet legal requirements concerning their financial statements. However, from a communication perspective, the annual report is a complex genre with two potentially conflicting communicative purposes: to give a true and fair view of the state of the company’s affairs and to provide a positive image of the company (Ditlevsen 2006).

On the basis of a visual analysis from a communication perspective, it is the aim of this paper to discuss the communicated identities (cf. Balmer & Greyser, 2003) in a corpus of six Danish annual reports from different branches of business and industry. The analysis seeks to demonstrate how and to which extent the annual report as a statutory document allows companies to express their corporate identity and to use it strategically to position the company as attractive to investors and other stakeholders.

Key Words: Corporate identity, corporate reporting, Investor Relations, Public Relations, annual report, visual communication

Paper Type: Research

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(Paper not available at time of publication.)
Purpose: Consumers, at times, tend to be skeptical of CSR outlets or communications of companies. In this experiment a Cause Related Marketing advertisement was shown to consumers to test the influence of fit and reputation on their skepticism.

Design: In a two (fit versus no fit) by three (bad reputation, unknown reputation and good reputation) between subjects experimental design, 160 respondents were offered different versions of an advertisement of a virtual toilet paper brand.

Findings: The results of this study show that the lowest levels of skepticism were found when we manipulated a good reputation and a good fit between the company and the CSR domain.

Research limitations: In this experiment, we used a virtual brand and organization. Reputations are most frequently formed by various impressions; we had only one manipulation of reputation with a newspaper article.

Practical implications: Companies are increasingly involved in CSR activities, and since doing good needs to be made public, they often use various forms of communication to convey their information. With this experiment we show that organizations need to be careful when communicating their CSR.

Originality: Most frequently, current studies on fit involve controversial manipulations. In this study we wanted to test the influence of fit and different levels of reputation of a company on skepticism, purchase intentions, and attitudes towards the company.

Keywords: CSR, Skepticism, Reputation, Purchase Intention, CRM

Many organizations like to demonstrate that they have social consciences by sponsoring various occasions or events, donating money or goods to worthy causes, and by trying to limit their carbon footprint. But being green has advantages, and organizations communicate their social responsibilities to gain reputational advantages; this could lead to skeptical responses by stakeholders.

Consumers react more positively to companies that are more involved in Corporate Social Responsibility (CSR) than they do to companies that are not involved in CSR (Sen & Bhattacharya, 2001). CSR can have a positive effect on consumers’ attitudes to the company, and can positively influence their purchase intentions (Sen & Bhattacharya, 2001). Clearly,
organizations would like to inform the general public and stakeholders of their commitment to CSR, and, in this sense, they need to communicate their CSR activities.

However, there is risk involved in communicating CSR initiatives: skeptical responses from consumers and other stakeholders could have a negative effect on the reputation of, and the attitude towards, the company; this might, in turn, negatively influence the results of the organization (Ashforth & Gibbs, 1990; Mohr, Ergül, & Ellen, 1998). When consumers think that the company acts out of self-interest, and not for the good of society, skepticism will be the result. If consumers think that a company uses CSR only to improve its image, they may question the motives of the company, and a skeptical attitude might be the result. ‘Window dressing’, ‘green washing’, and ‘blue washing’ are accusations leveled at companies when stakeholders find that their motives are questionable (Forehand & Grier, 2003; Yoon, Gürhan-Canli, & Schwarz, 2006). Consumers may care less about what companies do on CSR than they do about the motives of the company (Ellen, Webb, & Mohr, 2006). The company’s motives, as perceived by consumers, can affect attitudes to the company, and influence their purchase intentions for its products and services (Becker-Olsen, Cudmore, & Hill, 2006). The response of consumers or stakeholders concerning CSR is not the result of the CSR, but a result of the evaluation of this initiative in relation to the company (Becker-Olsen et al., 2006).

This study focuses on the reputation of the company and the fit between the company and the CSR domain; it examines how these two factors influence skepticism, purchase intentions, and attitudes towards the company. One of the main choices organizations have to make when they start with CSR (although their actual start usually involves an inventory of what already is done) is the kind of CSR activity they want to be involved in (Bhattacharya & Sen, 2004; Sen & Bhattacharya, 2001).

A company might become involved in CSR domains, such as global warming, health care or the living standards in the third world. Companies might choose a CSR domain directly related to the company, which is referred to as fit, or a CSR domain not related to the company, (Becker-Olsen et al., 2006; Nan & Heo, 2007). Fit seems to have an influence on the effects of CSR communication, but the exact influence remains unclear. In most cases it has found that Fit has a positive influence on the attitude towards the company (Becker-Olsen et al., 2006; Sen & Bhattacharya, 2001) and a high fit seems to reduce the amount of skepticism (Ellen et al., 2006). However, several studies have shown that the more skeptical consumers are about the company’s motives, the more negative effects of fit on the attitude of the company are reported (Forehand & Grier, 2003; Yoon et al., 2006).

The role reputation has on the effects of CSR communication is even less understood. Based on literature, reputation might be a factor influencing the level of skepticism. From the perspective of stakeholders, a company with a bad reputation needs to improve, or it will lose its credibility, and will therefore probably face more resistance and skepticism when starting with CSR with the purpose of improving its reputation.

In this study we present the results of an experiment illustrating the influence of reputation and fit on skepticism, attitudes towards the company, and consumers’ purchase intentions. This experimental research contributes to our knowledge on CSR communication. Our main research question is:

What is the influence of fit and reputation on consumer skepticism about the motives of a company with respect to their CSR (based on CSR communication); and, what influence does skepticism have on consumer attitudes towards the company and on their purchase intentions?
Theoretical Background

Companies involved in CSR limit themselves in most cases to one or a few activities in a specified area. CSR is frequently referred to as people, planet, and profit (Elkington, 1999). Furthermore, CSR is related to four kinds of responsibilities: economic, juridical, ethical, and philanthropic (Carroll, 1991). Companies have an obligation to society, since they are part of society. The definition of responsible behavior of an organization is when they are socially responsible; this is determined by various factors, including culture. A question that needs to be considered is whether giving employees decent wages and opportunities to learn and develop should be considered as CSR. Furthermore, does society in 2009, and certainly in the years to come, not ask everyone, including organizations, to limit the amount of waste, CO2, and energy use? Generally, CSR is related to activities that, in one way or another, benefit society.

Another more conditional form of CSR is Cause Related Marketing (CRM). CRM is a marketing activity where a company promises to donate a certain amount of money or number of products to a non-profit organization or a good cause when consumers are purchasing a company’s product or service (Nan & Heo, 2007; Varadarajan & Menon, 1998). A successful CRM campaign might result in more products being sold, an improvement in corporate image, and greater involvement by employees (Brønn & Vrioni, 2001). The same factors that might make CRM successful (direct profits for company and the related cause), can be deceptive as well, because CRM is also vulnerable to consumer criticism (Webb & Mohr, 1998). CRM is a promotional form of CSR and could be regarded by consumers as acting out of self-interest and for profit margins, instead of altruism (Dean, 2004). It is one of the riskiest forms of CSR because it has the greatest potential for generating a skeptical response from consumers. (Pirsch, Gupta, & Grau, 2006).

Skepticism is defined as a tendency towards disbelief (Obermiller & Spangenberg, 2001; Pirsch et al., 2006). Skepticism is frequently used in combination with the term cynicism (Mohr et al., 1998). Cynicism is perceived as a distrust in others occurring when an individual thinks that the behavior of others is mainly based on egoistic motives. This distrust is almost always present. Cynicism can be viewed as a personality trait, whereas skepticism is not always present and is situation dependent (Mohr et al., 1998). Cynical people might react with more skepticism in certain situations. Heider’s attribution theory (1958) can be used to analyze skeptical responses. Individuals give internal or external attributions concerning their own or others’ achievements and or behavior. Consumers could understand CSR activities of the organization by attributing the motives of a company. Within this framework, internal attribution will focus consumers’ attention on the honest, intrinsic motives of the company’s CSR activities; whereas, external attribution will focus on the external motives, such as profits, improving reputation, or pressure from public opinion or stakeholders (Forehand & Grier, 2003). When consumers make an external attribution of a company’s motives and perceive it to be profit-driven, they may become skeptical about the company’s motives in initiating the CSR activity.

When a company communicates its CSR initiatives, it is very likely that initially, its consumers’ reaction will be suspicious (Bae & Cameron, 2006). Suspicion is an individual state of mind, where one actively considers different, and possibly contrary, assumptions about the motives or honesty of the behavior of someone else (Fein, 1996). Individuals become suspicious when the real motives are unclear or when there are more, or contradictory motives, possible (Szykman, Bloom, & Blazing, 2004). Consumers become suspicious about a company’s motives when the company is donating money to a good cause (Bae & Carmeron, 2006). The main aim of a company is maximizing profit, while donating money to a good cause is usually motivated by a willingness to help society. These contrary motives are not easily linked in the cognitive process...
of an individual, so the real motives or intention of the company are difficult to unravel. This increases suspicion, which in itself will enhance the change of attributing the motives of the company externally (Bae & Cameron, 2006; Becker-Olsen et al., 2006).

The effects of skepticism have been tested before. It has shown that the levels of skepticism on the motives of the company engaging in CSR are a main predictor of the ultimate success of a CSR campaign. CSR activities have a positive influence on the consumers’ attitudes towards a company when the motives are believed to be sincere (Bae & Cameron, 2006; Becker-Olsen et al., 2006; Forehand & Grier, 2003; Yoon et al., 2006;). A negative effect was found when there was much skepticism, which also has an effect on the purchase intentions of consumers (Becker-Olsen et al., 2006; Ellen et al., 2006). When consumers think that a company initiates CSR activities solely for profit, then ultimately the purchase intentions will be lower. This leads to the first hypotheses of this study:

H1: Skepticism among consumers towards the motives of a company has a negative effect on consumers’ attitudes towards the company.
H2: Skepticism among consumers towards the motives of a company has a negative effect on the purchase intention of the consumer.

Reputation

A company’s reputation is the result of all perceptions that individuals have of a company. Corporate Reputation is defined by Cornelissen (2008) as an individual’s collective representation of past images of an organization (induced through either communication or past experiences) established over time. Consumer’s perception of the CSR activities influences their attitude to the reputation of the company. Reputation is most often considered as a dependent variable, which is influenced by a company’s CSR activities and its CSR communication. However, reputation can also be considered as an independent variable, that influences the effects of CSR communication.

When consumers engage in an active attribution process to determine the motives of a company to initiate CSR activities, the existing knowledge about the company will be used to process the new information on the CSR activities (Bae & Cameron, 2006; Brown & Dacin, 1997). The reputation will function as a frame of reference to judge the behavior of the company. In this way the developing perceptions about the company’s motives to initiate CSR activities are influenced by the existing perceptions of the company. Consequently, a bad reputation could increase skepticism towards the company’s CSR activities.

The role of reputation on consumer skepticism could also be described on the basis of the legitimacy theory among stakeholders (Ashforth & Gibbs, 1990). The lower the legitimacy (and reputation) of a company, the more the company will try to increase its legitimacy (Ashforth & Gibbs, 1990). The more the company wants to increase its reputation, the more skeptical the responses of stakeholders will be. Thus, the company could end up in a vicious circle, where CSR activities are seen as self-serving and manipulative (Ashforth & Gibbs, 1990).

Finally, the ultimate attribution error (Pettigrew, 1979) shows how reputation can influence the judging of the company’s CSR activities. The ultimate attribution error is based on the assumption that the attribution individuals make on behavior of others depends on the kind of behavior (positive versus negative), and the group the other individual is part of (in-group vs. out-group). Individuals tend to make an external attribution of negative behavior when it concerns a person they want to associate with (in-group), and make an internal attribution of negative behavior when it concerns a person they do not want to associate with (out-group). Positive
behavior is attributed in a contrary manner — in-group as internal; out-group as external. The ultimate attribution error (Pettigrew, 1979) could influence describing the motives of the company. Consumers are more likely to identify with a company that has a good reputation (in-group), rather than one that has a bad reputation (out-group) (Sen & Bhattacharya, 2001). In the context of CSR this could mean that positive behavior of companies with a good reputation is ascribed to the good character of the company (internal attribution). Conversely, CSR activities of a company that already has a bad reputation would relate to its external motives, such as trying to increase its good reputation.

There is little research available on the relationship of reputation and skepticism, the exception being the research of Bae & Cameron (2006), where the reputation of a (non-existent) company was manipulated by a newspaper article. This research showed that a company’s motives were believed to be honest and not self-serving when the company has a good reputation, and skepticism occurred when the reputation of the company was bad. They also found that the relationship between the prior reputation of the company, and the attitude towards the company, was (partly) mediated by the level of skepticism. This suggests that the effect of the prior reputation of a company on the attitude towards the company is partly indirect, as the attitude is influenced by the level of skepticism towards the company’s motives. This leads to the following hypotheses:

\( H3: \) A negative organizational reputation will lead to more skepticism towards the motives of the company to be engaged in CSR activities.

\( H4: \) Consumer’s skepticism towards the motives of a company about its CSR activities will mediate the influence of the prior reputation on the attitude towards the company.

\( H5: \) Consumers’ skepticism towards the motives of the company about its CSR activities will mediate the effect of the prior reputation on the purchase intention.

**Fit**

In the literature there has already been much attention to the fit between the company and its CSR activities. Fit is defined as the global observed relationship between the company and the CSR domain based on different cognitive assumptions (Nan & Heo, 2007). The various cognitive assumptions are defined by Varadarajan and Menon (1988): Fit is the observed link between a CSR domain and the products, image, positioning, and/or target groups of a company. In general, fit is perceived as something positive. This is related to the Associative Network Theory (Becker-Olsen, et al., 2006). An observed high fit would have a positive influence on the attitude of consumers towards a brand or company, because the CSR activity is seen as appropriate. When there is a good fit between expectations, knowledge, associations, actions, and competencies of a company and the CSR domain observed by the consumer, it will be easily adopted by the consumer. Congruence is in general terms seen as more positive than a lack of congruence (Becker-Olsen et al., 2006). When consumers see inconsistencies between expectations and presented information, they will give much more thought to the company and the company’s motives, in comparison with the situation where they do not see these inconsistencies.

Fit could also mean that consumers are skeptical about companies, because fit could enhance the external, profit-motivated intentions of a company (Forehand & Grier, 2003; Yoon et al., 2006). When a company is closely related to the CSR domain it supports, it is more likely that the company profits from the CSR activity. Yoon et al. (2006) translate this assumption by describing a tobacco company that supports the National Cancer Association. This cause has a fit with the company, but the goal of this cause is to battle one of the negative health effects of the
company’s products. Therefore, the company would be more likely to benefit from its support to this CSR domain which might cause the consumers to doubt the sincerity of the company’s motives.

There are different and confusing results concerning the effects of fit. For instance, the research conducted by Sen and Bhattacharya (2001), in which fit leads to a significant positive effect on the purchase intention. Also Becker-Olsen and colleagues (2006) found that the absence of fit, in comparison with the presence of fit, results in more negativity from consumers, more suspicion about the company’s motives, and a significantly more negative attitude towards the company. But fit can also lead to more observed negative attitudes towards the company (Yoon et al., 2006). Yoon and colleagues found a negative influence of fit on attitude, which was also the case in the study of Forehand and Grier (2003). They found that the company’s support of a CSR activity directly related to (fit) the company, and that this led to an emphasis on the profits gained by the company in supporting this particular CSR domain. Although there are mixed results in the literature, it is clear that fit between the company and the CSR domain influences the motives attributed to the company, and therefore, also on the level of skepticism concerning these motives. Based on the assumption that skepticism influences the attitude towards the company and the purchase intention, it is feasible that the effect of fit on attitude and purchase intention is mediated by the level of skepticism. This is demonstrated in research where the attributions consumers make of the company’s motives mediate the effect of fit on the purchase intentions (Ellen et al., 2006). A fit led to the attribution of more sincere and society driven motives, which had a positive effect on the purchase intentions. Yoon et al. (2006) show that fit can lead to more profit-driven attributions of the company’s motives. These attributed motives partly mediated the negative effect of fit on the attitude towards the company. On the basis of these results we constructed the following hypotheses:

H6: Consumers’ skepticism towards the motives of a company to engage in CSR will mediate the effect of fit on the attitude towards the company.

H7: Consumers’ skepticism towards the motives of a company to engage in CSR will mediate the effect of fit on purchase intention.

The differences (positive vs. negative effect of fit) between the results of the studies of Ellen et al. (2006) and Yoon et al. (2006) could be because, in Ellen et al.’s study, the respondents received positive information about the company, whereas Yoon et al. provided negative company information to their respondents. It could that when a company already has a good reputation, a fit between the company and its CSR domain makes the information about CSR activities logical, and does not lead to much suspicion. However, when a company has a bad reputation, there is a chance that suspicion grows about the motives of the company and that consumers will actively try to determine the true motives of the company. This way, the fit between the company and the CSR activities will enhance thoughts about the motives of the company, and the possible profits the company might enjoy by engaging in these CSR activities. When reputation is indeed the factor that determines the effects of fit, then reputation might function as a moderating variable on the relationship between fit and attitude and purchase intention. A moderating variable is a variable which influences the direction and/or strength of the relationship between the independent or predictive variable, and a dependent variable (Baron & Kenny, 1986). Based on these insights we formulated the following hypotheses:

H8: The effect of fit on skepticism towards the motives of a company to be engaged in CSR activities will be moderated by the company’s prior reputation.
H8a: When the company has a bad reputation, a high fit between the CSR activities and the company will lead to more skepticism towards the motives of the company to be engaged in CSR activities.

H8b: When the company has a good reputation, a high fit between the CSR activities and the company, will lead to less skepticism towards the motives of a company to be engaged in CSR activities.

Method

We designed an experiment in which we manipulated the reputation and fit between the company and the CSR domain of a non-existent firm (SoftCare). During the experiment, the respondents received a newspaper article about the company in which a positive or negative reputation was suggested. In the ‘unknown reputation’ conditions respondents did not receive a manipulation on reputation. After the manipulation check on reputation, respondents were offered two different forms (high fit vs. low fit) of print advertisements of a company’s product (see Appendix 1). The respondents were then asked about the extent of their skepticism, attitude towards the company, purchase intention, and several control and social demographic variables.

In Figure 1, the design of the experiment is presented.

![Figure 1. Experimental design.]

Respondents

For this study we used a database of 660 volunteer B.A and M.A students from the University of Amsterdam. All were randomly assigned to the six different conditions (110 per condition) in the experiment and were invited by e-mail to participate in this study. There were two prizes (of € 50,-) offered to the respondents who completed the questionnaire and left an e-mail address.

After deleting incomplete questionnaires, our final group comprised 160 respondents (24%), and 25 — 28 respondents per condition. The mean age of our respondents was 24.2 years, and 75.6% of these were female.

Independent Variables

Company and brand (product): To test the effect of reputation and fit and to limit the effects of other, possible intervening variables, we introduced a non-existent firm, assuming that respondents would have no associations with the product or the company. We also manipulated the reputation of the same company, operating on the assumption that the effects we would find would be the result of the manipulation and not of other factors, such as type of product, target group, brand, and company etcetera.

We chose a CSR activity in the form CRM assuming that the likelihood of skepticism would be highest. As CRM means that the purchase of a product is linked to a donation to a good
cause, we developed a product advertisement. In our search for a product we needed to have the type regularly used and that was as neutral as possible; we chose toilet paper.

**Reputation**: Reputation was manipulated with a newspaper article about SoftCare. Respondents were randomly appointed to a condition in which we offered a newspaper article describing either a bad reputation or good reputation of Softcare. We did not include CSR activities in the articles. In the bad reputation conditions, we suggested the bad reputation by questioning the poor financial performance of the company and suspicion of its insider trading. In the good reputation condition, the company was portrayed as one that was growing, having all kinds of successes, and being praised by consumer organizations. It had products preferred by consumers. In both conditions the headline of the newspaper article was the same: ‘SoftCare, a Scandinavian organization will be introduced on the Dutch market’.

To check the manipulation, we asked respondents what they thought of SoftCare. We used a 7-points bipolar scale based on the scale devised by Bae and Cameron (2006). A high score on this scale would indicate a positive reputation, whereas a low score would suggest a bad reputation. The scale had a high reliability (Cronbach’s alpha = .90).

In a pretest we tested the two different newspaper articles and found that the manipulated good and bad reputation was found within a sample of 21 respondents (M_good=4.94; SD=0.79; M_bad= 3.55; SD= 1.48; t(19) = 2. 271, p < .01).

**Fit**: We manipulated fit by varying the CSR activity of SoftCare. SoftCare is a company that makes sanitary products, so in fit condition, we introduced the (non-existent) World Sanitary Fund. This was introduced by explaining that this fund was active in creating toilets and other sanitary facilities in the third world. In the low fit condition, SoftCare donates to the (also non-existent) African Food Program. This program focuses on the third world as well. Both fit conditions were constructed in print advertisements in which SoftCare promised to donate €0,20 to this good cause with each purchase its new toilet paper (see Appendix 1).

We asked the respondents what they thought about the fit between the company and the CSR activity by rating the fit, based on the scales used by Becker-Olsen et al. (2006). This scale consisted of bipolar statements, like low fit – high fit, dissimilar – similar, inconsistent – consistent, and not complementary – complementary (Cronbach’s alpha = .92). We pretested the fit manipulation as well, under 20 persons, and found a higher perceived fit with the World Sanitation Fund in comparison with the African Food Program (M_Sanitation= 5.39, SD = 1.34; M_Food Program = 3.28, SD = 1.61; t(19) = 3.28, p < .01).

**Dependent Variables**

**Skepticism**: Skepticism is measured based on three items of Yoon et al. (2006), such as: SoftCare sincerely cares about the sanitation/food situation in the third world. Besides these three items, we included four other items from Becker-Olsen et al. (2006) where the distinction between profit-oriented and society-driven motives is made. All items were presented to the respondents on 7-point scales (strongly disagree – strongly agree; Cronbach’s alpha = .82).

**Purchase intention**: Purchase intention was measured using three items based on research by Bruner and Hensel (1996). An example of an item is: The next time I am purchasing toilet paper I will choose SoftCare (Cronbach’s alpha= .89). A high score on this variable reveals a high purchase intention by the respondent.
Attitude towards the company: The attitude towards the company is measured with a combination of a scale devised by Bae and Cameron (2006), and a scale from Bruner and Hensel (1996). It consists of 5 bipolar items (e.g., bad – good; negative – positive; unpleasant - pleasant; unfavorable - favorable –; not fine - fine). CFA confirmed one factor (loadings > .84; Cronbach’s alpha= .92). A high score on this variable indicates a positive attitude towards the company.

Control variables: We included several control variables that could influence the results. To ensure that the control variables would not affect the relationship between dependent and independent variables, these will be controlled and held constant by including these as covariates in the regression analyses.

Memory: We asked respondents about what they read in the newspaper article, as well as what they had seen in the advertisement, by posing three questions, for instance: ‘What do you know about the company which was portrayed in the newspaper article?’ and ‘What product was offered in the advertisement?’. We also included a list of various brands of toilet paper from which respondents had to choose the one they had seen in the advertisement. Each correct answer was coded with one point, so eventually scores on this variable could vary from 0 (no recollection at all) to 4 (all four questions were answered correctly). Only one of the respondents had a score of 0. Since this respondent could remember nothing about the manipulations offered, we decided to remove them from the dataset.

Results

Manipulation checks

An independent t-test showed that the manipulation of the company’s reputation was successful. The mean reputation score of the conditions with the positive reputation article was significantly higher than the mean reputation score in the bad reputation conditions (M good reputation = 4.49, SD = 0.71; M bad reputation = 3.79, SD = 0.64; t(104) = -5.29, p < .001). Also the manipulation of fit was successful; on average the respondents in the low fit conditions found that there was a low fit between company and CSR domain; whereas, respondents in the high fit conditions indicated that there was a high fit between company and CSR domain (M low fit = 2.90, SD = 1.14; M high fit = 4.93, SD = 1.19; t(157) = -10.99, p < .001).

Mean scores on the variables

Table 1 presents the mean scores and standard deviations of the variables in this experiment.

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Scale</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skepticism towards company’s motives</td>
<td>159</td>
<td>1-7</td>
<td>4.51</td>
<td>0.85</td>
</tr>
<tr>
<td>Attitude towards SoftCare</td>
<td>159</td>
<td>1-7</td>
<td>4.46</td>
<td>0.77</td>
</tr>
<tr>
<td>Purchase intention SoftCare toilet paper</td>
<td>159</td>
<td>1-7</td>
<td>2.73</td>
<td>1.19</td>
</tr>
<tr>
<td>Recall newspaper article</td>
<td>106</td>
<td>0-4</td>
<td>3.13</td>
<td>0.78</td>
</tr>
<tr>
<td>Recall advertisement</td>
<td>159</td>
<td>0-4</td>
<td>3.34</td>
<td>0.74</td>
</tr>
</tbody>
</table>
Testing hypotheses

In our first hypothesis we predicted that skepticism towards a company’s motives for initiating CSR activities has a negative influence on the attitude towards the company. A regression analysis, with all control variables included as covariates, shows that the more skeptical a respondent is towards the motives of a company, the more negative the attitude towards the company will be ($\beta = -.35$, $t(95) = -3.58$, $p < .01$). Skepticism explains 13% of the variance of the attitude towards the company. Hypothesis 1 is accepted.

Our second hypothesis concerned the influence of skepticism on the purchase intention. Again we found a significant influence of skepticism on purchase intention ($\beta = -.34$, $t(95) = -3.50$, $p < .01$), controlling all the biased influences. Skepticism explains 12% of the variance of purchase intention. Hypothesis 2 is accepted.

The influence of reputation was central in our third hypothesis. When a company has a bad reputation, respondents indicated more skepticism in comparison with a good reputation ($M_{bad\ reputation} = 4.75$, $SD = .85$; $M_{good\ reputation} = 4.33$, $SD = 0.74$; $\beta = -.24$, $t(93) = -2.57$, $p < .05$). The manipulated reputation explained 6% of the variance of skepticism. Hypothesis 3 is accepted.

Our fourth hypothesis predicted the mediating role of skepticism in the relationship between the prior reputation and the attitude towards the company. Based on the classic work of Baron and Kenny (1986), four conditions need to be satisfied to have a mediating influence. The first step is that the independent variable (reputation) has an influence on the mediator (skepticism), see results Hypothesis 3. Second, reputation needs to have a significant effect on the dependent variable (attitude towards company). This condition is also accepted; reputation has a significant effect on the attitude towards the company ($\beta = .20$, $t(101) = 2.07$, $p < .05$). The third condition is that the mediator has a significant effect on the dependent variable (attitude) when the effect of the independent variable (reputation) is held constant. This effect is also found with a regression analysis. Skepticism has a significant negative influence on the attitude towards the company, controlling for the prior reputation ($\beta = -.27$, $t(100) = -2.80$, $p < .01$). The last condition for mediation is when the influence of the independent variable (reputation) on the dependent variable (attitude towards the company) is reduced to non-significant value. The regression analysis shows that this is the case; the influence of the prior reputation on the attitude towards the company is reduced to a non-significant influence ($\beta = .14$, $t(100) = 1.48$, $p = ns$). The influence of prior reputation on the attitude towards the company is mediated by the skepticism originating from this prior reputation. Hypothesis 4 is accepted.

Our fifth hypothesis predicted that skepticism also mediates the relationship between reputation and purchase intention. This seemed not to be the case, because the reputation has no influence on the purchase intention ($\beta = .10$, $t(104) = 1.06$, $p = ns$). Hypothesis 5 is rejected.

The analysis showed that the fit conditions had no influence on the separate dependent variables. Another method of establishing the influence of fit is with the item controlling for the observed fit. These results contain a greater range of establishing fit (1-7). Also the definition of fit supports this decision, indicating that fit is the perceived link between the CSR activity and the company (Varadarajan & Menon, 1988).

Our sixth hypothesis predicted a mediating role of skepticism in the relation between fit and the attitude towards the company. The regression analysis shows that the perceived fit has a significant (negative) influence on the level of skepticism towards the motives of the company ($\beta = -.34$, $t(157) = -4.58$, $p < .001$). The level of fit between the company and the CSR activity explains 12% of the variance of skepticism ($R^2 = .12$, $F(1, 157) = 20.93$, $p < .001$). Fit also has a significant (positive) effect on the attitude towards the company ($\beta = .24$, $t(157) = 3.14$, $p < .01$), which is the second condition in the mediation analysis. In addition, skepticism has a significant
influence on the attitude towards the company, with fit as controlling variable ($\beta = -0.31$, $t(156) = -3.90$, $p < .001$). Finally, the effect of fit on the attitude towards the company is reduced to a non-significant value ($\beta = 0.14$, $t(156) = 1.74$, $p = ns$), which means that our sixth hypothesis is accepted: fit does not have a direct effect on attitude, but it has an indirect effect on the level of skepticism, which is the result of the (lack of) fit between the company and the CSR activity.

Our seventh hypothesis predicted that skepticism mediates the relationship between fit and purchase intention. Fit has a significant effect on purchase intention ($\beta = 0.24$, $t(157) = 3.03$, $p < .01$), which is the second condition (for the first condition see Hypothesis 6). Skepticism also influences the purchase intention, controlling for fit ($\beta = -0.30$, $t(156) = -3.81$, $p < .001$), and the effect of fit on purchase intention is reduced to a non-significant value ($\beta = 0.13$, $t(156) = 1.66$, $p = ns$). This means that all conditions for mediation are satisfied, and we can conclude that skepticism mediates the relationship between fit and purchase intention; Hypothesis 7 is accepted.

Our eighth hypothesis predicted the moderating role of the prior reputation in the relation between fit and skepticism (H8) and that in the case of a company with a bad reputation, a high fit will lead to more skepticism (H8a), and that in the case of a company with a good reputation, a high fit will lead to less skepticism towards the motives of the company (H8b).

The regression analysis for the bad reputation conditions showed that fit has a strong negative influence on skepticism ($\beta = -0.60$, $t(48) = -5.14$, $p < .001$). A bad reputation and a high fit between the company and CSR will lead to less skepticism, and a low fit will increase the level of skepticism, which is contrary to hypothesis 8a, which consequently is rejected.

The regression analysis for the good reputation conditions shows there is no significant relationship between fit and the level of skepticism ($\beta = 0.13$, $t(53) = 0.97$, $p = ns$). This means that we have to reject hypothesis 8b, where we predicted that a good reputation and a high fit between company and CSR would lead to less skepticism towards the motives of the company. However, although we have to reject hypothesis 8a and 8b, this does not mean that we have to reject hypothesis 8 as well. As shown above, the effect of fit in the different conditions does differ. When manipulating a bad reputation, fit had a stronger (negative) effect on skepticism, whereas in the good reputation condition, no significant effect of fit exists. Besides the effects of the different conditions, we can examine the effect of fit on skepticism in the control conditions where we did not manipulate reputation. When reputation is not manipulated and the respondent is unfamiliar with the company (e.g., did not read a newspaper article), fit has a negative effect on skepticism ($\beta = -0.29$, $t(51) = -2.23$, $p < .05$). Fit almost explains 9% of the variance in skepticism. With a bad reputation, the effect of fit is reinforced in comparison with the control condition, whereas the negative effect of fit disappears when the company has a good reputation. Reputation moderates the effect of fit on skepticism, though not as predicted. Therefore, hypothesis 8 has to be accepted.

**Discussion**

With this experiment, we wanted to enhance knowledge about the importance of consumer skepticism concerning the motives of companies to be engaged in CSR, and to gain insights into factors that might determine skepticism. This study has shown that skepticism concerning the motives of a company has a negative influence on the purchase intention of products of the company and on the attitude towards the company. This is consistent with earlier research (Bae & Cameron, 2006; Becker-Olsen et al., 2006; Ellen et al., 2006; Forehand & Grier, 2003) on the perceived motives of a company to be engaged in CSR. When the consumer is skeptical about the motives of a company, then engaging in CSR could possibly negatively
influence the consumer attitude to the company, and the purchase intention of products of the company.

The results also show that the predicted influence of fit is indirect and impacts on the degree of skepticism towards the motives of the company to be engaged in CSR. The effect of fit on the purchase intention and attitude towards the company is being influenced by the amount of skepticism towards the motives of the company. High levels of fit lead to less skepticism, which in itself leads to a more positive attitude towards the company and a higher purchase intention. The negative effect of fit on skepticism seems to support the congruence theory (Becker-Olsen et al., 2006). A high fit leads to an easier integration of CSR communication into the existing structures of the consumer. No inconsistencies between expectations and presented information (communication) exist, which probably leads to less critical thinking about the motives of the company. These results emphasize the importance of skepticism regarding the effects of CSR communication.

Besides fit, we also expected reputation to influence the skeptical responses towards the company’s motives for engaging in CSR. This assumption was confirmed: a bad reputation leads to more skepticism, compared to the company with a good reputation. The company’s reputation functions as a frame of reference that is used to interpret the CSR communication (Bae & Cameron, 2006; Brown & Dacin, 1997). A bad reputation automatically leads to negative and skeptical responses towards all organizational activities. The bad reputation condition in the experiment could also have led to the skeptical responses because of the company’s need for more legitimacy, which leads to even more skeptical responses (Ashforth & Gibbs, 1990). Finally the ultimate attribution error (Pettigrew, 1979) could have played a role in the relationship between reputation and skepticism. This could mean that respondents in the good reputation condition more strongly identified with the company, leading to interpreting the objectives of the company as being trustworthy and true, instead of interpreting the objectives as being motivated by profit. It could be that, since we used a non-existent company where we manipulated reputation, respondents did not identify themselves with this company on the basis of one newspaper article. This could be an explanation for the relatively low proportion of explained variance of skepticism by reputation. With an existing company, consumers already have a reputation score for themselves; the effects could have been stronger according to the attribution theory.

It was suggested that the way fit influences the level of skepticism was dependent on the reputation of the company. Fit would lead to more skepticism when the company has a bad reputation, in line with the theory that a bad reputation leads to more suspicion when a company supports a good cause. Fit would lead to more emphasis on the profits gained by the company in supporting good causes (Yoon et al., 2006). This study showed that this was not the case, and that the results were to the contrary; in the case of a company with a bad reputation, fit has a strong negative effect on the level of skepticism towards the motives of the company. Low fit leads to more skepticism, whereas high fit leads to less skepticism. This unexpected result might be because of the kind of company which was central to our study. The theory was based on research concerning companies in controversial industries, such as tobacco, alcohol, and fast food, perceived as having a bad reputation. Fit was introduced in these studies using the example of a tobacco company that supports a cancer prevention organization. This might be seen as a fit; tobacco has a relationship with cancer, but this kind of fit emphasizes the negative effects of the company’s products. It could be described as a controversial fit, since it is emphasizing the negative consequences of using the products, which seems to be very rare. In our experiment however, the fit was not controversial. From the results of this experiment we can conclude that when a company has a good reputation, fit does not influence the level of skepticism. When a
company has a good reputation, consumers will have little suspicion about the motives of this company to be engaged in CSR. This would probably not result in the fundamental attribution error, and would lead consumers to believe that the company has sincere motives. There are probably no questions about the company’s motives, which would reduce the effect of fit. This could also explain why the result of fit is so strong in a company with a bad reputation.

The assumption that the effect of fit on skepticism is dependent on reputation is confirmed within this experiment. The reputation of the company determines the strength and presence of the negative effect of fit. The strength of these negative consequences decreases as the reputation of the company is higher. When a company has a good reputation, the effect of fit might disappear. This moderating effect of reputation could be explained with a possible active attribution process, which is present in bad reputation situations, and could be absent in a good reputation situation.

In interpreting the results of this experiment, several limitations occur. The use of students as respondents might be one, although they voluntarily responded. Another limitation might be the fact that we used CRM as CSR activity of a company. A limited CRM activity might increase skepticism, which was central to our study and was chosen for this reason. Of course integrated forms of CSR (Pirsch et al., 2006) will have more positive results than promotional forms of CSR. Integrated CSR is based at all levels of the organization, aimed at all stakeholders and is a part of all policies of the organization which includes a series of different CSR domains. Promotional CSR is aimed at short term, and on a single, or few CSR activities. Integrated CSR will probably convince consumers of the efforts of the organization for society in general and of the sincere intentions of the company. Although it will be hard to incorporate integrated CSR into an experiment, it might be interesting to see whether integrated CSR would have superior results.

Toilet paper was deliberately chosen in this experiment, although CRM seems to be especially efficient in the case of luxury goods (Strahilevitz & Myers, 1998). Possible negative feelings, such as guilt, could be decreased or disappear when a donation is made to a good cause. Perhaps luxury goods could have revealed other effects. It might be wise to have different products in a new experiment. Besides that, we chose not to reveal the price of the product in the experiment, but only indicated that 20 eurocents would be donated. The unknown price could have limited the purchase intentions of the consumers, because the price is important in determining a purchase intention (Scitovszky, 1945). Maybe the respondents could not easily judge their intention to buy the product because of the unknown price.

Besides these limitations, the results of this study led to several new questions and issues which could be tested in future research. We already mentioned the kind of good offered in the CRM, but also the way the product is promoted could be different than in the current experiment. A print advertisement is a static way of marketing, whereas a TV or online commercial can include sound, moving pictures, and could possibly offer more information, etcetera. The experiment might also be conducted in the future with existing companies, although the reputation of the company should ideally have a great variance, which does not seem to be very common among existing companies.

Our experiment demonstrates the importance of consumers’ skeptical responses on CSR activities of organizations. High levels of skepticism lead to a more negative attitude towards the company and a lower purchase intention. The reputation of the company, and the fit between the company and the CSR activity, influences the level of skepticism. A company with a good reputation will have limited skeptical responses from consumers, whereas in a situation where the company has a bad reputation the level of skepticism among consumers increases. In such a case, the company would be advised to remain silent about its CSR activities, hoping that in the long term its reputation improves, and it can start communicating its CSR activities.
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References

CSR and Skepticism:
The Influence of Fit and Reputation on Skepticism Towards CSR Communications


Appendix

The advertisements:

**FIGURE 1: The two CRM advertisements:** On the left, the fit condition with the text (in Dutch): The toilet, very common for you but for many people in the third world a dream. SoftCare supports the World Sanitary Fund. With the purchase of one package, SoftCare donates 20 eurocents to this good cause; on the right, the non-fit condition with the text: Food, very normal for you, but for many people in the third world a dream. SoftCare supports the African Food Program. With the purchase of one package, SoftCare donates 20 eurocents to this good cause.
The War for Talent?
The Relevance of Employer Branding in Job Advertisements for Becoming an Employer of Choice

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Purpose: Organizations need high quality employees to fulfil the needs of their stakeholders and be successful. The purpose of the paper is to argue that employer branding might be a powerful tool to attract high potential employees.

Method: This paper presents theoretical background on employer branding and the results of two studies. The first analyzed 100 online job advertisements to determine if and how employer branding is currently used in recruitment practices in the Netherlands. In the second study, we conducted an experiment where a job advertisement with elements of employer branding was compared to an advertisement without employer branding.

Findings: The paper finds that employer branding is not commonly used in recruitment communication in the Netherlands. The experiment showed that respondents were more attracted to the advertisement with employer branding.

Research Limitations: This is one of the first empirical studies on effects of employer branding.

Practical Applications: The results show that the application of employer branding has many benefits for organizations. A branded identity might give an organization the advantage in the war for talent.

Keywords: Employer Branding, Corporate Branding, Corporate Identity, Job Advertisements, Content Analysis, Experiment.

The influence of social capital on the success of organizations has been documented in many studies across various disciplines (Backhaus and Tikoo, 2004; Hah, Ewing and Berthon, 2005; Cable and Judge, 1996; de Chernatony and Harris, 2001; Mosley, 2007). High quality employees are crucial to corporate strength in the global economy because of their major influence on organizational reputation (Gotsl and Wilson, 2001). Organizations know that employees have a powerful effect on customer perceptions of a brand and a growing number make it a priority to select and train employees to become ‘brand ambassadors.’ Employees are no longer recruited simply for their functional knowledge; their compatibility with and belief in the organization is equally important (de Chernatony and Harris, 2001; Gotsl and Wilson, 2001).

The need to attract high quality employees makes it essential for organizations to develop a sound recruitment communication strategy. Many organizations seek the same employees with the same qualities and are thus players in an “intensifying competition for talent”
Attracting high potential employees is increasingly challenging for organizations, given relatively new expectations that a job should provide meaning and complement personal interests (Albert, Ashforth and Dutton, 2000). Human resource professionals say Generation Y workers (born after 1980) demand more flexible and meaningful jobs, professional freedom, higher rewards and better work-life balance than older employees, which makes them harder to ‘seduce.’ How do organizations become attractive to high potential candidates and how do they demonstrate their attractiveness through a recruitment communication strategy?

The attractiveness of an organization is related to perceptions of job and organisational characteristics (Cober, Brown, Levy, Cober, and Keeping 2003; Ehrhart and Ziegert, 2005; Judge and Cable, 1997; Turban, Forret and Hendrickson, 1998). With these perceptions, potential employees make predictions about what it would be like to work for a particular organization (Ehrhart and Ziegert, 2005; Turban and Greening 1997). Several studies have suggested the importance of the perception of a match between personal and fundamental organizational characteristics and values (Cable and Judge, 1996; 1994; Cable and Edwards, 2004; Kristof, 1996). Person-Organisation (P-O) fit would improve the attractiveness of an organisation and employees’ identification with it. Another vital contributor to the attractiveness of an organization as employer is its corporate image and employer image (Cable and Turban, 2003; Dutton, Dukerich and Harquail, 1994; Ehrhart and Ziegert, 2005; Turban and Cable 2003, Turban, et al., 1998). Positive image perceptions can lead higher quality potential employees to organizations (Turban and Cable, 2003).

Employer branding contributes to P-O fit and image perceptions by giving potential employees a unique and attractive employer brand image (Backhaus and Tikoo, 2004). The roots of employer branding can be found in marketing principles of branding strategy (Ambler and Barrow, 1996; Backhaus, 2004; Cable and Turban, 2001). “Employer branding represents a firm’s efforts to promote, both within and outside the firm, a clear view of what makes it different and desirable as an employer” (Backhaus and Tikoo, 2004, p. 501).

Employer branding is a relatively new concept in recruitment communication, but interest in it is growing steadily. A recent search of “employer branding” on Google returned 470,000 results, compared to only 3,000 results in 2004 (Backhaus and Tikoo, 2004). Empirical studies on the topic are still, however, relatively scarce (Backhaus and Tikoo, 2004; Lievens, Van Hoye and Anseel, 2007; Moroko and Uncles, 2008).

This paper focuses on employer branding in job advertisements and presents the results of two research studies. The first study asks Do organizations perform employer branding in current job advertisements? It examines recruitment communication practices in the Netherlands by analyzing the way Dutch organizations present themselves in 100 job advertisements.

The second study asks What is the contribution of employer branding in job advertisements to organizational attractiveness and the estimate of P-O fit? We conducted an experiment in which we manipulated employer branding in job advertisements and examined its influence on organizational attractiveness and respondents’ estimate of P-O fit. Specific dimensions of attractiveness in job advertisements were investigated in their relative importance to organizational attractiveness.
Theoretical Background

A brand can be one of a firm’s most valuable assets. Therefore, managing a brand is an important activity for many organizations (Backhaus and Tikoo, 2004; Cable and Turban, 2001). Branding can be applied to organizations (internal branding) and also to cities, regions and nations (city branding and country branding). Branding seeks to develop or align the expectations behind the brand experience, creating the impression that a brand associated with a product or service has certain qualities or characteristics that make it special or unique. Branding is mostly associated with developing products or maintaining the corporate identity.

Corporate identity refers to an organization’s unique characteristics, which are rooted in the behavior of members of the organization (Van Riel and Balmer, 1997, p. 341). It can also be described as the projected corporate personality, which reflects the organization’s corporate mission, philosophy and core values (Stuart, 1998, p. 357). Much of the literature related to the management of an organization’s identity and corporate brand suggests that alignment and consistency in employee behavior is an ideal (Cornelissen, 2008).

Applying branding to human resource management involves creating an attractive organizational identity where an employee feels comfort, respect, trust and loyalty. It also involves active participation; employees who are engaged in the strategy of the firm are motivated to deliver the best quality products or services or become real brand ambassadors (Backhaus and Tikoo, 2004; Barrow and Mosley, 2005; Martin and Hetrick, 2006).

Communication and human resource management practitioners have acknowledged employer branding as significant and important in creating successful organizations (Willock, 2005). The term “employer branding,” first coined by Ambler and Barrow (1996), relates to the package of functional, economic and psychological benefits offered by a particular employer. The concept of employer branding is explored more in depth by Ewing, Pitt, de Bussy and Berthon (2002) and Backhaus and Tikoo (2004). Employer branding has been defined as: “The process of building an identifiable and unique employer identity and the employer brand as concept of the firm that differentiates it from its competitors” (Backhaus and Tikoo, 2004, p 502).

Organizational Attractiveness

Organisational attraction is defined as an attitude or expressed general positive affect toward an organisation which contributes to it being viewed as a desirable entity with which to initiate some relationship (Aiman-Smith, Bauer and Cable, 2001, p. 221). Specifically, for an organisation as employer, it refers to potential employees viewing an organisation as an appealing and positive place to work (Rynes, 1991; Ehrhart and Ziegert, 2005).

Individuals have different needs and look for jobs that are able to satisfy those needs (Schneider, 1987). Potential applicants’ perception of organizational attractiveness is formed by their individual perceptions of available information about the organization, including job advertisements, websites, brand advertising and stories from employees and other informed people (Brown et al., 2003; Dineen et al., 2002; Lemmink et al., 2003). Organizations use various forms of recruitment communication to influence perceptions. Recruitment is defined as the activities and practices an organization executed to identify and attract potential employees (Brown et al., 2003).

Although various studies on organizational attractiveness have been done, there is still much uncertainty about the variables that influence organizational attraction (Lemmink et al., 2003). It is generally agreed, however, that potential employees’ perceptions of job and organization characteristics have a strong bearing on predictions of how fitted they are to the
organization (Aiman-Smith et al., 2001; Backhaus, 2004; Backhaus and Tikoo, 2004; Brown et al., 2003; Ehrhart and Ziegert, 2005; Judge and Cable, 1997; Turban, et al., 1998; et al.).

**Job and Organizational Characteristics and Person-Organisation Fit**

Several theories and studies demonstrate the value of job and organisation characteristics to organisational attractiveness (e.g. Brown et al., 2003; Lievens et al., 2005; Rynes and Barber, 1990; Turban and Keon, 1993). Signalling theory provides an explanation for this relationship. Because potential applicants do not have complete information about an organization, they use job and organisational characteristics to form an image of how it would be if they were part of the organisation. The job and organisational characteristics help inform the potential working conditions of the organization (Ehrhart and Ziegert, 2005; Spence, 1973).

Empirical research found that a wide variety of job and organizational characteristics, including work environment, salary and compensation, opportunity for career advancement, location, ethical standards, corporate culture and skills development opportunities, contributed to the attractiveness of the organization as employer (Turban et al., 1998; Brown et al., 2003). Most studies link attraction of organisations to P-O fit (e.g. Cable and Judge, 1994; 1996; Schneider, 1987; Turban and Keon, 1993). P-O fit theory stems from the person-environment paradigm, which is based on the proposition that attitudes and behaviors are the result of the congruence between attributes of person and environment (Schneider, 1987). In general, empirical studies concerning P-O fit investigate antecedents and consequences of compatibility between a person and organization (Kristof, 1996). P-O fit occurs if person and organization possess similar characteristics (Cable and Judge, 1994; Cable and Edwards, 2004; Judge and Bretz, 1992; Turban and Keon, 1993; et al.). Integrating various research traditions, Kristof defines P-O fit as the compatibility of a person and an organization that occurs when a) at least one entity provides what the other needs, b) they share similar fundamental characteristics, or c) both (1996, p. 4).

Several empirical studies contribute to the suggestion that higher levels of P-O fit lead to more attraction to organizations (Dineen et al., 2002; Cable and Judge, 1996; Judge and Cable, 1997; Slaughter et al., 2004; Turban and Keon, 1993; et al.). For example, research by Slaughter and colleagues (2004) suggests that people are more attracted to organizations with traits that match the traits they would use to describe their own personality. The direct perception of fit by job seekers is suggested to explain organizational attraction (Cable and Judge, 1996; Judge and Cable, 1997).

To make it possible for potential employees to establish their degree of fit, organizations need to provide adequate information about themselves in recruitment advertising, including mission, values and achievements (Backhaus, 2004). Communicating this information may generate more attraction and thus lead to hiring employees with a high degree of fit and positive organizational outcomes (Backhaus, 2004; Chatman, 1991; Cheney, 1983).

**Corporate Image**

The awareness of the importance of a good corporate image for organizational success is increasing (Lemmink, et al., 2003). Corporate image is defined as the way a company is perceived, based on a certain message and at a certain point in time (Cornelissen, 2008). A good corporate image can influence applicants to seek employment opportunities at a particular organization (Lemmink et al., 2003). Because potential applicants have only limited information about an organization in the early stages of the job seeking process, they rely heavily on general impressions of organizational attractiveness and corporate image to decide if they want to pursue
contact with the organization (Rynes, 1991). Several empirical studies contribute to the notion that a positive corporate image increases organizational attractiveness and influences the quality of applicants (Belt and Paolillo, 1982; Fombrun and Shanley, 1990; Cable and Turban, 2001, 2003; Gatewood, Gowan, and Lautenschlager, 1993; Turban and Greening, 1997; et al.). Cable and Turban (2003) suggest that positive image perceptions increase organizational attractiveness because they are a signal for positive job attributes and associate pride with organizational membership.

**Employer Image**

The image of an organization as a place to work has been treated as a distinct type of image in several studies. According to Lemmink et al. (2003), this is useful because people form a general image of a particular organization (corporate image), which can change if they think about this organization as an employer. Importantly, what an organization stands for as employer may influence how it is perceived (Gatewood et al., 1993). This image is given different names in literature, including “employer image” (Cable and Turban, 2001), “recruitment image” (Gatewood et al., 1993) and “company employment image” (Highhouse, Zickar, Thorsteinson, Stierwalt, and Slaughter, 1999; Lemmink et al., 2003).

Symbolic image perceptions, defined as the subjective, abstract and intangible attributes that convey symbolic company information in the form of image and trait inferences that applicants assign to organizations, are suggested to be particularly important for organizational attractiveness (Lievens, 2007; Lievens, et al., 2007; Slaughter, et al., 2004). Certain empirical studies suggest that as well as corporate image, employer image perceptions are important for organizational attractiveness (Gatewood et al., 1993; Cable and Turban, 2001; Lemmink et al., 2002). Lemmink and colleagues, for example, focused on different image perceptions and their influence on potential employees’ intentions to pursue further contact with organizations (2003). They found that while both employer image and corporate image are important, the latter has the strongest influence on application intentions. They suggest that a positive corporate image is the basis for a positive company employment image.

**Employer Branding**

Creating an attractive image of an organization as a distinct and desirable employer, both within and outside an organization, becomes possible with employer branding (EB) (Backhaus and Tikoo, 2004). Employer branding serves as a management framework that can help to improve recruitment, retention and commitment, increase productivity and focus on organizational priorities (Ambler and Barrow, 1996).

The employer branding concept is based on the theory that an employer can be seen as a brand (Ambler and Barrow, 1996). Similar to a customer brand, the benefits an employer brand offers its employees are functional, economic and psychological (Ambler and Barrow, 1996; Lievens and Highhouse, 2003; Lievens, 2007). The value of both employer brand and customer brand depend on their difference from other brands and the visibility of benefits on offer. The same marketing research and techniques are applicable to both types of brands, given their similarities (Ambler and Barrow, 1996).

To establish an employer brand, an organization has to build “an image in the minds of the potential labour market that the company, above all others, is a great place to work” (Ewing, et al., 2002, p. 12). It is closely related to organizational attractiveness. If organizations possess several dimensions of attractiveness, they are most likely to be perceived as an attractive
employer. The more attractive they are, the stronger their employer brand is (Berthon et al., 2005).

One way to apply employer branding to job advertisements is to incorporate dimensions of organizational attractiveness in the advertisement text (Berthon et al., 2005). It is vital that these dimensions are an integrated part of the identity of an organization, not just created to attract employees (Mosley, 2007). Hah et al. (2005) created a scale for employer attractiveness which consists of 25 items of attractiveness represented by five dimensions: development, economic, application, social and interest. These groups identify the factors that potential employees consider important when working for an organization and are therefore relevant employer branding strategies. The literature on organizational attractiveness suggests that possibilities for development and advancement (Berthon et al., 2005; Turban et al., 1998), corporate responsibility (Backhaus, Stone and Heiner, 2002; Backhaus, 2004; Turban and Greening, 1997), a positive and supportive organisational climate (Backhaus, 2004; Berthon et al., 2006, Turban et al., 1998), an innovative and creative work environment and good compensation (Cable and Judge, 1994; Berthon et al., 2005) all make an organization more attractive as employer and contribute to creating a strong employer brand.

Study 1

To learn more about whether and how employer branding in the Netherlands is conducted, this study analyzed corporate descriptions in job advertisements through a quantitative content analysis. Job advertisements play a significant role in most recruitment strategies and are critical to creating an attractive first impression of the organization as employer (Cober, Brown, Blumental, Doverspike and Levy, 2000). Job advertisements can establish the foundation for a link between organization and potential employee and should be constructed with the aim of attracting attention, stimulating interest and driving applications for the job (Backhaus, 2004. Since the Internet is the most effective source of available jobs (Feldman and Klaas, 2002), this study focuses on online instead of offline job advertisements.

To compose a sound coding scheme to analyze the job advertisements, the first step of this study was emergent coding (Stemler, 2001). We began by exploring the content of 20 randomly chosen job advertisements from four different acknowledged recruitment agencies and established essential descriptors for defining corporate information in job advertisements. After comparing and discussing the advertisements’ descriptors, a second set of 20 new job advertisements was analyzed. Preliminary examination of the data resulted in the initial coding scheme.

After this pre-testing work, a number of adjustments were made to the initial coding scheme to improve the measurability of results. The final coding scheme consists of questions about the organization, as it appears in the job advertisement, that can be answered with ‘yes’ or ‘no’. For example: “Does the job advertisement discuss organizational norms and values?” The questions contain the descriptors that were established in the preliminary coding process. The questions in the coding scheme concerned only the content of the job advertisement, including photos and other graphic material.

To compose a valid and varied sampling unit, we randomly selected 100 job advertisements posted in the spring of 2009. All advertisements were affiliated with acknowledged Dutch recruitment agencies targeting highly educated graduates and professionals. Twenty job advertisements were randomly chosen from each of these recruitment agencies.

The sampling unit was divided among the three different coders, and each coder analyzed one part of another coder’s selection as well. By analyzing half of the data twice, we could assess
whether the different coders were able to apply the rating system and interpret the data in the same way. The Cohen’s kappa showed an inter-rater reliability of .73, which means there is a substantial strength of agreement (Stemler, 2001).

**Results**

Table 1 presents the results of the content analysis. The first questions concern the number of words used to describe three elements of job advertisements: content of the function, description of the organization and function requirements. The results offer information about the weight or importance given to each element in job advertisements.

The table shows that a relatively small number of words is used to describe the organization compared to the total number of words used (29.9 percent). On average, the number of words to describe the content of the function (M=118.37) is almost the same as to describe the organization (M=119.28). Interestingly, relatively few words are dedicated to describing function requirements (that is, the specific responsibilities of the job).

The second set of questions concerns a wide range of organizational aspects, including salary, work hours and organizational culture. Discussion of important organizational aspects in job advertisements helps potential employees to estimate their fit with the organization. According to Backhaus, it is “reasonable to assume that firms should provide sufficient information that is available early in the job choice process so that prospective applicants can determine their own degree of fit” (2004, p. 118). Organizational information also contributes to the creation of an employer image (Lemmink et al., 2003; Lievens and Highhouse, 2003). Since employer branding is about creating a unique and identifiable employer image (Backhaus and Tikoo, 2004), mentioning organizational aspects in job advertisements helps to reveal an employer brand.

Table 1 shows that the majority of the 100 job advertisements fail to mention many important organizational aspects. For example, only 9 percent discuss organisational norms and values, which are one of the most important elements that help potential employees estimate P-O fit (Van Vuuren, 2006). Organizational culture is mentioned in only 35 percent of job advertisements, and corporate vision and or ambition is mentioned in only 26 percent cases. With so much relevant information about corporate identity missing from most job advertisements, it is difficult for job seekers to predict P-O fit (Backhaus, 2004).

The final two questions in the table reveal the advertisements’ use of employer branding, which “represents a firm’s efforts to promote, both within and outside the firm, a clear view of what makes it different and desirable as an employer” (Backhaus and Tikoo, 2004, p. 502). The questions “Does the job ad define the organization as an attractive or desirable employer?” and “Does the job ad discuss specific advantages of working for the organization?” had mostly negative responses (90% and 68% respectively), which suggests that employer branding is weak.
TABLE 1. Results of content analysis of 100 job advertisements

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of words: Content of the function</td>
<td>118,37</td>
<td>51,15</td>
</tr>
<tr>
<td>Number of words: Description of the organization</td>
<td>119,28</td>
<td>87,04</td>
</tr>
<tr>
<td>Number of words: Function requirements</td>
<td>66,1</td>
<td>31,97</td>
</tr>
<tr>
<td>Total number of words</td>
<td>399,29</td>
<td>112,54</td>
</tr>
</tbody>
</table>

Does the job ad …

<table>
<thead>
<tr>
<th></th>
<th>Yes %</th>
<th>No %</th>
</tr>
</thead>
<tbody>
<tr>
<td>mention support by a (senior) co-worker?</td>
<td>42</td>
<td>57</td>
</tr>
<tr>
<td>mention the team the applicant will be part of?</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>mention participation in decision making?</td>
<td>15</td>
<td>85</td>
</tr>
<tr>
<td>mention the number of working hours?</td>
<td>64</td>
<td>36</td>
</tr>
<tr>
<td>mention secondary terms of employment?</td>
<td>56</td>
<td>44</td>
</tr>
<tr>
<td>discuss how the organization is posited with regard to other organizations in the sector of industry?</td>
<td>36</td>
<td>64</td>
</tr>
<tr>
<td>discuss corporate history?</td>
<td>13</td>
<td>87</td>
</tr>
<tr>
<td>discuss corporate social responsibility (people / planet / profit)?</td>
<td>13</td>
<td>87</td>
</tr>
<tr>
<td>define the organization as innovative or progressive?</td>
<td>28</td>
<td>72</td>
</tr>
<tr>
<td>discuss organizational norms and values?</td>
<td>9</td>
<td>91</td>
</tr>
<tr>
<td>discuss the organizational culture?</td>
<td>35</td>
<td>65</td>
</tr>
<tr>
<td>discuss the organization’s vision, ambition or mentality?</td>
<td>26</td>
<td>74</td>
</tr>
<tr>
<td>mention if there are possibilities for career development within this organization?</td>
<td>33</td>
<td>67</td>
</tr>
<tr>
<td>mention if the organization contributes to the development of its employees as individuals?</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>mention if the organization is customer orientated?</td>
<td>25</td>
<td>75</td>
</tr>
<tr>
<td>mention if the organization provides exciting work?</td>
<td>22</td>
<td>78</td>
</tr>
<tr>
<td>discuss if the organization provides a supportive environment for its employees?</td>
<td>43</td>
<td>57</td>
</tr>
<tr>
<td>mention if the organization values the balance between work and private life?</td>
<td>5</td>
<td>95</td>
</tr>
<tr>
<td>mention salary</td>
<td>43</td>
<td>57</td>
</tr>
<tr>
<td>mention salary?</td>
<td>5</td>
<td>95</td>
</tr>
<tr>
<td>discuss the importance of the employee to the organization?</td>
<td>14</td>
<td>86</td>
</tr>
<tr>
<td>define the organization as an attractive or desirable employer?</td>
<td>10</td>
<td>90</td>
</tr>
<tr>
<td>discuss specific advantages of working for the organization?</td>
<td>32</td>
<td>68</td>
</tr>
</tbody>
</table>
Study 2

Introduction

Study 1 showed that in the corporate descriptions of job advertisements in the Netherlands, employer branding is not commonly used to attract high potential candidates.

To further test the value of employer branding, we conducted an experiment where two versions of an online job advertisement – an employer branded version and a non-employer branded version – were presented to respondents to test which one they were more drawn to. The following hypotheses were tested:

Hypothesis 1: “When organizations perform employer branding by using employer attractiveness, potential employees perceive the organization as more attractive than when employer branding is not used.”

Hypothesis 2: “When organizations perform employer branding by using employer attractiveness, potential employees can get a better estimate P-O fit than when employer branding is not used.”

Respondents

The respondents were students of the University of Amsterdam. They were asked to read the two versions of the online job advertisement and then fill out a survey.

Conditions

With reference to the explorative research on employer branding conducted as part of Study 1, we created an advertisement for a management traineeship position. The job was offered in a large fictional organization specializing in fast moving consumer goods. Given the diverse nature of the functions of the organization, the job was open to applicants undertaking a university degree in any discipline. This very general job opportunity was intended to interest students across all majors.

The employer branded (EB) job advertisement was filled with those ‘regular’ vacancy requirements described by Heneman and Judge (2003) and augmented with 25 applied dimensions of attractiveness, as developed by Berthon et al. (2005). These dimensions were used as independent variables to measure the employer branding message. The advertisement without employer branding (non-EB) stated the job opportunity and included some regular, non-employer branded job information. This version was inspired by real advertisements encountered in Study 1 and included mostly formal information not revealing the identity or personality of the organization. To ensure an equal word count in both conditions, the non-EB condition was filled with significantly more job information.

Although the brand itself is the most important part of any employer branding activity, we deliberately excluded a brand. This allowed the effectiveness of the message to be measured without the possibility of respondents being swayed by any positive or negative associations they might have with an existing brand.
Survey

On May 25, 2009, an email was sent to 1,400 students of the University of Amsterdam inviting them to participate in the experiment and respond by June 9, 2009. A reminder email was sent a week later. To encourage responses, the invitation stated that participants would have the chance to win one of the three €100 travel vouchers. A total of 361 students accepted the invitation and were randomly assigned to one of the two conditions and issued surveys. A total of 214 responses were fully complete and usable. The in-depth nature of the survey, which required participants to read closely and give a correct response to a control question, may explain the number of usable responses. Of the 214 respondents, 25% were male and 75% were female. The average age of respondents was 23.7 years.

The survey consisted of three dependent variables: organizational attractiveness, perception of the organization and estimate of P-O fit. Before the dependent variables were measured, a control question was asked to make sure the respondents had read the job advertisement properly.

Organizational attractiveness is measured by questioning a scale developed by Highhouse, Lievens and Sinar (2003) for gauging potential employees’ intentions and estimated likelihood of pursuing a job. The five questions which were asked directly after respondents read the job advertisement, produced results in favor of EB (EB $\alpha = .91$, non-EB $\alpha = .85$). The respondents were asked to rate the five items on a 7-point Likert scale (1= fully disagree – 7= fully agree).

Perception of the organization is measured by questioning the applicability of 25 characteristics of employer attractiveness (Berthon et al., 2005). Respondents were asked to answer to what degree a specific characteristic of attractiveness was applicable to their perception of the organization as portrayed in the job advertisement (1= totally non-applicable – 7= totally applicable). Because the employer attractiveness scale is applied to Dutch students for this specific research, a factor analysis and reliability test was done to measure the scale’s consistency and reliability. Results can be found in table 2.
The War for Talent? The Relevance of Employer Branding in Job Advertisements for Becoming an Employer of Choice

### TABLE 2. Results of factor analysis and reliability for employer attractiveness dimensions.

<table>
<thead>
<tr>
<th></th>
<th>Organisational Climate $\alpha = .92$</th>
<th>Development $\alpha = .83$</th>
<th>Innovation $\alpha = .86$</th>
<th>Compensation $\alpha = .77$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition/appreciation from management</td>
<td>.70</td>
<td>.09</td>
<td>-.01</td>
<td>.00</td>
</tr>
<tr>
<td>A fun working environment</td>
<td>.69</td>
<td>.38</td>
<td>.00</td>
<td>.11</td>
</tr>
<tr>
<td>A springboard for future employment</td>
<td>.27</td>
<td>.60</td>
<td>.17</td>
<td>.28</td>
</tr>
<tr>
<td>Feeling good about yourself as a result of working for a particular organization</td>
<td>.74</td>
<td>.16</td>
<td>.07</td>
<td>.30</td>
</tr>
<tr>
<td>Feeling more self-confident as a result of working for a particular organization</td>
<td>.52</td>
<td>.32</td>
<td>.01</td>
<td>.27</td>
</tr>
<tr>
<td>Gaining career-enhancing experience</td>
<td>.15</td>
<td>.70</td>
<td>.17</td>
<td>.24</td>
</tr>
<tr>
<td>Having a good relationship with your superiors</td>
<td>.77</td>
<td>.15</td>
<td>.11</td>
<td>-.01</td>
</tr>
<tr>
<td>Having a good relationship with your colleagues</td>
<td>.69</td>
<td>.29</td>
<td>.10</td>
<td>.07</td>
</tr>
<tr>
<td>Supportive and encouraging colleagues</td>
<td>.76</td>
<td>.14</td>
<td>.18</td>
<td>-.12</td>
</tr>
<tr>
<td>Working in an exciting environment</td>
<td>.20</td>
<td>.74</td>
<td>.26</td>
<td>-.01</td>
</tr>
<tr>
<td>Innovative employer – novel work practices/forward-thinking</td>
<td>.02</td>
<td>.37</td>
<td>.71</td>
<td>-.01</td>
</tr>
<tr>
<td>The organization both values and makes use of your creativity</td>
<td>.12</td>
<td>.31</td>
<td>.67</td>
<td>-.02</td>
</tr>
<tr>
<td>The organization produces high-quality products and services</td>
<td>.23</td>
<td>.11</td>
<td>.70</td>
<td>.10</td>
</tr>
<tr>
<td>The organization produces innovative products and services</td>
<td>.10</td>
<td>.18</td>
<td>.77</td>
<td>.12</td>
</tr>
<tr>
<td>Good promotion opportunities within the organization</td>
<td>.25</td>
<td>.59</td>
<td>.11</td>
<td>.13</td>
</tr>
<tr>
<td>Humanitarian organization – gives back to society</td>
<td>.49</td>
<td>.09</td>
<td>.37</td>
<td>.12</td>
</tr>
<tr>
<td>Opportunity to apply what was learned at a tertiary institution</td>
<td>.18</td>
<td>.60</td>
<td>.20</td>
<td>.04</td>
</tr>
<tr>
<td>Opportunity to teach others what you have learned</td>
<td>.52</td>
<td>.41</td>
<td>.10</td>
<td>-.04</td>
</tr>
<tr>
<td>Acceptance and belonging</td>
<td>.75</td>
<td>.12</td>
<td>.10</td>
<td>.17</td>
</tr>
<tr>
<td>The organization is customer-orientated</td>
<td>.06</td>
<td>.01</td>
<td>.61</td>
<td>.15</td>
</tr>
<tr>
<td>Job security within the organization</td>
<td>.47</td>
<td>-.06</td>
<td>.27</td>
<td>.39</td>
</tr>
<tr>
<td>Hands-on inter-departmental experience</td>
<td>.60</td>
<td>.16</td>
<td>.30</td>
<td>.07</td>
</tr>
<tr>
<td>Happy work environment</td>
<td>.75</td>
<td>.20</td>
<td>.12</td>
<td>.23</td>
</tr>
<tr>
<td>An above average basic salary</td>
<td>.03</td>
<td>.23</td>
<td>.06</td>
<td>.82</td>
</tr>
<tr>
<td>An attractive overall compensation package</td>
<td>.24</td>
<td>.19</td>
<td>.23</td>
<td>.70</td>
</tr>
</tbody>
</table>

Estimate of P-O fit is measured by questioning the work value items, developed by Cable and Edwards (2004). A qualitative pre-test showed that the estimates of security and authority values were hard to measure when used in combination with the job advertisement in this study.
These factors were therefore excluded from this research. For this reason, the remaining factors need to be characterized as work values rather than as P-O fit. Respondents were asked to answer to what extent they could estimate the presence of a specific item in the organization, after reading the job advertisement (1= totally disagree – 7= totally agree). A factor analysis and reliability test was done to measure the scale’s consistency and reliability. Results can be found in Table 3.

For all the conditions, the items of work value measured in this study were analyzed by use of a factor analysis with varimax rotation. This analysis showed that the original scale had been influenced by the adjustments and the application on Dutch students. Therefore, some changes were made to the scale in relation to Hypothesis 2. The factor analysis resulted in four factors and these results can be found in Table 1. Item gaining respect (12) was removed due to the overall low eigenvalues.

### TABLE 3. Factor analysis and reliability for work value dimensions.

<table>
<thead>
<tr>
<th></th>
<th>Working Climate α= .87</th>
<th>Compensation α= .88</th>
<th>Social Responsibility α= .91</th>
<th>Social climate α= .85</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making the world a better place</td>
<td>.01</td>
<td>.17</td>
<td>.88</td>
<td>.22</td>
</tr>
<tr>
<td>Estimate of Being of service to society</td>
<td>.08</td>
<td>.20</td>
<td>.84</td>
<td>.24</td>
</tr>
<tr>
<td>Contributing to humanity</td>
<td>.23</td>
<td>.11</td>
<td>.86</td>
<td>.21</td>
</tr>
<tr>
<td>Forming relationships with co-workers</td>
<td>.09</td>
<td>.07</td>
<td>.20</td>
<td>.80</td>
</tr>
<tr>
<td>Getting to know your fellow workers quite well</td>
<td>.17</td>
<td>.11</td>
<td>.21</td>
<td>.85</td>
</tr>
<tr>
<td>Developing close ties with co-workers</td>
<td>.13</td>
<td>.07</td>
<td>.16</td>
<td>.86</td>
</tr>
<tr>
<td>Pay Salary level</td>
<td>.12</td>
<td>.79</td>
<td>.17</td>
<td>.10</td>
</tr>
<tr>
<td>Total compensation</td>
<td>.18</td>
<td>.78</td>
<td>.06</td>
<td>.09</td>
</tr>
<tr>
<td>The amount of pay</td>
<td>.13</td>
<td>.87</td>
<td>.09</td>
<td>.05</td>
</tr>
<tr>
<td>Obtaining status</td>
<td>.13</td>
<td>.80</td>
<td>.17</td>
<td>.03</td>
</tr>
<tr>
<td>Being looked up to by others</td>
<td>.13</td>
<td>.76</td>
<td>.04</td>
<td>.05</td>
</tr>
<tr>
<td>Gaining respect*</td>
<td>.27</td>
<td>.48</td>
<td>.22</td>
<td>.45</td>
</tr>
<tr>
<td>Doing a variety of things</td>
<td>.69</td>
<td>.04</td>
<td>-.06</td>
<td>.24</td>
</tr>
<tr>
<td>Doing something different every day</td>
<td>.66</td>
<td>.15</td>
<td>-.03</td>
<td>.10</td>
</tr>
<tr>
<td>Doing many different things on the job</td>
<td>.79</td>
<td>.11</td>
<td>-.06</td>
<td>.15</td>
</tr>
<tr>
<td>Doing my work in my own way</td>
<td>.81</td>
<td>.16</td>
<td>.21</td>
<td>.02</td>
</tr>
<tr>
<td>Determining the way my work is done</td>
<td>.80</td>
<td>.18</td>
<td>.24</td>
<td>.07</td>
</tr>
<tr>
<td>Making my own decisions</td>
<td>.77</td>
<td>.20</td>
<td>.25</td>
<td>.01</td>
</tr>
</tbody>
</table>

At the end of the survey, respondents were asked to give their opinion on how realistic the job advertisement was using a 5-point Likert scale (1= very unrealistic – 5 = very realistic). Both conditions were rated as realistic (non-EB: m=3.6, sd= 1.1, EB: m=3.8, sd=1.1). An open question was also posed to give respondents the opportunity to share more detailed thoughts and feedback on the study.
Results

Hypothesis 1: “When organizations perform employer branding by using employer attractiveness, potential employees perceive the organization as more attractive than when employer branding is not used.”

As expected, the organization in the condition with employer branding is perceived to be more attractive than the organization in the condition without employer branding. On a 7-point scale, the organization’s attractiveness in the job advertisement with employer branding has been rated 4.2 (sd=1.29). The organization’s attractiveness in the job advertisement without the use of employer branding has been rated 3.8 (sd=1.20). An independent sample t-test shows a significant difference between both averages \( t(207)= 2.63, p<.05 \).

Employer branding consists of several dimensions to define the attractiveness of an organization. Table 4 shows the relative influence of the four dimensions on organizational attractiveness. The dimension \textit{Organizational Climate} has the highest influence on organizational attractiveness, followed by \textit{Development}. This suggests that potential employees are particularly attracted to organizations that mention opportunities for professional development and emphasise a positive organizational climate in employer branding. \textit{Compensation} and \textit{Innovation} were not found to have a significant influence on attractiveness.

<table>
<thead>
<tr>
<th>EB dimension (n=119; EB condition)</th>
<th>Organizational Attractiveness</th>
<th>R(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Climate</td>
<td>.31</td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td>.26</td>
<td></td>
</tr>
<tr>
<td>Innovation</td>
<td>.02</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td>.06</td>
<td></td>
</tr>
</tbody>
</table>

Hypothesis 2: “When organizations perform employer branding by using employer attractiveness, potential employees can get a better estimate P-O fit than when employer branding is not used.”

The second hypothesis was tested by comparing the means of the work value scale for both conditions using an independent sample t-test. As Table 5 shows, the two conditions produce significantly different average estimates of work value on all items except \textit{compensation}. 
TABLE 5: Testing differences between the two conditions

<table>
<thead>
<tr>
<th>Item</th>
<th>non-EB</th>
<th>EB</th>
<th>T - TEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Climate</td>
<td>4.63</td>
<td>4.03</td>
<td>T= -3.91, df= 212, p&lt; 0.001</td>
</tr>
<tr>
<td>Social Responsibility</td>
<td>3.24</td>
<td>3.87</td>
<td>T= 3.53, df= 207, p&lt; 0.001</td>
</tr>
<tr>
<td>Social Climate</td>
<td>4.40</td>
<td>4.71</td>
<td>T= 1.88, df= 197, p&lt;.05</td>
</tr>
<tr>
<td>Compensation</td>
<td>3.68</td>
<td>3.78</td>
<td>T=.58, df= 206, n.s.</td>
</tr>
</tbody>
</table>

The average estimate of the factor *compensation* by potential employees (non-EB: m= 3.68, EB: m= 3.78) does not differ significantly between the two conditions. This means that the employer branded advertisement did not allow potential employees to make a better estimate of P-O fit based on compensation than the non-employer branded advertisement. The average estimate of the factor *social climate* by potential employees (non-EB: m= 4.40, EB: m= 4.71), on the other hand, differs significantly between the two conditions. This result shows that the employer branding message did improve potential employees’ estimate of the social climate within an organization.

The results of Study 2 show that employer branding positively supports the organizational attractiveness and the possibility to estimate a fit between organization and potential employee. Though Cable and Edwards (2004) argue that P-O fit can be estimated against four dimensions, this study finds that in the Netherlands, only two dimensions — *social responsibility* and *social climate* — provide potential employees with a significant estimate of P-O fit in employer branded advertisements.

**Discussion**

This research provided insights about current employer branding performance in job advertisements in the Netherlands, its potential contribution to organizational attractiveness and the possibility for employees to estimate their fit with the organization. Two studies were performed to answer the research questions explored in the theoretical background.

Study 1 showed that employer brands are rarely revealed in today’s job advertisements in the Netherlands. Essential information about organizations in corporate descriptions is lacking, particularly information about organizational culture and values. This finding does not align with shifts towards a more value-based economy and away from a product-oriented economy. Today, it is essential for organizations position themselves as unique because singularity translates into value, which translates into success (Kunde, 2000). Not including important organizational information also reduces the opportunity for employees to estimate their fit with the organization. After reading a job advertisement, the potential employee has an understanding of the function of the job, and the skills required, but knows little about whether he or she would match the organization and its values.

The second study showed the potential benefits for organizations that perform employer branding in their job advertisements. Organizations become more attractive to potential employees when they create a desirable employer brand and address *organizational climate, development, compensation* and *innovation* in job advertisements. The study showed some positive results.
regarding the influence of employer branding on an employee’s estimate of a person-organization fit, particularly in relation to social responsibility and social climate.

The estimate of the factor compensation by potential employees did not significantly differ between both conditions. This means that employer branding did not substantially influence a potential employee’s estimate of, say, salary or the possibility of a company car. The estimate of the factor working climate, on the other hand, differed significantly between the conditions. Contrary to the expected result, the study found that employees’ estimate of items such opportunities to perform a range of tasks or make independent decisions was improved when reading the job advertisement without employer branding.

Limitations

Like all field research, this study has limitations. Firstly, the type of respondents limits the generalizability of the results to students. Job seekers with many years of professional experience may have different job information needs to students. Also, qualitative results suggest that not enough job information was provided in the study’s advertisement; this may be due to the choice of the function of “traineeship,” which has a very global description.

Another constraint is the fact that employer branding is conceptualized as an applied phenomenon (Ambler and Barrow, 1996; Backhaus and Tikoo, 2004; Ewing et al., 2002). Because no brand was used in this research (to avoid the influence of existing brand associations), the actual influence of employer branding on a specific brand could not be investigated. This may explain the low overall averages of the survey scores. Nonetheless, the results from this virtual setting are significant as they show the positive effect of employer branding.

A last notable limitation concerns the application of the scale to Dutch students. Although results are adjusted in line with the factor analyses, a separate research for developing the scales would have been fruitful. Presently, this research has coped with uncertain influence as a result of these adjustments.

Future Research

Although employer branding has been investigated in different corporate areas, not much scientific research has been done in relation to job advertisements. It is curious that a communications tool as important as a job advertisement has not been researched broadly with reference to employer branding (Willock, 2005).

This research can be extended to other employer branding activities. The recruitment process goes beyond job advertisements, extending to careers pages on websites and job interviews, for example. An employer brand is likely to be stronger and more distinct when it is integrated in all recruitment practices of an organization.

It will be valuable to apply this research to a real organization. P-O fit, for example, should focus on different work values; if the employer branding message is applied to values that are truly part of the organization, a job advertisement appears more trustworthy. Because of the possibility that different cultural groups of employees have varying needs, the work value scale should be tested in the particular country of research.

Finally, employer branding can be approached from a range of perspectives and should have a multidisciplinary application (Backhaus and Tikoo, 2004). Researchers from all disciplines, including marketing, human resource management and corporate communication, should share theories and methods and work together to create an employer branding strategy that produces a powerful corporate identity.
Managerial Implications

The inclusion of employer branding in job advertisements requires a careful approach. Too many rosy statements can make an organization appear false, so only real and accurate information should be included. Essential information like job information and working conditions (Heneman and Judge, 2003) continues to be an important aspect of an advertisement and should not be forgotten. The length of the job advertisement is also important; job seekers may ignore a wordy or longwinded advertisement. The items of organizational attractiveness can be used to bring out the right employer branding message.

Employer branding should be seen as a three-step process that requires organizations to: 1. Develop the value proposition, 2. Expose the brand externally, and 3. Integrate the brand promise in the organization’s culture. As this research has shown, branding organizational value propositions has a positive influence on the estimate of P-O fit, so when the value proposition matches the exposed brand, the positive effects will presumably become greater.

Employer branding messages should be based on values co-created by employees and management. This involvement may motivate employees to become brand ambassadors and avoid discrepancy between stated values and actual behavior. Communicating values “top-down” and suggesting they are well-established can risky, given that honesty, reliability, responsibility and credibility are essential elements of a corporate brand.

Employer branding therefore can be seen as a process of building and co-creating a corporate identity and communicating the organization’s character in a way that every (potential) employee feels included, believes in the core values of the organization and has the potential to become ambassadors of the organization (Cornelissen, 2008). Organizations must communicate corporate identity regularly and consistently to develop and maintain a well rooted employer branding message (Sullivan, 1999).

References


The War for Talent? The Relevance of Employer Branding in Job Advertisements for Becoming an Employer of Choice


96 Proceedings of the Conference on Corporate Communication 2010
The War for Talent? The Relevance of Employer Branding in Job Advertisements for Becoming an Employer of Choice

Social Media Marketing

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Social Media is changing the nature of marketing and lead generation. It enables you to bring one-to-one relevancy to your communications and still maintain marketing pillars and legal requirements. This paper will:

- Review statistically significant indicators that drive marketing dollar investment
- Enjoy active discussion focusing on the Voice of Employee as Voice of Company: building brand through individuals’ personalities.
- Stimulate Voice of Customer for positive brand building
- Understand and integrate your Social Media Plan in relation to other marketing and PR initiatives
- Discuss Social Media appropriate to lead building

**Keywords**: Social Media Marketing, Facebook, LinkedIn, Twitter

**Statistically Significant Indicators**

Marketing professionals are aware that the most compelling brand relationships are those where emotional responses are elicited from audiences. Emotionally charged audiences make for lasting and dedicated brand advocates, launching brands across borders and generations for market share and financial growth. Some of today’s most significant brands started with grassroots, Word of Mouth marketing techniques (Microsoft, Apple, Snapple) whereby the power of the brand was a direct result of the emotional support and commitment of its fans. Social Media Marketing offers marketing strategists the potential and opportunity to achieve brand growth and appreciation in the shortest amount of time and with immediate global reach. Making it even more appealing and compelling: the reality that amateur marketers are ‘striking it rich’ with notoriety and endorsements every minute of every day.

Snapshots of this business activity have been captured by Duke University’s Fuqua School of Business, “The CMO Survey” commissioned by the American Marketing Association (AMA), February 11, 2010, which shows increase in actual spending by marketers as much as 2.6 percentage points when asked the same question six months prior, and projected increases of up to 4.5 percentage points.
One of the reasons the commitment to Social Media Marketing is so strong is the integration of various Social Channels: Twitter, LinkedIn, Facebook, YouTube, MySpace, Foursquare, Blogs. These publication tools allow a message to reach an audience several times with a replicating model.

A single Social Media user is receiving brand message and information from many of the channels, increasing exposure, awareness, and value in decision-making. This is demonstrated nicely by BIGresearch’s Simultaneous Media Usage Survey (SIMM 14-June ’09) of over 22,000
consumers whereby they have documented that of, for example, LinkedIn users 63.4% also use Facebook, and 24.3% also use MySpace, and 22.1% also use Twitter, and 29.1% read Blogs, etc. Constant brand impression leaves a lasting brand impression.

<table>
<thead>
<tr>
<th>USER GROUPS</th>
<th>Use Facebook</th>
<th>Use LinkedIn</th>
<th>Use MySpace</th>
<th>Use Twitter</th>
<th>Text Msg.</th>
<th>Read Blogs</th>
<th>Post to Blogs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults 18+</td>
<td>27.9%</td>
<td>3.3%</td>
<td>11.6%</td>
<td>4.1%</td>
<td>27.3%</td>
<td>10.9%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Facebook Users*</td>
<td>7.7%</td>
<td>24.0%</td>
<td>10.5%</td>
<td>10.5%</td>
<td>47.5%</td>
<td>20.2%</td>
<td>8.8%</td>
</tr>
<tr>
<td>LinkedIn Users</td>
<td>63.4%</td>
<td>---</td>
<td>22.1%</td>
<td>24.3%</td>
<td>53.7%</td>
<td>31.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td>MySpace Users</td>
<td>60.2%</td>
<td>7.6%</td>
<td>---</td>
<td>14.6%</td>
<td>53.7%</td>
<td>20.5%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Twitter Users</td>
<td>72.7%</td>
<td>18.8%</td>
<td>39.4%</td>
<td>---</td>
<td>56.9%</td>
<td>49.3%</td>
<td>31.0%</td>
</tr>
<tr>
<td>Texters</td>
<td>48.5%</td>
<td>5.2%</td>
<td>21.5%</td>
<td>8.3%</td>
<td>---</td>
<td>17.7%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Blog Readers</td>
<td>51.0%</td>
<td>8.6%</td>
<td>20.5%</td>
<td>17.7%</td>
<td>44.0%</td>
<td>---</td>
<td>34.0%</td>
</tr>
<tr>
<td>Blog Posters**</td>
<td>59.0%</td>
<td>13.1%</td>
<td>28.6%</td>
<td>27.9%</td>
<td>50.8%</td>
<td>83.3%</td>
<td>---</td>
</tr>
</tbody>
</table>

Source: BIGresearch, SIMM 14
*To be read as: 7.7% of Facebook Users regularly use LinkedIn, 24% use MySpace.
**Blog Posters include those who post to blogs and maintain a blog

Voice of the Employee as Voice of the Company

Every employee is an ambassador of the brand. Even in times where overall trust is waverering on corporate intent, somewhere someone knows a friend or relative whose opinion is highly regarded and whose words of support can result in revenue. To that end, companies are recognizing and empowering the voice of the employee (when it works in the favor of the company).

It is a delicate balancing act, demonstrating thought leadership while simultaneously protecting proprietary knowledge. With the introduction of LinkedIn, the most widely recognized credential/résumé posting board, people have become brand ambassadors regardless of their intent. Savvy entrepreneurs, sales representatives, marketers, and HR professionals have embraced these boundless online channels to help stimulate interest and awareness for their particular promotions; researchers and developers have turned to each other in collaboration as peer-based resources.

Dialog can be immediate, especially for workers who are already tethered to a computer or smart phone. Suddenly, every individual has the opportunity and the mechanism by which to demonstrate his or her proficiency. Where, previously, public recognition had been reserved for only a select few in the corporate population through physical constraints of time and work prioritization, now, recognition and acknowledgement of skills, intellect, and insight can occur from anywhere in the world at any time. What does it do for an individual’s ego, and the brand that a person represents, when he or she can have a dialog directly with the leading minds in that space through a mechanism such as Twitter?
The Voice of the Customer – Activated for Positive Branding

By extending the employee’s reach to their friends and relatives through such tools as Facebook, MySpace, Foursquare, and Twitter, pocket of brand awareness becomes activated within a community based on relationships. Based on BIGresearch's Simultaneous Media Usage Survey (SIMM 14-June '09) of over 22,000 consumers, Social Media Marketing value in decision making is statistically significant whereby a ‘Socially engaged’ adult makes only 2% more in annual revenue than a non-Social adult, but is up to 5% more likely to purchase within the next six months. In certain instances, the dialog in these social communities is monitored and tracked for keyword popularity, bubbled to the surface for further exploration by the idly curious, compounding traffic exponentially and thus brand impressions.

<table>
<thead>
<tr>
<th></th>
<th>Social Media Users*</th>
<th>Adults 18+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>42.5%</td>
<td>48.7%</td>
</tr>
<tr>
<td>Female</td>
<td>57.5%</td>
<td>51.3%</td>
</tr>
<tr>
<td>Average Age</td>
<td>38.2</td>
<td>45.1</td>
</tr>
<tr>
<td>Average Income</td>
<td>$68,311</td>
<td>$66,942</td>
</tr>
</tbody>
</table>

In the next 6 months, plan to buy:

<table>
<thead>
<tr>
<th></th>
<th>Social Media Users*</th>
<th>Adults 18+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacation</td>
<td>30.2%</td>
<td>26.3%</td>
</tr>
<tr>
<td>Furniture</td>
<td>17.8%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Computer</td>
<td>17.3%</td>
<td>13.2%</td>
</tr>
<tr>
<td>TV</td>
<td>15.9%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Car/truck</td>
<td>12.7%</td>
<td>10.8%</td>
</tr>
</tbody>
</table>

Source: BIGresearch, SIMM 14
*Social Media includes: Facebook, LinkedIn, MySpace, Twitter, Texting and Blog Users

As recently as March 10, 2010, Chadwick Martin Bailey and iModerate Research Technologies reported findings that becoming a fan/follower on Facebook indicated 19% certainty to recommend or buy many brands, with over 30% certainty to buy for a few brands and over 40% certainty to recommend to a friend for that same few brands. This data correlated with the respondents’ number one reason for becoming a fan/follower, “To receive discounts and promotions”, thus indicative of their overall intent to purchase.
Primary Reason that US Internet Users Are Fans of a Brand on Facebook, February 2010 (% of respondents)

- To receive discounts and promotions: 25%
- I am a customer of the company: 21%
- To show others that I like/support this brand: 18%
- It’s fun and entertaining: 10%
- To be the first to know information about the brand: 8%
- Gain access to exclusive content: 6%
- Someone recommended it to me: 5%
- To be part of a community of like-minded people: 4%
- I work for/with the company: 2%
- I own stock in the company: 0%
- None of these: 0%

Note: n=1,504 ages 18+; numbers may not add up to 100% due to rounding.
Source: Chadwick Martin Bailey and IModerate Research Technologies as cited in press release, March 10, 2010

US Internet Users Who Are More Likely to Buy/Recommend a Brand Since Becoming a Fan/Follower on Facebook, February 2010 (% of respondents)

- Yes, for many brands: 19%
- Yes, for a few brands: 32%
- No: 34%
- Do not know: 29%

Note: n=1,504 ages 18+; numbers may not add up to 100% due to rounding.
Understand and Integrate Your Social Media Plan

For each audience and offering, the Social Media strategy and evaluation should be conducted separately because the technology is constantly changing and new offerings continue to emerge. Audience fascination with a particular Social channel is as trendy as celebrity gossip and must be constantly re-evaluated for reach and relevancy. Additionally, the strategy implemented for one brand might be completely contrary to the best interests of another based on business goals, marketing strategy, and audience profiles. That said, just as knowing your audience well helps hone your marketing message and positioning in other media, the same holds true in the social space.

Social Media Marketing is a micro-marketing experience. If you are fortunate enough to have a product that appeals to celebrity hounds, speaks to appearing affluent without costing a great deal, doesn’t harm a living creature, and is easy to convey that there “might be a shortage”, – Social Media Marketing is your oyster. For the remainder of brands, Social Media Marketing can be likened to conducting an orchestra, where each instrument is unique and has its own ‘moment of truth’.

Some general assumptions can act as guidelines for development:

• Outline objectives for your Social Media initiatives that match your business needs.
• Profile your target audience and determine where they are currently engaging in Social Media/networking.
• Set a timeline that pairs investment to positive benefits.
• Define your “networking style” and make certain that it is a natural fit for your ‘in person’ networking.
• Outline topics that will draw interest from your target audience.
• Build awareness of your posts as well as establish your authority and thought-leadership.
• Track metrics that measure your ROI and define your success (initially and as you hone your social channels).

Social Media Appropriate to Lead Building

Imagine two flutists. Each can play the same tune, but will have varying degrees of skill and familiarity with the tune. One, for example, plays with absolute methodical perfection and is widely admired and referenced. The other plays with such emotion, that, although somewhat flawed, several others are compelled to join the song. In both cases, the audience was paying attention.

Unlike other media where people have a tendency to drift during your marketing moment of brilliance, people in the Social Media space are joining because they want to, and paying attention because of the opportunity of “What’s in it for me?”. This is the ‘moment of recognition’ gained when the individual was ‘the one’ to discover, share, comment, and know. Keeping in mind your brand personality and values… can you think of creative ways for people to discover, share, comment, and know about your brand? Is it an immediate exposé or careful unraveling of a well-crafted mystery? Can you think who, as an individual person, might be important to generate interest, credibility, camaraderie, and passion? How will you encourage their participation in the campaign? Can you align their interests through whitepapers, webinars, events, blog, or movement? Can you give them a call to action that motivates ongoing participation?
Once you have identified the key individuals whose influence might help your campaign, and the strategy by which you will address them, you can easily find them in the Social Media channel(s) where they have chosen to participate, whether a blog, YouTube, MySpace, Twitter, Facebook, Foursquare, or LinkedIn. At the celebrity level, you might only be engaging the PR team or agency, but some celebrities do choose to run their own posts. Thought leaders, however, are running their own posts, demonstrating their excellence each day in this continuous cycle of virtual recognition. Their acknowledgement that one idea or phrase can spark the next wave of innovation makes them much more accessible online.

Likewise, corporate executives who might not return a single phone call on an ordinary day can often be receptive to ‘linking’ via LinkedIn with a well-crafted hook (such as a whitepaper, webinar, event, movement, or blog). Certain hooks work better than others and are more likely to be shared, but that, once again, may depend on industry and offering. New data, funny videos, and well-written, highly opinionated blogs tend to do very well, drawing emotional response from audiences. The breadth and quality of your network speaks volumes to the quality of your work as an individual, and the respect you command of peers. Thus, the value of your recommendation becomes powerful, even if only in a small percentage of Social Media users. And, in fact, comments between high quality users often command the attention of a high volume of qualified leads.
Employee Dissent Federal Government Organizations:
Lessons for Managing Reputation and Fostering Employee Loyalty

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How do various policies limit the rights of Canada’s federal government employees to express dissent about their employer as private citizens? How do they perceive and react to these limits? In this study, policy was reviewed, and qualitative interviews were analyzed by inference to explore themes for further research to improve and inform professional practice in addressing employee dissent. The relevant policies were complex and apparently conflicting. Internalized organizational values, workplace culture, employee experience, tone, and career and relationship risks were more influential than formal policy, training, or legal consequences. Respondents valued their right to public dissent, but were willing to yield it to honour a voluntary moral contract and to support a perceived higher cause (public service). This challenges the traditional research theory, which views employee dissent as largely self-interested. This means that organizations – especially mission or value based organizations -- might better manage reputation and minimize public employee dissent by fostering an overtly value-driven organizational culture that fosters internal expressions of dissent, rather than limiting public dissent through formal controls or policies.

NOTE: This paper is based on research conducted in graduate studies at the University of Alberta. Views represented in this paper are those of the author, and are not intended to represent those of the Government of Canada or Environment Canada.

Canada’s federal public servants are expected to support the government’s agenda, but as private citizens, voters and taxpayers in a democracy, they must have some right to express criticism of their government. The resolution of this dilemma has wide-ranging implications. The Government of Canada is the country’s largest employer, with 400,000 employees including Actuaries, Agriculturalists and Air Traffic Controllers, right down the alphabet to Veterinarians and Welfare Workers (Statistics Canada, 2009; Treasury Board of Canada, 2009). Public servants are well-educated, with public service appointees being more than twice as likely to possess at least a bachelor’s degree, compared to Canada’s labour force overall (Public Service Commission of Canada, 2008). The participation or restriction from participation by this large group of experienced, well-educated professionals in public discussion of policy therefore has impact well beyond simply the individual rights of these workers.

Literature Review

While “whistle-blowing” - the disclosure of illegal or immoral behaviour (Avis, 2000) has received much attention, little attention has been given to the right of public servants to offer subjective comment-- that is, to express dissent that is primarily based on differences of opinion. Early research considered that dissenting employees had a simple choice: to quit their jobs (exit)
or to stay and state their concerns (voice), with employee loyalty as the deciding factor between the two options (Hirschman, 1970). Later research added another option: to stay, and be silent. This too is a binary choice: the silent employee may simply be optimistically waiting for change (Farrell & Rusbult, 1983, cited in Leck & Saunders, 1992) or may withdraw allowing things to worsen through disengagement, absenteeism and increased errors (Farrell, 1983 as cited in Kassing, 1997). The collective result of these revisions is the Exit-Voice-Loyalty-Neglect model of employee dissent, with employee choices categorized according to whether they are as constructive or destructive, passive or active (Rusbult, Zembrodt, & Gunn: 1982).

**TABLE 1: Exit Voice Loyalty Neglect Model**

<table>
<thead>
<tr>
<th>ACTIVE</th>
<th>CONSTRUCTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DESTRUCTIVE</strong></td>
<td><strong>CONSTRUCTIVE</strong></td>
</tr>
<tr>
<td>Exit (quitting)</td>
<td>Loyalty/ Patience (patiently waiting for things to improve)</td>
</tr>
<tr>
<td>Voice (speaking up)</td>
<td>Neglect (withdrawing, allowing things to worsen)</td>
</tr>
</tbody>
</table>

Effective modern bureaucracies are fondly supposed to be entirely politically neutral, and thus devoid of dissent (Weber, 1946). Public servants tend to be viewed as automatons obeying their political masters without dissent because they lack the right (Weber, 1946), because they lack the capacity or volition (Mitchell, 1999); because they lack the leadership (Mitchell, 1999); or because their views and self-interests are naturally aligned with those of their political leaders (Whittington & Van Loon, 1996).

The problem with this view is that it assumes that all public service dissent is necessarily politically motivated and thus is incongruent with the politically neutral nature of the public service. However, no research was found to suggest that the political neutrality of government workplaces somehow result in an absence of all dissent - a scenario that would be inconsistent with human nature, and with common sense.

What motivates employee dissent? Alford (2001) argues that all employee dissent is inherently motivated by self-interest: including real or perceived self-interest, a desire for immortality, or a desire to resolve a crisis of conscience. Others see social conscience as potential motivations for dissent (Holmes, Langford, Welch and Welch, 2002). Hegstrom (1999) found that both self-interest and social conscience may coexist as motives for dissent.

Organizational culture has a significant impact on employee behavior (Daft, 2001), and therefore can be expected to affect employee dissent. Employees learn how their organization views dissent through socialization at work: by personal experience (Jablin, 2004), by observing the outcome of dissent-related events (Jablin, 2004; Mumby, 1987), and through retellings of the organization’s ‘famous stories’ of dissent (Bullis & Bach, 1989).
The connection between employee dissent and employee satisfaction is an apparent paradox. Intuition suggests that dissent is a reflection of dissatisfaction -- that is, unhappy employees will complain. However, research indicates that employee satisfaction is not necessarily due to an absence of conflict. Instead it is linked to how conflict is addressed, both in fact, and in perception. Employees’ perceptions of their workplace heavily influence their own behaviour, creating a reality that mirrors their perception (Kassing, 2001). Therefore, the relationship between freedom of speech, employee dissent, and employee satisfaction is not one of simple cause and effect, but more closely resembles a feedback loop. A perception of freedom of speech increases employee satisfaction (Kassing & Avtgis, 1999). Increasing employee satisfaction increases the likelihood of articulated dissent (Gorden and Infante, 1991). And an increased incidence of articulated dissent increases the perception of freedom of speech (Kassing, 2000).

**Methodology**

This project explores the nature of federal policy on employees’ freedom of speech. It explores the nature of employees’ understanding of their rights and obligations, including the source of their understandings, the decision-making criteria they use to determine whether they may discuss and disclose information about government policy, and how employees feel about the boundaries that they perceive. The purpose was to shape further research, and to improve and inform professional practice in addressing employee dissent in federal government organizations. Data were collected through interviews, focus groups, and documentary and literature analysis. Interviews and focus groups were conducted primarily with communications personnel and included discussion of sample scenarios for expressing dissent that they might plausibly encounter in reality. Interviews and focus group discussions were analyzed by looking for patterns or themes, noting apparent relationships between variables, comparing responses with each other, and with anticipated or intuitive results, and attempting to form coherent potential explanations based on the observed evidence (Miles & Huberman, 1984). Policy analysis included a review and comparison of relevant written policies and guidelines, case histories, and related adjudications.

This study included respondents who are known to the researcher, including former and current employees, colleagues, subordinates or supervisors. Analysis is therefore tempered by the consideration of the researcher's potential effects on the responses. Verification tactics included comparing and contrasting results, exploring and reporting on unique or contradictory responses, and seeking follow-up feedback from respondents. A management colleague with a contrasting theoretical approach provided critical counterpoint, alternative analysis, and insight on potential rival explanations (Miles & Huberman, 1984).

Interviews and focus group discussion were recorded, and transcribed. Analysis was largely based on the transcripts, with occasional revisits directly to the audio recordings when tone or inflection seemed to be useful in interpreting meaning. For ease of reading, transcripts have been edited to remove “filler words” (um, ah, er) or conversational stammers (repeated word, stutters or falters), except when these seemed to be indicative of meaningful thought process. Whole omitted words are indicated with ellipses. In the transcript excerpts from the focus groups, respondents were simply numbered in the order in which they spoke so that “respondent 1” in one excerpt is not necessarily the same person as “respondent 1” in another excerpt.
Findings

Constitution Act & Charter of Rights and Freedoms

Canada’s Constitution includes the Charter of Rights and Freedoms, which affirms that everyone is entitled to the fundamental freedom of thought, belief, opinion and expression, including freedom of the press and other media of communications, (Canada Act, 1982). Freedom of expression thus enjoys the highest protection that is available under Canadian law (Hogg, 1992). The Charter permits freedom of expression to be restrained only by “such reasonable limits, prescribed by law, as can be demonstrably justified in a free and democratic society” (Constitution Act, s.1). In R. v. Oakes (1986), the Supreme Court of Canada established that to be considered reasonable, a limit (1) must have a pressing and substantial objective, (2) must be rationally connected to that objective, (3) must use the minimum scope necessary to achieve its objective, and (4) must be proportional to the nature of the objective.

Public Service Employment Act 2003

The Public Service Employment Act (2003) recognizes the right of employees to engage in political activities while maintaining the principle of political impartiality in the public service (s. 112). It affirms that an employee may engage in any political activity so long as it does not impair, or is not perceived as impairing, the employee's ability to perform his or her duties in a politically impartial manner (s.113). Political activity is deemed to include carrying on any activity in support of, within or in opposition to a political party (s.111). However, the act does not specify whether opposing a current government policy is the same thing as opposing the political party currently in power.

The Public Service Employment Act has been shaped by its interpretation in a few key court cases. In Fraser v. Public Service Staff Relations Board (1986), Canada’s Supreme Court rejected an outright ban on dissenting speech by public servants, saying, “Some speech by public servants on public issues is permitted. An absolute prohibition would not be consistent with the deep-rooted principles of robust public discussion in a democratic society, with the size of the public service, or with plain common sense (Fraser v. Public Service Staff Relations Board, 1986).”

At the same time, employees are required to fulfill a “duty of loyalty” that is deemed to be owed to the institution of government, and not to the political party in power (Fraser, 1986). Provided it does not compromise their effectiveness as public servants, public servants are free to comment on policies unrelated to their work. However, loyalty is deemed to be a “work-related requirement”, so that any comment that can be connected to the concept of employee loyalty is considered to be “work-related” and thus restricted by the duty of loyalty requirement. Public criticism of government policy can be deemed to reflect on the employee’s loyalty, or the appearance of loyalty, regardless of whether those comments were in any way substantially related to the employee’s work, and regardless of whether there is any direct evidence to support such an allegation. Therefore, for example, in the precedent-setting Fraser case, the courts upheld the dismissal of an income tax auditor who publicly opposed the introduction of the metric system, a policy in no way directly connected to his professional tasks. This allows for a very broad interpretation and limitation of employee expressions of dissent. Note that the incidents addressed in the Fraser case predate Canada’s Charter of Rights and Freedoms, but current guidelines on the duty of loyalty affirm that the parameters of the Fraser case are still considered to govern employee dissent in Canada’s public service (Treasury Board, 2005).

Policies on disclosure
The right to disclose information is a key element of the right to express an opinion about information, since information that cannot be disclosed also cannot be discussed or debated. Canada’s Access to Information Act (1985) establishes that every person who is a Canadian citizen or permanent resident has a right of access to any record under the control of a government institution (Access to Information Act, 1985, s. 4). The Act allows a number of exceptions that can be grouped into six general themes: (1) third party information, (2) security-related information, (3) information related to due process of law – court cases and prosecutions (4) information that could harm Canada’s economic interests, (5) information whose release would jeopardize relationships with provincial or international governments, and (6) advice to Ministers, for 20 years after it was provided.

By stating an absolute right of access, and then establishing specific and detailed exemptions, the Access to Information Act proposes that federal government information is public by default, and secret by exception. However, the concept of “public by default, secret by exception” is apparently contradicted by other measures. The Public Service Employment Act (2003) requires all new federal public servants to swear or affirm that the Oath of Secrecy, namely: “I will not, without due authority in that behalf, disclose or make known any matter that comes to my knowledge by reason of such employment” (s.46). The phrase, “without due authority” suggests that permission must be sought before information can be disclosed – in other words, that information is secret by default, and public by exception. However, no definition of “due authority” is actually offered. Under Canada’s constitutional law, this oath could well be argued as being “void for vagueness”, a principle which demands that laws that restrict fundamental freedoms must be clear and specific, since a vague law causes citizens “to steer far wider of the unlawful zone than they would if the boundaries were clearly marked,” (Hogg, 1992, pp. 864-865). The broadened impact of this vagueness along with the very broad and absolute ban on disclosure of “any matter” may fall short of the parameters of the Charter of Rights and Freedoms, which, as noted above, required that limits on a fundamental freedom (such as freedom of expression), must use the minimum scope necessary to achieve the desired objective.

Moreover, the Oaths of Allegiance Act (1985) specifically states that it is not necessary for any person appointed to any public office to take any oath other than the oath of allegiance, “and such other oath for the faithful performance of the duties of the office (s.5)”. Therefore, an oath of secrecy is only legal in Canada if is a necessary condition for the faithful or loyal performance of public service. Note that since 2003, public servants are no longer required to swear loyalty via the Oath of Allegiance, previously an essential requirement for all public servants in the British Empire that dates back to 1689 (Walker & Wood, 2000). However, they are still required to swear the oath of secrecy.

**Security of Information Act**

The Security of Information Act (1985) makes it an offence for a public servant to communicate “any secret official code word, password, sketch, plan, model, article, note, document or information” to which he has had access as a result of his position, to a person “other than the person to whom he is authorized to communicate with, or person to whom it is in the interests of the State his duty to communicate it (s.4 (1))”. However, “secret” is not defined. The term “information” makes this ban virtually all inclusive. After the terrorist acts of Sept 11, 2001, the word “secret” in the Act was replaced with the word “information” in most places in the Act. Neither "secret", nor “information” was defined in either version of the act. However since “information” is necessarily a larger category than its subset, "secret information", the changes appear to have widened the scope of information that is now covered by the amended act.
The Security of Information Act also creates a subjective offence - a public servant and a private citizen who disclose exactly the same information are treated differently. The public servant faces potential imprisonment for up to 14 years, but the private citizen cannot be charged for disclosing information under this act. The act does not define “an authorized person”, nor specify how to determine what is “in the interests of the state.” These omissions raise the issue of this act potentially being void for vagueness for encompassing more than the minimal scope needed to meet the desired objective. In 2001, the Anti-Terrorism Act amended the Security of Information Act by removing the requirement that the communications be "for a purpose that is prejudicial to the safety or interest of the State" (Official Secrets Act, 1985), so that intent is now irrelevant. Since this intent is an intrinsic part of terrorism, in the absence of this intent, this limit fails the test of being rationally connected to the desired objective.

The existing Government Security Policy (Treasury Board, 2002) could potentially resolve some of the problems outlined thus far by using its definition of the term, "secret" as information whose unauthorized release could cause serious or extremely serious injury to the national interest. Interestingly, examples of secret information provided under this policy neatly align with the policy exceptions in the Access to Information Act. The policy sets guidelines so that secret information is easily identifiable, and also sets parameters as to who may be considered an authorized person (Government Security Policy, 2002, s. 10(6)). The use of these existing definitions regarding "secrets" and “authorized persons” could offer significant clarity and consistency to the Security of Information Act by helping to define a secret and making it much more apparent to employees when information they are handling falls under that designation.

This would be a start, but is not enough on its own. Canada’s courts have already established that the fact that a government organization has labeled information as "secret" is relevant, but insufficient (by itself) as a basis for determining whether information is “secret” under the Security of Information Act (Crawford, 1996).

Carlin (2007) noted that governments have a tendency to err on the side of caution, treating information as secret whenever there even a slight possibility that it could in any way fit that classification. The risk is that government workers, uncertain of the rules, will tend to err on the side of caution, and thus retain far more information labeled as “secret” than is strictly necessary.

Values and Ethics Code for the Public Service

The Values and Ethics Code for the Public Service (Treasury Board, 2003), establishes broad principles of conduct to guide public servants in their professional activities. Its objectives include maintaining and enhancing public confidence in the integrity of the Public Service, and strengthening respect for, and appreciation of, the role played by the Public Service within Canadian democracy. The key points of this policy that relate to employee dissent are:

- Public servants shall loyally implement ministerial decisions, lawfully taken.
- Public servants must work within the laws of Canada and maintain the tradition of the political neutrality of the Public Service.
- If a conflict should arise between the private interests and the official duties of a public servant, the conflict shall be resolved in favour of the public interest.

The policy implementation measures of this code are well-defined and incorporate strong measures to foster compliance. All new employees are provided with a copy of the Values and Ethics Code on appointment. Under the Policy on Learning Training and Development, they are
required to register within 60 days, and complete within 6 months, an orientation session that includes a substantial overview of this code (Treasury Board, 2006b; Treasury Board 2006c). New managers who do not meet this requirement have their financial, hiring, and supervisory authorities suspended. Managers whose new employees do not meet this requirement are subject to a reduction or cancellation of their performance (bonus) pay. Deputy Ministers (the highest-ranking public servant of each federal department of agency) are required to issue an annual public report of their ministry’s compliance levels (Treasury Board, 2006b). Overall, the policy is well supported, and appears to be well-known by employees.

Primary research findings

So, how well do employees know these policies, and how do they learn them? In this study, public servants were presented with scenarios involving making choices regarding whether to engage in private communications about government or not, and asked to explain how they would respond if faced with those scenarios, and why. They were then asked to describe their level of familiarity with specific rules and policies. The sample used in this survey was small, but nevertheless indicated some interesting avenues for further verifying research.

To begin, as is consistent with prior research in other types of workplaces, respondents tended to be very confident that they know the rules about what is acceptable when it comes to discussion and disclosure in articulating their personal opinions. In reality, overall awareness was fairly low, with significant variation of awareness from one policy to the next. Employees were much more familiar with policies that govern speech and disclosure in professional (rather than personal) contexts – that is, they are clear about what they may say when speaking on behalf of the government. They were much less clear about what they may say when offering their personal opinion as private citizens, or in ambiguous situations.

Respondents tended to be much more familiar with the policies that advocate the greatest amount of liberty when it comes to discussion and disclosure, particularly Access to Information Act, and the Government of Canada Communications Policy (Treasury Board, 2006a). They volunteered those policies by name in justifying their responses, and at times actually used specific phrases that directly quote these policies (both consciously and unconsciously).

By contrast, respondents tended to be generally or wholly unfamiliar with policies that primarily to restrict discussion and disclosure. Most respondents had never heard of the Security of Information Act (1985), or the Duty of Loyalty provisions. This did not seem to be a situation of apathy or disinterest; employees were interested and wanted to know more:

Respondent: I'm curious now. I'm going to be doing a Google search.

Respondent: You just shocked the hell out of me there are for a couple of things. [I'm thinking] maybe she knows something... she's got me all nervous.

Respondents were typically very surprised to learn of the more restrictive policies, and concerned that their office practices might not be compliant:

Respondent: Wow, that's pretty rigid!

Respondent: So, probably a lot of people take liberties with that every day.

Respondent: Hunh?! I mean, I've never heard of it! I've never heard of it in those terms. Say what it's called again?!!
In terms of risks, the most serious potential consequence of discussion or disclosure outside the rules for public servants is 14 years of imprisonment. However, no respondent had any idea of this risk. Their primary concern was for workplace relationships and professional reputations, even when disclosing or discussing information that is permissible without prior authorization:

Respondent: I think I’d be worried about my career… it's the perception that it would give and that if I talk about that, I'm sure they would think I would be talking about other things as well.

In addition to career consequences, employees felt that expressing a critical opinion posed risks to their workplace relationships.

Respondent: If you're going to go in public and say that they're a bunch of rat finks, I mean you're going to go back to work the next day and face the rat finks. It doesn't mean that you're going to be fired, but you still have to work with them… There would be personal consequences within your professional relationships.

In summary, respondents did not really know most of the rules. They tend to have greater awareness of rules that expand on their rights to discussion and disclosure, and little or no awareness of rules that restrict those rights. They were generally surprised by the main points of restrictive policies and also tended to underestimate the potential associated penalties.

**How do employees assess when they may speak?**

Although employees tended to be familiar with rules or policies that espouse the widest scope for discussion and disclosure, and cited those rules in the cases where they chose to discuss or disclose information, they also often made choices that were either in opposition to these rules, or took the most conservative possible interpretation. This usually meant discussing information that had already been disclosed by someone else, or expressing a personal opinion that coincided with government policy. Employees typically were surprised to realize the inconsistency between their choices and the rules when it was pointed out:

Respondent: …it's funny…at the end of the day, if those information [sic] and everything is “A-tipable,” [accessible under the Access to Information Act] then why am I concerned about sharing or withholding the information?

Interviewer: That is an excellent question; why would you be concerned about providing that information?
Respondent: But I only thought about it as we were having this discussion.

When challenged as to why they made choices that were contradictory to policies with which they were familiar, employees struggled to explain their source of the authority in making those choices. They made reference to using professional judgment or applying “common sense”. Although they could not identify a specific formal source of their decision-making parameters, they could readily identify the parameters themselves. The four criteria they saw as necessary for expressing an opinion on government business were:

1) the degree to which it is clear that the opinion expressed is individual’s private opinion
2) the employee's level of expertise on the subject
3) the nature of the opinion i.e. critical or supportive, constructive or “rude”
4) the right to disclose

First, Respondents saw it as very important to be clear that it is the individual’s opinion that is being articulated and not the government’s view. They were prepared to reject an opportunity or invitation to speak on a subject if there was any possibility of confusion between their personal opinion and their professional duty. In clarifying this point, virtually all respondents included the intensifier, “in my personal opinion”, or “in my personal view”, to try to avoid the possibility of confusion regarding their professional role with their personal views.

Secondly, knowledge on the issue was also an important consideration. Respondents were reluctant to offer a layperson's opinion in an area they know little about. They set a high standard for an acceptable level of knowledge, often using the word “expert” or “expertise” to describe the level of knowledge needed to reasonably offer an opinion, compared to any other random Canadian who might offer an opinion on any issue facing their government. This seemed to be based both on professional pride (wanting to be credible, avoiding the appearance of being ill-informed), and ensuring defensibility (maintaining accuracy as a defense if necessary).

Thirdly, the nature of the comment was also deemed important in determining whether or not to express an opinion. Though some respondents talked about the importance of the neutrality of the public service, they tended to be most cautious when the opinion in question was critical of the presiding government or its policies. The tone and style of the opinion was also seen as important, especially if the comment is critical. The ideal personal opinion was considered to be one that is dispassionate, impersonal and gracious:

Respondent 1: …it's all about tact.

Respondent 1: …you want to get your thoughts and opinions across in a way that is effective but not confrontational.

Respondent 1: …it's learning how to separate your emotions from... debate

Respondent 1: I want to lay out that these are my concerns. And I want to make sure it's appropriate.

Respondent 2: …and also back them up with facts.

Respondent 1: …with your facts, and you will stay unemotional, factual.

In short, respondents hesitated to offer critical comment, but felt that it might be acceptable to do so at times, provided it is constructive, and expressed in a neutral, professional, and respectful way. Aggressive, challenging, insulting or disrespectful criticism was seen as un

Finally, respondents also considered whether they have the right to disclose the facts or data associated with their opinion.

Respondent: My opinion … was based on information that I’m privy to which is classified. And so in order to express, to fully express my opinion, it would be the next step would be to explain why which would require me to disclose that information. So rather than be put in that position, I chose not to participate in the discussion.
In making the determination of whether they may disclose information, respondents did consider the classification level of the information under the Government Security Policy (Treasury Board of Canada, 2002).

**How do employees perceive limits on free speech?**

Overall, respondents tended to perceive themselves as being governed by guidelines, and not strict boundaries or rules, even for those rules with which they were familiar. They saw expressing an opinion on government more as a question of individual choice and judgment, and less as a question of controlled procedure.

When respondents’ opinions were based on information that they considered had clearly been entrusted to them in confidence, they were strongly convicted that the information must not be disclosed, and therefore no related opinion could be expressed. Of course, respondents may simply have been giving answers that skewed towards the perceived organizational norms. In any case, their specific answers about how they might handle such a situation are less interesting than the fact that most respondents perceived this as a question of personal integrity and choice, and not as a question of complying with specific corporate rules. In addition to viewing the rules as guidelines, and not strict boundaries, respondents also tended to see themselves as being bound by honour, and not by rules. Most respondents recalled their oath of secrecy (though not by name), and saw the disclosure of such information as a betrayal of their organization and a breach of personal integrity. For example, one respondent was strongly supported after commenting that an employee could disclose and discuss information perceived as confidential, “If she wanted to be a rat (focus group, p. 52).” Others saw this as an issue of integrity in terms of general social values of honesty, where using government information (unrelated to their jobs) to support a critical opinion was akin to theft:

Respondent: It's not whether you're a government employee or not, it's just that that's the right thing to do. You know, you get back information to the people to who [sic] it belongs. It's a piece of property like anything else.

In a number of scenarios, employees felt that they were permitted to speak on issues, but would choose not to, because they nevertheless anticipated negative consequences:

Respondent 3: yes, he [an employee] can talk about it if he so chooses. And I think we all agree, it's probably a career suicide.

This choice felt the most onerous for employees when the speech was related to an issue in which they were directly involved and where they may have wished to express an opinion directly in their own interest. Nevertheless, even when faced with a scenario involving expressing a critical opinion in one’s own interest, in direct opposition to a position publicly taken by the employer, respondents still considered expressing an opinion to be a choice or option, although they recommended against it.

In essence, respondents may anticipate negative consequences should they choose to express an opinion about government, but they do not see those negative consequences as intrinsically prohibitive -- that is, despite potential negative consequences, they still see themselves as making an independent choice. They see these choices as being governed not by rules or procedures, but as directed by their own personal values. Even when referring to a legal Act of Parliament, employees referred to it as "guidance" to help them through the "grey zone".
The policy that seemed to have the most influence on respondents’ choices was the Values and Ethics Code of the Public Service (Treasury Board 2003). It was mentioned frequently as a potential source of guidance in making choices regarding whether to express an opinion:

Respondent 2: I would think Values and Ethics… That's where I would go first.

In several cases, respondents who began by explaining a particular decision as being intuitive, eventually identified the Values and Ethics Code as the source of some authority, though this often required some mental groping to explain.

Interviewer: Why not [express an opinion]?
Respondent: ‘Cause it would be going against -- uh -- trying to think about it…Cause you know-- I like the way how you -- ‘cause I’m familiar with it, but I don’t know all the details, right? And it kind of like – uh - you made me think about stuff that-- that I completely forgot that we kind of do it instinctively every day, but we don’t know why. [it’s] an instant reflex.

In summary, respondents base their decisions on whether to express an opinion on government policy on their own informal parameters. They draw guidance from the Values and Ethics Code of the Public Service to help resolve dilemmas. They generally see the issue of free speech on matters of government as a question of personal choice, and not as being imposed or governed by laws or formal policies that set mandated boundaries. The exceptions to this are situations when expressing an opinion would also involve disclosing information which they clearly perceived to have been entrusted to them in confidence, an act they view as unacceptable or even repulsive. And they are not always consciously aware of the reasons for their choices, even when they are confident that they have made the right choice.

Although respondents perceive that they have a choice about expressing an opinion on government policy, when they feel they must choose not to speak, they still feel restricted:

Respondent: I'm one [who is] very passionate about various subjects and policies and stuff like that, and I've found myself like, you know a person with a picture with a little tape on its mouth, but still functioning. And that’s kind of like the way I see myself, I guess, as a public servant.

Respondents value their right to speak and think it’s important to preserve it where possible:

Respondent: I do value my right to my freedom of speech, and if it were something that I believed very strongly, I wouldn't want to have to keep quiet.

Virtually all respondents had experienced times when they would very much have liked to express an opinion, but felt that they could not. This sense of restriction represents a personal sacrifice in terms of self-actualization: the psychological drive to do what one feels called to do (Maslow, 1943) - or in this case, to express what one feels called to express:

Respondent: … it has a lot of implications … and that's what I'm thinking here where, 'cause I am privy to too much information. I'd rather be dumb and stupid.
Interviewer: …you're saying there's some personal cost associated with not being able to comment on something you'd like to comment on?

Respondent: Absolutely… people don't know it, because we don't talk about it to others, because we can't necessarily talk about everything…

Some noted that a public servant learns things that sometimes create the desire to articulate an opinion that might not otherwise have been stirred:

Interviewer: So did you participate in that issue in any way…?
Respondent: No… Had I been a member of the public, yes I would have…However, one of the challenges is I'm not sure I would have known about it as much and become as passionate about it as a general member of the public.

Regardless, all but one respondent also felt that the benefits of being a public servant outweighed the perceived loss of some freedom of expression on government policy. Most respondents considered the limits on free expression to be a reasonable part of the deal that they made when they chose to become public servants:

Respondent: A good civil servant serves the government of the day, loyally… you know, that’s your job. If you can't do that, then either find a different job, or you leave the government...It's part of the price you pay.

Respondent: I think that it's worth it, and I think that most people, if they didn’t think that it was worth it, don’t have to take the job. They could do something else.

Respondents’ answers and attitudes suggest they have internalized the Duty of Loyalty’s charge to be loyal to the institution of government, and not the particular governing party:

Respondent: What I’ve realized is that even if my opinion is different, at the end of the day, they’re the ones that were voted in. …I have to respect that that was the rule of democracy.

**Conclusion**

Research participants were fairly confident that they knew the circumstances under which they can voice their personal opinion on a government policy. Their confidence in their level of awareness seems to be justified, at least in the applied sense of their capacity to make decisions that are consistent with positions supported by the courts and tribunals.

This research included presenting respondents with a number of fictitious scenarios involving a potential dilemma relating to freedom of speech for employees when speaking as private citizens. A number of these scenarios were based on real examples, unknown to the candidates. Although most respondents professed a low to modest level of awareness and familiarity with the Duty of Loyalty report (Treasury Board, 2005), or other relevant rules, their responses and choices were remarkably consistent with actual findings in the judicial and quasi-judicial proceedings on which the scenarios were based. This suggests a perhaps unconscious internalization of (and ability to apply) broad ethics and values parameters. Notice that this did not always align with the original management view. Where courts or tribunals disagreed with the Government of Canada's position, the employees did, too. Responders were good predictors of real outcomes that were ultimately supported by the courts or tribunals. The implication is that
contrary to traditional suggestion that public servants’ views are naturally aligned with their leaders (Whittington & Van Loon, 1996), public servants may be led or inspired by overarching organizational culture norms that go beyond simply following their political leaders.

Respondents generally tended to have higher awareness of policies that encourage communication and disclosure and less aware of those that tend to restrict it. Respondents tended to perceive the decision about whether to express a personal opinion on government policy as a value-based choice, rather than a question of compliance with rules, regulations, or policies. Even when respondents classified themselves as familiar with the parameters of certain rules or policies, they were unlikely to rely on those rules in making decisions, often with no apparent awareness of the incongruence. When faced with the incongruity in the course of this research, employees struggled to explain it. It has been argued that employees’ perceptions of their workplace heavily influence their own behaviour, creating a reality that mirrors their perception (Kassing, 2001). If so, it is possible that the apparent lower awareness of more restrictive policies is in fact the result of employees filtering or disregarding policies that do not match their perceptions or pre-existing value-based beliefs.

The only written rule or policy that seems to be a consistently-used source of expertise on the discussion and disclosure of information was the Values and Ethics Code for the Public Service (Treasury Board, 2003). Employees were aware of its existence and seemed to be familiar with its parameters and objectives at least in a general sense. This is not surprising, given that the code is provided on appointment to all new public servants, and in many cases is also provided to existing public servants on appointment to a new position.

It was the most frequently referenced policy in interviews and focus groups, though at times it was unclear whether respondents were making a specific reference to the Values and Ethics Code, or merely discussing the subject of ethics in a general sense. However, in other cases, there were some clues that suggest that respondents were making either a conscious or unconscious reference specifically to the Values and Ethics Code (Treasury Board, 2003). For example, in one case a respondent’s unscripted remark had a familiar ring; it turned out to be a near word-for-word quotation from the Values and Ethics Code.

Respondents seemed to lack detailed knowledge of the code of values and ethics; rather they tended to assume that if something seems appropriate or ethical to them, it must be consistent with the formalized code. Nevertheless, in the applied circumstance of responding to realistic or true-to-life examples, they proposed choices that were value-based (not rule-based), and consistent with the Values and Ethics Code, although they may not have been aware of this.

This could be explained on the basis that respondents possess advanced-level skills in public service values and ethics, with paradoxically low awareness of them. According to Salisbury (1998), acquiring a practical skill involves two elements: first, an awareness of what is required to execute the skill, and second, an aptitude to perform the skill competently. In Salisbury’s view on the improvement cycle, both awareness and skill levels initially increase as the learner studies and acquires new information (raising awareness), and consciously applies them in a deliberate and purposeful manner (developing practical skill). However, as skill level peaks, awareness levels begin to drop -- that is, performing the skill increasingly becomes a routine task that at last, the learner can do very well, without conscious thought or effort. At peak skill levels, learners may no longer be aware of how they are accomplishing the task (Salisbury, 1998).

He offers this illustrative anecdotal example: A new driver increases his awareness of driving skills by reading driver’s education booklets, studying vehicle manuals, and memorizing street sign meanings and traffic rules. He then increases his skills levels by actually practicing driving, during which he must consciously focus on steering his car in a straight line, controlling...
speed, and recalling the meaning of street signs, etc. By contrast, a skilled, experienced driver may find himself having driven to his destination with no clear recall of the details of the trip - he can drive skillfully, without even thinking about it (Salisbury, 1998). Similarly, many adults can tie a shoelace or a necktie easily, but might have a hard time coming up with directions on how to do so. Once a practical skill is mastered and becomes intuitive, our thought processes essentially “lose” the rules or instructions.

This theory of the "improvement cycle" offers a reasonable explanation as to why respondents are able to provide consistent, "correct" answers regarding their rights and obligations related to free speech and yet cannot explain the reasoning behind it. If they have thoroughly internalized the organization’s values when it comes to questions of free speech, they would have difficulty articulating some of the "how to" information that underlies it.

Respondents perceive that their freedom of expression is restricted. They were conscious of having given up a valuable right to participate fully in responsible, representative government. Their perceptions of the degree of restriction varied greatly, ranging from a limited inconvenience to a significant imposition. However, notwithstanding the perception of restriction, respondents considered that they have voluntarily submitted to this restriction. They see it as part of a moral contract they have willingly entered into as a condition of their employment, and for most, the loss of freedom was deemed to be a worthwhile exchange for the benefits of federal public-service. They are willing to make some sacrifices towards the goal of a neutral public service. This includes giving up some rights to participation in government and politics as a private citizen, and some of the self-actualization that comes from satisfying one's natural human desire to speak one’s mind and be heard and understood. Because they perceive restraint to be part of the moral contract they entered into as an employee, they are willing to yield some freedoms to honor the contract and to protect their reputation as someone who honored their commitment.

The concept of the ideal public service as neutral is centuries old, although the “ideal type” iterated by Weber (1946) is certainly the modern standard on which this idea is most often based. The idea appears to be very deeply rooted in the public service culture. To honour the perceived moral obligation, employees are willing to refrain from participation in the form of comment on some issues about which they feel very passionately. Where the issue is not one of whistle-blowing about wrongdoing, health, safety or security issues, respondents see the greater good as coming from their exercise of restraint so that the neutrality and impartiality of the public service-- both real and perceived -- is preserved.

What does this mean for the exit-voice-loyalty-neglect model of employee dissent (Hirschman, 1970, Rusbult, Zembrodt and Gunn, 1982), as it applies to the public service? there is certainly room to fit the public-service ideal in the lower right-hand quadrant of passive but constructive behavior i.e. loyalty/patience; the art of patiently waiting for things to improve. There are two potential challenges with that approach. The first is a general consideration that applies to the modified model overall, which is that at face value, the behaviors associated with neglect are not substantially different from those described as "loyalty/patience". There may be a difference in intent, but there is no significant difference in actual behavior.

The second challenge surrounds the identification of the “loyalty/patience" as a passive act. In fact, in many cases the public servant is actively choosing restraint at some cost to himself, disengaging from issues that are very important to him. Given that this represents an active choice, it seems less correct to characterize it as the more as the more passive option.

Similarly, the modified model proposes that voicing (speaking up on one’s views) is the more constructive approach, but if we accept Weber's theory (1947) of the ideal public service, where neutrality itself is a desirable goal, self-restraint may in fact be the more constructive path
that best serves the organization and the common good. If passivity involves pursuing one’s natural path of least resistance, following one’s keen desire to voice is arguably a passive act.

Perhaps a reversal on the scale of active to passive is called for to reflect the active choice of deliberately exercising restraint in articulating one’s personal views, with an intention to support the public service workplace’s overarching goals. Public service employees who fall into this quadrant may be exercising principled restraint as opposed to principled dissent-- that is, in an organization where neutrality is a key goal, their exercise of restraint represents an active effort, and actually serves a more useful and constructive purpose than “voicing” would in this context. Moreover, as a fellow manager has observed, in the public service, this approach involves more than just “patiently waiting”; it incorporates acceptance and adoption – assenting or adopting a new viewpoint as one’s own (at least in professional contexts), and actively working to deliver it successfully (G. Jack, personal communication, September 14, 2009).

This seems an essential element of loyalty and dissent in an organization that is value-based, such as the public service of Canada, whose very mandate is to serve the public interest by giving honest and impartial advice, and loyally implementing lawful ministerial decisions (Values and Ethics Code for the Public Service, 2003). A revised view of the exit-voice-loyalty-neglect model may be needed to describe value-based organizations, such as advocacy or religious institutions.

### TABLE 2. Exit-Voice –Loyalty-Neglect in the Public Service context:

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<td>DESTRUCTIVE</td>
<td>Exit (quitting)</td>
<td>Principled Restraint</td>
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<td></td>
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<td>(acceptance and</td>
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<td>active adoption)</td>
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<td></td>
<td>Neglect (withdrawing,</td>
<td>Voice (speaking up)</td>
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<td></td>
<td>allowing things to</td>
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<td></td>
<td>worsen)</td>
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<tr>
<td>PASSIVE</td>
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</tbody>
</table>

Alford (2001) describes a concept he calls narcissism moralized, the motivation that in his view leads whistle-blowers to take immense risks, “so as not to be personally made less pure, good and whole by corruption in the organizations they work for” (p. 63). He sees this as the attempts to raise oneself as high as one possibly can in order to come close to ideal standards. Alford sees all dissent as self-interested and egocentric, including real or perceived to direct self-interest, and desire for immortality, or a desire to resolve a crisis of conscience.

Hegstrom (1999) considered that both self-interest and social conscience could coexist as motivations for dissent and described them as personal advantage dissent and principled dissent respectively. In a public service context, it is possible for both of those interests to be served not through expressions of dissent but through the exercise of principled restraint, where one's social conscience demands adherence to the moral contract imposed not only by the oaths of office and secrecy, but by the presumably altruistic desire to contribute towards the delivery of the "ideal
type" of public service bureaucracy which has become the modern ideal. The personal advantage reaped thus potentially includes not only the satisfaction of one's social conscience, but the direct personal advantages to one's reputation and working relationships in an organization where demonstrating neutrality and unbiased is the valued ideal.

Perhaps the most powerful overarching conclusion that can be drawn from this research is that public servants are potentially more alike their private sector counterparts than they are different, acting on similar motivations and concerns, and in many ways subject to, or perceiving themselves to be subject to similar workplace consequences when they are expressions of dissent are deemed inappropriate. The primary difference is that in public service workplaces, full disclosure and candor at the level of individual employees is perceived as counterproductive not only in the organization but within the larger society, where a stable and neutral bureaucracy is a high priority, ensuring the safe transition and effective delivery of services within an organization that is already routinely subjected to frequent and significant changes from without.

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Visual Identity and IPRs in Corporate Brand Management

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Purpose: Intellectual property rights (IPRs) can influence corporate brand management. In this study we consider not only trademarks – the most common form of IPRs in connection to branding – in a different light, and also adopt a wider approach and consider the roles and features of trademarks, trade names, copyright, and design rights.

Approach: Corporate brand management and visual identity play an important role because of their connection to identity, image, and reputation management. However, visual identity, like corporate brand management in more general, lacks profound combining of IPRs – that are increasingly important in the turbulent business environment – into its elements.

Findings: We assert that in relation to corporate brands and visual identity, a combination of IPRs is relevant. This means that companies need to improve their readiness and awareness in terms of obtaining and strategically utilizing various means of legal protection.

Research implications: As far as we know, IPRs have not been studied extensively within corporate communication or in marketing.

Practical implications or applications: Frequently, both in practice and research, only trademarks have been considered, and the differences between product vs. corporate brands have been often neglected. Our study fills this gap by discussing the role of aligning IPRs and visual identity in brand – and image – management.

Paper type: general review

Keywords: Corporate visual identity, Intellectual property rights, Brand management, image

Theme: Image, identity, and reputation management

Corporate Branding is tightly connected to image, identity and reputation management, and is a relatively new and multidisciplinary area in academic discussions – and also in conscious managerial practices (see, e.g., Balmer, 2001 Bickerton 2000; Knox and Bickerton 2003). Corporate branding is defined as "a systematically planned and implemented process of creating
and maintaining a favourable image and consequently a favourable reputation for the company as a whole by sending signals to all stakeholders and by managing behaviour, communication, and symbolism” (Einwiller and Will, 2002, p. 101). Corporate branding has faced increasing interest and the subsequent outputs since the turn of the century (Ahonen, 2008). However, certain areas have been overlooked: The corporate brand is strongly influenced by the ways its elements are used in the markets (consider, e.g., pro or contra writings and other appearances in the internet), and thus both the uniqueness and the associations made in connection to the brand need to be controlled. The legal protection off the logo, slogans and other CVI elements can – especially in the turbulent environment – play an essential role.

Nevertheless, and despite the multidisciplinarity, legal issues, like intellectual property rights (IPRs), are, as far as we know, seldom discussed in the literature on corporate branding. We argue that IPRs are significant when branding is of concern: they are not just a necessary evil or some external issue (e.g., Cornelissen and Elving, 2003) that is taken as given, but that they can be used as a strategic tool in branding. After all, IPR issues emerge from the very origins of company establishment, product launches, and the related branding activities. A company that is building and introducing a new brand needs to acknowledge the existing intellectual property rights (including trademarks) of others, for instance, and know the restrictions to using and registering trademarks and other legal rights.

Even if the substantial value that can be derived from brand names and trademarks has given start to considerable research on protection in recent years (e.g., Morrin and Jacoby 2000; Pullig et al. 2006, Alessandri 2007), the studies that exist are often limited concerning mainly product (and service) brands rather than corporate brands (e.g. Moore 2003). Also, most studies are restricted to trademarks (Alessandri and Alessandri 2004 on legal and non-legal protection mechanisms). However, we assert that the corporate brand management requires approaching trademarks differently, and it can be influenced by other intellectual property rights (IPRs) as well. Consequently we adopt a wider approach and consider the roles and features of trademarks, trade names, copyright, and design rights. We also include unfair competition as it often is placed under the umbrella of IPRs. From a branding perspective, we focus on the symbolic perspective on corporate branding, i.e., corporate visual identity system (CVIS), that can be defined as the way in which an organisation uses, e.g., its name, logos, and other visual elements to communicate its corporate philosophy and personality to all stakeholders.

We will discuss the importance and relevance of IPRs as a strategic tool in corporate branding. Consequently, we discuss trademarks in relation to corporate and product branding, and illustrate why also other IPRs than just trademarks are essential. CVI and its elements provide us with the lenses through which legal protection is addressed.

Corporate Visual Identity System in Brand Management

CVI, (van den Bosch et al. 2005, 2006; Melewar et al. 2005, 2006), the visual presentation of a corporation, plays a significant role in the way an organisation presents itself to both internal and external stakeholders (van den Bosch et al. 2006). It can be described as “…the firm’s visual statement to the world of who and what the company is – of how the company view itself – and therefore has a great deal to do with how the world views the company” (Melewar et al. 2006, 139). In other words, visual identity consists of organisation’s symbols and system identification (Balmer 2001).

Key elements of a CVI are the corporate name, logo or symbol, color palette, font type, a corporate slogan, and tagline and/or descriptor (Melewar and Saunders 1998; Van den Bosch et al., 2006) These can be applied, on stationery, printed matter, advertisements, websites, vehicles,
buildings, interiors, and corporate clothing (Van den Bosch et al., 2006). CVI 1) provides an organisation with visibility and “recognisability”, 2) symbolises an organisation for external stakeholders and hence contributes to its image and reputation, 3) expresses the structure of an organisation to its external stakeholders, visualising its coherence as well as the relationships between divisions or units, and 4) relates to employees’ identification with the organisation as a whole and/or the specific departments they work for (depending on the corporate visual strategy in this respect). (Van den Bosch et al. 2006, p. 871).

CVI is seen as the most tangible asset of the self-expression of an organization; CVI can be viewed as an important strategic instrument within corporate communication and needs to be managed on a structural basis, to be internalized by the employees and to be harmonized with future organizational developments. (Van den Bosch et al. 2006). CVI is seen as one of the cornerstones of the corporate brand, and should IPR issues as well. In particular, the tangible nature of CVI allows utilization of such protection mechanisms, and also makes it relevant.

**Intellectual Property Rights**

The protection of the corporate brand is an essential part of brand management (Moore 2003). The uniqueness and inimitability are of central importance for a successful brand, and these can be enhanced by relying on IPRs, for example, especially when tangible, and consequently relatively easily imitable features are of concern. Already a quick glance at the different IPRs shows this.

In intellectual property legislation (which is to a large extent internationally harmonized, although some national differences still exist), a *trademark* is a unique identifier defined as a word, letter, symbol (logo), number, colour, shape (or, where the legislation of the country allows, sound or smell; the trademark always has to be presentable graphically), or a combination of one or more of these. Once a trademark is registered, the ®-symbol may be legally used with the trademark, and the owner has the exclusive right in the defined territory (country where the right was granted, or all EU countries if a Community trademark has been granted) to use it for any goods or services for which the trademark is registered (i.e., product and service classes need to be considered; trademark right can only be enforced in such areas where it is registered, which means that if, for example, a trademark for shampoo is registered in class 3 (cosmetics and cleaning preparations, the same trademark may be registered by someone else in another class) (Florek and Insch 2008). A registered trademark remains legitimate and valid over time as long as it is renewed and/or used, and during this time, owners can assign or license the trademark. Alternatively, trademark protection can be established through active use and making the trademark known among customers. In this case, TM-symbol may be utilized.

*Trade names* are similar to trademarks: Whereas the role of trademarks is to differentiate and separate the products and services of a firm from the products and services of some other company, trade names need to do this at organization level. However, only the name gets protection, and the form that it is in (e.g., font) needs to be covered with other means.

*Copyright*, for its part, covers original and creative creations (works of art). It is most commonly connected to different kinds of writings, music, or pictures, but it can also be a useful means of protection for short slogans or other expressions that are connected to the corporate brand. Only the actual expressions, not the idea behind them, are protected. Copyright is readily available since it does not require any registration. However, it only provides protection against copying and imitation, and if someone independently creates something similar, the copyright owner cannot really prevent use of the other work. Also the life of copyright is more limited, as it only endures (as a general rule) 70 years after the death of the original copyright holder.
Design rights (or model rights), that are provided for the appearance of a concrete object or a part of it; overall impression of its lines, contours, colours, shape, texture or materials also are limited in terms of duration: A registered design may enjoy prolonged protection from copying up to 25 years (The design is registered for 5 years and can be newed four times, for 5 years each time) in EC countries. In addition to national rights, also Community Designs are available.

Naturally, also patent rights and utility model rights (that are also called as “petty patents”) are included in the list of IPRs. Both of these protect inventions that meet the requirements of novelty, inventive step, and technical effectiveness, and for both, the duration of the protection is limited in terms of time and geographical scope – like in terms of the actual claims in the patent application.

Finally, the legislation aimed at preventing unfair competitive conduct is often placed under the umbrella of IPRs. The idea that it is not allowed to imitate marketing communication in any way that is likely to mislead or confuse consumers (for example through the general layout, text, slogan, visual treatment, music or sound effects) is embedded in many countries’ legislation (see ICC 2006, Grassie 2006).

Intellectual Property Rights and Corporate Visual Identity

Frequently, when protecting corporate brand (and elements of visual identity in particular) the legal protection has been found from trademarks. The problem is that putting emphasis on trademarks as a protection mean for brands highlights protection of product brands (see, e.g., Moore 2003). This is because trademarks, by definition, are designed for distinguishing products and services of a company from other offerings. In line with this, there has been discussion the role of trademark protection mostly as a part of product brand management (e.g., Moore 2003) and on the different functions of trademarks. Prior research has concentrated, for example, on trademark dilution based on unauthorized use of a mark (Jacoby and Morrin 1998, Simonson 1994), trademark infringement (Burgunder 1997, Howard et al. 2000), and the application of trademark legislation to the Internet (see Taylor and Walsh 2002). The current understanding of legal issues related to corporate brands and branding may still fall short. We argue, that as the discussion moves to corporate branding the role and management of trademarks changes considerable. Besides, other IPRs may be applicable to corporate branding. For instance, trade names, copyrights, and design rights may become more relevant, and also domain names in various countries. The focus should be on restrictions and possibilities provided by IPRs. In the next paragraph we will discuss these issues and the potential protection mechanisms and related risks in connection with the elements of corporate visual identity.

Restrictions to legal protection

Legal protection for brand-related elements can be gained even if IPRs are not registered (consider, e.g., copyrights, protection against unfair competition (imitation in particular), and well-known trademarks (often marked with TM symbol), but considering the burden of proof, registration is often necessary or useful. Nevertheless, attaining legal protection for the different elements of corporate visual identity is not straightforward, but several issues need to be taken into account.

Regarding trademarks, for example, there are both relative and absolute restrictions to getting registration(i). While differences exist in national laws regarding these both, in general absolute restrictions refer to such obstacles that officials take into account ex officio when
evaluating trademark applications: Legislation does not typically allow registration of such trademarks, where the mark consists exclusively of signs that refer to characteristics of the product or service (e.g., quality or intended purpose). Trademarks that are customary in the current language are left without registration, similarly to marks that may deceive consumers, are contrary to law, order or morality, or that consist exclusively of state emblems, official medals, badges, religious symbols, and other such features (Lazaro 2004). Relative obstacles occur, if there is an earlier right and the new mark would be confused with such rights (Aboulian and Charnley 2007). If the mark is composed of or contains anything likely to give the impression of being the protected trade name of another, registration is not possible. Similarly, if the mark constitutes an infringement of another's copyright or a protected design (model), or if it is liable to be confused with trade name or symbol of another trader, registration will be denied. In terms of these restrictions it is often up to the proprietor of original right to take proper action. Officials conduct some examination, but still the eventual responsibility of executing the rights resides with the rights owner. The company planning its CVI needs to acknowledge these restrictions during the original launch of a corporate brand, and remember that later movements to other business areas may not be possible with the same visual look because of absolute and relative grounds for denying trademark registration. Similarly, the firm needs to be prepared to defend its rights.

Similar restrictions exist in terms of getting other types of IPR protection. Considering copyrights, the expression of elements of corporate visual identity can only receive protection if the object of protection is original and creative enough (ii). Likewise, design is available for creative and new models and designs (iii). With regard trade names, perhaps least restrictions exist (e.g., in Finland, an exclusive right to a company name is obtained either by entering it into the relevant register or by establishing it (iv), and the Trade Register “has adopted a policy where as many company name suggestions as possible are accepted” (National Board of Patents and Registration of Finland 2008), although distinguishability is required, and offensiveness or illegal connotations typically form restrictions to registration (see, for example, Arizona Secretary of State Trade Name Standards 2007). Thus, in terms of protecting uniqueness of corporate visual identity, the most efficient way to accomplish wide coverage may be to use the trade name as the basis and combine it with other features—protected with other forms of IPRs.

In fact, we assert that in relation to corporate brands and corporate visual identity, relying on a combination of IPRs may be useful, and this combination and its use should be aligned with corporate branding. While trademarks and design rights can be used in connection to individual products or services, the main features of corporate visual identity and be protected with trade names, trademarks, domain names (Wang 2006) copyrights, and design rights. For example, while trademark protection may be denied in the case of a mark having the shape of a firm’s product (on the grounds that it refers to the characteristics of the product), the design right can be used to cover such features. Naturally also the norms related to unfair competitive conduct may enable protecting the corporate entity: The overall impression gained from visual identity is protected against look-a-likes (see Davies 1998). Since the rights do not exclude each other and since it cannot be taken that, e.g. trademark protection can be achieved, a wider approach may be beneficial for the CVI as a whole. In table 1 the some of the potential uses of different IPRs is listed.
### TABLE 1. CVI elements and their protection mechanisms

<table>
<thead>
<tr>
<th>Visual identity element</th>
<th>Protection mechanisms</th>
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<tbody>
<tr>
<td>Corporate name</td>
<td>Trade name</td>
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<tr>
<td></td>
<td>Trademark</td>
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<tr>
<td></td>
<td>Domain name</td>
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<tr>
<td>Logo</td>
<td>Trademark</td>
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<tr>
<td></td>
<td>Copyright</td>
</tr>
<tr>
<td></td>
<td>Design (3-dimensional)</td>
</tr>
<tr>
<td>Color palette</td>
<td>Trademark</td>
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<tr>
<td></td>
<td>Copyright</td>
</tr>
<tr>
<td></td>
<td>Unfair competition</td>
</tr>
<tr>
<td>Font type</td>
<td>Trademark</td>
</tr>
<tr>
<td></td>
<td>Copyright</td>
</tr>
<tr>
<td></td>
<td>Unfair competition</td>
</tr>
<tr>
<td>Corporate slogan</td>
<td>Copyright</td>
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<td></td>
<td>Trademark</td>
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<tr>
<td>Tagline</td>
<td>Copyright</td>
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<td>Trademark</td>
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<tr>
<td>Descriptor</td>
<td>Copyright</td>
</tr>
<tr>
<td></td>
<td>Unfair competition</td>
</tr>
<tr>
<td>Shape (of the product)</td>
<td>Design (3-dimensional)</td>
</tr>
<tr>
<td></td>
<td>Trademark</td>
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<tr>
<td></td>
<td>Unfair competition</td>
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<tr>
<td>Domain name</td>
<td>Domain name</td>
</tr>
<tr>
<td></td>
<td>Copyright</td>
</tr>
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<td></td>
<td>Trademark</td>
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</table>

The table 1 is not conclusive, and both other elements of CVI and protection mechanisms for these elements may be found. Nevertheless, already this illustration suggests that varying approaches can be taken. For example, the logo of Nokia phones can be protected with trademarks, and the shape of the phones can be covered with design right – like the shape of the Coca Cola bottle. The shape of a Toblerone chocolate bar could be covered with trademarks, and the colours of a pizzeria may be considered such a unique differentiator that unfair competition rules may apply. The different elements need to be considered, as practical examples suggest: For example, recently a lot of money and dispute has been involved in domain name registrations, as some individuals and organizations have registered domain names that are trade names or trademarks of others and tried to sell those to such firms.

Reliance on trademarks in relation to corporate visual identity

Besides taking a wider approach to legal protection, corporate visual identity may require a slightly different application of trademarks than is presented in relation to product branding: As trademarks are applied and granted for certain product and service classes, in terms of corporate branding, it is important to acknowledge the potential future businesses, internationalization, and product line extensions. In fact, the increasing costs and difficulties in establishing new trademarks have pushed many firms to use existing trademarks in connection to new offerings instead of introducing new names (Simonson 1994). The same applies to movements to international markets. While cultural differences naturally need to be taken into account in branding, relying on existing work enables building a consistent brand for the corporation and allows benefiting from previously established reputation. However, if the original trademark
application is too narrow, it well is possible that another organization will register a similar mark for such a product or service class that would be a beneficial augmentation for a firm later on. For example, a hair product producing firm named FOMER has registered FOMER as the trademark in the class 3 (cosmetics and cleaning preparations; cf. the discussion on the product and service classes above) for its shampoos and conditioners, it may wish to use the same trademark for extensions like combs and hair brushes as it augments its product lines. However, this may not be possible if some other comb-producing firm has registered the same name in the class 21 (housewares and glass) covering such items. Likewise, if trademark is registered with a narrow geographical coverage, problems may emerge later on. Utilising the previous fictitious example, even if FOMER is registered in Finland, Sweden, and Germany, it may be that it cannot be registered in the USA and England, as in these countries PHOMER is already in use; the risk of confusion stemming from similar pronunciations may be considered too great by the officials. In such cases the original trademark cannot be used in relation to new products or services, or in new markets, which may have an effect on the possibilities to build and maintain the pursued corporate visual identity. Thus, it is important for managers to evaluate future business strategies, brand management and IPRs simultaneously.

Besides, it is not only the protection, where CVI may be affected. The rights need to be executed and defended as well. For example, since the central task of trademarks and trade names is to distinguish a corporation and its offerings from other companies and their offerings, legal protection is provided only as long as the rights actually promote this (Westerhaus and Butters 2004). As Taylor and Walsh (2002, p. 160) note, “Trademarks may be cancelled if it is ruled that consumers use the brand name to describe a generic category. Trademark cancellation, or ‘genericide,’ has high stakes in that it can result in the loss of a valuable corporate asset. For instance, journalists have a lot of impact on trademarks becoming part of everyday vocabulary, which means that press contacts and promotion need to be approached carefully (Czach 2004). Surely, in some cases genericide may be beneficial (that is, if the connection to the particular firm is strong enough), but in general, it can be said that genericide is particularly harmful if it is targeted to corporation brand (in relation to individual offerings, the downsides can be limited): The company loses its control over the trademark and it cannot be predicted, how it will be treated in the future. Teflon, Nylon, and Kevlar are just examples of the trademarks that have faced genericide.

Finally, careful management of the trademark is needed also because trademarks may be stripped of corporate brand value if the rights are not actively protected against imitative actions of other organizations. While consumer researchers have considered brand name dilution to cover the potentially damaging effects that a company's own brand extensions can have on attitudes toward its parent brands, a different form of dilution, trademark dilution, occurs through the unauthorized use of a mark by other organization than its owner (Feldwick 1996, Morrin and Jacoby 2000, Jacoby 2001). If such actions or others are not dealt with, the power to influence the brand and CVI flows to outsiders. For example, if the Audi-logo and appearance are used in connection to very poor quality toy cars, the damage may be notable also to brand Audi. Again, the problem is more pronounced regarding a trademark protecting the corporate brand than individual products. Such a threat exists in relation to other IPRs as well: if copyrights or designs are not defended, not only is their protective power eroded, but so are their value generating features also.
Discussion and Conclusions

This study contributes to the corporate communication research by opening discussion on the seldom studied arena of intellectual property rights in corporate brand management. The findings suggest that corporate brand building and management benefits from using overall IPR strategy of a firm in line with and in service of brand management. As using one form of IP protection typically does not exclude using another, the company should pay attention to getting the big picture right. It is not enough to know just the potential legal pitfalls related to trademarks (e.g., relative and absolute restrictions of trademark registration, risk of losing the legal registration, etcetera). In line with this, utilization of IPRs should be aligned with the CVIS of the firm: The corporate visual identity consists of elements, each of which can be protected with varying IPRs. Taking a wider approach achieves better coverage and provides security for situations where one form of protection fails. This is relevant since the possibilities and limitations related to obtaining legal protection, and the risks related to infringement, genericide, and IPR dilution are different depending on the context.

Consequently, the legal protection of names, slogans, and CVIs are part of the corporate branding discussions on corporate brand management. This appears to be to neglected in the literature on corporate branding. From a managerial perspective, many legal cases have shown that under-estimating these perspectives from the very beginning of brand building may cause problems. By taking notion of the differences between legal protection of product vs. corporate brand – and the potential of IPRs to support brand management, the random and unplanned approach can be replaced by more sophisticated way of operation.

We think that legal protection of corporate branding, the visual identity and certain perspectives of intellectual property rights, has been neglected in the corporate communication. Instead of considering them as given, external issue of the corporate identity management (c.f. Cornelissen and Elving, 2003), we recommend more strategic view on them in companies and in future studies. For example, differences between product and corporate branding in IPRs can be studied in a more detailed manner, as well as brand ownership and brand co-creation issues related to intellectual property rights. Considering that branding is an international activity, international comparisons would be a fruitful arena for future research as well. Despite large scale harmonization in the field of IPRs, some differences still exist (e.g., Iphone in Switzerland is not protected, whereas the European Trademark Office accepted the Iphone as a protected name) that may call for attention when corporate branding is of concern. Especially, empirical research on handling legal issues in corporate brand management is most likely welcomed. This study provides a starting point for such endeavours.

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(iv) See, e.g., Section 2, paragraph 3 of the Finnish Company Names Act.
Managerial Earnings Forecasts: Does the Use of Hedging Strategies Increase or Decrease the Credibility of These Disclosures?

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Every business phenomenon which has the potential to disrupt the global economy is worth subjecting to a multidisciplinary investigation. The credibility of managerial earnings forecasts should be no exception. While most studies have looked at the phenomenon from the perspective of accounting and finance, this paper adopts a communicative perspective. This paper applies a model presented by Toulmin (1958, 2003), designed for analyzing arguments, to examine on a case-by-case basis the association between a forecast’s argumentative strength and its eventual failure/success. The data consists of forecasts that led to some of the largest earnings surprises in 2008. The findings suggest that since managers have private information about the company’s operations, their use of hedging devices such as qualifiers and rebuttals in their narrative forecasts may serve as a reliable measure of forecast credibility. The results should be useful to investors attempting to determine the credibility of an individual earnings forecast.

Keywords: earnings forecasts, credibility, Stephen E. Toulmin, rebuttal, qualifier

(Paper not available at time of publication.)
Looking for Social Capital Initiatives Amid the Downturn: 
An Analysis of CEOs’ Annual Report Letters

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Purpose: What were CEOs saying to their stakeholders during the 2008 financial downturn? Annual report letters were examined to identify initiatives to increase or create social capital with stakeholders.

Approach: Annual report letters (2006–2008) for twenty of the world’s largest producers of consumer packaged foods were analyzed using text- and content-analysis procedures.

Findings: Preliminary analyses indicate the downturn had minimal measurable impact on social capital initiatives. Some changes were observed but few significant differences were identified.

Research implications: The industry was the unit of analysis; a single industry was studied. Broadening the set of industries could provide additional insights, as would including additional media.

Practical implications: Distilling meaning from CEO communications, and methods to analyze results, are offered. Contexts for future studies of company-stakeholder initiatives are suggested.

What were chief executive officers (CEOs) saying to their shareholders amid the recent economic downturn? In fact, what were they saying when speaking more broadly to all stakeholders? Times were difficult. The underlying assumptions of their strategic plans were in question. Decisions had to be made quickly without sufficient time to overhaul plans that were no longer working. Did CEOs react and communicate as if this were a crisis, a temporary setback, from which normalcy would once again spring? Or, did they see the beginning of a new order requiring untested ways of thinking about doing business? This paper seeks insights into how CEOs communicated in the midst of the recession, particularly any efforts on their part to create or increase social capital with stakeholders. Did they cast the net more widely seeking new insights for decision-making?

Change in decision-making

The financial downturn of 2008-2009 was a deep recession leaving a structurally changed business environment in its wake. Unemployment peaking at 10.1 percent, deep losses in stock markets, a reduced gross domestic product, massive housing foreclosures and bankruptcies, government bailouts in the banking and industrial sectors, and a general reduction in consumer spending were the results (Dougherty, 2010). A crisis of this size had not been seen in years and was accompanied by threats that had never been seen. Indeed, the then Secretary of the Treasury, Henry Paulson, wrote a book on the “race to stop the collapse of the global financial system” (Paulson, 2010). Strategies and tried-and-true ways of doing business no longer worked. It was even suggested that strategy, as we know it, is dead (Shill, 2010). Confusion ruled. The financial crisis was also an information crisis. Managers did not understand what was happening in the ever-changing
environment. They lacked sufficient information to make decisions. When they did receive that information, there were questions about its quality and scope. CEOs accustomed to strategic planning where were forced to make decisions quickly without the safety net of due diligence and vetting to confirm findings. Clearly, the new need is for speed and agility in decision making.

**Stakeholders**

Freeman (1984) defined a stakeholder as “any group or individual who can affect or is affected by the achievement of the organization’s objectives.” Stakeholders exert their influence by supporting or denying support for initiatives crucial to the survival, competitiveness, and profitability of the organization (Donaldson, 1983). Stakeholders should be viewed as both a resource and a means to identify and obtain resources. Resources provide distinctive capabilities for organizations. When they are not widely held or not easily replicated in the industry, resources are a source of competitive advantage. Furthermore, the quality of a company’s relationships with its stakeholders indicates the organization’s ability to access essential resources (Svendsen, 2010). Indeed, engaging stakeholders positively to establish linkages is a vital organizational capability. All linkages have value whether weak or strong. Granovetter (1983) found that remote stakeholders (weak ties) are less likely to be connected with each other than strategic allies (strong ties) with similar views. Without ties to acquaintances (that is, remote stakeholders), the organization receives little or no information from distant parts of its network. It must rely entirely on what it learns from allies. The information that allies receive from each other tends to overlap with what they already know. The organization, as a result, is insulated from the latest ideas and diverse opinions.

Internal and external stakeholders can increase or decrease access to information and other resources essential to the firm. Internal stakeholders include shareholders, managers, and employees who have a stake in the outcomes of the organization. External stakeholders are individuals and groups, such as customers, suppliers, or governments, outside the organization that have a major influence on or are influenced by the organization. Employees decide whether to share innovative ideas with the company and communities decide whether to facilitate a company’s relocation to their area. The company enjoying strong stakeholder relationships, is often thought to be better positioned to search out, capture, and interpret clues from the environment in real time. Ideally, opportunities and threats are detected early, new capabilities are assessed, and responses are put in play ahead of competitors. At the other extreme, poor relationships with stakeholders are likely to reduce access to resources. To be effective in carrying out this responsibility, CEOs need access to information.

**Social capital**

Social capital consists of the connections that bind people and communities together (Cohen, 2001). It includes the trust, mutual understanding, and shared values that make cooperative action possible. Social capital reduces transaction costs for the organization, especially where contracts and other formal coordination mechanisms are involved (Fukuyama, 1999). This is a mechanism that organizations use to acquire external knowledge and bring it into their firms (Anand, 2002). New externally acquired knowledge can then be combined with the firm’s existing internal knowledge. Social capital may also be created with the intent to establish business resilience—the ability to rapidly respond to risks and opportunities (IBM, 2010). Business resilience represents a shift in paradigms from experience and reacts (get back up and running after a disruption) to anticipate and adjust (never falter in the first place). One of the six
Looking for Social Capital Initiatives Amid the Downturn:  
An Analysis of CEOs’ Annual Report Letters

imperatives IBM identified for a successful business resilience strategy is “maintain business operations in the event of an outage…with processes and infrastructures that are responsive, highly available and scalable” (IBM, 2010). Borrowing from this idea, the concept of communication resilience is proposed and described as maintaining two-way communication with stakeholders in the event of disruptions, using linkages created and strengthened with social capital. Mergers and acquisitions, government regulations, or a downturn in the economy, are examples of disruptions.

Even with all of its potentially positive outcomes, social capital creates a dilemma. Enjoying social capital with one stakeholder may negate that possibility with another (Fukuyama, 1999). Further, building trust with one group can destroy it with another (Pirson, 2008; Freeman, 2007). Stakeholder groups are alert to the possibility of their interests being traded off, one in favor of another. CEOs must resolve these inevitable conflicts as they engage with multiple stakeholders.

**Stakeholder communication: balancing detail and context**

Communicating with stakeholders requires balancing the details of the problem at hand with the context—the interrelated facts, conditions, and background that give a message its full meaning. The main point is lost when either the details overpower the context or an attempt at context is not supported with details. CEOs seeking to be effective in any stakeholder communication need to make the case for the purpose or cause at hand. To make the case is to place the purpose or cause in context. Information is organized, sorted, filtered, and made sensible and understandable through context (Makower, 2009).

Incorporating details in a message is said to use the brain’s left hemisphere (the center of analytical thinking), drawing on previously accumulated, organized information (McGilchrist, 2010). Providing context uses the brain’s right hemisphere (the center of intuitive thinking), drawing on unbounded qualitative patterns not organized into sequences. New experiences seem to be handled better by the more fluid and spontaneous right side. It looks for patterns and connectedness and problem-solves with hunches. Recurring or predictable experiences, at the other extreme, are dealt with by the left side where solutions are sought by looking sequentially at the parts of the problem. Accumulated and organized information is sought as the problem-solver searches for cause and effect.

Similar to individuals, whole cultures are said to also exhibit left-brain and right brain thinking (McGilchrist, 2010). Culture’s preference for how understanding is transmitted swings from analytical to intuitive and back again over long periods of time. The Renaissance (right dominant) brought with it a vast enlargement of context, positioning the individual in relation to the world at large. The relationship between part and whole were expressed in the music and poetry of the era. The Reformation (left dominant) saw a shift in thinking toward what is certain, rigid, fixed, and simplified. Whether it’s a preference for details advocated by the left side or a preference for context advocated by the right side, a dominant pattern of what inspires and moves people appears to characterize each cultural era.

In the aftermath of violent financial upheaval, where is the pendulum? Some observers believe it remains on the left as bureaucracy grows and we see the world in its parts rather than as a whole (McGilchrist, 2010). Others see a shift to the right side as the logical and linear information age gives way to a conceptual age built on inventive and big-picture capabilities (Pink, 2006). This new age prizes the capacity to detect patterns and opportunities, to craft a satisfying narrative, and to create something new by combining seemingly unrelated ideas.
Whether the pendulum lies to the left, the right, or in the middle, it’s clear that the world has become a different place. The future has less clarity than it once enjoyed. The new economic order is likely to be a time of change. Planning methods and business models are ripe for change as are the ways CEOs communicate with stakeholders.

**Annual report letters**

The CEOs annual report letter has evolved over the years and today is considered a multi-objective, multi-audience medium for corporate communication (Anderson and Imperia, 1992). Objectives include communicating the company’s philosophy and its personality; announcing new product introductions, executive appointments, and resignations; justifying mergers and acquisitions; and reporting earnings, dividends, and new stock issues. The various audiences include stockholders and an array of other interested parties including customers and potential customers, institutional investors, professional analysts, the public, lenders, community leaders, financial reporters, union members and their leaders, suppliers, consumer groups, and even possible merger or acquisition candidates (Anderson, 1992). Balance between disclosure rules and the goal of achieving effective communication between CEOs and stakeholders is desirable. The focus of this study is the extent to which annual report letters in the food industry achieve that balance. The premium placed on speed and agility in decision making, the swing to right-brained thinking, and the pitfalls of engaging multiple stakeholders, discussed previously, are offered as parameters for redesigning means of communication

**Research questions**

The contents of CEOs’ annual report letters for twenty of the world’s largest producers of consumer packaged foods were analyzed. Specific research questions addressed were:

1. What were CEOs saying to their stakeholders during the 2008 financial downturn? What themes characterized their discussions?

2. Was there any indication that CEOs attempted to increase or create social capital as the crisis appeared and then persisted?

**Methodology**

The sample consisted of annual report letters of twenty of the world’s largest producers of consumer packaged foods. All are well-known in their home countries and some, such as Nestle, have reputations spanning the globe. The companies, shown in Table 1, accounted for a combined total of more than $465 billion in sales for 2009. Also shown is each company’s sales volume, number of employees, and their number of shareholders, who are the primary audience for CEO letters.

Content analysis focuses on the content and internal features of media. It can be used to determine the presence of certain words, concepts, themes, phrases, characters, or sentences within texts, or sets of texts, and to quantify this presence in an objective manner. Annual report letters, or any occurrence of communicative language, can be considered a text. To conduct a content analysis, each text is organized into manageable categories and themes. The existence of a theme category is established and the number of themes within the text is recorded. The results are then used to make inferences about the text or its author. The analysis of texts in this study
was aided by AntConc (Anthony, 2007) text analysis software. Annual report letters for 2006, 2007, and 2008 were analyzed and research questions were answered. The ten themes with the highest frequency are identified for each category in Table 2. The methodology and its application was based largely on the author’s judgment, and convenience sampling was used throughout this exploratory study. For these reasons, rigorous statistical tests were not used.

### Discussion of Results

Themes and words CEOs use in their annual report letters are clues to the thinking and planning within the company. CEOs, and those who help them to prepare the letters, are most certainly mindful that what they say to one set of stakeholders is instantly available to others. Different audiences may interpret a message differently. When rapid change and uncertainty are the watchwords of the day, CEOs could reasonably be expected to exercise care in targeting messages to an array of stakeholder groups. Whether a one-size-fits-all message—more than optimal for some groups, and less than optimal for others—is the result remains to be seen. Confiding that times are tough is one thing; laying out a plan for dealing with them and communicating effectively is quite another.

In this exploratory study, three theme categories, as shown in Table 2, were selected: difficulties, corporate strategy, and measures of performance. The difficulties category increased over the three years, while the strategy and measures categories increased only from 2007 to 2008. Eight of the ten themes in the difficulties category were used with increasing frequency over the three-year period. These were challenges, economic, commodity, difficult, volatility, unprecedented, recession, and downturn. References to inflation increased from 2007 to 2008. In the strategy category, only the strategy and market share themes experienced increasing use. A
closer look at the themes shows that brand, global, core, divestiture, and competitors increased from 2007 to 2008. In the measures category, only prices and margins showed increasing trends over the three years; however, growth, sales, performance, value, and costs themes experienced increases from 2007 to 2008. In summary, the largest percentage change was seen in the use of themes in the difficulties category; frequency increased steadily from 57 in 2007 to 194 in 2008, an increase of 340.4 percent. Strategy category themes decreased by 8 percent from 2006 to 2007, but increased from that point by 9.9 percent in 2008. Finally, usage of themes in the measures category decreased by 11.7 percent from 2006 to 2007, and then experienced a 7.3 percent increase in 2008.

What is said less frequently when communicating can be as important as what is said more frequently. Decreasing in frequency over the three years are the acquisitions, earnings/profit, and goals themes. Of the thirty themes, the only ones decreasing from 2007 to 2008 were crisis, sustainability, and opportunities. All three, particularly earnings/profit, are typically central themes in annual reports.

TABLE 2. Themes Identified

<table>
<thead>
<tr>
<th>Themes by Category</th>
<th>Theme Examples</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulties Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenges</td>
<td>challenges posed by the environment</td>
<td>22</td>
<td>29</td>
<td>41</td>
</tr>
<tr>
<td>Economic</td>
<td>uncertain economic times</td>
<td>7</td>
<td>7</td>
<td>52</td>
</tr>
<tr>
<td>Commodity</td>
<td>higher commodity costs</td>
<td>6</td>
<td>21</td>
<td>25</td>
</tr>
<tr>
<td>Difficult</td>
<td>difficult year</td>
<td>8</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Inflation</td>
<td>significant cost inflation</td>
<td>9</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Volatility</td>
<td>extreme price volatility</td>
<td>4</td>
<td>6</td>
<td>16</td>
</tr>
<tr>
<td>Unprecedented</td>
<td>unprecedented economic turmoil</td>
<td>1</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>Crisis</td>
<td>what a post-crisis world will look like</td>
<td>0</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Recession</td>
<td>lurched rapidly into recession</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Downturn</td>
<td>the current downturn</td>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>57</td>
<td>92</td>
<td>194</td>
</tr>
<tr>
<td>Strategy Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand</td>
<td>brand portfolio</td>
<td>149</td>
<td>135</td>
<td>177</td>
</tr>
<tr>
<td>Strategy</td>
<td>our consistent strategy</td>
<td>49</td>
<td>75</td>
<td>76</td>
</tr>
<tr>
<td>Global</td>
<td>global presence</td>
<td>56</td>
<td>38</td>
<td>40</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>to grow via acquisitions</td>
<td>60</td>
<td>38</td>
<td>31</td>
</tr>
<tr>
<td>Sustainability</td>
<td>sustainability initiatives</td>
<td>37</td>
<td>40</td>
<td>36</td>
</tr>
<tr>
<td>Opportunities</td>
<td>growth opportunities</td>
<td>33</td>
<td>34</td>
<td>23</td>
</tr>
<tr>
<td>Core</td>
<td>core strengths</td>
<td>35</td>
<td>23</td>
<td>27</td>
</tr>
<tr>
<td>Share (market)</td>
<td>our own market share</td>
<td>9</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Divestiture</td>
<td>divestiture of our seafood business</td>
<td>8</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Competitors</td>
<td>divestitures of the dairy business</td>
<td>6</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>442</td>
<td>406</td>
<td>446</td>
</tr>
</tbody>
</table>

Note: Increasing frequency over the three-year period is shown in bold; decreasing frequency is shown in italics; and where themes do not show a steady increase or decrease, the frequency is shown in regular type.
TABLE 2. (continued)

<table>
<thead>
<tr>
<th>Themes by Category</th>
<th>Theme Examples</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measures Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>continuing growth in 2009</td>
<td>274</td>
<td>222</td>
<td>229</td>
</tr>
<tr>
<td>Sales</td>
<td>strong sales growth of the brand</td>
<td>167</td>
<td>165</td>
<td>188</td>
</tr>
<tr>
<td>Earnings/profit</td>
<td>long-term earning capacity</td>
<td>116</td>
<td>93</td>
<td>80</td>
</tr>
<tr>
<td>Performance</td>
<td>non-financial performance indicators</td>
<td>99</td>
<td>71</td>
<td>81</td>
</tr>
<tr>
<td>Prices</td>
<td>rising prices for raw products</td>
<td>31</td>
<td>64</td>
<td>100</td>
</tr>
<tr>
<td>Value</td>
<td>long-term stockholder value</td>
<td>69</td>
<td>56</td>
<td>63</td>
</tr>
<tr>
<td>Investment</td>
<td>multi-million dollar investment</td>
<td>62</td>
<td>62</td>
<td>50</td>
</tr>
<tr>
<td>Costs</td>
<td>distribution costs</td>
<td>54</td>
<td>53</td>
<td>61</td>
</tr>
<tr>
<td>Margins</td>
<td>improving margins</td>
<td>50</td>
<td>51</td>
<td>52</td>
</tr>
<tr>
<td>Goals</td>
<td>reaching our long-term goals</td>
<td>64</td>
<td>34</td>
<td>31</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>986</td>
<td>871</td>
<td>935</td>
</tr>
</tbody>
</table>

Note: Increasing frequency over the three-year period is shown in bold; decreasing frequency is shown in italics; and where themes do not show a steady increase or decrease, the frequency is shown in regular type.

Was there any indication that CEOs attempted to increase or create social capital as the crisis appeared and then persisted? To what extent were existing stakeholders mentioned as the crisis continued from one year to the next? Of particular interest are noticeable trends in references to internal stakeholders compared to external stakeholders. Social capital is built with linkages to stakeholders. Recognition of stakeholders should be evident if CEOs were initiating contacts for social capital purposes. It is another question as to whether it would be apparent from the discussion in annual report letters.

As shown in Table 3, references in the internal stakeholder category decreased overall. At the same time, the employees theme category increased one year and then decreased in frequency the next while managers themes increased in use. The external stakeholder category increased overall in frequency of use. Individually, customers and government themes increased over the three years while distributors decreased. Distributors was the only external stakeholder theme not increasing from 2007 to 2008. A growing consciousness by CEOs of the need to connect with stakeholders in distant regions of their networks is one possible explanation for the increasing use of external stakeholder themes. If such was the case, it would have been an application of Granovetters’s strength of weak ties theory (1983).

Summary and Conclusions

What CEOs were writing to their shareholders in the midst of the economic downturn did not differ materially from what they were saying in previous years. Analysis of a sample of themes indicated that content in the 2008 annual report letters of twenty of the world’s largest food producers corresponded closely to the content of the 2006 and 2007 letters. Nevertheless, some developing patterns and trends were observed. As the crisis unfolded and became more apparent, CEOs steadily increased their use of themes dealing with difficulties encountered. References to economic uncertainties and challenges posed by the environment are examples. Times were tough and they communicated as such. At the same time, the relatively smaller changes noted in the strategy and measures categories suggest an intention to also communicate that the company is “maintaining the course” or “staying with the plan.” Themes suggesting the need to pursue new strategies in the face of the crisis were not observed. Another trend noted was the steady decrease in references to internal stakeholders, which was accompanied by a 46.7
percent increase in external stakeholder themes from 2007 to 2008. An increased effort by CEOs to speak more to external audiences than internal ones is clear. It is not clear, however, why they pursued that strategy. Were initiatives to increase social capital with stakeholders a part of their motivation? Evidence to answer that question was not found. Finally, an overall view, not rigorously tested, does not indicate that post-crisis letters were any better balanced between details and context than those issued before the crisis.

<table>
<thead>
<tr>
<th>TABLE 3. Stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006</strong></td>
</tr>
<tr>
<td><strong>Internal Stakeholders</strong></td>
</tr>
<tr>
<td>Shareholders</td>
</tr>
<tr>
<td>Board of directors</td>
</tr>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Team</td>
</tr>
<tr>
<td>CEO</td>
</tr>
<tr>
<td>Managers</td>
</tr>
<tr>
<td>Investors</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td><strong>External Stakeholders</strong></td>
</tr>
<tr>
<td>Customers</td>
</tr>
<tr>
<td>Countries</td>
</tr>
<tr>
<td>Partners</td>
</tr>
<tr>
<td>Suppliers</td>
</tr>
<tr>
<td>Competitors</td>
</tr>
<tr>
<td>Government</td>
</tr>
<tr>
<td>Distributors</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Note: Increasing frequency over the three-year period is shown in bold; decreasing frequency is shown in italics; and where themes do not show a steady increase or decrease, the frequency is shown in regular type.

Research implications of this exploratory study include a framework for conducting further studies of how firms’ external environments affect CEOs’ communications patterns over time. Future research studies on this topic are recommended. The present study focused on one industry sector (packaged food producers) and one communication medium (annual report letters). Particularly desirable would be future studies using larger sample sizes, focusing on multiple sectors of the economy, and including an array of communication media. Finally, strength of weak ties, communication resilience, and balancing detail and context topics are offered for consideration for future research of corporate communication.

References
Looking for Social Capital Initiatives Amid the Downturn: 
An Analysis of CEOs’ Annual Report Letters

Strategic Stakeholder Dialogues: A Discursive Perspective on Relationship Building

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Societal developments and stakeholder awareness place responsibility and legitimacy high on corporate agendas. Increased awareness heightens focus on stakeholder relations and dialogue. Our purpose is to establish a framework for the strategic management of such dialogue, arguing that stakeholder orientations of CSR and corporate identity can aid in handling societal challenges by strengthening dialogical communication. Dialogue is a key aspect in CSR, corporate identity, and communication, but the question remains about how dialogue can be initiated and maintained. Through a review of CSR, corporate identity, corporate communication, and stakeholder relations literature, the framework is developed taking into account the different stakes held by various stakeholders. Based on the discursive terms, form and script, we argue that different stakes condition different dialogical types. Our contribution is to expand the notion of dialogue within communication research and to provide organizations with a framework for strategically engaging stakeholders in identity relevant issues of responsibility and legitimacy.

Key words – corporate communication, corporate identity, corporate social responsibility, stakeholder relations, discourse theory

Societal developments and increasing stakeholder awareness have placed accountability and responsibility on corporate agendas, emphasizing the ability of companies to secure their licences to operate. As companies have to act in new ways in order to deal with pressures brought on by different issues (e.g., climate change, sustainability, financial scandals, and crisis), corporate social responsibility (CSR) has begun to inform other disciplines such as corporate strategy (Lamberti and Lettieri, 2009), corporate marketing (Podnar and Golob, 2007) and corporate communication (Cornelissen, 2008; van Riel and Fombrun, 2007). Legitimacy and corporate citizenship have also attained a central position within recent research on corporate identity (Balmer et al., 2007; Roland and Bazzoni, 2009) and studies have shown that CSR has become a key driver when measuring corporate reputation (Morsing et al., 2008). Simultaneously, European companies have experienced a move away from state and governmental regulation towards a higher degree of self-regulation and delegation of responsibility to organizations themselves (European Commission, 2001). The move towards greater self-regulation has meant a shift in relation to how companies communicate CSR activities from implicit to more explicit forms of communication. CSR is consequently becoming a significant aspect of corporate communication, identity, and reputation management (Balmer et al., 2007; Cornelissen, 2008; Nielsen and Thomsen, 2009). The questions raised by societal developments and stakeholder awareness are similar when viewed from within CSR, corporate identity, and communication perspectives. How can an organization be recognized as a legitimate corporate citizen? What does it mean to act responsibly? How should an organization communicate when addressing its own accountability? And other similar questions are often voiced. In addition, the perspectives are in agreement in terms of where the potential answer lies...
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namely in increased stakeholder adaptation or enabling though strategic relationship building and dialogue (ibid). This sentiment resonates well with developments within communication research, where a transmission view on communication is overruled by more interactive or dialogical approaches (e.g. Heath, 1994; Christensen et al., 2008).

This paper argues that focal overlaps with regards to the stakeholder orientations of CSR, corporate identity, and corporate communication research can potentially aid in handling the societal challenges faced by organizations in relation to issues of legitimacy by strengthening dialogical relationship building. Stakeholder dialogue is introduced as a key aspect in CSR, corporate identity, and corporate communication research, but the question remains: how dialogue can be initiated and maintained or scripted? Seeking to provide a provisional answer, we begin with a brief outline of the stakeholder perspective that frames our approach. Secondly, we tentatively identify how different stakeholders, and the varying stakes they hold, are addressed within the disciplines of CSR, corporate identity, and corporate communication. Finally, with the aid of discourse theory, we discuss how to foster stakeholder dialogue through dialogue forms and scripts based on different stakes and interests held by stakeholders as acknowledged within the disciplines. The conceptualization is illustrated by an example of company-consumer dialogue.

The Stakeholder Approach

The stakeholder approach to understanding organizations in their environments has paved the way for a broader perception of organizational roles and responsibilities beyond profit maximization, as compared to the traditional shareholder perspective. An organization is defined in terms of a grouping of stakeholders. Its mission is hence not solely to provide benefits for shareholders and owners but rather to integrate interests and claims from other stakeholder groups into the strategic management of the business (Mitchell et al., 1997, p.853; Friedman and Miles, 2006, p.1). Since the mid-1980s, the stakeholder concept has grown in popularity, not only in academic circles, but also among policymakers, regulators, NGOs, businesses, and the media. However, the concept is not clearly defined. It is multiple and fluid, covering a broad spectrum of interests, meanings, and schools of thought ranging from political economy to institutional and management theory. Philosophically, stakeholding represents a general sense of social inclusion in a community in which every citizen is a valued member who contributes and benefits. From a participatory perspective, stakeholding assumes active participation in processes of accountability and, financially, a material interest in the well-being of an enterprise is what legitimates such participation (Clarke, 1997, p. 211).

Robert E. Freeman defines stakeholders as “groups and individuals who can affect, or are affected by the achievement of an organization’s mission” (Freeman, 1984, p. 52). Generic stakeholders include customers, consumers, NGOs, employees, unions, competitors, suppliers, governments, and investors. Stakeholder management refers to the necessity of an organization to manage its relationship with stakeholders on an action-oriented basis (Freeman, 2005, p.122). Since Freeman’s introduction of stakeholder theory in 1984, a postmodern approach has replaced the idea of ‘stakeholder management’ with that of ‘stakeholder enabling’, indicating a shift from a static, instrumental perception of stakeholders who can be ‘managed’ towards a notion of stakeholders as groups involved in dynamic interaction with post-bureaucratic, networked organizations (Calton and Kurland, 1995; Friedman and Miles, 2006). Entailed in the idea of ‘stakeholder enabling’ is an increased focus on establishing and maintaining mutually beneficial dialogues.
Legitimacy and accountability are crucial to the stakeholder perspective as well. Stakeholders expect companies to earn their licenses to operate by paying back to society and by taking on responsibility for solving societal problems. As legitimacy becomes increasingly salient, CSR issues such as employee and environmental policies also speak to the identity of a corporation. The stakeholder approach implies that different stakeholders, once identified, must be addressed in relation to the stake(s) they hold and that communication must be adjusted to these stake(s) as they determine stakeholder interest in certain aspects of the company (Cornelissen, 2008, p. 49), including its CSR activities and corporate identity.

**Stakeholders within CSR, Corporate Identity, and Communication**

In this section, we present our understanding of CSR, corporate identity, and communication and outline how the perspectives introduce and articulate the stakes and interests held by various stakeholders. Thus, the outline helps in establishing where potential overlaps exist in relation to the stakeholder orientations of the disciplines.

**Corporate social responsibility**

CSR is about businesses’ good deeds in society. It embraces issues ranging from legal compliance, philanthropy, and community investment to environmental management, sustainability, animal rights, human rights, workers’ rights and welfare, market relations, corruption, and corporate governance (Blowfield and Murray, 2008). However, there is no general consensus. Within a European framework, CSR is defined as corporate social initiatives that are voluntary and beyond regulation. It is framed in relation to both internal and external subareas of responsibility such as recruitment and retention, health and security in the working place, change management, work environment, stakeholders in local communities, plus suppliers, customers and others, human rights, and global environmental considerations (cf. EU Commission, 2001). Following the EU agenda, it seems that CSR cannot be isolated from the stakeholder perspective as generally supported by CSR researchers (e.g., Wood, 1991; Papasolomou-Doukakis *et al*., 2005; Jamali, 2008).

Since stakeholder dialogue is the issue in this paper, we give a brief account of CSR communication. From a public policy perspective, CSR communication is considered a question of businesses’ capacity to respond to social pressure rather than only an obligation to work for social betterment (Vallentin, 2006). In this sense, CSR is conceptualized as corporate social *responsiveness* (Frederick, 1978). The notion of responsiveness places stakeholder dialogue in a central position. If managers are required to adapt their businesses to the social environment by practicing corporate policies that are responsive to the public (Vallentin, 2006), they can be expected to enter into dialogue with stakeholders.

Inspired by Grunig and Hunt’s model of public relations (Grunig & Hunt, 1984), Morsing and Schultz (2006) establish a framework of CSR communication, arguing that stakeholders can be approached using communication strategies that take into account the contextual and dynamic features of specific communicative frames. The *stakeholder information strategy* (one-way communication) is practiced when organizations want to transmit factual information about their business to stakeholders with the aim of informing as objectively as possible about organizational issues (Morsing and Schultz, 2006, p.142). The *stakeholder response strategy* (two-way asymmetrical communication) is practiced when organizations try to engage stakeholders in actions and decision-making with the aim of obtaining external endorsement through market surveys, opinion polls, and the like (ibid. p. 143). And the *stakeholder involvement strategy* (two-
way symmetrical communication) is practiced to achieve dialogue with stakeholders. The idea behind this strategy is that organizations should not only try to influence their stakeholders; they should also learn from them by taking in their advice and putting it into practice “in order to explore mutually beneficial action – assuming that both parties involved in the dialogue are willing to change” (ibid., p.145). While the information and response strategies are sender-oriented and view stakeholders as passive receivers, the involvement strategy invites stakeholders to become involved. However, stakeholder involvement in CSR issues differs based on the nature of the stakes held by specific stakeholder groups.

The role of NGOs is to protect society from corporations doing harm. Their interest in engaging in dialogue with corporations ranges from influencing business practices, representing their organization and members’ interests, retaining legitimacy and operability, to gaining a better understanding of different sides of the debate in order to achieve outcomes that can be reached only by working in partnerships with private corporations (Burchell and Cook, 2008, p. 39). However, NGOs may fear that their involvement with businesses will give legitimacy to businesses’ CSR agendas and endorse their products (ibid.). Consumer interest in CSR lies with their need for socially committed organizations to support their own consumption patterns. This mechanism is based on consumers’ need to legitimize their own identity as socially conscious (Tajfel and Turner, 1986). Through brand preference, choice and consumption, consumers create meaning and try to define or strengthen their identities as socially responsible consumers (Belk, 1988; McCracken, 1986; Andersen and Nielsen, 2009). Investors’ stake is related to risk minimization. The stock market’s reaction to bad management and corporate governance practices following business crises and scandals can often be risky business for investors, the Enron scandal being a case in point (e.g., Maak, 2008). Suppliers have to live up to their customers’ claims in order to keep their business profits. Consequently, they have to present themselves as attractive and innovative actors in the market by adopting corporate branding, strategic communication, and reputation instruments from large corporations (Morsing et al., 2008). Employees have an interest in keeping their jobs, but also, increasingly, in having a safe and healthy work environment that allows them to develop and construct their identities and to express themselves in meaningful ways through their work. It is also of great importance that employees have a close and relevant relationship to their organizations in order to act as good ambassadors in the environment (Christensen et al., 2008, p. 72). The different interests of the stakeholders call for adapted communication forms and scripts.

Corporate identity and communication

Corporate identity and communication are defined in multiple ways (e.g. Cornelissen and Harris 2001; Alessandri, 2001; Balmer, 2008). However, in this paper, identity is understood as “the way in which an organization’s identity is revealed through behavior, communications, as well as through symbolism to internal and external audiences” (van Riel and Balmer, 1997. p. 341). Defined as a company’s self-presentation, and articulated through corporate communication, corporate identity is ascribed a boundary-spanning role between the company and its surroundings – creating and maintaining relationships with numerous stakeholders (Cornelissen, 2008). As such, it is regarded as an important strategic resource in relation to ensuring that a company is perceived as credible, that is, legitimate by its stakeholders (Melewar, 2003, p. 195)

Corporate identity and communication are said to foster positive reputations and favorable stakeholder relations. However, the potential benefits attributed to identity in relation to communicating, creating, and maintaining stakeholder relations are often specified according to
the particular nature of the stake that a given stakeholder or group of stakeholders has in a company (Melewar et al., 2005). Investors and shareholders are interested in information relating to strategy and operations (Cornelissen, 2008, p. 49) as the stake they hold is financial. Customers and consumers favor identity elements related to the distinctiveness, quality, and desirability of products and services (ibid.), often expressed in brand promises as consumers express their own identities through branded identities. Suppliers are more likely to stay loyal and have confidence in the company when they recognize and value the identity of their customer (van Riel 1995, p. 29). Employees are said to become motivated and satisfied with their jobs as they come to understand the purpose, direction, and focus of their company (Melewar 2003, p.195). In addition, corporate identity can create and maintain identification by promoting a ‘we-feeling’ among employees, leading to higher loyalty and commitment (van Riel, 1995, p. 29).

Consequently, a company is faced with many different, and perhaps conflicting, aspects of its identity when addressing each stakeholder group. Addressing different stakeholders may require the organization to speak with multiple voices, that is, to employ polyphonic communication (Christensen et al., 2008). Polyphonic communication is said to allow corporate mobility and flexibility in self-presentation by embracing societal complexities and varying stakeholder interests (ibid.). However, at the same time, companies are warned against sending inconsistent or incoherent identity signals, because conflicting messages may jeopardize their credibility (van Riel, 1995). Communicating corporate identity thus becomes a question of balancing stakeholder responsiveness and adaptation with a sense of unity and stability.

Corporate identity plays different roles in different stakeholder relations, reflecting the different interests and stakes held by various groups. These differences become manifested in polyphonic communication as companies are encouraged to enter into dialogue with multiple stakeholder groups based on the nature of their specific stakes, articulating those aspects of their identity that are relevant to each group. However, within existing identity and communication literature, little emphasis is given to how such stakeholder oriented dialogue is to be established and maintained. Below we suggest that successful stakeholder dialogue is determined by a company’s ability to strategically address specific stakeholder interests and that these different interests can be explored through dialogue forms and accompanying dialogue scripts.

**Stakeholder Dialogue: from Strategy to Script**

Having outlined CSR, corporate identity and communication with reference to the stakeholder perspective, the disciplines inform a framework for designing dialogue forms and scripts allowing for strategic communication to be targeted at specific stakeholders. The intention is not to suggest integrating CSR, corporate identity and communication into one another as, for example, ethical identity—a notion discussed and rejected by Balmer et al (2007)—but rather that similar solutions might be sought when seeking to encourage stakeholder dialogue. As addressed earlier, dialogue is a key aspect within the disciplines where it (in relation to stakeholder involvement) is addressed as an important element of strategic CSR and identity communication (Morsing and Schultz, 2006; Cornelissen, 2008). We propose to develop the involvement strategy by using specific stakes to sketch out dialogue forms and scripts in relation to select stakeholders as an important step in exploring and explicating an approach for strategic stakeholder dialogue. Form refers to the type of interaction embedded in the dialogue, whereas script refers to a set of discursive conventions and rules implied in a specific form. According to Putnam and Fairhurst, scripts “refer to mental representations or stereotypical sets of conversational events” (2001, p. 87) whereas Heath suggests that scripts “consist of predictable statements” (1994, p. 40). Scripts are invoked in many aspects of our daily and organizational lives, for example, when ordering a
meal in a restaurant and conducting or participating in a job interview. Routine communication in organizations, for example, job interviews, is usually highly scripted as the appropriate script is learned through socialization as well as training (Heath, 1994). It is our contention that scripts are useful as strategic tools in fostering targeted stakeholder dialogues when dealing with organizational legitimacy. In the table below, we map out the key words that characterize the dialogue forms and scripts associated with select stakeholder groups. The stakes and interests included in the model are inspired by those identified previously and the forms and scripts are derived from them.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Stake/Interest</th>
<th>Dialogue form</th>
<th>Dialogue script</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers</td>
<td>Seek quality, license to consume and distinctiveness</td>
<td>Networking</td>
<td>Experience and engagement</td>
</tr>
<tr>
<td>Investors</td>
<td>Seek pay-off, risk minimization and responsible investment</td>
<td>Briefing</td>
<td>Ensuring and balancing (finance and ethics)</td>
</tr>
<tr>
<td>Employees</td>
<td>Seek identification, safety and job satisfaction</td>
<td>Involvement</td>
<td>Sense-making and cultural enactment</td>
</tr>
<tr>
<td>NGOs</td>
<td>Seek influence, control, awareness and legitimacy</td>
<td>Negotiation</td>
<td>Compromising and partnering</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Seek commitment, long-lasting relationships and inclusion</td>
<td>Exchange</td>
<td>Knowledge-sharing and (mutual) learning</td>
</tr>
</tbody>
</table>

The framework suggests that, since stakeholders belong to diverse interest communities, companies ought to strategically address diversity in relation to the communicative forms and scripts applied when entering into dialogue with individual stakeholder groups. Thus, it is implied that the individual stakes condition the nature and features of the dialogue. In other words, companies should be aware of discursive practices and conventions within the various stakeholder groups that they address. In order to develop our argument and discuss potential implications, an example is included below referencing the Danish/Swedish cooperative dairy Arla Foods and their relations with Danish consumers.

**Arla-Foods-consumer networking dialogue**

Organizations engage in consumer dialogue using a variety of media and channels, which in recent years increasingly include or center on new media, for example, corporate blogging and social media (e.g., Facebook and Twitter). Such media and channels can be seen as instrumental in establishing networking as a ‘dialogue form’ of consumer relations (and potentially other groups). Networking refers to processes of establishing and maintaining networks, that is, dynamic, non-hierarchical arrangements of mutually dependent actors (Kilduff and Tsai, 2003). Networking as a dialogue form can be exemplified with reference to Arla Forum. In order to strengthen relationships with Danish consumers, Arla have established Arla Forum as a joint portal for handling all consumer-focused dialogue through weblogs, phone, post and e-mail correspondence (published as questions and answers on the company website). The forum allows or invites consumer responses to issues pertaining to the company (strategy and policy issues), its social practices in the market place (marketing, delivery etc.) and to functional or social benefits related to its products. Creating a digital portal open to the public rests on the idea that consumers (and other stakeholders) relate to and engage with companies. Accepting a company’s dialogical invitation is motivated by consumers’ needs or desires to interact with companies publicly.
demonstrating or staging their concern for corporate issues and behaviors. Company-consumer interaction, exemplified by Arla Forum, can be conceptualized as a network relationship. Both actors need each other’s feedback, acknowledgment and recognition in order to legitimate their roles as (socially) committed consumers and organization. Commitment is demonstrated in the ‘dialogue script’ of engagement.

The engagement script entails conventions for company-consumer dialogue exemplified by the following e-mail correspondence between a consumer voicing her skepticism about plastic screw tops on milk cartons and the response given by a company representative.

Consumer: “If Arla really want to be green and closer to nature, why don’t they drop the screw top on Lærkevang? The dairies use much more energy when they provide their milk with screw tops. Plastic is harmful to the environment and the production of the screw tops have several damaging effects on the environment. Al things considered, Lærkevang is not very close to nature but directly harmful.”

Representative: “Thanks for your e-mail. You are right that we could omit the screw top on Lærkevang® in relation to getting closer to nature. We have chosen to keep the screw top on Lærkevang® milk because many of our consumers are really happy with the screw top and because it results in better hygiene and shelf-life (…) Instead, we have tried to optimize other aspects in our company. Including milk distribution e.g. reducing the speed of our trucks which can go at a maximum speed of 85 km/h on the freeway instead of 90 km/h. Regarding the carton, we have begun using a more environmentally friendly carton which you can read about here: Environmentally friendly milk carton. I hope that it has given you a greater understanding of our choice.”

The consumer not only demonstrates her attitude to environmental issues, staging herself as caring about energy consumption and sustainable behavior; she also invests her interest in Arla, encouraging the company to adapt its product (Lærkevang) to expected environmental stands articulated with reference to the company pay-off ‘Closer to Nature’. Staging, thus, is one goal embedded in the company-consumer dialogue script, both for the initiator (the consumer) and for the respondent (the company representative), staged as open-minded and accommodating (“thanks for your email”), willing to hear the voice of consumers (“many of our consumers are really happy with…”) and adapting to or refuting recommendations and suggestions (“you are right that… Instead, we have tried…”). Another characteristic of the script is linked to twofold acceptance and recognition by a) the corresponding counterparts (consumer and representative) and by b) the online community, that is, those who participate as readers (audiences) and/or writers on Arla Forum and thus ‘judge’ the correspondents’ ability to communicate. This script element is not explicit in the correspondence above, but the respondent’s closing phrase (“I hope it has given you a greater understanding…”) can be considered an appeal for recognition serving to legitimize Arla’s stand on the critique raised by the consumer. Obtaining recognition by the counterpart and the community is a typical means of legitimizing one’s identity, individual as well as corporate. According to Arvidsson, participating in community networks (e.g. Arla Forum) exemplifies how social capital is created by allowing participants to increase their standing and to get respect and recognition from peers (cf. Arvidsson, 2008; Arvidsson and Peitersen, 2008). Finally, the script articulates an invitation to engage by staying in the relationship. This is particularly significant in the sequence introduced by Arla starting with agreement: “You are right” followed by a series of refutations e.g. “We have chosen to keep…”,

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1 Lærkevang is one of the milk brands marketed by Arla Foods.
2 Comment/answer posted on www.arla.dk/Arla-Forum, our translation
“Including milk distribution...” and “Regarding the carton...”. The long sequence stresses a desire to keep the consumer on the site, providing arguments for the company position while inviting the consumer to reply and to continue the relationship by clicking on the supplied link: “Environmentally friendly milk carton”. Ongoing dialogue is encouraged as a means to prove that a relationship exists between the correspondents.

The company-consumer dialogue exemplifies questions and answers found on the Arla Forum website. Arla tries to build a dialogue platform aimed to stage itself as a good corporate citizen, demonstrating consumer responsiveness by listening to consumer ideas and critical reactions to corporate actions or policies. The script is not aimed at economic goals, for example, increasing sales or gaining new customers. As pointed out by Arvidsson, involving consumers in online corporate activities is based on social, rather than financial, value creation—constructed through relational and experimental engagement (Arvidsson, 2008). The correspondence illustrates how the dialogue script of engagement is manifested in consumer dialogue within the networking form. However, it is important to note that no form or script is likely to exist in its absolute form as outlined in the table above. Rather they are generic forms manifested differently within different company-stakeholder relations.

Conclusion

The company-consumer dialogue scripted as engagement, and illustrated with reference to Arla Forum, demonstrates that, due to its social properties, networking is an ideal means for companies to involve consumers in dialogue about relevant issues. Through Arla Forum, consumers and Arla alike constitute themselves as active network members in a community, demonstrating a common interest in business and society, albeit from different perspectives and assuming different roles. The consumer stages or instantiates herself as a reflexive citizen and exposes her interest in supporting Arla in ‘doing good’ in the right way. The engagement script is exemplified by a constructive consumer comment, which is one commentary type found on Arla Forum. Others include positive comments complimenting Arla or negative comments perhaps exclaiming hate, articulating Arla as pretending to enter into dialogue with consumers in order to embellish its reputation. Consequently, staging, recognition, and staying in the relationship—that is, the engagement script components—may be articulated differently in different comments. With Arla Forum, the company constitutes itself as an open and transparent organization, making efforts to build and maintain relationships with its social environment. Engagement through networking has become an important means for both organizations and individuals to stage themselves and obtain credibility and legitimacy in both their joint and respective communities.

The reach, flexibility, and user-driven potential of social media make them particularly appropriate for networking and may explain why dialogue forums like Facebook and Twitter are increasingly used by companies in addressing consumers and citizens through scripts of engagement and experience. With reference to “the Ethical Economy”, Adam Arvidsson argues that a new economy focusing on social production has emerged (Arvidsson, 2008). In the new economy, ethical—rather than financial—capital is the main driver conceived as the ability to create networks in which trust, commitment, and solidarity are key elements: “People take part in social production mainly because they desire the experience of having meaningful social ties with others” (Arvidsson, 2008, p. 332). Networking through self-realization, experience, and engagement is part of postmodern living and consumption. Consequently, it forms a natural platform for corporate understanding of consumers and for adjusting dialogue forms and scripts accordingly. Similar contextual framing can be envisioned for the other stakeholder relations entailed in the proposed dialogic framework.
The conclusions drawn from the provisional overview into potentials for enhancing the strategic application of stakeholder dialogue in relation to organizational issues of legitimacy and responsibility suggest the usefulness in drawing on and expanding the disciplinary overlaps found within CSR, corporate identity, and corporate communication perspectives. Moreover, such overlaps may be used in developing a framework for fostering successful stakeholder dialogue. However, additional research into the theoretical foundations as well as the practical implications is needed in order to develop a complete and elaborate framework with relevance for research and practice alike.

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Strategic Stakeholder Dialogues: A Discursive Perspective on Relationship Building


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On the Discursive Construction of Knowledge Deficits in the ‘Alter’: An Instance of Organizational Communication as a Strategic Instrument of Management

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This paper explores a particular instance of a discourse of deficit (e.g., Sarangi/Roberts 1999), namely the construction of knowledge deficits in the ‘alter’ within an organizational communication setting (Cheney et al. 2004). Taking my point of departure within the field of corporate communication (e.g., Cornelissen 2004), I isolate a single communicative event, i.e., an interview with the CEO of a company published in an in-house magazine (e.g., Kounalakis et al. 1999), in order to conduct a mixed methods (Johnson/Onwuegbuzie/Turner 2007), in-depth textual analysis of how knowledge deficits in the ‘alter’ may be textually realized and what qualities of knowledge deficits may discursively be constructed. I conclude by pointing to strategic motives for such discursive constructions (e.g., Gatley 1996).

Keywords: Internal corporate communication, strategic corporate journalism, discourse of deficit

List of Sources:

(Paper has been accepted for publication.)

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Danish museums are changing their communication focus. From solely communicating objects, collections and knowledge; they are now beginning to communicate and conduct themselves as organizations, brands and even for-profit corporations. However, they enter the field of corporate communication with great hesitation, encountering many obstacles (Bysted-Sandberg & Kjeldsen, 2008). This paper explores how Danish museums respond to and apply corporate communication in their organizations. The aim of the project is to develop scenarios, or ideal types, for the implementation of corporate communication in Danish museums.

The project is twofold. First, it opens up a new field of research via a multi-faceted and empirically based overview of communication approaches in the Danish museums. Second, it proposes tools that practitioners within the field can use in order to identify and change approaches and practices within their own organization.

The project combines neo-institutional theory, especially the definition of different organizational reactions to new ideas and practices (cf. Røvik, 2009); first, with a mapping of communication understandings and practices within the field, and secondly, of communication understandings within museology (e.g. Hooper-Greenhill, 2000, Sandel & Janes, 2007) and corporate communication theories (e.g. Cornelissen, 2008, Christensen et al., 2009).

Keywords: Corporate communication, museums, interdisciplinary research, neo-institutionalism, museology, methodology

Paper type: Research paper

(Paper was not available at time of publication.)
Benefits of Process Thinking in Corporate Communication

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Corporate communication is often regarded as a hectic, ad hoc process, but maintaining its consistency in an organization is of utmost importance, in order to project a strong, coherent image to various stakeholders. In their pursuit of greater consistency of operations, other business disciplines have turned to Business Process Management for decades; they have standardized their operations by defining and documenting them. The rationale is simple: standardization contributes to consistent quality. Despite such augmentation, corporate communication has not traditionally been a process-oriented discipline and related research is very limited.

Our study argues that since communication is an integral part of business, it would benefit from process thinking. We aimed to determine what these benefits might be, to identify the core communication processes, and to investigate the functions of these processes in corporate communication. Our findings show that the identified corporate communication processes involve both benefits and risks but that, overall, they improve the efficiency and quality of communication.

In today’s turbulent business environment, the need for consistency in corporate communications is growing exponentially, especially in multinational corporations. As corporations have stakeholders in diverse, global environments, consistency in communications becomes of utmost importance in projecting a strong and coherent corporate image, regardless of the individual or unit in charge.

Ungan (2006a) argues that one possible way to achieve greater consistency is to standardize operations, by defining and documenting the core processes of a corporation. Today, a number of multinational corporations pay attention to process standardization since research has shown that it is able to improve operations, increase business opportunities, and contribute to gaining a competitive advantage (Danesh & Kock, 2005; Ungan, 2006b; Yu-Yuan Hung, 2006; Lee & Dale, 1998). In particular, Business Process Management (BPM) has played a key role in this endeavor with its tools and techniques designed to improve processes and, consequently, organizational efficiency (e.g., Lee & Dale, 1998).

The documentation and overall BPM of these processes have been widely investigated in other business disciplines; however, research relating to these processes in corporate communications has been virtually non-existent. Cornelissen (2008) points out that communication practitioners are not accustomed to using processing because of its analytical and disciplined approach.

Our study argues that since communication is an integral part of business (see e.g. Charles, 2007; 2009), it is likely to benefit from the process thinking undertaken in other business disciplines.

Business Process Management

Whereas a process can be defined as a systematic series of interrelated and predefined actions, directed to the achievement of a specific goal (Talwar, 1993, as cited in Lee & Dale,
Benefits of Process Thinking in Corporate Communication

1998, p. 216; Danesh & Kock, 2005), BPM comprises a set of tools and techniques for the improvement of such processes (Lee & Dale, 1998). The aim of BPM is to improve the quality of products and services by ensuring that the company’s core activities are executed in an efficient and effective manner (Yu-Yuan Hung, 2006). Since BPM relies on systems and documented processes to ensure discipline, consistency, and repeatability of quality performance, the company’s main activities have to be properly mapped and documented (see Lee & Dale, 1998).

Process documentation

Process documentation is common in all types of organizations although manufacturing companies were the first to use it (Ungan, 2006a). Ungan (2006b) argues that process documents are useful tools for understanding, analyzing, and improving business processes. They can also be used for process standardization, which helps to minimize uncertainty and variations in operations, and correlates positively with perceived quality. If processes are not standardized, the same tasks can lead to different outcomes depending on who is performing the task.

Process documents are often presented in the form of models, which illustrate how products or services are created through the process. These models typically present the various elements of the process, such as the needed resources, personnel, and tools, as well as the objective and desired output. In addition, the model should show the links between the elements and the possible interfaces with other processes (Ungan, 2006b). The model can be presented in a graphical form, such as a flow chart or a process map, or in writing, such as a simple checklist (see Cornelissen, 2008). Figure 1 depicts a simple process model presented as a flow chart. It is based on our interviewees’ descriptions of the processes for producing a local press release.

FIGURE 1. A sample process model of a local press release process.

Translating processes into process models is not a simple exercise, however. Even though there are guidelines for the exercise, there is no standard form in which a process document should be presented. Ungan (2006b) argues that different needs require different approaches and that there is, therefore, no ‘one-size-fits-all’ solution in process documentation.

Ungan (2006a) gives an example of documenting a process and solving the problem of inconsistency in performing a particular task. First, the best performer’s method of performing the task is documented. Second, the drafted process document is used as a basis for the standardization of the task. As other employees follow the document and adopt the documented procedure for performing the task, variations will be minimized and, consequently, quality will become more consistent. Although the procedure seems fairly straightforward, it is not without problems. For example, Ungan (2006a) argues that since people may perform the same task in different ways due to their different educational backgrounds, experiences, and skill sets, consistency may be difficult to achieve. Indeed, Ruuska (2007) stresses that even though...
standards are needed, they cannot become an obsession leading to bureaucracy; it is essential to leave room for innovation. Thus, since every situation is unique, no one method can provide a universal solution. Further, Ungan (2006a) points out that the more details the process document contains, the more difficult the documentation becomes. In particular, converting tacit knowledge into explicit knowledge may prove challenging. The conversion would entail expressing people’s idiosyncratic, often intuitive, ways of performing a task explicitly so that it could be shared, streamlined, and included in the process document.

Benefits of BPM

BPM and a process-oriented approach benefit the whole organization, not just a singular process. BPM is reported to lead to a number of benefits, for example, to greater competitive advantage, increased insight, reduced risk, greater consistency in operations, improved efficiency, shorter cycle times, and reduced costs (Yu-Yuan Hung, 2006; Cernauskas & Tarantino, 2009; Ungan, 2006a & b; Harrington, 1995). In addition, documentation of processes improves transparency and this in turn leads to better risk management. Also, compliance costs are lower as auditing operations improve. Therefore, the chance of errors is also reduced (Cernauskas & Tarantino, 2009).

Most of the benefits of process standardization come from the consistency of operations, which is crucial for an organization’s efficient performance and growth. Furthermore, many researchers have shown that by managing business processes effectively companies can gain a competitive advantage (Lee & Dale, 1998; Ungan, 2006a&b; Yu-Yuan Hung, 2006). According to Ungan (2006a), one of the main benefits of process documentation is the standardization of processes, which in turn leads to greater consistency of operations. In fact, consistency is argued to be the key outcome of process thinking.

Corporate communication processes

Depending on the definition of corporate communication, somewhat different activities can be considered as processes. For the purposes of this discussion, the main communication activities performed in corporate communication are also considered to be the main corporate communication processes. Such activities relate to the following areas of communication: image and identity, crisis communication, financial communication, media communication, corporate advertising, public affairs and public relations, internal communication, and issues management (Cornelissen, 2008; Argenti, 1996). Since the purpose of corporate communication is to manage the company’s communication as one coherent entity, and to form a coherent and unified image of the company through communication (e.g., Christensen, 2002), process thinking seems to serve such aims well. Although previous research does not explicitly discuss corporate communication processes, words such as ‘procedures’, ‘guidelines’, ‘dimensions’, and ‘instructions’ are used in ways that suggests process thinking. For example, Varey and White (2000) argue that internal communication procedures aim to establish structure and stability in the organization. Common procedures ensure consistent quality and the same outcome, regardless of the person performing the task. According to Christensen (2002), the main goal of corporate communication is to define in detail all communicative dimensions that contribute to the overall image of the organization.
Study

The objective of our study was to determine how corporate communication as a function could benefit from process thinking by defining and documenting its core communication processes (for more details on the study, see Korhonen, 2009). The main research question was: How can process thinking be used in corporate communication? To find an answer to the main question, the following two sub-questions were posed:

- What are the main corporate communication processes?
- What are the benefits of defining and documenting processes?

This study involved two qualitative data collection methods: semi-structured interviews provided us with the main data, and an online survey with open-ended questions gave us background information. The semi-structured interviews were conducted with 14 communication directors or managers in 14 major Finnish companies and public organizations based in the Helsinki area. The interviewees were carefully selected, based on their potential to expand the variability of the sample (see e.g., Maykut & Morehouse, 1994). Particular attention was paid to the type of organization, its main operating environment, its business sector, and its size. For example, organizations from both the private (N=9) and public (N=5) sector were chosen for the study. The organizations represented both international (N= 9) and domestic (N=5) players and different sectors of the economy, such as local government, health care, retail, forestry, construction, and the steel and medical industries. The number of employees in the largest company was 28,000, and in the smallest, it was 1,100. The largest public sector organization employed 40,000 people and the smallest one employed 170. All of the investigated organizations had separate communication units, and we interviewed the heads of those units. The sample included ten females and four males, and their work experience ranged from six months to 35 years.

The interviews focused on the following themes: use of corporate communication processes, documentation of the processes, benefits of process thinking, and improvement of the existing processes. The interviews were conducted in May—June, 2009; they were recorded and transcribed, word for word, in two days. We read the transcripts a number of times, looking for patterns and emerging themes. We continued with the analysis until no new or relevant information could be discovered and the data had reached redundancy (see Maykut & Morehouse, 1994).

The online survey was also targeted at communication directors/managers and was conducted in April 2009 by a communication consultancy in which one of this paper’s authors was employed. In addition to using their own database, the consultancy exploited other information sources to be able to reach a variety of respondents. For example, all the companies were selected from the Talouselämä 500 list (http://www.talouselama.fi/te500/), which comprises the top 500 companies operating in Finland, ranked by their revenue. A link to the survey was sent to 300 people in charge of communications in Finnish companies and different types of other organizations (e.g., public and local government); 82 of them responded. None of the respondents acted as our interviewees, which means that our study concerns 96 organizations in total. Although the response rate was fairly low, it was considered sufficient to give us information on the respondents’ perceptions of process thinking in their organizations. The language of the survey was Finnish, since communication managers are typically required to be fluent in the native language of the country they operate in.
The online survey focused on the communication function’s resourcing, and only the section with six open-ended questions (about the use of corporate communication processes and their documentation) was used as background data for the present study. The questions were: (1) Have you documented your processes within the communication function? (2) What kind of communication processes have you documented? (3) Do you have any recurring processes that have not been documented? (4) Could you give an example of a recurring process that has not been documented? (5) How do you ensure that the processes are put into practice? (6) Are you planning to process more communication activities into processes?

Before moving on to our findings, a word about the reporting is in order. Following Sandelowski’s (2001; see also Pratt, 2009) argument about using numbers in qualitative research, we want to explain what we mean by certain vocabulary connoting indeterminate quantity in our findings. In this paper, the term 'a number' or 'some' refers to more than two interviewees, but not to a majority. A/the 'majority' or 'most' refers to eight or more interviewees; when only a single respondent is referred to, it is always indicated in the text.

Findings

In the following section, we first report on the identification and documentation of the corporate communication processes as perceived by our 96 informants (i.e. the 82 survey respondents and 14 interviewees), and conclude by focusing on the benefits of process thinking in corporate communication as perceived by the interviewees.

Identification and documentation of corporate communication processes

All of the 96 informants reported that their organizations had corporate communication processes, but only 65 had documented them. All the organizations in which the 14 interviewees were employed had communication processes; however, our interviewees were divided between two different perceptions of what constitutes a corporate communication process. In some organizations, the corporate communication unit as a whole was perceived as one big process. Within the process, there were sub-processes that were the operational communication activities performed in corporate communication (e.g., the annual report and press releases). In other organizations, the operational communication activities were considered processes, and the larger framework within which they were performed was not conceptualized in any way.

Our interviewees were not able to tell us when the practice of processing started in their organizations nor when it was first referred to as processing. However, on the basis of concrete evidence (i.e. process documentation), process thinking seemed to be a rather new practice: according to our interviewees, documentation of processes had started in the 21st century in the majority of the investigated organizations.

Interestingly, processes that had been documented in some organizations had not been documented in others. The main communication processes that had been documented (or not) in organizations were press and other releases, publications, CSR reporting, annual report, interim report, content providing for the Internet and intranet, press conferences, crisis communication, events and exhibitions, brochures, use of pictures, communication plan, summaries of speeches, project communication, newsletters, and campaigns. As the list shows, some of the ‘processes’ seem to focus on the activity involved (e.g., project communication, content providing for the intranet) and others on the final product (e.g., annual report, newsletters). The criteria for documenting communication processes seemed to be their frequency, centrality, and the importance of the activity. Indeed, almost half of the interviewees’ organizations had documented
processes for recurring communication activities that were always performed in the same way and that involved many participants. In contrast, almost half of the interviewees’ organizations had also documented a process for crisis communication. Although crises do not happen often, they have the potential to critically impact on the organization’s image and reputation, and corporate communication needs to be prepared for them.

The primary reason for documenting corporate communication processes was to avoid inconsistency in performing communication activities, in addition to reasons such as responding to practical needs, giving structure to communication, and preventing problems in the process beforehand. In fact, all of the interviewees who had documented their corporate communication processes mentioned inconsistency in performing processes as one of the main reasons for documenting them. Other reasons provided included: that the process was carried out differently every time it was performed, that the process was not well organized, or that there was a need for facilitating the work of both old and new employees. The purpose of processing corporate communication activities seemed to be to create consistency in communication and to project a coherent image of the corporate communication unit to the organization’s stakeholders. Finally, the need to get away from “ad hoc doing” was given as a reason, as illustrated by this quote: ‘The aim is to get from ad hoc doing to a more planned way of working.”

The reasons given for not documenting processes varied. For example, one of the interviewees argued that “Professional communication people do not need processes”. In the interviewee’s organization, when communication issues arose, they were dealt with in an “ad hoc” fashion. Other reasons provided for not documenting processes included claims that the processes had worked fine without any process documents, that some processes were performed differently each time, or that no problems had arisen in the processes. A number of interviewees also mentioned the lack of time and other resources as a reason for not documenting their processes. Often, operational tasks required so much time that there was none left for thinking in terms of processes. Also, some informants pointed out that it was not sensible to document all of the communication processes that were performed, particularly if they were simple, frequently-recurring tasks.

There seemed to be two extremes in processing corporate communication activities. According to the interviewees, some organizations had process documents for all the communication processes they had identified, and others had no documents for any of their identified processes. In fact, two of the interviewees argued that they did not think that they had any undocumented processes; another two interviewees admitted that their organizations had not used process thinking at all. In other words, they did not have any communication processes or process documents, and thus communication tasks were performed in an ‘ad hoc’ manner whenever they arose. The perception of most of our interviewees was that processes were needed in corporate communication, but that there had to be a “healthy” balance — that every process did not need a separate document and that, although there might not be a document for a particular process, it did not mean that the process had not been identified and defined.

The organizations that had documented corporate communication processes had used different people to perform the processing work and showed different levels of detail in the documents. Some organizations had hired consultants from outside the organization to document core communication processes, while others had relied on their own employees to document them. The majority of the organizations had assigned a team from inside the organization to do the work. Typically, process models were used in documentation and were presented as flow charts, process maps, or written documents. In terms of the degree of detail of the documented communication processes, the bigger or more important the process, the more detailed the process document was. Also, if a process was especially complex or included various action points, the
documentation included appropriate detail. In such cases, the process documents typically included the following aspects: action points, responsibilities and roles, deadlines, stakeholders, scheduling, and approvals. In fact, our interviewees argued that some process documents were so detailed that even an inexperienced person could successfully complete a specific task by following the associated process document. But, even though processes were documented in detail, they were not necessarily followed in detail due to the ad hoc nature of communication. Indeed, our informants pointed out that it was not always easy to make communication practitioners follow the process documents, which meant that a process document sometimes described an ideal, rather than an actual process.

**BPM and process improvement**

According to our interviewees, BPM involving process improvement in corporate communication was not a widespread practice, although its need was recognized. Whereas some organizations aimed to develop their core communication processes also after the documentation phase, others made no effort to improve them. The most often used tactic to deal with process improvement was to be passive and only change processes as something in the environment changed. In other words, the process models were not changed because they needed improvement, but because they contained outdated data. Therefore, when mandatory changes were made to the process as a result of changes (e.g., in the business environment, technology, or key personnel), the process document was revised accordingly. But, our interviewees also reported that although a process itself was changed, the process document was not necessarily automatically updated.

Our interviewees gave three reasons for not using BPM and improving their processes. The main reason was that processes and process documents had not been in use for long and were thus not yet outdated and not in need of revision. Second, a documented process was seen as a finished product and not as a constantly evolving entity in need of ongoing improvement. Consequently, when a process was defined, documented, and implemented, some interviewees considered their work done. Finally, lack of time and/or resources was considered an obstacle for process improvement.

**Benefits of process thinking in corporate communication**

All of our 14 interviewees had experienced some benefits from using process thinking in corporate communication. For purposes of clarification, we have listed the most frequently mentioned benefits under ten headings; unavoidably, there is some overlapping between them. The ten main benefits of process thinking were: (1) increased employee satisfaction, (2) increased overall efficiency, (3) improved consistency and quality, (4) better risk management, (5) improved cost and time-efficiency, (6) facilitated knowledge transfer, (7) easier management of routines, (8) improved long term vision, (9) facilitated auditing and measuring of communication, and (10) strengthening the role of communication as an integral part of business know-how.

While discussing benefits, our interviewees also pointed out some risks in the use of processes and their documentation in corporate communication. Some interviewees emphasized the importance of maintaining a balance between having a process for every communication activity and having none. Too many documents restricted creativity, whereas too few risked consistency. Since communication was perceived as being a creative function, each individual situation had to be assessed separately — it was considered risky to follow process models ‘blindly’.
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In the following section, the ten main benefits are introduced in order of their frequency in our interviews (i.e. the benefit introduced first (1) was referred to most often by the interviewees and the one listed last (10) was referred to least often). After summarizing the particular benefit, we give a quotation from the interviews.

(1) Employee satisfaction

Most of our interviewees mentioned increased employee satisfaction as a clear benefit of process thinking in communication. It improved overall job satisfaction, as process documents guided the existing employees in their everyday work, and it also facilitated the training of the organization’s new employees. This was considered especially important for companies operating globally. In other words, when such companies had employees working in diverse cultural environments, the need for defined, shared, and documented practices was emphasized.

This way we can act as substitutes for each other if needed and this brings transparency into our work. And for a new employee, process documents teach the way of doing things in this organization. They help newcomers to see the big picture and understand how different tasks are related to each other.

(2) Overall efficiency

“Overall efficiency” incorporates the interviewees’ ideas about faster, more effective, and more productive ways of working. Even though most of the reported ten benefits of process thinking can be considered to contribute to increased operational efficiency, a number of our interviewees listed overall efficiency separately, as one of the benefits of process thinking, and thus emphasizing its importance.

Documenting processes aims to save time, improve quality of communication and ensure continuity of operations.

(3) Consistency and quality

In the interviewees’ opinions, process thinking had improved the overall quality of communication in their organizations. In particular, when communication processes were consistent, so was the final output quality. Processing ensured that tasks were performed in the same way every time, and consequently, the quality improved. Consistency in operations was seen as an integral element of high quality communications.

Process documents are tools of consistent quality, to ensure that we all perform the same task in the same manner.

(4) Risk management

According to the interviewees, process documentation reduced uncertainty and thus facilitated risk management. The process did not need to be documented in great detail; it was enough that the action points and responsibilities were listed to ensure that nothing was forgotten. In addition, risk and failure reduction was achieved through better understanding of possible risks as processes were planned carefully beforehand. This way, communication process documents
served as a back-up system and people in charge of the process could rest assured that risks were minimized, as long as the process document was followed in practice.

Processes act as a back-up system and ensure that processes are not dependent of one person.

(5) Time and cost efficiency

Increased time and cost efficiency resulted from listing action points and removing unnecessary steps in the process. When a process was documented in detail, it facilitated resourcing and, therefore, the process did not involve too many people. Once futile steps and resources were eliminated, cycle times were cut, which saved time. Defining and documenting processes saved time, and, as the process was less time consuming, it was also more cost efficient. An extra benefit was clearer scheduling as projected timeframes had to be clearly marked in the process document.

Process documents save time. As much as it sounds a cliché, the 80/20 rule applies here. In order to react to the 20 percent of acute situations, you need to have the 80 per cent defined; otherwise communication will be in chaos.

(6) Knowledge transfer

The benefit of improved knowledge transfer was closely linked to the training of new employees by our interviewees. When processes were identified and defined in process documents, employees’ tacit knowledge was recorded and could then be shared. In some organizations, knowledge was only transferred verbally, which increased the risk of inconsistency. Process documents were seen as insurance for the company against high employee turnover and loss of tacit knowledge. The danger of not having process documents was recognized as a threat to knowledge management. Also, the risk of conflicts that could arise if shared ways of working were not documented was recognized by our interviewees.

If there are changes in personnel and their know-how is not documented, it is really dangerous for the organization.

(7) Managing routines

Managing routines and daily operational tasks was facilitated as a result of documenting corporate communication processes. In a way, process documents served as checklists, ensuring that everything was in order and that the process went as planned. Defining and documenting routine communication activities facilitated managing routines as everyone knew what was expected from him/her and when. This, in turn, left more time for future-oriented tasks, such as strategic long-term planning and development of the communication unit overall.

When there are over 200 different role combinations, over ten companies and we operate in six different industries, the system does not work if the routines and roles are not defined.
(8) Long-term vision

Communication processes were reported to improve the organization’s long-term vision. Once a process was fully envisioned, from beginning to the end, it was beneficial in two ways: first, it helped the organization to be proactive and prepared for the future. Second, it meant that the organization could not process its activities unless it had a clear focus and a vision of the organization’s future state.

Processing gives us air to breathe and makes us realize the foci and relativity of things. It helps us keep things in perspective. There are some really small things, but it is good to know if they will evolve into something bigger.

(9) Communication auditing and measuring

Our interviewees reported that process thinking facilitated communication auditing and measuring its results. Having communication activities documented in a process model presented communication as a planned, strategic activity and not simply as an ad hoc reaction to situations. Our interviewees believed that measuring the results of communication was facilitated when a communication process was streamlined and broken down into smaller, more easily measured pieces.

I believe that processing can give communication more credibility and can portray it as a more serious business function. Traditionally communication is seen as a creative, ad hoc – natured function, but processing can change this. Measuring communication results could also be facilitated through processing. This in turn facilitates goal setting which has been difficult in the communication unit due to its reactive nature.

(10) Communication as part of business know-how

Processing boosted the view of communication as being an essential element in business know-how. Communication processes and process documents were reported to help in identifying interfaces with other business functions, increasing transparency and engaging and convincing management of the importance of communication. When the interfaces with other business processes or functions were documented, transparency of communication activities increased, and the organization’s work with its internal and external stakeholders was enhanced. On the one hand, processing contributed to portraying communication as a strategic function directed to a predefined aim and, on the other, it forced the organization to integrate corporate strategy into everyday operational communication.

Discussion

Our findings show that corporate communication processes exist in organizations, though they have hardly been researched in academia. Most of our 14 interviewees seemed to conceptualize the term ‘process’ in much the same way as previous research has — that is, as a systematic series of predefined actions undertaken to achieve a specific goal (see e.g., Danesh & Kock, 2005). However, it was understood on two levels of abstraction. For some of our interviewees, the focus was on the micro level of the process, with all its sub-processes (i.e., separate communication activities) defined in detail, whereas, for others, the macro level of the
process was important, and its sub-processes were secondary. Nickols (1998) seems to account for both of these abstraction levels when he argues that processes should be viewed as entire functions, not only as operational tasks people perform within a particular function. This suggests that since people seem to have different ideas of how a process works, they can also understand it differently (see Danesh & Kock, 2005).

The findings of this study show that all of the 96 investigated organizations had defined and documented some of their corporate communication processes; typically, they were recurring and always performed in the same manner. Examples of such processes are press releases, annual reports, project communication, and CSR reporting. But, the crisis communication process was also common — though crises are rare events, the importance of clear communication was explained by the critical impact of crises on corporate image and reputation. Although organizations had defined their most frequently-occurring communication processes, they had not necessarily documented them. Interestingly, certain processes that had been documented in some organizations were left undocumented in others. This may be due to the fact that these processes were the main communication activities performed by the corporate communication function, and that therefore some organizations considered them too simple to document, while others wanted to document them as they were recurring. On the whole, the processes used by 96 organizations were the same, regardless of their size, field, or operating environment (domestic vs. global). The only difference resulted from the nature of the organization; public sector organizations had defined two processes that did not exist in the private sector: decision-making and speeches.

Identifying communication processes was not an easy exercise, as it seemed that not everyone in charge of corporate communication clearly understood what their communication processes were. For example, in the beginning of the interview, one interviewee argued that they had not used processing at all in their communication function. But, as the interview progressed, it became evident that they indeed had many processes but had not realized it. In other words, the interviewee did not have a clear understanding of the term 'process' (see e.g., Nickols, 1998; Ungan, 2006a & b; Melão & Pidd, 2000). Just as the previous literature on process identification suggests (e.g., Nickols, 1998), some interviewees regarded processes as abstract constructs that had nothing to do with day-to-day communication activities, while others considered the identification difficult because processing was still a rather new practice in their organizations.

The reasons given for not using corporate communication processes were highly pragmatic. One reason was that implementing and managing processes had worked smoothly without any process documents. Another was that, as certain processes were performed differently each time, there was no need to document all the variations of such processes. Yet another reason given was that documenting processes was considered time consuming and also required other resources. Often, so much time was spent on operational tasks that none was left for thinking in terms of processes, let alone about improving the improvement of existing processes. This finding is supported by Lee and Dale (1998) who argue that the problem with process improvement is that often, employees do not have the time to simplify and improve processes. This view would suggest that one of the key issues of process thinking was not understood: if a process is explicitly defined and documented, it will require less time and fewer resources to perform. Further, if the process is systematically reviewed and revised, it will become even more effective.

Business Process Management (BPM) involving process improvement does not seem to be a widely spread practice in corporate communication, and there seemed to be many reasons for it. For example, once a process was documented, it was seen as a finished product, not as something that would be constantly evolving. Other reasons that were reported as affecting process improvement efforts were lack of time, resources, and interest. The primary reason for
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not improving processes seemed to be that, since processes and process documents had not been in use for long, they were not yet outdated and therefore did not need to be improved. Still, we would like to argue that corporate communication would always benefit from BPM, if only it was perceived as a continuous activity. This view is also supported by previous research (e.g., Lee & Dale, 1998; Ungan, 2006a&b; Harrington, 1995), which emphasizes that, once the process is in use, it needs to be revised from time to time. Similarly, Yu-Yuan Hung (2006) suggests that BPM should be seen as a continuous effort and it should be assessed by measuring.

Our interviewees also brought up some risks involved in the use of processes and their documentation in corporate communication. Processes and process documents were not considered omnipotent, and thus, they could not solve all the problems arising in corporate communication. The findings of the study reveal that even though a communication activity was processed and documented, the process model was not necessarily strictly adhered to. Our findings comply with those of Harrington (1995), who argues that most organizations have not documented their processes, and that when they have, the process documents are not necessarily followed. Since communication activities were traditionally done ad hoc, due to the hectic nature of communication activities, some of our interviewees pointed out that the time frames in process documents were not always appropriate. For this reason, it can be concluded that sometimes process documents described an ideal situation that was never realized in practice.

Interestingly, the interviewees brought up the balance between having processes for every communication activity and having none. They emphasized that in practice, it can be difficult to control the work of experts. Since communication was perceived as being a creative function, the interviewees were cautious about overreliance on process documents. Furthermore, the interviewees emphasized that corporate communication experts needed to have the chance to exercise their expertise and contextual and situational know-how, which suggests that process documents could not be followed to the letter. We argue that process models should never be so detailed that a communication expert’s own critical thinking would be discouraged. Although Cornelissen (2008) points out that many companies fear that process documentation will diminish creativity needed in corporate communication, our findings do not support this view. None of our interviewees admitted to having such detailed process models in use that would jeopardize creativity.

Finally, the message of our study is unambiguous: it clearly supports the use of process thinking in corporate communication. Our interviewees pointed out a number of benefits of defining and documenting processes in corporate communication, and most of these benefits are the same as those identified in other business disciplines (see e.g., Flanagin & Waldeck, 2004; Ungan, 2006a&b; Cernauskas & Tarantino, 2009). The ten most important benefits of process thinking in corporate communication, according to our interviewees, were: (1) increased employee satisfaction, (2) increased overall efficiency, (3) improved consistency and quality of communication, (4) better risk management, (5) improved cost and time efficiency, (6) facilitated knowledge transfer, (7) easier management of routines, (8) improved long term vision, (9) facilitated auditing and measuring of communication, and (10) strengthening the role of communication as part of business know-how.

Our study produced a similar list of benefits as Cornelissen (2008), who argues that corporate communication process models provide such benefits as the creation of shared understanding within the communication function (cf. benefits 1, 3, 6, and 8), and the reduction of cycle times and dependency of certain individuals (cf. benefits 5 and 6). Here we would like to note that Cornelissen’s (2008) list operates on a higher abstraction level than ours but that we have interpreted it to the best of our ability. For example, in our opinion Cornelissen’s (2008) ‘creation of shared understanding’ corresponds to our increased employee satisfaction (1),
improved consistency and quality (3), facilitated knowledge transfer (6), and improved (8) long term vision. Indeed, our interviewees seemed to express the benefits in fairly concrete terms, comparable to those used by researchers in other business disciplines (e.g., Flanagin & Waldeck, 2004; Ungan, 2006a&b; Yu-Yuan Hung, 2006; Cernaukas & Tarantino, 2009). They have listed seven of the ten benefits of our study and have only one that we do not: a greater competitive advantage. However, a competitive edge is such a wide-ranging concept that it could be argued that it would emerge when all the ten benefits of our study were combined. The fact that so many of the benefits recognized in other business disciplines surfaced in our study would also appear to confirm our argument that corporate communication stands to benefit from process thinking in a similar vein as other business disciplines have done.

Two benefits of process thinking emerging from our study were unique for corporate communication, not found in previous research. Process thinking was perceived as facilitating auditing and measuring of communication (9) and strengthening the role of communication as an integral element of business knowhow (10). They seem to meet two major challenges of corporate communication in the 21st century: how to measure communication effectiveness and how to portray communication as a serious business function. We argue that if process thinking is able to help us find answers to those questions, it should be enough to encourage its adoption in the organization’s corporate communication function.

To conclude, corporate communication could benefit substantially from process thinking, just as other business disciplines have. Our findings offer strong support for the identification, documentation, and use of communication processes in various types of organizations. On the basis of the present study, we argue that communication processes do not only boost the overall efficiency of the corporate communication function, but also that of the entire organization and its image among stakeholders, via the integration of corporate strategy into everyday communication activities.

Practical implications

The findings of this study give rise to three practical implications aimed at communication practitioners especially. First, introducing process thinking to corporate communication could benefit the whole communication organization, not just an individual process or an individual employee. In today’s fast-paced world, corporate communication is a particularly hectic function and therefore needs structure and guidelines to ensure timely and consistent response. With processes, communication practitioners would shift from ad hoc method of operating to a more planned way of working, and risks and uncertainty could be significantly reduced. Second, process thinking would give corporate communication more credibility and portray it as a serious business function. Since processed communication activities are inevitably performed in a planned and consistent manner, ‘ad hoc doing’ and reactive behavior would be replaced by a proactive approach. If activities performed in corporate communication were documented in concrete terms, transparency would increase, and it would be easier to engage and convince management of the strategic role of the function. Third, a regular follow-up, review and improvement of defined and documented processes are of utmost importance for reaping the benefits on offer. If this opportunity for improvement was not seized, the entire documentation process might be wasted. Since turbulence is the order of the day, the various changes in the operating environment, technologies and stakeholders call for regular re-evaluation and updating of process models. As the findings of this study suggest, corporate communication processes performed in corporate communication could be improved according to the principles of BPM.
Limitations of the study

The limitations of this study should be kept in mind when interpreting the findings. First, the topic of the study was challenging as previous research into corporate communication processes hardly existed. Therefore theoretical approaches used in this study had to be sought from other business disciplines such as management, information systems, and IT service management. Second, since the empirical data was collected from communication directors and managers, the insights of people actually performing the communication processes (i.e., communication practitioners), were not accounted for. The findings of the study could have been different if data had been collected from employees performing such operational tasks. For example, it is possible that the communication directors did not have accurate knowledge of all the defined and/or documented communication processes or of how the communication activities were performed in practice. This limitation was emphasized in the online survey, as the responses given by the respondents were, at times, rather vague and ambiguous (and thus difficult to interpret).

Suggestions for further research

Suggestions for further research are partly linked with the limitations. Although we were able to map some unexplored territory with this study, there is plenty of room for future research into corporate communication processes. First, as this study focused only on the perceptions of communication directors, the views of their subordinates or team members (i.e., other employees in corporate communication) would complement the emerging picture. It could very well be that employees have totally different opinions on the use and usefulness of corporate communication processes. Second, since it has traditionally been very difficult to measure communication efficiency, it would be interesting to examine whether using BPM in corporate communication could be included in the endeavor. Based on this study’s findings, one of the benefits pointed out by the interviewees was the facilitated measuring and auditing of communication, but no particular methods were discussed as to how it could be done. Third, a natural way to expand this study would be to examine corporate communication processes that are performed outside the corporate communication function. Especially in large multinational corporations, employees outside the corporate communication function need to perform communication activities. As employees in corporate communication typically have rather strictly-defined job descriptions and roles, the activities performed outside the corporate communication function might differ substantially. Finally, future research could investigate the possible downsides of process thinking in corporate communication, and maybe focus on the assertion that processing would somehow hinder creativity and critical thinking expected from communication practitioners, as suggested by some of our interviewees. What exactly does ‘creativity’ in corporate communication entail?

References


Coalition Building in Perspective: A Sociopolitical Strategy and its Corporate Impact

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Coalitions have existed for hundreds of years as a vehicle for gaining and maintaining power and influencing decision-making processes and outcomes. They may have a direct impact on political systems, cultural agendas, corporate goals and objectives, public policies, and the success of social movements whose actions and dynamics affect government, business, and society. In contemporary society, coalitions are formed by and interact with international agencies, institutions, voluntary groups, governments, and many other entities. They may have a tangible effect on legislation, regulation, and other matters of vital importance to corporations.

In the digital age, coalitions may develop spontaneously, as, for example, on the Internet, ad hoc, or as spinoffs from existing bodies. Those focused on single issues may disband when that issue is resolved. Other groups may ally for the long haul, as permanent coalitions calling attention to a full range of issues. They may become politicized, or even co-opted, by those they seek to change.

Recent public relations scholarship on coalitions includes studies by Wilson (2000), Hallahan (2001), Pien (1994), and Tucker and McNerney (1992). Nevertheless, there is relatively little research that focuses on coalitions from an interdisciplinary perspective. This paper will explore any overlap and interdependence among writings on coalitions in the communication literature and in other disciplines (e.g., politics, international relations, and social movements). It will adopt a global view of coalitions and provide examples of recent cases of significance to communications theory and professional practices.

Given that coalition building has become a powerful contemporary strategy and a tool in the broader world of power dynamics through lobbying and other forms of political, social, economic, and cultural influence, the study will provide examples of coalitions' practices drawn from case studies in the corporate world, government, and not-for-profit agencies and organizations. Thus, the study will consider the impact of coalitions on processes and publics at both societal and organizational levels.

Keywords: coalitions, advocacy, ad hoc alliances, social movements, lobbying, power dynamics

(Paper was not available at time of publication)
Guiding the Next Generation of Practitioner:  
Helping Students Define and Apply Norms for CSR

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This paper explores the pedagogical processes involved in teaching ethics and corporate social responsibility in public relations and corporate communication courses over more than a decade. It focuses on my curricula and on how students interpreted and applied theoretical concepts and readings to real-world situations and standards for ethical practice and CSR. Student evaluations suggested that even hypothetical class projects provided insight into the complex demands made on them as future practitioners and the need for careful research. Speakers and public relations professionals who evaluated student work affirmed that theories are indeed practiced. Based on these outcomes, I discuss the need to intensify and vary ways in which the study of ethics and CSR can be enhanced and strengthened within the public relations and corporate communication curricula and the extent to which students with limited worldviews and life experience can extrapolate and segue from the classroom to the public relations workforce.

This paper traces how students identified, evaluated, extrapolated, and applied norms for ethics and corporate social responsibility issues in public relations and corporate communication courses at several institutions over more than a decade. It explicates the curricula taught by the professor and focuses on how students integrated these norms into their planning of real and hypothetical campaigns. It discusses class exercises and homework assignments meant to strengthen students' understanding of ethics, reviews term projects and the guidelines that drove them, and considers student project evaluations. It begins with a review of academic and professional writings about the place of ethics and CSR in the curriculum. It also refers to professional and industry bars for ethics and CSR, some of which were tapped for her teaching.

Problem: Helping Students Identify Ethical and Socially Responsible Behaviors

The environment for public relations has changed greatly since 1999, when Coombs and Rybacki noted that public relations as a field had not put sufficient emphasis on pedagogy. There is more emphasis on new technologies, which was one of these authors' concerns. Yet one of the most crucial issues raised in the Commission on Public Relations Education report (1999), which emerged from the same 1998 NCA Summer Conference, explicitly recommended teaching ethics in the public relations curriculum. Recommendations included "that a consideration of ethics pervade all content of public relations professional education… the Commission urges that every public relations course begin its syllabus and its first class with the statement that every true profession recognizes that a fundamental priority of any profession is its responsibility toward society at large." (Commission on Public Relations Education (1999). Of the four core competencies recommended by Van Leuven (1999) and the others at the 1998 NCA Summer Conference, ethics topped the list. Hutchison (2002) noted that a separate course in ethics may not be feasible, given pressures on lone professors of public relations who may have advising and other responsibilities. The bigger issue for me is: What would lead us as educators to think that even a dedicated course in ethics would be an adequate immersion for a lifetime of challenges?
Academics and practitioners across disciplines stress the need to shift professional emphases and recalibrate what students need to learn. As Wooldridge (2009) aptly noted:

This has been a year of sackcloth and ashes for the world's business schools. Critics have accused them of churning out jargon-spewing economic vandals. Many professors have accepted at least some of the blame for the global catastrophe. Deans have drawn up blueprints for reform...The result? Precious little....The giants of management education have labored mightily to bring forth a molehill...That is too bad. You cannot both claim that your mission is "to educate leaders who make a difference in the world", as HBS does, and then wash your hands of your alumni when the difference they make is malign.

Wooldridge's heavy-duty rebuke stopped short of decrying a lack of ethics and CSR education. I will not deny the existence of such an education or a consensus among academics and professionals as to its importance—but ethics and CSR should top the teaching agenda. What follows tracks my attempt to give such agenda a higher classroom profile, hoping that students will critically evaluate companies' practices and act according to norms.

Public relations courses in which ethics have been taught

I have taught introduction to public relations (which she taught, in another institution, as principles of public relations), public relations campaigns, public relations cases, research methods (focused on public relations projects), managing public relations for the modern corporation, corporate communications, organizational communication, team-based independent studies (one graduate [research] and one undergraduate [Bateman Competition]) and a professional communication class in which applying the PRSA Code and ethics scenarios played a significant role.

How ethics fits into the larger public relations curriculum

In my upper-level classes, the first few weeks, and in introductory public relations, the first half of the semester, are spent reviewing the evolution of excellent, ethical communication behaviors during the last 150-plus years. In our contemporary media-saturated environment, the organizational exemplars most frequently recalled by students, and thus, those that become front-of-mind realities for them, reflect misdeed, obfuscation, deceit, and abuse of power. Negative examples thus often become a starting point for any conversation about ethics and CSR. While few of these reach the nadir of the Enron/Arthur Andersen debacle, most students can recall a multitude of scandals.

The Tylenol case seems to be the rare positive model to which students consistently refer. So I have learned that one acceptable, though not ideal, way to help students identify the positives is by analyzing and extrapolating the good from amidst abundantly negative corporate behaviors, the ones for which there is never a shortage of media coverage. Thus, case studies, even some of the abbreviated studies available in the undergraduate textbooks (see below for citations), serve a valuable purpose in helping students identify those organizational behaviors worth emulating. The chapter case studies, supplemented by those in handouts (e.g., PR Reporter on the Hyundai case, often catalyzed students choices of semester projects and papers.
Sources illustrating ethical and CSR behaviors

Theoretical frameworks explicated in texts used in and to prepare for my classes and for professional development from 1998 onwards, e.g., Center & Jackson (2008); Cutlip, Center, & Broom (1994); Grunig & Hunt (1984); Grunig, Grunig, & Dozier (1992, 2006). MacElreath (1992) and Newsom, Turk, & Kruckeberg (2004) provided grounding and case studies in ethics. Handouts supplemented texts on generic and specific principles of excellent public relations practices, including: Grunig & Grunig (1993), the PRSA Code of Practice (2009), PRSA ethics scenarios and case studies. Also included were other relevant files, standards, and global bars for corporate behaviors, as set by professional associations such as the Global Alliance (2010), global CSR reporting agencies such as Business for Social Responsibility (2010), and organizations such as the Global Compact (2010), whose members agree to comply with basic principles of CSR. In addition, guest speakers (i.e., several public information officers from a foreign consulate and the National Guard, a former senior partner at Ketchum, a vice president for investor relations of a top public relations firm, PRSA public relations practitioners from the Connecticut Valley Chapter, PRSA, the head of an online advertising sales agency and others shared their perspectives on appropriate and ethically-sound communication strategies with students.

Applied Classroom Exercises and Projects in Ethics and CSR

The course’s first week's grounding in ethical principles and social responsibility supported and set the bar for public relations and corporate communication course content for the remainder of the semester. Students analyzed the PRSA Code of Practice, worked out solutions to ethics scenarios, and reviewed case studies in social responsibility or lack of it. They honed critical skills by means of individual assignments, small group in-class and take-home exercises, journal responses to audiovisual materials, listening to and questioning guest speakers, and undertaking term projects that they critically evaluated. One example of a class exercise follows.

Conceptualizing and articulating ethics and CSR

This was one of the most recent classroom exercises, initiated systematically for the first time in spring 2010. I asked my class to type answers to five questions that conceptualized and articulated, through synonyms, relevant organizations, and/or behavioral patterns, ethics and corporate social responsibility. I was trying to see if students could "connect" ethics and CSR as highly significant for study and practice.

Teasing out ethical dilemmas and social responsibility from news stories

Early in the semester, in order to challenge students to identify situations faced by organizations or individuals who required effective public relations, I often divided The New York Times or other major daily newspaper, literally page by page, distributed it among students, whom I separated into groups, and asked each group to pick out one story that 1) demonstrated a compelling need for public relations and 2) contained a strong ethical or social responsibility component or issue. Sometimes, I would cut out a variety of stories and put them into a box, hat, or other receptacle and ask students to pick out stories with viable public relations, public interest, and ethical issues at their core. If students doubted whether a story truly involved public relations problems, they could select another story from the receptacle or from another source.
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Following their selection of stories, each group would assess and present to the class as a whole the public relations and ethical issues involved. Members of other groups were free to contribute to the discussions. Nevertheless, as the exercise was to jog students' thinking about public relations' role, the public interest, and ethics, we did not always delve, in depth, into all possible solutions. It made sense, at that point in the semester, to stress problem recognition/situation analysis. More of the curriculum, particularly the research module, needed to be covered before students would have the requisite planning skills to be prepared to suggest effective responses to the ethics and CSR problems inherent in each of their project topics.

Some, but not all, of the stories chosen were later developed more fully as term project topics. My pedagogical goals at that time were that: 1) students could recognize situations that posed clear ethical dilemmas, for which public relations was imperative and 2) they could extrapolate from these more clear cut cases and navigate through ethically ambiguous situations. This introductory exercise gave students some control over case study/project content (they could select a topic of interest to them) and developed critical and creative thinking skills. They also saw how public relations problems were manifest even in "ordinary news," plucked "straight from the headlines." Below, I discuss the Bridgestone Firestone ethics exercise used in my classes, in conjunction with the PRSA Code.

Bridgestone-Firestone Exercise

Students had already reviewed and discussed in small groups the PRSA Code (2000) and worked through a number of PRSA's ethics scenarios (PRSA, 2010). Subsequent classes broke into small groups and PRSA-generated case studies (PRSA, 2010) and discussed James Lucaczewski's (2000) piece on ethics. The Bridgestone-Firestone (BF) exercise, which I created, reads as follows: "Based on our discussions concerning ethics and the principles upon which ethical, excellent public relations is practiced, decide a strategy that will best help you communicate effectively and develop relationships with your publics."

The exercise listed eight publics, including Ford Motors, and other fictitious entities, a national consumer safety organization and a grassroots advocacy group. Students were to first decide which core values/principles of the PRSA Code directly related to the BF case from the group's perspective and to write a short statement that outlined the group's position. Referring to core values in the Code, one student (representing Ford) cited the Code's Advocacy, Independence, and Honesty values, and noted that public relations practitioners must be responsible advocates for those they represent. They must provide a "voice for the marketplace of ideas, facts, and viewpoints to aid informed public debate" (Ford, 2010) She said:

Ford did not act in the interest of the public, instead acted in their own financial interest... (Re:) Independence (is another value of the Code which) states, "We are accountable..." Ford did not want to take responsibility for their actions. They, as well as Bridgestone Firestone, were too busy pointing fingers to see the damage they were doing... Last but not least... you must at all times, be honest. Honesty is defined as such "...highest standards of accuracy and truth in advancing the interests of those we represent"... Withholding any information that may be... public interest is detrimental to public relations professionals.

Similar comments were made by others working on this BF exercise. Term projects follow.
Term Projects: Public Relations Campaigns and Corporate Communication Case Studies

The most substantive vehicle to assess students' grasp of ethics and CSR was clearly through their term projects. Although the project guidelines varied somewhat from semester to semester and the corporate communication projects demanded the most careful analysis of organizational frameworks for ethics and CSR, all the projects explored diverse organizations' responses to significant internal or external challenges. In most of the public relations classes, students constructed hypothetical campaigns for a range of organizations faced with potential consequences from latent, aware, and active publics.

Bateman Competition and Amistad Campaign

The exceptions to this were the PRSA Bateman Competition and Amistad campaigns, for which the students, on behalf of a client, actually implemented campaigns on and off campus. The three Bateman campaigns were for the following (clients): Solobiz.com, a Web site designed to help 18-32 year olds acquire the skills needed to open their own businesses; Visa, to increase financial literacy and responsible financial behavior among high school and college students; and Contiki Travel, an organization specializing in custom, affordable bus tours for young people. These three campaigns were constructed by teams of upper-level public relations students; with support from other students who were not on the teams but who also had already been grounded in ethics and CSR and had previously undertaken such campaigns. The Bateman work was evaluated on a variety of criteria by a national panel of judges (the Visa financial literacy campaign placed nationally). One of the campaign's messages was that financial responsibility cannot be seen as detached from a greater sense of social responsibility, and financial solvency has ethical implications. This is clear from the financial meltdown and current economic crisis.

The Amistad campaign's goal was to raise awareness on campus and in local high schools of the Amistad, the reconstructed ship whose original captives had mutinied and were ultimately tried, and then freed, by U.S. Courts. At the time of the campaign (2000), the Connecticut Valley PRSA chapter had volunteered to assist in publicizing the ship and its mission. It undertook, pro bono, Amistad America's (2000) public relations, including its involvement in part as one ship in the OpSail 2000 (Willens, 2000) events. In tandem with and sometimes directly supportive of the PRSA Chapter's work, students created programs and activities that underscored the ship's, and its captives', significance for U.S. history and laws and for human rights. Human rights is a fundamental tenet of CSR. Once my students knew this, it was not difficult to find creative ways to disseminate Amistad's message to relevant publics, in moving and thought-provoking ways.

Global Norms and Cultural Relativism

About midway through the semester, students in both public relations and corporate communication classes were exposed to cultural and other variables in global venues that can have impact on professionals and practice. They reviewed both specific adaptations of generic variables (Grunig & Grunig, 1998) and a template I created with political, social, and economic factors. We began with class discussions that documented corporate linguistic faux pas (e.g., Chevy Nova in Latin America, Coca Cola in China) and cultural no-nos (wearing white in India).

The major exercise in this unit was a series of group country studies. These studies (which I called scavenger hunts) were built on research conducted by students, who were divided into groups, assigned a country, and then subdivided themselves to investigate the most significant factors in working for a public relations agency abroad or for a global corporation.
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Inevitably, the class would be confronted with ethical issues (issues for Americans but not for some of their global counterparts) that ran counter to accepted norms; looming large among them were bribery, graft, the sale of column space by journalists, all of which were more obvious flagrant violations of the PRSA Code than the thinly veiled infomercials so common in the U.S. Then, of course, when measured against fertilizer in pet foods and antifreeze in toothpaste, the former infractions appeared to be relatively "minor".

In retrospect, more could have been done to elicit a deeper understanding among students of cross-cultural norms; a cultural promenade with students could include a face-to-face, or barring that, a webcam interview with an English-speaking native of that country. Certainly, an individual's "ethnographic journey" would provide a much richer tapestry for understanding that even the most subtle cultural markers can be highly significant, with respect as paramount. Given that my students are required to conduct interviews as part of their term projects, there is no reason why they cannot interview a foreign subject and analyze his or her perspective.

The projects writ large

In all the projects, students carefully assessed each situation, the affected publics, and the real and potential repercussions from those publics. Students ran hypothetical campaigns, consistent with ethical and excellent public relations and corporate communication practices, to address external and internal challenges. Their evaluations critically analyzed the choices they had made.

The corporate communication projects were designed to help students, as future corporate communicators, to keep CSR as a front-of-mind experience. They looked at organizations' own CSR frameworks and those of independent, umbrella organizations (e.g., Global Compact, Business for Social Responsibility, Global Alliance). These comparative frameworks assisted them in identifying benchmarks for socially-responsible behavior in a world where corporations are primarily known for their misdeeds and where public confidence in both private and public sector institutions is at an all-time low. Adherence in "the real world" to such frameworks has enhanced and sometimes repaired organizations' reputation, while promoting the public interest.

Choices of topics for "hypothetical" public relations projects

Students were asked to preliminarily choose three organizations—one government agency, one not-for-profit, and one private sector organization facing a major issue(s) or challenge and to write a short assessment of that situation and its significance. A majority of students chose, of their own volition, to concentrate on not-for-profit organizations or public interest issues. Sometimes students chose current public relations problems; more often, they chose to revisit past cases (e.g., NASA's dilemma after the Challenger explosion) and to run their own campaigns based on them. Sometimes, they created their own fictitious scenarios, such as community opposition to a center, in their midst, for HIV-positive patients. Students fleshed them out over a six-to-eight-week campaign and many were reviewed by PR professionals.

Examples of public relations term projects

These included sports-related issues, primarily cheating in various forms (academic improprieties, attempted bribing of judges, using anabolic steroids and other illegal drugs) to give an unfair competitive edge to players, consumer safety faux pas (for example, glass shards in Gerber baby foods, antifreeze in imported knockoff toothpaste, Martha Stewart's Omnimedia's...
woes after her perjury conviction, Merck's credibility after the Vioxx disclosures, the Hale House charity financial mismanagement scandal, and the above threat to close an HIV-centered facility.

The public relations projects in the Fall 2001 semester, as noted below, centered on civil, commercial, and government institutions post 9/11. The safety and integrity of the recovery of New York, in particular, and American civil society as a whole, depended on the police, the fire department, the New York Stock Exchange, the airlines industry, Amtrak (as an alternative to the airlines), and NYC and Company (the New York Convention and Visitors Bureau). The entertainment industry was also important to the morale of the public and to the continuity of creative production. The specific institutions and campaign details were the students' choices.

In the graduate seminar (Managing Public Relations for the Modern Corporation), there were an even greater number of projects focused on not-for-profit issues. Among these issues were welfare to work and the problems created for women trying to balance motherhood, school, and work, rehabilitation programs for released convicts, alcohol and drug abuse programs, and other public policy issues. In addition, one excellent student project focused on the controversy surrounding the distribution of funds by the Red Cross, supposedly earmarked, but not appropriated, for victims of September 11. Another public relations campaign, on behalf of the U.S. Figure Skating Association, centered on accusations of competition-fixing by the judges at the 2002 Salt Lake City Olympics. Certainly the latter campaigns were replete with ethics overtones. What follows is an overview of some of the feedback on these projects. To preserve the authenticity of student comments, I have retained the original spelling, phrasing, and grammatical/structural choices, even where it has been incorrect.

Student Feedback

Student feedback on the projects did not primarily focus on ethics and CSR. Much of it centered on the specific skill set students acquired through the projects, the dynamics of working as a team (where relevant), the challenges students faced in meeting deadlines, the value of engaging in thorough research, the importance of relationship building, and post-mortems on what students would have changed about their projects. Nevertheless, even with these specific foci, many student comments reflected a value orientation. Sometimes, this was grounded in theme-based public relations, as was the case with projects that followed on the heels of 9/11 (see below). Sometimes it was an overarching statement, for example: "In running a pr campaign, you need to be very truthful accurate and ethical at the same time. In some circumstances it becomes difficult at times."

Students on ethics and CSR-- public relations projects

One student commented:

I realize that as a public relations practitioner, I may often represent clients who have acted very unethically and my job is to find the most ethical way to fix their public image….I am thankful that in the field of public relations, there is an emphasis to form solutions that are moral and are in the interests of the public.

This clearly relates to the importance of helping students to grasp concepts of public interest (Martinson, 2001), above. Also, as indicated above, students may not have clearly defined or articulated the public interest but gravitated towards those issues and institutions. Their evaluations often demonstrated an innate understanding of the centrality of these institutions—for
example, hospitals' and schools' relation to public welfare and the role they play in positive social interaction and in pre-empting criminal activity. As one student put it,

The hospital is a major part of the community not only a place where residence (sic) of the inner city can come for medical aid. It is also a place that promotes social interaction. A place for kids to come as a day-care type system to keep them off the streets with the drugs and everything.

Although this is, again, not strictly an ethical issue, it reflects a sense of social responsibility. Another student articulated a similar social responsibility agenda.

The point of my project was to bring this grief-stricken community together and celebrate the life they have. By inviting other members from surrounding communities I found it as a way to stop isolating this community and actually embracing its assets.

Often, the scenarios reflected fewer pro-social behaviors. Then from within organizations or due to external pressure, publics demanded an accounting and clear communication changes. Kovacs (2006, 2008) proposed that the higher level of CSR stems from a push from within. Nevertheless, barring that, students were quick to grasp that, once a need for disclosure is identified, organizations must respond in a fully transparent way in order to retain the trust of their constituent publics.

Trust and transparency as ethical foundations and as essential to CSR

Over the years, student projects have often dealt with organizational crises or challenges that have involved corruption, fraud, and other kinds of deceit, including cheating among athletes, many of whom ostensibly serve as role models. As per one student, "Overcoming the problem of corruption takes much more than just trying to fix the hockey team. First you must regain the trust of your publics." A student undertaking a public relations project for a prominent mayor indicted on corruption charges expressed her desire to represent his city, which was inextricably tainted by the mayoral scandal itself. Such topics call for public relations responses that aim to restore publics' trust in the private sector and in not-for-profit and government institutions.

One interviewee (for a student campaign dealing with an athletic scandal at University of Michigan) commented that strategies used in the student's public relations response would have been useful when the scandal broke. Communication with the student body at that time was inadequate. Just the mere act of keeping publics informed is an act of good faith meriting trust. One student's campaign to restore a non-profit's reputation after its chief embezzled money said: "The experience of this project taught me that...being honest with your publics is first and foremost during a crisis. Even when a scandal breaks...management should admit their wrongdoing." Another student dealt with Merck's difficulties with Vioxx. He said:

I see how using a transparent methodology when it comes to dealing with a public that may potentially feel violated by a corporation's actions is very helpful in regaining the trust of the consumer base...their (Merck's) withdrawal of the drug from the marketplace without an FDA mandate, although late, helps their appearance in the public eye.

To this student, Merck's admission of the drug's potential for cardiovascular illness was the right thing to do. In many students' minds, truth and transparency went hand-in-hand with ethics. At the same time, students were highly critical of organizations that ignored the public interest. For
example, one student, who constructed a campaign after glass shards were found in Gerber baby food, criticized Gerber for neither proactively issuing a recall within the first 24 hours nor updating its publics as to the problem and any solutions. She said: "A company may make its decision thinking money wise, but...it should be made with the concern of the people...although it may save them money now, in the long run it will cost them."

A graduate student, whose campaign represented the Red Cross after it had allegedly mismanaged/misappropriated 9/11 funds, regretted not conducting more extensive research, particularly a survey, to measure the level of public trust in the Red Cross. If there had been sufficient evidence of a lack of trust, she said, she would have intensified efforts to rebuild trust.

Public relations students respond to extreme crises

We have seen above that students recognize the need for trust and truthfulness. This relates also to the above-mentioned 9/11 projects, which centered on entities affected by the terrorist attacks and reinforced "public relations' crucial role in restoring confidence in the institutions of civil society" (Kovacs, 2005, p. 305). In these projects, "students saw that relationship building and the implementation of measures to increase public comfort and trust went hand-in-hand and were a precondition of success in other areas (p. 307). One said: "The trust of the public is what the airline industry needs at this point in time. Another offered, "I learned...that trust is the most important thing...if you are truthful...it is very hard for them to have a negative view of your organization." His group represented the NYPD post 9/11:

We knew that the NYPD needed to establish more trust between them and the people of NYC. We also knew that in order to keep a good relationship with the people the NYPD needed to be friendly to the children of the city...We wanted to create an open trusting relationship with everyone in the city, while bringing in the amount of officers needed to keep the streets safe. We wanted to portray the NYPD as a friendly but effective force that without bias will work to keep the streets safe for New Your residents and travelers.

So, inherently, the 9/11 projects were based on an inherent commitment to social responsibility, although some students expressed this as a need to be flexible in the face of the unpredictable:

I also learned that running a public relations campaign depends widely on the situations...thrown at you. Things change on a daily basis, and you have to be able to change with the world. If another attack had happened...we would have had to find a whole new way of looking at our project, without any notice.

Student comments, above, demonstrated an awareness of communal responsibility and the need to protect both public and private sector institutions that serve the community. They also conveyed a sense of the urgent need for disclosure and transparency in times of crisis. In general, the more severe the crisis, the clearer the student recognition that truth (defined as "what is known at that time")—or specifically, truthful communication and open disclosure, are essential.
Student comments about ethics and CSR: Corporate communication case studies

I anticipated that many of the corporate communication students would have some initial difficulty working with some of CSR concepts, and so there were multiple methods used to reinforce the CSR's central role in corporate communication. First, each semester, the class was divided into groups. Each group's chapter presentation highlighted corporate communication principles and functions, as illustrated by one case study per chapter. Although these were not specifically ethics or CSR-oriented, the chapter case studies presented an opportunity to discuss both effective and ineffective communication strategies. For example, Argenti (2009) cited an executive's indirect engagement with employees and failure to communicate critical information directly, on-site, at each Carson container plant, as working against organizational goals.

In addition, guest speakers, handouts, and audiovisual aids further drove home the need for ethical corporate behaviors that support sustainable development, respect human rights, and communicate transparently. An advertising executive and a public information officer from the Australian consulate—(which not long before, had had to publicly confront its government's role in the oppression of aboriginal children (The Stolen Generations) had contrasting outlooks on CSR. I referred students to a number of Web sites that supported corporate citizenship, CSR, and sustainable development. They included Ethisphere (2010), The Global Compact (2010), The Global Alliance (2010), and Business for Social Responsibility (2010). The visits of representatives from the Global Compact and Ethisphere had to be deferred but we reviewed both organizations' sustainability and human rights goals and discussed the concepts on Ethisphere's Web sites as supplementary perspectives.

More broadly, the corporate communication term projects were grounded in the notion that CSR should be at the core of all corporate decision making. Students chose a substantive challenge to a corporation and analyzed it. They identified the mission statement and looked for corporate codes of conduct or CSR frameworks. They also looked for an external framework for CSR and compared how the organization's response measured up to both the company's standards and that of the external bar, in terms of CSR.

Student choices for case study topics

The case studies for the corporate communication projects ran the gamut of notable mishaps. Among them, notably, were Mattel's problems with lead paint toys; allegation of Halliburton's corruption and other breaches; Nestle and the baby formula; Coors Brewing Company after allegations of discrimination; Coca Cola's use of contaminated water in its Indian plant; Pepsi and the syringe crisis; Delta and its crib recalls; accusations against Sony regarding alleged unfair practices; Bausch and Lomb after contaminated eye solution; the American Red Cross after the 9/11 funds controversy; the United Way Scandal; McDonalds after animal activist challenges; Nike and labor issues; contamination in Gerber baby foods (again!); multiple problems faced by Sony Corporation; the Nestle infant formula crisis; the recall of Mattel toys—manufactured in China; the Ford Explorer debacle. There were also a number of cases of lower-profile organization, such as Delta Corporation, which experienced a crib recall. In addition, one case study explored a lobbying effort by an industrial coalition, i.e., members of the UK airline industry, to reduce emissions. Of those students who identified corporations' frameworks for ethics and CSR, only a few critically evaluated whether the norms set forth were genuinely integrated into the companies' operations. In some case (e.g., Merck, below), some quotes taken from company literature appear more rhetoric than a call to CSR action.
Student identification of guidelines and frameworks for ethics and CSR

There was no consistent definition of CSR. Most students identified some tangible declaration of values, ethics, or CSR, from their chosen case study organization, whether as part of a mission statement, code of conduct, or other document. Most of these references were vague; only a few provided citations referencing these values, ethical guidelines, or aspects of CSR. One student explored Merck and its mixed CSR record in the Vioxx debacle:

Merck’s corporate responsibility is rooted in listening, responding and working towards a healthier future. George W. Merck's philosophy remains the foundation of Merck's approach to corporate responsibility today. Merck recognizes its responsibility to each and every customer. Ensuring confidence is crucial...The Merck Code of Conduct encapsulates Merck's mission and commitment to scientific excellence, ethics, and integrity.

Without further explication, these sounded like empty platitudes, and yet this student was able to objectively review the Vioxx case and differentiate between its lack of transparency in keeping Vioxx on the market (when initial studies indicated dangers for patients) and the company's ultimate transparency in recalling the drug and urging consumers to seek medical attention.

She was also able to relate Merck's framework to specific criteria in that of the Global Compact's, although she conceded that "...the principles concerning human rights and protecting the environment are the most prevalent in Merck's business practices." She recommended that Merck incorporate a COP (Communication on Progress), which is a disclosure required of Global Compact members, made to all stakeholders (e.g., investors, consumers, civil society, progress made in implementing the ten principles of the UN Global Compact, and supporting broad UN development goals..." (Global Compact, 2009).

Only some students referred to external frameworks as points of comparison, yet the frameworks added significant weight to CSR and ethical norms. The external frameworks chosen were Goodcorporation.com, Johnson & Johnson (for the Bausch and Lomb Company), Business for Social Responsibility, the PRSA Code, and the Global Compact. The Global Compact was chosen by three students. According to one who chose Goodcorporation.com as its bar:

(it) says (and rightfully so) that a company should think about the consumer during the entire product lifecycle and that the company acknowledges and uses consumer input...The website also goes on to say that companies should consider the impact of their decision on their suppliers as well as making sure that their suppliers engage in safe practices.

Some of the students did not choose an external CSR framework to compare with that of their chosen organization, which was disappointing and something worth investigating. I had explained the project format, given them guidelines, posted relevant materials on Blackboard and directed students to other sites for assistance, yet few attempted to extrapolate how such frameworks might set a higher bar for organizations. This was a sticking point, given the frameworks' pedagogical importance and their use in critical assessment of CSR. In the discussion section, I consider why this occurred and possible ways to address the problem.
Student observations on case studies: CSR Definitions and Assessment

Most students neither attempted nor clearly defined CSR. Many settled for saying that it was important to have. Here a student of the Nestle infant formula attempts to identify CSR.

Corporate social responsibility (CSR) has played a dominant role in business practices. It's a form of self-regulation and policy. Companies and organizations set up ethical standards and norms for themselves. The business then does its best to live up to its own expectations. CSR also helps to govern a company's decision-making process.

She related this notion of CSR to Nestle's cultural process of "Creating Shared Value," which extends to the larger communities in the countries where it operates.

The student researching the highly controversial Nike case tried to describe CSR:

A company's Corporate Social Responsibility is a way for the company to ensure that they adhere to labor laws and… remain righteous… By following …CSR… a company remains open and honest with the public and therefore abides to a certain code of ethics. By being… accountable for their actions, companies are less likely to evade their duties to their workers and the environment.

An international student of the Bausch and Lomb contamination case, commented about CSR: "CSR has become an important objective in our society. The point of CSR is focus on how to communicate with society and customers." Finally, another international student, who researched Coca Cola's use of contaminated water in its products, said, "Corporate Social Responsibility (CSR) is a concept aimed at determining the …responsibilities to be taken into consideration by private business towards its stakeholders and the society…" Below, we will see how these students evaluated what they learned from the projects and the larger significance of the cases.

Student Evaluations and Case Significance

The student of the Ford Explorer case was quite articulate, saying, "This case is important to me as a corporate communicator because it shows how to handle a crisis and what not to do to destroy a partnership. If your company is involved, you should accept some blame…The significance of all this to corporate communicators is that the public must come first, and communicating that (as well as acting upon it) can either make or break a company's image. Student evaluations and CSR (e.g., Merck) were direct and concise:

This case brought to light the importance of transparency… Truth, honesty, and disclosure should be incorporated…every organization. Next time, they should….read over its mission statement, corporate responsibility approach, and Code of Conduct…and then decide how to handle the situation.

The researcher of Aviation Global held this contrasting, positive view of its CSR and ethics:

I am very happy with the over all outcome of my research project… I had a strong feeling I found an organization that would be the flipside of the usual CSR story… I felt so many case studies show a major blunder on the part of an organization or a tragedy and how they're communication skills either bailed them out or helped them right a wrong. The notion of…just doing the right thing because its what they believe in is truly inspiring.
In studying the United Way embezzlement case, this student said:

I thought that... presidents of these corporations were volunteers who were morally conscious. I also assumed they had committees that would develop checks and balances within the organization...The basis of a charity is to have social responsibility. This case is very important to study if you work for a nonprofit because it can prepare you for the worst thing possible: the loss of public trust.

Building on this, the student covering allegations of McDonald's cruelty to animals said:

Transparency and trust are big issues that can be a downfall for a corporation. It is usually the things we need to know that are hidden from us, and that is what ends up having a negative effect on everyone.

The student who analyzed the Pepsi syringe case indicted the media in creating the (false) crisis: “One thing I want for people to take away from my paper is do not believe everything you hear about in the media!”

A company's code of ethics may not necessarily be practiced. In the case of Haliburton, said one student, such a code "makes them out to be a truly trustworthy...company, when their actions were doing more to prove that they...were more concerned with profiteering and capital gains."

Similarly, the Ford Explorer case is significant to the student as a corporate communicator...because it shows how to handle a crisis and what not to do to destroy a partnership...The significance of this to all corporate communicators is that the public must come first...communicating that (as well as acting upon it) can...make or break a company's image.

One student focused on the controversy surrounding the misappropriation by the Red Cross of funds donated specifically for 9/11 victims. This young man noted that:

A significance in this case can be a lesson for others is just to be honest. Without honesty in your organization/company, you really won't go far at all. ...you must also share whatever information you have...

Mattel's problem stemming from lead poisoning in toys prompted this student to comment:

An important concept I learned from this case is always to be up front and honest with the publics about what the situation is no matter how bad it is and how you are going to fix it.

Some students, were clearly able to tease out, from their cases, implications for them as future professionals, as seen below.
Other student comments on pedagogy and professionalism

"Having the public relations (society [PRSA] members look over our work was an excellent idea because they picked out stuff that we might have glanced over. All our choices were good, but it did help to get the outside advice also."

The same student also said, "I learned that to be a good public relations worker…you need to be able to see everybody's perspectives…you also need to be able to understand where they are coming from…so that you are able to address them in a way that (they) will listen to and understand."

One of the corporate communication students said, "If I take anything from this course, it will be that corporate social responsibility can play a major role in shaping the future when exercised appropriately with the best of intentions."

Most recent student responses regarding CSR and ethics

As indicated above, the Spring 2009 CSR-related papers from the corporate communication class suggested that students had difficulty identifying, comparing, and critically assessing organizations' CSR frameworks and norms and evaluating their compliance with these norms. They did not fully grasp the term CSR's significance. The class had reviewed the PRSA Code of Ethics at the beginning of the semester, as a frame of reference for compliance by corporate communication professionals, but did not meticulously review ethics scenarios, as was the case with the public relations students.

Based on these difficulties, and because I wanted the students to be able to extrapolate more from their case studies and evaluate them more carefully, I modified my corporate communication curriculum. In Spring 2010, I gave a short assignment to students in the same class. The majority had neither taken my public relations or media-writing courses. They were about to begin their fifth week into the semester. I had made it clear in class and in the guidelines to their final projects that the foci of the class, and the projects, would be ethics and CSR.

Therefore, I asked them to discuss what is meant by ethical behavior for an organization and its employees and executives, and also corporate social responsibility. Most students said that organizations should practice such behavior and CSR but beyond that they had difficulty pinpointing what this meant. I also probed for synonymous or even similar terms for both concepts and for examples of organizations and/or persons associated with those organizations who were or were unethical or did or did not practice CSR in the workplace. As anticipated, very few students could explain either term without resorting to tautology. Below is a sample of more thoughtful responses.

Spring 2010 conceptualizations of ethics and CSR

Among those students who were able to at least attach some attribute or trait to ethical behavior, respect was most frequently cited. Students associated ethical behavior with being successful in business and the ability to sell products, which merely reflects a frequent confusion of marketing and public relations functions. "Corporations have the obligation to report to their employees as well as the public on any information that they need to know," was one of the rarer views, below. This same student said that CSR "stands for and represents obligation for one as well as reputation." Some students associated ethics with morals; one student said:
What comes to mind for me is the Golden Rule...Sad to say...the business world is extremely corrupt. We have all these terms about being ethical, responsible, or moral, yet in this economy it's hard to see if things like this actually exist.

Another student's response about ethics echoed some of the terms used in the PRSA Code: "...behavior that exemplifies "core values and traditions." Another cited, "an open, honest, and transparent business mode and/or code of conduct." The same student emphasized that CSR goes beyond "the bottom line on a quarterly report," and that the company should "think of the greater good for the community they operate in and the consumers they serve."

Yet another student, who could not explicate an "ethical code," was articulate about CSR:

Before making decisions that may benefit the company, they must ask themselves: Will this decision be favorable to the public interest? If the decision does not take into consideration the public's welfare, it should not be administered.

Similarly, "The idea of corporate social responsibility...involves organizations taking into consideration how decisions they make will not only effect the organization but the community and society as well," The same student said, "...a professional may gain certain access to certain information in order to get their job done, and the ethics of this involves the professional correctly using this information for the better of society and not themselves." This was a rare insight. Another student talked about (reactively) "taking responsibility of its actions if harm is done socially or environmentally," yet "the sole purpose of these practices is to maintain a positive image and remain in good standing with its consumers? Is the notion of CSR as most closely linked to consumers (so as to maximize profit) a notion we want our students to internalize?

Significantly, students tended to see CSR and ethics as important to employees and consumers (customers) but stopped short of associating CSR with accountability to a full range of stakeholders, which is a key focus in management and other literatures (Clarkson, 1995). A few paused to consider the environment, but clearly a mistaken association was between CSR and marketing outcomes, rather than a focus on addressing a range of stakeholders and the public interest. Overall, few students viewed CSR more comprehensively.

Many students extrapolated CSR only from its absence, as in Toyota's, and secondarily, Walmart's, woes. Multiple references to Toyota are understandable, given the degree of coverage on the recalls, the belated communication by its chief executive, and the public hearings. We can be grateful for this front-of mind experience, but students should be able to identify a range of organizations that exhibit positive (albeit, at times, conflicted) manifestations of CSR. I was frustrated that student responses did not reflect positive, professional ethics and CSR norms.

A pedagogical experiment in process: Corporate Communications Spring 2010

Given that the majority of students had great difficulty expressing the essence of ethics and CSR, I knew a different approach was needed. During the next class, I returned the above assignments to the students, whom I then divided into groups. I asked each group to consider deeply the meanings of ethics (including its origins), the possible stakeholders for whom ethics and CSR were consequential, and to jot down notes on the backs of their assignments. When they were given this second opportunity to explain ethics, more students referred to morality. One student who associated ethics with family and religious values, and as differing with different cultures, had a harder time pinpointing CSR. She said, "CSR are values and beliefs a company
has," but like many students, did not specify how those values and beliefs should be operationalized.

These recent classroom experiences and the inconsistency and misconceptions in student understandings of ethics and CSR underscore the need to continually reinforce these concepts and find ways to adjust them pedagogically so that they are as tangible as possible to students. For next week's class, I have asked the corporate communication class to study the PRSA Code and will provide students with scenarios for group exercises, as I did for the public relations classes. I will now discuss the limitations and implications of the research and explore what pedagogical modifications might facilitate increased understanding of ethics and CSR and their implications not only individual transactions but for all sectors and all stakeholders, across societies.

Discussion and Suggestions for Future Research

Based on the above data and the empirical realities of classroom teaching, my unequivocal response to Hutchison's (2002) question about where ethics should be situated in the public relations curriculum is that it should be taught everywhere. There is no such thing as too much reinforcement of ethics and CSR; "in your face" as a concept does not apply here. The prevailing workplace environment of obfuscation and outright greed in business, and yes, sadly, even in not-for profits and governments, caused our country's economy, and that of many others, to spiral out of control. It produced the chaos that turned so many lives upside down.

Such a reality calls for equally strong or stronger countervailing measures. The public relations profession cannot afford a "next generation" of practitioners who have become jaded or indifferent to breaches of ethics and social responsibility. Given the extent of impropriety, the lack of disclosure, and the negative environment that has mushroomed in the last decade, a thorough and consistent diet of ethics and CSR throughout the curriculum is clearly demanded.

Evaluating pedagogical approaches for reinforcing ethics and CSR

As an educator, I am ambivalent as to whether this infusion of ethics and CSR awareness should be merely be subtly woven into the fabric of every class or it should also be offered as a required class (required because many students would not elect an ethics class). In retrospect, I would, minimally, assign sections of a public relations ethics text, such as that Fitzpatrick and Bronstein (2006), create more ethics and CSR-based group and individual assignments, and provide more audiovisual excerpts, both for homework and in-class use. I would also consider integrating even a nominal service-learning component or shadow experience into the curriculum.

This semester, through journal entries and the above activities, I have begun to reinforce the CSR component earlier and more intensively. I am also cognizant that unless students can themselves clearly articulate the meanings of CSR and ethical behaviors, and operationalize their meanings, it will be difficult to get them to appreciate and apply those practices in the workplace. They need to understand the value of CSR frameworks and the utility of external benchmarks or bars in maintaining standards. The fact that most students did not compare their organizations' adherence to both internal and external CSR bars is unsettling.

Perhaps more class time and more careful planning should have been allocated to this section of the project; it could have been that many students were at a loss as to how to select and compare external and in-house CSR frameworks. On the other hand, students are known to often navigate around unfamiliar and more time consuming topics. Nevertheless, as an educator, I have to assume that I could conceivably have done more to make this aspect of the project more
This paper describes but one such attempt to increase student engagement in critical thinking about ethics and CSR and the internalization of such norms. Surely others educators are trying on their end to do the same. What is really needed is both a comprehensive effort by educators to rework ethics and CSR into the fabric of every class and collaboration between educators and practitioners to facilitate student exercises integrating ethical and CSR norms into day-to-day routines and issues management, in a forum that could be modeled after the 1998 NCA Summer Conference, at which I was a participant. After all, according to the Commission on Public Relations Education's (1999) report, "students should be able to understand the parameters and frameworks utilized in ethical reasoning of professional issues. Discussions and coursework should increase knowledge, professional skills and a sense of true professionalism.”

If the Commission's goals are to be realized, then educators must be cognizant of the severity of the "real world" problem and act, in unison, to bring creative and innovative methods to incorporate ethics and CSR frameworks and case studies into public relations curricula, and significantly, to help students apply what they learn in making ethical, responsible decisions.

There are many ways in which this might transpire. For instance, given the availability of new technologies, educators might consider capitalizing on students' affinity for everything online and fuse the Internet self-efficacy described by O'Malley and Kelleher (2002) with ethics and CSR content. They might even pair students with mentors. Students could network with in-house or agency practitioners, and use social media and other technologies to chat or correspond about cases that present ethical questions or to query practitioners about ways of implementing CSR. Certainly there is creative latitude for using new technologies for such pro-social purposes. The first step is a consensus among academics and practitioners that CSR and ethics are sufficiently important to warrant use of such media, and others, for such pedagogical purposes.

Limitations of this research

The most obvious limitation of this "teaching as laboratory" experience is the difficulty in assessing the impact of teaching normative ethics and frameworks for CSR to which they were exposed. To what extent, if at all, were core ethical values and CSR standards inculcated in the classroom internalized by students, and would they be able to apply them beyond the "abstractions" of academia to workplace situations? Students’ feedback, as illustrated in the excerpts above, seems to suggest the value of "front-loading" core ethical values and principles of transparency and CSR into the curriculum.

Students also seemed to understand that good relationships, which hinge on ethical and socially responsible behaviors, are crucial to successful public relations. They conducted their own research and, in the case of the public relations classes, engaged in strategic planning and hypothetical implementation of their campaigns. Students were able to see how ethics and CSR built stakeholder trust and goodwill or reflected unfavorably on organizations as corporate citizens.

As one student said, "Corporate Social Responsibility is the behavior of a company to act in a manner that is law abiding and in the public interest." In public relations, the press kits and other media that students created provided them with an opportunity to frame and define issues and disclose information in ways that were transparent but responsible. They understood that the power of words must be harnessed to reassure, not panic, to clarify, not obfuscate, and to serve multiple publics, rather than being self serving.
Yet, despite multiple efforts, few had any "capstone" experience in which this knowledge was reinforced via a job, an internship, or service learning experience concurrent with or following a public relations class. From those who did have such an experience, I received positive feedback about the practical value of the public relations curriculum. This feedback primarily related, though, to the research, analysis, and skill sets learned in class, rather than on any professional practices guided by ethics and CSR.

There are ways to reinforce principles that students learn during their undergraduate years. To capitalize on their willingness to abide by ethics and CSR, public relations programs could require all graduating students to sign a pledge that they agree to abide by ethical principles and perhaps even the PRSA Code of Ethics. Such an idea is not unprecedented, according to one colleague, who teaches at a faith-based institution and described how all graduating students must sign a pledge to behave ethically. Why shouldn't our public relations students be prompted to do the same?

Nevertheless, because as it stands now, we do not have such a requirement, I can only try to get students to appreciate the value of ethics and CSR and assess their knowledge of those projects evaluations, case studies, and other class submissions. Until mentoring of some kind is established between practitioners and students, or some relationships with alumni yield the kind of data that will tell us if and how students applied their CSR and ethics knowledge in their workplaces, or whether their knowledge is deeply ingrained enough to influence professional behaviors over the long haul, it will be difficult to know where classroom efforts to this end are successful or need to be rethought and restructured.

On the positive side, when self-reporting, the students quoted above appeared cognizant of the centrality of ethical and socially responsible practices to excellent public relations and corporate communication. It is unclear whether they truly believe these views or if those who do are really representative of the hundreds of students I have taught. When queried in class or in their papers and projects about choices public relations practitioners have made or should have made, and what represents the public interest, most students are able to identify and choose to pursue appropriate, ethical, socially-responsible behaviors. The problem is that sometimes the students who do this are the same ones who get caught plagiarizing in other assignments in my classes.

This, in itself, is an indicator that students need conceptual reinforcement and ongoing practical drilling in how to make choices, particularly in more challenging and morally-gray situations. As long as students do not see a contradiction between analyzing a case or running a public relations campaign that is transparent, consistent with principles of CSR, and engaging in unethical practices in their own work, there is a critical moral vacuum that educators need to fill.

The need for longitudinal research

If a practicable way to track down public relations alumni existed, I could elicit feedback about the impact, if any, of my ethics and CSR assignments and exercises. Where necessary, I could adjust my curricula to further reinforce these concepts and their attendant norms. Thus, the notion of longitudinally sampling public relations students in the years after graduation has some merit, and could be a potential auxiliary in maximizing the impact of teaching ethics and CSR. I urge other educators to find ways to locate and reach out to alumni, so that we can know whether, and to what extent, ethics and CSR appear on their workplace "radar screen" and if and how they strike a professional balance between advancing their organizations' needs and advancing the greater good. This information, once tapped, would be a boon to the academy and to professional...
organizations as well. I am working on a paper, together with an internationally-based academic, that will explore how senior managers conceptualize CSR.

**Ongoing challenges: Augmenting students' practice of ethical, socially responsible behaviors**

Unless, we, as public relations teachers and professionals redouble our efforts and make CSR and ethics top priorities at academic venues and in professional settings, these fundamentals are likely to be overshadowed by buzz about social media and other new public relations "darlings". These technologies are no doubt amazing, but they are vehicles for communication and only as good or bad as what filters through them. And as novel as new media are, they should not pre-empt a sorely needed ethics and social responsibility agenda.

These extra-curricular networking opportunities are not a substitute for classroom instruction and online supplementation (such as that of Blackboard, which I use regularly to post relevant course materials and links to other online resources). Certainly, any resources that are available out of class need to be followed up in class with consistent reinforcement through ethics and CSR case studies, group exercises, scenarios, and other practical examples of dilemmas and challenges in which organizational or individual self-interest must take a back seat to transparency and public interest.

I choose to be an optimist. I believe that students ultimately want to do the right thing, both in the classroom and the work world. I also think that as new grads, they may feel enormous pressure to prove themselves (particularly given the current economic climate) and may look for ways to do so by circumventing ethical norms and CSR. So I suggest that given the strength of countervailing forces on students as new professionals, we, as educators/mentors, need to drill more, question more, challenge more.

This analysis of my experience cannot presume to have definitive answers. This work can only offer a narrow window into students' cognition and a set of questions about their ability to develop and carry, from academia to the marketplace, a life perspective that will be of benefit to their employers and to civil society as well

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Communicating Crisis: How Culture Influences Image Repair in Western and Asian Governments

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Few, if any, studies on Benoit’s image repair theory have addressed the role of culture in strategies used. This study seeks to understand the differences in image repair strategies adopted by two governments that operate in the Western and Asian societies when faced with similar crises. Textual analyses of two case studies are examined, Hurricane Katrina (US) and Typhoon Morakot (Taiwan). Faced with similar accusations of slow response, the Asian culture, represented by the Taiwanese government, used predominantly shifting the blame, denial, mortification, and corrective action strategies. The least used was bolstering. The Western government, represented by the US government, used predominantly bolstering, corrective action, attacking the accuser and defeasibility. The least used were mortification and shifting the blame. Insights from Hofstede’s Cultural Dimensions theory were analyzed to examine the use of different strategies. Strategies reflected Hofstede’s uncertainty avoidance and power distance dimensions. Such strategies should be integrated with strategies to be culturally-sensitive and relevant.

Robert L. Dilenschneider, a Public Relations consultant, was quoted as saying, “A good image- one that’s well made and well cared for is something that stands the test of time, it is something that can survive everything- scandal, change, bad earnings” (cited in Pang, 2009). The image and reputation are assets that are invested and built over a long period of time (Benoit & Pang, 2008). Individuals, organisations and nations go to great lengths to protect and maintain positive images in the minds of their publics. The image of a government can be threatened by a national crisis and this threat to the image directly relates to its conduct of international relations (Cai, Lee & Pang, 2009). Take two recent crises.

On 8 August 2009, Typhoon Morakot slammed into Taiwan, giving it the worst flood in 50 years. The island’s southern areas, Kaoshiung, Pingtung, Hualian, Yunlin, Chiayi, Tainan, Taitung, Miaoli and Taichung were pounded by fierce winds and heavy rainfall. Pingtung and Kaoshiung counties received the equivalent of a year’s rainfall in two days. Worst hit was Xiaolin Village in Kaoshiung, where 500 villagers were buried alive by the mudslides. The heavy rains flooded the rivers and created mudslides that caused widespread damage. Roads, railway tracks, and bridges were washed away. The Council of Agriculture estimated that the country suffered NT$7.26 billion (US$220 million) in agricultural losses. After the storm, close to 850,000 households had no water supply and more than 110,000 households were without electricity for days. Tourist attractions such as the Maolin National Scenic Area and its tourist centre in Liukuei, Kaoshiung, Hongyeh Hot Spring Zone were completely destroyed. The Taiwanese Tourism Bureau estimated that damage to scenic areas would top NT$570 million.

On the other side of the sphere, in 2005, Hurricane Katrina struck the American Gulf Coast to become what was termed by the National Oceanic and Atmospheric Administration as “the most destructive storm ever to strike the United States” (Benoit & Henson, 2009). Termed as a category 4 hurricane, Katrina caused extensive damage to the United States in terms of the
number of deaths, displacement and economic loss caused. The hurricane also brought with it evidences of the unpreparedness of the Federal Government in terms of disaster management. The hurricane was witness to the failure of the Department of Homeland Security (DHS) which was widely criticised for their lack of planning and were accused of directing funds from disaster management and planning, to fighting terrorism following the 9/11 attacks.

**Similarities between the two disasters**

Hurricane Katrina in the United States (2005) and Typhoon Morakot in Taiwan (2009) were not only similar in terms of the massive death and destruction caused, but also in the disasters damage to people’s confidence in their government’s ability to handle a crisis. The accusations made against both governments were similar.

a) The governments were slow in their response and were not prepared for the crisis

b) The governments showed lack of empathy and compassion for the victims

Crisis type serves as a frame that defines how people interpret crisis responsibility (Coombs, 2007). Even though the loci of control for both these disasters were external, the culpability for mismanagement of the disaster was evident in both cases. Another similarity was the massive efforts undertaken by both governments to manage and repair their image to contain the damage. Given the similar conditions these two governments faced, it presented a unique opportunity for the authors to study the image repair strategies used by both governments, identify similarities and differences in the use of strategies, and examine the influence of culture on the choice of strategies.

**Significance of the Study**

Many studies have been conducted to analyze and study how organizations (Benoit & Brinson, 1994; Benoit & Czerwinski, 1997; Benoit & Pang 2008; Cowden & Sellnow, 2002); prominent individuals (Benoit, 1997; Benoit & Brinson, 1999), and politicians (Benoit 2004; Len-Rios & Benoit, 2003), repaired this images. This study is significant because few have examined image repair strategies employed by nations and governments (Cai, Lee & Pang, 2009; Zhang & Benoit, 2004) and few, if any, studies on image repair strategies in a non-western setting (Jian, 2010). This study not only seeks to understand the image repair strategies used by a Western and an Asian government but also compare the differences in image repair strategies used.

Additionally, it is arguably the first study examining the influence of culture on image repair strategies, through the lens of Hofstede’s Cultural Dimensions theory. This study thus aims to fill the cultural gap by applying Hofstede’s Cultural Dimensions to understand reactions to image repair strategies in Western and Asian countries. It is hoped that this study can equip practitioners with the skill set required to function in the global PR market. The findings can also shed light on how practitioners can begin to learn how to be culturally sensitive.

**Literature Review**

*Image repair theory*

An organization’s performance and credibility depends on its image to a very large extent. Image plays a crucial role of building and maintaining international relations for nations (Zhang & Benoit, 2004). Threats to this image or reputation are therefore, followed by massive
efforts to restore or repair the damaged image (Benoit & Brinson, 1999). Previous studies have determined that politicians, corporations and celebrities, when confronted with situations that have the potential to threaten their images, engage in restoration discourses (Benoit & Brinson, 1999). But, what kind of restorative activities do governments, when accused of being irresponsible and ineffective, engage in?

Benoit’s Image Repair theory has been adopted as the theoretical framework to study the image repair strategies employed by governments when faced with a crisis. The theory advocates the use of five strategies that may be adopted when confronted with a threat to the image (Benoit & Pang, 2008):

- **Denial**: This image repair strategy has two distinct variants: one where the firm may deny that the act occurred, that the firm performed the act or that the act was harmful to anyone. The second type is where an admission is made associating the offensive act to another person or organization.

- **Evasion of Responsibility**: This strategy has four forms. *Provocation* explains that the firm’s offensive act was a response to a prior offensive act and may therefore, be seen as a reaction to that provocation. Firms can also evade responsibility through *defeasibility* - where the firm states the cause of a crisis as a lack of information or control over important elements. A firm can also evade responsibility by stressing its good intention and that the offensive act occurred by accident.

- **Reduce Offensiveness**: When one is accused of wrongful action, one may reduce the perceived offensiveness of the act by using *bolstering* to offset the negative feelings associated with the act committed and to strengthen the publics’ positive feelings towards the firm. Secondly, one can try to minimize the negative feelings associated with the act. One can also employ *differentiation* where the act is differentiated from others acts that are similar but more offensive. Alternatively, one may use *transcendence* to place the act in a more favourable context. Lastly, one can also attempt to *attack their accusers* and also use *compensation* as a strategy to reduce offensiveness.

- **Corrective Action**: Another strategy one can use is *corrective action*, where one promises to correct the issue or problem by trying to restore the state of affairs that existed before the crisis and promise to prevent the recurrence of a similar situation.

- **Mortification**: The final strategy one can adopt is to confess and beg forgiveness.

**Role of culture**

In an attempt to understand various cultural orientations, Edward T. Hall (1976) introduced the concept of high versus low context. According to him, the concept of cultural orientation appears on a continuum on which countries may be placed to study the extent to which ‘contexting’ occurs in various cultures, with the high and the low contexts occupying the two extreme ends of the continuum. On the high end of the continuum are countries like Japan, China and Korea and towards the lower end of the continuum are countries like Switzerland, Norway and Sweden. France, Africa, Spain and the Middle Eastern Arab countries are placed in the middle of the continuum.

A high context culture is where members of the society are deeply involved with each other, forming intimate relationships. Existence of social hierarchies, use of simple meanings to disseminate information and individual self control are indicators of this culture. On the contrary, members in a low context culture are highly individualized, alienated and less involved with the
other members of the society. Less social hierarchies and limited communication characterize this culture. Hall (1976) suggested that social structures and hierarchies had a significant impact on determining whether a culture belongs to the high or low context.

Building on this, Hofstede (2009) identified four basic dimensions of culture: power distance, uncertainty avoidance, masculinity-femininity, and individualism-collectivism. Of the four, the uncertainty avoidance and the power distance dimensions have been proven to be most applicable for studying the public response to a crisis and the crisis management efforts of an organization because Hofstede (2009) associated uncertainty avoidance with the way humans cope with ambiguity and power distance by the way members of a community deal inequality and conflict (Taylor, 2000). The Uncertainty Avoidance Index (UAI) and the Power Distance Index (PDI) have therefore been adopted to conduct our study.

The PDI measures the extent to which less powerful members accept the unequal distribution of power in society. Asian cultures typically have higher PDIs compared to the western states. The UAI indicates the extent to which a culture programmes its members to feel comfortable in unstructured situations (Frith & Mueller, 2003). UAI also provides information about societal tolerance for inequality. For instance, high power distance nations encompass a latent conflict between individuals and organisations that have prestige and resources and those who feel powerless. While the powerless accept their position in society, they are not very forgiving when the powerful makes mistakes (Taylor, 2000).

Research Questions

Based on the literature review, our study examines:

- RQ1. What are the dominant image repair strategies used by governments that operate in the eastern culture?
- RQ2. What are the dominant image repair strategies adopted by governments that operate in the western culture?
- RQ3: What are the differences in the strategies adopted and what role does culture play in the crises and its management of the crises?
- RQ4: What can practitioners learn about the role of culture in an international setting?

Method

This study employs the use textual of analysis of news reports of similar crisis type faced by governments that operate in Asia and the west. Textual analysis has been used to gather information to gain an understanding on various cultures and subcultures, in order to make sense of what they are and how they fit into the global cultural sphere. This method is said to be useful for researchers working in cultural studies, media studies and mass communication (McKee, 2003). Durham (2005), citing Gitlin (1980), argued, that the selection, emphasis and exclusion of texts enable the researcher to grapple with the complexity, nuances, and contradictions of media artifacts. News articles that contained words spoken by Ma, Bush and key members of the administrations were analysed to extract the accusations made against them, as well as what was said, in direct response to those accusations. For this study, only national dailies and broadsheet papers were selected. Goh & Hao (2000) and other scholars believe that broadsheet papers were found to cover stories in a less sensational fashion than the ‘tabloid’ newspapers.

For Typhoon Morakot, 187 stories in Taipei Times, published between August 9 2009 to August 29 2009 were obtained from Factiva, using the search term ‘Morakot’. Out of the 187
stories, only 22 stories that reflect the use of image repair strategies to address the accusations were analysed. *Taipei Times* is the mainstream English-language daily in Taiwan and one of the top 3 newspapers with a daily circulation of 285,130. Its credibility has been recognized with awards from US, Canada, and UK. *The Guardian*, a major English newspaper in the UK, listed *Taipei Times* as a “quality, English-language daily [with] thorough reporting and considered editorial judgment” (www.Guardian.co.uk).

The newspaper selected for analysis of Hurricane Katrina is *The New York Times*, the newspaper of record in the US. Using search terms ‘Hurricane Katrina’ and ‘Bush Administration’ or ‘US government’, news articles published between August 20, 2005 to September 18, 2005 were studied. Out of the 91 articles generated on the LexisNexis database, 20 stories that contain the accusations directed against the government and the ones that reflected the use of image repair strategies were used. Opinion editorials are excluded from this study.

To further analyse the reports, the selected articles were also analyzed based on the occurrence of each type of image repair strategy used, and their frequency was plotted against the date to identify patterns in the strategies used and the intensity of image repair efforts. Each crisis has also been divided into three phases, each phase indicating a change in the crisis management efforts by the government bodies. The first phase, which is the first seven days of the crises, began with a period with no image repair strategy used. For the Ma administration, this lasted for one day followed by the use of a mix of image repair strategies. For the Bush administration, this period lasted 5 days. The second phase is characterized by a sharp increase in the intensity of image repair efforts, where the accused engaged in reactive communication behavior. Multiple and intense use of image repair strategies characterize this phase. The third phase is characterized by a significant drop in the intensity of image repair efforts.

**Findings & Discussion**

**RQ 1: What are the dominant image repair strategies used by governments that operate in the eastern culture?**

**Phase 1 – Inertia (9 to 15 Aug 2009)**

The Ma administration predominantly used shifting the blame and simple denial as the main strategy. Bolstering and minimization were used once but not repeated.

**Shift the blame:** From the onset of the disaster, the Ma administration shifted the entire blame of the death toll to the villagers themselves. He said “When the residents do not see [flash floods] with their own eyes, they are not alert” and “some people did not feel comfortable evacuating”. The weather bureau also took a beating when Ma accused the weather bureau of inaccurate forecasts (Loa, Ko & Shih, 2009).

**Denial:** Premier Liu Chao-shiuan, however, took a different approach by denying the accusation. He said that the “reaction this time was faster than after the 921 earthquake” (Wang, Shi & Ko, 2009).

**Bolstering:** Bolstering was also used when Premier Liu announced to the survivors that “I am here today to understand your problems” (Hsu & Ko, 2009)
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Phase 2 – Reactive communication (16 to 22 Aug 2009)

The second phase of the crisis was marked by a spike in the intensity of image repair efforts. As many as six image repair strategies were used simultaneously in their attempt to contain the damage.

Mortification and Corrective Action: The Ma government started a mortification campaign here. Mortification and corrective action were the predominant strategies and are consistently reported by the media throughout the second stage of the crisis. Ma apologized for being slow in the rescue efforts (Mo, 2009), and during a visit to Neipu Township, Ma also apologized to the victims for coming too late (Ko, 2009) and “for any shortcomings” (Ko & Lu, 2009). At an orphanage, he apologized again for “coming too late” (Ko, 2009). Ma said that “the government would ask local governments to conduct disaster prevention drills before flood season and evacuate residents living in dangerous areas (Mo, 2009). The government would also map out a standard operating procedure (Ko & Lu, 2009). On the lack of compassion and empathy to the victims, Ma “apologized for the ‘improper’ remarks he made (Ko & Lu, 2009) and visited the family of the person who asked him to help look for their missing father to apologise (Ko, 2009)

Shift the blame: Despite the apologies, the Ma administration continued to use shift the blame to the victims. In a report, Ma said - “So many problems would be solved if residents could be evacuated in time before floods or mudslides occur” (Mo, 2009). He said this again in a weekly video chat that was reported in the papers, saying that “if people could have been evacuated earlier, so many problems could have been solved” (Loa & Shan, 2009). Ma also blamed the prolonged rain for reacting too slowly to the emergency and the local governments for their mentality of not taking typhoon drills seriously, (Ko, 2009). When accused of not being concerned enough to visit the victims, the Presidential Office spokesperson said “the President had delayed visiting the disaster area to avoid interfering with the rescue effort” (Mo & Shih, 2009)

Denial: While the President apologized and said relief efforts could have been faster, Taiwan’s Premier Liu Chao-shiuan undermined the President’s image repair efforts by saying that the government was “prompt in rescuing people” stranded by mudslides and floods (Ko, 2009). Minister of National Defense Chen Chao-ming also “dismissed criticism that the military reacted too slowly” (Ko & Lu, 2009).

Bolstering: In Hsinyuan Township, Pingtung, Ma said that he had personally replied to an email from a person calling for help (Ko, 2009).

Compensation: The Ma administration compensated the surviving flood victims by helping to “cover their rent and basic living expenses because they may not be able to make a living on their own for some time.” (Wang, 2009).

Defeasibility: This strategy was used by Ma in one instance, saying that the “disasters get increasingly serious each time, making some experience useless” (Mo, 2009).
Phase 3 – Proactive Communication (23 to 29 August 2009)

The predominant strategy is mortification and the Ma government continued a weak attempt to deny the accusations made against them, employing denial and corrective action strategies, as well as mortification.

Mortification: Ma personally visited the family of one of the victims to apologise for the “improper” remarks he made when they asked him for help to look for their missing father (Ko, 2009). He continued to lead a team of officials in a “deep bow” to apologise for getting to the victims late in villages affected by the disaster (Ko, 2009). After his apology, Ma announced the corrective action that relief regulations would be relaxed and application would be simplified for typhoon victims.

Denial: In one of the villages, Ma said that criticisms about the slow response to the disaster were “unfair” and that the military risked their lives to rescue people from the onset of the disaster (Ko, 2009).

RQ 2: What are the dominant image repair strategies used by governments that operate in the western culture?

Phase 1: Inertia (29 Aug to 4 Sep 2005)

The first phase of the crisis is characterized by silence followed by the use of Corrective Action and defeasibility as the main strategies.

Corrective action: The onset of the disaster was followed by the Bush Administration undertaking massive corrective efforts to minimize the damage caused by the hurricane. Thousands of National Guards and security troops were deployed by the administration to help with the relief operations. Search and security teams along with more aid including food, water and temporary shelter were also promised to the victims. The President issued orders to deploy around over 10,000 Army and Air National Guard personnel in Mississippi and Louisiana and the Pentagon dispatched around 60 helicopters to assist in the search and rescue operations (Stevenson, 2005).

The US Government was soon accused of inefficiency in preparing for the crisis and for their untimely response to the disaster. State and local authorities widely criticised the government for their failure in responding to the impact of the hurricane on time. Atlanta Mayor, Shirley Franklin said, “Deplorable. Disappointing. Outrageous. That is how I feel about it. The federal response has just been unacceptable. It is like talking to a brick wall”.

Defeasibility: The first phase of the crisis is characterized by the use of the ‘defeasibility’ strategy. While responding to accusations made against the US government for their slow response to the victims, Federal Emergency Management Agency Director, Michael D. Brown stated, “The federal government did not know about the people in the convention centre until today (NYT, Sept 3, 2005).

Bolstering: Responding to the offer of assistance by international allies, US President Bush said that the United States could fend for itself. He added, “I do expect a lot of sympathy and perhaps some will send cash dollars, but this country is going to rise up and take care of it” (Forero &
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Weisman, 2005). On the second accusation, the majority of the African American population felt that the government’s response to their needs would have been faster had they been whites. Kanye West, the rap star, at a television benefit for the storm victims stated, "George Bush doesn't care about black people." ("Gulf Coast Isn't the Only Thing Left in Tatters; Bush's Status With Blacks Takes a Hit", September 12, 2005).

Phase 2 – Reactive Communication (5 to 11 Sep 2005)

The second phase of the crisis was characterized by an increase in the intensity of the image repair strategies adopted by the US Government. Up to six strategies were employed during this period.

Corrective action: Phase II of the crisis began with use of corrective action. Besides bringing in over 7000 National Guard troops into New Orleans, the President also promised relief in the form of food and other supplies for the hurricane victims (McFadden, 2005). The Bush Administration also removed the head of its Federal Emergency Management Agency, Michael D. Brown, for ‘poor performance’ post-Katrina (Stevenson & Kornblut, 2005).

Bolstering: A weekend after the hurricane struck New Orleans, news channels and television programmes began displaying images of helicopter rescues, troops assisting the rescue operations (Stanley, 2005). The President visited the Red Cross headquarters in Washington to personally thank the volunteers to publicly display his concern (Stanley, 2005). At an event held in the White House, President Bush stated, "In these difficult days, we have again seen the great strength and character and resolve of America; we will continue to work to help the people who are struggling" (Stevenson & Kornblut, 2005).

Denial: Responding to some of the remarks that the Administration did not care about the victims, Secretary of State Condoleezza Rice said, “How can that be the case?...Nobody, especially the President, would have left people unattended on the basis of race” (Broder, 2005).

Attack the accuser: White House Spokesperson Scott McClellan in an effort to reduce some of the criticism directed against the Administration repeatedly used the phrase ‘blame game’. White House Speaker, Representative J. Dennis Hastert defended the Bush Administration, saying, “Some people are really very anxious to start pointing fingers and playing the blame game. I think we need to get our work done” (Nagourney & Hulse, 2005).

Defeasibility: As questions regarding the ineffectiveness in responding to the crisis emerged, some federal officials admitted uncertainty over who was in charge, which had contributed to some of the delay in providing aid (Shane, Litpon & Drew, 2005). Homeland Security Secretary, Michael Chertoff stated, “The local government's capacity to respond to the disaster was severely compromised by the hurricane and flood” (Shane, Litpon & Drew, 2005). Members of the Federal Government stated that owing to the state’s emergency communications system either being knocked or overloaded, the officials were unable to fully identify the extent of the damage in Louisiana and thereby, provide adequate help to the state. Some of the delay caused was also attributed to miscommunication. The spokesman for the Department of Homeland Security, Mr. Knocke said, "There was a significant amount of discussions between the parties and likely some confusion about what was requested and what was needed” (”Breakdown marked path from hurricane to anarchy”, 2005).
Compensation: US President Bush, along with former President Bill Clinton, appeared at the shelter in Houston to announce the creation of the Bush-Clinton Katrina Fund in an effort to aid the hurricane victims (Nagourney & Broder, 2005). The President also stated that the Department of Education was working on a plan to provide donations to schools enrolling displaced students (Dillon, 2005). The administration also initiated a number of regulations, such as, larger tax deductions for organizations participating in charitable work and tax credits for investment companies pursuing community development projects (Andrews, 2005). Job placement services were also being offered for the evacuees along with medical care, cash assistance and insurance benefits (Andrews, 2005).

Mortification: Senior officials admitted that the hurricane revealed certain critical flaws in the national disaster response plan, especially in regards to it’s failure to recognise the role of the local police, fire and medical professionals (Lipton, Schmitt, & Shanker, 2005). Responding to the disaster and the accusation made against the Federal Government following their response to the disaster, the Press Secretary at the Department of Homeland Security said, “I don’t believe there is one critical error, but some missteps that were made by everyone involved” (Lipton, Drew, Shane & Rohde, 2005).

Phase 3 – Proactive Communication (12 to 18 Sep 2005)

Bolstering: On his third visit to New Orleans following the hurricane, President Bush attempted to reassure the public about his administration’s commitment to rebuild the area of New Orleans (Johnson, Chan & Yardley, 2005). The President, while speaking in Jackson Square stated, “Tonight I offer this pledge to the American people: Throughout the area hit by the hurricane, we will do what it takes, we will stay as long as it takes to help citizens rebuild their communities and their lives” (Bumiller, 2005).

Responding to the accusations of racism directed against his administration, President Bush stated, “As all of us saw on television, there is also some deep, persistent poverty in this region as well. And that poverty has roots in a history of racial discrimination, which cut off generations from the opportunity of America. We have a duty to confront this poverty with bold action. So let us restore all that we have cherished from yesterday, and let us rise above the legacy of inequality”. He added, “That is our vision of the future, in this city and beyond: We will not just rebuild, we will build higher and better”. (Bumiller, 2005).

Attack the accuser: Another strategy employed was attacking the accuser; in this case, government critics like rapper Kanye West and Chairman of the Democratic National, Howard Dean. On being asked about the comments made by the rapper Kanye West, Laura Bush from the White House said, “I think all of those remarks were disgusting, to be perfectly frank, of course President Bush cares about everyone in our country” (Bumiller, 2005).

Compensation: The President pledged to rebuild the Gulf Coast and promised the creation of a Gulf Opportunity Zone which would be used to provide help to the hurricane victims with their taxes, education, healthcare and job training (Bumiller, 2005). While speaking to the victims, the President promised to help the hurricane evacuees by setting up ‘worker recovery accounts’ of up to $5000 which they could use for educational and job training purposes (Bumiller, 2005).
Corrective action: Calling for a Federal Government assessment of his administration’s response to the hurricane, the President said, “This Government will learn the lessons of Hurricane Katrina” (Bumiller, 2005).

Defeasibility: Another strategy adopted by the US Government was defeasibility where President Bush acknowledged the magnitude of the disaster by saying, “Protecting a city that sits lower than the water around it is not easy, but it has and will be done” (Bumiller, 2005). Also, Mr. William Lokey, FEMA coordinating officer said, “If the billions of dollars that have been spent on chemical, nuclear and biological response, if some of that had come over here, we would have done better. But after 9/11 the priority was combat terrorism” (Steinhauer & Lipton, 2005).

RQ 3: What are the differences in the strategies employed by the governments and does culture play a role in the adoption of these strategies?

The prominent image repair strategies adopted by each government to defend itself and protect its image against the accusations are significantly different despite similar accusations. It is also observed that the dominant image repair strategies used by both governments changed in each phase. At the height of the crisis, both the Bush administration and Ma government stepped up their image repair efforts and employed over six image repair strategies at the same time.

The US federal government had a longer period of silence in comparison to the Ma government. The US Government responded to accusations from day five with the use of corrective action and bolstering. The administration also made use of the defeasibility strategy to justify the delay in responding to the hurricane victims. It is evident that the Bush administration was quite aggressive in responding to some of the accusations in the second phase of the crisis, employing over seven image repair strategies in a single day at times during this period. The first half of the second phase is characterized by use of ‘more aggressive’ strategies like denial and attacking the accuser while the second half employed more of compensation and mortification strategies.

One of the key differences between both the governments was the use of mortification and corrective action. These strategies were used one week after the onset of the disaster by the Ma government. Taiwan has a significantly higher UAI score compared to the US. According to Hofstede (2009), this implies that its culture seeks rules, formality and structure (Frith & Mueller, 2003). Uncertainty reduction requires explicit, logical and direct information on the part of the communicator. The people believe in the expertise of those in power. The Asian culture is a likely contributor to the decision for mortification strategy to dominate the entire phase two, the height of the crisis. The Ma government went on a systematic mortification campaign, visiting every disaster hit village to bow in apology. By going to the village, Ma and his officials made themselves accessible, which enabled the people to release their anger, in its effort to win the people back. This campaign was combined with three other strategies of shifting the blame, denial and defeasibility.

In comparison, the most predominant strategies used by the Bush administration were defeasibility and bolstering. In the second phase, the attack the accuser strategy was added to bolstering by the Bush administration during the height of the crisis. Even though Bush and his officials visited some of the worst affected areas, interacting and assuring the victims; there was an absence of a proactive campaign compared to Ma. Looking at the differences, Ma’s image repair effort appeared to be more coordinated and proactive than Bush, who tended to switch between strategies throughout the phases.
Despite pursuing a systematic mortification strategy, the Ma government’s image repair efforts still ended in failure. Poll results published on 22 August showed that “more than 70 percent of respondents were not satisfied with the government’s performance in dealing with the aftermath of Typhoon Morakot”. More than 70 percent also disagreed with Premier Liu’s claim that the government’s rescue and relief efforts were faster than former president Lee Teng-hui’s after the 921 Earthquake on 21 September 1999 (Loa, 2009).

This could be because mortification, although the most accommodating of all image repair strategies, would not always be the silver bullet that would salvage a situation if from the onset of the accusations, the wrong set of strategies were used. Similarly, Bush Administration image repair efforts did not seem to have created much of an impact with newspaper columnists continuing to question his leadership abilities throughout the crisis period.

The finding is that shifting the blame, denial, bolstering, minimization, bolstering, attack the accuser, defeasibility and corrective action were the wrong image repair strategies to use at the beginning of a crisis, especially when people perceive the accused to be culpable. Referring to studies on stealing thunder, Arpan & Pompper (2003) stated that in the framework of crisis communication, stealing thunder is an admission of a weakness (usually a mistake or failure) before that weakness is announced by another party. It is said that stealing thunder is useful in courtrooms, especially when a defendant’s weakness is apparent and known to the opponent. Tests suggest that the stealing thunder strategy can result in favourable jury verdicts, higher credibility ratings for the defendant, lower perceptions of crime severity, greater sympathy for the defendant, weaker perceptions of the defendant’s guilt (Arpan & Pomper, 2003). Applying this strategy here, both Ma and Bush administrations would probably have a higher chance of achieving success in their image repair efforts if they had taken a strong mortification strategy from the onset of the accusations since in a crisis, it is more important to manage perception (Coombs, 2007).

RQ4: What can practitioners learn about the role of culture in an international setting?

Although the study of culture has been widespread across various disciplines, only recently has it been of particular interest to public relations researchers and practitioners (Vasquez & Taylor, 2000). Research into the role of culture in the practice of public relations reveals a great amount of ethnocentrism; a belief that what is known as standard public relations in one nation is applicable across the globe (Vasquez & Taylor, 2000).

The significance of this study rests in its consideration of ‘culture’ in the adoption of strategies by the public relations practitioners. Decreasing trade barriers and the expansion of communication technologies prompted by the advent of globalisation have initiated the transformation of world continents into one global hub. The public relations practitioner, thereby, has been left with the challenge of maintaining and managing communication and relationships between different societies and varied cultures (Sriramesh & Takasaki, 1999). An understanding of culture is crucial even while practicing public relations within the same country, as a large number of ethnic and racial groups may function there. Banks (1995) posited that the field of public relations is ‘culture-oriented’ because: first, it involves communication across cultural borders; and secondly, the field is intrinsically a practice in culture and thereby, an understanding of important cultural elements help the practitioner advocate for the organisation in an effective fashion.(George, 2003).

A sound understanding of culture and its dimensions plays an important role in equipping the public relations practitioner with the skills required to practice in a global communication scenario. Understanding the cultural nuances of the country enables the practitioner to identify
and employ communication themes, channels, and the spokespersons best suited to communicate with that audience segment. Also, any organization operating in an international setting, in addition to determining effective modes of communication, would want to also study cultural elements and symbols to avoid making blunders, which could have the potential of ruining the organization’s reputation among its international audience (George, 2003).

**Hofstede’s cultural dimensions as predictors of the effectiveness of image repair strategies**

Studies conducted on cultural dimensions and their role in crisis management concluded that entities that score low on the uncertainty avoidance factor such as the US, tend to ignore isolated incidents as constituting a crisis and thus may do little to communicate to publics about the situation (Taylor, 2000). Taiwan has significantly higher UAI score compared to the US. According to Hofstede (2009), this implies that its culture seeks rules, formality and structure (Frith & Mueller, 2003). Uncertainty reduction requires explicit, logical and direct information on the part of the communicator. The people believe in the expertise of those in power. The show of emotion is accepted and the release of tension and stress is expected (Frith & Mueller, 2003).

The Taiwanese government, in contrast to the US government, evacuated more than 6,300 from the villages into shelters across the country before the typhoon hit the island. The Government Information Office also issued a warning one night before the flood alerting local governments to evacuate their residents (Loa, Ko & Shih, 2009). A finding of this study is that the government’s decision to not declare a state of emergency was probably one of the key factors in transforming a natural disaster into a political crisis. It caused the Taiwanese people to think that the government’s rescue resources were not fully unleashed to save lives. The people’s need for explicit, direct and logical information to reduce uncertainty indicated by its high UAI was not met, when the government failed to declare a state of emergency.

Not declaring a state of emergency could also have contributed to the perception that the government did not empathise with or have compassion for the survivors or victims. Proactive communication did not occur until the peak of the crisis. With a high UAI, the Taiwanese government would probably have been able to achieve more out of its image repair efforts if it had focused on a proactive corrective action strategy quickly in phase one. The United States’ low power distance index could have caused the accusation of the government’s lack of compassion for the victims to develop into a racial discrimination charge. Statements like “George Bush doesn't care about black people” and “Americans have to come to terms with the ugly truth that skin colour, age and economics played a significant role in who survived and who did not”, were made against the administration.

Dependency is also an element of hierarchical relationships between and among people (Frith & Mueller, 2003). Taiwan’s higher PDI score than average Asian countries could have been a predictor of the people’s adverse emotional response to the government’s failure to declare a state of emergency. Shifting the blame to the villagers for not evacuating was a bad strategy, as it ignores this element of dependency in the hierarchical relations. This is manifested in the accusations that Ma failed to exercise his responsibility as commander–in-chief. By shifting the blame to the villagers, Ma ignited the latent conflict between the ‘powerless’ people and the ‘powerful’ government that is said to exist in countries with a high PDI score. The high PDI also offers an explanation for the difference in the reaction of the people between the two countries. In the case of Taiwan, trust in the Ma administration was severely eroded, leading to calls for the Premier to resign. This did not happen in the US. The high UAI and high PDI cultural environment of Taiwan could have ultimately influenced the Ma administration to pursue mortification as an image repair strategy, which resulted in Ma and his officials visiting many
disaster hit villages to bow in apology to the victims. Correspondingly, the Bush administration with its low PDI and low UAI scores did not pursue a consistent mortification strategy and did not feel the need to apologise even after acknowledging some of the mistakes by the Federal Government.

Conclusion

It is interesting to observe the difference in image repair strategies used by Ma and Bush, despite the same accusations, crisis type, scale of disaster and external locus of control of the disaster. Both the Ma and Bush administration adopted the wrong image repair strategies when accusations were first hurled at them. Wrong image repair strategies used in the first phase probably caused the natural crisis to transform into a political crisis, leading to phase two, the peak. At the second phase, a key difference between Bush and Ma governments is seen. Ma’s image repair efforts were underpinned by a proactive and strong mortification and corrective action campaign, supported by multiple other image repair strategies. The US, however, did not pursue a mortification campaign, switched from a variety of strategies to using bolstering and defeasibility strategies slightly more frequently than the rest.

Hofstede’s (2009) cultural dimensions provided an explanation for Taiwan’s decision to pursue a mortification strategy in the country’s high UAI and PDI scores. The US, with a lower UAI and PDI scores, pursued a strategy that is quite the opposite of Taiwan. The admission of guilt through mortification and the show of remorse are at the opposite end from bolstering and attacking the accuser adopted by the US government.

The high PDI also offers an explanation for the difference between the reaction of the people of the two countries. In the case of Taiwan, trust in the Ma administration was severely eroded, leading to calls for the Premier to resign. This did not happen in the US.

This study demonstrates that culture does play a role in the choice of image repair strategies adopted by governments, in this case, one Asian and one Western. Cultural dimensions also provide a good theoretical lens to explain the failure of both governments’ image repair strategies.

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Manager-Employee Communication During a Crisis: 
The Missing Link*

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Purpose: To investigate the effectiveness of internal communication during a crisis by comparing how Italian companies communicated to employees during the 2008-2009 global financial crisis and how employees interpreted these efforts.

Design/methodology: Interviews with internal communication managers and employees; two focus groups and a survey involving internal communicators.

Findings: Results indicate a misalignment between what communicators meant to communicate and what employees perceived. Companies planned excellent communication, widely used official instruments and depicted the crisis as an opportunity, while employees complained about clarity of messages and listening, disliked hierarchical communication and accused their companies of opportunism.

Research implications: Further research is needed to explore the antecedents of effective manager-employee sensemaking process during a crisis.

Practical implications: To reduce misalignment companies should reinforce trust relationships before a crisis occurs and should focus on open and continuous listening during a crisis.

Perceptions represent a critical aspect to consider when studying crises, as a crisis occurs when people perceive the situation as such (Rosenthal et al., 2001). In addition, the complexity of a crisis situation creates multiple interpretations (Ulmer et al., 2007b). In such contexts, communication activities are often misinterpreted, resisted or rejected by employees, despite strategies grounded in principles of “excellent” communication (Daymon, 2000).

The purpose of this paper is to investigate the effectiveness of internal communication during a crisis by comparing the perceptions of internal communication managers and employees. This study explores how internal communication managers meant to communicate to employees the global financial crisis of 2008-2009 and how employees interpreted these efforts. It is based on interviews, a survey and two focus groups involving internal communication managers and employees.

Methodology

The research includes interviews, a survey and two focus groups. The research purpose is to explore how internal communication managers communicated to employees the crisis and how

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employees interpreted these efforts. A literature review was also carried out to explore main theories and issues related to crisis communication and change communication (Mazzei, 2009).

This paper elaborates on the interviews, the survey and the focus group insights. The following presents a description of data collection techniques.

**The interviews**

In the explorative *qualitative phase*, the researchers carried out interviews with 13 *internal communication managers* and 14 *employees* of Italian companies. Internal communication managers interviewed are members of a professional internal communication network. The researchers randomly selected employees following three criteria: interviewees have at least a 5-year continuous employment in the same company; they work in other functions than those communication-related; their companies display a well-developed internal communication policy.

*Interviews* were conducted by email at the beginning of January 2009, when the effects of the crisis began to affect companies. The emailing was time-efficient (VanderStoep & Johnson, 2009) in gathering immediate perceptions to the growing crisis and allowed interviewees to be more reflective (Daymon & Holloway, 2002).

Internal communication managers and employees did not belong to the same companies. This choice limited the comparison within the same organization. However, the study aimed at collecting data from as many as possible companies, so the researchers sought to involve people from different companies. Furthermore, employees felt more at liberty to give open and truthful answers knowing that their own internal communication managers were not involved in the research.

Interviewees received the same open questions in the same order and later on the researchers had the possibility to ask for clarifications and further information. These semi-structured interviews facilitated the collection of comparable data and the easy identification of themes and patterns (Daymon & Holloway, 2002).

Questions collected accounts of both internal communication managers and employees about instruments, contents and listening activities implemented during the crisis. Managers were also asked about what effects the missing or implemented internal communication produced on employees, while employees were similarly asked about their interpretation of the missing or implemented communication.

The researchers analysed interview transcripts through a qualitative summary (Morgan, 1988). They identified themes meeting the criteria of frequency across cases, dominance in emphasis and repetition within cases (VanderStoep & Johnson, 2009). The identification of relationships between core categories made it possible to highlight patterns and central themes in the data and to relate them to concepts and categories in the existing literature (Wengraf, 2001; Daymon & Holloway, 2002).

**The survey**

The interviews, the exploration of the literature and a focus group were key to drawing themes, research hypotheses and an interpretative model for the quantitative phase. This phase took place between June and July 2009 and was based on a survey involving internal communication managers. The survey aimed at identifying internal communication strategies adopted by Italian companies during the crisis 2008-09, including a random sample of 135 companies drawn from a directory listing the most important Italian companies.
The pressing issue of the financial crisis required rapid data collection, so the researchers used a web survey, which ensures faster response times and higher response rate than a survey sent via surface mail (VanderStoep & Johnson, 2009). 61 out of 135 questionnaires were completed and returned, yielding a 45% valid response rate.

The survey instrument was a seven-part questionnaire, for a total of 29 questions. Questions investigated the impact of the crisis on companies and their crisis management strategies, internal communication objectives, contents and instruments, the management roles involved in internal communication, the kind of language used to describe the crisis, the difficulties and evolution of internal communication.

For the purposes of this paper, the following items and relative distributions are discussed: implementation of internal communication activities, contents, instruments, characteristics, tone and language of internal communication during the crisis.

The focus groups

Two focus groups with internal communication managers were conducted after the interviews and the survey to inspire questions and new insights thanks to group interaction (Daymon & Holloway, 2002), acting as a form of triangulation (Patton, 2001). Participants belong to the already cited professional internal communication network and to companies that implement well-established internal communication policies. The first focus group involved 12 participants and took place in February 2009 after the interview data collection; the second one involved 10 participants in July 2009 after the survey data collection. Each focus group lasted 4 hours and helped analyze and discuss in more depth the results of the research.

Findings

This section describes the point of view of both managers and employees, based on the results of the interviews and the survey.

Internal communication managers point of view: what they intended to communicate

The majority of interviewees, 11 out of 13 managers, stated they carried out internal communication in order to deal with the crisis issue. Also the majority of questionnaire respondents implemented internal communication (82%) to communicate the crisis: 10% redesigned the entire internal communication system, 62% used the existing internal communication channels, and 10% declared their intention to implement new internal communication activities in a short time. 18% declared not having carried out any internal communication concerning the crisis.

Out of 13 interviewees, 2 managers declared they did not communicate through specific initiatives but used day-by-day communication and actions. One of them declared:

No communication about the international crisis was addressed to employees. We communicated to directors and trade unions, who in turn should have conveyed messages to employees. Every occasion has been an opportunity to explain the difficult situation; for example during training sessions, individual meetings and Christmas celebrations. In particular, Christmas gifts were eliminated. The tendency is to catch any possible occasion of encounter.
The other respondent affirmed that the issue of the crisis was faced through initiatives that supported employees:

The crisis is part of our daily concern about the market situation. Therefore, even if any internal communication has been implemented, we talk a lot about the crisis. A project aimed at increasing the purchasing power of the employees was initiated as a response to the crisis… Maybe it is possible to speak effectively about the crisis without speaking about it at all.

Interviewees mainly resorted to official **instruments**, in the form of multimedia, written and interpersonal communication instruments. Internal communication managers made efforts to involve line managers and top managers in the communication to employees.

Among **multimedia and written instruments**, companies especially published interviews and articles on their intranet and house organ. For example: “We published on the internal newsletter some articles by the President, who is making efforts to reassure the employees” and “We broadcasted on the web live TV speeches of colleagues with specific expertise (the company operates in the financial sector) many times during the week and even daily”. One organization created also an internal blog with articles and videos from external media.

**Interpersonal communication** was leveraged during one-to-one manager-employee meetings, training sessions, meetings with trade unions, and meetings with the CEO involving all employees.

Results from the survey about internal communication **instruments** confirm the tendencies found in the interviews: 82% of respondents declared having used **official mediated instruments** (e.g. organizational periodicals, email and intranet) and 75% **interpersonal official instruments** (formal meetings and manager-employee meetings). They turned also to implicit instruments like actions and decisions (30%), listening instruments like opinion survey and informal feedback (26%), informal instruments like social media (16%) and external channels like press and television (16%).

The companies that implemented ad hoc instruments focused **contents** on: information about the global context, financial data about the company, consequences of the crisis on the company, crisis management strategy, business plans. Other information dealt with changes in consumption styles of customers and indications about how to inform and reassure clients.

In many cases, internal communicators paid attention to company cohesion issue: “The issue of the crisis has been undertaken for its consequences on our market position and as an opportunity and necessity to strengthen the cohesion of professional families”; “It is necessary to lend an ear to the ‘belly of the company’ “.

Survey respondents indicated the most important **contents** delivered through internal communication: **informative contents**, including information about the general context of the economy and the situation of the organization (41%) and actions aimed at protecting employees (15%); **identification contents**, including strategies and perspectives of the organization (69%), and its values, history and distinctive characteristics (31%); and **factual contents**, including actions and decisions aimed at safeguarding economic performance, such as the launch of new products (48%), and internal trust and reputation (36%), such as continuous training for collaborators.

Interviewees were asked also about **listening activities** implemented. Out of 13 respondents, 3 declared they did not use listening tools. 2 among the 10 that used listening tools implemented **ad hoc activities**: “We carried out a climate survey with questions about the crisis; a three-day forum open to all colleagues”; “During the area meetings we gathered colleagues’ feedback; we collected questions before and at the end of the meetings with the CEO”.

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*Manager-Employee Communication During a Crisis: The Missing Link*
The remaining 8 organizations exploited existing listening tools and informal feedback. For example: “Interpersonal relations are always active”, “We exploited usual listening channels like meetings and one-to-one encounters”.

When asked about the effects of internal communication on employees, interviewees highlighted that a continuous communication to employees about the crisis increased their awareness and reassured them: “The company has reassured employees about the continuity of investments and the attention to human resources”. Furthermore, appropriate internal communication resulted in consistent messages toward clients: “Continuous employee communication fosters serene relationships with clients and coherent messages to the markets”.

Managers pointed out that the continuity of unambiguous messages resulted in attitudes of realism and trust among employees. On the other hand, they also noticed confusion due to information coming from external mass media, apprehension for repercussions in daily life, uncertainty and a lack of reaction. One interviewee highlighted that “Not all employees have understood how fundamental their contribution is”.

Respondents of the survey considered the following characteristics of internal communication as key for success: timeliness and continuity (79%), truthfulness and completeness (77%), coherence with external communication (38%), credibility of the source of information (26%), customization for the interlocutor (26%) and based on storytelling (3%).

The survey investigated also the language used in internal crisis communication. The tone of official internal communication was the usual one (44%), objective (39%), cautious (38%), customized for target (26%), optimistic (15%) and emotional (11%).

The survey completes the picture of how the crisis was communicated to employees by pointing out the semantic areas prevailing in formal and informal communication contexts as perceived by internal communication managers. The content analysis of interview transcripts allowed researchers to identify six semantic areas used by managers to describe the crisis: opportunity (change, innovation, investment and future); efficiency (rationalization, restructuring, profitability and productivity); tenacity (trust, optimism, responsibility and awareness); opportunism (riding the crisis, subterfuge, weakening the weak and protecting the strong); delusion (mistrust, disaffection, resignation and victimism); cynicism (perplexity, skepticism, irritation and rage).

Respondents were asked to point out what semantic areas prevailed in formal and informal communication contexts in their companies. In formal communication contexts, 34% of companies used the language of opportunity, 34% efficiency, 22% tenacity, 4% opportunism. Nobody stated the use of words in the areas of delusion and cynicism. In informal communication contexts, 33% of companies used the language of delusion, 25% cynicism, 20% opportunism, 9% tenacity, 5% efficiency and 4% opportunity. Non-response rate showed a significant increase for the negative semantic areas: 19% for opportunism, 19% for delusion, 12% for cynicism.

**Employees’ point of view: how they interpreted internal communication**

10 out of 14 employees declared their organizations implemented internal communication about the crisis. 4 employees did not receive any internal communication specifically related to the crisis. One of them explained that: “The company operates in an anti-cyclical sector”. The other pointed out: “No official communications have been delivered, except from the trade unions, drawn out by our requests; the company replied that everything is okay and that we have to work with grit and determination”.

Regarding instruments, some interviewees referred to several occasions of formal and official communication, for example: “During the Christmas speech, the managing director spoke
about the situation of our company: in the near future some people would be made redundant. No people were named but we all knew who this was about”. Others referred additional kinds of hierarchical communication. For example, emails to all employees by the managing director, cascading meeting programs, and formal meetings.

Employees referred in many cases to implicit communication based on actions, namely cuts, without receiving any explanation for these actions: “The company decided to cut overtime, a great deal of external collaboration and some benefits”. Employees described the cutting of Christmas celebrations: “We were informed by the media that the traditional Christmas gift would not be given”; “A cold atmosphere, no Christmas party with colleagues, no Christmas gift because recently they turned out to be taxable”. Interviewees complained about the spread of the use of implicit and occasional informal communication, interpreted as a stratagem in order not to clarify the company position.

Great dissatisfaction related also to listening activities. In interviewees’ words: “No opinions of employees were collected; the announcement of the difficulties affecting the company was a monologue, as usual”; “The company has never asked nor collected our thoughts, feelings, ideas. Only between colleagues are there exchanges of opinions about the situation. The company has been silent”.

When asked about the meaning of internal messages they received, employees’ responses were detailed and copious and the majority of them expressed negative attitudes. First, they referred to a sense of dissatisfaction and resignation: “The crisis issue was not tackled even among colleagues. Apparent indifference”; “Sadness because of those who were fired through no fault of their own”; “Nobody criticized the austerity policy, but it has contributed to a feeling of difficulty and uncertainty”; “Among employees, we complain. We accept however this ‘coldness’. We know there are people in a worse situation, so we take the little we have”; “Managers speak about the crisis just because they have to, not to help workers. Actually, whether there is communication about the crisis or not, the employee can do nothing”.

Second, employees interpreted the organizational actions as opportunism: “The crisis is a subterfuge to keep down costs, with consequences only on employees”; “The crisis is used by companies to facilitate the ‘dirty work’: to eliminate people without the risk of trade union conflicts”; “In December the management summoned trade unions and verbally communicated that, for the first time in its history, the balance sheet would have closed in the red and if necessary ‘the ballast would be thrown into the sea’”. Finally, many expressions denote irritation and annoyance: “The top management earns each month as much as we do in one year”; “In my opinion, the companies in the same sector of my organization are just taking advantage of the crisis, because economic newspapers reported that their turnover is not decreasing”; “There is conspicuous level of inadequacy of the top management: a poor sense of responsibility, absence of strategies, lack of leadership skills”; “The company does not want to face up to anyone on any aspect”.

Discussion

In this section, findings from the interviews and the survey are discussed, supported by previous research.

According to managers’ intentions, internal communication in Italian companies was effectively carried out during the 2008-2009 global financial crisis. Both interviews and survey show that the majority of companies implemented ad hoc internal communication or integrated the existing one. This evidence indicates that companies are aware that internal communication plays a key role during a crisis. As explained by the literature, crises produce relevant
consequences on employees (Seeger et al., 2005), such as uncertainty, low commitment and dissatisfaction for communication (Aggerholm, 2008; Vinten & Lane, 2002). So, internal communication plays a significant role in rebuilding shared meanings and activating a new vision of the organization (Seeger & Ulmer, 2002).

Managers in this study depicted also a continuous, timeliness, truthful and complete internal communication. This is consistent with previous research highlighting that effective communication during a crisis needs to be consistent, timeliness and active (Huang & Su, 2009; Strong et al. 2001; Coombs, 1999).

Despite companies intended to implement well-managed internal communication activities, the comparison of managers’ intentions and employees’ interpretations mainly show employees’ misinterpretation and resistance. Such comparison is meaningful although participants did not belong to the same companies as employees belong to companies that implemented internal communication to deal with the crisis issue. Employees declared their companies communicated, but complained about the quality of that communication or reported negative feelings.

Findings show two relevant misalignments. First, while companies privileged official and hierarchical instruments, employees did not appreciate them. According to managers, Italian companies mostly used official instruments, both mediated and interpersonal. In the opinions of employees, hierarchical and formal communications were interpreted as something distant, cold, a way to avoid discussions about the more ambiguous and difficult aspects of the situation.

Second, while companies meant to depict the crisis as an opportunity, employees interpreted companies’ strategies as opportunistic.

Managers declared they made efforts to reassure employees and develop trust through the use of familiar tones and instruments and positive and realistic language expressing opportunity, efficiency and tenacity. In addition, they used action-focused communication (Aggerholm, 2008) highlighting future perspectives and actions devoted to safeguarding the company’s economic performance.

As literature suggests, the company suffering a crisis must be able to tell a credible story, sincere and probable (Heath & Palenchar, 2009). In addition, an appropriate strategy depicts crisis as an opportunity for renewal, with straightforward tones (Seeger et al., 2005; Ulmer et al., 2007a). Crises should be conceived as opportunity (Ulmer et al., 2007b) or moments of “constructive deconstruction” (Rosenthal et al., 2001).

On the other hand, companies communicated in a poor manner about consequences and protections for employees and about actions devoted to sustain employees’ trust and well being. Companies missed an opportunity to communicate corrective and accommodative actions that would be appropriate response strategies to crisis (Benoit, 1997; Coombs & Holladay, 2002). Employees perceived a lack of responsibility and interpreted companies’ strategies as a subterfuge aimed at finalizing cuts and rationalizations that could not be implemented in normal times.

Internal communicators actually perceived these negative feelings spread among employees, as they indicated that in informal contexts people expressed delusion and cynicism and accused companies of opportunism. This evidence is particularly relevant as words have propositional values and the selection of those terms affects how information is considered, accepted, acted upon, or altered (Heath & Palenchar, 2009). Nonetheless, in this study companies appear to have not paid adequate attention to employees’ perceptions and opinions in order to to shape messages and actions.

Findings reveal also two great areas of employees’ dissatisfaction for internal communication. First, employees disliked implicit communication based on actions devoted to
safeguard the company performance. Employees interpreted such factual communication as a lack of attention to their needs and an unwillingness to communicate, and gave much more trust to external communication media. In fact, media represent today a relevant factor in reconstructing a crisis and a means of bringing valuable information (Rosenthal et al., 2001).

Second, employees complained about the lack of listening to their opinions and expressed a sense of abandonment and exclusion. Findings show that internal communicators did not pay enough attention to collect employees’ feedback and employees perceived the direct communication by the top management as mere monologues.

Yet, listening is critical to effective crisis communication (Ulmer et al., 2007b). Communication in change management is not complete until leaders know how employees react to the core ideas and use listening attentively for potential misunderstandings and unrecognized obstacles (Clampitt et al., 2000). Problems arise when communicators focus on the structure and form of communication and overlook the tacit dimensions of communication (Daymon, 2000). Rumors and informal language in particular represent collective informal sensemaking elements and expressions of employees’ concern that organizations should actively monitor and manage during organizational change (Bordia et al., 2006).

In sum, this study shows that communication activities are often misinterpreted despite well-planned and implemented internal communication activities.

**Conclusion**

The analysis reveals that internal communication managers and employees in this crisis situation are in two overlapping worlds with strong areas of misunderstanding. Due to the uncertainty related to a crisis event, multiple interpretations emerge creating a situation of high communication ambiguity (Ulmer et al., 2007b). Ambiguity is “an ongoing stream that supports several different interpretations at the same time” (Weick, 1995: 91). Crises are events that defy interpretations and impose severe demands on sensemaking (Weick, 2001). As consequence, the exploration of different perspectives in this study was useful to get different insights into communication in organizations (Daymon, 2000).

This study points out the difficulties related to internal communication during the 2008-09 crisis that explain the missing link between what communicators intended to communicate and what employees actually perceived.

First, internal communication managers were required to define their messages within a scenario characterized by employees’ heterogeneous perceptions and an incomplete and uncertain informative context. Second, they had to manage the information diffused by external media, often in contradiction with the expressed positions of the organization and considered more credible by the same employees as independent and impartial sources. Finally, difficulties were related to the necessity of constructing messages where the organization promised less, but asked for far greater commitment and trust from its employees.

To better cope with complexities and reduce misalignment during a crisis, a managerial implication is that internal communication practitioners should first develop deep trust relationships with employees before a crisis occurs (O’Hair et al., 1995; Coombs & Holladay, 2002). Then, actions and factual communication that express concern for employees should accompany any formal declaration to give credibility and consistency to messages (Benoit, 1997; Agerholm, 2008). In the words of Weick (2001), “If action is a means to get feedback, learn and build an understanding of unknown environments, then a reluctance to act could be associated with less understanding and more errors” (2001: 225). Trust and action are instrumental to crisis
perception and sensemaking. Finally, *active listening* should be the focus of internal communication in critical times to capture employees’ concerns and direct organizational action.

To conclude, in this research the two perspectives on internal communication used simultaneously offered a more comprehensive understanding of the complexity of internal communication during crises. Further research could explore in more depth how managers can prevent employees’ misinterpretation and resistance to organizational messages in times of crisis and change. In particular, it will be useful to clarify the impact of antecedents of manager-employee sensemaking process during a crisis, such as shared culture, trust relationships, communication practices devoted to role enactment and meaning creation and sharing.

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Refining the Concept of Corporate Communication:  
A Multidisciplinary Approach*

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**Purpose:** To better understand the concept of communication through the comparison of definitions given by scholars from different disciplines: Marketing, Public Relations, Organizational Communication and Corporate Communication.

**Approach:** Literature review of prevalent definitions in the four mentioned disciplines; discussion of communication aims, communication categorizations, theoretical background and innovations of each of these disciplines; and finally analysis of convergences and differences.

**Findings:** All considered disciplines look at the entire communication of a business, adopt a relational perspective, value some intangible resources as outcomes of communication.

**Research implications:** Higher value to research in the communication field results from considering multiple points of view because each discipline contributes specific connotations to the comprehension of communication.

**Practical implications or applications:** To broaden the theoretical background of Corporate Communication research.

**Key words:** Corporate Communication, Public Relations, Organizational Communication, Marketing, multidisciplinary approach.

**Paper type:** General review.

“Definition serves at least two purposes: to help understand the world around us and to argue for a particular worldview of how one concept relates to other concepts”

(Cutlip, Center, Broom, 2006: 5)

What is corporate communication? How do the terms Corporate Communication, Organizational Communication, Public Relations, Integrated Communication, Business Communication and the like differ from each other and how do they overlap? Numerous terms for defining the communication of an organization exist because the concept touches on so many fields: Marketing, Advertising, Organizational Theory, Corporate

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Some scholars have proposed comparisons between some of these disciplines, for example, between Public Relations and Marketing (Cornelissen, 2008; Kitchen, 2003), as well as Organizational Communication and Public Relations (Wehmeier, 2008; Szyszka, 2008; Theis-Berglmair, 2008). Others have regarded some of these disciplines as specializations of another field thus giving a broad view of communication but not offering a systematic comparison between disciplines. For example, Integrated Marketing Communication has been treated as a specialization of Public Relations and Corporate Communication (Tench, Yeomans, 2009). One study proposes an interdisciplinary definition: "Pragmatic synthesis is provided by concepts of Corporate Communication and integrated (marketing) communication" (Zerfass, 2008: 65).

This study aims to use the perspectives of several disciplines in order to enhance the understanding of the term "communication". It will avoid systematizations which tend to subsume a number of fields within a major discipline, nor will it attempt to reach an all-inclusive definition. Instead, this study chooses to consider each as a discipline that has evolved independently while benefiting from cross-fertilization.

On the one hand, the plurality of definitions creates confusion among scholars and practitioners; on the other hand, it highlights the multiplicity of the concept of communication. Communication is a polysemic phenomenon and in constant evolution (Gould, 2004) and for this reason, the attempt to reach a single all-inclusive definition may prove to be unproductive. The different ways of interpreting and defining the concept of communication should be understood as the expression of different points of view arising from various cultural and professional backgrounds. Every scholar who has addressed the issue of communication has furthered its understanding.

The aim of this article is to trace the points of convergence among the definitions of communication given by the various disciplines in order to reach a better understanding of the meaning of business communication.

This paper examines definitions derived from four disciplines: Marketing, Organizational Communication, Public Relations and Corporate Communication. The analysis is based on key articles and textbooks for each discipline. The definitions are compared on the basis of the following descriptive variables: the purpose of communication, the criteria applied for categorizing communication, the theoretical background and the main innovative features that each discipline adds to the knowledge of communication. In conclusion the paper suggests some elements of convergence that could be useful for further research and development of managerial implications.

**Marketing: Marketing Communication, Integrated Marketing Communication and Totally Integrated Communication**

Integrated Marketing Communication (IMC) is the process of developing and implementing various forms of persuasive communications programs with customers and prospects over time. (…) IMC considers all sources of brand or company contacts which a customer or prospect has with the product or service as potential delivery channels for future messages” (Kitchen, Brignell, Li, Jones, 2004:22).
Integrated Marketing Communication (IMC) sees communication as the focal point of the relationships with customers because it creates brand value in the form of sales, profits and brand equity (Kitchen, Brignell, Li, Jones, 2004). IMC adopts an outside-in logic: it starts with the analysis of the relational needs of customers in order to develop suitable products and services and to align communication activities. All moments of contact between the company and the clients are valuable since every communication that emanates from the company contributes to developing customer loyalty and organizational reputation (Kitchen, Schultz, 2003).

Starting from the marketing communication point of view, some Italian marketing scholars (Guatri, Vicari, Fiocca, 1999), have identified four areas of communication. First, marketing communication, addressed to customers. Its main contents are the functions and the value of the products for client. It aims at increasing customer satisfaction and loyalty.

Second, institutional communication, addressed to all stakeholders: customers, opinion leaders, politicians, citizens, activist groups and so on. It aims at promoting the distinctive identity, the values and the mission of the organization. It aims at gaining stakeholders’ loyalty and organizational legitimacy.

Third, management communication, addressed to all roles that contribute to the value chain of the company: employees, suppliers, industrial partners and retailers. The main contents comprise work related instructions and feedback for monitoring. It aims at involving all these interlocutors and at increasing their loyalty.

And finally, financial communication, addressed to investors: shareholders, stockholders and banks. Its content is mainly the economic and financial situation of the company. It aims at strengthening investors’ trust and loyalty.

Each area of communication - marketing, institutional, management, financial – has specific targets, contents and aims. Nevertheless, some targets, contents and aims overlap, creating an area in common that the authors suggest calling “integrated business communication”. “Integrated business communication” should harmonize targets, contents and aims in order to seek synergy and avoid contradictions.

Nowadays marketing is becoming more oriented to creating and maintaining positive relationships with all stakeholders in order to balance the company’s need to make a profit with customer satisfaction and the public interest (Kitchen, Schultz, 2003). In addition, marketing studies highlight that the corporate brand transfers its values from the corporate identity to the single product brands, reinforcing them. For this reason, both product and Corporate Communication activities are important to achieve marketing objectives. Therefore, the concept of Totally Integrated Communication is emerging (Kitchen, Schultz, 2003). This notion refers to the integration of communication at both single brand as well as company level. “Totally integrated communication” encompasses all communication initiatives carried out by the company towards its stakeholders, in a coordinated and synergetic management perspective.

Organizational Communication

Organizational Communication is the process of creating and exchanging messages within a network of interdependent relationships to cope with environmental uncertainty” (Goldhaber, 1993:15).

Theories and research in Organizational Communication have been synthesized into six metaphor clusters (Putnam et al. 1996, in Clegg, Hardy and Nord, 1996): conduit, lens, linkage, performance, symbol, voice and discourse.

The conduit metaphor views organizations as containers or channels, and communication is a tool for information transmission. The lens metaphor views the organization as an eye that
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scans and monitors the environment seeking information and after that, relaying information to 
the target. Communication is a filtering, reception and perception process.

The *linkage metaphor* defines the organization as a relationship network, and 
communication is equated with connections and interdependence. The *performance metaphor*  
views the organization as coordinated actions that enact their own rules, structures and 
environment through social interactions. Communication is social interaction, collaboration and 
sense making.

The *symbol metaphor* considers the organization as a literary text and a symbolic milieu. 
Communication is the interpretation through meaning creation and sharing. The *voice metaphor* 
views the organization as a chorus of many voices. Communication is the expression and 
distortion of the voices of organizational members. The *discourse metaphor* considers the 
organization as texts and patterns of interaction. Communication is equated with conversation 
that intertwines action and meaning.

This reconstruction shows firstly, that communication and organization are two 
equivalent concepts (Tompkins, Wanca-Thibault, 2001). Secondly, it appears that communication 
is not contained in the organization, nor does it mirror or reflect reality. On the contrary, 
communication is formative and it creates the organization (McPhee, Scott Poole, 2001):  
"Communication and organization are equivalent (…); it is the paint and the canvas, the figure 
and the ground" (Tompkins, Wanca-Thibault, 2001: xxix).

There is a growing tendency to focus Organizational Communication research on the 
“communication theory of organization” (Deetz, 2001:5). Organization is “a text produced by a 
set of authors, through conversation” (Taylor, 1993: 96). In other words, what emerges is that the 
organization is communication by nature. This concept is synthesized by the idea of the 
“expressive organization” (Schultz, Hatch, Larsen, 2000).

Organizational Communication has been divided into four categories (Invernizzi, 2000): 
*strategic communication* to publicize the organization as such, *informative communication* to 
convey information for organizational processes, *creative communication* for problem solving 
and innovation generation and finally, *training communication* to develop communication skills 
in all members of the organization. This categorization refers to the organizational processes that 
communication supports and highlights the role of Organizational Communication for 
organization development.

**Public Relations**

The concept of Public Relations can assume three meanings. The first is to communicate 
with the publics of an organization in order to persuade them. For example: “The goal of PR is to 
influence the behaviours of groups of people in relation to each other” (White, Mazur, 1996:11 in 
Tench, Yeomans, 2009). This meaning includes the “press agentry-publicity”, the “public 
information” and the “two-way asymmetric” models of Public Relations (Grunig, Hunt, 1984). 
Through a scientific approach based on persuasion techniques and audience analysis, Public 
Relations professionals have honed their abilities to construct and disseminate persuasive 
messages. In-depth knowledge about the characteristics and the preferences of the targets has 
enabled PR practitioners to construct more persuasive messages. This model refers to theories of 
mass communication and behavioural sciences.

The second meaning refers to Public Relations as *relationship management* introduced by 
Ferguson (1984) and then supported by many scholars as, for example, Cutlip, Center, Broom 
(2006), Broom and Dozier (1990), Grunig et al. (1992), Hutton (1999). In this perspective: “PR is 
the management function that establishes and maintains mutually beneficial relationships
between an organization and the publics on whom its success or failure depends” (Cutlip, Center, Broom, 2006: 6). This type of definition refers explicitly to Systems Theory by defining Public Relations as a subsystem that connects the organizational system to the environmental system (Grunig, Hunt, 1984). Ledingham and Bruning (2000) developed this model and applied it to specialized areas of public relations.

The third meaning refers to Public Relations as positioning the organization's reputation (Cropp, Pincus, 2001; Invernizzi, 2006). For example: “Public Relations consist of listening, reflective, relational and communicational activities aimed at (...) reinforcing reputation” (Invernizzi, 2006:42). Crucial to this step is the maturing of the Public Relations professional’s role from technical to managerial (Grunig, Hunt, 1984; Cropp, Pincus, 2001; Grunig, Grunig, Dozier, 2002; Invernizzi, 2006). This implies extending the skills of Public Relations practitioners to financial and economic analysis, decision-making, project management. Mastering managerial skills can legitimize Public Relations professionals within the executive management board of the company.

The principal Public Relations textbooks divide the Public Relations domain into special areas such as media relations, internal communications, community relations, issue management, crisis management, public affairs, financial relations and sponsorship (Grunig, Hunt, 1984; Kitchen, 2003; Cutlip, Center, Broom, 2006; Tench, Yeomans, 2009).

Corporate Communication

Corporate Communication is the orchestration of all the instruments in the field of organizational identity (communications, symbols and behaviours of organizational members) in such an attractive and realistic manner as to create or maintain a positive reputation for groups with which the organization has an interdependent relationship (often referred to as stakeholders). This results in a competitive advantage for the organization” (Van Riel, 2003: 53).

Corporate Communication includes three categories of communication (Van Riel, 1995):

a) Management communication implemented by senior managers for planning, organizing, supervising, coordinating and monitoring. It is useful to develop a shared vision within the organization, gain and maintain trust in corporate leadership, enable and manage change processes and finally, help employees to grow professionally.

b) Organizational Communication includes a broad spectrum of business communication: public relations, public affairs, CSR communication, investor relations, communication with the labour market, corporate advertising and internal communications. Therefore, Organizational Communication comprises heterogeneous communication activities. They all aim at targets groups to which the company is linked through interdependent relationships. These forms of communication indirectly affect the conduct of the company’s publics.

c) Marketing communication encompasses commercial communication activities developed to support the sale of goods and services. It typically includes the promotional mix: advertising, direct mail, personal sales and product sponsorship.

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1 Translation of the author of this article.
Other scholars of Corporate Communication have proposed categorizations based on specialist areas and practices such as: media relations, internal communication and change communication, issue and crisis management, identity, image and reputation, corporate responsibility and investor relations (Argenti, 2009; Cornelissen, 2008).

Studies of Corporate Communication have recently focused on value and reputation management as the primary asset of the company (Van Riel, Fombrun, 2004). Studies concentrate on corporate reputation management, the process of developing and consolidating reputation through the communication lever. Reputation is seen in this field as a fundamental signal for financial markets, which reward companies with the best reputation.

**Discussion and Conclusions: Comparison and Convergence**

This section compares the definitions of communication from the disciplines of Marketing, Organizational Communication, Public Relations and Corporate Communication, referring to the following descriptive variables: the purpose of communication, the criteria used to identify communication categories, the theoretical background and the innovation inherent in each discipline. Table 1 summarizes this comparison.
### TABLE 1. Comparison among the disciplines of Marketing, Organizational Communication, Public Relations and Corporate Communication

<table>
<thead>
<tr>
<th>Authors and reference texts analyzed</th>
<th>Marketing</th>
<th>Organizational Communication</th>
<th>Public Relations</th>
<th>Corporate Communication</th>
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<td>IMC:</td>
<td>- Goldhaber, 1993</td>
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<tr>
<td>Purpose</td>
<td>Building trust relationships with customers, co-makers, investors, stakeholders</td>
<td>Supporting organizational processes (sense making, role taking, enactment)</td>
<td>Positioning company reputation and managing relationships with all stakeholders</td>
<td>Managing reputation and relationship</td>
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<tr>
<td>Categorizing criteria</td>
<td>Target and contents of communication</td>
<td>Organizational processes</td>
<td>Specialization of professional skills</td>
<td>People who issue and receive communication</td>
</tr>
<tr>
<td>Theoretical background</td>
<td>Marketing theories (e.g. transaction marketing, relationship marketing, IMC) Resource Based Theory</td>
<td>Organization Communication Theories</td>
<td>Systems Theory</td>
<td>Management studies</td>
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The analysis of Marketing, Organizational Communication, Public Relations and Corporate Communication disciplines leads the author to draw three conclusions: a) the communication of an organization is an indivisible concept, b) the relational perspective is becoming a paradigm, c) communication helps to create intangible resources.

a) The concept of communication is extended to all four disciplines to the point of considering the various communication activities as a whole, or at least to proposing their full integration. Marketing confirms the concept of integrated business communications; Organizational Communication highlights the network of relationships that cross-organizational boundaries; Public Relations includes relational activities with all stakeholders; Corporate Communication identifies itself with a holistic view of communication.
Refining the Concept of Corporate Communication: A Multidisciplinary Approach

b) The relational perspective is becoming a paradigm crossing the disciplines discussed in this study. Marketing develops a strong relational point of view; Organizational Communication focuses on the study of networks of inter-organizational relations; Public Relations has moved away from the function of sending messages towards the management of a system of relations; Corporate Communication places the building of relationships among its purpose.

This point is crucial because it provides the transition from the notion of communication as a connection between two points to that of interaction between players. Three implications emerge. First, establishing relations with various stakeholders based on dialogue and experience is a far more meaningful aim than merely spreading messages. Second, the management of relationships with partners is contextualized in time, because a relationship may be defined as such only when it is lasting. Third, all relations that an organization has with its stakeholders imply a social connotation.

c) The disciplines in this study highlight that communication contributes to creating intangible resources (Barney, 1991 and 2001). Marketing highlights how relations with different partners generate loyalty and knowledge; Organizational Communication underlines the importance of stakeholders’ involvement and identification with the company; Public Relations and Corporate Communication focus on reputation as a valuable resource. The main implication is that the value of Corporate Communication lies in its ability to generate intangible resources that are crucial to a company’s competitive advantage.

Marketing, Organizational Communication, Public Relations and Corporate Communication refer to the same concept, despite the fact that each discipline bears its own name and highlights specific nuances. This variance is not negative per se, although it may generate some confusion. On the contrary, a multiplicity of viewpoints may be considered an asset, because it makes scholars aware of the polysemic nature of Corporate Communication.

References


Refining the Concept of Corporate Communication:
A Multidisciplinary Approach

Complying with Plain Language Guidelines in the Corporation: If Not, Why Not?

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The question driving the research on which this paper reports was why, when the economic and relationship benefits of plain language in the corporation have long and widely been acknowledged, workplace writers do not necessarily adhere to its principles.

A case study of seven employees whose daily workload in a large government organization (8,000 staff in 63 branches) is writing-intensive revealed many reasons for non-compliance with plain language. An analysis of the transcripts generated by extended interviews with the participants revealed three broad categories of reasons for non-compliance by the writers: they lacked the knowledge and/or capacity to produce plain language, they worked under unrealistic time constraints, and/or they were unconvinced of the efficacy of plain language and deliberately chose not to produce it.

This paper will examine these categories in detail via the observations made by the research participants. The practical implications of the findings are profound in relation to hiring, deployment, and training of employees.

Further research that widens the study in the case organization to a larger scale and/or research that replicates the study in other organizations in which the hiring and training ethos differs from the case organization could generate alternative responses and would build on the rich data generated in the original research.

Writers achieve plain language when the documents that they create are ones that their intended readers can access, understand, and act on in the way that the writer intends. In its contemporary incarnation, plain language has been on the agenda in civic, financial, and legal circles for close to 40 years, particularly in Australia, the UK, and the USA (Petelin, 2009, p. 6).

Research on plain language in government highlights its many benefits: improved public understanding of and increased compliance with government regulations, reduced government time and resources devoted to answering questions, and even greater public support for government and its initiatives in general (Watson & Lynch, 1998). Research has also indicated that plain language can deliver economic benefits for governments: in Writing in Plain English (1990), Eagleson describes how the Australian State Government of Victoria saved the equivalent of $400,000 a year in staff salaries by rewriting one cumbersome legal document alone, and how, in the United Kingdom, by rewriting and redesigning one form, the Ministry of Defence was able to save £90,000 a year.

When plain-language research first began emerging in the 1970s and 1980s, most governments in developed countries around the world were quick to implement policies endorsing the use of plain language in their documents. Yet, in the foreword to Judith Myers’s 2008 book Plain Language in Government Writing, Dr Annetta Cheek writes: ‘Decades of bureaucratic writing habits have created a commonly accepted model of government writing that does not recognize clarity as an important principle of communication. Government writers rarely
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think about the reader’s needs, knowledge of the subject matter, and reading skill. Even once a government office makes a commitment to clearer communication, the road is not easy. Clear writing, despite a simple-looking outcome, is tough work’ (p. xviii). Clearly, plain language has proven far more difficult to implement than to mandate in government, leaving governments wholeheartedly endorsing plain language, but seemingly unable to compel their employees to actually use it. What they often use is what many people call “bureaucratese”—verbose, pompous, obfuscatory prose.

In their paper “Plain English and Public Administration” (1997), Watson and Lynch list several problems that arise from bureaucratese. The first problem they discuss is the sense of impersonality that bureaucratese fosters by distancing the listener from the speaker and vice versa. They point out that bureaucratese “imposes a false order on communication” by forcing citizens dealing with government to adjust to what is said to them, rather than enabling the messenger to shape the message, as is the aim of plain language (p. 111).

The second problem Watson and Lynch (1997) raise, which is related to the first, is that of removing responsibility. Adopting a third-person stance and using passive construction can allow the bureaucrat to avoid naming any individuals responsible for decisions or actions that have occurred, and thus avoid taking or assigning any individual responsibility (pp. 111-112). The third problem that Watson and Lynch (1997) see as arising from bureaucratese, or, more specifically, from what Lutz (1988) calls “doublespeak”, is the deliberate misinforming and manipulating of the public. (p.112). This more sinister side of bureaucratese is distinguished from the final problem in Watson and Lynch’s list, which is the straightforward misunderstanding of information that bureaucratese can cause as a result of disorganized, jargonistic, and bloated prose (p. 112).

Methodology

We interviewed seven employees of a large Australian local government organization who all do a significant amount of writing in their roles, about their attitudes towards and processes involved in producing correspondence. Paré (2002) reports that his extensive experience as a researcher of government writing has taught him that “academics need to allow the definition of problems to arise from workers. Academics might be able to convince workers that their definitions of their literacy problems are accurate, but they will then solve their own problem, not that of the workers’” (p. 71). With this in mind, we ensured that the workers defined their own problems, rather than imposing our views about their writing processes and products. Based on the data from semi-structured, one-on-one interviews, this paper proposes fifteen reasons why public servants continue to use bureaucratic language. The reasons can be grouped into three broad categories: because they lack knowledge and/or capacity, because they lack time, or because they choose to do so deliberately.

The case organization for this study has approximately 8,000 staff employed across 63 branches, and receives an average of 4,625 pieces of correspondence each month, including e-mails, posted letters, and online enquiries via the organization’s website (based on data recorded by the organization’s electronic correspondence management system between 1 January and 31 May 2009). Although this averages only one letter per 1.7 employees each month, the subject matter of the letters is concentrated on a few main topics, resulting in a small minority of branches carrying the burden of responding to most of the correspondence.

While some correspondence is directly addressed to an individual employee and can be responded to directly by that employee, a significant proportion of the correspondence is addressed to the city’s Mayor. In the latter case, the Mayor usually delegates the task of
investigating the matter and drafting a response to an employee in the work area most relevant to the subject of the letter. Once drafted, the response is checked, edited, and approved by up to 21 other employees—including the relevant branch and divisional managers and the quality control officers in the Mayor’s office—before the Mayor finally reads, approves, and signs it. When drafting correspondence, employees are aided by two style guides: the Marketing and Communications Style Guide (MCSG), which specifies the stylistic choices made by the organization, and the Customer Focus Style Guide (CFSG), which builds on the MCSG to specify the stylistic choices made by the Mayor for correspondence sent under his signature.

The CFSG states that correspondence should:

a) be customer focused;
b) be written in plain language;
c) display empathy for the customer;
d) answer all of the questions and concerns raised; and
e) fully explain all of the decisions that have been made about the issue.

To augment the advice contained in the style guides, staff are also provided with training on correspondence writing through the Quality Customer Focus Correspondence Course (QCFCC).

However, despite the assistance provided by the style guides and the QCFCC, the organization’s writing still seems to suffer from the same ubiquitous bureaucratese as government writing at large. This has been noted by the Mayor, who last year wrote to the manager of his administration office expressing concern that “our corro is inching back towards being too official in tone”. In response, his office issued an e-mail to employees asking them to “raise the bar” with Mayoral correspondence and “shift to using more plain and simple English in our letters”. The e-mail suggested that staff “explain things to [customers] in an informal conversational way, as if you were at a backyard BBQ”.

In March 2009, the organization adopted a customer charter that specifies the levels of service that customers can expect when interacting with the organization. In relation to correspondence, the charter states that the organization will endeavour to acknowledge receipt of customers’ letters within two working days and provide a detailed response within 20 working days. It became apparent that the commitments the Customer Charter makes with regard to correspondence were not being met. A correspondence review was launched in April 2009 to identify and implement recommendations to address the organization’s performance in this area.

The review team analyzed correspondence reports, held focus groups with areas that process high volumes of correspondence, liaised with key stakeholders, and conducted an audit of all correspondence finalized during the week 11-15 May 2009. Of particular interest was the quality audit that was undertaken as part of the review, which determined that 80% of the responses examined were of low quality (a letter was considered to be of low quality where it contained poor content and/or multiple errors such as non-conformance to the style guide, incorrect grammar, incorrect address, incorrect name of the division, spelling mistakes, or incorrect use of capitals). The review provided strong evidence that correspondence quality is a current and acknowledged problem within the case organization, a conclusion that led to our research on the staff’s compliance with plain language.
Findings from Analysis of the Interview Transcripts

We identified three broad categories of reasons for non-compliance by the writers:

A) They lack the knowledge and/or capacity to produce plain language
B) They work under unrealistic time constraints
C) They are unconvinced of the efficacy of plain language and deliberately choose not to produce it.

A: They lack the knowledge and/or capacity to produce plain language

1) They receive insufficient workplace training

When asked how effective they felt the QCFCC training was, the interviewees generally agreed that they had found it useful, and that it had heightened their awareness of the requirements of “more touchy-feely language”, “less official words”, and “getting some of the sentences down to fewer than 14 words”. One perceptive interviewee stated that, in her opinion, for employees without a writing background, the QCFCC training was “in one ear and out the other. It’s all well and good to talk about verb placement and the use of passive voice, but unless it’s something in their head and that they’ve grown up knowing about, it doesn’t stick”.

Researchers have been recommending more or better employee training for years (see Sampson, 2007; Rothwell, 1983), and communication training is among the most prevalent content areas in employee training (McEwen, 1997). However, Petelin (2002) notes that, “in some organizations, on-the-job-training is often conducted by ‘kwik-fix’ consultants, who are hired in for a short workshop, but who [...] have only a minimal understanding of the structural, linguistic, and document-design principles that are the basis of flawless documents” (p. 175). Thompson and Rothschild (1995) agree, stating that “editing courses are being taught with only a meagre theoretical knowledge base” (p. 148). Furthermore, as can be seen in Paré’s (2002) summary of his own consulting work, any “quick literacy fix[es]” effected by a consultant usually come undone soon after their departure (p. 70):

Suchan claims that “organizations squander yearly hundreds of millions of dollars on quick-fix communication training programs that produce limited, if any, improvement in the effectiveness of their communication” (2006, p. 7).

Anderson and Kleine (1988) warn that “a corporation wanting excellent writing must do more than merely train its writers. It must be willing to rethink assumptions that work against effective writing and to design a working environment that nurtures effective writing” (p. 49). They also make the point that training programs can address only those skills that can be “measured and quantified”, and the writing problems of many organizations lie in the attitudes of their writers” (p. 55). However, some studies, such as Rothwell’s 1983 case study of the Illinois Office of the Auditor General, have shown that training can have a positive effect when it takes the form of a sustained program that constantly reinforces training on the job. Specifically, Rothwell recommends “a series of training courses geared to the employee’s level in the organizational hierarchy and job requirements, coupled with on-the-job-tutorials supported by operating managers” (1983, p. 31). This kind of ongoing, comprehensive training may be an option for the case organization to explore.
2) Those writing the letters are subject-matter experts, who may not necessarily be interested in or good at writing

In the case organization, responses to letters are usually written by the person whose expertise most closely aligns with the subject matter of the letter, regardless of to whom the letter is addressed. This means that much of the correspondence writing is done by officers in technical roles, with no specific background or interest in writing: in Couture and Rymer’s (1993) distinction, “professionals who write”, rather than “career writers” (p. 5).

One interviewee commented that, in his branch, the traffic engineers who worked under him were spending, in his conservative estimation, about a third of their time writing correspondence. This aligns with Petelin’s observation that “many employees neither trained as career writers nor defining themselves as writers spend a major part of their time writing” (p. 172).

Several of the interviewees indicated that they had not been advised when they were hired that they would be writing correspondence, or, if they were, that the amount of writing they would be doing was not accurately conveyed. One interviewee in particular said that when he was hired for his current position as a project officer, his superiors were unable to tell him what his day-to-day duties would involve. He eventually found himself spending 75% of his time writing correspondence for the first six months that he was in the role.

Three of the interviewees were in roles that could be considered “technical”, and, when asked if they enjoyed writing, several admitted that they did not, one replying “I’d like to think I do, but no. There’s no two ways about it—I don’t think anybody here really likes writing”.

One interviewee with a Certificate in Civil Engineering, when asked if he felt that writing letters was a good use of his time and skills, replied “No. Can I be any clearer about that? Definitely not”. Another elaborated by saying:

Our major task is not to write letter, our major task is to get out there and do things, do designs. Up until recent times, nobody has really cottoned on to that. I’ve been banging on about it for years and years, but nobody’s ever bothered to listen. This is not our core business. It’s a function of what we do. Obviously we need to tell people what we’re doing, but our core business is managing the network and making improvements so people don’t skittle themselves.

Although most of the interviewees believed that they are producing correspondence that is of at least a satisfactory standard, a couple admitted that their understanding of the organization’s style guide is limited, one even confessing that his familiarity with the style guide would score one out of ten. One interviewee mentioned that he does not even know where to find it, and relies on others above him to attend to matters such as “whether it’s squared and justified and all that”, because “it’s just going to be changed anyway”. This tendency of some technical staff to “delegate up” their writing tasks was also present at the steel manufacturing plant in which Mabrito (1997) conducted his study, with Mabrito noting that “because writing formal grievances proved so difficult, most supervisors surveyed indicated that they wrote these documents with the idea that eventually their managers would rewrite them” (p. 64).

One of the other interviewees, whose job description does officially include writing, commented on the lack of interest in writing among the more technical staff. This lack of interest can also extend to matters of correctness, such as spelling and grammar. Mabrito recognized in his 1997 study that, despite the technical engineers’ writing examples that he studied containing a number of problems with style and mechanics such as confusing syntax, nonstandard use of grammar, and misspellings, the engineers often saw the mechanics of writing as a minor concern.
He also noted that the feedback that they received on their writing focused more on global issues of content and organization, and technical managers to whom he spoke stated that they rarely called attention to these problems, because they were chiefly concerned with “getting the basic information” (p. 67).

In his study of writing in high-tech firms, Samson (1995) explores at length the differences in attitude to writing between technical staff and career writers, pointing out, like the interviewee quoted above, that technical staff “know that documents are important to what they do, but they entered the field not for the writing involved, but for the technical aspects of the work” (p. 108). He notes that some technical staff have trouble finding the right word, punctuating, or making their writing grammatically correct, and “fail to focus on prewriting and allow concern for correctness to interfere with their drafting” (p. 108). Couture and Rymer’s 1993 study, which also compared the writing practices of professionals who write with those of career writers, upholds this finding that technical staff spend less time focusing on prewriting and planning. Their survey indicated that career writers “[g]ive more time overall to planning and revising a draft” than professionals who write (p. 16). Furthermore, Samson (1995) also suggests that it is more difficult for technical writers to translate information to a lay audience and to be “an advocate for the readers” (p. 116), because they often cannot remember what the audience will not know.

While it would be easy to blame the technical officers for being lazy or having the wrong attitude, the appropriateness of having staff in technical roles with engineering qualifications writing correspondence should be considered. The Australian Public Service Board’s Communication in writing training handbook (1974) notes that an interest in language is “extremely beneficial” for writing correspondence, noting that ‘to be tone deaf is a major handicap to a composer. In a similar way, indifference to one’s language is a considerable disadvantage to a writer” (p. 5). If many of these technical staff have no interest in language and are “tone deaf” as a result, it should not come as a surprise to the organization, and nor should it be treated as a fault on the part of the technical staff, if they were not fully informed at recruitment stage about the requirement to write as part of their jobs.

With the case organization’s present correspondence system, almost any employee can be charged with the task of preparing a letter. If this system is to continue, this fact should be made more salient at interview stage. However, it may prove unreasonably restrictive to find, for example, a traffic engineer with the ability to write clear, concise, and effective prose; this ability is, after all, rare. One solution is to delegate the bulk of correspondence writing to trained “career writers”, with writers liaising with technical staff to decide on each letter’s content. Anderson and Kleine recommend a model such as this for the software company in which they conducted their 1988 study:

> [... we mean an interchange between, say, programmers and documentation writers that would involve an ongoing spoken and written dialogue regarding the work in progress. Programmers would need to share their work and knowledge more fully with writers. Writers would need to share their writing and rhetorical concerns more fully with programmers. In short, the technical knowledge of the corporation would be negotiated between the programmers and writers. (p.61)

3) **Even the staff who were told how much they would be writing cannot necessarily write well, even if they think and say they can**

Of course, some employees are fully informed at the recruitment stage that their roles will involve a significant amount of writing, and some are even employed specifically to write
correspondence. However, this still does not guarantee that they will be capable of producing it at an acceptable standard. One interviewee, who has played a part in recruiting new employees in his branch in the past, lamented:

We don’t understate the amount of writing and the importance we put on those writing skills. Having said that, it’s very difficult to find people who have got the right skills: even if you do ask the question, obviously in interviews people tend to oversell rather than undersell themselves.

Paré (2002) believes that the problem with teaching workplace writing effectively is that this writing cannot be separated from its context, arguing that “since workplace writing is always inextricably connected to local, situation-specific practices, any attempts to replicate or ‘teach’ it in the classroom are doomed to failure because the act loses meaning out of its context and is disassociated from its purpose” (p. 60).

Fennick, Peters, and Guyon (1993) take a slightly different position, arguing that the weaknesses in university workplace writing training are due to a bias held by English teachers against non-academic writing. They propose that English teachers’ reluctance to incorporate such writing in the curriculum is “rooted in notions that writing in non-academic settings is fundamentally different from writing in the humanities and that, by assisting students in their attempts to succeed in the world of work, English teachers are compromising their humanistic values” (p. 46).

Whatever their cause, the research appears to indicate that these flaws in university workplace writing training are still some way from being resolved, and when they are, governments will not fully realize the benefits for some time. One way to tackle this issue in the meantime could be Petelin’s (2002) suggestion to administer writing tests to shortlisted applicants to determine whether they have the potential to handle the kind of writing that they will be doing if they are hired (pp. 173-174). An important consideration for organizations, however, will be to ensure that the tests are created and their results evaluated by employees with sufficient knowledge to do so.

4) They have difficulty determining how ‘plain’ their writing is, and do not receive clear direction on this from the upper levels of the organization

Many of the interviewees complained that they had not received clear direction on what was considered ‘plain language’. One noted that “When I read a letter I can think it’s plain language, and yet someone else in [the Mayor’s office] might think that’s too jargonistic. There’s no objective standard on how plain the language is”. Another frustrated interviewee felt that the problem was caused by a lack of communication from the upper levels of the organization, and claimed that “stuff doesn’t get filtered down. I mean, they’ll have meetings with us every now and then and say ‘all right, [the Mayor] is getting really tough on this, casual tone, more casual, more casual’—give people examples! Don’t just sit there and say we want it more casual and not provide that example. How casual? What do you mean?”

Furthermore, several interviewees were concerned that, not only was the advice they had received not specific enough, but that it sometimes contradicts the organization’s written guidelines, one noting that there are “contradictions between the style guide and what we’re being asked to do—for example, we’re told to use contractions, but the style guide says not to”. Another described the requirements as “an ever-shifting goalpost, because the Mayor changes his way of expressing himself reasonably frequently too, which is frustrating”. Interestingly, the same moving goalpost analogy was used by another interviewee, who said:
The goalposts keep moving further and further away. No-one is clear on what they need to be writing or providing. I did a response for the CEO’s signature and one of the regional managers brought it back and said ‘I don’t think this is the CEO’s tone—I think it’s more a [Mayoral] tone’. And I went, ‘well, I don’t actually know what the CEO’s tone is’. And if [the Mayor] is happy with the conversational tone, I’d think the CEO would be happy with that, but maybe that’s not the case. So there’s different requirements depending on who you’re writing for. And the directives coming from [the Mayor’s] office on the things that get through and get sent back are always different.

Paradis et al. (1985) also found this kind of inconsistency in the research and development organization they studied, observing that there was “little consensus in the organization about the goals, standards, and processes of writing”, and that this caused employees to be “ambivalen[t] about the techniques and functions of writing” (p. 287).

Petelin (2002) points out that this kind of confusion can often arise when some managers base their feedback on their own preferred style when editing their employees’ work, “rather than on knowledge informed by scholarly theories of reading and writing” (p. 174). To avoid this situation, Paradis et al. (1985) suggest that supervisors and managers should “establish (and adhere to) carefully considered editorial priorities in their criticism, possibly with the aid of a communications manual”, and should attend any courses that the organization runs on in-house editing to ensure that they share the same writing style and standards (p. 304). This last point becomes especially relevant when, as in the case organization and most other government organizations, employees write letters under someone else’s signature, and several layers of management must approve the document before it is signed and sent. If employees are attending training that instructs them to write in the organization’s style and their managers have not attended this training and are unaware of these standards, the managers risk making changes that undermine what the employees have been taught.

While it does have an unofficial policy that all staff involved in correspondence are required to attend the day-and-a-half QCFCC training, the case organization for this study added a shorter, half-day session two years ago that time-poor managers could attend instead of the QCFCC. This course, known as the Quality Customer Focus Editing Course, is essentially a compressed version of the QCFCC, and is geared towards those who edit others’ writing more often than they write documents themselves. In allowing an inconsistency to develop between the training that writers and their managers receive, the organization is inviting a double standard.

5) They do not see the changes that are made by editors, and hence do not learn and improve

In her study of workplace writing quality in a school district superintendent’s office, Bogert (1989) found feedback to be one of the key factors in producing good quality writing, stating that “new hires must receive feedback on their writing ability. The manager who quietly edits the work of subordinates or who assigns writing tasks only to subordinates who have sound writing skills can discourage the development of sound writing skills. Feedback requires both counselling for unacceptable writing and praise for acceptable writing” (p. 353).

In the case organization, once letters are finalized and ready to be sent, a copy of the signed, edited version is uploaded to the electronic correspondence management system, CMX, and an e-mail is automatically sent to the person that the system has recorded as the original author of the document to advise that the file is complete. This system is intended to give the author the ability to check what changes were made after the file left their hands and incorporate those changes into their future letters. However, only one of the interviewees said that he
regularly checks the final letters on CMX, and one said she checks them sporadically, when time permits. The other officers either do not receive the notification e-mails (usually because their administrative staff handle the CMX processes for them), do not know how to get into the system to view the final letters, or feel that they do not have time to do so.

When asked what kind of feedback he received on his letters, one interviewee advised that was good’, and the others are those that say ‘that didn’t address it, go back and start again’.

6) They are relying on outdated materials

Another issue that emerged was the organization’s reliance on outdated materials. One interviewee, who is a trained writer-editor and has been with the organization many years, commented on the frustration she felt when others change her letters to align with the style guide, which she believes contains some out-of-date information:

I reckon my stuff is better than the style guide, because I helped write that style guide back when it was initiated three years ago and things have changed and evolved in the last three years, but the style guide has not. So I think what I write is pretty much on the money, which is why I get miffed when it gets changed down the track by someone with less experience than me, and I’m left feeling put out because I’ve been doing it for a very long time and I know what works.

Letters can also be affected by out-of-date information when officers use “standards”, which are template responses to common queries that can be adapted with minor changes to suit each correspondent. In her study, Bogert (1989) described the way one elementary principal, when the writing task covered standard items of business, used to pull old memos from the files that the superintendent had written when he served the district as assistant superintendent and distribute them to faculty and staff verbatim under his name (p. 340). Petelin (2002) confirms that this is a standard practice in organizations, noting that “in the absence of on-the-job editorial expertise and training, many writers new to an organization are pointed to that old standby, the filing cabinet. Replicas of documents are generated, generation after generation, replete with outdated layouts and archaic and/or bureaucratic language” (p. 174). Locker (1987) agrees that copying existing correspondence has long been a traditional technique for teaching inexperienced writers to write business letters (p. 28), and points out that word processing software has made it even easier to store paragraphs for standard situations, which may have the effect of preserving jargon beyond its normal lifespan (p. 41).

Not only does this practice lead to the propagation of outdated information and style, it is also not particularly helpful unless the new document being drafted is basically identical to the one being copied. One of the interviewees criticized the practice of providing learners with examples of well-written letters to emulate. When asked why she thought this technique was unsuccessful, she drew the following analogy:

If I did a painting course on the weekend, would that make me an artist? No. They could teach me to do one landscape, and I could probably repeat that landscape perfectly ten or fifteen times, but you ask me to do a variation on that theme and I guarantee I’d mess it up, because I only know how to paint the tree they taught me to paint. I can’t do a different one.
B: They want to write well, but don’t have the time

1) They receive too many letters and do not have enough time to spend on responding to them

Just as Gowers (1973) predicted, the interviewees cited a lack of time as one of the major barriers to producing good quality writing. One commented:

Sometimes later on when I see what people changed [in the editing process], I think ‘why didn’t I see that myself’? In fact when I was looking at these [letters] before, I realized I used the same word twice in the same sentence, and that’s how it went all the way through the system. But I’m looking at it myself now thinking ‘I could have done that better if I’d had the time’.

Reflecting this seemingly universal time deficit in government writing is the fact that the case organization’s correspondence control systems appear to emphasize timely completion of letters over their quality. One participant complained about what he perceived as an uneven emphasis of timeliness over quality:

Clearly, both researchers and government writers are aware that spending more time on writing would benefit both writers and the writing they produce. However, blindly insisting that more time in the day be set aside for the task may be unrealistic.

One way around this issue is to find ways to reduce the amount of writing that is required, so that the while the overall time allocated to writing does not change, it is spread across fewer documents. Several of the interviewees mentioned their desire to cut down the amount of writing they did, and some identified strategies for doing so. One of the strategies most commonly mentioned was to contact customers by telephone, rather than by return letter:

Another interviewee suggested that the organization should better distinguish between letters that require responses and those that do not, as opposed to its current policy of replying in writing to all written correspondence

Of course, the danger of this approach is that the process of deciding whether or not a letter requires a response is not a straightforward one, and if the wrong choice is made too often, the organization’s reputation as a ‘bureaucratic monster’ would only be further reinforced.

2) They have jobs that make it difficult for them to find uninterrupted time to concentrate

Some of the interviewees, particularly those in more technical roles, brought up the difficulties that they encountered in juggling the often conflicting requirements of the correspondence function with their regular duties. For example, one interviewee, who is the team leader of a work unit whose function is to respond to problems (such as blockages or surcharges) in the city’s wastewater system, discussed the incompatibility of his responsive, ‘on-call’ type of role, where he is required to be available to receive information from his staff at all times, with the quiet, uninterrupted concentration that is required to write correspondence:

The need for uninterrupted time to write letters effectively is confirmed by Paradis et al. (1985), who found that ‘whether composing, editing, or reviewing, the individual needs solitude in order to do an effective job. On the questionnaire, nearly three quarters of the respondents indicated that they preferred to write at work, in total isolation. From our interviews and observations, we concluded that writing and its related activities were most successfully carried out at work behind closed or partly closed doors during the quiet hours of early morning or late afternoon’ (p. 286).
This situation is another that would be improved by designating the task of correspondence to career writers. These staff would more legitimately be able to isolate themselves than managers who must be available for those working under them, such as the first interviewee quoted above.

3) Their managers do not value writing and do not make it a priority

Another of Bogert’s (1989) key findings was that “managers can reinforce the importance of writing in the workplace by producing quality documents themselves and by clearly indicating to subordinates the value they place on well-written documents” (p. 334). Unfortunately, some interviewees felt that their managers do not place enough value on correspondence, and that time spent on the task is seen by their managers as a distraction from the main duties of their role. When asked what he would change about correspondence in his work area, one interviewee stated:

I’m not in a position where I can actually take any notice of [correspondence]. Because I’m allowed such a small opportunity to get this part of my work done, they’re always overdue. For example, I’ve got half a dozen letters, three of them are overdue, and next week is our financial reporting week and I won’t be allowed to touch them at all. So we’re going to get to a point where it’s going to be weeks overdue, and I’m just hoping that somebody screams so that something can be done about it.

The difference was obvious between those interviewees who feel that the work they do on their correspondence is valued by upper management and those who do not. One interviewee, whose branch had at one point been receiving regular individual coaching on correspondence from the Mayor’s office staff, remembered the positive change this made:

Paradis et al. (1985) suggest that an important part of improving writing in an organization is to legitimize spending work time on writing for non-career writers. In their study of a research and development organization, they noticed that “many employees think of writing and editing as non-productive activities, even when documents are the sole deliverables of their labour”, and that “in interviews, many individuals, uncertain about the legitimacy of writing as a work activity, felt uneasy about the amount of time they spent writing” (p. 286). If the case organization chooses to continue its model of having subject-matter experts write correspondence, this must also be recognized by their managers as a legitimate part of their roles, and prioritized accordingly.

The catalyst for this recognition could be, as Samson (1995) suggests, demonstrating that good writing does add value to the organization. This becomes more challenging in organizations where written documents are not a directly profitable product (such as they would be in an advertising firm, for example). Samson notes that managers often begin to see the value of good writing when customers complain about documents, such as the case in which a huge public outcry arose over an incomprehensible form produced by the IRS, leading the President to order that the hundreds of thousands of printed copies be destroyed and replaced by a new, easier-to-understand version (p. 114).

4) The letters have to pass through too many layers of bureaucracy on their way in to the writer and on their way out to the customer, leaving not enough time for the writing to be done

The organization quotes a timeframe of 20 days for customers to receive a response to their written correspondence. However, letters must pass through many hands before they
eventually filter down to the officer who will draft the response, and once drafted, this response must be checked, edited, and approved by just as many people, if not more, before it can be sent to the customer. This can place considerable pressure on the staff who write the responses, as this interviewee noted:

They’ve truncated the KPI that we see to three days to get a response back, where they might get 20 days. And we’re the ones that are actually doing the investigations and writing the letter, so the pressure is really on us. The people above us, we rely on them to pass it on to the next person, and then to the next person... sometimes we get even less than three days. And if we ask for an extension... oh no! No way. That’s out of the question. And so it should be, because customers shouldn’t have to wait for more than a month. But we spend the other seventeen days just passing the bloody file from one person to another.

The inefficiency of this system clearly annoyed one interviewee, who, when asked his opinion of the current process for correspondence, replied “I’ll try and be polite because we’re on record here. We’ve got a—it’s a very convoluted process from start to finish. In my opinion, there are way too many checkpoints for people to add value, which quite often isn’t adding value”.

C: They deliberately choose to write bureaucratically

1) They think plain English is ridiculous, and correspondence should sound “official”

In our discussions, we noticed a strong vein of resistance among some of the interviewees to the idea of plain language, and, just as Stern (1996) theorized, a belief that correspondence ought to sound “official” (p. 3). As mentioned earlier, the Mayor’s office recently issued an e-mail to employees asking staff to “explain things to [customers] in an informal conversational way, as if you were at a backyard BBQ”. Many of the interviewees were critical of this directive, one ridiculing the concept as follows:

You might have seen the latest e-mail about correspondence to say that the organization needs to put it together like a barbeque conversation? So what I wanted to do is test it. So could you bring us some sausages? I’d like to have a conversation with you over a barbeque. I want to actually test it. So instead of getting something in writing, you’ll have a verbal letter. And it’s gotta be over a barbeque. So if it’s a telephone thing, what we need to do is to get the noise of a barbeque going over the telephone. And we need to think a little bit more then about written correspondence so that when someone opens a letter, the smell of a barbeque comes out. And then signed off by the Mayor going ‘you beaut mate’ with a picture of him with a spatula in his hand. And in an apron that’s got ‘VB’ [a well-known Australian beer] written on it.

Plain language scholars and advocates take great care to point out that plain English is not “dumbed down”: Eagleson (1990) stresses that plain English is “not baby talk, nor is it a simplified version of the English language” (p. 4), and the National Board of Employment, Education, and Training (1996) asserts that plain English “means clear, intelligible English. It does not mean simplistic English. [...] It is not an attempt to strip English literature of its richness” (p. 3).

Locke (1987), in her discussion of jargon in business letters, also supported the idea that jargon persists in large part because “many people think business letters are supposed to use a special ‘phraseology’ or ‘mode of expression’ to be professional”. However, she warned that
some readers also seem to prefer jargon, referring to a case in 1965 when a bank that eliminated jargon from one of its form letters received a flood of customer complaints (p. 41).

Admittedly, the term “plain language” has always carried the problematic connotation that it entails boring, simplistic prose, which goes a long way toward explaining the resistance. As a result, as Garner (2001) notes, “plain language advocates must continually explain what they mean by ‘plain’ language, or else critics and doubters will misunderstand it” (p. 665). However, as Garner also points out, the term is “without serious competitor” (p. 665). Therefore, plain language champions have the best chance of overcoming this kind of resistance by appealing to informed, scholarly sources when persuading employees of the legitimacy of plain language.

2) They think the customer is wasting their time

A note of impatience with the organization’s customers was detected among some of the interviewees, and while it is sometimes understandable, this impatience may be reflected in their responses. One interviewee confessed “sometimes I go—and this is completely honest—’oh my god, what are you complaining about, you silly person? Why don’t you just go away and leave us alone?’”, and another complained about the lack of effort some customers put into formulating their queries:

I think that we just do so much work in the background on half-baked submissions. For example, we’ve had to do [responses] on three lines that somebody’s e-mailed to the Mayor and that information is incomplete, it’s a brainstorm. [...] If the person themselves sat down and put half as much time and thought into asking the question, they would have come up with the answer.

3) They want to disguise unpleasant facts or avoid taking responsibility for a decision that has been made

Although, unsurprisingly, none of the interviewees admitted to this being the case, Bogert (1989) claims that the “system” encourages employees to hide blame or to mask unpleasant realities, such as drops in profit, in terms acceptable to the organization, which, in turn, encourages poor writing (p. 329). While this has the potential to occur in any writing—including correspondence—Samson (1995) notes that it is particularly relevant to annual reports, which “must sound positive and make the company look appealing even if the year’s performance was poor”, and this is usually achieved by “burying the problems / / in long paragraphs and long, complex sentences with passive voice and vague phrasing” (p. 107).

4) They want to foster an illusion of power over the customer, and believe that using complicated language is a way to do so

Another point not raised during the interviews, but on which most scholars agree, is that public servants favour bureaucratese because they feel that it connotes power. Don Watson makes the point in Death Sentence (2003) that public language is the language of power and influence(p. 1) and, as Gowers (1973) notes, to reinforce this position of power, “some writers, by no means only in the public service, seem to think that if they can drag in plenty of long or unfamiliar or technical or modish words, arranged in long and involved sentences, their readers will regard them as clever fellows and be stunned into acquiescence” (p. 20). This reflects Suchan and Dulek’s experience with naval officers who strongly resisted changing their bureaucratic writing style to a plainer one, because they believed that the plainer style made them “appear uneducated, lumped them with the enlisted ranks, and stripped them of the identity formed partly by language that their professional communities provided” (cited in Suchan, 2006, p. 26).
5) They are afraid that their precise meaning will be lost if they use plain language

One interviewee, whose job involves editing other employees’ letters, noted of her colleagues:

They tend to concentrate on making sure that it’s technically accurate, without thinking much about language. For instance, I just had a letter that says ‘this is a draft document prepared in confidence for discussion with relevant stakeholders’. It’s too jargonistic to go to a customer, and really all I had to do is take it out. So now it say “this is a draft document prepared for discussion with relevant stakeholders”. The meaning is not really lost—I mean, “in confidence” basically means that it’s shared just with those stakeholders, and they can’t share it with anyone else—so technically there’s a little bit of meaning lost there, but it wouldn’t matter to the reader. But if I was to go back to them and say “is it OK to remove that?”, they’d give me reasons until they’re blue in the face as to why I could not delete that.

This nervousness over sacrificing precise meaning for plain language was a recurrent theme. Another interviewee, when discussing the organization’s practice of having editors further down the chain translate his branch’s letters into plain language, stated:

In some ways, it waters down what we’re trying to say. It’s been controversial. I know that one of our engineers takes particular umbrage to that, because he’ll get a call from a resident, or the manager of a company, who says “you haven’t told me what I wanted to know!” and he’ll say “well I did”, and then he’d fax the letter back to us. [...] And we’ll look at the letter and go “the message is not the same”.

Sometimes, if we’re not talking about simple issues, then we just can’t use simple language. Particularly if the one translating it isn’t the one who wrote it or went and did the work in the first place.

However, many scholars are quick to refute the idea that a writer has to choose between precision and plain language, including Byrne (2008) and Joseph Kimble (2000). Kimble (2000) insists that it is not true that complicated language “has the advantage of being more precise, and plain language is less likely to get the substance right’, calling this notion ‘the biggest myth of all’.

Conclusion

This study has clearly demonstrated that, for the case organization’s correspondence to successfully conform to plain language principles, much more is required than the introduction of new skills by external consultants: it will take major changes to organizational communication practices and structures. This is because, as Suchan discovered in his 2006 study, for writers to shift from a bureaucratic style to a plainer style “disrupt[s] the organizations’ communication rules and practices that reinforce those rules”—even when the organization is outwardly supportive of such a shift (p. 9). Unfortunately, as Suchan concluded, organizational communication change is never easy, but in large, functionally organized bureaucracies like governments, it usually fails (p. 5). Suchan notes that convincing the organization of the need to change is often the biggest challenge, as bureaucracies tend to be conservative and self-protective, and often suffer from what he calls “organizational communication inertia”, a condition that prevents the organization from being able change as rapidly as its environment. Among the factors he lists as contributing to this situation are the fact that “past and current organizational success may blind leaders to potential problems”; that “resources may be plentiful, causing workers to be content or at least not dissatisfied”; and that “organizational systems and structures may be so dense, tightly coupled, and interdependent that leaders are focused inward
on maintaining these systems and meeting narrowly defined functional area goals rather than outward on scanning the environment and anticipating and attending to primary stakeholders’ needs” (p. 18). The last point, in particular, rings true of the case organization.

Suchan (2006) stresses that, for organizations to justify the time, energy and financial resources required to overcome the inertia, a compelling trigger is required—simply recognising that the present situation is not ideal is not enough. He suggests that this trigger could take the form of written documents that “result in confused readers and poor decisions that have significant organizational repercussions” (p. 22).

Once the need for change has been established, the change process can also fail when, as Barrett (1995) notes is often the case, it is framed as a problem caused by people’s deficiencies. When change is framed as a problem located in workers, those workers often interpret that change as a process of finding who is at fault, deserves blame, and needs to be corrected (Barrett, 1995). Argyris (1990) also discusses this “witch-hunt” scenario, and finds that, unsurprisingly, it can generate defensiveness and anxiety in staff, who become less productive and resist the change as a result. Suchan (2006) offers a number of alternative ways to frame the change, including as “solving a puzzle, answering an inquiry, conducting a search, or creating a story.

Another powerful enemy of communication change can be a belief among workers that the change is simply a “management fad” that will soon pass. Kotter (1996) observes that, unless systems such as financial resources, human-capital development, reward, job and organizational design, are aligned to support the change effort, employees will be quick to believe that the organization is not serious about the change, and that too many impediments exist to implement it.

Australian governments have an opportunity to learn from the experiences of governments investigating plain language overseas. Canada’s Government of the Northwest Territories (GNWT) put together a detailed report in 2004 that gives an overview of the experiences of various Canadian government bodies in using plain language. The report’s six concluding recommendations, or—to use the GNWT’s term—“lessons learned”, were as follows:

1. Build a strong case for plain language
2. People at the top must demonstrate sponsorship and support for plain language
3. Market and build trust with employees
5. Keep up the momentum.

Above all, the report demonstrates that just setting plain language policies was of little use unless these policies are combined with strong leadership, employee buy-in, training, and ongoing support.

**Future Study**

Although this small, preliminary study is limited in scope, it leaves the way open for larger studies to build on its findings in the future. At the most basic level, the same exercise could be conducted using a larger, more diverse group of participants, or using other types of writing beyond correspondence. Research that gauges the extent of the bureaucratese problem would also be useful in establishing the “trigger” for change that Suchan (2006) discusses. The organization’s current arrangement of having subject-matter experts writing correspondence may also yield some useful further research—specifically, that which explores the financial difference.
between using technical officers to respond to correspondence and having trained career writers do so, taking into account factors such as the cost of the significant editing that is required when the former model is used, the difference in average salaries between the two types of officer, and the cost of providing monthly training to all staff. As Brockman (2004) stresses, “people need to see the cost’ before they will make a change” (p. 6).

There appears little point in continuing to produce more and more books and training programs that provide well-meaning advice to public servants on writing, as seems to be the current approach, without first establishing that this is an appropriate and complete solution to the problem. Some of the seminal and most comprehensive, valuable texts on public writing have been available for many decades, such as The Complete Plain Words, which Gowers originally wrote in 1948, and these have since been supplemented by many more useful materials. Having already established the tools with which to educate their employees, the next step for governments is to identify some of the other contributing factors to the problems inherent in public writing, so that effective solutions can be found.

By reviewing the existing theories put forth for these problems and, through in-depth discussions with some of the public servants who are actively producing the writing at the centre of this debate, possibly identifying new ones, this study, although small, paves the way for larger studies to build on its findings in the future.

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Developing the Culture of Trust  
in which Large-Scale Gains Become Possible

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Abstract: Purpose: An important challenge for corporate leaders including corporate communication professionals in the new economy involves building trust with stakeholders. The strengthening of stakeholder relations requires the right analysis, strategic repositioning, adjusted procedures and new behaviors for the development of a culture of trust in which large-scale gains become possible. The purpose of the paper is to suggest perspectives and approaches for analyzing culture and communication and steps to incorporate and improve best practices in communication for the large-scale gains needed for enterprise superiority.

Methodology/approach: The paper proposes an approach to planning and executing corporate communications, including the identification of values and world-class communication practices to serve stakeholders while benchmarking competitive communication processes.

Findings: The paper affirms the corporate communication function as uniquely positioned to serve as a business catalyst in the new economy. With access to stakeholder intelligence and a commitment to communication as understanding, the communication leader is specially positioned to help empower corporate culture and stakeholder confidence.

Research implications: This is an exploratory study to help integrate an approach to build trust using communication strategies, processes and behaviors.

Practical implications: Useful as a leadership guide for both corporate communications professionals and CEOs. It helps the leaders of an enterprise to frame a specific approach for large-scale gains with stakeholders.

Keywords: Trust, Culture, Stakeholder engagement, CEOs, Communication leadership, Large-scale gains.

Paper type: Article/conceptual paper.

“The most important thing in communication is hearing what isn’t said.”  
Peter F. Drucker

Times of instability or threat heighten the attention of stakeholders (including the media) and of corporations to launch vigorous discussions about trust. Major events such as the corporate scandals of Enron and WorldCom or the economic meltdown of 2008 spawned additional news articles, new surveys of opinion and repackaged recipes for corporations, HMOs, politicians or CEOs to regain trust. It is important to recognize the increased demands on corporate communication in the aftermath of each destabilization, which in parallel has stimulated much situation-specific guidance about building trust.
The documentation of practical knowledge and studies concerning trust and its relation to communication principles and techniques have also appeared in articles over many years in publications such as Corporate Communications: An International Journal. In addition, the observations and guidelines of the PR Coalition (The PR Coalition, 2003) and individual papers (Goodman, 2005) have offered further ways to think about the challenge. A special report of the Business Roundtable for Corporate Ethics and the Arthur W. Page Society called on business leaders to install enterprise values, build relations with mediating institutions, embrace transparency, work within a firm’s own business sector to build trust and commit to enhanced contributions to society (Bolton, 2009). The results of a recent International Association of Business Communicators-commissioned study advocated focus on drivers of trust described as competence, openness and honesty, concern for employees and stakeholders, reliability and identification of individual goals with the organization (Shockley-Zalabak, 2010).

While it is too early to see what impact these most recent offerings might have, it remains that in 2009, one opinion survey company reported, “Trust in corporations down around the world...% who trust corporations less this year: 62% Global, 77% U.S., 67% U.K., 67% France, 73% Germany, 56% China, 49% India...Informed publics ages 25-64 in 20 countries.” (Edelman, 2009) In 2010, the same firm reported, “Global trust in business is up modestly but the rebound is fueled by a spike in a handful of Western countries, especially the United States where it jumped 18 points to 54 percent” (Edelman, 2010). Alongside the expectation for improving trust, the lessons of the decades are clear — for all the efforts to build trust through public discourse, board and senior management commitments, training programs, advertising programs, employee relations efforts, opinion surveys, extolling of successes and so many, many sincere attempts to build trust, monitors such as the Edelman surveys demonstrate that any real momentum in a right direction is yet to be accomplished. Why is this so?

As distinct from the recipes for management success, “…the everyday rate of any real success on the part of managers and executives seems to bear no correlation to the exponential flood of advice about ‘how to succeed’” (Thayer, 2007). Within the finance sector and beyond, during the economic meltdown, as well as before and since, the demands on corporate communicators to become chefs of an instant pudding of trust keep growing in number and complexity. While the recipes for building trust bring much convergence of thought, trust is driven less by reason or behaviors than by emotion. With this in mind, this paper invites consideration of some different ways to view the stakeholders’ lack of trust in corporations and suggests a different approach to the problem. For consistency within the context of the concrete actions noted above (Bolton, 2009), the paper suggests an approach that engages stakeholders to help identify corporate values, to build relationships based on trust with mediating institutions, to embrace transparency, to execute communications and to make necessary adjustments that help build the culture of trust needed for large-scale gains. It draws on the published studies of some better documented areas of stakeholder relations, such as employee communication and crisis communication. Finally, some operating principles and tools to assist an individual corporation’s development and continuous testing of approaches to build stakeholder trust are suggested.

**Developing New Patterns of Communication**

One impulse of corporations is to use image advertising as a tool to regain legitimacy, and approaches range widely in approach and process. The most basic efforts seek renewed customer relationships through image advertising on the basis of the company’s competence. Using a corpus of 74 print advertisements, one study of how international corporate banks and financial institutions approach image advertising noted “an overwhelming focus in both text and
images on recounting companies’ achievements and competencies at the expense of providing assurance of their integrity, truthfulness or attention to clients’ needs” (Jorgensen, 2008). In contrast, in early 2010, the ambitiously ambiguous Nike television advertisement, with its voice-over from the deceased father of Tiger Woods, attracted a short media and industry buzz of speculation about its processes and effectiveness. As the subject of the book *How Toyota Became #1: Leadership Lessons from the World’s Greatest Car Company* (Magee, 2007) faced a difficult series of vehicle recalls and blistering public commentary in early 2010, Toyota’s advertising in the United States made much of thanking loyal customers and thereby presented role models for others to follow.

With public discourse expected to continue at a high pitch, with investor-cautiousness evident, with clients and customers especially sensitive about quality of service and with staff satisfaction often low, the importance of establishing a consistently working role for communications that build trust with stakeholders is important. Countless events in history support the proposition that the development of the culture of trust is the way large-scale gains become possible. In classical times, it was the good citizen (*rhetor*) who empowered public discourse, with the ancients seeing *ethos* or the disposition, character, or fundamental values peculiar to a specific person, people, culture, or movement as a compelling proof. With the endless news cycle, added to social media, added to community gossip and other pre-existing communication channels, one description of the contemporary world as “like being aboard a careening juggernaut…rather than being in a carefully controlled and well-driven motor car” (Miller, 2004) makes the challenge of communication more demanding than in some other times. Perhaps more than ever before, corporate leaders need enhanced abilities to recognize the communication landscape and to engage in interactions that are satisfying for stakeholders. This could require new self-awareness and recognition of new patterns, as well as new skills.

For corporate communicators to help make the future different from the past, the focus should be on the values that are created by the people inside and outside the corporation individually and collectively. Rather than dictating the substance of a values statement or manifesto, a catalytic role for corporate leadership and corporate communicators is recommended. The common sense and understanding of stakeholders are powerful resources to engage, and how communication is established will determine what the corporation gains from this effort.

**Establish Common Values**

Stakeholders recognize early in communication, from the disposition and tone of the corporate communicator, whether the corporation is genuinely interactive. Communication values are embedded and express so much of how much the stakeholder is valued, and this is an issue. When the communication goal is to get a message out, stakeholders understand that their views and feelings are not considered important. When the communication goal is to build understanding, there will be an ebbandflow of conversation where participants acknowledge and signal appreciation of each other. This approach might require a substantial reset of approaches to deal with a wide range of stakeholders.

For example, the annual report to investors is one stylized communication acknowledged by some to be a statement that “communicates with individual shareholders and seeks to create good impressions and build confidence. It is primarily a one-way exchange” (Clarke, 2000). Further research could test the widespread assumption that such communication generates the trust levels we might like to think are accomplished or whether there’s a better way. We can all think of one-way and two-way communications that produce feelings at the wrong end of the
cynicism register. Foremost among these, command and control approaches to others generally work poorly in building trust. Ironically, even Shannon and Weaver’s transmission theory of message transfer more than six decades ago sought to explain how “white noise” in the telephone wire interfered with the message transmission and what was heard (Shannon, 1949). Yet, recognizing what we now know about the variety of meanings people give to the same words and how human beings construct meaning from a variety of cues, it is important that corporate communication be less didactic and more interactive.

The importance for leaders to build relationships with stakeholders is accepted, and “the role of the leader as a listener, communicator and educator is imperative in formulating and facilitating a positive organizational culture” (Allert, 1997). When communications are conceived and occur in these terms throughout the corporation, the potential of communication as interaction for understanding can be realized. The development of communication to seek understanding is not contained to one-on-one communication or any particular mode — speeches or advertising, for example, can be conceived thus, and “trust has its roots clearly in the common history of the relationship, but is essentially also coloured by current expectations about the future” (Tuominen, 1997).

After the CEO, corporate communicators are often best positioned to create, execute and illustrate communication values that are genuinely interactive. Whether through corporate strategic planning, issues management, media relations output, employee communications or a plethora of more granular communication activities, corporate communicators with a perspective for interactive communication have a special role in the evolution of trust. Generalizing what is advocated elsewhere for non-government organizations (NGOs) in the new economy, the act of bringing each stakeholder group into contact with the area of the organization that helps her or him genuinely participate in developing new ideas to address community needs is a powerful means to engage stakeholders (Miller, 2009). Many of the techniques of issues management are directly applicable to this approach, although it is important to step beyond the “…traditional approach to issues management where organisations ‘decide’ on their plans, ‘dictate’ them to stakeholders, and prepare their ‘defence,’ …[which]…will no longer be adequate” (Watson, 2002).

A piece of good news for communicators in the bad news about corporate trust is the opportunity this provides to adjust corporate communication values, expectations and practices. Many suggestions to assist with this effort are in the literature, such as “…nine roles of communication, including: cultural conscience, interpreter of ethics, facilitator of re-visioning and openness, and communication planner” (Smythe, 1997). Teachers and advocates of the ethical foundations for persuasive practice also have long disseminated understandings of the multiple and sometimes conflicting ethical frameworks (Johannesen, 2010) to teach new communication practitioners how to develop communications that are responsive, responsible and nuanced to the needs, wants and perceptions of stakeholders. As the complexities of the communication landscape continue to increase, the importance of developing a practical understanding of the values implicit within communication practice will also keep increasing. What remains constant is that whether or not communication is perceived as authentic will determine whether or not there is communication (for understanding). One study’s “…data analyses showed that all ten principles of authentic communication were correlated with communication success” (Bishop, 2006).
Developing the Culture of Trust in which Large-Scale Gains Become Possible

Motivate Trust

It is recognized that in corporate communications, consumer protection, trust and confidence, value, respect, and satisfaction are dominant themes and values (Wanguri, 2003). The complexities of motivation and what works to build trust with employees provide useful approaches to consider for other stakeholder groups. These efforts highlight the need to focus on motivators from within the person in order to build trust. This is illustrated when examining how different factors motivate people in different situations, leading to the conclusion that outcomes such as accountability, adaptability, alignment, collaboration, leadership and trust will only be leveraged by motivators such as safety, growth, accomplishment, belonging and purpose, which are emotional drivers intrinsic or within people (Freedman, 2009). When it comes to the development of intrinsic motivators, three guidelines are to:

1. Develop powerful values.
2. Connect with people to produce a sense of belonging.
3. Constantly articulate purpose (Freedman, 2009).

It is the “why” value of the corporation that engages people. While it ought to be found expressed in the mission, too often mission statements are actually goal statements articulating what the corporation does. If a corporation does not have a compelling statement of why it exists, evolving its mission is the way to strengthen engagement with stakeholders. Everyone accepts that a corporation’s goal is to make money, but “what does it exist for?” (Freedman, 2009).

Putting this question to stakeholders, and following up with conversation about what would be missing if the corporation ceased to exist, can produce powerful engagement. The approach will often identify worthwhile and unexpected answers to help shape the statement of corporate values to align most closely with stakeholders’ beliefs and values. Also, when stakeholders have helped to evolve the corporation’s values statement, their engagement can be strengthened, and some might even be prepared to sustain involvement to assist with the constant articulation of purpose that will be needed.

In the new economy, the iterative engagement with stakeholders and the capacity to build a mutuality of interests will be increasingly important and might become one of the few determiners of corporate strength. It is hard to think of an industry sector where the building of such bridges has not become more important, and the good news is that, in addition to face-to-face engagement, corporate communicators now have access to a widened array of what might be called mass-interpersonal communication vehicles, such as social networking tools, to provide the ongoing interaction many stakeholders expect. It is certainly true that “…for companies in the twenty-first century, the creation of value increasingly depends on intangible assets such as knowledge, systems, data, intellectual property, brands and market relationships” (Phillips, 2006). It might require substantial change to recognize the centrality of such intangible assets, and for some, the sustained commitment to a framework in which aspects of communication with all stakeholders are core rather than ancillary to corporate function will require even more substantial change.

The challenges to planning and executing this changed approach should be carefully considered ahead of any action. Recent estimates suggest that up to 70% of change efforts fail (Freedman, 2010). An interesting analysis of the forces working against change concluded, “If an organization prepares inadequately for change, resistance emerges, organizational inertia thrives, and the efforts to change fail” (Goodman, 1995). The examples used to illustrate this dynamic also point to why change has limited likelihood for success and imply that appropriate
consideration be given to the culture of the organization as a critical step in becoming ready for change (Goodman, 1995). The corollary is that communication changes had best be worked in conjunction with and supported by cultural realities to have potential for success. In considering the characteristics of change needed, it is also important to remember that “extraordinary achievements carry more risk of failure...Most people look askance at those who take great risks, or make great efforts, or discipline themselves severely. Until one of them succeeds. Then people pretend not only that they were certain all along of that person’s achievement, but they are then willing to buy fan t-shirts or other paraphernalia to identify themselves with the achiever”(Thayer, 2007).

The changes to how a corporation approaches communication already suggested in this paper are major for some corporations, and preparations are required. A first step is to analyze both the corporate culture and communications. A tool to show “hot spots” in the organizational culture that might block optimal success is The Organizational Vital Signs, which its developers present as a statistically reliable assessment against norms (6 Seconds, 2009). The five climate factors addressed are:

1. Accountability and Responsibility
2. Collaboration and Problem Solving
3. Perception of Leadership
4. Alignment to the Mission
5. Adaptability for Change, plus an overlay dimension of Trust.

For the assessment of communication flow and effectiveness, instruments developed by the International Association for Business Communicators and the PR Council might prove helpful, yet run the risk of overkill, since to make adjustments to communication approaches it might be sufficient to make a content and tone analysis of a selection of oral and written communications. Certainly, the results of the analyses selected should enable a more informed consideration of options to change communication philosophy, to develop communication skills and to describe the long-term commitment needed to maximize the potential for success.

Factors that will affect the change efforts need to be anticipated and will include aspects of communication from the points of view of both the external stakeholders and employees, such as levels and types of “...information, feelings of belonging to a community, and feelings of uncertainty, ...[which]...have an influence on resistance to change, which will affect the effectiveness of the change effort” (Elving, 2005). Experience with employee communication programs also highlight the need for stakeholder communication more widely to consider “…the communicative competencies of middle managers and their capacity to enter into dialogue…” (Andersen, 2010). Given that the value to the corporation in stakeholder engagement derives from facilitating a larger rather than a limited number of interfaces, such decisions about the designation of who is to sustain corporate contact with stakeholders, the levels of authority to assign and the communication competencies of corporate staff to perform these roles will be important.

Build Mediating Relationships

In addition to outreach to stakeholder groups directly, it is timely to review the value of relationships with institutions to reach stakeholders. In particular, the not-for-profit sector, which is comprised of what some call non-government organizations (NGOs), provides many opportunities for mutually beneficial relationships. For example, in the United States and
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internationally, engineering, aerospace, pharmaceutical and other manufacturing companies have built relationships with NGOs established to conduct robotics or other hi-tech competitions that inspire young people to enter science, technology, engineering or math-based careers. The companies provide technology professionals as mentors and sponsor competing teams, thereby reaching children, parents, teachers and media in measurable numbers. Yet much more occurs in this kind of relationship.

While trust in corporations is not generally increasing, NGOs are enjoying continuous growth in approval and trust from the communities they serve. In the absence of any widespread NGO mismanagement scandals (not seen in North America since the 1980s), the opportunities keep growing for corporations to further reach into communities through more trusted NGOs. In many locations, the number of registrations of NGOs continues to increase at record levels and many communities have staggering numbers of vacancies on boards of trustees, even in well-established organizations.

NGOs have well defined needs, such as additional sources of funds, access to networks of corporate leaders, profile and relationship within communities or pro bono expertise. Such needs provide opportunity to arrive at clear understandings for relationship, even though the dynamics of such relationships vary greatly. By ensuring up-front that understandings and expectations are sufficiently articulated between the most senior management of the participating corporation and the NGO, the framework to establish and improve the relationship can be mutually understood and valuable to all parties.

A systematic review of the range of NGOs in local, national and international areas of operation will provide a resource to choose affiliations that might most advance the mutual goals of corporations and NGOs within the communities served. Since the more sophisticated relationship management systems are generally found within the NGOs with the most developed fundraising operations, these interactions can also provide opportunity to fast-track the corporation’s refinement of a robust set of stakeholder-based values.

Embrace Transparency

In the “juggernaut” ride of the new economy, the corporation that establishes plain language practices (McKinnon, 2010) and discloses both negative and positive information will stand out from others as more trustworthy. This is widely understood from the experiences of crisis communications, employee communications and customer relations programs, which provide tremendous context for refining the nuances of communications. Even the best intentions of a central corporate communications function can be undercut (or worse), however, when any of the many other interfaces with stakeholders go awry. The CEO’s lead sets the significance and tone of stakeholder relations with employees and other stakeholders. How interactively the CEO communicates will be noticed and mirrored. The CEO’s responsibility for stakeholder engagement will forever be substantial.

The rebuilding of trust might remain more like an ongoing crisis communication program for many corporations for some time. By analogy, for stakeholder engagement, “The CEO needs to step up to revise earlier statements or when the integrity of the organization is questioned. Additionally, the CEO should step up at the beginning of the crisis if the crisis pertains to organizational transgression or when the crisis becomes unbearable to organizational reputation. As counter-intuitive as it may [sic], CEOs should refrain from stepping up at the height of the crisis” (Lucero, 2009). Within the wider community of stakeholders as within the organization, genuine “straight talk” which brings stakeholders into the fold has potential for huge returns of goodwill and support. Conversely, “…the power of informal communication, in this case the
‘rumor mill,’ should not be underestimated, and management should not overestimate their own ability to control it” (Appelbaum, 2003).

As for communications of sensitive matters, judgment will be needed about when, what and how to communicate. It seems clear “…from a communicative point of view, it might be wise to publish negative aspects as well as the positive ones to promote trust and corporate credibility” (Galetzka, 2008). It was found in a study of attempted transformations of organizations that “Communication during failed efforts seldom involves enough communication opportunities, lacks any sense of emerging identification, engenders distrust, and lacks productive humor. These problems are compounded by conflict avoidance and a lack of interpersonal communication skills. Members decouple the system, sheltering the existing culture until it is safe for it to reemerge later” (Salem, 2008).

**Steps to Be Best**

With the lack of trust in corporations now highlighted over many decades, it is doubtful that quick fixes, hype or command and control message-sending will do more than reinforce existing beliefs. Following the Enron and WorldCom debacles almost a decade ago, one observation was: “More than seven in 10 Americans say they distrust CEOs of large corporations. Nearly eight in 10 believe that top executives of large companies will take ‘improper actions’ to help themselves at the expense of their companies” (Horovitz, 2002). Another commentator at the time considered that: “The threat of jail time for those who are found guilty of deliberate misconduct may be just the ticket that's needed to force top executives to think before they engage in questionable practices, and handsomely compensated auditors to just say no or walk from a client rather than turn a blind eye” (Seglin, 2002). Events since suggest that commentators were wrong.

A more accurate reflection of reality is that well into the future “…many of the problems organisations are facing involve gaining legitimacy from stakeholders and acting from a genuine corporate identity, and these are the basic fundamentals of corporate communication” (Elving, 2010). Accordingly, this paper proposes the following steps towards best practice for developing a culture of trust:

1. Assess the current levels of trust within the corporation and among stakeholders, using instruments such as The Organizational Vital Signs.
2. Engage stakeholders very closely to identify why the corporation is valued, what are the values of stakeholders, and to develop powerful values including interactive communication and other common values among the corporation and stakeholders.
3. Organize ongoing contact with stakeholders to produce a sense of belonging.
4. Articulate the corporate purpose constantly and consistently from the CEO and throughout the corporation.
5. Build mediating relationships with other institutions, especially trusted NGOs.
6. Adopt pertinent principles of plain language and crisis communication to sustain vigorous interaction with stakeholders.
7. Assess progress on longer-term metrics of satisfaction and trust, with special emphasis on initiatives to benefit the corporation that derive from stakeholders.

Of the many assessment tools available, it is best to avoid ones that are intrusive. Trust, on some limited occasions, might be improved through the sharing of information from focus groups or surveys, although most stakeholders will not initially (if at all) take kindly to becoming
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subjects of study. Most empirical information is best gathered selectively or through systematic debriefing of the corporation’s relationship managers who are directly interfacing with stakeholders.

Corporations are not considered generally to operate for the greatest good of the greatest number. The opportunity now is to build networks of mutual understanding and value with stakeholders. Remaining true to this approach will present challenges and failure. However, as Prince Gautama Siddhartha, the founder of Buddhism, noted in the 5th century BC, “The only real failure in life is not to be true, to be true to the best one knows.” A powerful force working in favor of improved trust is its character as a force for community bonding. “If...trust both reduces perceived complexity and increases our tolerance for uncertainty, then conditions of increased complexity and uncertainty make trust increasingly necessary” (Miller, 2004). The engaging quality about trust is that people want to believe in the good of others. Stakeholders might be the potential friends who will help to evolve a perception of trust for the purpose-built creation of people that is the corporation.

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Communicating in Meta-Organizations:  
The Structure of Corporate Communication in Trade Organizations

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The purpose of this research paper is to find out to what degree the corporate and organizational communication of a meta-organization, like a trade organization (e.g. the Danish Brewers’ Association), differs from the corporate and organizational communication of a traditional corporation. The methodological approach consists of a literature review of “classic” corporate communication, textual analysis of trade organizations’ communication, triangulated with in-depth personal expert interviews of selected trade associations. Preliminary findings show that a trade organization acts and communicates in many ways like a private corporation; but there are also substantial differences in their communications, which reveal fundamental organizational, cultural, and functional differences between private corporations and trade organizations. One of the main implications for further research is the focusing on the structural difference between a meta-organization, like a trade organization, whose members are other organizations (corporations), and a traditional organization, whose members are individuals (human beings). Part of the practical implications would be recommendations for the corporate communication of trade organizations.

Keywords: meta-organizations, trade organizations, corporate communication, organizational communication

(Paper not available at time of publication)
Non-Verbal Communication Norms in Corporate Contexts: 
A Hong Kong Perspective

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Non-verbal communication, according to Edward Hall’s (1959) classic definition, is referred to as “meta-
communication, paralinguistics, second-order messages, the silent language, and the hidden dimension of
communication.” Simply put, symbolic messages can be conveyed by means of intonation, tone of voice,
vocally produced noises, body posture, body gestures, facial expressions or pauses (Besson et. al., 2005).
As Dou (2005) opines, non-verbal communication is important because people deploy or refer to the action
of others to learn about their affective or emotional states, and that sometimes non-verbal signs play a
more decisive role than verbal messages in determining communicative effects, albeit such effects may vary
across cultures. While there are studies linking intercultural business communication practices to cultural
value variations in a Western context (e.g. Clyne, 1994), or studies that placed emphasis on the inter-
cultural value comparisons in Asian and Chinese contexts, e.g. Bond (1986, 1991); Hu (1944); Hwang
(1982, 1985), norms of non-verbal communication in corporate contexts and the difference between the
West and Asia in such normative values remains an area that has been neglected and requires focused
research (Dou, 2005).

This pilot study attempts to identify what constitute effective non-verbal communication skills in performing
corporate functions in Hong Kong and to examine if East-West differences are in evidence. The target
participants are corporate executives in related fields like marketing and event management; the sample
size is targeted to be around 15. The study will take the form of face-to-face interviews with an
incorporation of artefact-examinations. Specifically the subjects will be first asked, via a protocol of
communicative norm statements about non-verbal communication behaviors adapted from Wood (2006),
(1) to rank these statements according to effectiveness, and then (2) to examine categories of corporate
artefacts in the form of video clips capturing different Hong Kong or Greater China based corporate events
highlighting non-verbal communicative signs exhibited by corporate spokespersons. Afterwards, with
reference to both (1) and the non-verbal communicative signs embedded in (2), the signs perceived to be
more preferable by the subjects will be identified, and the findings will be discussed within an East-West
framework.

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Strategic CORCOM: Concepts and Context

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Core strategic organisational elements of corporate communication (CORCOM) in university courses are often neither recognised nor understood and are missing from programmes at undergraduate and postgraduate level. This issue continues to have a negative impact on the reputation and sustainability of the CORCOM industry and its qualifying membership.

In research terms, it is critical to recognise conceptual links that underpin the economic, social, political, and philosophical elements of an accelerating global body of knowledge in a way that speaks to business leaders, politicians, management consultants, and others. As a focus for curriculum design and CORCOM governance, an eight-factor strategic communication model links current academic theory to real world best practice.

By applying behavioural concepts to models of corporate strategy, the Chief Communication Officer (CCO) works with the Chief Executive Officer (CEO) in the execution of organisational aims and objectives.

Background

Ten years ago, the academic Richard Whittington asked: ‘What is Strategy – and does it matter?’ He propounded four ways of thinking about corporate strategy, but not one included corporate communication – without which organisational strategy itself remains an abstract concept and mission statements remain empty vessels. The influence of corporate communication strategy is not recognised in this book or in university course prospectuses. At modular level, essential strategic components of professional programmes are often superficially covered or not addressed at all. The issue is serious in terms of effective, efficient delivery of quality CORCOM theory and knowledge transfer. It impacts on the industry so that the public and media question whether CORCOM is a legitimate profession.

During the last decade, in line with many transnational companies, numerous business schools changed the titles of their public relations courses to ‘Corporate Communication’, partly to avoid ambiguity and partly to appropriately distinguish lower level teaching and learning curricula at PR (Public Relations) media relations and digital arts from higher level CORCOM. Unfortunately, in a few cases, this proved to be a marketing ploy of style over substance that did neither the PR industry nor academia any good.

In discussing learning outcomes during my straw poll of course leaders in a range of relevant subject areas, it was interesting to see how defence mechanisms about the concept of PR and, by default, CORCOM, as a proper academic discipline, came into play. Their responses were categorised into three types: the fearful, the fanciful, and the fearless. The fearful saw corporate communication as intelligence (spying), propaganda (lying), and big business (greed); the fanciful denigrate the public relations profession and cited tabloid headlines as their own, while seeing any attempt at collective engagement and co-operation as a green Corporate Social Responsibility (CSR) issue, and the fearless were full of false pride, and appeared able to ignore...
mutual understanding, defy the moral licence given to businesses, and ignore democratic principles of stakeholder relations. All three types impeded the academic interaction that is needed to ensure the quality control of course development, and the teaching and learning of CORCOM, including MBA and strategic management modules for related programmes.

The current Editor-in-Chief of the journal I founded fifteen years ago, ‘Corporate Communications: An International Journal’ (CCIJ), and I are still trying hard to get its publisher to establish Institute of Science (ISI) ranking based on service measure, citation activity, and other criteria that make the journal unique; also the Social Sciences Citation Index (SSCI) other listings such as the Judge Institute at Cambridge University. These are vital to retaining subject integrity and CCIJ's continuing reputation as a journal of quality peer-reviewed research in the specialist field of CORCOM.

The United Kingdom’s media’s use of the PR initialism has led some high profile educationalists to denigrate the subject and suggest that PR and media studies are classic examples of higher education ‘dumbing down’ to much amusement about corporate vision and mission statements. Journals on international business that critically discuss management from a multidisciplinary approach, rather than from within specific fields, rarely mention corporate communication or strategic PR. The professional institutions representing communication and corporate PR must bring together all the professional clusters that make up this academic discipline if the expertise and reputation of the industry is not to be undermined further at both local and global level in the next few years. They must reign in activities such as celebrity PR, events management, and marketing communication to halt the negative impacts on CORCOM education, PR training, ethics, codes of conduct, and corporate reputation. They must stand firm in the distinction between education and training in the regulation and assessment of courses for professional qualifying member status, career development, and Continuous Professional Development (CPD). Most institutes, such as the Chartered Institute for Public Relations (CIPR), which endorse qualifying membership courses, try to do this. Others use initiatives like MIT’s CDIO template that can be adopted by university engineering schools, which benefit students, employers, and society while developing the profession itself. The CDIO leadership programme helps to close the gap between education and real life demands through concept, design, implementation, and operational criteria based on ten key principles.

The Chief Communication Officer (CCO)

The CCO is the face of the organisation when facing the press, while the CEO is trained to face the camera. The CCO representative on the executive board of any large enterprise is accountable for decision-making with the rest of the core governance team. This gives equivalent status and powers to the Chief Finance Officer (CFO), because of the politics of the decision-making process in a contemporary organisation, even though the CEO retains a casting vote in instances of executive board lack of agreement. CCO’s can then address what the International Futures Forum (IFF) calls a ‘conceptual emergency’ where:

...the scale of interconnectivity and interdependence has resulted in a step change where complex human systems now operate within other complex systems .... raising fundamental questions about our competence in key areas of governance, economy, sustainability and consciousness .... we are struggling as professionals .... to meet the demands it is placing on traditional models of organisation, understanding and action.
It is critical at this juncture of a globalised CORCOM/PR industry that its professional practitioners recognise the empirical, historical, and theoretical aspects of the discipline and are familiar with the quantitative and qualitative criteria that underpins the economic, philosophical, and political elements of its growing body of knowledge. For example, many events management courses offer little or no corporate communication or PR strategy teaching and learning, even though they are promoted in business studies portfolios and can heavily impact on corporate strategy. Where it is incorporated, the term CORCOM is often used wrongly and interchangeably with promotional PR or product branding.

The skill sets of PR advisers operating in all functional areas of reputation management must come under the umbrella of corporate communication at executive board level and the remit of a CCO. CCOs are commonly outsourced but corporations must reclaim CORCOM status and authority in-house. CCOs must be qualified and recruited under the terms of executive board level contracts. They must be clear about their role and locus of control in monitoring change and overseeing operational standards. This includes the ability to tolerate what the IFF describes as ‘decision thinking that is able to handle multiple possible scenarios … representation, that go[es] to the heart of democratic theory’. The following eight-factor integration model represents eight key areas from academic literature and links them to their associated professional clusters of best practice. The CCO is responsible and accountable for all PR advisers and media handlers across an organisation, including corporate advertising and web-based marketing (which must be in accordance with the Advertising Standards Authority (ASA) code) as well as overseeing all other CORCOM functions as illustrated:
FIGURE 1. The CCO's CORCOM Overview

Key
- Micro Environment
- Macro Environment
- Integrated CORCOM strategy

Source
Adapted from Oliver, S (2010) Public Relations Strategy, 3rd Ed.
The Internet and social networking are changing the way society communicates and are producing new technological tools and techniques for planning and evaluating stakeholder impact and wider social opinion. The digital age has encouraged CORCOM practitioners to reflect on their role as consultants to industry and commerce in the wake of the recent global financial crises. Strategic economic control structures in organisations often appear in the annual reports and accounts to be healthy and thriving, but the problems with the human processes may not be apparent until crisis hits. Symptoms of bad CORCOM design may not be obvious, especially where flawed PR borders on propaganda and creative advertising ignores reality in favour of poetic licence, regardless of the social impact.

At the third annual lecture by the UK Royal Society of Arts (RSA) held in London, Chief Executive, Matthew Taylor, former chief adviser on political strategy to the British Prime Minister, called for ‘a new politics of human nature’ with collective engagement and co-operation at its heart. Building on neuro-scientific research, Taylor explored how brain and behavioural research is proving increasingly valuable in public policy making. The RSA Commission 2020 Public Services Report, published in March 2010, concluded that companies require a ‘revolution in our thinking how (they) interact with citizens, how (they) are governed, financed and held to account’. Smart search engines and other digital tools hold the promise, but no guarantee, of making this possible by tracking patterns of corporate behaviour.

**Social, Emotional, and Behavioural Intelligence**

Social, Emotional, and Behavioural Intelligence (SEBI) is now a recognised UK educational term for people with a certain category of maladaptive development responses. How useful is such knowledge to the corporate communication industry? Is it possible to apply the concepts of human health to organisational health? Can the culture of an organisation reflect or equate to a core personality disorder via its concomitant ability to communicate, just like individuals and groups of people? The work of the CCO has never been more complex in this regard, so a CCO person specification for recruitment is as important as the job description.

George Vaillant’s Harvard study on adult development followed two groups of subjects for more than seventy years and was described by Joshua Wolf Shenk as one of the ‘longest running and probably the most exhaustive longitudinal studies of mental and physical wellbeing in history’. By the age of fifty, almost a third of Vaillant’s sample had ‘at one time or another met Vaillant’s criteria for mental illness’ or displayed “unwise deployment of defence mechanisms’. Vaillant applied his training in the rigour of data driven experiments by interpreting the way that the subjects had responded to pain, conflict, or uncertainty until middle-age, which arguably corresponds to the frenetic, deadline-driven lifestyle of many CCOs and PR consultants. Unconscious responses or defence mechanisms can shape or distort a person’s concept of reality - positively or negatively. Can we apply these broad socio-psychological concepts to people’s perceptions of organisations? Numerous managerial and behavioural scientists have attempted to do so. Shenk organizes Vaillant’s taxonomy by ranking defences from worst to best in four categories: unhealthy or psychotic, immature adaptations, neurotic defences, and mature adaptations. The latter is one of Vaillant’s seven major factors to predict healthy psychological development in the ageing process and is a core component of SEBI.

Vaillant’s concept of ego-defence mechanism, whether optimistic or pessimistic, is useful to the CORCOM practitioner. For example, press relations advisers at technician level often adopt short-term, over-enthusiastic defensive positions in the belief that they are protecting an organisation’s reputation and economic viability for the long term. A defensive or unrealistic press release can be a symptom of wider PR unease. Many of the psychotic adaptations Vaillant
saw were common in toddlers - the immature adaptations remaining in later childhood, but often fading with maturity. At adolescence, study subjects were twice as likely to use immature defences as mature ones, but in middle life they were four times as likely to use mature defences, and this progress continued into old age. When they were between fifty and seventy-five years of age, Vaillant found altruism and humour grew more prevalent, while immature defences grew more rare. Can a glimpse at any one moment in the life story of an organisation produce as seriously a misleading reputation as it might be of a person? How can such knowledge be applied to the job description and person specification in the light of anti-discrimination legislation? Is the concept of immature adaptation applicable not just to the CCO and the CEO, but also to the whole governance team? Can it spread to infect a whole organisational culture? This could be related to the huge numbers of failed mergers, acquisitions, and takeovers within businesses.

By linking Vaillant’s individual theory to group theory, does it suggest that each new board of directors in the post-modern western world can be prone to ‘immature defences’? These include well-known managerial behaviours such as the ‘risky shift’ phenomenon (Stoner J A F), group polarisation (Myers D G) and group-think (Janis I L) in respect to decision-making.

The only stable, consistent position, especially during change and upheaval, is the CCO. As messenger, the CCO may be the first to be fired as part of a board’s defence strategy. This metaphor seems appropriate to the CORCOM industry and acts as a cautionary tale. It is the role of the CCO to make sense of the whole life of the organisation and to understand the present context and era. A knee-jerk reaction to a major media story by adjusting policy is no way to manage strategically. A snapshot in the life cycle of an organisation can be deeply misleading, especially to investors. Similarly, an organisation that detaches corporate social responsibility (CSR) from its overall strategic aims and objectives to promote a good name image without genuine altruism as a core value may be in denial and disengaging with its key stakeholders.

Are CCOs equipped to share a lead in organisational development or are they too concerned with marketing economics? Do they have the knowledge, experience, and integrity to promote healthy development of the organisation? Banks, such as HSBC and Barclays, increasingly use psychometric testing, to assess what sort of leaders they require. Psychometric testing addresses verbal reasoning, numeracy, and personality factors in CEO job applicants, and assessors look for signs of risk-seekers or de-railers (House R J). Whether psychometric testing can help to avoid potential threats to a business is debatable as it can also be used as a defence mechanism. Senior management can’t or won’t communicate effectively at different times because, as Shenk wrote, ‘seeing a defence is easier than changing it’. Perhaps here lies the key to effective CORCOM governance and operational strategy, based not just on rules, or problems to avoid, but based on an engaged humility throughout an organisation’s ups and downs. As people become experts at interviewing and pitching for new business, their underlying emotional attitudes and mental capacity may only express themselves under stress, so ongoing training and Continuous Professional Development (CPD) is essential.

Cognitive psychological tools such as Joseph Luft and Harry Ingham’s ‘Johari Window’ (1958) remain popular and useful training devices. They are used along with initiatives with open architecture, such as CDIO, that articulate essential competences for combining technical expertise with social awareness.

Strategy Based Training

Leadership around structured communication and continuity, along with CPD for all main board directors, is the key to organisational resilience. Except in certain badly led organisations, the once PR adviser, with an English degree, is likely to remain at technician,
press-relations level, given the managerial expertise and experience required for higher level decision making. The following diagram identifies the type of simulation training necessary for CORCOM when crisis management goes beyond standard PR programme planning and scheduling. The tinted area represents a CCO’s quality assurance criteria for outcome assessment.

### TABLE 1. A CORCOM TRAINING MATRIX

<table>
<thead>
<tr>
<th>Before: Routine Plans</th>
<th>During: CCO Control</th>
<th>After: Revise Policy</th>
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<tbody>
<tr>
<td>Pre-CORCOM Strategy</td>
<td>Crisis Command Centre</td>
<td>Post-CORCOM Strategy</td>
</tr>
<tr>
<td>Best Practice</td>
<td>Best Practice</td>
<td>Best Practice</td>
</tr>
</tbody>
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#### Before: Routine Plans
- Stabilised environment
- Research inputs and outputs
- Image control
- Open system culture
- Ordinary leadership
- Proactive / probability theory
- Planned statements
- Records / Minutes

#### During: CCO Control
- De-stabilised environment
- Hazardous input / output
- Identity test monitoring
- Closed system culture
- Extraordinary leadership
- Reactive / proactive comms
- Ad hoc press & PR statements
- Digital tape recording

#### After: Revise Policy
- Re-stabilise environment
- Evaluate inputs and outputs
- Reputation review
- Open system process appraisal
- Ordinary leadership feedback
- Resilience planning
- Scrutinise statement impact
- Record / minute quality control

#### Lead Comms / PR Strategy
- Prepare external press and facilities rooms set up including control of emergency internet, phones, intelligence services and liaise with local authorities
- Activate Information, monitoring, evaluation & reporting systems
- Direct all communications
- Present information for lay people
- Prioritise stakeholder needs
- Online press & PR messaging

#### The Learning Org (LORG)
- Resilience Training & Development
- Exercise Design
- Behavioural Assessment
- Cultural Sensitivity Awareness
- Risk Analysis
- Routine Drills
- Facilities / Support Mechanisms
- Intelligent / Technology Testing

#### The Learning Org (LORG)
- Resilience Management
- Decision Analysis
- Interactive Teamwork
- Cultural Sensitivity
- Human Factors Integration
- Behavioural Performance Audit
- Technology Review
- Forensic Computing
- Facilitation Support Services

#### Key
- Taxonomy of theory

The CCO’s team of PR advisers is responsible for building relationships with the media for mutual understanding. The CCO is not just responsible for collating and analyzing data around PR performance (Glaser, B G and Strauss, A L – not included in reference list). Smart planning, including appropriate use of intelligence in competitive situations, relies on sound internal communication that releases the innovative spirit and commitment necessary for productive output by employees and managers. Planning must not become bound by an unthinking bureaucracy; it exists to stabilise and to support creative endeavour. The CORCOM director’s counsel is based on probability, so forecasting comes with no guarantees and the CEO expects that. But, by sticking to the facts and applying engaged humility, professional respect is earned. Timing, temerity and tenacity are characteristics necessary to play devil’s advocate successfully. The CORCOM strategist should be in-house to manage technical communication processes and to ensure validity and reliability of analysed data, particularly any that could have unexpected consequences. It is not enough to face broadcast media with the typical cliché ‘lessons have been learned’, unless it is supported by factual evidence of before and after.
Excuses will be perceived as cover ups. Errors of judgement and subsequent actions (or lack of them) must be admitted, and any strategic implications communicated down the line via management where appropriate. In higher education, we classify such matters as ‘adhocracy’ (avoiding static routines of bureaucracy); ‘cascading’ (learning is shared); ‘limitality’ (learning is a transition, based on the impact of change), with the emphasis on ‘transparency’ (open systems theory).

**Trust and Transparency**

Transparency is often discussed, but few are in a position to judge efficacy. Jayne-Anne Gadhia, CEO of Sir Richard Branson’s Virgin Money- which will become a UK highstreet bank later this year-stated recently that she doesn’t have any shares of her own because she doesn’t ‘want to be constantly worrying whether claims made by companies are true’10. Does this say more about her personally or professionally? And where was the strategic CCO when Kraft took over the British chocolate firm Cadbury, giving the CEO Irene Rosenfeld a $26.3m salary, while eliminating jobs and more than a century of trust in its leadership and core values? Earlier this year, Anita Skipper, Aviva’s Corporate Governance Director, sent a letter calling for executive salaries and bonuses to be aligned to business strategy and performance. The CCO should ensure that remuneration deals are disclosed in company reports and accounts, and explained in plain language. ‘Whistle-blowing’ is a typical PR outcome of not doing this, as the publicly owned British Broadcasting Corporation (BBC) found to its detriment this year. Internal emails from HR attempting to disguise the number of employees earning over £100,000 per annum from public funds were leaked to the press. Michael Moore’s new film ‘Capitalism: A Love Story’ attempts to address the western economic system under globalisation, communication links (or lack of them), and information failure. Supporting unethical behaviour by distancing emotionally and attempting to justify insensitive acts through fabricated PR stories causes major trust issues for today’s communication expert, particularly since the Enron and Lehman Brothers cases. Narrative techniques go beyond coherence in the short term, to ensuring consistency in the longer term, if a good reputation is to be sustained11.

Joseph Stiglitz12 picks up on the concept of asymmetric communication, and applies it to information theory. Information is not communication, by definition, because it is only one-way. Communication, evolving from the process of perception and attribution, is, by definition, a two-way process. Stiglitz argues for two main types of asymmetric information: adverse selection of limited or inappropriate information, and moral hazard information, when behaviour goes unobserved. In both instances, information is noted as a power tool where one person knows more than another, but is denied response. This creates boundaries, barriers, and organisational disengagement if not judiciously handled.

**Universal Undertones**

Underlying all human activity is attitude which can seep into the best PR programmes. The last thirty-years have seen much published academic research into the attitudes behind the application of power and influence (Foucault M – not in reference list). Basic HR graduate texts discuss organisational behavioural studies, such as the need for power or nPower (McLelland D C and Burnham D H – not in reference list), the politics they attract (Buchanan D & Badham R; Pfeffer J; McLelland D and others – not in reference list), the types of methods that leaders use to arrive at different corporate decisions (Vroom V H and Yetton P; Vroom V H and Jago A – not in reference list) in open (two-way) and closed (one-way) environments. Strategic planning and
action research models offer tools to implement change using various intervention techniques to open up communication through, insight and empowerment. The CCO must be on guard against the power that corrupts within the self and that corrupts absolutely, creating closed systems with reduced productivity and growth.

Other writers are realising that sustainability over an organisation’s lifetime is not only a communication obligation, but also a commercial opportunity where communication is applied to soften the challenge of bureaucracy or hyper-bureaucracy in organisations today. Compliance, regulation and other tick boxing tasks only help to maintain quality and standards if there is a co-dependent corporate strategy and healthy culture in the organisation. A communication strategy should monitor and audit accountability systems so that red tape does not impede creative organisational development. Symmetrical communication is the core process by which this is traditionally achieved, although new asymmetric modelling must still incorporate response measures. Some organisations are using the term ‘unified communications’, where all emails and instant messenger chats are accessible on one screen with phone messages arriving as email attachments which can be listened to. Benefits include a single database of contact details for clients, contacts, prospects, and staff members. Staff members can publish their ‘status’, so when people look them up they can see if they are available. With apologies to House, however, effective communication requires the human element of nEtiquette where emails are composed carefully and respectfully, if misunderstandings, cultural or otherwise, are to be avoided. The more people use social networking, the more reactionary they can become-engaged but disengaged, participating but not communicating. This highlights the importance of face-to-face team meetings, even if the use of videoconferencing is required.

**Diplomacy in Action**

Digital connections are said to increase productivity and would perhaps appease Henry Kissinger’s famous complaint, when he was US Secretary of State: “who do I call if I want to speak to Europe?” The ‘Lisbon Treaty’ was supposed to clarify a confusing EU leadership structure, but instead it set up three separate bodies, all competing for power and influence. Ratified now by all 27 member states, it claims to make the EU ‘more democratic, more transparent and more efficient’. Presumably, contact will continue to be made via the ambassadorial network of each country, rather than a centralised EU diplomatic headquarters.

A recently deceased former journalist and press adviser to a British Prime Minister, between 1964 and 1969, Sir Trevor Lloyd Hughes, ran an apolitical No. 10 press office, unlike subsequent high profile PR’s such as Bernard Ingham who served former Prime Minister Margaret Thatcher, or Alistair Campbell, who served former Prime Minister Tony Blair. Diplomacy in heated political circles whether government or business, is often a thankless task. The CORCOM experience can be a far cry from the media, celebrity-driven image of the public relations practitioner. Today, press and PR capability at senior level requires more than Hughes’s disengaged diplomacy tactics, and must be underpinned by Vaillant’s concept of maturity. Maturity in CORCOM tactics reveals only that which it is essential to reveal without lying, while advising on policy in a frank and focused way. Access is the key to first-class diplomacy where effective interpersonal communication is used to resolve issues left in the wake of political misdemeanours. Abuse of access occurs when organisations try to circumvent public interest for gain, resulting in hidden interactions rather than transparent negotiation. The lobbying sector of the PR industry has much to answer for in this respect, hence the arrival of new legal and moral lobbying rules.
Interaction

Lack of interaction is common in business, government and academia, is commonly described as the left hand not knowing what the right hand is doing. Whatever type of organisational structure exists, it is usually the CEO who is accountable for policy, legislation, and guidance on behalf of the whole entity, whether for-profit or not-for-profit, hence the current preoccupation with sustainability through quality leadership. It is part of the role of the CCO to connect and counsel leadership, especially in cautioning against short term marketing initiatives that have the propensity to impact on longer-term identity and reputation. This is increasingly difficult in the contemporary media landscape, where both qualitative and quantitative evaluation has to balance interaction with a fragmented media to prioritise press and media relations. The daily challenge imposed by the need to prioritise digital responses versus traditional press releases demands ‘engaged humility’. An organisation’s communication strategy must be sensitive and flexible enough to respond immediately and appropriately while maintaining strategic imperatives. The board level communicator must continue to maintain face-to-face relationships with key figures across both digital and traditional media. Organisational aims and objectives should remain protected and aligned with overall corporate strategy. The value and worth of communication strategy, based on ‘engaged humility’, is regularly tested during ongoing changes. The core governance team must accept the CCO as an equal player, there to help the organisation to express itself positively under stress, whether the threat is economic, environmental, or social, internal or external. This will require high levels of integrity, cultural coherence and stability in all members of a core governance team, including the CCO, on a limited budget and often with a time deficit.

The nurturing of institutional communication interaction is paramount. Academic Erving Goffman\(^\text{15}\) developed a book on the results of a joint study on interaction by Edinburgh University and the University of Chicago. In his book, which became the foundation for subsequent studies on impression management, he wrote ‘I shall consider the way in which the individual in ordinary work situations presents himself and his activity to others, the way in which he guides and controls the impression they form of him and the kind of things he may and may not do whilst sustaining his performance before them’ (not cited). He talks of performers and audiences; routines and parts; performances coming off or falling flat; cues, stage settings and backstage; dramaturgical needs, skills, and strategies. This analogy makes way for the reality of everyday life, where the main feature is ‘the maintenance of a single definition of the situation, the definition having to be expressed and the expression sustained in the face of a multitude of potential disruptions’.

It is the CCO’s remit to ensure that regardless of how many versions of reality are expressed digitally or otherwise, credibility and focus must be maintained. A consistent party line in terms of strategic corporate messaging is the coherent equivalent of the British poet Kipling’s ‘keeping one’s head when all about are losing theirs?’ Goffman drew on the work of other sociologists by suggesting that ‘control is achieved largely by influencing the definition of the situation, which the others come to formulate and he can influence this definition by expressing himself in such a way as to give them the kind of impression that will lead them to act voluntarily in accordance with his own plan. Thus, when an individual appears in the presence of others, there will usually be some reason for him to mobilise his activity so that it will convey an impression to others, which it is in his interests to convey.’

Interaction became, for Goffman, the reciprocal influence of individuals upon one another’s actions when in one another’s immediate physical presence. Like all professionals, the body language of the CCO plays its part in terms of influence. Today, we have the open medium
of instant, text-less photographic imaging on the web with legal, moral, and ethical implications. In this era of visual communication, the picture that paints a thousand words is imprinted in the memory faster and for longer. Cultural perception is a crucial factor in the art of impression management and interpretation, or misinterpretation, by an audience or stakeholder. No one is more aware of unintended consequences than the expert communicator, and Goffman suggested three attributes for safely performing that can be aligned to organisational behaviour: loyalty, discipline, and circumspection.

Goffman was aware of his own cultural limitations and warned that ‘we must be very cautious in any effort to characterise our own society as a whole with respect to dramaturgical practices’. In recent decades, psychological research driven by advanced computer software, makes many of Goffman’s observations appear naive. But his work is a valuable precursor to academic CORCOM work on image and identity management, although some high profile PR practitioners confuse the two concepts linguistically, psychologically, and professionally.

The Court of Public Opinion

Just as individuals have similarities and differences that project their personalities and values, so do organisations. CORCOM leadership must be able to actively listen, inspire, and use its power with what Matthew Taylor called ‘collective engagement and cooperation at its heart’. Only then can practitioners detect and interpret responses ethically, by means of their insight, intuition, ability and capacity to engage maturely in discourse. As Vaillant showed, neurotic defence can be conscious or unconscious, and distort an organisation’s concept of reality. The corporate PR industry is proud of its skill in constructing clear, potent narratives from CEOs and mindful of the role and power of the media. However, if this is not the case and the media writes its own story, things can go wrong. This is illustrated by recent reporting of the UK criminal justice system. The UK imprisons more people per 100,000 of its population than any other European country-partly caused, some commentators suggest, by sensational reporting of serious cases through freedom-of-expression legislation. Is this happening for industry and commerce too? Are industrial and commercial cases being sensationalised, leading to over politicisation of organisational behaviour and new legal frameworks? Or is our industry at the forefront of a new age of enlightenment? Organisations have always, to some degree, operated under licence from public opinion, but in a globalised world, this is likely to increase around social and environmental issues, as the IFF world model suggests. The fact that so much corporate strategy is becoming overtly driven by media involvement, suggests that effective and efficient corporate communication is not merely supportive of planned corporate aims and objectives, but integral to them.

To define oneself as a CCO is to appreciate the integrated nature of the activities and challenges required of the strategist, whether having come through public affairs, crisis management, publicity and promotion, marketing, media, or general management. Emotional literacy in a fiercely competitive world, while attracting many sceptics among HE educationalists, has a place in corporate communication teaching and learning. CCOs will sometimes be the focal point for negative feedback and PR advisers are often vulnerable to being ignored or ridiculed. The CORCOM industry must overcome its cognitive dissonance and establish itself as a significant management discipline if professional institutions are to educate the next generation of communicators to work towards a democratic global economy.
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Managing the Information Vacuum During Crisis: Explication, Elaboration and Implication for the Organization

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In a crisis, an information vacuum in the media is immediately generated (Coombs, 2007; Heath, 2006). However, little is elaborated on how it works and the role the media play in the vacuum. This paper seeks to comprehensively explicate and elaborate the nature, characteristics and effects of the vacuum with a view to managing it. Insights from crisis, media relations, journalism, framing and agenda-setting literature are drawn and the dynamics and dynamism of the vacuum are illustrated by recent cases in the US, Singapore, and other countries. Findings showed that organizational failure to fill the vacuum can exacerbate the crisis. However, an active engagement allows the organization to narrate the crisis on its terms, frame public consciousness of the crisis, and proactively engage the media, often regarded as the messenger of the crisis, to help the organization document the crisis favorably.

In a crisis, an information vacuum is immediately generated in the media (Coombs, 2007; Heath, 2006). The bubble pops up automatically, like a knee-jerk reaction that accompanies the unexpectedness, uncertainty, unpredictability, unstable time and negative outcomes that crises have come to be defined (Coombs, 2007; Fearn-Banks, 2007; Fink, 1986; Seegar, Sellnow, & Ulmer, 2007). Information vacuum (Kauffman, 2005, p. 266), also known as “information void” (Coombs, 2007, p. 129) or “reporting vacuum” (Heath, 2006, p. 247) is created by the crisis and as a result of the crisis: People want to know what happens when bad things happen – and people need to know what happens after bad things happen. This insatiable thirst for information is driven not just by primary stakeholders who “have grown up with inquiring minds fed by an abundance of communication tools” (Fearn-Banks, 2001, p. 479). More prominently, it is driven by the media that demand for “immediate” (italics in text) information and answers during a crisis (Marra, 2004, p. 311). It becomes a vicious cycle: The media are hot at the heels of the news, and stakeholders regard the media as their “primary” source of information (Coombs, 2007, p. 129), which in turn fuel the media to meet this demand. Little wonder that Garnett and Kouzmin (2007) described crises as “media events” (p. 175).

In describing how organizations should always respond promptly in a crisis, crisis scholars have alluded to the need to fill this vacuum (Coombs, 2007). Otherwise, the vacuum, which has an immense but undiscerning appetite to swallow every conceivable nugget of information, would be consumed by less credible, accurate, and useful information – to the detriment of the organization. Marra (2004), citing a practitioner, captured it best, “In the absence of information, misinformation becomes news” (p. 312). If the organization had any reservation in providing information to professional journalists, who in their roles as an “authoritative third party” establish “greater credibility” in the messages they disseminate (Gilpin, 2008, p. 9), dealing with its surrogate, citizen journalists, is even less appealing. Heath (2006) argued the “Internet gives everyone the power to be a reporter. Any fool can get media attention” (p. 246).

Given the driving role the media play in the vacuum, and the criticality of filling it, little is elaborated on how the vacuum works and how it affects the organization. This paper is
arguably the first paper to explicate and elaborate on the nature, characteristics and effects of the vacuum with a view to managing it. The dynamics and dynamism of information vacuum is illustrated by recent cases from US, Singapore, and other countries. The concepts are further explored drawing insights from crisis, media relations, journalism, framing, and agenda-setting literature. To ensure that this concept comes alive, some measure of literary license and indulgence is sought. This paper is structured thus. The next section would first examine information vacuum in the context of media hype concept. Following that, the examination of the nature, characteristic and effects of the information vacuum would be preceded by illustrations of cases to demonstrate the relevance. The fourth section would examine how organizations can manage the information vacuum. Each suggestion is preceded by a quote by people who had the opportunity to fill/not fill the information vacuum.

This paper is significant on three fronts. First, it sheds light on a phenomenon that scholars and practitioners have always known but know little about. The literature has scarce insights on the concept, with it often mentioned cursorily or in relation to the importance of disseminating crisis message through the media (see Coombs, 2007). Understanding it comprehensively would allow better management of it. Second, in understanding the dynamics of the vacuum, it would also lead and benefit organizations to understand the likely occupiers of the vacuum, the purveyors of negative, inaccurate information (Kauffman, 2005), in the absence of reliable information. This could form part of the threat assessment (Wilcox & Cameron, 2009) in issues management before the crisis becomes full-blown. Last but not least, it aims to propose a holistic manner to manage information vacuum systematically. Practitioners know it’s important to provide quick, credible and consistent response to fill the vacuum, but this proposal would enhance the repertoire for practitioners to use in a more cohere and coherent way.

How is Information Vacuum Manifested?

Scholars all agree that prompt and consistent communication on the part of organizations during crises help to instill confidence among stakeholders and portray credibility and trustworthiness for the organization (Huang & Su, 2009). Bechler (1995) argued communication can “provide meaning” for those involved in the crisis, “facilitate resolution” and “build confidence” (p. 3). Organizations “need to remain in control as the source of information during crisis” (Kauffman, 2005, p. 266). Further, communication present opportunities for organizations to create a positive public image (Bechler, 1995). Benoit and Pang (2008) argued that image or reputation is an important asset to the organization. When this is threatened, as it often does during crisis, organizations must repair it through communicating. Benoit and his colleagues have developed a theory of image repair discourse on how to respond to image crisis (see Benoit & Pang, 2008). The importance of communicating during crises cannot be overemphasized. It is “central to the resolution of a crisis situation” (Bechler, 1995, p. 3).

If that is so, why do organizations not communicate? The literature alluded to five circumstances where organizations fail to fill the vacuum:

- When the organization faces difficulty in securing information early on in the crisis (Dearstyne, 2007) and does not see the necessity of responding until “facts” emerge (Pang, 2006; Puchan, 2001);
- When the organization lacks “reliable” (Kauffman, 2005, p. 266), “solid” (Dearstyne, 2007, p. 29) or “accurate” (Gregory, 2005, p. 323) information, eschewing the release of “false” (Dearstyne, 2007, p. 29) information, even in the face of mounting pressure;
When the organization is faced with “mixed” information (Bagin & Fulginiti, 2005, p. 238) and does not know which and how to respond to them;
When the organization is faced with “rumors and speculations” (Coombs, 2007, p. 129) and thinks that addressing them give credence to these rumors (Pang, 2006);
When the organization thinks that by not addressing the vacuum, the problem would go away (Fearn-Banks, 2007)

Media Hype: Reinforcing Demand for News

Despite the organization’s reservations, failure to fill the vacuum may exacerbate the crisis, particularly when the media begin to take an interest in it and their tendency to hype up the crisis. Vasterman (2005) introduced the concept of media hype, which is defined as “media generated, wall-to-wall news wave, triggered by one specific event and enlarged by the self-reinforcing processes within the news production of the media” (p. 515). For media hype to take place, Vasterman (2005) argued for 4 conditions to take place:

- A key event which receives much media attention;
- A rapid rise and gradual fall of a news wave;
- The media keeping the news in the headlines instead of reporting new developments in the news by reporting “comparable incidents or linking them to key event” (p. 516);
- There is interaction between the media and newsmakers resulting in increased coverage of “social action” and “reactions from social actors” (p. 516).

Further distinctions are made in the kinds of news reported. Incident-related news are factual reports about actual events whereas thematically related news are not factual reports but related to the theme of the news (Vasterman, 2005). For instance, there were many thematically-related news spins after Tiger Woods sex scandal exploded. It is argued that in a crisis, in the absence of developments of incident-related news, thematically-related news keep the public preoccupied. Vasterman (2005) also distinguished two kinds of media hype. A magnified media hype occurs when the media focuses on the crisis in detail and reports on every minute detail, whereas an enlarged media hype is when the media report on all kinds of events which fall under the same theme as the crisis (Vasterman, 2005).

Vasterman (2005) argued that media hype can follow six patterns.

- A “positive feedback loop” where “regular” coverage follows an event (p. 513);
- A key event takes place and a “chain reaction” is triggered (p. 513);
- A news theme is identified and disseminated across different news desks for follow up
- Lowering of news thresholds leads to increase in thematically-related news
- The news build-up is triggered by responses and feedback from readers, and these “feed the news wave, reinforcing the newsworthiness of the news theme” (p. 515).
- Media hype tapers off with decline in the news wave.

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- The trigger event “must deal with an issue where several and legitimate points of view – or interests” can be presented thereby discussed openly” (p. 195).
- The issue “allows different interpretations within several frames” (p. 195).
- It must be “capable of condensing a complex problem into one striking image” (p. 195).
- The news values must have waned sufficiently for the news threshold to be lowered.

What happens when the Organization does not fill the Vacuum?

Given Wien and Elmelund-Præstekær’s (2009) estimation that a media hype is expected to last about three weeks, what happens when the organization is reticent or silent in filling the vacuum?

Silence is manifested by complete absence of communication or in saying “no comment” to media queries. Sellnow, Ulmer, & Snider (1998) argued that organizations are advised to remain silent as their comments could haunt them in court subsequently. In some cultures like the Chinese for instance, silence is valued (Ye, 2010). Oliver (1971) explained, “If the subject matters were sensitive, it might be that to speak would be an unwise commitment of one’s judgment- a risk that ought not be taken” (p. 264, cited in Ye, 2010). Thus, in times of crises, the Chinese either avoid communication or to use communication to divert attention from the crisis (Ye, 2010, citing Yu & Wen, 2003). Keeping silent has become one of the golden rules in Chinese-style crisis management. A silent, reserved gesture is often considered to be a wise option (Ye, 2010) to avoid more criticisms and invite more investigations that may unearth more problems for the organization.

Coombs (2007), however, argued that silence reflects “uncertainty and passivity, the exact opposite” of what an organization should be conveying in times of crises (p. 129). Silence suggests the organization is “not in control”, and silence allows others to “take control” (p. 129). Silence or no-comment answers signal to the media that there might be guilt and there is something to hide (Richards, 1998). One reason why the Catholic Church finds it hard to deal with the child-sex scandals involving its priests is its silence – and continued justifications for its silence (“Vatican promises new measures to fight abuse”, 2010). One reason why Mrs Ruth Madoff, wife of the fraudster Bernard Madoff, was vilified and ostracized even though she was not believed to be involved in his Ponzi scheme was that she remained silent. She reportedly said her silence was “interpreted as indifference or lack of sympathy for the victims of my husband Bernie’s crime, which is exactly the opposite of the truth” (“‘Betrayed’ Mrs Madoff breaks her silence”, 2009).

Heath (2006) argued that crises give “voice to many people” (p. 246) and the media will seek information from other sources who are willing to speak, even though they may not be “well informed” (Kauffman, 2005, p. 266). When stonewalled, the media may suspect guilt or wrongdoing and may go on to “build a case” against the organization by portraying it as the “bad guy” through talking to disgruntled stakeholders or recalling “long forgotten problems and mistakes” (Fearn-Banks, 2007, p. 24). Even if much of the information given by other sources may not have been accurate, the impression in the minds of the public is the organization’s inability to fill and counter the accusations in the vacuum. This can lead negative public opinion of the organization. Marra (2004) argued it may lead the media to “conduct further investigations” (p. 312).
Nature, Characteristic and Effects of Information Vacuum

Strategic Silence – The Case of Temasek Holdings (Singapore)

Prominent Singapore sovereign wealth fund Temasek Holdings, the Singapore Government’s investment vehicle that manages more than US$110 billion and ranked 28 out of 44 global funds in the Truman SWF Scoreboard (Kan, 2009), was reluctantly thrust in the spotlight in 2009. In February 2009, it announced, to global market anticipation, that it had finally found a CEO after a long search to replace the then-CEO, Madam Ho Ching, who is the wife of the Prime Minister of Singapore. American Charles “Chip” Goodyear was appointed CEO-designate, and would resume office in October 2009. Goodyear’s appointment, high profile as it was, did not just have global commercial ramifications for Temasek, it also had political ramifications as he had been carefully screened by the Singapore Cabinet Ministers (Lee, 2009) before his appointment was approved. The reputation of the Singapore Government was also on the line. Five months later in July 2009, Goodyear suddenly resigned. The “carefully crafted” statement from Temasek, crafted together with Goodyear (Loh, 2009, p. 1), said the parting of ways was due to “unresolved strategic differences” (Lee, 2009, p. 1).

The market went into overdrive with speculations. This finally reached the hallowed halls of Singapore’s legislature, the Parliament, in September. Members of Parliament, who were elected to office, sought clarifications from the Finance Minister. As a government-linked organization, the Temasek board reports to the Finance Ministry (Chia, 2009), thus the Finance Ministry had to respond. The Finance Minister Tharman Shanmugaratnam’s response proved equally elusive. “People do want to know. There’s curiosity. It is a matter of public interest. But that is not sufficient reason to disclose information…It will not be advisable, nor in the interest of Temasek or Mr Goodyear, for us to have to comment further on it…It serves no strategic purpose” (Chia, 2009, p. A32).

Mr Shanmugaratnam conceded that this crisis caused “a bit of a dent” in Temasek’s and Singapore’s reputations (Loh, 2009, p. 2). The lack of answers “caused a stir” (Chia, 2009, p. A32) and questions were asked why information was not forthcoming even when posed to the Singapore Government at the highest legislative forum. Wall Street Journal Asia wrote an editorial suggesting that ‘the government will disclose only what it deems acceptable regarding Temasek” (Chia, 2009, p. A32).

What can this case tell us about an information vacuum? First, it is conceivable that Temasek’s – and Singapore Government’s – failure to fill the vacuum would continue to haunt the organization, especially when the topic of leadership succession is discussed. Fearn-Banks (2007) referred to the media’s institutional memory of recalling past “problems and mistakes” (p. 24). Because of the controversy and mystery surrounding this incident, the media, which thrive on these newsworthiness values, will continue to work in the institutional knowledge of a failed leadership attempt into the stories they report subsequently. Second, the need to fill the vacuum is made more imperative if the organization had given much information on the same topic earlier. The “deluge of information” (Chia, 2009, p. A32) supplied when Goodyear’s appointment was announced was a stark contrast to the strategic absence of information given in his resignation. “It is, therefore, to be expected that people want to know what went wrong with the process which was said to be thorough…” (Chia, 2009, p. A33). Third, the absence of information leads to questions on organizational transparency and accountability to its stakeholders. Transparency will assure stakeholders that organizational goals are aligned with stakeholders’ interests; accountability will signal to stakeholders that they are trusted and valued. The lack of information in Goodyear’s resignation led to “unnecessary speculation” (Chia, 2009, p. A33). Ironically, the
speculations and rumors in the information vacuum were so rife that Madam Ho Ching, who remained as CEO of Temasek, said a week after the succession was called off that those speculations were “very far away from the truth” (Chan, 2009, p. A4). By then, the damage for Temasek’s failure to occupy the information vacuum appeared to have been done.

**Domino Effect – The Case of Tiger Woods (USA)**

It started innocuously. On the night after Thanksgiving in 2009, Tiger Woods drove out of his home at 2.25am and crashed his car outside his Florida mansion. His wife, Elin, reportedly smashed the back window of his SUV with a golf club to help him out. The police were called in and Woods played it down as a “minor accident” (Sickle, 2009) even though he was reportedly unconscious for up to six minutes (Sickle, 2009). He also refused to be interviewed by the police. The news managed to be kept out of the public for only 13 hours. After that, it exploded beyond recognition, fueled by 24/7 Internet and cable networks (Sickle, 2009).

The leak that began in the salacious tabloid, *National Enquirer*, two days before the accident that Woods had slept with a New York hostess gained credence and credibility when the mainstream *Associated Press* followed up on it. While Woods kept silent, the information vacuum began to be filled by multiple voices.

Over the new few days, more women became linked with Woods (“More women claim affairs”, 2009). What further complicated matters was that other women remotely connected to these alleged mistress joined in and fueled discussions about the affairs (“Wicked and ‘stupid’”, 2009). When Woods finally released a statement five days after the accident on his website, it was too late (“Woods says ‘I let my family down’”, 2009). One thing led to another. The domino effect built quick momentum as the media frenzy on more revelations of his affairs and his marriage sped ahead unabatedly and continued in the subsequent months, right up to today. One newspaper report summed it up most poignantly shortly after the accident began, “Less than two weeks ago, Tiger Woods was the world’s greatest golfer and a sports hero to millions…Now, he has become the butt of a million jokes…” (“Too good to be true”, 2009, p. 4).

What can this case illuminate us about information vacuum? First, in a crisis, the instinctive reaction of the accused is to cover up by not talking about it in the hope that the crisis would be swept under the carpet. Unfortunately, in this 24/7 news cycle, it does not. Instead, the vacuum assumes an unbridled, unrestrained and uncontrollable hunger for information. The vacuum absorbs all of them undiscerning. Second, the vacuum is not static and has the capacity to be enlarged as more information – or misinformation – emerges. It came to a point that Woods was cornered into responding in order to reclaim part of the vacuum, albeit belatedly. Third, while it is in the interests of the accused to be concerned about being exonerated in the court of law and thus be less concerned about filling the vacuum, on the contrary, filling the vacuum is equally important as it is about winning the battle in the court of public opinion (Wharton & Peltz, 2009). Rather than being reactive in restoring image only after the crisis is over in the recovery phase (Wilcox & Cameron, 2009), one should begin to win over critics by actively filling the vacuum during the crisis or what Wilcox and Cameron (2009) called the reactive phase. This would give the accused a head start in shaping public opinion and its own image.

**Framing Crisis – The Case of Aware (Singapore)**

For 25 years, the leadership succession at The Association of Women for Action and Research (Aware), a women’s advocate group in Singapore, had been uneventful at best. Its democratic elections could be described as a rotation of musical chairs among key advocates –
until 2009. In a stunning coup, a new team that had joined Aware months earlier, ousted the old guards at its AGM on March 28. This news remained under the radar for almost three weeks until Singapore’s leading English-daily and newspaper of record, *The Straits Times*, caught wind of it. Led by *The Straits Times*, the media wanted to know who were these new leaders, and how did they win the elections, “basic questions that any group which takes over a society, grassroots organization, union, clan or country club should expect to be asked if it pulls off as successful a leadership grab as this appeared to be” (Han, 2009, p. A2). The new leaders, however, chose to remain silent despite repeated requests over phone calls, emails, and text messages (Han, 2009). But the media needed to break the news. In the absence of information from the new leaders, the journalists sought information elsewhere like the Internet and file checks, and information emerged on the background of the new leaders. Six of the new leaders were members of the same Anglican church who had previously expressed “strong views against homosexuality in letters to newspapers” (“Ill-fated coup”, 2009, p. A8).

By the time the new leaders presented themselves to the media on April 23, almost a month after their coup, they had been framed as anti-gay Christian conservatives. The subsequent leadership tussle between the new leaders and the old guard, who finally woke up to their loss, was played out extensively in the media. Over time, the battle was framed along religious undertone (Au-Yong, 2009) between the Christian conservatives (new leaders) and liberals from Christianity and other religions (old guard). The new leaders’ stint was short-lived as the old guard finally wrestled back control early May 2009 in a very public and heated EGM that attracted intense public interest, comprehensive media coverage, and close governmental scrutiny (“Ill-fated coup”, 2009).

What can this case illuminate us about information vacuum? First, the media would always give voice to the accused. The question is whether the accused would want to take up the offer and claim initial space in the vacuum. The editor of *The Straits Times*, which had been maligned for its failure to report the crisis objectively, wrote, “*The Straits Times* was prepared to give the new team as much space…and more if necessary, to answer all those questions which had been on everyone’s mind: Who were they, why did they take over Aware in the manner they did, and what did they hope to achieve?” (Han, 2009, p. A2). The lack of coverage of the new Aware team was “certainly not for lack of trying on our part” (Han, 2009, p. A2). Second, if the initial space in the vacuum had been occupied by the new leaders, this would put them in the driver’s seat to frame the crisis – and frame themselves. Tan (2009) argued that the new team “shot themselves in the foot by refusing to answer questions about themselves and their intentions for too long; they naturally came across as being evasive and seemingly guilty of having the hidden agenda they at first did not claim to have” (p. 5). Their failure to be “upfront from the start lost the [new team] much credibility, without the media having to do anything other than to report the news as it was” (p. 5). Third, in the court of public opinion, the media would always have the final word. The mainstream media particularly pride themselves for their rigorous note-taking and internal gatekeeping processes for most part they would vigorously defend their stand unless proven wrong in the court of law. Days after *The Straits Times* editor defended its reportage of the crisis against accusations of biasness, the new team, which by then had been replaced, responded it did not “stonewall” reporters. The newspaper editor responded why it thought the new team did by recounting the chain of events that took place (“New exco did not stonewall reporters”, 2009, p. A18). The media always had the final word – unless it is proven otherwise in the court of law.
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Dynamics and Dynamism of Information Vacuum

From the above cases and observations, what can we distill about the nature, characteristic, and effects of the information vacuum?

**Nature:** First, the information vacuum has an insatiable appetite to absorb information from all corners. The days of covering up bad news are over, even in countries where the media are controlled (see Ye, 2010). The 24/7 news cycle fuel the demand for both information and misinformation. Second, the information explosion has opened the floodgates and accentuated the need to fill the information vacuum. It is in the nature of the beast that as more organizations aim to position themselves favorably in the public’s eye through media channels (traditional and new media) by sharing positive information about themselves, when a crisis occurs, organizations have to be prepared to manage negative news. Stonewalling would imply guilt and exacerbate the crisis further as other players fill the vacuum. Third, the information vacuum has enormous capacity to grow bigger as more information rush in. When it becomes overcrowded with voices other than the organization’s, the organization would face difficulty even gaining a foothold in the vacuum subsequently.

**Characteristics:** First, it is in the nature of the media to always give priority to the newsmaker to fill the vacuum first. Unfortunately, when the newsmaker declines the exclusive invitation, it may lead to much dismay, regret and detriment. Second, if the newsmaker accepts the invitation to fill the initial space of the vacuum, it would be in the driver’s seat to frame itself, its role in the crisis, and the crisis. Third, following from the latter, it will be in a better position to fill the vacuum subsequently in response to other voices. It would then be able to shape, rebuild and reinforce organizational image by negotiating its battle in the court of public opinion.

**Effects:** Failure to fill the vacuum may lead to three consequences. First, the media, and in turn, stakeholders, would continue to allude, remind, and associate the organization of its silence. This would likely frame the organization in a bad light, as if it had something to hide. Second, the media would continue to raise questions of transparency and accountability regarding the organization. Third, the media have countless airtime and literary skills to argue their case in the court of public opinion. The only exception is when the organization successfully defends its case against the media in the court of law, but that often involves enormous resources, political will, a strong belief of one’s innocence, and a conviction to prove one is right to protect one’s reputation, a process who can be too-consuming for the organization to go through.

How Can Organizations Manage the Information Vacuum?

“I’m worried because the opposition has spun the story around. Our problem is, we’re not as good at telling our side of the story” (Teo, 2009, p. A12).

- Malaysian Prime Minister Najib Razak, describing the opposition party Pakatan Rakyat (PK) doing a better job in filling the information vacuum when contesting at its stronghold in Perak state in the 2009 elections.

Setting the Agenda by Telling One’s Side of the Story

A crisis creates a “rhetorical exigency” for the organization to enact control in the “face of uncertainty” so as to assure and win stakeholders’ confidence (Heath, 2004, p. 167). Simply put, one enacts control by communicating and constructing one’s version of the crisis that is “factually accurate, coherent, and probable account for the event and its proper resolution”
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(Heath, 2004, p. 168). Heath (2006) argued that crisis presents the organization with the “strategic opportunity” to provide information to stakeholders (p. 246), and one way to do so is by “telling of a story” (Heath, 2004, p. 169) as crisis response is a narrative (Heath, 2006). Given that in any crisis, each stakeholder has a different narrative which could be at odds with one another, it is imperative that the organization becomes proactive with its narrative. Heath (2004) argued the crisis narrative should include information that the media can understand and useful in their news reporting, the 5Ws and 1H.

Given its importance, what options are available for practitioners to tell the organization’s story, and what components of the story should be told? Heath (2004) alluded to some guidelines. First, enact an account comprising characters, events, location, audience and the interaction among them. Second, enact organizational control in the story and how the organization plans to restore the situation to normalcy. Third, enact a plausible account that can stand the test of scrutiny. For that, Heath (2004) relied on narrative theory to inform how this can be achieved. A plausible account of the “rhetorical integrity of the narrative” (Heath, 2004, p. 178) rests on two sets of criteria: One, narrative probability (or what Gilpin (2008) argued whether the story ‘hangs together’ (p. 11). The tests are if the story has characterological (characters), structural (logic), and material (evidence) coherence. The second criterion is if it displays narrative fidelity (or what Gilpin (2008) argued whether the story ‘rings true’ (p. 11). The test is whether the facts are verifiable. Gilpin (2008) argued these two elements form narrative rationality. “Stories that fail to meet the criteria of narrative rationality are perceived as less credible, understandable, or appealing” (Gilpin, 2008, p. 11).

In assuming this proactive stance, the organization is also en route to setting the agenda on how the crisis should be perceived, and what the organization’s role, involvement, and plans are. Traditionally, agenda setting is based on the idea that the emphasis the mass media places on a particular issue influences the importance the audience accrues to the issue (McCombs & Shaw, 1972). Emphasis may be in terms of the amount of coverage and visual cues such as article location, size of headlines, story length and repetition (Graber, 1988). While first-level agenda setting is concerned with the salience of issues, second-level agenda-setting posits that by emphasizing certain attributes it can also influence how the audience thinks of the issue. However, agenda-setting scholars have been criticized for over crediting the media in the agenda setting process (Kiousis & Wu, 2008). Scholars who studied the influencers of news content have realized the importance of corporate communication practitioners (Curtin, 1999; Turk, 1985; Zoch and Molleda, 2006). Practitioners can help set the agenda through their information subsidy functions to the media on their organization’s behalf and in the process, shape the media’s agenda and possibly public opinion (Turk, 1985). Qi & Cameron (2008) identified how practitioners can set the agenda for the media by sharing similar news values with journalists. Kiousis (2005) postulated that similar to the two levels of agenda setting, practitioners build the agenda on two levels: at the first-level, they provide information subsidies to the media and in doing so, have a say in determining the issues covered by the media; at the second-level, practitioners influence the tone of the issue coverage.

In a crisis, where information is scarce and speculation aplenty, it presents a strategic opportunity for the organization to take the first step in constructing a narrative and set the agenda. However, challenges remain. First, how does the organization construct a rational and plausible story? Bowen and Heath’s (2007) study of the narrative constructed by China during the initial periods of SARS found that it lacked narrative fidelity and moral veracity when faced with increasing scrutiny. Second, how does the organization begin to construct a narrative when information trickles in serially as events evolve? Lordan (2005) suggested that in such cases, practitioners should be careful in verifying information that they disseminate. “The more critical
the information, the more important the verification” (p. 12). Third, how can the organization ensure its narrative is ethical and honest? Bowen and Heath (2007), citing Seegar, Sellnow, and Ulmer (2003), listed five ethical perspectives that are important in crisis communication. One, the organization should take cognizance of its moral obligation to society. Two, the organization should emphasize the need for maintaining relationships with stakeholders. Three, the organization should be sensitive to the harm or potential harm it can cause as a result of its actions. Four, the organization should maintain legitimacy through ethical actions. Five, the organization has the obligation to be truthful.

Gilpin (2008) argued that in a crisis, when circumstances are evolving and practitioners need to construct a narrative without knowing the ending, sending news releases as a one-way communication is an efficient means of disseminating information and helping to “negotiate organizational identity” (p. 16).

“He cannot be defined by his last actions. There was so much more than that”
(Boudreau & Zamost, 2008)

- Jessica Baty, girlfriend of Steven Kazmierczak, the gunman who killed five people and then himself at Northern Illinois University in February 2008, on why she was opening up to the news media after he was framed as a senseless killer.

Building the Agenda by Framing the Story

Kiosis and Wu (2008) argued that practitioners can help to “filter and frame messages” (p. 72) that appear in the media and influence public opinion. Framing is based on the idea that the way an issue is portrayed in the news can affect audience’s understanding of it (Scheufele & Tewksbury, 2007). Entman (1993) argued that “to frame is to select some aspects of a perceived reality and make them more salient in a communication text, in such a way as to promote a particular problem definition, causal interpretation, moral evaluation and/or treatment recommendation” (p. 52). It is both a macro level and micro level construct (Scheufele, 1999). On the macro level, it refers to the approach communicators take when they put forward information in a way that strikes a chord with the ‘existing underlying schemas’ among the audience (p.12). On the micro level, it describes how people use the frames and the information provided to form impressions.

For the journalist, framing is important as it aids them in their simplification of an issue to readers. How do the media frame issues? Iyengar (1991) classified news frames according to level of responsibility based on the media’s ability to influence public’s view of the locus of responsibility: One, episodic news frame or placing issues at the individual level or referring to it as a one-off events. Second, thematic news frame or placing issues at the societal or governmental level.

Frames are crucial in crises because how the media frame the crisis, its cause and the locus of responsibility will affect how the public view the organization (Coombs, 2006). Using Iyengar’s (1991) and Semetko and Valkenburg’s (2000) frames, An and Gower (2009) studied news coverage of 25 organizations that experienced crises and ranked the frames proposed by Semetko and Valkenburg (2000) in order of predominance: attribution of responsibility, economic, conflict, human interest, and morality. Using Coombs (2006) crisis typologies, their study showed that the attribution of responsibility frame was more frequently used with crises in the preventable cluster (98.1% preventable crises news, 79.2% accidental crises news, and 76.9% victim crises news). The human interest frame was used more with crises in the victim cluster.
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(92.3% victim crises news, 83.3% accidental crises news, and 60.5% preventable crises news). The conflict frame was used more with crises in the preventable cluster (70.5% preventable crises news, 53.3% victim crises, 0% accidental crises). The morality frame was used more with crises in the preventable cluster (51.9%) and the economic frame was used more with crises in the accidental cluster (95.8% accidental crises, 74.8% preventable crises, 38.5% victim crises).

In terms of the level of responsibility, the authors found significant differences across crisis types. All accidental crises news placed the responsibility on the organization while 52.9% of preventable crises news placed the responsibility on the individual and 46.2% of victim crisis placed the responsibility on the individual. Significant difference was also found across four of the news frames in terms of level of responsibility, with the conflict frame as an exception. The attribution of responsibility frame, the human-interest frame and the morality frame were more frequently used with the individual level of responsibility. On the other hand, the economic frame was more frequently used with the organizational level of responsibility.

So what can practitioners do? Hallahan (1999) suggested that practitioners can operate as “frame strategists, who strive to determine how situations, attributes, choices, actions, issues and responsibility should be posed to achieve favorable objectives. Framing decisions are perhaps the most important strategic choices made…” (p. 224). Hallahan (1999) suggested several ways in which practitioners can frame an issue. Adapting it to crisis, this author suggests practitioners can frame the crisis by one, framing the situation by reflecting the objectives of the organization without which the public may have an oppositional reading of the organization’s intent. Two, framing the attributes of the organization, for instance, in what the organization it is doing for victims’ families. Framing of attributes have to take into account the cultural context by associating the attribute with ‘beliefs and values, traditions and rituals, or with other cultural artifacts that people cherish” (p. 225). Three, framing the issues. During the crisis life-cycle, it is important for the practitioner to be in control of the crisis evolvement. Framing allows the practitioner to characterize the issue as important or not important to the public and also influence how the public thinks of the issue. Four, framing of responsibility. Practitioners often associate or disassociate their organization with an issue or event depending on its nature. Practitioners can improve their organization’s reputation by emphasizing its part, say, in fundraising event for victims. Conversely, practitioners also engage in disassociating the organization from the cause of the crisis to protect its reputation. Five, framing of news. Frame enterprise is the term used by Gamson (1984) to describe the way sources seek to frame information in the media by first making sure the story interests the journalists and then striving to have the media tell the story the way they want it. Frame negotiation is the interaction between sources and journalists and frame contests are situation where multiple sources compete to have their version of the story used by journalists.

However, the challenge remains: How does the organization frame a crisis when answers to key questions are not immediately available, where causation and responsibility remain ambiguous. Ulmer, Sellnow and Seeger (2007) proposed the concept of communication ambiguity. In situations where there are no clear-cut answers, and where each stakeholder fills the vacuum by expressing their different viewpoints, instead of retreating from the vacuum until firmer information emerges, the organization should stake its claim in the vacuum by selecting an interpretation that “reflects more favorably on their actions than competing interpretations” (p. 24). The authors suggested three areas of ambiguity in which the organization can frame the crisis: Evidence (whose evidence should the stakeholder believe?), intent (did the organization commit the crisis knowingly?) and responsibility (did the crisis originate within or outside of the organization?). Communication ambiguity can be applied ethically, argued Ulmer, Sellnow and Seeger (2007), if it contributes to “complete understanding of an issue by posing alternative
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views that are based on complete and unbiased data that aim to inform” (p. 24). Ambiguity becomes unethical if the framing of the event is aimed to deceive.

“Probably we would have been more forthcoming with the media. I think many misunderstandings could have been avoided” (Tan, 2009, p. 31)

- Ms. Josie Lau, short-lived president of women’s advocate group Aware, when asked if there was anything she could have done differently to prevent the crisis from exploding.

Furthering the Agenda by Engaging the Media

Pang (in press) has developed a new model of media relations called Mediating the Media that is meant to equip practitioners to conduct media relations in a systematic manner. This model, inspired by and adapted from Shoemaker and Reese’s (1996) theory of influence, aims to provide a holistic view of how media relations can be conducted by practitioners with the primary objective of winning the journalists over by the knowledge of their work and their profession. It is a model for “peace-time” media relations, and can be adapted for “crisis” media relations. The model posits both internal and external influences on media relations. The internal influences include journalist mindsets; journalist routines; and newsroom routines. The external influences include extra-media forces and media ideology.

**Journalist mindset:** Shoemaker and Reese (1996) argued that the journalist mindset is shaped by various factors, like the background and characteristics of the individual journalist, such as the journalist’s gender, ethnicity, education, experience, political affiliation, religious beliefs, and even sexual orientation. Much of how the journalist perceives to be news is also shaped by similar backgrounds which have been found to play crucial roles in perpetuating similar mindsets on news judgment. For the practitioner, what this means, then, is that they have to enhance their information subsidy function by knowing how journalists write and what interest them. This will in turn help them frame information in manners that journalists can use.

**Journalist routines:** Shoemaker and Reese (1996) argued that routines are “patterned, routinized, repeated practices and forms that media workers use to do their jobs” (p. 105). Routines are developed over time in response to organizational needs. Media organizations have their own sets of rules to help the system respond in predictable and structured ways. One of the cardinal routines is deadline. For the practitioner, what this means, then, is to understand what each news organizations’ deadlines are. Knowing this helps practitioners disseminate information at times where the organization can get maximum coverage. This is useful especially when the organization needs to tell its story while assured that it is not crowded out by other news.

**Newsroom or organizational routines:** Shoemaker and Reese (1996) argued an organization has clear roles, structure, and goal. Organizations have the power to decide how routines are imposed, and what media content could be published. Additionally, organizations are also subjected to economic constraints like advertising which often influence editorial decisions. For the practitioner, what this means, then, is to understand who holds manifest power in deciding news and who holds latent power. Reporters, editors and owners who are in command positions should arguably be the foci of practitioners’ attention and relations because they hold manifest power. Yet, at the same time, even though copy editors, sub-editors, newsroom managers, business managers do not have direct influence on media relations, they can play instrumental or latent roles in influencing those who hold manifest power.
Extra-media forces: Shoemaker and Reese (1996) defined extra-media influences ranging from organization-press relations that affect the channels and nature of news dissemination, such as the freedom of newsmakers to supply journalists with information; to issues like legal constraints (Shoemaker & Reese, 1996). For practitioners, what this means, then, is first, the need to understand the nature of media practices in each context they operate in. It is also important to understand the legal parameters so that practitioners can position the organization in the media appropriately.

Media ideology: Ideological forces are defined as the “symbolic mechanism that serves as a cohesive and integrating force in society” (Shoemaker and Reese, 1996, p. 221), like the state-press system. Ideology, among other functions, helps to “predict when media and political elites intervene against normal journalistic routines and professionalism” (p. 224). For practitioners, what this means, then, is how it informs their understanding of the role each media plays in the contexts they operate in. In the UK, for instance, there are quality national broadsheets like The Financial Times, The Times, Independent, and mid-market tabloids like the Daily Mail and the down market tabloids like the Sun and Daily Mirror (Ruff & Aziz, 2003), followed by regional daily press and local newspapers. Each of them plays specific roles in society. A tabloid may be shunned by the elites, but they are proven channels to reach out to the masses (Pang, 1996). Knowing how each media fits into the societal puzzle would inform practitioners on where and how they can put out messages that target their specific audiences. Messages can be custom-tailored to suit each media.

Conclusion

This paper has explicated and elaborated on the nature, characteristics and effects of the vacuum. The dynamics and dynamism of information vacuum is illustrated by recent cases from US, Singapore, and other countries. The exploration has incorporated insights from crisis, media relations, journalism, framing, and agenda-setting literature, and the paper has suggested three ways of managing the information vacuum: Setting the agenda by telling the organization’s side of the story; building the agenda by framing the crisis in favor of the organization; and furthering the agenda by engaging the media with the goal of winning them over.

Three questions, however, remain: One, should the organization reveal everything to fill the vacuum? Two, can the organization not fill the vacuum for “strategic reasons”? Three, when will the vacuum disappear?

First, it is suggested that the organization does not need to reveal every information it possesses if it does not wish to, particularly first, sensitive information; second, information that has repercussions on the organization; third, information that infringes on legal and regulatory parameters. Pang (2008) described the latter as prescriptive variables that prevent the organization from entering into communication. Some messages may also need to be screened by lawyers. The key idea is for the organization to stake its claim in the vacuum by putting forth its story instead of allowing others to muscle in on its turf. Once its story is out there, it is a contest in the marketplace of discussions. Second, the organization can also not choose to fill the vacuum if it can persuade and justify to its audiences that it is for “strategic reasons”. For instance, the military can refrain from participating in the vacuum in the war against terror despite criticisms from other stakeholders because it has “strategic interests” not to reveal confidential military information. Audiences would accept that. By and large, one can hide behind “strategic reasons” for security issues. It is harder to justify if the organization is a for-profit entity. Third, no research has shown how long the vacuum lasts. However, it is suggested that the vacuum will disappear when audiences are tired of the crisis; or when audiences keep hearing the same story.
from the organization that there are no more contrarian views to keep the vacuum breathing. Until that happens, it would serve the organization to continue to feed the vacuum.

What are some the practical applications practitioners can take away?

- One, always tell the truth in the vacuum. As one practitioner said, it is easier “mop up when the mess is little” (Naidu, 2010) because the vacuum expands.
- Two, when the organization tells the truth in the vacuum at the first instance, stakeholders are likely to forgive (Wharton & Peltz, 2009). Conversely, when the organization tries to hide, stakeholders would keep filling the vacuum with the organization’s lies.
- Three, be consistent in telling one’s story as audiences would challenge the truthfulness of one’s narrative (Massey, 2001).
- Four, the organization should frame messages in the vacuum that show it is in control even if the crisis appears to be heading nowhere. Word must be backed by actions.
- Five, the organization’s messages in the vacuum should always be victim and stakeholder-centric.
- Six, the organization should act judiciously, with integrity and dignity in the vacuum. For instance, in its zeal to stake its claim in the vacuum, it should not muzzle counter-views. Let the discussion in the vacuum flourish rather censor them. Over time, the vacuum may evolve to other topics, and the scrutiny on the organization lessens.

As an exploratory research, this paper has illuminated more insights on the abstract concept of information vacuum. Future research can further test this concept with case studies, particularly how long the vacuum lasts and in what forms it evolves into.

The question organizations need to ask in a crisis is this: Is it short-changing itself and doing itself justice when it retreats from the vacuum while others are busy filling it on its behalf? The progressive organization would want to fill the bottle to half-full; while the pessimistic organization would lament why it remains half-empty. The keys are in the car’s ignition, it is whether the organization chooses to take the driver’s seat and decides where it wants to drive to, or the passenger’s seat and lets others drive. One would hope good sense prevails.

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An Ethical Black Hole Called James Hardie

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This business history documents corporate wrongdoing of an unethical but legal kind.

The paper highlights issues that are likely to arise more frequently as globalisation gathers pace. The most important of these is the ease of international ‘relocation’ as a means of evading corporate social responsibility. Another is a directors’ duty with regard to commissioned reports. A further issues is whether it is desirable to add ‘social responsibility’ to the legal definition of directors’ duties.

The case of James Hardie highlights what can happen when regulation of corporate social responsibility is absent. The legal and ethical responsibilities of this company were open to disagreement. To avoid new and undesirable regulatory arbitrage, greater international alignment of corporate law may well be necessary. In a world where closer scrutiny is given to business behaviour than in the past, social responsibility may need to become more explicit in company law.

Keywords: Corporate Social Responsibility, Business Ethics, Corporate Law.

Company Background

James Hardie Industries was established by a Scottish immigrant in the state of New South Wales, Australia, in 1888. It manufactured, distributed, and marketed asbestos products from 1917. The company enjoyed rapid expansion in the decades following World War Two, was listed in 1951, and became a prominent manufacturer of functional fibreboard products; many of these contained asbestos. We now know that asbestos fibres are highly dangerous to human health. We do not know with certainty when James Hardie first became aware of these dangers, but it may have been as early as 1957 (Priest, 2007). The company did not cease production of asbestos-containing products until 1987.

By the 21st century James Hardie’s largest and most profitable market had become the United States. Approximately 75% of its operations and profits were in the US, and the main management offices were in California (Higgins, 2004). When a decision about corporate relocation was made in 2001, Hardie applied to the NSW Supreme Court to move its corporate headquarters from Sydney to the Netherlands, for the stated reason of tax purposes. At the same time, the company was listed on the New York Stock Exchange, although it was still 90% Australian owned (Lawson, 2001).

The Sequence of Events

Shortly before its corporate relocation to the Netherlands, James Hardie established a trust fund under New South Wales (NSW) state law, named the Medical Research and Compensation Foundation (MRCF). Its public purpose was to provide financial compensation to present and future victims of asbestos-related diseases, including many former Hardie employees,
to whom the company had a moral responsibility, but not necessarily legal liability. The private purpose was to limit the amount of compensation that the company would have to pay, and, once this was achieved, enable the company to appeal to US investors. With the company headquarters in the Netherlands, Hardie separated itself from its Australian subsidiaries, which were stripped of most of their assets and renamed. The Compensation Foundation was established with A$293 million in assets. The trustees soon realised that this was grossly inadequate. In its first two years, the MRCF paid out A$60-70 million annually, meaning that thousands of future victims would be unable to obtain any compensation. The funding shortfall became public knowledge in October 2003, when the Foundation chairman reported that they needed a further A$800 million, and that Hardie had refused to contribute any more money. At around the same time, the Hardie board cancelled $A1.9 billion of partly-paid shares. Hardie had told the NSW Supreme Court in 2001 (at the time of its application to move to the Netherlands), that these shares would be available to fund any residual asbestos liabilities of its Australian shell company, James Hardie Industries Ltd. (JHIL), after the parent Hardie company moved offshore (Higgins, 2005).

In February 2004, faced with public protests by asbestos victims, the NSW government established a special commission of inquiry, led by David Jackson QC, into the funding of the MRCF. A few months later, a Hardie actuarial report acknowledged that the Foundation’s liabilities were closer to A$1.5 billion, implying a funding shortfall of about A$1.3 billion. Local councils then started to boycott Hardie products, and the Hardie chairman, Alan McGregor, resigned for health reasons and was replaced by Meredith Hellicar. Six months later, the company’s CEO and CFO also resigned, but these were ‘political’ resignations. The NSW government inquiry found that they had “misled” the Australian stock exchange over the adequacy of MRCF funding, and that they had both committed breaches of corporate law. Each received a seven figure ‘golden handshake’ from Hardie, and remained on the company payroll as a consultant. Only after the presentation of the report (resulting from the NSW government inquiry) in September 2003, did the company make any more money available to asbestos victims.

The national corporate regulator, the Australian Securities and Investments Commission (ASIC), placed the entire board and senior management of Hardie under investigation after ASIC’s preliminary examination of the NSW report had identified at least 19 possible legal breaches by the company (Buffini, 2004).

The Hardie asbestos victims’ campaign groups quickly gained broad public and media sympathy under the leadership of a former Hardie employee, who was dying of an asbestos-related disease. The reality of this man’s condition and dependence on oxygen (which was visible and engendered respect) contrasted starkly with the icy cold and steely public personality of Hardie’s embattled Chairwoman, Meredith Hellicar.

In late 2004, events reached a climax, due to the damning findings of the NSW government report and the growing number of highly publicised protests by victims’ action groups. Another reason was the statement by the trustees of the Foundation that they would go to Court to have the Foundation legally wound up before it ran out of funds, which they feared might happen by April 2005. These events put Hardie under harsh public scrutiny. Company spokesman, John Noble, stated that Hardie was “still very keen to ensure [the Foundation] is not placed in a position where it can’t pay claimants”. The company continued to attract adverse publicity and damage to its corporate image. This, together with an ASIC announcement that its investigation would not be limited to the breaches found by the NSW inquiry, caused the company to fundamentally re-assess its situation, and adopt a more flexible negotiating posture.

Nearly four years after the Foundation was first established, James Hardie’s Chairwoman, and other members of her board, sat down with the victims’ representatives and the
An Ethical Black Hole Called James Hardie

Australian trade union leaders to negotiate a realistic compensation settlement. The principal outcome, in December 2004, was a promise by Hardie to cover the necessary A$1.5 billion funding. This time there was to be a legally binding agreement that would require the endorsement of shareholders.

It is of more than passing interest in the context of this paper that over the next few months, Meredith Hellicar gave inspirational speeches on corporate social responsibility, emphasising that the law should offer protection to boards that want to go beyond their legal obligations. Over the same period of time, she was lobbying the Premier of NSW, Bob Carr, to grant past and present members of the Hardie board immunity from prosecution. After some prevarication, Carr stated that he had no plan to issue immunities, an idea being “pushed by James Hardie in an attempt to protect themselves from penalties” (Higgins, 2005). Carr also claimed Hardie's delays in providing a draft agreement (on the terms agreed at the December meeting) had set back the timetable, in addition to lengthy legal complications resulting from the company’s complex Netherlands-based corporate structure. The company argued that finalising the 40-year funding agreement involved “a vast array of structural, legal, accounting and social issues” (Buffini, 2005:1).

The December 2004 agreement was finally sealed in December 2005. It was arguably only sealed then because the new NSW Premier, Morris Iemma, threatened Hardie with retrospective legislation, which would partially unwind its 2001 corporate restructure, if the company did not finalise the 2004 agreement within two weeks. By that time, the NSW government and James Hardie had each blamed the other for the year-long deadlock. Faced with sudden political pressure and its uncertain consequences, a deal was reached. Uncertainty remained over tax deductibility, though the asbestos victims appeared to have achieved their goal. Hardie had committed to funding both present and future asbestos compensation liabilities; now estimated to be potentially as high as A$4 billion or more over the next 40 years, or, A$1.5 billion (at current prices). The company agreed to pay up to 35% of its ‘annual net operating cash flow’ into a new special-purpose compensation fund.

There is a section of the agreement intended to clarify what would happen to victims if James Hardie went into administration under US Chapter 11 insolvency laws (which give companies wide powers to restructure their debts). This issue hindered the talks. Prior to reaching a final agreement, the NSW Premier had said: “James Hardie is opposed to our measures to prevent the firm and its creditors using Dutch or US law to reduce or eliminate James Hardie’s obligations to asbestos victims … it’s time James Hardie signed on the dotted line its full responsibility to the victims of asbestos” (Priest, 2005, p.1). There was complexity in taking Dutch, Australian and US law into account, particularly when the legal advice differed.

Hardie signed the agreement only on the basis that it was “voluntary”. They did not accept any legal liability and stated at the time that “no absolute assurance can be given that funding is sufficient” (Higgins, 2008). There were concerns among the asbestos victims when, in April 2008, it emerged that the Hardie board was examining a restructure of the company, and relocating once again. The plan was to “liquidate” the Dutch parent company, transfer most of the assets to a new American company to be registered in Delaware, and either sell off the Australian and New Zealand operations, or incorporate them as independent local companies. Even though successor liability was anticipated in the wording of the agreement, the issue of a ‘corporate veil’ in Australian corporate law may negate a companies’ responsibility for the liabilities of their former subsidiaries. The NSW Premier stated that any new relocation by James Hardie would not effect compensation payments, telling reporters that the compensation package was a legally binding agreement with the NSW government (Smith, 2008).
The agreement contains limited indemnity for Hardie directors and executives in civil proceedings for compensation, but no indemnity from civil penalties. The NSW Premier stated: “Fines, criminal prosecution and other action that ASIC may wish to take are not [prevented]” (Priest, 2005, p.2). Given the findings of Commissioner Jackson, this is no small issue. Among his findings, a Hardie media release to the Australian Stock Exchange announced the establishment of the asbestos Compensation Foundation in 2001. He called it a “pure public relations construct, bereft of substantial truth” (Buffini, 2005, p.2).

Five years after relocating to the Netherlands, James Hardie agreed to establish a new Australian subsidiary to, once again, take responsibility for victims of its asbestos products. The agreement was signed by the NSW government, asbestos victims’ representatives, and the peak trade union body, the Australian Council of Trade Unions, creating LGTDD Pty Ltd in Australia. LGTDD is to pay A$3.13 billion over the next 40 years into a new special-purpose compensation fund: the Asbestos Injury Compensation Fund (AICF). As LGTDD is part of its Dutch parent company, James Hardie can claim tax deductible status for its compensation payments. In addition, the NSW government argues that the parent company has direct legal responsibility for its Australian asbestos liabilities for the first time. Under the agreement, A$154 million is paid to the special purpose fund to provide an initial two-year buffer (Priest, 2005, p.2).

This agreement arguably grants victims more rights than when the company was based in Australia, and gives them the potential to recover the full amount of their medical expenses. It means that Hardie’s 2001 attempt to escape its responsibilities backfired. Provided the agreement stands, it leaves the company under a more precise financial obligation to compensate asbestos victims than existed previously.

The new agreement received the approval of Hardie shareholders on 7 February 2007, with 99.6% support. The twelve months between signature of the in-principle agreement (December 2005) and board approval of the final text (February 2007), was spent in a dispute between Hardie and the Australian government over the tax status of the proposed compensation fund. Details of this dispute are not central to this paper. Few judged Hardie’s negotiating behaviour over this extended period to be appropriate, and more judged the lengthy delay unnecessary, perhaps even deliberate.

Within days of the shareholder vote in support of the agreement, ASIC laid civil charges against James Hardie, its chairwoman, and nine other present and past directors and executives, for allegedly misleading investors about the extent of Hardie’s asbestos-related liabilities. ASIC sought a ban from running a company for all seven of the Hardie directors who had set up the original compensation trust fund in 2001. A few days later, chairwoman Hellicar and two other directors resigned from the Hardie board. This left the company free from those who had signed off the under-funded 2001 compensation scheme (Buffini and Priest, 2007). They were quickly replaced by American directors. Today, only one Australian board member remains.

The Aftermath

In April 2009, the NSW Supreme Court found the company, and all ten of its accused board members and executives, in breach of the Australian Corporations Act (2001), by delivering misleading information to the Australian Stock Exchange. The judge found them in breach for approving, or failing to amend, misleading information at a board meeting on 15 February 2001. The accused denied that the misleading information (in the form of a draft press release) had ever been tabled at that meeting, though there was no evidence to show that they had raised any question or protest about the press release after it had been issued. Neither at the time, nor at the next board meeting, where the minutes of the previous board meeting were signed as
correct, did they query the statement in the minutes that the press release had been tabled and approved by them (Frith, 2009). Corporate governance experts have pointed out that there are only two possible interpretations of the claim (by the accused) that they did not see the press release. Either they were not telling the truth, or they were not doing their job.

The former directors and executives were sentenced in August 2009. All received fines, and were banned from managing a company in Australia. The former CEO received the harshest sentence, followed by his legal counsel. The CEO was fined $A350,000 and disqualified for 15 years; however, he lives in the USA and the ban does not apply outside Australia. The remainder, including the chairwoman, were treated similarly: a $A30,000 personal fine and a five-year ban. With the sole exception of Hardie’s former CEO, all of the accused chose to appeal their convictions. The outcome of their appeal is as yet unknown. The NSW Supreme Court has scheduled it for 19 April 2010.

By 2009, Hardie was suffering from the dramatic collapse of the US housing market. The company was suffering financially, and, consequently, Hardie opted to pay no final dividend that financial year, and put future payments on hold. They also said that they would make no contribution to the AICF “…until market and global economic conditions improve significantly…” (Main, 2009). As a result, the fund faced a $A350 million shortfall. Although victims are assured of compensation instalments in the event of a shortfall, they appealed to federal and state governments in Australia to provide temporary financing for the fund. The outcome was a taxpayer-funded loan of $A320 million over three years, to be repaid with interest by Hardie by 2020. This adds to the $A302 million which the company had paid into the Fund since its establishment in 2007 (O’Sullivan, 2009).

Relocation Arbitrage

The recent history of this company (one element of which is summarised), highlights a number of corporate governance and regulatory issues. The most important of these issues is so-called ‘regulatory arbitrage’. Globalisation is making it easier for companies to relocate geographically, and gain financial advantage. The most common gain from corporate relocation is a reduced corporate tax liability. Most often, this is a result of moving from a higher tax jurisdiction to a lower tax rate jurisdiction. Although it is not the focus of this paper, Hardie moved its legal domicile from Australia to the Netherlands to, at least in part, reduce its corporate tax bill. This action was legal, yet the line between legality and illegality in such cases is not always clear. A comparable move to the Cayman Islands, or an OECD-designated ‘tax haven’, might be contested.

The purpose of this paper is to highlight a different category regulatory arbitrage; the avoidance of legal obligation. This may also be achieved, as by Hardie, by moving from one jurisdiction to another. This may be legal, as it was for Hardie in 2001, yet legality does not make this behaviour ethical. The ethics of this category of regulatory arbitrage are open to question. The Hardie example is unlikely to be the only one of its kind, and there will be more of the same in the future. Increased globalisation makes this behaviour increasingly easy and likely, and therefore merits attention.

When the Hardie board met on 15 February 2001, they agreed to the relocation of the company headquarters from Australia to the Netherlands. As noted, the public reason was to reduce the tax burden, and the non-public reason was to limit the company’s financial exposure to the claims of asbestos victims. Hardie’s financial liability under the pre-existing structure was open-ended, and relocating to the Netherlands allowed the company to escape this. The assets of
the company were moved offshore, while the asbestos liabilities remained within two renamed, asset-stripped, Australian subsidiaries.

To make the changes, Hardie required agreement from the Australian Stock Exchange (where the company was listed), and the NSW Supreme Court (under whose jurisdiction the company was registered and incorporated). The needs of the former were met by establishing the MRCF, together with an assurance that this Foundation would be fully funded. The NSW Supreme Court proved more demanding, as the judge was concerned that asbestos victims should be properly compensated. Hardie stated that James Hardie Industries Ltd, the Australian subsidiary, would have access to A$1.9 billion of partly-paid shares “at any time in the future” to meet residual liabilities. In 2003, Hardie cancelled these partly-paid shares without informing either the stock exchange or the court (Higgins, 2006). This action became known in Australia when Hardie filed with the Securities and Exchange Commission of the United States. In 2004, the NSW Special Commissioner, David Jackson, commented on the cancellation of these shares, stating that he had “a lingering lack of enthusiasm for the commercial morality of the transaction”.

Jackson’s inquiry into Hardie’s move offshore highlighted a new legislative need. Hardie could lawfully walk away from its asbestos-related subsidiaries, and from compensation for the victims. This exposed a serious deficiency in Australian corporate law; there is no legal provision for commercial insolvency where there are substantial ‘long-tail’ liabilities. Jackson stated that future cases of a similar kind will arise, and new solutions will be required if injustice is to be avoided. The Hardie case demonstrates this reality.

Commissioned Reports

One aspect of the Hardie case was a board-approved press release that was later judged by the NSW Supreme Court to be ‘misleading’. The misleading information was a financial estimate of the total cost of the company’s asbestos-related liabilities. The estimate, which understated the liability by about 80%, came from the company, and was based on an internal and unexamined economic model. Of note is the manner in which this highly questionable information gained authoritative status. The answer lies in common business practice: the commissioning of (apparently) independent reports. It is common practice for businesses to commission a report from a respected source that they then use to justify or reinforce a decision that the commissioning business has already made. This is what Hardie did in this case.

The critical press release stated that “in establishing the foundation [the original MRCF in 2001], James Hardie sought expert advice from a number of firms including PricewaterhouseCoopers, Access Economics, and the actuarial firm, Trowbridge. With this advice...James Hardie Industries Ltd determined the level of funding required by the foundation...[and ] is satisfied [that] the foundation has sufficient funds to meet anticipated future claims.” In making this statement, Hardie was using the reputation of these organisations to reinforce its own position. Judge Gzell of the NSW Supreme Court noted in his verdict in the case against Hardie that both PricewaterhouseCoopers and Access Economics had been explicitly instructed not to analyse the assumptions underlying the cash-flow model that was presented to directors at the board meeting in February 2001. He further noted that a minor adjustment in the cash-flow model demonstrated that a drop of 1% in the investment [return] adopted in the cash-flow model halved the fund. In other words, on a 51-year analysis, the fund would be exhausted somewhere between year 20 and year 25. A risk free investment earnings rate was not adopted in the cash-flow model. He added that the directors had sufficient information to know that the model “did not support the emphatic terms of the draft ASX announcement” (Main, 2009).
Commissioned reports are not necessarily presented to company boards for comment or approval, or, when they are, important contextual information may not be provided. The relevant issues of governance are firstly, how do independent directors know that a professional service provider is given all of the information needed to provide an independent report; secondly, how are independent directors to know that the company uses a report correctly? The judge’s findings in the Hardie case make it clear that directors, including non-executive directors, are in breach of their duties if they fail to ask precise questions and ascertain the facts.

**Legal Responsibilities**

The ASIC claimed that Hardie’s directors had misled the stock exchange and investors. It is not surprising that one response to this has been to argue that the law should be amended in a way that would add ‘social responsibility’ to directors’ duties (Merritt, 2004). This was suggested as a means of safeguarding against any repetition of Hardie’s tactics in avoiding liability.

A counterargument is that imposing social responsibilities on company directors would weaken, and potentially bring into question, their primary duty to shareholders. At the same time, most people acknowledge that shareholders are adversely affected when directors ignore their social responsibilities. This was true in the Hardie case, as evidenced by boycotts of their products. In such a situation, it is likely to be in the self-interest of a company to resolve such issues. Imposing these extra duties on directors might be redundant. One simpler method may be to legislate ‘social’ liability, such as Hardie’s liability for injuries, to reside with, and follow, the controlling entity. This may resolve the ‘corporate veil’ issue. But, if not carefully legislated, it could raise other legal issues.

Ultimately, it is the responsibility of government to ensure that those injured through corporate misconduct are not deprived of the means of seeking compensation. The argument of Hardie’s directors and managers – that it was in the interests of their shareholders to avoid meeting legal responsibilities to compensate people injured by the company’s products – was not tested in court. Many believe the argument would be rejected under existing law. Despite this, a mechanism should be found to ensure that victims are not uncompensated due to the inability of a subsidiary company to meet its obligations.

Generally, there is growing discussion about the extent to which contemporary legal frameworks encourage or discourage directors from having regard to the interests of stakeholders other than their shareholders. In Australia, this discussion includes parliamentary consideration of whether the Corporations Act should include corporate social responsibilities. This discussion has been influenced by the extent to which Hardie directors were able to lawfully disregard the interests of their asbestos victims. In March 2005, Hardie’s chairwoman raised the issue herself, calling for an extension of directors’ duties to include a broad duty of fairness to all stakeholders. She argued that this would protect directors from potential lawsuits brought by shareholders for breaching their duties, while taking other stakeholder interests into account. However, there is evidence that directors do not, as a rule, ignore stakeholder interests; far more often than not, ignoring these broader interests is against the long-term interest of the company. In the Hardie case, the company suffered financial and reputation loss, and it was considered to be a bad corporate citizen. Australian listed companies are today required under ‘best practice’ recommendations of the stock exchange, to have in place, and post on their websites, a code of conduct and ethics. This code must include how they intend to deal with stakeholder concerns and interests (McConvill, 2005).
Conclusions

There are many lessons to be learnt from the history of James Hardie. One is that regulatory arbitrage is a complex issue, and one aspect is that it offers companies the means of escaping, without penalty, from their obligations. This case also offers another example of corporate misuse of commissioned ‘expert opinion’, and highlights the careful attention that directors need to give to both the origin, and the use, of such reports. The case also enlightens contemporary debate over the way in which stakeholder interests are legally protected by corporate law. In James Hardie’s case this is a legitimate issue, but one that is often exaggerated, and major revision of corporate law is probably not necessary to resolve the problem.

Postscript

In early 2010, James Hardie was in the process of a second international corporate relocation; this time from the Netherlands to the Republic of Ireland. According to the company, a move to Ireland would lock in its current rate of tax, which it would otherwise lose when its tax arrangement with the Dutch government expires later this year.

In addition, Hardie’s legal legacy impacted another Australian company with a responsibility to asbestos-related victims, CSR. Despite CSR having an impeccable record of social responsibility regarding its asbestos victims, the Federal Court rejected CSR’s proposed demerger plan, stating that the restructured company would be less likely to meet its future asbestos liabilities (Hutton, 2010). The company is appealing against this decision.

References


Consumers and Corporate Social Responsibility Communication: What Do They Really Want?

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This paper questions and discusses whether the currently recommended way of communicating CSR to the increasingly important stakeholder group consisting of consumers will also be the optimum way to represent corporate values and behaviour in the future? Maybe it is time to challenge current thinking within the field of CSR communication suggesting that companies should apply a very subtle, implicit and sometimes even endorsed way of communicating CSR in order to inhibit scepticism and enhance persuasion. Perhaps the young consumers - the consumers of the future - are ready for another approach because they have a different understanding and awareness of CSR than we have seen so far? The question is, then, how companies can accommodate this understanding and awareness rhetorically in their communication of CSR. In this paper, a new conceptual model for communicating CSR to consumers is presented along with the theoretical background for a consumer survey aiming to test and develop the model further.

“Corporate social responsibility is an extremely difficult message to convey.” This conclusion drawn by Mette Morsing in the Special Report – Corporate Social Responsibility (Business Strategy Review, 2005) has helped inspire this research project. Many theorists and researchers have contributed to the field of CSR, but still there appears to be a missing link. As is the case with research within the fields of corporate identity and corporate branding (Cornelissen, 2005; Schultz, Antorini & Csaba, 2005; Hatch & Schultz, 2008), CSR scholars mainly seek to uncover and investigate strategies, discuss ethical implications, view different perspectives on topics, etc. without thoroughly explaining and discussing how to rhetorically and discursively execute these strategies in the companies’ communication.

Nevertheless, companies are increasingly engaging in and communicating about CSR activities, and in 2008, close to 90% of FTSE100 companies published non-financial information (The European Sustainability Reporting Association, 2008) As of this year, in some countries it is no longer a voluntary action; as from this year. The 1100 largest Danish companies are now required to report on their CSR activities and efforts in their annual reports.

Concurrently, not much research has been done on communicating CSR in a B2C setting. Rather, most CSR literature revolves around the B2B setting, perhaps implying that these stakeholder groups (investors, business partners, employees, opinion leaders, journalists, etc.) are the stakeholders who hold the greatest interest in the field of CSR. However, as the stakeholder group of consumers becomes more and more powerful (Podnar, 2008), and as it, according to polls such as the Millennium Poll, increasingly expresses that CSR is an important factor when forming an impression of a company, it is increasingly becoming important to investigate what (and how) young consumers expect to hear about corporate social issues. This will be explored in this project through a survey based on a conceptual model of CSR communication aimed at young consumers.
Why Young Consumers?

When researching CSR communication, it would be interesting to study numerous stakeholder groups, such as: employees, investors, business partners, government, etc. However, we have limited this study to consumers, more specifically, young consumers.

Consumers are particularly interesting, as they place companies in situations where they are faced with a particular dilemma – or a Catch 22, as argued by Morsing, Schultz & Nielsen (2008). Many surveys and studies point to the fact that CSR is seen as a very important issue and something, we as consumers expect companies to engage in. On the other hand, studies also show that we do not look kindly upon companies that are over-eager in their efforts to inform their stakeholders about their CSR activities. Consumers are simply not persuaded by this; on the contrary, they become sceptical and even negative towards such companies (Morsing et al, 2008), which results in them having to deal with the “promoter’s paradox”.

Or at least this is the picture we have been presented with so far. One might suspect that the consumers of the future will hold a different opinion on how companies should engage in and communicate about CSR. Within the next couple of years, young consumers, ages 18-30 (the ones currently engaged in professional training, general education, and further or higher education) will be the consumer group with the greatest influence, in terms of purchasing power and their impact on a company’s image and brand. Finally, as a group, they are also interesting because they will be part of the pool from which companies will do their future recruiting.

The generation in question could be labelled the ”Me Generation” or perhaps even the “iGen” (terms coined by Jean Twenge) indicating that this generation is rather narcissistic and tends to cover its own needs before considering those of others (Rasmussen, 2009). For example, members of this cohort have high expectations for their future, both in terms of jobs and life in general, and these expectations can sometimes be difficult to meet and live up to both for them personally, but also for those around them. This description naturally poses the question of what this generation then expects from companies. Are these future consumers only interested in “what’s in it for me”? Do they make heavy demands on what companies ought to do for society because it will ultimately benefit them as well?

Apart from the suspected differences in expectations, this generation has also adopted significantly different media habits. They live in a globalised world where news travels extremely fast, where the use of the internet is a prerequisite for most activities, and where transparency is a must. Furthermore, this generation sees public disclosure of their private lives as only natural, as they have been raised with the use of social media as part of their every day lives, such as Facebook, Myspace and now also Twitter (Rasmussen, 2009). For example, in 2008, 66% of young Europeans used the internet everyday or almost every day, and more than 80% of young Europeans go online in order to communicate and search for information (Eurostat, 2009). This of course calls for changes in the way companies communicate with their consumers in the future, and is the reason why young consumers are the target audience to be explored in this project.

Categorizing CSR

Before providing an overview of studies focusing specifically on communicating CSR, the different ways of categorizing CSR will be discussed. As mentioned in the introduction, this paper will introduce a new conceptual model that can align consumer expectations and preferences for CSR communication with companies’ actual CSR communication. In the model, the established ways of categorizing CSR are included (implicitly) as they can perhaps serve as an inspiration for a new framework focusing on communication.
Currently, CSR is being categorized according to a company responsibilities, as in Carroll’s classical hierarchical division (1991): economic, legal, ethical and philanthropic responsibilities. It can also be categorized according to a typology of initiatives, such as Kotler and Lee’s (2005) six options for doing good; and we can also perceive of CSR according to a company’s approach to it, as in Paine’s 2003 model that describes and categorizes the underlying reasons for companies to engage in CSR. Common for these three ways of categorising CSR is that the perspective taken is that of the company. Hence, the survey will uncover what responsibilities in Carroll’s pyramid young consumers see as most important; what type of initiative in Kotler and Lee’s typology they see as most credible; and what approach in Paine’s model they ascribe to the company’s communication about CSR.

Similar to Paine’s model (2003), Ellen, Webb & Mohr (2006) have developed a framework for understanding why companies engage in CSR which takes a consumer perspective. Their main focus is on the effect of CSR on purchase intents, however, it seems plausible that their framework, consisting of four motives, can be incorporated in our conceptual model and tested in the survey as there is a similar connection between perceived motive and the perceived credibility of CSR communication.

Existing Literature on Communicating CSR to Consumers

From the existing literature dealing specifically with communicating CSR to consumers, we can deduce a pattern of the following recurring themes: CSR’s influence on buying behaviour, the choice of rhetorical strategies and credibility (the recommended use of subtle and indirect communication forms - promoter’s paradox) and the question of how to overcome scepticism. The research and following discussions within these themes all pose relevant questions and contribute to interesting findings.

How CSR can influence buying behaviour

Research on the communication of CSR seems to focus mainly on the relationship between CSR communication and changes in buying behaviour; asking if CSR communication can have a positive impact on people’s buying behaviour. In other words, the business case for CSR is the recurring theme.

It has been established that positive CSR beliefs held by consumers are indeed associated with greater purchase likelihood, but perhaps more importantly for this discussion, positive CSR beliefs held by consumers are associated with longer-term loyalty and advocacy behaviours (Bhattacharya & Sen, 2004; Sen & Bhattacharya, 2001; Du, Bhattacharya & Sen, 2007). This project is not concerned with altering buying behaviour, as such, through the communication of CSR, but this field of research is relevant to take into consideration as it focuses on positive CSR beliefs which, in the world of corporate communication, must be said to be the main aim that companies aspire to achieve.

At the same time, awareness is repeatedly being mentioned as a determining factor when trying to generate favourable stakeholder attitudes and increase purchase likelihood, e.g. Du et al. (2010). Yet again this calls for research into how, where and when CSR should be communicated to consumers if the before-mentioned positive perceptions of companies engaging in CSR are to be created in their minds. In a very recent article by Du et al. (2010), the authors do, however, include the actual message (content and channel) in their conceptual framework for CSR communication based on existing literature. However, the model, which aims at increasing
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message effectiveness through company- and stakeholder-specific factors, is not tested empirically yet, and furthermore, it includes all types of stakeholders, not only consumers.

What rhetorical strategies to apply in order to create credibility

Another strand of research focuses on the idea that credibility must be obtained through subtle, implicit ways of communicating, often using endorsed communication and genres that are traditionally regarded as being very credible such as reports (Morsing, Schultz & Nielsen 2008; Morsing & Schultz, 2006). According to the existing body of knowledge, credibility can further be obtained through the use of very factual language as opposed to very impressionistic language. In other words, specific examples of CSR programmes, achievements, etc. with accompanying facts are seemingly preferable over general descriptions of principles (Berens & van Rekom, 2008).

Pomering and Johnson (2009) also investigate some of the same facets of CSR communication when they discuss how to apply CSR advertising in order to communicate corporate image. Their research suggests three CSR variables that they see as critical when trying to inhibit scepticism and enhance persuasion: social topic information (explaining the social and environmental issues engaged in companies’ CSR initiatives), CSR commitment (long-term is preferred over short-term) and CSR impact specificity (specific information is preferred as also suggested by Berens & van Rekom, 2008). The three variables are, however, yet to be tested empirically.

How to overcome consumer scepticism

Scepticism, defined as a tendency towards disbelief, (Elving, 2010) is another aspect that is often discussed in connection with CSR and communication, e.g. if and how CSR can be used in a marketing context. Much like Berens and van Rekom, Elving argues that vague words, absence of proof etc. may be the reason why people are sceptical about CSR communication and, furthermore, that fit (the degree to which there is a logical link between the company’s core business and the choice of CSR programme) plays an important role when trying to minimize scepticism; if fit is high, it decreases scepticism. Becker-Olsen et al (2006) go as far as to say that “low-fit initiatives negatively impact consumer beliefs, attitudes and intentions no matter what the firm’s motivation.

There is no doubt that fit between cause and organization does play an important role in the evaluation of the credibility of a CSR message, perhaps because companies are seen to be more serious when dealing with topics within their own fields of expertise. As a consequence, it appears to be a simple choice for companies engaging in CSR; if they want to decrease scepticism and increase credibility, they should choose a theme or CSR programme that matches their core activities (in the eyes of the consumers). Nevertheless, we see an increasing amount of philanthropic activities where companies e.g. support a cause financially that has absolutely nothing to do with their core business.

Perhaps it is not so much fit we should be worried about, but rather the perceived motive of the company for engaging in CSR – what role does motive play? Are we past the days when we expected companies to engage in CSR out of the goodness of their hearts in order for CSR communication to be credible? If so, could it not be reasonable to assume that (young) people today see CSR as such an integrated, expected part of doing business that they expect – and find it credible – when companies do CSR for other motives than for the greater good? Research that
explores the scale of scepticism among young consumers and the subsequent role and influence of that scepticism on CSR communication is clearly needed in order to uncover this.

What is missing?

Above all, most scholars can agree that one of the main challenges for communicating CSR is awareness, i.e. how we can increase the likelihood of people both noticing, processing and being persuaded by CSR communication. When discussing awareness in this context, one can draw in the classical model of how attitudes are formed and changed when we process messages – the Elaboration Likelihood Model (ELM) by Petty & Cacioppo (Petty et al., 2004). The model implies that for central processing to take place, leading to enduring attitude change, both awareness and relevance are important and must be high. The personal relevance of the CSR initiative to the consumer might be a critical factor and could be termed “personal fit”: the degree to which the company’s choice of CSR programme/initiative is personally relevant for the receiver. An example of a high personal fit would be between a young consumer whose mother is a breast cancer patient and a company that is official partner in Breast Cancer Care. The question is, of course, exactly how important a role personal fit plays. Furthermore, the awareness aspect calls for an investigation of when young consumers actually notice CSR communication, and also when they are most interested in receiving information about companies’ CSR.

Furthermore, the literature does not take a close look at what young consumers actually want and what their attitudes are towards companies engaging in and communicating about CSR. The empirical studies in the area are rather limited concerning both the extent and content, and especially the amount of empirically founded research in young people’s attitudes, awareness and preferences in regards to CSR communication. These features will therefore be included in the conceptual model and tested empirically in the survey.

Model of CSR Communication Strategies

As a final step before presenting a preliminary model of CSR communication aimed at consumers, existing attempts to describe the communication process in the form of models will be discussed. This includes the most recognized PR communication model as PR is seen as the overall context in which CSR communication takes place.

Already in 1984, Freeman (Freeman, 1984) advocated that better relationships with stakeholders could lead to better financial results. From the outset, the focus was on how companies could manage their many different stakeholders, but now the focus seems to have developed into an interest in how companies can manage their relationships with stakeholders. This of course leads to implications as to how you communicate with stakeholders – moving from classical one-way communication to a more engaging two-way symmetrical communication that can foster the growth of relationships between a company and its stakeholders.

Within the field of public relations, Hunt & Grunig (1984) have followed this line of thinking and developed their widely acknowledged characterisations of models of public relations moving from propaganda to two-way symmetric communication. This model has been further developed in Morsing & Schultz (2006) where they use the framework of Hunt & Grunig to divide CSR communication into three different strategies:
TABLE 1. Modified version of model by Morsing & Schultz in Morsing (2006: 326)

<table>
<thead>
<tr>
<th>Hunt &amp; Grunig</th>
<th>Morsing &amp; Schultz</th>
<th>Strategic Communication Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public information, one-way communication</td>
<td>The stakeholder information strategy</td>
<td>Inform stakeholders about favourable CSR decisions and actions</td>
</tr>
<tr>
<td>Two-way asymmetric communication</td>
<td>The stakeholder response strategy</td>
<td>Demonstrate to stakeholders how the company integrates their concerns</td>
</tr>
<tr>
<td>Two-way symmetric communication</td>
<td>The stakeholder involvement strategy</td>
<td>Invite and establish frequent, systematic and pro-active dialogue with stakeholders, i.e. opinion makers, corporate critics, the media, etc.</td>
</tr>
</tbody>
</table>

While all three strategies are appropriate and actually applied in the corporate world, Morsing & Schultz (2006: 325) state that there is “an increasing need to develop sophisticated two-way communication processes”. This seems plausible if the main objective is to build relationships with the receiver while communicating CSR, but the problem of how to actually execute this strategy must then be addressed. And moreover, how does this strategy of actively involving the stakeholder, in our case the young consumer, tally with the seemingly very problematic concept of the promoter’s paradox discussed earlier? How can we expect to engage young people actively in our communication about CSR, and according to Morsing & Schultz, even be part of the co-construction of corporate CSR efforts, while at the same time maintaining a very objective, subtle and maybe even endorsed communication style? Hopefully the survey will uncover how to create this balance and hence help adjust and fine-tune the model.

In conclusion, when returning to the discussion of existing literature on communicating CSR to consumers, one can easily see how the idea of the subtle, implicit, objective and indirect way of communicating CSR to consumers easily fits into the first two strategies. By informing (the objective style) and demonstrating (often in an indirect manner using endorsed communication or by stating facts instead of providing the receiver with impressionistic descriptions), the company seeks to establish its credibility and inhibit possible scepticism in order to persuade its audience. But the third and, according to both Morsing & Schultz (2006) and Grunig & Hunt (1984), most preferable communication strategy seems to call for a much more direct approach which is not, on the face of it, directly compatible with the above-mentioned strategies. This could suggest that other strategies for communicating CSR are called for – especially in relation to young consumers. This further makes sense given the fact that the authors express the before-mentioned increasing need for developing two-way symmetric communication processes in the future. As a consequence, one would is tempted to conclude that future consumers expect different communication styles.
A Preliminary Model of CSR Communication Aimed at Consumers

The above review and discussions of CSR communication and categorisation have inspired and formed the background for a preliminary, conceptual model of CSR communication aimed at consumers. Hence, the model incorporates (albeit explicitly in some cases) the categories, variables and communication strategies discussed along with suggestions for variables that can seal off the gaps pointed out in the literature. The model is illustrated in Figure 2:

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**FIGURE 1. Conceptual Model of Consumer-oriented CSR Communication**
As illustrated in the conceptual model, many factors can have an influence on the process of producing credible CSR communication while inhibiting scepticism (and hence increasing central processing). The conceptual model will be tested through the survey, and the results will make it possible to move towards an understanding of how its different elements are interrelated and of their hierarchical order. In other words, the “arrows” between the boxes as well as the positioning of the boxes in proportion to one another still remain to be uncovered in order for this model to be fully developed. A further outcome of the survey could be that some of the elements turn out to be of less importance than expected and therefore of no relevance for the model.

Method - Why a Survey?

In this first part of the research project which is concerned with getting an indication of what young consumers’ awareness, attitudes and expectations about companies’ CSR communication are, a quantitative approach has been taken in the form of a survey. The quantitative study has been chosen due to the fact that not much existing data can be applied, and not much empirical research within this particular stakeholder group has been carried out yet. Thus, in this study, the quantitative approach serves the purpose of describing a phenomenon and testing hypotheses (Schrøder et al, 2003).

The survey format further benefits from the fact that interviewer bias and social desirability bias are decreased as the respondents answer the self-completion questionnaire on the internet without being influenced by e.g. the interviewer’s way of asking questions or the respondent’s wish to act and answer in a socially acceptable manner (de Vaus, 2002).

Sampling and respondents

The current survey is carried out in the form of a webpage-based survey distributed among students in various educational settings. Their lecturers have explained the overall purpose of the survey and asked the students to fill in the questionnaire. No incentives in the form of presents, prices, ECTS or other were offered to the students who completed the questionnaire. (de Vaus, 2002).

The respondents participating in the survey were selected on the basis of a number of pre-defined shared characteristics. In this case, the common characteristics were age (young people aged 18-30 years), nationality (Danish), and the fact that they were currently enrolled in education. Of course, both male and female students were invited to participate, and furthermore, diversity in the level and type of education was ensured. Hence, the survey includes students within the fields of journalism, agriculture (farming trainees), pre-school teacher training 1, social sciences, medicine, modern languages and art history. In constructing the survey, the aim was to make it reasonably representative of young, adult consumers in order to obtain an indication of the awareness, attitude and preferences amongst young consumers when it comes to companies communicating CSR.

Constructing the questionnaire – themes, questions and response categories

Based on the literature reviewed and the preliminary model of CSR communication, the questions in the survey have been grouped into the following categories:

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1 In Denmark, pre-school and kindergarten teachers go through formal education and are Bachelors in Social Education.
• Introduction: a definition of CSR\(^2\) is given along with examples of current CSR initiatives and communications carried out by companies that the respondents would most likely recognize.

• Awareness: if the respondents notice and pay attention to companies’ CSR communication.

• Importance: if the respondents think about CSR issues and discuss them with family, friends, etc.

• Responsibility: how the respondents rank and evaluate different types of company responsibilities.

• Initiatives: what kind of initiatives the respondents prefer.

• Communication/media: where the respondents encounter CSR communication, where they would prefer to encounter it.

• Communication/rhetoric: what style of communication the respondents prefer in terms of word choice, style, etc.

• Credibility: what the respondents see as credible CSR communication.

• Perception of motive: what the respondents believe to be the reason for companies to engage in CSR.

• Significance: how important CSR is when consumers rank the different obligations and activities of a company.

• Demographics.

Embedded in the questions in each category are elements that reveal attitudes towards relevance, personal fit, preferred communication strategy, etc. The survey includes both attitude and factual questions all written in language that should feel natural to the respondents and be free from technical jargon with the aim of framing “questions that are meaningful, sensitive, precise, searching, and salient to our respondents” (Aldridge & Levine in Olsen, 2004). Furthermore, the questions have been constructed rhetorically so as to ensure that they are simple, short, unambiguous, neutral, grammatically correct, and that no negations are present (Olsen, 2004). The response categories are primarily closed, and, moreover, they include the use of Likert scales, semantic differential scales, checklist response formats and rankings (de Vaus 2002).

*Inspiration from earlier studies of consumer perceptions of CSR*

Earlier studies within the field of CSR and consumers (such as Maignan, 2001 and Ramasamy & Yeung, 2008) that are empirically founded and quantitative in nature have served as the main inspiration and starting point for the construction of this survey (and additionally the categories and variables discussed earlier). In these studies, self-completion questionnaires have also been used to gather data that should reveal consumer evaluations of companies’ different responsibilities (categorized according to Carroll’s pyramid). It is reasonable to assume, however, that answers could be affected by social desirability problems even when questionnaires are anonymous. When asked whether or not one agrees with statements such as “I believe that businesses must ensure that their employees act within the standards defined by the law” or “I believe that businesses must avoid compromising ethical standards in order to achieve corporate goals”, it is questionable if anyone would feel comfortable disagreeing just slightly.

\(^2\) The definition given was from CSR.gov.dk – a site run by the Danish Government Centre for CSR (under the Danish Ministry of Economic and Business Affairs).
Exploring how consumers evaluate the different levels of Carroll’s pyramid is, however, very interesting and useful for this particular survey as it can tell us something about what to communicate. Hence, the problem with social desirability has been reduced by, for example, not only asking the respondents whether or not they agree with statements covering different responsibilities, but also by asking them to rank these different responsibilities. Furthermore, everyday, real-life examples have been used to illustrate the responsibilities in order to make it easier for the respondents to relate to the questions and statements and answer them properly.

Findings

The survey was completed in early May 2010, and the preliminary results are expected to be available for the Wroxton Conference. They will provide a first glimpse of what young consumers – the consumers of the future – expect and prefer in terms of CSR communication and point to how to conduct CSR communication aimed at this consumer group in a manner that inhibits scepticism, increases persuasion and appears credible.

The dominant trends and patterns and relationships revealed by the data will help fine-tune the CSR communication model and form the basis for the next part of my research which will take a qualitative approach. In focus groups, young consumers will be asked to discuss and evaluate different kinds of CSR communication material in order to further qualify and elaborate on the survey’s findings to move towards a deeper understanding of how to communicate CSR to consumers in the future.

References


Getting a Squirrel to Focus: How to Communicate with and Persuade Today’s Listeners

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Getting your message across is harder today than it has ever been. More information, more distractions and shorter attention spans provide competition for every message you create. It is hard to get your audience to listen and they jump from one thought to the next very quickly. This jumpy and sporadic listening behavior reminds me of the squirrels I see in the yard. They are constantly moving and seem unfocused. The only thing that seems to gain and hold their interest is an acorn.

Through my years of experience in research and teaching, I have found that squirrels are much like today’s audiences. We need a way to get our audience’s attention and keep it. The ACORN strategy presented in this article is an efficient and academically proven communication strategy to get your audience focused on your message.

Are Today’s Listeners Really like Squirrels?

Fact about squirrels:

One-second attention span on normal things, but can focus for about four minutes on an acorn ("WikiAnswers - What is the attention span of a squirrel," n.d.).

Facts about humans:

When browsing the web, our attention span can be the same as a goldfish - 9 seconds ("BBC News | SCI/TECH | Turning into digital goldfish," n.d.).

In recent years, the op-ed has been reduced by 25%. “No doubt a concession to generations raised on new media. … Especially in this age of shortened attention spans, readers are more apt to abandon you mid-article than to follow you to a second issue” (Guiniven, 2008).

99% of business people said their attention spans are shorter today than three years ago (Dieken, 2009).

Today’s Audience—Human Squirrels

There is more data out there today than there has ever been before. The world population is in on track to produce about 988 billion gigabytes of data per year by 2010 and the amount of information that is being produced is expanding exponentially (Tucker, 2009). Unfortunately, attention spans have not expanded exponentially to meet the new quantities of data. Attention spans have changed over time.

Short attention spans and information overload, as well as other mindless distractions, are what your message is competing against. How can you get your message to be as special as an acorn is to a squirrel? Is there a way not only to be heard, but to make a difference to the listener, by being memorable and persuasive?
Through rigorous academic research, and teaching hundreds of corporate managers, sales representatives and MBA students, it has become clear that there are five essential ingredients to make your message an acorn. The ingredients are Audience, Credibility, Order of message, Remember Me, Need to connect, these ingredients can now be known as the ACORN strategy.

To begin our process, it is important to see each message as an opportunity to share meaning with your audience. Not just information, not just facts or stories, but meaning. Persuasion is more than simply “winning the argument”. The word *persuade* is defined as, “to move by argument, entreaty, or expostulation to a belief, position, or course of action” (“Persuade - Definition and More from the Merriam-Webster Dictionary,” n.d.).

Through persuasion, we do not want to win an argument; we want to move someone to a new belief or action. If that is what you want to accomplish, creating an ACORN for your audience is an important tool.

**Audience**

Basically, we really only care about our needs and ourselves, (especially if we live in an individualistic society). When I am listening, the only thing that will get my attention and keep it is something I need or care about. It is the same for the squirrel and the acorn. The acorn represents the squirrel’s need for survival. That need surpasses all else, so the squirrel has the uncanny ability to focus on it for a long time.

Scientists understand how this process works. There is a part of the hindbrain called the Reticular Activating System (RAS). This is the part of the brain that serves as a filter for our incoming messages. It decides what information is relevant. The relevant stuff becomes part of our stream of consciousness.

How does the RAS work and how does it decide what is relevant for us? There is a hierarchy to determine relevance. When information comes into the RAS, the thing it looks for first is need. Does this information fulfill a need? Is it relevant to me? If it is not, it gets filtered out.

As we craft our ACORN, how can we get the audience’s RAS to focus and take in the information? WIIFM. WIIFM is the key to the entire acorn. WIIFM stands for “What’s In It For Me.” As an audience member, we need to hear and understand the WIIFM right away. Unless we can get the RAS to see this information as something that is needed, it doesn’t really matter what the rest of the message is because it will just be noise.

With the WIIFM, the goal is just to get your audience to start listening. Just having the squirrel recognize and get excited about spotting an ACORN has to be the first step. No matter how good the ACORN tastes and how nutritious it is for him, none of it matters if he never saw the ACORN to begin with.

**Credibility**

It is true that if you don’t get someone’s attention and the topic is not relevant, the rest of what you say may not count for much. It is also true that once you have their attention, the next thing you say can make or break the rest of your argument. How do you get a few more minutes of their attention? How can you start with relevance and end in persuasion? What is the next step?

Credibility. Now that you have my attention, what makes you the right person to listen to on this topic? How can you convince me that it is worth listening to you instead of seeking other sources of information on this topic? Are you worth my time?
It is generally believed that there are three keys to credibility: competence, trustworthiness and expertise (Shell, 2007). Through my experience with corporate clients and Wharton MBA students, I think it might be even simpler. Now that the world is changing and our communication time is shortened, it seems that, quite simply, you can have either personal credibility or credentialed credibility.

**Personal credibility**

Personal credibility can be present when a relationship already exists with your listener. This type of credibility is often made up of ingredients like competence and trustworthiness that must be continually demonstrated over time or come from a known and accepted reputation.

In work settings, competence is often seen as a credibility builder. Your ability to do a task or handle a situation consistently with proven results will develop your reputation and personal credibility. Experience with you and your service or product is the best way to show competence and then gain reputation to affect your credibility. Again, the key here is that competence is built over time, but then can be leveraged once you are within a network of believers.

Trustworthiness is perceived when someone is consistently honest or truthful and these characteristics are again demonstrated over time. As difficult as personal credibility (competence and trustworthiness) is to gain, due to its need to be continually proven and improved, it is very easy to lose. Credibility is gained in drips and lost in gallons, so there is a need for consistent authenticity. There needs to be a proven and continual consistency, not just in your actions, but also between what you say and what you do.

The year 2009 was marked by one of the worst financial crises in recent history. Many business, banks and insurance companies were failing due to the losses in the stock market and the failing economy. The government wanted to help stabilize institutions whose failure could damage many other businesses as well as harm individual investors. They also wanted to take action in order to help retain consumer confidence. To do this, they “bailed out” some large institutions.

In one example, in September of 2009, the United States Federal Reserve extended an $85 billion emergency loan to American International Group (AIG). Less than one week after receiving the government bailout (comprised of taxpayers’ money), AIG spent nearly half a million dollars on a corporate retreat at the St. Regis Monarch Beach Resort in Dana Point, California. Taxpayers were outraged that this eight-day lavish retreat racked up nearly $24,000 on spa treatments, nearly $7,000 on golf and almost $150,000 on banquets (“AIG Executives Blow $440,000 After Getting Bailout - FOXBusiness.com,” n.d.)

In AIG’s defense, they booked the meeting months before the initial loan from the federal government. This type of trip was also the standard of practice in the industry. The value of face-to-face meetings and these incentive trips to reward top producing self-employed agents have shown to have a positive ROI (Return on Investment) for the company.

But as an article in Bloomberg quoted, “whether the company’s behavior is wrong on an absolute basis doesn’t really matter…it’s become a question of perception and it seems that they’re being viewed as behaving unethically”("AIG Cancels Another Resort Meeting After Criticism (Update1)," n.d.).

The credibility for this company was seriously damaged from one act. The company worked for 90 years to build its reputation, trustworthiness and competence. Their performance made them the world’s largest insurance company with employees in 130 different countries.
With just one act that showed us an inconsistency between what they said and what they did, the public and media could scarcely get their fill of news and criticism.

**Credentialed Credibility**

Credentialed credibility is most important when personal credibility has not yet been established, or is on shaky ground. Credentialed credibility is quite simply, expertise. To have credentialed credibility, you must either have a specialized area of knowledge or have done enough research or investigation to use others’ credentialed credibility to your advantage.

As a practical note, although credibility should always be present, it does not always need to be explicitly expressed. If your credibility is already well known for this particular audience, and for this particular topic, you do not need to spend much (or any) time verbalizing it.

**Order of Message**

We have seen the importance of relevance to your audience to fulfill their needs as well as the importance of credibility to show us that you are the one to fulfill it. But of course, you have much more to say. You have facts, evidence, anecdotes, experiences, sources, proof, and details that you need to get across. Now we will focus on the order that the body of the message should be in.

Information is not all weighted the same for the listener. An individual’s judgment and decision making is greatly influenced by the way the information is positioned. Message framing and presentation order affects the listener’s cognitive processes (Buda, 2000).

**Framing**

A frame of a message is a way to help your listeners determine the meaning of a subject and help them choose one particular meaning over another (Fairhurst, 1996). How do we want the audience to see this message? What should their perspective be? Through what lens should they examine the material?

Let’s make it clear that framing is a necessary step in communication. When we choose a frame for our audience to help them interpret our message, it is not to confuse or manipulate. There is always a frame present. The speaker always has a frame and the listener always has a frame. The frame is based on past experience, relevance, prior knowledge etc.

When we share our frame with our audience, we are attempting to share a common vision of the message. When we introduce a topic, do we say, “interestingly these facts are true” or “sadly, these facts are true” or “surprisingly, these facts are true.” How we frame the facts will help the listener interpret them correctly and will help the audience clearly understand the key message or main point that you are trying to communicate. The frame must be clearly defined early in the message.

**Presentation Order**

As mentioned earlier, in addition to the frame, the order of your message also has an effect on the listener. There are two main ways that you can create your message. You can either have your key message first, or have your key message last. These are sometimes referred to as persuasive or narrative structures, respectively.
In the persuasive structure, your key message (along with its frame) comes first, followed by the evidence, logic, argument or data. This structure can be represented by a simple triangle.

```
Framed key message

Body of argument
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In the narrative structure, the triangle is inverted. In this approach, you provide the argument and detail and then conclude with the frame and the key message. This structure is how we have been sharing information for centuries. It is the structure of stories and jokes. In this structure, the punch line is at the end. The audience is teased along and then there is the big reveal. Diagrammatically, it looks like this:

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Body of argument

Key message
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When the message has a high degree of relevance, putting the most important or key message first has the greatest impact on the listener. Conversely, for messages of low personal or casual relevance (like a joke or story about your friend’s weekend) the effect on the listener is better when the key message or main point is at the end of the message. Once again, it is all about relevance (Buda, 2000).

The persuasive structure not only makes some intuitive sense, it has been proven to be effective. In 1994, Hagtwedt and Wegner conducted a study involving 137 students. The goal of the study was to determine which factors determine the effectiveness of presentation order.

The students were seated in private cubicles and asked questions about their attitude toward building nuclear power plants. Prior to each question, the students were given information on the topic. For the ‘low relevance students’, they were informed that the recently released Federal Energy Program suggested that nuclear power plants were going to be built in distant
states. They were then given a message and evidence about the program in both the persuasive structure (key point first) and the narrative structure (key point last).

The second group of ‘high relevance’ students were informed that the recently released Federal Energy Program suggested that nuclear power plants were going to be built in the students’ own and several nearby states. They were then given the exact same messages and evidence about the program as before in both the narrative and persuasive structures.

Those with high relevance responded to the message that was given using the persuasive structure. Those with low relevance responded to the message that was given using the narrative structure (Haugtwedt, 1994).

The persuasive structure is the most effective way to communicate if we want to persuade. To have this structure work best for us, we first need to establish the WIIFM to have the RAS see the message as relevant. This WIIFM must fulfill the need and provide the framed key message right in the beginning.

Learning is a process of creating associations between pieces of information. The temporal order of the message plays a critical role in the facilitation of the linkage of reactions from one piece of information to the next.

A study was conducted where the same advertisement was shown to 270 participants. The only difference between the ads was the placement of the brand name or logo either at the beginning, middle or end of the message.

The researchers found that there was a significant effect of brand name placement on brand attitude. Putting the brand name at the beginning of the ad, rather than waiting until the end, enhanced the persuasive impact of the ad (Baker, 2004).

Now that we know that the Audience’s WIIFM has to come first and be part of the framed key message so that relevance can be established, where does the credibility come in? When listeners are presented with a message, they try to determine whether the message is accurate and whether the source lacks credibility.

The ability for the message to have a persuasive impact is diminished when listeners attribute bias to a source. When credibility is low, the listener will discount the claims made in the message. Therefore, when a key message is framed, the listener is judging the credibility of the source. Positively framed messages that are presented by those with perceived expertise will have the most positive influence on attitudes to the message.

Like the frame, the WIIFM and key message, evidence of credibility must also come at the very start of your message. Therefore, we now know that evidence exists suggesting that the message order, frame, and credibility of the message source all influence the final judgment of the listener (Buda, 2000).

Remember Me

Now we are at the point in our message construction where we actually get to tell our listener the body of our message and the facts of the argument that are sure to win [this contradicts earlier concept of ‘persuasion being more than winning the argument’] him or her over and make the listener Remember our message.

Often, even though my student’s data and argument are sound, when it is their turn to start talking they want to tell their listeners everything they know. They want to flood them with ideas and facts and evidence. They do what is commonly referred to as a “data dump”. In a way, for your listener it is like asking them to take a sip from a fire hose.
The general surge of data in our lives is well documented. Now that economies of industrialized nations have shifted from an industrial society to a knowledge society, it has been noted that we live in an information economy.

Economics, however, is the study of how society uses scarce resources. One could argue that in our current society, information is not scarce. It is overflowing and we are drowning in it. We are shifting to a new economy. A new fight is brewing over what might currently be the scarcest resource; our attention. We are now in an “attention economy” ("Feature," n.d.).

Many cognitive scientists are drawing a distinction between raw information and information we can use in thinking. They firmly believe that our listening problem is not information overload. They believe that the real problem is organization underload. How can we help our listeners take a sip without drowning? How can we make sure to give our squirrel enough acorn without choking? How can we make our message memorable?

The three key factors that will influence how our messages are constructed are understanding adult learning, understanding how to make information more memorable by using short sentences and chunking the information, and finding a way for the listener to want to take action.

**Adult learning**

There are many principles of adult learning that are now being recognized and implemented in training and education classes. For persuasion, the most important element to understand is that adults learn differently from the way that children do. Physiologically, when kids learn, they form cell assemblies and phase sequences. When kids learn, they are actually building these sequences. They are making new connections as they learn and forming them so that they can make sense of the world around them.

As adults, we are not making new connections as we learn. We spend our time making new arrangements, connecting information to what we already know, rather than learning “new” things. We constantly reinterpret our experiences and search to make meaning from them. That is how adults learn ("How Adults Learn: Ageless Learner," n.d.).

In 1926, Piaget first introduced the term schema. Schema theory was developed in the 1970s. It views organized knowledge as a network of abstract structures. It is a mental framework that represents how we view the world. This schema changes as we encounter and learn new information. As adults, schemas are not built, but are only changed. There must be prior knowledge and experience forming the framework so that the newly formed information can attach ("Schema theory of learning," n.d.).

Why is this important? We are trying to provide new information to someone or want him or her to see something in a new way. Because of the way adults learn, it is difficult for adults to understand the new information without a lot of cognitive processing to figure out where this new information should fit into their existing schema. As adults, we would have to listen the message, manage to maintain our attention (which is not possible without relevance) then process the information, interpret the meaning and then try to figure out where to attach it to the framework that already exists in our mind.

In a short conversation with short attention span squirrels, how can we make this easier for the listener? Simple. Find a way to express your message in a way that is easy to understand and completely accessible to the listener. If we can describe our message in terms that the listener already understands and can easily locate in their schema, our message will be more readily internalized. How do we do that? In a word – metaphor.
The use of metaphors, analogies and mnemonic devices can greatly assist the listener’s initial understanding and more importantly their inclusion of this new information into their schema. This is especially true if you convey technical material for those listeners who do not have a general knowledge background in that subject. Metaphors and analogies are wonderful and powerful tools. They tell us what new information can be understood by our past experiences.

Memory

If you want your messages, your presentations (and you) to be more memorable, use simple language. In his 2007 book, Words That Work, Frank Luntz listed his ten rules for successful communication. Rule number one and rule number two both deal with concise simple language. Rule number one is to use small words and rule number two is to use short sentences. Whenever we talk about this in my MBA communication classes at Wharton, the students push back and worry that they are “dumbing down” the message.

They may think they sound smarter by using really big words and long complex sentences, but if the listener doesn’t easily and readily understand the message and can not remember it, it will have no value to them.

A paper called “Consequences of Erudite Vernacular Utilized Irrespective of Necessity: Problems with Using Long Words Needlessly” was published in 2006. In this study, 71 Stanford undergraduate students were asked to read passages of personal essays for admissions to graduate studies. The researchers changed these passages to make them moderately complex or highly complex. For the highly complex passages the researchers replaced every noun, verb, and adjective with the longest possible thesaurus equivalent. For the moderately complex passages, the researchers made the same changes as above, but only to every third applicable word. The students were then asked to rate the passages.

They found that “contrary to prevailing wisdom, increasing the complexity of a text does not cause an essay’s author to seem more intelligent. In fact, the opposite appears to be true….Complexity neither disguised the shortcomings of poor essays, nor enhanced the appeal of high-quality essays.” In the same article, the authors performed more experiments across disparate domains, different judgment types and different paradigms. The effects they found were the same. Basically, “needless complexity leads to negative evaluations” (Oppenheimer, 2006).

Short, clear messages work best. Remember, it is not just about what you want to say, it is also about how best to get the audience to hear you. Although the concise 140-character limit of Twitter is so popular, and we love mnemonics, slogans, sound bites, and headlines, your message can’t be delivered in catchy phrases. Your key message, the one idea you really want to get across, should be the focus of your effort. That is what you want to make memorable and easy to understand.

Key messages need to be silver bullets, not buck from a shotgun. Don’t throw everything you have at the listener. Instead, hone a shiny, pointed single message that will be short, easy to understand and memorable. The message points that can move into long-term memory will be the ones that differentiate your message from its competition.

Chunking

After the key message, what can you do with the rest of your data? One of the biggest obstacles that my clients face is the ability to chunk information and keep their evidence and data
organized for the listener. If we are reading your message, you would probably put in headers, paragraph indentations, bullet points, bold or italic words or even underlines to show your key points and message and to help the reader follow your logic.

Just because the message is spoken doesn’t mean that those needs of your audience have gone away. After giving a solid key message you need to carefully and deliberately lead your listeners through your logic. A good way to do it is through thoughtful chunks of information.

As listeners, we just can’t listen to many disparate pieces of information; quickly put them in order, and then fit them into our schema. We need bite-sized chunks of information so that we don’t get overwhelmed. As you create the body of your message, how can you organize the evidence and information to make it easier for us to get? Can you put the information together in chunks for us so that as listeners, we can skip the need to organize the facts?

If a speaker got up in the front of the room and said, “Good morning, today I am going to go through the 27 ways you can save money by clipping coupons,” you would probably immediately stop listening even if saving money fit your WIIFM (What’s In It For Me). We just don’t want to process that amount of data. That is why on the evening news, to keep our attention through that next commercial, they tease us with just bite-sized nuggets of information that we think we can easily understand. For example, the anchor might say, “When we come back, 3 ways you can save your family money by clipping coupons.” Even if the content is the same and there really are 27 discrete ways to save that money, if they can put them into 3 chunks or categories, we will be more likely to want to listen.

Giving us too much to listen to at one time without a chunked structure is a classic case of information entropy. Entropy is actually a thermodynamic quantity representing the amount of disorder or randomness in a system. Claude E. Shannon introduced the concept of information entropy or the randomness in content in his 1948 paper, “A Mathematical Theory of Communication.” As listeners, we want low information entropy. We want patterns. We want order. We cannot quickly and easily understand chaos.

How do you normally chunk your logic and data? Do you often just keep going down your list of facts without a preview for the audience to know what is coming? Is it just slide after slide and graph after graph without fitting into themes or categories? Do you just blurt out all the benefits of the product from the marketing literature without caring about the listener?

Taking action

Now that you have your beginning and middle of your message, how do you end? What should the conclusion be like? We know it should no longer be the punch line or key message – we have shown that those items need to move to the beginning.

The final part of the message must be a clear and concise call to action. In the 1930’s a scholar from Purdue University named Alan H. Monroe created a sequence of steps based on the psychology of persuasion that he hoped would inspire people to take action (“Monroe's motivated sequence -,” n.d.). In the persuasive structure we are talking about, as well as Monroe’s structure, the action step serves as the concluding step. Now that they have heard your message, and perhaps a summary of your message (if it was long or complex), the audience needs to know what to do.

When you tell your listener your call to action, there are really three things to remember.

1. When you tell your listener what to do, be as specific as possible. Should they vote, try the product, write to their congressman? Exactly what should they do?
2. Make sure what you ask them to do is doable. Don’t ask for too much money or even an all-out commitment. Is there an easy way for them to do what you want or at least start to do it?

3. Make sure the call to action is something they can do very soon after you ask. If there is too much time between asking and doing, your listeners will lose their passion for the idea and forget ("Persuasion: Monroe's Motivated Sequence," n.d.).

**Need to Connect**

So far, we have seen the need to think about how our message will be relevant to our audience, and have seen the need to establish our credibility early in the message. We then learned the proven impact the order of our message will have in persuasion and some tools to make the body of our message easier to listen to, stay engaged with, and remember. Now we are ready for the final tool to get our audience (squirrel) to listen (focus). The need for emotional connection to the message.

We see in the very definition of persuasion that we must be moved toward our new belief or action. We cannot be moved if we don’t feel anything for the subject. Why is this true? Why are emotions so important? Are they really part of everything, even for people who are not generally emotionally demonstrative?

The answer is yes. There is a part of the brain called the amygdala. This is the emotional part of the brain. The amygdala allows for empathy and feelings of emotion. Interestingly, it also controls the fight or flight reflex.

Even though we don’t consciously know it, when the amygdala perceives something, it can bias us and cause us to think or act in a certain way (Adolphs, 2009). When the amygdala is triggered, a rush of hormones is activated and floods the body before the prefrontal lobes (the thinking part of the brain that regulates executive function) can mediate the reaction ("What Was I Thinking? Handling the Hijack - Human Capital - Business Management US | GDS Publishing," n.d.).

Although we may not still need the “eat or be eaten” survival instinct while listening, the brain cannot differentiate a physical threat from a threat to our ego. We just react ("FOXNews.com - Congressman Yells 'You Lie' at Obama During Speech," n.d.). When the amygdala acts and overrides our rational thought, it is known as the amygdala hijack. Basically, evolution has made humans emotional animals.

A recent well-known example of the amygdala hijack happened in Washington D.C. on September 9, 2009 during a speech President Barack Obama was making to Congress. The President was commenting on his reform strategy when the shout of “You lie!” came from Representative Joe Wilson, R-S.C.

Joe Wilson just could not control his amygdala. His thinking brain did not have a chance to catch up to the emotion. Even though he believed what he said and would have liked to make a rational comment on the situation, he was emotionally hijacked.

After his outburst, he drew immediate condemnation from both political parties. In his written statement of apology he said, “This evening I let my emotions get the best of me when listening to the President’s remarks regarding the coverage of illegal immigrants in the health care bill. While I disagree with the president’s statement, my comments were inappropriate and regrettable. I extend sincere apologies to the president for this lack of civility” (Outsmart Your Brain, n.d.).

Our fight or flight reflex is always there ready to take center stage. Those who are persuasive use that knowledge to make sure that they use rhetorical tools to move their audience.
They are not necessarily looking to drive their audience toward emotional outbursts, but they need to get them to feel something about their message.

In addition to always being present, researchers have also suggested that emotion and feeling are related to perceiving and processing information, reasoning, memory retrieval, memory storage and learning (Dirkx, 2001). Emotional material is processed more deeply than non-emotional material (Carstensen, 1994). That is why we often remember events and times that cause us to have strong feelings, (grief, frustration, anger, embarrassment) more specifically than events that did not trigger such emotional responses.

For us to be effective communicators, emotion must be part of every message. We must find a way to connect to the audience if we want to move them toward a new belief or toward action. If we fail to engage them emotionally, we will fail to persuade.

The question then becomes, how can we work emotion into our messages without getting too fluffy or dramatic? It is just a matter of word choice.

As they say, a picture is worth a thousand words and if we can see it, and visualize it, then we can feel it. Here are three good ways to get emotion into your message to help us visualize the outcome.

1. Word choice to promote connotation
2. Word choice used as vivid language to help tell a detailed story and visualize the outcome
3. Word choice to make the abstract something we can understand within the intended context.

Connotation

Word choice is a fairly easy way to marry the logic to the emotion. Many words have strong connotations. Words that have heavy connotation cannot only communicate meaning, but convey emotion as well. For example, do you respond more to the word **soar** instead of **fly**, **panic** instead of **worry**, **cheap** instead of **inexpensive**, **crammed** instead of **tight** or **savor** instead of **taste**? Just a simple change to a more heavily connotated word can make a big difference.

Visualization

Word choice can also help us visualize. To persuade your listener, you need to use vivid language and details to help them either see the positive relief that your solution would bring, or perhaps, sometimes more powerfully, show the horrible outcome if your solution is not adopted. This is called visualization.

These images will cause us to have an emotional response. These images carry not only fact, but implicit meaning as well. We will see the fact in the context of the meaning provided by the connotation.

For example, think about something as short, but as powerful as the most well known part of the inscription on the base of the Statue of Liberty:

Cries she with silent lips, “Give me your tired, your poor, your huddled masses yearning to breathe free. The wretched refuse of your teeming shore. Send these, the homeless, tempest-tossed to me. I lift my lamp beside the golden door” (“The Statue of Liberty -- History and Key Facts,” n.d.).

This was a sonnet written in 1883 by poet Emma Lazarus entitled “The New Colossus”. She could have said, “all are welcome”, but she chose more vivid language to help us better...
understand, connect to, and feel the plight of the immigrants who are making the journey across the ocean.

Now, most of us are probably not as poetic as Emma Lazarus, or as talented with word choice, but even picking one or two vivid words that help us visualize your message or make a story from your facts, will help us fulfill the need that we have to emotionally connect to the message.

Of course, your whole message should not be a giant story, just the words around your key messages. If you make your whole message a story, it will gain emotion, but will lose the benefits of message order described earlier.

Making abstract concrete

The same benefit of good word choice is not only true of words to help us fully understand and feel your key points, but also helps us make better sense of and connect better with numbers and statistics.

For example, in 1988, famous talk show host Oprah Winfrey lost a total of 67 pounds. Sure that sounds impressive, but we really can’t visualize what 67 pounds of fat is. If she had just announced on the air that she had lost 67 pounds, we probably would have soon forgotten her message. But instead of saying she lost 67 pounds, she actually wheeled a wagon full of 67 pounds of fat onto the stage. Because of that stark visualization, no one could forget that image.

We understood her weight loss and connected to her message. Regrettably for Oprah, she regained that weight and because we could never forget that image, it was news again, years later.

Our goal is to make the abstractness of numbers and statistics more concrete. We need to make the numbers meaningful and understandable so that we can connect and feel something about them. For example, which statement do you feel is most powerful?
The disease spread through the US and affected 56,886 people, or, the disease became an epidemic that swept through the US infecting enough people to fill New York Yankee Stadium to capacity. Letting us see and understand what the contexts of the numbers are help us connect.

Conclusion

The ACORN is what gets a squirrel to focus so that it can survive. Without this focus, it could not take in what it needs. You need your listeners to focus on your message so that they can hear, understand and remember you so that you can give them what they need.

If you just take a few minutes before your next high-stake conversation to review the ACORN strategy and apply its easy principles, your next message will be more persuasive and yield you better results. The recipe is easy to understand and apply.

Audience – Have you found their relevance and WIIFM?
Credibility – Have you told them through your personal or credentialed credibility why you are the right person to help solve the problem?
Order of Message – Are you using the persuasive structure with your framed key message first?
Remember – Have you made your data and evidence easy for adults to hear by chunking and easy to remember by using simple language, metaphors, and mnemonics? Have you given them a strong call to order?
Need to Connect – Have you used word choice to move your audience toward engagement with your message?
Getting a Squirrel to Focus:
How to Communicate with and Persuade Today’s Listeners

References


Exploring and Categorizing Employer Branding Tools Implemented in Italian Companies

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The purpose of this paper is to identify and analyse the Employer Branding (EB) tools that some Italian organizations use to attract, recruit, and retain highly skilled employees. To reach this aim, we conducted a brief literature review. This paper includes an analysis of three Italian firms involved in three different sectors. We collected data about these companies via an e-mail survey. We propose a classification of EB tools of the surveyed Italian companies, using a checklist to analyse the existing literature on EB objectives and tools. The main finding is that there are some tools that these companies use to interact with their employees and potential employees.

The paper offers useful information about EB objectives and tools for managers and practitioners who implement EB strategy. Moreover, it could be considered a first step in a stream of research, different aspects of which are yet unexplored. The topic is a key factor in an under-researched field of study. The paper maps the most important tools involved in the implementation of EB. However, the small sample analyses the tools used by only three Italian companies.

Type of Paper: Research paper

Keywords: Employer branding, employers, internal and external marketing, branding

This study commences with a brief literature review of international authors to understand the main ideas about EB and to underline potential focuses for future research. This first step is useful since it is evident that, despite the increasing interest of the employer branding practice, academic research on this topic is quite limited. The analysis of the literature review reveals a lack in the studies about the activities, objectives, and tools that organizations increasingly use to attract, recruit, and retain highly skilled employees. This study follows this research agenda:

- a literature review to study the contributions about EB made by scholars and practitioners,
- a classification of activities, objectives, and tools to emphasize the importance of EB as a source to attract, recruit, and retain the best talents, according to three Italian cases presented.

This paper focuses on activities, objectives, and tools used to attract, recruit, and retain talent. It presents an opportunity to investigate EB from a different point of view; in fact, the

1 Although the views and ideas expressed in this paper are those of Alfonso Siano, Maria Palazzo, and Carmela Tuccillo, the sections “Introduction” and “Summary and Conclusions” are attributed to Alfonso Siano, the sections “Research Methodology”, “The Selected Companies”, and “Findings” are attributed to Maria Palazzo, and the section “Literature review” is attributed to Carmela Tuccillo.
study proposed in this paper could serve as a reference point for future remarks and studies in the national and/or international context. This paper also analyses the presented elements, using three Italian firms in different industries as examples. The main theoretical implication of the paper is been the mapping of the most important activities, objectives, and tools adopted for the success of a firm’s brand. In fact a classification of EB activities, objectives, and tools of the surveyed Italian companies was conducted, the main finding of which was that there are some tools and actions that the chosen Italian companies use to interact with their stakeholders (employees and potential employees) to develop effective and coherent relationships. The activities of recruiting, developing, and retaining good employees should then be directed to the development of appealing firms in order to trigger a virtuous circle with their employees.

**Literature Review**

Recently, there has been growing interest in the use of employer branding in the development and success of company’s brand. In fact, it is considered to be a key strategic marketing activity (Turban & Greening, 1997; Turban & Cable, 2003; Capowski, 1997; Maurer, Howe, & Lee, 1992). For this reason, a review of the literature is required in order to understand the main contributions about this topic and to underline prospective subjects of future research. The literature review reveals that this subject has not been widely investigated. Thus, it is interesting to investigate this topic as an unexplored phenomenon from many points of view. Scholars and practitioners are interested in the importance of employer branding as a source of strategic competitive advantage (Backhaus & Tikoo, 2004; Conference Board, 2001; Priem & Butler, 2001). The study of employer branding outlines the importance of social capital that was the subject of academic inquiry for some time. In fact human capital form a part of the firm’s most important assets (Aaker, 1991).

According to the Resource Based View (RBV), to have a rare and difficult to imitate resource (for example, human capital) allows a firm to gain a sustainable competitive advantage (Barney, 1991). Actually, several studies (Backhaus & Tikoo, 2004; Berthon, Ewing, & Hah 2005; Cable & Judge, 1996; De Chernatony & Segal-Horn, 2001; Mosley, 2007) have examined and discussed this topic from a variety of research paradigms.

Initially the employer branding was defined in terms of benefits, for example “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996). The main thrust of these studies is that employer branding incorporates four important concepts: corporate culture and identity, internal relationship marketing, and corporate reputation.

Authors have also analysed employer branding as a specific form of managing corporate identities by creating a distinctive and desirable corporate image for employees (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004; Balmer & Greyser, 2002).

Moreover, employer branding could be considered as a part of the process of building a favourable corporate identity (Elving, 2009). In fact, “corporate identity refers to an organization’s unique characteristics which are rooted in the behaviour of the organization” (Van Riel & Balmer, 1997). Firms use corporate identity to express themselves and this involves the creation of a strong corporate identity, raising employee motivation and inspiring confidence among the external corporate stakeholders (Kitchen, 1997).

Developing a positive brand image is fundamental to the success of several organizations; thus, the aim of employer branding is the establishment of a good corporate image in the minds of employees and the general public. Although brand image is usually used to encourage customers
to buy a product or service (Batra & Homer 2004, Keller 2003), it has also been used to attract, recruit, and retain good employees.

Several authors highlight that “employer branding found the identity of the firm including corporate values, systems, policies, and behaviours toward the objectives of attracting, motivating and retaining the current and potential employees” (Dell, et al., 2001).

Indeed, several studies demonstrate that employer branding involves building an image in the minds of potential employees, showing the organization to be a good place to work (Ewing et al, 2002). Later on the employer branding is defined as “a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm” (Sullivan, 2004).

In this study, the analysis of the literature review leads to a better understanding of the use of employer branding as a positioning tool, citing several authors who clarify the way employer branding can be used to gain a competitive advantage (Miles & Mangold, 2005).

The purpose of this paper is to analyse the tools that organizations increasingly use to attract, recruit, and retain highly skilled employees. The activities of recruiting, developing, and retaining good employees are the most important part of the employer branding strategy. Recently, employer branding is emerging as an important factor in creating and sustaining a strong brand in the minds of employees and customers. There is growing recognition of the role employees play in building strong and enduring brands (De Chernatony & McDonald, 2003). Employer branding can be a strategic tool with which to attract, recruit, and retain the best talent. Developing a good employer brand is vital, because it helps to retain current employees, to decrease the turnover of employees and to save costs of dismissal and hiring procedures. Consequently, the concept of employer branding has developed so widely that it has been described as “the sum of a company’s efforts to communicate and convince current and future employees that the company is a very desirable place to work” (Lloyd, 2002; Berthon, Ewing, & Hah, 2005).

In fact, developing an unrepeatable and distinctive organizational image is necessary to attract the potential employees and to retain existing staff. Besides, the development of the employer branding could develop the creation of an attractive image for an organization (Backhaus & Tikoo, 2004). The review of the literature reveals that employer branding is described as a process composed of three steps. In the first step, an organization develops the “value proposition” that is fundamental because it represents the statement of corporate values (Sullivan, 2002; Eisenberg et al., 2001). In the second step, the corporate value proposition is presented to external stakeholders (external marketing). Finally, the third step is directed at internal audiences (internal marketing). Several studies show that employer branding consists of both internal and external branding. “It is argued that the success of employer branding depends on creating a realistic analysis of the external and internal brand propositions, only them aligning them if there is a broad agreement between the two through core employee value propositions” (Barrow & Mosely, 2005). The importance of employees is emphasised within the corporate branding literature (see Hatch & Shultz 2003; De Chernatony 2001). Several authors have also concentrated on the study of the construct of “organisational attractiveness” (Berthon et al., 2005). This topic is defined as “a general positive affect toward an organization in which is possible to initiate some relationship” (Aiman-Smith et al., 2001). The concept of organizational attractiveness is linked to employer branding; in fact, it is more important for an organization to attract and seduce talent to work for it. Several studies have suggested the importance of the attractiveness of an organization to interest potential employees (Brown et al., 2003; Ehrhart & Ziegert, 2005; Cable & Judge, 1996; Turban et al., 1998).
TABLE 1. The activities and objectives of EB

<table>
<thead>
<tr>
<th>Employer Branding</th>
<th>Key strategic marketing activity</th>
<th>Source of strategic competitive advantage</th>
<th>The package of functional, economic, and psychological benefits</th>
<th>The construct of “organizational attractiveness”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cable and Turban, 2001; Capowski, 1997; Maurer, Howe, and Lee, 1992; Sullivan, 2004.</td>
<td>Backhaus and Tikoo, 2004; Conference Board, 2001; Priem and Butler, 2001; Miles and Mangel, 2005.</td>
<td>Ambler and Barrow, 1996</td>
<td>Berthon et al., 2005; Aiman-Smith et al., 2001; Brown et al., 2003; Ehrhart and Ziegert, 2005; Cable and Judge, 1997; Turban et al., 1998.</td>
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</tbody>
</table>

The study shows researchers and practitioners the importance of the activities and objectives of EB strategy. In fact, as evident in the Table I these studies are focused on precise goals that EB tries to obtain. However from this study of the literature review, strong evidence emerges of the lack of study into the possible tools adopted to realize these objectives. Starting from this consideration is proposed a classification of the most important tools used to implement a good strategy of EB, using a survey of three Italian companies: Ferrero, Elica, and UniCredit. This study presents unique characteristics and addresses the gap in the literature review via classification of the main tools used by these Italian companies. This begins with the literature review, the findings of which are then integrated with the survey results.

**The corporate tools used to attract, recruit, and retain talent**

The ability to attract, recruit, and retain talent is becoming a key consideration for organizations. This study explores several strategies, and tools that organizations use to gain a competitive advantage in the ‘war of talent’ (Backhaus, 2004; Berthon, et al., 2005; Cable and Judge, 1996; De Chernatony & Harris, 2001; Mosley, 2007). The activities of attracting, recruiting and retaining good employees are fundamental; in fact, organizations aim to attract, recruit, and retain staff in order to achieve their strategic directions (Brown, et al., 2003; Ehrhart & Ziegert, 2005; Cable & Judge, 1996; Turban et al., 1998). For example some firms provide a range of benefits and mechanisms to encourage and support the retention of staff. Several organizations include, in their strategy, a number of programs and activities that coordinate development opportunities for all staff.

Before undertaking a detailed analysis of the tools that organizations increasingly use to communicate with highly skilled employees, it is first necessary to understand how these tools have been analyzed by scholars.

Authors emphasize the role of recruitment, the primary goal of which is to attract potential employees and to persuade them to become organizational members (Barber, 1998; Breaugh & Starke, 2000). Recruitment is described as a process in which the organizations promulgate statements to attract appropriate candidates (Backhaus et al., 2002). Indeed, “employee retention can be defined as the effort by an employer to keep desirable workers in
order to meet business objectives” (Frank et al., 2004). The literature about the process of attraction, recruitment, and retention is quite limited; in fact, it considers these activities without an attempt to classify various actions and tools. As a result, no clear distinction is made between them. This paper seeks to address this gap through a classification of the main objectives and tools that organizations use to attract, recruit, and retain the best talent (Table II). This study could be considered as a first attempt to investigate the activities of attraction, recruitment and retention. In the Table II are presented the main objectives of these activities.

At this point of the study, classification is proposed, using a checklist designed to analyze existing literature on EB objectives and tools. This mapping is crucial to the implementation of a good EB strategy, and is presented in the intermediate phase of this study. This is also instrumental in finding the final results of the analysis of the three Italian firms considered in this work: Ferrero, Elica, and UniCredit.

**TABLE 2. The objectives and tools used to implement the EB strategy**

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>- the creation of a strong brand; - the presentation of a love mark; - the attractiveness of the organizations over competitors; - the offer of an exciting job; - the benefits of working for the organization.</td>
<td>- partnership; - events; - newspaper ads; - presence on the recruiting web sites; - employee intervention; - news on line; - company projects.</td>
</tr>
<tr>
<td>- the definition of the characteristics of the organizations (corporate culture, company history, positioning, values, norms, mission, and vision); - the engagement; - the creation of the employee value proposition.</td>
<td>- stage/internship; - scholarship; - master; - part-time jobs; - training; - support research thesis.</td>
</tr>
<tr>
<td>- the definition of the characteristics of the potential employees.</td>
<td>- employee intervention; - studies; - expertise.</td>
</tr>
<tr>
<td>- the promotion of a positive and supportive organizational climate; - an innovative work environment; - a good compensation; - the retention of the high performer employees; - the development of corporate responsibility; - teamwork; - the participation of employees in organizational decisions.</td>
<td>- events; - career opportunities; - value charter; - training; - good compensation; - benefits; - promotions; - training.</td>
</tr>
</tbody>
</table>

*Sources: Backhaus, 2004; Berthon et al., 2005; Cable and Judge, 2004; De Chernatony and Harris, 2001; Mosley, 2007; Brown et al., 2003; Ehrhart and Ziegert, 2005; Cable and Judge, 1996; Turban et al., 1998; Barber, 1998; Breauagh and Starke, 2000; Backhaus et al., 2002; Frank et al., 2004*

The main objectives of the strategy of attraction are: the creation of a strong brand, the presentation of a love mark, the attractiveness of the organizations over competitors, the offer of
an exciting job, and the benefits of working for the organization (Backhaus & Tikoo, 2004). These goals are made concrete through these tools: career days, job meeting, workshop on campus, career book, partnership, events, newspaper ads, presence on the recruiting web sites, employee interventions, and news on line. Indeed, the main objectives of the strategy of recruitment exist in the definition of the characteristics of the organizations (corporate culture, company history, positioning, values, norms, mission, and vision) (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004; Balmer & Greyser, 2002). Recruitment encourages the engagement, through the creation of the employee value proposition. The achievement of these goals is realized through the use of these tools: stage, scholarship, part-time jobs, support of research theses, and training. Finally, the main objectives of the strategy of retention are: the promotion of a positive and supportive organizational climate, an innovative work environment and a good compensation, the retention of the high performer employees, the development of corporate responsibility and teamwork, the participation of employees in organizational decisions (Brown et al., 2003; Ehrhart & Ziegert, 2005; Cable & Judge, 1996; Turban et al., 1998). These goals are made concrete though these tools: events, value charter, training days, good compensation, benefits, promotions, training, (Table II).

Research Methodology

This paper suggests the use of a structured questionnaire to analyze the objectives and tools used by Italian companies in order to attract, recruit, and retain highly skilled employees.

A structured questionnaire is generally useful for ensuring that a wide range of areas are covered across all elements analyzed (Firestone, 1987; Floud, 1973). It particularly ensures consistency when applying the same analysis to a number of companies implementing similar activities, as is the case in the examples analyzed in this paper. However, if the structured questionnaire has missing aspects, this may well be lost from the analysis (Creswell, 2003). This implies that great care needs to be taken when developing the original questionnaire (Tashakkori & Teddlie, 1998). For this reason, the presented structured questionnaire involves precise, pre-determined questions (House, 1994). When a structured questionnaire is used as the interview method, as in this case, the questions should be asked (or read by the interviewed) exactly as they are written, in the same sequence and using the same style for all interviews (Bernard, 2001).

The questionnaire was sent by e-mail to the three selected companies. They were contacted in the same period of time (December 2009—January 2010).

The first research question proposed to show whether EB was becoming more important for companies in order to attract, recruit, and retain employees. In Italy, this topic is not explored deeply, despite the fact that many Italian companies are interested in it. The aim to understand the significance of EB is thus analyzed directly. In fact, interviewed companies were asked to speak/write about the main tools they usually use in communicating with existing and potential employees.

The use of a structured questionnaire did not necessarily lead to critical thinking on EB. For this reason, the second research question focused on the chosen methodology. This paper considers that a quantitative (standard) methodology could be a good starting point in the analysis of the development of EB in Italy. Normally, qualitative techniques (non standard) are employed in exploratory research, though there are some exceptional examples of quantitative findings being used for exploratory purposes (Malhotra & Birks, 2003). Since this paper aims to explore the development of EB, quantitative methods were more appropriate than qualitative methods. Nonetheless, given that in communications research, qualitative methods are almost universally used at the stage of new concept and new theory (Dean, 2004), this paper has to be considered as
the first step of analysis that should be followed by other research. For example, further qualitative research on EB could uncover underlying perceptions as to how and why companies behave as they do when implementing EB strategies (Bryman, 1989). However, the following research objectives are:

1. To explore the growth and importance of EB.
2. To explore the current situation of EB implementation and application within selected Italian companies.
3. To identify the specific tools of EB used by the chosen companies.
4. To find and understand the kinds of objectives and tools that could better help Italian companies to use EB to communicate effectively and manage the complexity of EB in concrete terms.

The research examined three large Italian companies (over 250 employees). Medium-sized companies (50-249 employees), small companies (10-49 employees), and micro firms (1-9 employees) were excluded from the research, since they were considered less consistent with the research content and methodology. The sample used in the survey was not very large. For this reason, this paper is a starting point on the study of EB, which has to be followed by more in depth research.

The Selected Companies

This paper refers to an analysis of three Italian companies in three different sectors: Ferrero (confectionary products), Elica (kitchens), and UniCredit Group (banking). These cases are presented with a specific purpose: to understand the main objectives and tools that these companies use to attract, recruit, and retain the best talent. The selection of these firms is interesting; in fact, Ferrero, Elica, and UniCredit Group are famous companies Italy. Each has been involved in the Italian economic landscape for a long time and they are among the first companies to decide to implement EB. In the next section it is necessary a presentation of these companies and of their activities of attraction, recruitment and retention of the best employees. These companies offer useful indications on EB objectives and tools to managers and practitioners.

Ferrero: objectives and tools of EB.

Ferrero SpA is an Italian manufacturer of confectionery products, founded by Pietro Ferrero in 1946 and based in Pino Torinese, Italy. Today, Ferrero is a global firm and has become the fourth largest confectionary group in the world. The importance of this Italian company in the international context is evident; in fact, the Reputation Institute's 2009 survey ranks Ferrero as the most reputable company in the world. The organization is based on a solid family structure and is interested in social issues, food safety, local communities, and human resources. Ferrero SpA comprises 30 operating companies, 18 factories, and over 21,600 employees worldwide.

Employer Branding in Ferrero: From an analysis of Ferrero’s website, it is evident that the company cares about its talent; in fact, the talent is central to the organization’s values and culture of human resource development. Ferrero emphasizes that “employees motivation is an obligatory condition for successful crisis overcoming”. The brand attracts and creates fidelity and integrity
in people who identify with the company culture. Ferrero used to attract potential employees:
presence on the recruiting web sites, company projects with university and partnership,
ferrercareers.com, head hunters, and global management challenge (GMC) as stated by the
Group’s HR Director Fabio Dioguardi. Other examples of EB in Ferrero are the activities that the
company promotes in order to retain the best talent: career opportunities, training, corporate
welfare, accountability, delegation, cross fertilisation, job rotation and international opportunities:
events, meetings with the CEO, gym access, and concierge.

**EB tools:** long-lasting collaboration with universities, company website development,
participation in job fairs, creative work with job sites; internal announcement about new
vacancies, promotions and transfers, recommendation bonuses, exit interviews, outsourcing (to
minimize negative consequence of staff reduction), assessment and development centers,
development and realization of business cases to assess the competencies, collective activities,
and hard and soft corporate skills trainings.

**Elica: objectives and tools of EB**

Elica is a private firm, founded by Ermanno Casoli and based in Fabriano, Italy. The
Elica Group has been present in the cooker hood market since the 1970s and is a current world
leader in terms of units sold. Today, the Elica name is synonymous with efficiency, innovation,
and design in the production of cooker hoods. In 39 years, over 53 million families worldwide
have chosen an Elica product to control the quality of air in their kitchens. With 2,400 employees
and an annual output of approximately 20 million units of kitchen hoods and motors, the Elica
Group has 8 plants—of these, five are in Italy, and one is in each of the following countries:
Poland, Mexico, and Germany.

**Employer Branding in Elica:** In 2007 Elica came in fourth in the Great Place to Work Institute’s
list of the best organizations to work for. It was the first Italian company on the list and placed
after multinationals Google, Coca Cola, and Microsoft. “The people who works for us is the real
capital of this company”, Francesco Casoli, the Elica Group President, said. One example of EB
is the **Elica Life** project, where, echoing the **claim** used in their advertising, the company wanted
to concentrate on nourishing a real **“high life” culture.** **Elica Life** promotes initiatives aimed at
employees and their families, such as **Elica for Youth,** a project designed to help employees’
children with their studies and to organise special courses for them. “Elica has always seen the
importance of investing in young people,” said the Group’s HR Director, Marco Scippa, “and
with this scheme we wanted to come up with a course that would reflect as closely as possible the
reality of our ever-expanding organisation”.

**EB tools:** Elica sponsored the **“I am!” initiative,** a one-week educational trip for 11 to 14-year
olds to study English in Malta. Several Elica suppliers are also involved as partners in the **Elica
for Youth** project, sharing the company’s vision of an education process has to take into account
the modern international perspective. In order to encourage the best possible relationship between
employees and the workplace, Elica has also invested in the design of the company’s offices and
interior spaces—the basic concepts are “transparency” and “circulation”. “We want to create a
style of relationship based on partnership and sharing objectives,” Scippa explained. “We know
that an atmosphere that is stimulating and that involves people working together in harmony helps
people to grow both inside and outside the company. And that’s good not only for employees but
also for the company and the whole geographical area where the company is based”. 
Exploring and Categorizing Employer Branding Tools Implemented in Italian Companies

UniCredit Group: objectives and tools of EB

UniCredit SpA is an Italy-based, pan-European banking organization, with over 40 million customers and operations in 22 countries. UniCredit is a major international financial institution, drawing from a range of core businesses and acquisitions that have strong roots in 22 European countries, as well as representative offices in 27 other markets. UniCredit Group won the award for best EB program during the international placement exchange event. The company demonstrates its interest in establishing fruitful relationships with the best Italian universities and business schools, which share an international perspective and cross-border activities.

Employer Branding in UniCredit Group: Since 2008, UniCredit has invested in the EB project and, in addition to making the company more visible to universities, the project aims to improve the way the company listens to new graduates, seeking to segment and respond better to young people’s expectations in different countries in which it operates. It is further confirmation of UniCredit Group's willingness to invest in its employees, and to value their skills and diversity, all synonymous with enrichment and sustainable growth.

EB tools: stage/internship, part-time jobs, support of research theses, scholarships, personal development courses, master, uni-news, career and opportunities, training, jobs, integrity charter events.

Findings

In this study, the use of a structured questionnaire is fundamental to the understanding and analysis of the main tools that Elica, Ferrero, and UniCredit use to attract, recruit, and retain the best talent (Table III). In fact, these companies use many tools with a common purpose: the implementation of a good strategy of EB.

Table IV presents the main tools used by Ferrero, Elica, and UniCredit. The questions proposed to the managers of these companies offer useful indications from which to make a classification of the main tools used to attract, recruit, and retain the best talent.

<table>
<thead>
<tr>
<th>TABLE 3. Answers to structured questionnaire</th>
<th>Ferrero</th>
<th>Elica</th>
<th>UniCredit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the job ad mention if you are supported by a (senior) co-worker?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the job ad mention if you are part of a team?</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Does the job ad mention if the organization contributes to the development of its employees as individuals?</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>What are the main difficulties found in the process of recruitment aimed at graduates?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the job ad mention if you can participate in the organization’s decision making?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>On a scale of 1 to 10 what you think may be important, necessary, and useful in order for students to know about your company?</td>
<td>10</td>
<td>10</td>
<td>8</td>
</tr>
</tbody>
</table>

Proceedings of the Conference on Corporate Communication 2010
### TABLE 3. Answers to structured questionnaire (continued)

<table>
<thead>
<tr>
<th>Question</th>
<th>Ferrero</th>
<th>Elica</th>
<th>UniCredit</th>
</tr>
</thead>
<tbody>
<tr>
<td>On a scale of 1 to 10 can the attraction strategies be effective and efficient in differentiating themselves from competitors?</td>
<td>10</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>How does your company choose the newspapers and websites in which appear to make itself attractive to customers?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the job ad discuss how the organization is positioned with regard to other organizations in the industry sector?</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Does the job ad discuss the organization’s vision, ambition or mentality?</td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Does the job ad discuss the organization’s orientation?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the job ad discuss the organizational culture?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the job ad discuss organizational norms and values?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Who in your company develops the employee value proposition?</td>
<td>HR</td>
<td>HR</td>
<td>COMM/HR</td>
</tr>
<tr>
<td>Does the job ad discuss corporate history?</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>After an internship in your company, are there employment opportunities for young graduates?</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Does the job ad mention if the organization values the balance between work and private life?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### TABLE 4. The main tools used by Ferrero, Elica and UniCredit

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Ferrero’s tools</th>
<th>Elica’s tools</th>
<th>UniCredit’s tools</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attraction</strong></td>
<td>• presence on the recruiting websites;</td>
<td>• career days;</td>
<td>• stage/ internship;</td>
</tr>
<tr>
<td></td>
<td>• company projects;</td>
<td>• job meeting;</td>
<td>• scholarship;</td>
</tr>
<tr>
<td></td>
<td>• headhunters;</td>
<td>• workshop on campus.</td>
<td>• master;</td>
</tr>
<tr>
<td></td>
<td>• challenges (GMC);</td>
<td></td>
<td>• part-time jobs;</td>
</tr>
<tr>
<td></td>
<td>• partnership;</td>
<td></td>
<td>• training;</td>
</tr>
<tr>
<td></td>
<td>• ferrarocareers.com</td>
<td></td>
<td>• support research thesis.</td>
</tr>
<tr>
<td><strong>Recruitment</strong></td>
<td>• stage/ internship;</td>
<td>• stage/ internship;</td>
<td>• stage/ internship;</td>
</tr>
<tr>
<td></td>
<td>• scholarship;</td>
<td>• scholarship;</td>
<td>• scholarship;</td>
</tr>
<tr>
<td></td>
<td>• master;</td>
<td>• master;</td>
<td>• master;</td>
</tr>
<tr>
<td></td>
<td>• part-time jobs;</td>
<td>• part-time jobs;</td>
<td>• part-time jobs;</td>
</tr>
<tr>
<td></td>
<td>• training;</td>
<td>• training;</td>
<td>• training;</td>
</tr>
<tr>
<td></td>
<td>• support research thesis.</td>
<td></td>
<td>• support research thesis.</td>
</tr>
</tbody>
</table>
TABLE 4. The main tools used by Ferrero, Elica and UniCredit (continued)

<table>
<thead>
<tr>
<th>Objective</th>
<th>Ferrero’s tools</th>
<th>Elica’s tools</th>
<th>UniCredit’s tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retention</td>
<td>• the promotion of a positive and supportive organizational climate; • an innovative work environment; • a good compensation; • the retention of the high performing employees; • the development of corporate responsibility; • teamwork; • the definition of the characteristics of the potential employees; • employee participation in organizational decisions.</td>
<td>• career opportunities; • events; • training; • corporate welfare; • accountability/ delegation; • cross-fertilisation/ job rotation; • international opportunities; • meeting with the CEO.</td>
<td>• training; • career opportunities; • projects for children of employees; • employee interventions.</td>
</tr>
</tbody>
</table>

At this point, it is useful to present a possible reading of the questionnaire results. Elica is the only company in this analysis that, in the job’s advertisement, mentions that the new employees are supported by a (senior) co-worker. UniCredit mentions the fact that new employees are part of a team. Ferrero did not mention either of these points in its job ad.

In their job ads, Ferrero and Elica emphasize that their organizations contribute to the development of their employees as individuals. UniCredit does not employ this technique.

In its job ad, Ferrero underlines that potential employees can take part in corporate decision making; neither UniCredit nor Elica mention such an opportunity. In its job ad, Ferrero discusses how the organization is positioned with regard to other organizations in the sector, while UniCredit and Elica do not refer to their positioning. Ferrero and UniCredit present their corporate vision, ambition, and mentality, while Elica does not. Ferrero and Elica both show the corporate culture in their ads, while UniCredit makes no reference to its corporate culture. In addition, Ferrero discusses organizational norms, values, and corporate history, while UniCredit and Elica do not discuss these points in their ads. All three companies offer young graduates recruitment opportunities, stemming from internships. None mentions whether it evaluates the balance between work and private life. The tools that Ferrero uses to attract potential employees are: presence on recruitment websites, company projects with university and partnership, ferrerocareers.com, head hunters, and global management challenge (GMC), as indicated by the Group’s HR Director, Fabio Dioguardi.

The tools that Elica uses to attract potential employees are: career days, job meetings, workshops on campus, as mentioned by Deborah Carè, the company’s Brand Marketing Manager.

The tools that UniCredit uses to attract potential employees are: career days, job meetings, newspaper ads, and headhunting, according to Aldegheri Sonia, Key-Account Italy and PB International of UniCredit Group.

On the other hand, the EB projects and initiatives Ferrero implements are: career opportunities, training, corporate welfare, accountability, delegation, cross fertilisation, job rotation, and international opportunities: events, meetings with the CEO, gym, concierge. The EB
projects and initiatives implemented by Elica include: training and career opportunities. The projects and initiatives of EB that UniCredit implements are: events, training, and career opportunities.

Moreover, Ferrero seeks to retain company talent through events, training, corporate welfare, gym, meetings with the CEO, job rotation, and international opportunities. Elica retains company talent through projects for employees’ children, events, training, and employee intervention. UniCredit uses projects for employees’ children, events, and training in order to retain its company talent.

According to Ferrero, Elica, and UniCredit, the main difficulty in recruiting graduates is the graduates’ lack of knowledge regarding their professional overview. Ferrero’s managers point out a drop in the average intake of graduates, while UniCredit’s managers blame a lack of company knowledge on the part of the graduates. Ferrero and Elica believe that being known by students may be important, necessary, and useful for the company; in fact, on a scale of 1 to 10, they rate this factor as a 10. UniCredit gives a rating of 8. Elica and Ferrero both consider the strategy of attraction to be effective and efficient in differentiating themselves from competitors, and, on a scale from 1 to 10, they rate this strategy as a 10. UniCredit, however, gives a rating of 8. Ferrero, Elica, and UniCredit all choose newspapers and websites as media through which to demonstrate their skills and attractiveness to customers. UniCredit also uses media planning. The employee value proposition is developed by the Human Resources Managers in Ferrero and UniCredit; in Elica, it is co-developed by the Human Resources and Communications Managers.

Summary and Conclusions

Organizations are increasingly competitive when it comes to attracting highly-skilled personnel in various professional areas (Mahroum, 2000). There is a possibility that, in future, competition for the best employees will be as fierce as competition for customers. Thus, just as marketing is seen as too important to be left only to marketers, so, too, are human resources viewed as too valuable to be left solely to the HR function (Ambler & Barrow, 1996; Ritson, 2002). As organizations, seek both to attract new employees and retain existing staff, employment branding will grow in importance. This can only be done effectively once organizations understand how to use tools to improve ‘employer attractiveness’. Only when organizations work towards integrating these elements into the EB strategy can they hope to successfully compete globally in attracting new employees. This study identifies specific tools that are likely to contribute to employment brand value.

For practising managers, these tools can be applied in various contexts and situations. For example, they might be used as a checklist among current employees—to track changes in their perceptions of the firm; or, they could be administered to various ‘target audiences’ of potential employees (e.g., students, graduates, and professionals). Finally, they might be useful in EB activities used by HR in formulating and executing recruitment strategies.

EB also provides exciting opportunities for academic researchers from a wide variety of disciplines (e.g., advertising, management, HR, and organizational psychology, to name but a few).

In this study, the analysis is focused, in particular, on tools that three Italian companies (Ferrero, Elica, and UniCredit) implement to attract, recruit, and retain the best talent. This paper could be considered original because EB is a somewhat unexplored area, especially in Italy; in fact, the review of the literature reveals a lack of study in this field. This work represents a first attempt to investigate the activities of attraction, recruitment, and retention. Particular attention is paid to three important Italian companies that, due to their effective EB strategies, could be
considered as good examples for other national and international companies. As discussed, this paper presents a classification of the main activities, objectives, and tools used by these Italian companies to attract talents, to recruit new employees, and to retain existing talent within their organizations. For the first time in the literature, mapping is proposed as one of the most important tools in the implementation of a good EB strategy. This classification is useful in simplifying the work of other managers and practitioners who are implementing EB strategy for the first time, or who seek to improve planning and management of the existing EB strategy in a national or international context. Of course, the classification of tools and activities is but one initial operationalization of the construct. Therefore, there is scope for other researchers to further develop and refine the proposed categorization.

Moreover, in Italy few companies implement EB activities and tools, so the choice of these three Italian companies is necessary for a good understanding of EB strategy. Taking this into consideration, one of the paper’s limitations is the fact that the external validity and generalizability of the classification of tools and activities depended upon the subjects on which it was based. Strictly speaking, the proposed categorization can only be generalized towards the considered companies. Another limitation of this study is that it was carried out on a selection of Italian companies. Cultural differences in an organization might have important implications for international brand building as well as brand personality measurement (Biel, 1999).

To conclude, in today’s increasingly globalized economy, organizations are constantly attempting to recruit the best talent from all over the world. Thus, thanks to further research focused on the topic, they will better understand the impact of different EB tools on the perceptions of potential employees with regard to their employer brand. A related avenue for future inquiry is that of determining whether the employer brand can increase job choice satisfaction.

Finally, the relatively underexplored area of employee branding may present opportunities for future research. Recent attention in the business press to ‘pitching oneself’ (Faust & Faust, 2003; O’Reilly, 2003) builds on Bolles’s (1997) best-selling job-hunters’ guide, What Color is your Parachute? Thus, there is a need to provide a rich theoretical foundation to further explore the notion of ‘employee branding’ in a contemporary marketing context.

References


Alignment or Bust -- A Case Study in Communicating Through a Crisis: How Strategic Communications Helped Tenneco Survive the Great Recession

Jim Spangler
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Case Study Summary:

Tenneco Inc. entered 2009 unsure it would survive the first quarter, let alone be around to celebrate its tenth birthday (Nov. 5, 2009) as a global automotive supply company. Its three primary stakeholders – employees, customers and investors – shared these concerns, especially given the crushing impact the global financial crisis was exerting on the automotive industry. Rather than changing strategic course, Tenneco’s management team quickly reprioritized its near-term business plans to focus on cash generation and cost management, without sacrificing its long-term global growth imperatives. The Global Communications team was charged with developing and implementing an integrated strategic communications campaign to address stakeholders’ concerns and drive alignment, buy-in and execution around the company’s response plans. This case study will cover the globally applied corporate communications practices that helped drive Tenneco’s business success in 2009, validated by improved operating results, increased employee morale, significant new business wins, and strengthening investor confidence.

(Case study presented at conference)
Examining the Effects of Over Communication of Crisis Preparedness Messages by Governments: Testing the Crisis Message Processing Model

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While some scholars have advocated a balance between under- and over-communication in crisis messaging (Sandman, 2001), what remains unclear is what are the adverse effects of excessively intensifying and repeating such messages, and how a balance can be achieved. This study answers the call by scholars to understand audience reactions to crisis messaging (Jin, Pang, & Cameron, 2007). Adapting from EPPM and crisis literature, we developed a model to examine how preparedness messages using threat appeals can cause both desirable and undesirable psychological effects. This second stage of testing utilized an experiment with a pandemic scenario to test the model. The findings strongly supported our model, which we believe provides a useful framework for practitioners to understand the effects of crisis messages and consequently how to communicate in the recommended most effective, efficient and ethical manner.

Crisis scholars agree that preparedness will allow organizations to mitigate, address and overcome crisis situations (Carmeli & Schaubroek, 2008; Coombs, 2007; Nudell & Antokol, 1988). In order to achieve this state of preparedness, it is widely accepted that communication needs to permeate the entire crisis cycle. Specifically, when policymakers deal with communication in the pre-crisis preparation phase, the way in which information is communicated becomes a delicate game of balancing exigency without adding to panic (Avery & Kim, 2009; Lerbinger, 1997; Menon, 2008; Pang, Jin & Cameron, 2006). Some have also begun to question the provision of too much information (Avery & Kim, 2009; Heath, Lee & Ni, 2009; Sandman, 2001).

While the crisis communication literature has long emphasized the notion of sending consistent messages and the reinforcement of disseminated information to enhance effectiveness (Coombs, 2007; Drabek, 1990; McConnell & Drennan, 2006; Menon, 2008), the effects of over-emphasis and over-exposure of messages remains unclear. Some have warned that when the audience is repeatedly exposed to messages from organizations, especially if the messages were distressing in nature and may cause panic, this may lead audiences to become desensitized. Sandman (2001) noted that watching distressing video images over and over again can increase the “danger of tripping that psychic circuit-breaker, plunging ourselves into (or deeper into) numbness” (www.psandman.com/col/9-11.htm). Corkindale and Newell (1978) argued that the audience can reach a point of satiation after multiple exposures to a message (referred to as “wear-out threshold” (p. 334)). Research on negative threat appeals have also shown that messages portraying overly high threat levels can cause defensive avoidance (Kline & Mattson, 2000; Roberto, 2004; Roberto et al., 2000; Stephenson & Witte, 1998). Even though research has unearthed few investigations that examined the possibility that excessive preparedness communication might be counter-productive (Corkindale & Newell, 1978; Kline & Mattson,
Kester Tay, Rasiah Raslyn Agatha, May O. Lwin and Augustine Pang

2000; Sandman, 2001), the gap, thus, remains for scholars to address this dilemma of balancing between under- and over-communication of a threat in crisis communication. Studies have mainly focused on assessing, explaining and identifying the factors that influence the effectiveness of communication in crisis preparedness (Wilcox & Cameron, 2009; Coombs, 2007; Heath, Lee & Ni, 2009; Menon, 2008; Nudell & Antokol, 1988).

To address this gap, the present study seeks to advance our understanding of how people respond to crisis preparedness messages, with a focus of exploring the possible adverse effects of over-communication. To do so, we have developed a model called the Crisis Message Processing Model to understand how and why a preparedness message elicits certain outcomes. Integrating literature from social psychology, terrorism and crisis communication, this model is adapted from Witte’s (1994) Extended Parallel Process Model (EPPM) which examines how negative threat appeals, which are commonly employed in preparedness messages (Mulilis & Duval, 1995), work in a crisis context.

Data to test the model is drawn from an experiment conducted with 335 undergraduate and graduate students in a large research-intensive university from January to March, 2010. Participants were repeatedly exposed to public health messages that had been developed in preparation for a fictitious flu epidemic. The health messages, which came in the form of a radio advertisement, were administered at regular intervals at different intensities to test the audience reactions. Additionally, they were also administered in both the proactive and strategic phases (Wilcox & Cameron, 2009) to test the efficacy of messages at different phases of the crisis life cycle. This study represents the second stage in our endeavor to empirically test our model.

The first stage of testing examined the interaction effect of crisis phase, message intensity and repetition on perceived threat and fear arousal by the message. These three stimuli factors were found to have an interactive effect on perceived threat. Specifically, in the proactive phase, higher repetition of the high intensity message led to higher perceptions, while higher repetition of the low intensity message led to lower perceptions. In the strategic phase, higher repetition of both types of messages made only a marginal difference to perceptions of the seriousness of the threat. Message intensity and repetition were found to have an interactive effect on fear. Specifically, higher repetition of the high intensity message led to no significant difference in fear, while low to moderate repetition of the low intensity message led to higher fear levels, and moderate to high repetition led to lower fear levels.

This second stage of testing examines the effects of crisis phase, message intensity and repetition beyond perceived threat and fear. The latter two variables are hypothesized to mediate the relationship between the stimuli variables and possible outcomes, which are specified as namely, defensive avoidance, attitudes, behavioral intentions, and paranoia. Structural equation modeling (SEM) was conducted to test the entire model. Two models were tested – one with low and moderate repetition, and one with moderate and high repetition. The three levels of repetition could not be tested in the same model as they violated the key condition of SEM of linear relationship. In the first stage of testing, we found an “inverted-v” relationship between repetition, and perceived threat and fear (i.e., low to moderate repetition led to higher perceived threat and fear; and moderate to high repetition led to lower perceived threat and fear).

This study is significant on three fronts. First, it extends our understanding on the organizations’ use of crisis strategies, and in turn, crisis messaging. The two dominant crisis strategy theories, the image repair theory (see Benoit & Pang, 2008) and situational crisis communication theory (see Coombs, 2007), have only addressed what strategies to use when. But they do not address when the use of a strategy or message crosses the threshold of diminishing returns from the audience perspectives. Second, increasingly, governments are called on to deal with crises of different nature, many of them in preparation for an impending threat (Rosenthal &
Kouzmin, 1997). Much as governments are exhorted and expected to maintain transparency (Fairbanks, Plowman, & Rawlins, 2007) during such communication, suspicion does abound that some of the messaging could border on propaganda (Gelders & Ihlen, 2010). This study hopes to inform government communication practitioners on how crisis communication can be executed in the most efficient and ethical manner. Third, this study answers the call by scholars to understand audience reactions to crisis messaging. Jin, Pang, and Cameron (2007) argued that this is a new vista for crisis research, and that crisis model building should take into account the audience’s affective reactions.

Development of the Crisis Message Processing Model

Attempts to manage crises via adoption of mitigation and preparedness activities requires overcoming certain beliefs and attitudes about the behaviours of those involved in these activities and the effectiveness of their outcomes (Paton & Johnston, 2001). An approach in this area that has been examined quite extensively in crisis and hazards research on preparedness and mitigation issues is negative threat appeals (Carter, 1980; Danzgiz et al., 1958; Mullis & Duval, 1995; Needham & Nelson, 1977; Perry et al., 1982; Regulska, 1982; Ressler, 1979; Yates, 1992). Threat appeal messages generally contain some sort of threat which affect persuasion by arousing anxiety, thereby increasing interest in and attention to the messages (Chu, 1966). Such messages also contain a counter-balancing recommendation on how to reduce the threat, which is thought to reduce anxiety (Mullis & Duval, 1995). Threat appeals are sometimes used interchangeably with fear appeals (Witte, 1994). However, Strong, Anderson and Dubas (1993) argued that it is important to separate threat as a stimulus from the recipient’s cognitive and emotional responses to that stimulus. Thus, fear should be seen as one of the possible outcomes of perceived threat (Witte, 1994).

Given that negative threat appeals are frequently used in risk communication (Henley & Donovan, 2003), the Extended Parallel Process Model (EPPM) proposed by Witte (1994) would be a useful starting point to understand responses to crisis preparedness messages. The EPPM integrates Leventhal’s (1970) danger control/fear control framework and previous threat appeal theories to offer a view of how people process threat appeals. It addresses both the cognitive and emotional factors associated with message processing, and relates these processes to a threat appeal’s success or failure. The EPPM suggests that when presented with a risk message, individuals engage in two appraisal processes that produce one of three outcomes. First, individuals appraise whether they are susceptible to the identified threat and whether the threat is severe (perceived threat). If the threat is viewed as trivial or irrelevant, they will ignore the message and not even think about recommended behaviours. Second, individuals assess whether they are able to effectively perform the recommended action and minimize the threat (perceived efficacy). When perceived threat and efficacy is high, individuals would move to control the danger and follow the recommended guidelines (risk control). However, when perceived threat is high but perceived efficacy is low, they will instead try to control their fear by denying the threat, engaging in defensive avoidance and rejecting the message (fear control) (Witte, 1994, p. 115).

While the EPPM does cover the defensive avoidance outcome of over-emphasizing a threat, it may not offer an adequate framework to understand the negative, as well as positive, effects of threat appeals in the crisis context. This brings us to how crisis phases, repetition and paranoia can enhance the model. Figure 1 summarizes our hypothesized model.
Crisis Phase. The EPPM model does not differentiate between actual threat and message intensity in the perceived threat construct. Actual threat refers to the severity of the threat and the susceptibility of the individual to the threat based on objective facts. Message intensity refers to the subjective elements that determine the portrayal of this objective information in a threat message. To create a high and low fear message about AIDS, Treise and Weigold (2001) manipulated both the objective aspects (e.g., the chance of getting AIDS from unprotected sex was 90% in the high fear message and 10% in the low fear message) and the subjective aspects (e.g., high fear subjects listened to a recording that featured someone with AIDS while low fear subjects listened to someone who may have contracted AIDS).

The distinction between actual threat and message intensity is important in the crisis context as the reality is that communicators have to think about how to construct a message based on a set of known facts about the situation; the facts are not something they can change (Venette, 2003). Also, the actual threat environment may affect how the threat message is processed.

Wilcox and Cameron’s (2009) crisis life cycle model provides us with the opportunity to test this. Scholars have argued that crisis phases can be generally segmented into pre-crisis, crisis and post-crisis (Coombs, 2007; Seeger, 2002). Wilcox and Cameron (2009), however, proposed a more specific cycle of phases, pointing out the inherent fluid nature of crisis communication. Laid out on a time continuum, the proactive, strategic, reactive and recovery phases are synergized and transcends the base cycle of pre-crisis, crisis and post-crisis. Communication plays an active and important role in each phase of the cycle of conflict. The proactive phase of the cycle occurs when events and issues are being tracked on the horizon. It is in this phase when policy makers have the opportunity to utilize a host of activities and thought-process to possibly prevent a conflict (or crisis) from arising or from getting out of hand (Wilcox & Cameron, 2009). The strategic phase has issues turning into emerging conflicts or crises and risk communication is proposed to enable necessary action to be taken to prevent the conflict or crisis from harming the constituents. In this phase, the communication of the types of dangers or threats and how to mitigate it is key (Wilcox & Cameron, 2009). In the reactive phase, when the crisis is on-going, communication to the constituents become a 24/7 effort (Wilcox & Cameron, 2009). During a
Examining the Effects of Over Communication of Crisis Preparedness Messages by Governments: Testing the Crisis Message Processing Model

pandemic outbreak, for example, the goal of mass public health education is “to empower the population with the factual information needed to prevent the spread of the disease and to take measures to save themselves and their families.” (Menon, 2008, p. 529). Communication efforts in the recovery phase focuses mainly on strategies to repair reputation or image (Wilcox & Cameron 2009).

Our interest in preparedness communication naturally leads us to focus on the pre-crisis phases, i.e., the proactive and strategic phases, as it is in these two phases that a) types of dangers or threats and how to mitigate it is communicated and b) threat appeal messaging are most employed to elicit positive behavioral response (Henley & Donovan, 2003; Menon, 2008; Seeger, Sellnow & Ulmer, 2003; Wilcox & Cameron, 2009). Petty and Cacioppo (1986) too, posited that higher personal relevance would enhance elaboration of a persuasive message. Hence, a higher actual threat could lead to higher personal relevance, and in turn greater elaboration of the message, leading us to examine message intensity and actual threat as distinct independent variables in our model.

Repetition. The notion of sending multiple messages and reinforcement of disseminated information has long been emphasized in risk communication (Drabek, 1990). Perry and Godchaux (2005) stressed the importance of repetition about threats and protections to create salience among citizens, to increase the availability of official messages for intended recipients, and to emphasize the seriousness with which officials view the threat. It is thus important for us to examine the possible responses to message repetition. It is suggested that there is an inverted ‘u’ relationship between repetition and persuasion (Burke & Srull, 1988). Hence, we propose repetition to be examined as a stimuli variable.

Paranoia. The EPPM too narrowly determines messaging success by measuring message acceptance or risk control outcomes (change in attitudes, intentions and behaviours), and message rejection or fear control outcomes (defensive avoidance, message minimization and perceived manipulation). However, from a public policy perspective, it is also important to monitor other possible outcomes that might have important societal implications (Mann et al., 1997; Sandman, 2001; Stout, 2007). Sandman (2001), for instance, argued that excessive fear can hinder one’s ability to respond to a threat. This leads us to speculate that paranoia might be one possible undesirable response. Paranoia can be defined as a way of perceiving and relating to other people and to the world that is characterized by some degree of suspicion, mistrust or hostility (Freeman, 2007). By definition, it is linked to perceived threat and fear (Freeman et al., 2005; Green & Philips, 2004; Kantor, 2004; Sant, 2005). While a certain low level of paranoia may be desirable as it can lead people to be vigilant, the risk of breaching a critical point and resulting in hypervigilance cannot be ignored. Mann et al. (1997) proposed that a decision maker with a hypervigilant style is in a panic-like state and impulsively seizes upon hastily contrived solutions that seem to promise immediate relief. This is in line with what Sandman (2001) argues, which is that while fear can motivate people to be vigilant, not all fear is functional; fear that verges on panic can reduce an individual’s ability to respond to a threat.

In addition, we argue that it is possible to hold perceived efficacy high such that it can be treated as a constant in a crisis context. This is because efficacy is deliberately made high in many cases of communication of public threats in order to assure citizens. This is done through making threat prevention recommendations as simple and easy-to-follow as possible (Koh et al., 2005). Hence, the following are the components of the EPPM we examine in our model:

i) Threat perception. This refers to cognitions about a danger or harm that exists in the environment. It is proposed in the EPPM that threat perception is the mediating variable between message factors and fear and risk control (Witte, 1994).
ii) **Fear control (message rejection).** This occurs when respondents recognize the threat but believe they cannot prevent it from happening to them. This is shown through defensive avoidance, perceived manipulation, and message minimization. Defensive avoidance entails suppressing thoughts about the threat; perceived manipulation refers to beliefs about whether the message is manipulative; and message minimization refers to negative feelings and impressions about the message.

iii) **Risk control (message acceptance).** This occurs when respondents recognize the threat and believe they are able to deter the threat. This is manifest through attitude and behavioural intention. Attitude refers to positive-negative evaluations about measures to prevent the threat. Behavioural intention measures whether respondents intend to carry out the prevention measures recommended in the message.

iv) **Fear.** We propose that fear be defined instead as an emotional reaction to the message. Hence, it may act as a mediator between external stimuli variables and outcomes.

**Hypotheses Development**

External stimuli to message processing. The theoretical links between the two sets of variables have been well-established. Crisis phase represents an environmental cue which scholars have long recognized to be a crucial factor in the process of cognitive appraisal, which determines threat perception (Folkman et al., 1986). The EPPM and other research on negative threat appeals have shown that higher message intensity in terms of threat level leads to higher perceived threat and fear (Skilbeck et al., 1977; Witte, 1994). Although studies on the effects of repetition have been inconclusive in the sense that some have found it to be persuasive (Claypool et al., 2004) while others have found the opposite effect (Calder & Sternthal, 1980; Petty & Cacioppo, 1986; Stewart & Wart, 1994), the empirical evidence strongly suggests that the number of exposures to a persuasive message can influence perception change. As for the effect of repetition on fear arousal, the literature on desensitization shows that increasing repetition can eventually reduce emotional response to the message (Funk et al., 2004; Wilson, 1989).

Message processing to outcomes. The relationships between the message processing variables and outcome variables are established in the EPPM, except those concerning paranoia. Paranoia is usually understood to exist on a continuum, so that degrees of paranoia may inhabit many everyday experiences (Freeman et al., 2005). When it reaches the level where a person may encounter psychiatry, it is assumed that such paranoia is clearly distinguishable and separate from everyday states of being, that people experiencing these extremes are somehow intrinsically different to others (Melzer et al., 2002). Thus, psychiatry frequently searches for causes of paranoia within the brain-body systems of individuals. Cromby and Harper (2009), however, propose that paranoia is a socially and materially co-constituted tendency within embodied subjectivity. Hence, even extreme cases of paranoia can be potentially sensible within the complex, synergistic interactions of relational, social and material influences. Green and Philips (2004) posit that paranoia may represent an inevitable cost of efficient threat perception. This suggests that environmental cues, including communication, that indicate high threat may facilitate paranoia. The idea that paranoia is an offshoot of threat perception has been long proposed in the psychology literature (Freeman et al., 2005; Green & Philips, 2004). Fear and anxiety, also, has been theorized to heavily influence paranoia (Corr, 2006; Kantor, 2004; Sant, 2005).

Putting these relationships together, we predict that the external stimuli variables will affect the message processing variables, which will in turn influence the outcome variables.
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H1: Perceived threat mediates the relationship between the external stimuli variables and outcome variables.

H2: Fear mediates the relationship between the external stimuli variables and outcome variables.

Method

An experiment was conducted with 335 undergraduate and graduate students between 18 to 28 years (males = 134, females = 201) in a large research-intensive university from January to March, 2010. A two (proactive phase vs strategic phase) by two (low intensity message vs high intensity message) by three (low, moderate, and high repetitions) between-subject factorial design experiment was conducted. Participants were told they were going to evaluate public health messages that have been developed in preparation for an impending flu pandemic. First, they were exposed to the proactive or strategic phase through an information sheet about a fictitious flu virus. Next, participants listened to a 15 minute radio program about charitable giving in Singapore. Depending on the combination of independent variables randomly assigned to the group, the program contained either the high or low intensity message in the form of a radio advertisement. The ad was played either one, three or six times in regular intervals within the program, corresponding to low, moderate and high repetition. This operationalization of repetition was based on past advertising research that proposed that three “quality” exposures are needed for an ad to be effective (Pechmann & Steward, 1988). Lastly, a questionnaire was administered, and participants were debriefed that the virus was not real. The following scales were used in the questionnaire.

TABLE 1. Measures scales

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item Code/Scale Item</th>
<th>Response scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Threat</td>
<td>Perceived Susceptibility</td>
<td>1=Not Likely,</td>
</tr>
<tr>
<td></td>
<td>S1) How likely is it for you to get the virus?</td>
<td>7=Extremely Likely</td>
</tr>
<tr>
<td></td>
<td>S2) How likely is it for you to fall ill because of the virus?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S3) How likely is it for you to die from the virus?</td>
<td></td>
</tr>
<tr>
<td>Perceived Severity</td>
<td>SV1) How severe do you think the health effects of the virus are?</td>
<td>1=Not at all,</td>
</tr>
<tr>
<td></td>
<td>SV2) How significant do you think the health effects of the virus are?</td>
<td>7=Extremely</td>
</tr>
<tr>
<td></td>
<td>SV3) How serious do you think the health effects of the virus are?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Source: McMahan et al. (1998)</td>
<td></td>
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<tr>
<td>Fear</td>
<td>F1) The radio ad makes me feel anxious</td>
<td>1=Not at all,</td>
</tr>
<tr>
<td></td>
<td>F2) The radio ad makes me feel scared</td>
<td>7=Extremely</td>
</tr>
<tr>
<td></td>
<td>F3) The radio ad makes me feel frightened</td>
<td></td>
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<tr>
<td>Defensive Avoidance</td>
<td>DA1) When I heard the radio ad, my first instinct was to ignore the ad</td>
<td>1=Strongly Disagree,</td>
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<tr>
<td></td>
<td></td>
<td>7=Strongly Agree</td>
</tr>
<tr>
<td>Source: McMahan et al. (1998)</td>
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<td>-------------------------------</td>
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<tr>
<td>DA2) When I heard the radio ad, I felt it did not concern me</td>
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<td></td>
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<tr>
<td>Message Minimization</td>
<td></td>
<td></td>
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<tr>
<td>M1) I thought the radio ad was exaggerated</td>
<td></td>
<td></td>
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<tr>
<td>M2) I thought the radio ad was overblown</td>
<td></td>
<td></td>
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<tr>
<td>M3) I thought the radio ad overstated the problem</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Strongly Disagree, 7=Strongly Agree</td>
<td></td>
<td></td>
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<tr>
<td>Perceived Manipulation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM1) I thought the radio ad was manipulative</td>
<td></td>
<td></td>
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<tr>
<td>PM2) I thought the radio ad was misleading</td>
<td></td>
<td></td>
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<tr>
<td>PM3) I thought the radio ad was distorted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Strongly Disagree, 7=Strongly Agree</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source: McMahan et al. (1998)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitudes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How do you feel about measures to prevent yourself from contracting the virus:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A1) I feel that it is:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Unimportant, 7=Important</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2) I feel that it is:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Bad, 7=Good</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A3) I feel that it is:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Undesirable, 7=Desirable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Behavioral Intentions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please rate how likely it would be for you to carry out the following actions mentioned in the radio ad to prevent yourself from contracting the virus:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1) Be careful about hygiene</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B2) Wash your hands more regularly</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B3) Visit the doctor if you feel unwell</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source: Author-constructed based on McMahan (1998)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Unlikely, 7=Very Likely</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paranoia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P1) I would think often about the possibility that I might contract the virus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P2) I will be suspicious of people who are coughing or sneezing as they may have the virus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P3) I feel that someone displaying even the slightest of symptoms can pass the virus to me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P4) I need to do more than just the recommended measures to protect myself from the virus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P5) I should avoid all individuals who are coughing or sneezing as they may have the virus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source: Author-constructed based on Green et al. (2008), Aly et al. (2007), Thompson et al. (2006), and Sjöberg (2005)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Strongly Disagree, 7=Strongly Agree</td>
<td></td>
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</tbody>
</table>
Manipulations

Crisis Phase. At the start of the experiment, participants were given a World Health Organization (WHO) report describing either a proactive or strategic phase, which we manipulated based on Wilcox and Cameron’s (2009) crisis life cycle. The proactive phase report stated that a highly infectious but mild flu virus that does not kill has been detected in the region, but Singapore has not had its first infected person. The strategic phase report said that the highly infectious flu virus is extremely dangerous and has already killed over 50 people, and Singapore has already had 5 deaths and 11 people quarantined.

Message Intensity. Participants were exposed to different message intensities through radio ads with different scripts. Intensity was manipulated based on threat appeal research on AIDS awareness (Treise & Weigold, 2001). Both ads were a first person account of how a loved one contracted the virus. In the low intensity ad, the patient survived as the virus was mild, but in the high intensity ad, the patient died. Also, a warning of how flu pandemics can kill was given in the high but not in the low intensity ad. The following scales items used in the questionnaire.

Results

Manipulation Checks

Crisis Phase. The manipulations of crisis phase were assessed using the perceived threat scale items (McMahan et al., 1998). A one-way ANOVA test showed that threat perception was higher for the strategic phase (M = 25.44, SD = 7.01) than the proactive phase high intensity message than the low intensity message (M = 23.48, SD = 6.89), F (1, 318) = 6.38, p < .05, suggesting that the manipulation was successful.

Message Intensity. The manipulations in the high and low intensity messages were assessed using the fear scale items (Witte, 1994). A one-way ANOVA test showed that fear was higher for the high intensity message than the low intensity message (M low = 7.83, SD = 4.05; versus Mhigh = 9.55, SD = 3.93; F(1, 318) = 14.86, p < .000), suggesting that the manipulation was successful.

Repetition. A manipulation check was administered to confirm that the variation in message repetition in each condition was enough to elicit considerably different responses. This was tested by analyzing responses on a 7-point Likert scale to statements indicating communication saturation: “I felt tired of hearing the radio ad”, “The radio ad was played too many times”, and “There are too many of these ads in the media”. A one-way ANOVA test showed that scores were significantly different across the three conditions, F (2,317) = 64.63, p < .000. Tukey post-hoc comparisons indicated that saturation was felt more strongly by respondents in the six-repetition condition (M = 15.66, SD = 3.35) than the three-repetition condition (M = 13.69, SD = 3.48), p < .000, than the one-repetition condition (M = 10.45, SD = 3.33), p < .000. This suggests that the repetitions were successful in eliciting varying levels of communication fatigue.

Factor Analysis and Reliability Analysis

Cronbach’s α reliability test and exploratory factor analysis (EFA) were conducted on the questionnaire scales. Due to their low loading scores, message minimization and perceived manipulation were removed. The perceived susceptibility items in the perceived threat scale,
which had considerably lower loadings than the perceived severity items, were also removed to improve the fit of the model. Hence, we decided to focus on the perceived severity dimension of perceived threat. The defensive avoidance scale was reduced to two items to sharpen its validity. Loo (2002) showed that using measures with one or two items is qualified when constructs homogeneous. Nevertheless, to strengthen reliability, we followed Gustav’s and Parkinson’s (1994) recommendation that the smaller the number of scale items used, the large the number of points should be used. A 7-point Likert scale was thus used instead of a 5-point scale. Table 2 shows the retained measures and their respective α scores and loadings.

### TABLE 2. Loadings for the Theoretical Model

<table>
<thead>
<tr>
<th>Latent Variable</th>
<th>Item Code</th>
<th>Standardized Loading</th>
<th>Cronbach’s α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Severity</td>
<td>SV1</td>
<td>.90</td>
<td>.94</td>
</tr>
<tr>
<td></td>
<td>SV2</td>
<td>.90</td>
<td>.94</td>
</tr>
<tr>
<td></td>
<td>SV3</td>
<td>.96</td>
<td>.94</td>
</tr>
<tr>
<td>Fear</td>
<td>F1</td>
<td>.84</td>
<td>.94</td>
</tr>
<tr>
<td></td>
<td>F2</td>
<td>.99</td>
<td>.94</td>
</tr>
<tr>
<td></td>
<td>F3</td>
<td>.93</td>
<td>.94</td>
</tr>
<tr>
<td>Defensive Avoidance</td>
<td>DA1</td>
<td>.64</td>
<td>.77</td>
</tr>
<tr>
<td></td>
<td>DA2</td>
<td>.99</td>
<td>.77</td>
</tr>
<tr>
<td>Attitudes</td>
<td>A1</td>
<td>.82</td>
<td>.76</td>
</tr>
<tr>
<td></td>
<td>A2</td>
<td>.65</td>
<td>.76</td>
</tr>
<tr>
<td></td>
<td>A3</td>
<td>.64</td>
<td>.76</td>
</tr>
<tr>
<td>Behavioral Intentions</td>
<td>B1</td>
<td>.80</td>
<td>.74</td>
</tr>
<tr>
<td></td>
<td>B2</td>
<td>.83</td>
<td>.74</td>
</tr>
<tr>
<td></td>
<td>B3</td>
<td>.52</td>
<td>.74</td>
</tr>
<tr>
<td>Paranoia</td>
<td>P1</td>
<td>.58</td>
<td>.82</td>
</tr>
<tr>
<td></td>
<td>P2</td>
<td>.85</td>
<td>.82</td>
</tr>
<tr>
<td></td>
<td>P3</td>
<td>.84</td>
<td>.82</td>
</tr>
<tr>
<td></td>
<td>P4</td>
<td>.69</td>
<td>.82</td>
</tr>
<tr>
<td></td>
<td>P5</td>
<td>.53</td>
<td>.82</td>
</tr>
</tbody>
</table>

Confirmatory factor analysis (CFA) was conducted to assess the measurement model. The overall chi-square was significant, $\chi^2(137) = 294.19$, $p < .000$. All other indices indicated a good fit (GFI = .91; CFI = .96; TLI = .95; IFI = .96 and RMSEA = .06), suggesting that the measurement scales can be used for hypothesis testing.

**Hypothesis Testing**

Hypotheses 1 and 2 sought to examine the effects of the external stimuli variables on the outcome variables are mediated by perceived threat and fear. To test for this, structural equation modeling (SEM) using AMOS 16.0 was conducted. Following the procedure put forth by Holmbeck (1997), three steps were performed to test for mediation. As the relationship between
repetition, and perceived severity and fear was nonlinear, which violates a key assumption of SEM, we ran the procedure first with data from the one and three (lower) repetition conditions, then with the three and six (higher) repetition conditions.

First, we specified our hypothesized theoretical model (MT) for the one and three repetition conditions, with links from all our independent variables to mediating variables, and from our mediating variables to dependent variables. To improve the fit, we re-specified our model based on the path estimates and modification indices (MI) obtained. The links between crisis phase and fear ($\beta = .13$, $P = .35$), and between perceived severity and defensive avoidance ($\beta = .08$, $P = .14$) were removed. The former relationship was similarly non-significant in our ANOVA analysis; the implications of which are discussed in the next section. The elimination of the latter relationship is theoretically consistent with the EPPM, as the model predicts that one of the ways people control their fear, which occurs when perceived threat is high, is through defensive avoidance. Hence, fear mediates the effect of perceived threat on defensive avoidance (Witte, 1994, p. 116). This is also consistent with the strong relationship between perceived severity and fear suggested by the modification index (MI = 52.84). A link between the two variables was thus added. A link was also added between attitudes and behavioral intentions (MI = 66.54). This relationship is well-established theoretically (see Fishbein & Azjen, 1980; Fazio & Williams, 1986) as well as empirically (Kim & Hunter, 1993). The final fitted theoretical model produced a significant chi-square $\chi^2 (197) = 373.20, p < .000$, and fit indices that were closer to the generally recommended values (GFI = .86, CFI = .92, TLI = .91, IFI = .92, RMSEA = .06). This suggests that the data fairly fit our theoretical model. All path estimates are shown in Figure 2. The estimates were all significant except for the paths from message intensity to perceived severity ($b = .25$, $p > .05$) and fear ($b = .15$, $p > .05$), and from repetition to fear ($b = .32$, $p > .05$). This suggests a bare fulfillment of step one.

FIGURE 2. Theoretical Model (Lower Repetition conditions)
The second step entailed specifying a direct effects model (MD) to establish that the independent variables indeed had direct effects on the dependent variables. The fit indices of the model were poor (GFI = .82, CFI = .78, TLI = .72, IFI = .79, RMSEA = .107), and direct path coefficients were all insignificant except the paths from repetition to defensive avoidance and behavioral intentions. Hayes (2009, p. 413), however, argues that it is possible for a mediator to be causally between an independent and dependent variable even if the two are not associated. Thus, failure to fulfill this step does not necessarily rule out mediation.

To assess the third condition, saturated models were compared with the theoretical model. As we have two mediating variables, two saturated models were specified, one for perceived severity (MS-P) and one for fear (MS-F). Each saturated model focused on one mediator at a time. This allowed us to test for full mediation on each of the mediated relationships, taking into account the other related outcomes each independent variable may or may not be predicting. An insignificant chi-square difference between each of the individual saturated models and the theoretical model would support the second condition. Results showed a mediocre fit for the saturated model with perceived severity (GFI = .87, CFI = .88, TLI = .86, IFI = .89, RMSEA = .09). Importantly, the change in chi-square between the saturated model and theoretical model was insignificant [$\Delta \chi^2 (90) = 94.765$, $p > .10$], suggesting full mediation of the variance from the independent variables to the dependent variables. The overall fit indices for the saturated model with fear were poor (GFI = .83, CFI = .85, TLI = .82, IFI = .86, RMSEA = .10). Again, the chi-square difference between saturated model with fear and the theoretical model was insignificant [$\Delta \chi^2 (74) = 2.434$, $p > .10$], suggesting that condition three was satisfied.

These steps were repeated for data from the higher repetition conditions with better results. The same final fitted theoretical model was used. A significant chi-square was produced [$\chi^2 (197) = 292.80$, $p < .000$], and fit indices were satisfactory (GFI = .89, CFI = .96, TLI = .96, IFI = .96, RMSEA = .05). All path estimates are shown in Figure 3. The estimates were all significant except for one path from perceived severity to behavioral intentions ($b = .112$, $p > .05$). The fit indices of the direct effects model (MD) indicated an unsatisfactory fit (GFI = .85, CFI = .82, TLI = .77, IFI = .82, RMSEA = .10), and direct path coefficients were all insignificant except the path from repetition to defensive avoidance.
The saturated model for perceived severity (MS-P) indicated a satisfactory fit (GFI = .88, CFI = .91, TLI = .89, IFI = .92, RMSEA = .08). The change in chi-square between the saturated model and theoretical model was insignificant ($\Delta \chi^2 (90) = 47.419, p > .10$), suggesting full mediation. The overall fit indices for the saturated model with fear were mediocre (GFI = .87, CFI = .91, TLI = .88, IFI = .91, RMSEA = .08). Again, the chi-square difference between saturated model with fear and the theoretical model was insignificant ($\Delta \chi^2 (74) = 6.822, p > .10$), suggesting fulfillment of the third step.

The results thus showed that both models with lower and higher repetition conditions fulfilled the first and third criteria for mediation, which suggests Hypotheses 1 and 2 were partially supported. The higher repetition model was more successful in proving mediation with stronger model fit indices and more significant direct and indirect path estimates. However, since they did not fulfill the second condition of direct effects, it might be more appropriate to label the relationships as indirect rather than mediating (Mathieu & Taylor, 2006). Also, all the correlations we hypothesized were supported by the data except for the relationship between fear and defensive avoidance, which were negatively correlated in opposition to our speculation that more fear would motivate people to engage in defensive avoidance.

**Discussion**

This study set out to understand how intensifying and repeating crisis messages can lead to both desirable and undesirable psychological effects. To this end, a model adapted from the
EPPM, which explains threat appeals, was developed, conceptualized and tested to provide a theoretical framework to understand how people respond to preparedness messages. This second stage of testing found that our model was robust based on the experimental data. Specifically, perceived severity and fear mediated the relationship between the stimuli and outcomes. This builds on our results from the first stage of testing by helping us understand the effects of crisis phase, message intensity and repetition beyond perceived severity and fear. Thus, we believe this research provides a useful framework to understand the link between crisis preparedness messages and audience responses, and illuminates practical insights for practitioners on how to construct communication strategies to effectively persuade while mitigating negative outcomes.

Our findings showed that the type of crisis phase together with message intensity and repetition affects perceptions of the severity of the threat and the level of fear aroused by the message, which in turn determines attitudinal and behavioral outcomes, the extent to which people engage in defensive avoidance, as well as the level of paranoia. Specifically, we found that the higher the perceived severity and fear, the stronger the attitudes and behavioral intentions concerning individual measures to guard against the flu, and the lower the propensity for defensive avoidance.

All of the relationships were as expected except that higher perceived severity and fear was associated with lesser defensive avoidance. The Extended Parallel Process Model (EPPM) states that heightened fear arousal would motivate people to try and control such emotions through means such as avoiding or rejecting the message (Witte, 1994). A possible account for the discrepancy is that such defensive responses may have occurred outside consciousness (Bargh, 1989; Lazarus, 1991) and hence could not be captured by the self-report scales that we used. Another possibility is that our instruments did not arouse fear levels high enough to motivate such responses.

Since perceived severity and fear have a positive effect on attitudes and behavioral intentions, it can be generally argued that higher perceived severity and fear is indicative of messaging success. This helps us understand better the implications of the interaction effects of the stimuli factors on perceived severity and fear found in the first stage of testing. However, it must be cautioned that higher perceived severity and fear was also found to lead to increased paranoia. The psychology literature generally refers to paranoia in terms of its social dimension, i.e. suspicion and fear of others. However, it can be argued that some of the ideas are also applicable to paranoia concerning other forms of threat, including health pandemics. It is widely recognized in the field of psychology that paranoia exists on a continuum. Mild levels of paranoia may be normal and even useful as a survival instinct (Green & Phillips, 2004). However, exceedingly high levels can lead to outcomes such as self-insulating conspiratorial belief systems, distorted perceptions, and high levels of distress (Cromby & Harper, 2009).

Returning to our study, the finding that paranoia moved along with attitudes and behavioral intentions suggest that, congruent to the psychology literature, some paranoia is healthy and even desirable. Whether exaggerating the crisis phase, message intensity and repetition even more would eventually elicit paranoia responses beyond the threshold where it becomes harmful was beyond the scope of this study. Still, our finding that beefing up those independent factors led to increased paranoia suggests that this is a possibility.

Conclusion and Implications

This study, the first of several empirical tests, has added a new dimension to the literature on crisis preparedness communication by incorporating multifaceted variables into the model.
For practitioners, this study’s findings suggest that communication is a double-edged sword; used appropriately it can be a powerful persuasive tool, but at the same time, improper usage can lead to adverse effects. We believe there is a threshold beyond which the negative effects outweigh the positive, as some communication experts have warned (Corkindale & Newell, 1978; Sandman, 2005). This second stage of testing showed that higher perceived severity and fear leads to better attitudes and behavioral intentions. To effectively elicit these desirable outcomes, crisis communication specialists should take into account crisis phase, message intensity and repetition when designing messages, as our first stage of testing has shown that these stimuli factors interact in their effect on perceived severity and fear.

Putting our findings from both stages of testing together, we recommend firstly that moderate repetition is most effective in raising perceptions and consequently improving attitudes and behavioral intentions. Secondly, assuming that audiences have sufficient access and knowledge about the crisis, our findings indicate that crisis phase can be seen as a form of threat communication. Preparedness messages should thus be crafted with this in mind. If the crisis is imminent, repeating or intensifying messages may not considerably raise threat perceptions, as they may already be high. If the crisis is in a less critical phase, repeating high intensity messages could increase threat perceptions, but repeating low intensity messages could have a desensitization effect. Thirdly, high threat perceptions may raise paranoia, which if crosses a certain level might cause psychological harm to the individual and may be a detriment to societal integration and resilience.

These recommendations suggest the evaluation of efficacy of communication is particularly important for policy makers. When the prospect that the constituents may become either desensitized or paranoid, it is then crucial that the point at which they occur be accessed and mitigated, as a desensitized or paranoid constituent is necessary harmful to social resilience.

Overall, our research has raised more questions than answers. When are communication and preparedness measures too much? How do we know if it is too much? What can we do to improve crisis management strategies? While baffling, these are pertinent questions that we believe require urgent attention in order to advance the field of crisis management.

Future studies should aim to broaden the field through exploring the effects of over-communication in other crisis scenarios, such as terrorism, natural disasters and economic crises, and examine other types of influencing factors. Other factors that may affect negative outcomes of over-communication include individual differences and contextual variables such as type of communication medium. Also, other consequences may arise from over-communication besides paranoia and desensitization. Another consequence worth looking at is the see-saw effect proposed by Sandman (2005).

Indeed, much more research is needed to understand the adverse effects of over-communication in a crisis context. We have only begun and scratched the surface.
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Examining the Effects of Over Communication of Crisis Preparedness Messages by Governments: Testing the Crisis Message Processing Model


Examining the Effects of Over Communication of Crisis Preparedness Messages
by Governments: Testing the Crisis Message Processing Model

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Staff Attitudes to Talking Openly about Ethical Dilemmas: The Role of Business Ethics Conceptions and Trust

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To ensure ethical employee behavior, companies often use several forms of mostly one-way communication such as codes of conduct. The extent to which these efforts, in addition to informing about the company stance on ethics, are able to positively influence behavior is disputed. Research on business ethics communication and behavior reveals that open workplace dialogue about ethics can be a good predictor of ethical conduct. Therefore, in this paper I address the question: What influences employee attitudes about open discussion of ethical issues? I present answers discovered in focus group interviews at the healthcare company Novo Nordisk.

I found that two main factors influenced interest: employee conceptualizations of business ethics and the level of inter-collegial trust, credibility, and confidence. In this paper, by examining these phenomena, I aim to provide insight that can help managers in their attempts to promote open workplace dialogue about ethical issues.

Background

These days, most commercial organizations make serious efforts to ensure ethical staff behavior. These efforts often take the form of business ethics programs, which, as a minimum, include a formal ethics code, and, in many cases, additional elements such as workshops and e-training. To understand the background for this expectation, particularly in the U.S., but also internationally, it is useful to refer to familiar scandals (e.g., the 1975 Watergate scandal, the 1980’s U.S. defense industry pricing scandals, the 2002 Enron scandal). These led to public outrage and prompted legislative initiatives. Undoubtedly the most significant legislation in the U.S. in terms of sparking the ethics policy trend is the 1991 U.S. Federal Sentencing Guidelines, and, in particular, Chapter 8 of this publication. Chapter 8 (Organizational Sentencing Guidelines) summons judges to establish whether corporations convicted of criminal offenses had an effective compliance program at the time of their offense, and whether they had “…taken steps to communicate effectively its standards and procedures to all employees and other agents…” (USSC, 2001)(Paragraph 8A1.2). If so, fines are reduced.

By considering this link between communicating about an ethics policy and the resulting mitigation of fines for convicted corporations that do so, it becomes clear that the legislation rests on the premise that informing staff about the company’s ethics policy somehow also positively influences ethical staff behavior. However, this remains a debatable premise, and much international research indicates that the simple introduction of a corporate policy is not sufficient in terms of encouraging ethical behavior: ” Nijhof, Cludts, Fisscher, & Laan (2003) state that “there is no direct relation between the fact that an organization has a code of conduct and the level of responsible behaviour within companies.

This tenuous link between the provision of information on the one hand and the dissuasion of unethical behavior on the other likely led to the 2004 revision of the Organizational
Sentencing Guidelines. Here, in addition to establishing standards and compliance procedures, companies are also mandated to “otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law” (USSC, 2005) (my italics). Indeed, even in studies where codes of ethics are viewed as “effective instruments for shaping ethical behavior and guiding employee decision-making”, code success is typically seen to depend on their being “embedded” in workplace culture (Stevens, 2008).

**Background of the Problem**

Embedding an ethics policy into workplace culture is no easy task, particularly because staff view codes as a form of managerial regulation and compliance control rather than as manifestations of existing workplace culture and cooperation (Stevens, 2008). In this way, the provision of one-way communication about the company’s ethics policy is not a sufficient means of promoting an ethical organizational culture. A more holistic approach is required.

The need to supplement formal policies with other efforts to nurture an ethical workplace culture is therefore often noted. In particular, less formal communication—especially dialogue—is often seen to play an important role. For example, one study suggests that codes of ethics must be communicated well to be effective: staff should have the opportunity to ask questions about, and discuss the code with, an immediate supervisor, and also to direct questions to an ombudsman (Weeks & Nantel, 1992). In a large survey study, that sought to identify factors that either further or impede the intentions of ethics and compliance management efforts, the authors found that particular characteristics of a company’s ethics or compliance programs are less important in terms of having an effect on employee attitudes and behaviors than several characteristics of the organization’s ethical culture. This included the practice of holding open discussions about ethics and values (Trevino, Weaver, Gibson, & Toffler, 1999). With regard to the importance of open discussions, the authors found that discussions strengthen employee commitment and contribute to getting ethics and values “baked into” the corporate culture (p. 14). Another study indirectly stressed the importance of interaction among colleagues by noting that co-workers often serve as role models for ethical behavior (Weaver, Trevino, & Agle, 2005).

Just as open discussion is described as having a positive effect on ethical workplace behavior, the opposite also holds true. That is, the absence of open discussion, leads to less than ideal behavior. In a study involving interviews with executives, focus was given to “moral muteness”, which was defined as the reluctance among managers to describe their actions and decisions in moral terms, describing them instead in terms of “organizational interests, practicality, and economic good sense” (Bird & Waters, 1989). This practice was seen to be counterproductive to promoting ethical behavior: “It is impossible to foster greater moral responsibility by business people and organizations without also facilitating more open and direct conversations about these issues by managers” (p. 83).

The studies described here underline the importance of workplace cultures that include open dialogue amongst colleagues about ethical issues. But, by doing so, they also indirectly raise questions regarding how to encourage and nurture dialogue-based processes. These questions reflect a general need for research on the processes surrounding the implementation of ethics policies. In an extensive review of studies on corporate codes of ethics, Helin and Sandström (2007) underscored a need to supplement codes of ethics studies with empirical studies of organizations to understand these processes. They also note that empirical studies could contribute useful insights for those who work with the implementation of codes of ethics, and that qualitative research that includes “stories from the field” would be particularly useful,
including research that involves a broader range of individuals within organizations than the most commonly studied minority group of top managers (Helin & Sandström, 2008).

**Research Question and Method**

In response to those needs, I conducted a qualitative, empirical investigation of one company’s ethics program implementation. This included manager and non-manager perspectives, specifically addressing the studies that I discussed above that assert the importance of workplace dialogue. Because these studies inevitably raise questions about how workplace dialogue can be encouraged and nurtured, I aimed to identify and examine factors that spark and strengthen or impede, employee interest in engaging in open dialogue about ethics issues. The guiding question for this study was: What influences employee attitudes about open discussion of ethical issues?

The study included four semi-structured focus group interviews, involving 29 staff members at two affiliates of the global healthcare company Novo Nordisk (Denmark and Brazil affiliates). Because having a strong business ethics profile is particularly critical for employees who have direct contact with external stakeholders, such as doctors, the interviews were conducted with staff from the sales and marketing department (see Table 1).

**TABLE 1. Place, Date, Participants, and Duration of Interviews**

<table>
<thead>
<tr>
<th>Affiliate</th>
<th>Date</th>
<th>Participants</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>May 15, 2008</td>
<td>8 sales representatives</td>
<td>55 minutes</td>
</tr>
<tr>
<td>Denmark</td>
<td>June 9, 2008</td>
<td>5 sales and marketing managers¹</td>
<td>55 minutes</td>
</tr>
<tr>
<td>Brazil</td>
<td>June 20, 2008</td>
<td>9 sales representatives²</td>
<td>1 hour, 3 minutes</td>
</tr>
<tr>
<td>Brazil</td>
<td>June 20, 2008</td>
<td>7 sales and marketing managers</td>
<td>1 hour, 29 minutes</td>
</tr>
</tbody>
</table>

The interviews were originally designed and conducted with the goal of exploring employee perception of the company’s business ethics communication in a general sense, as well as exploring staff preferences with regard to the strategies Novo Nordisk uses to communicate about the company’s ethical stance. Therefore, the interview questions were quite open, and, as moderator, I kept my own participation in the discussions to a minimum.

After introductory remarks, each focus group interview included three parts. The first part included three questions that were intended to open up a general discussion about business ethics:

1. What do you think of the growing trend for companies to focus more on business ethics and the implementation of business ethics programs?
2. How has this increased focus on business ethics affected you, if at all?
3. Do you have an impression of how the Novo Nordisk business ethics program has been received by your colleagues?

¹ In both Denmark and Brazil, two of the sales and marketing managers were unavoidably hindered.
² For convenience sake, sales representatives with sales districts close to São Paulo (whom I chose randomly) participated.
The intention was not to address each question one by one, but simply to initiate the discussion, identify how employees conceptualize business ethics, and to get first impressions of the employees’ reception of the business ethics program.

The second part was intended to stimulate discussion about how the interviewees find answers to ethical issues. To do so, I presented the interviewees with 13 slips of paper, each of which displayed a method of finding answers to ethical dilemmas (e.g., read the ethics booklet, attend workshops, talk with my closest colleagues). I asked the interviewees to prioritize them and to explain their preferences.

The third part of the interview addressed aspects of code of ethics such as attitudes to signing ethics contracts, learning about laws, “whistle blowing”, and reading about personal consequences of unethical behavior.

I conducted interviews in the participants’ first language to ensure maximum participation, and obtained permission to record the sessions. I then translated and transcribed the Denmark interviews into English. The Brazil interviews were translated and transcribed into English by the Brazilian interpreter who assisted with the interviews.

I analysed the interview data in two stages. First, to determine what the interviewees found relevant to discuss, I devised a three-step process with guidance from Kvale (Kvale, 1996), Kvale and Brinkmann (2009), and Coffey and Atkinson (1996) (see Table 2):

- **Step 1**: I broke the interview down into natural meaning units.
- **Step 2**: I reduced these units into segments.
- **Step 3**: I coded the segments by labelling.

### TABLE 2. Illustration of Three-step Interview Analysis Process

<table>
<thead>
<tr>
<th>Interview, transcription line</th>
<th>Step 1: Natural meaning units</th>
<th>Step 2: Condensed meaning segments</th>
<th>Step 3: Code category</th>
</tr>
</thead>
<tbody>
<tr>
<td>BM, 199</td>
<td><strong>A</strong>: I think the current concern on the part of companies of implementing [ethics] programs ends up strengthening the idea of bringing up some values, highlighting these values if people don’t have them.</td>
<td><strong>A</strong>: Business Ethics programs can help guide those who don’t share the company’s values</td>
<td>Why Business Ethics programs?</td>
</tr>
</tbody>
</table>

This process allowed me to identify seven key, data-driven themes (labeled “code categories”):

1. The importance of BE programs (Why Business Ethics programs?)
2. Characteristics of business ethics (e.g., values, rules, customs)
3. Challenges to and benefits of ethical behavior
4. Ethics is top-down / importance of company stance and structure
5. Business ethics and cultural specificity
6. Novo Nordisk as an ethical company
7. Pros and cons of specific communication elements (e.g., talking at work, workshops)

The regularity of comments within discussion groups regarding talking about business ethics at work highlighted this as an important and relevant theme for further investigation. In the second stage of data analysis, I re-examined all relevant utterances and compared them within and between groups.
Results

In the following sections, I first explore and compare group attitudes toward talking at work, including explanations for these attitudes. I then delve further into the explanations given for these attitudes to gain insight into influential factors.

Attitudes toward talking at work about ethical issues and explanations for them

First, the data reveals that managers and non-managers at the Danish affiliate value talking at work because, despite having plenty of written material on business ethics, in practice it is not always easy to know how to behave. Employees often explained this difficulty by mentioning “grey zones”, “strange situations”, and the need to “interpret” the business ethics material. One manager also noted that talking at work helps to implement general rules from headquarters in a way that is appropriate for the local situation. Talk at work was mostly described as talk with one’s closest colleagues as well as between the managers and non-managers. The non-manager group also mentioned talking with legal staff at workshops. The managers noted that interpretations are subjective, and may even differ according to specific situations. Therefore, talking at work was described as a valuable means of establishing shared interpretations and, in this way, appropriate behavior. These agreements were said to be beneficial at the office generally and also among particular work groups. The responses of the managers and non-managers closely resembled each other in this view, but non-managers were more focused on the need to clear up grey zones rather than agree on interpretations. In this way, both groups could be said to be involved in a sensemaking process, whereas the managers also engage in a sensegiving process (Morsing & Schultz, 2006).

The managers and non-managers in Brazil differed not only from the staff in Denmark, but also from one other. The managers, like the managers and non-managers in Denmark, also mentioned the beneficial role of talk in cases of confusion or doubt, but they raised this only twice, each time pointing to the benefits of talking with the legal department (rather than with close colleagues or managers). In a similar manner, only one non-manager interviewee mentioned the benefit of talking at work about business ethics. Primarily, the legal department could inform them about what one may or may not do. In fact, the non-managers described talking with colleagues as non-beneficial, explaining that it can even be risky: some colleagues, due to a lack of integrity, might “lead them astray”. Unlike the managers in Denmark, the Brazilian managers did not mention the importance of agreeing on interpretations. The Brazilian managers explained the benefits of talk at work in terms of awareness-building of the company policies. Two interviewees expressed regret that there was not more talk about business ethics issues at work, one noting that dialogue would help implement ethics within their daily practices.

In summary, the interviews raised a strong concern about finding common understandings about business ethics issues through dialogue among managers and non-managers in Denmark. This was also important to managers in Brazil, although they mostly mentioned talking with legal staff instead of among staff members. A few non-managers in Brazil saw some benefit in conferring with the legal department, whereas talking with colleagues was described as risky.

Based on these findings, two important issues appear worthy of further examination regarding attitudes towards talking with colleagues about business issues: employees’ conceptualizations of business ethics and the level of trust among colleagues.
Talking at work and conceptualizations of business ethics

As noted earlier, my first review of the interview data led to the creation of the code category “Characteristics of business ethics”, also labeled “What is business ethics?” Staff commented upon this topic quite regularly, though mostly implicitly.

Utterances within this theme revealed that interviewees tended to describe ethics programs as providing clear, strict rules that one must simply follow, or as guidelines that need to be interpreted according to specific situations. In general, staff in Brazil and Denmark differed in terms of these conceptualizations of business ethics.

In Brazil, the non-managers mostly discussed business ethics in terms of company-issued rules and laws that must be read, assimilated, and followed. Several expressed a wish for the rules to be flexible to allow them to adjust them to the Brazilian setting, or take into consideration the cultural diversity of their clients. However, adherence to the rules was their primary concern. The manager group agreed that business ethics comprises a set of rules that determine employee behavior. Several managers stressed many times that, regardless of individuals’ own values or upbringing, the imposed rules ultimately define behavioral limits.

The interviewees in Denmark, especially the managers, exhibited a conceptualization of business ethics as externally-issued guidelines that provide important initial, though not always sufficient, input into the decision-making process. They exhibited a much greater awareness and acceptance of the existence of “grey-zones”, including situation-specific dilemmas that demand an interpretation of existing rules. Importantly, it was often on the basis of this grey-zone awareness that staff in Denmark expressed a need to go beyond learning the rules by engaging in dialogue with colleagues.

In this way, the interview data indicates that the more a group defines business ethics in terms of rules and laws that ultimately define staff behavior, the less staff will value talking with colleagues to find answers to business ethics dilemmas. Alternatively, the more a group is aware of (and accepting of) the existence of grey-zones and the need to interpret rules according to personal values and specific situations, the more likely they are to value talking with colleagues. Figure 1 illustrates of differing conceptualizations of ethics and the role that talk at work can play when employees make ethical decisions:
The second thematic category that provided some explanation of staff evaluations of talking about business ethics issues was trust. Although this theme was not one of the initial code categories, it became more obvious with each subsequent reading. As Kvale and Brinkmann (2009) write, “The categories can be developed in advance or they can arise ad hoc during the analysis…” (p. 203). In particular, the following natural meaning unit from a non-manager in Brazil caught my attention because of its explicit reference to how a lack of trust among colleagues can hinder talk about ethics issues:

**TABLE 3. Definitions of Trust, Credibility and Confidence**

<table>
<thead>
<tr>
<th>Interview, transcription line</th>
<th>Meaning units</th>
<th>Condensed meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>BNM, 352</td>
<td>‘A’: Now don’t you think that… suppose you’re talking to your friends… if everyone sticks to ethical standards… and it may well happen among your co-workers…</td>
<td>? and ‘A’: discussing ethical dilemmas with a colleague should only be done with a truly ethical colleague, who may be difficult to identify.</td>
</tr>
<tr>
<td></td>
<td>?: Well, you’ll have to choose this colleague very well, the one you’re going to discuss with [about ethical dilemmas].</td>
<td></td>
</tr>
<tr>
<td></td>
<td>?: Yes…</td>
<td></td>
</tr>
<tr>
<td></td>
<td>‘A’: You have colleagues who are ethical and colleagues who…</td>
<td></td>
</tr>
<tr>
<td></td>
<td>?: claim to be [ethical].</td>
<td></td>
</tr>
</tbody>
</table>
Staff Attitudes to Talking Openly about Ethical Dilemmas: The Role of Business Ethics Conceptions and Trust

Trust is a slippery theme to examine in the interview data, not only because it is rarely commented on explicitly, but also because it can be difficult to define. Indeed, there are competing definitions of trust, which is a subject of interest for many disciplines, including social psychology, sociology, economics, marketing and, of course, management. For the purpose of this study, I turn to definitions of organizational trust, or, more precisely, *intra*organizational trust, which refers to trust among colleagues in the same organization. According to the definition of organizational trust offered by the influential researchers on the subject, trust is inextricably bound with risk: “Trust is the willingness to take risk” (Schoorman, Mayer, & Davis, 2007). Reflecting this definition, the data example above (BNM, 352) indicates a lack of trust among some colleagues: ‘?’ and ‘A’ note that it can be risky to discuss ethical dilemmas with colleagues; the degree of risk involved with discussing ethical dilemmas with a colleague depends on which colleague is chosen.

In contrast to this utterance, however, an element of risk was *not* always evident in the interview meaning units that I deemed trust-related; instead, the utterances revealed something about *confidence*, a concept that is related to trust, or *credibility*. Cook and Wall describe confidence as an antecedent to trust, where trust is defined as “the extent to which one is willing to ascribe good intentions to and have confidence in the words and actions of other people” (Cook & Wall, 1980). Similarly, professor of sociology and social systems theorist, Niklas Luhmann, differentiates between trust and confidence while also relying on the concept of risk. He suggests that, while both trust and confidence refer to expectations that may or may not be fulfilled, trust requires some form of personal involvement and the awareness of risk. Confidence, however, does not involve risk (Luhmann, 2000). Also, in the case of trust, he suggests that there must be an element of choice (e.g., should one trust a particular individual or not?), whereas confidence does not involve any consideration of alternatives.

Finally, with regard to *credibility*, dictionary definitions of “credible” include not only “capable of being believed”, but also “worthy of belief or confidence” (*The American Heritage Dictionary of the English Language*, 2004). These definitions mirror the groundbreaking work on the subject of persuasion conducted by Hovland, Janis, and Kelley, in which they found credibility to be affected by expertise (capable of being believed) and trustworthiness (worthy of belief or confidence) (1953).

In the present context, then, the terms *trust, confidence* and *credibility* are used in the following ways:

<table>
<thead>
<tr>
<th>TABLE 4. Definitions of Trust, Credibility and Confidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
</tr>
<tr>
<td>Credibility</td>
</tr>
<tr>
<td>Confidence</td>
</tr>
</tbody>
</table>

Comparisons between groups and discussion

The Denmark manager and non-manager interviews were characterized by the great deal of confidence that participants had in each other and in other colleagues. In fact, two of the non-managers specifically expressed trust in colleagues by noting that they would confer with them if faced with an ethical dilemma. Each group gave only one indication that there may not be complete confidence among colleagues; the managers noted less motivation in a different department to strictly follow the guidelines, and the non-managers hypothetically noted that rules could help guide those colleagues who might lack personal integrity.
The Brazil managers spoke extensively, though often indirectly, about their confidence in Novo Nordisk colleagues generally to behave ethically. They did, however, also note some lack of confidence among colleagues, especially with regard to newly hired staff who might have good intentions, but need to learn the rules.

The Brazil non-managers also spoke of their confidence in Novo Nordisk staff in general, but expressed a lack of confidence in colleagues. This was the only group to express an explicit lack of trust in colleagues.

Relating trust, credibility, and confidence and talking at work

Although only two of the natural meaning units directly related trust with the issue of talking at work about business ethics, by referring to the definition of trust, that a willingness or reluctance to ask colleagues for advice on how to behave is related to whether the advisee trusts the advisor or not. Because credibility and confidence are prerequisites for trust, it is also clear that employees who view their colleagues as credible and have confidence in them will be more willing to talk with them in order to find answers to ethical dilemmas. Therefore, the interview data lend support to a tentative proposal that the relatively high level of reported trust and confidence at the Denmark affiliate positively influences staff evaluations of talk at work. Conversely, while the relatively low level of reported trust and confidence at the Brazil affiliate negatively influences staff evaluations of talk at work.

Factors that influence level of confidence amongst colleagues

If confidence (and ultimately trust) in colleagues is an important prerequisite for positive staff evaluations of talking at work about ethics, it would be useful to know what factors lead to confidence, or a lack of confidence, among colleagues to adequately address this study’s research question – what influences employee attitudes about open discussions of ethical issues? I identified three factors in the interview data. One is the perceived quality of the recruitment process in terms of screening applicants’ integrity. The Denmark non-managers and Brazil managers exhibited a positive evaluation of the recruitment process, noting that it “weeds out” unethical applicants. The Brazil non-managers (those who showed least confidence in their colleagues), however, expressed doubt about the effectiveness of the recruitment process to exclude unethical applicants, noting that applicants might not be honest during the recruitment process.

A second factor is the conceptualization of the workforce as homogenous or diverse. Several Brazil managers and non-managers noted that each employee at their workplace has his or her own values, habits, and customs, and, for this reason, they may not always agree with their colleagues’ choice of behavior. They referred to this diversity in instances where business ethics rules and guidelines were described as playing a unifying role, and replacing individual, personal evaluations of how to behave with shared, company-issued mandates. It is useful to consider these results in the light of a study on ethics policy implementation that explains the American tendency to take a formal approach to social relations (including a preference for formal ethics programs): Sociologist Anthony Giddons describes formal social relations as a means of dealing with the heterogeneous nature of the American population (Weaver, 2001).

Finally, the amount of workforce turnover may influence the level of confidence. The Brazil staff noted that relatively new employees, particularly, might exhibit “surprising” behavior.
Trust in others as a national characteristic

When considering potential factors that may influence the level of trust in workplaces, it may also be useful to consider the role that nation plays. As one interviewee in Brazil noted, “So, we’re all Brazilian here, and we know that unfortunately in Brazil there’s not a strong ethics culture, tradition”. This statement reflects the practice of describing nations in terms of how much people can trust each other. In the case of Denmark and Brazil, a thought-provoking statistic highlights a national difference: The World Values Surveys (2001-4) reports that Denmark has the highest percentage of positive responses to the statement “Most people can be trusted” (approximately 65 percent of the respondents in Denmark agreed) whereas Brazil was the country with the lowest percentage of positive responses, with less than 5 percent agreeing ("World Values Survey,").

Conclusion and Discussion

The original inspiration for this study was the repeated assertion that dialogue among colleagues about ethics is a positive characteristic of workplace culture, particularly because it encourages ethical behavior. The study sought answers to the question: what influences employee attitudes about open discussions of ethical issues? An analysis of four focus group interviews reveals that attitudes can be influenced by conceptualizations of business ethics and by level of trust, credibility, and confidence among colleagues. Attitudes to talking about ethics were seen to be more positive when (1) employees conceptualize business ethics as guidelines that provide initial, though not always sufficient, input into the decision-making process due to the inevitable existence of ethical grey-zones, and (2) when employees trust and have confidence in each other and judge their colleagues’ credibility positively. The interviews indicated that confidence in colleagues, an important prerequisite for trust, is higher when the workplace recruitment screening process is judged as rigorous, when the workforce is not viewed as diverse, and when there is a low workforce turnover rate. I also noted that nations are seen to differ in terms of how much people trust others, and that this may also influence workplace levels of trust among colleagues.

The results of this study have several potential implications for business ethics program implementation efforts that aim to encourage dialogue about ethics issues. First, an organization’s business ethics program should extend beyond an explicit, formal, and compliance-approach to ethics by including a concern with values and informal norms that can guide staff in the case of inevitable grey-zone dilemmas. Also, trust among colleagues should be encouraged within a workplace. My study stresses the importance of having a rigorous recruitment process that strengthens employees’ confidence in their colleagues’ integrity, low staff turnover rates so colleagues will know each other well, and a strong, shared corporate identity. This final point reinforces the importance of nurturing common values and norms within business ethics programs.

References


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