Chapter 1

Circumscribing Corporate Communications: Theory and Practice

Central themes

- Corporate communications is an area of both professional practice and theoretical inquiry; and naturally the two domains should be linked in a way that advances both.
- Different theoretical perspectives from communications and management theory have been brought to bear upon the field of corporate communications through reflections and research.
- Seemingly in contrast with theoretical perspectives, practitioner views on the corporate communications field place an emphasis on the vocational skills and management competencies needed for the corporate communications job.
- The strategic management view of corporate communications is the most relevant and useful perspective for advancing our understanding of corporate communications as a professional area of practice.
- Corporate communications can be distinguished from other forms of professional communications (including business communications and management communications) by the corporate perspective on which it is based, the stakeholders that it addresses, and the management activities that fall within its remit.

1.1 Introduction

There is a widespread belief in the management world that in today's society the future of any one company depends critically on how it is viewed by key stakeholders such as shareholders and investors, customers and consumers, employees and members of the community in which the company resides. Public activism, globalization and recent accounting scandals have further strengthened this belief, and have also brought the work of communications practitioners into closer orbit.

This book is about the activities that are carried out by these communications practitioners; how these practitioners build and nurture relationships with stakeholders; and how their activities can be strategically managed and organized. It concentrates on strategic and management issues around corporate communications

because corporate communications is essentially a management function that is used by companies in a strategic and instrumental manner. As the book will outline, companies need to be judged as 'legitimate' by most, if not all, of their stakeholders in order to survive and prosper, and corporate communications is the management function that works the hardest to achieve that.

Understanding corporate communications

As a result of the greater importance that is now attributed to corporate communications in the world of management, the numbers of professionals working in the area, and equally the numbers of university courses and professional training programmes that cater for their development, have mushroomed in recent years. Even Master of Business Administration (MBA) students, who in the past have been reluctant to follow business communications and corporate communications courses, are now in the wake of the corporate scandals and economic turmoil in the US calling for taught modules on corporate communications and corporate social responsibility. Of course, communications practitioners need to know how to recognize, diagnose and solve communication-related management problems, but more and more it appears that the need for understanding corporate communications spirals to other management areas, including senior management and the Chief Executive Officer (CEO). It is indeed useful for managers of all ranks to know what the corporate communications function entails; what it can do for their business; and also how conditions can be created in which communications practitioners can work to the best effect.

Understanding corporate communications management has, however, advantages above and beyond corporate success and career advancement. In many companies, the role and contribution of corporate communications is far from being fully understood. In such companies, communications practitioners feel undervalued, their strategic input into decision making is compromised, and senior managers and CEOs feel powerless because they simply do not understand the events that are taking place in the company's environment and how these events may affect the company's operations and profits. Communications practitioners and senior managers therefore need to be able to take a critical perspective on corporate communications; that is, they need to be able to recognize and diagnose communication-related management problems, and have an understanding of appropriate strategies and courses of action for dealing with these. Such an understanding (and the learning and application in practice that it triggers) is not only essential to an effective functioning of the corporate communications function, but also is in itself empowering – it allows communications practitioners and managers to understand and take charge of events that fall within the remit of corporate communications; to determine which events are outside their control; how communications practitioners can contribute to other functional areas within the company; and discover new strategies that the company could have used successfully and will be able to use in the future.

The primary goal of this book is to give readers a sense of how corporate communications is used and managed *strategically*; and how professional and organizational conditions are created that facilitate and support communications practitioners

in their work. The book merges reflections and insights from academic research and professional practice, with the aim of providing a comprehensive overview of the status and playing field of the corporate communications profession. In doing so, the book also provides armoury to communications practitioners and senior managers by providing valuable concepts, insights and tools that can be used in their day-to-day practice.

In this chapter, I will start by circumscribing the field of corporate communications and will introduce the strategic management perspective that underlies the rest of the book. First, I will discuss how corporate communications is an area of both professional practice and theoretical inquiry, and outline how the linking of these two domains advances our understanding of the profession. Then I will explain that corporate communications is a multidisciplinary field with different theoretical disciplines (e.g. mass communications, rhetorics, management) offering different lenses for looking at it; and subsequently start defining the strategic management perspective on corporate communications that is central to this book. This perspective suggests a particular way of looking at the corporate communications profession, and indicates a number of management areas and concerns that will be covered in the remaining chapters. As the book progresses, each of these areas will be explained in detail, and the strategic management perspective as a whole will become more and more clear. Good things will thus come to those who wait, and read.

1.2 The intersection of theory and practice

As with every other business and management discipline that is not only an area of professional practice, but also the subject of theoretical inquiry, one way to start circumscribing corporate communications is by considering theory and practice and how both these domains relate to one another. Academics concerned with building theories and communications professionals who are more immediately involved in the nitty-gritty detail of executing communications programmes, obviously have very different orientations to the corporate communications field. Yet, as I will suggest, combining theoretical and practitioner orientations will be advantageous in that it leads to theory and practice informing each other and ultimately will advance our understanding of the field of corporate communications as a whole.

Traditional views of theory and practice in corporate communications

Traditionally, however, this view of linking theory and practice was not widely shared within corporate communications or adjacent management fields. Many academic commentators in these fields traditionally have been 'on the defensive' in that they have argued against closer links between theoretical inquiry and practice. In fact, some academics have even considered virtually all kinds of practitioner intervention and mediation in academia, including applied research and consultancy, as detrimental to the academic enterprise of basic, fundamental research.² In the view of these academics, theorizing and academic research are naturally directed at fundamental

able 1.1 Academic and practitioner orientations to corporate communications		
	Academic orientation	Practitioner orientation
Value assumptions		
(1) Objective	Basic understanding	Accomplishment
(2) Criteria of excellence	Validity	Effectiveness
(3) Application	Abstract/general	Concrete/specific
(4) Relation to subject area	Reflection (independent	Action and creation
•	and objective)	(involved and subjective)

Table 1.1 Academic and practitioner orientations to corporate communications

understanding per se, rather than understanding for use by professionals;³ and the academic orientation to corporate communications in theorizing and research is as a result distinct and far removed from practitioner reflections on the profession. This distinction in academic and practitioner orientations is based upon the idea that, typically, the academic researcher sacrifices a detailed description and analysis of the specific features of a subject in order to illustrate the general and abstract relations among theoretical concepts – rather than to provide a comprehensive understanding of the subject – while the practitioner focuses on a single and specific problem with the purpose of designing strategies and courses of action for dealing with it (Table 1.1). From this perspective, and as Table 1.1 outlines, knowledge is constituted differently in the academic and practitioner realms according to varying interests, purposes, conventions and criteria of adequacy, and consequently theory (as the outcome of academic deliberations and research) and practice are seen as disparate, with the two domains being too far removed and insulated to have any direct and sustained impact on one another.

As a result of this rift between the academic and practitioner domains many communications practitioners for their part have often turned their back upon theory and research, as they feel that it does not appear to provide anything useful or relevant to their day-to-day affairs. Communications practitioners, it needs to be understood, are, like managers in other fields, typically concerned with short-term actions in response to the specific pressing problems that they are confronted with, and their primary reason for informing their practice with theory would be that it would help them understand their own specific problems better or aid them in identifying scenarios and available courses of action to address them. As much theory and research is pitched at a high level of abstraction, many communications practitioners often have not resorted to theory, as most of it read to them as a paean to inutility.

Towards a theory-informed practice of corporate communications

Yet, while recognizing the apparent differences between the academic and practitioner orientations, I (and others with me) do not favour a juxtaposing or strict separation of both the academic theory and practice domains. In fact, a closer link between both domains will have a number of benefits and not only will aid our overall knowledge of the field, but also will advance professional practice (Figure 1.1). Our knowledge of the field will be enlarged when academic theorizing and research

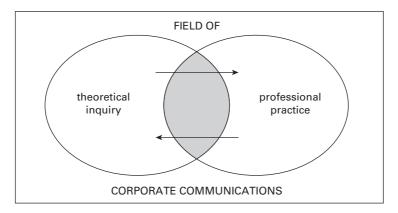


Figure 1.1 The intersection of theory and practice in corporate communications

are more closely related to practice. New insights and knowledge will in fact come from well-established collaborative links between academics and practitioners, which ensures validity in the collection and codification of data, offers anchorage for abstractions and data and tests for hypotheses, and also provides for new understandings that may arise from putting academic knowledge into practice. A good example of such conjoining of academic and practitioner forces is the Reputation Institute, an organization committed to the development of reputation measures that are academically rigorous and valid, but at the same time practical enough to be used by communications consultancies and market research agencies in practice.⁵

In essence, I believe that combining the specific and localized knowledge that comes out of the intelligent reflection and applied research of professionals in practice with academic research that is generally more conceptual and global in outlook will enlarge our overall knowledge base of the corporate communications field. Brinberg and Hirschman have made a similar point with their claim that academic research should be laid next to more applied practitioner reflections and research so that the knowledge coming out of both can inform and complement one another.

The net result is that our overall base of knowledge is enriched because each study addresses it from an alternative orientation. The strengths of one orientation (e.g. the relative emphasis on the development of the conceptual model in academic research) compensate for the weaknesses of another orientation (e.g. the lack of emphasis on the conceptual model in practitioner research).

At this point, it will have become clear that I favour a close link between theory and practice in order to enhance our overall knowledge and understanding of the field (see Figure 1.1); and I have also taken this principle at heart in writing this book so that the most comprehensive overview available of the corporate communications field is provided to the reader. But there is also a second reason for favouring this mutually supportive interplay of the theoretical and the practical; namely that such an interplay can advance the day-to-day practice of communications practitioners.

In 1945, the Chicago psychologist Kurt Lewin claimed that 'nothing is as practical as a good theory'. Lewin's dictum has often been referred to in discussions about the practical utility of academic theory within many professional contexts, including the field of corporate communications. Given the considerable differences in orientations of both academics and professionals that I have outlined (Table 1.1), there are, however, doubts about the direct and instrumental applicability of corporate communications theories in practice, as Lewin's dictum would suggest. That is, because of their academic orientation theorists do not generally produce techniques that can be directly applied to specific situations within practice. A more realistic (and helpful) image, therefore, is the view that practitioners nonetheless can be informed and shaped by theories and research in their work, with theories providing them with ideas, concepts and frameworks that may explain, contextualize or otherwise help them understand what they do on a day-to-day basis (see Box 1.1 below). That is, the real-world situations and problems with which practitioners are confronted are often characterized by uncertainty, complexity and instability, and, as unique cases, cannot be directly solved by general theoretical principles (nor does academic theory yet possess many of these principles!).8 Theory and academic research, however, can act as a source of knowledge, soundboard or interpretive framework to provide practitioners with a better understanding of their day-to-day work, and together with the intelligence, experiences and applied research that practitioners otherwise rely on will provide them with the 'suitable' knowledge to understand and act upon the situation or problem in hand.9

Box 1.1 Management brief: how to 'use' corporate communications theory in practice¹⁴

There are a number of ways in which one can look at the concept of 'using' theory (or theoretical knowledge) in a professional context. From empirical observations, we know that three types of 'uses' can be distinguished:

- 1. Instrumental use: the instrumental type of theory use concerns the traditional view of theory use, where academic theory and research are seen to provide rational solutions to managerial problems in a direct and instrumental way. This type of use is very rare within corporate communications or adjacent management and social science fields because very few of the theories within these fields are in such a formal and elaborate shape that they can directly prescribe actions in practice without requiring any interpretation or adaptation by the practitioner (this type of theory use does, however, have its currency in scientific fields such as physics and engineering where theories contain more procedural, rule-based knowledge).
- 2. Conceptual use: using theories conceptually means that theory offers ideas, problem definitions and interpretative schemes as a set of intellectual tools to practitioners for understanding and anticipating real-world problems. The impact of conceptual use may be more indirect and diffuse than instrumental use, but has nonetheless been found to make up for the bulk of theory use within corporate communications and allied management fields (and should, I believe, even be increased in the light of the notion of 'reflective practice'). For example,

rather than having had a direct and instrumental impact upon practice, the now commonplace concept of integrated marketing communications (IMC) has provided communications practitioners with a metaphor or idea that they have interpreted in the context of their own organizational setting and market environment. The concept of IMC has, for instance, been variously found to have refocused practitioner attention on the link between the marketing communications and marketing functions within strategic management, and to have served as a catalyst in shaking the advertising industry from its enduring myopic view by highlighting a more symbiotic relationship between the public relations and marketing functions.

3. Symbolic use: this involves the use of terms from corporate communications theories by practitioners for their symbolic or rhetorical value to legitimize courses of action and to appease senior management. The current craze about 'reputation management', for instance, suggests that this concept is, at least in part, used by practitioners for its symbolic leverage to acquire esteem and to help them step up to a more senior and strategic level in companies.

Taken together, these different types of theory use provide an overview and quidelines for professionals in selecting theoretical concepts, and for considering how these concepts may be used. Although it is a trite saying, determining the actual relevance and currency of theories is up to the individual communications practitioner. As with most management problems, corporate communications does not involve 'right' or 'wrong' answers or general principles, and practitioners should therefore question whatever theorizing and research there is on the subject and judge for themselves how it applies (conceptually or symbolically) to their own day-to-day practice. At the end of the day, the ideas and guidelines from theory – including the ones presented in this book – will become useful only when blended with what a professional already knows and believes.

By informing their practice with theory and research, practitioners can render some plausible account of how they perform, in other words, articulate a more detailed understanding of their own practice, and become reflective practitioners in the process. 10 Among the advantages of being a reflective practitioner is the ability to transfer skills to others – as one is conscious or aware of the conceptual insights and skills that one bears upon in practice - and the possibility of working out how to adapt one's practice and actions to changed circumstances rather than relying on intuition and trial and error (the so-called 'fly-by-the-seats-of-the-pants' approach), 11 the only route available to the practitioner who cannot reflect upon his/her practice. Theory serves as a resource for practitioners to question continuously and revise their views, and make sense of their situation and experiences that were not easily understood before. This critical and reflective ability that comes from practice informed by theory leads to more sophistication not only in the professional's understanding of the instrumental aspects of the work - what actions lead to what outcomes in what circumstances – but also in the interpreting of the broader economic, social and political context of which it is part; and in the understanding of the kind of society that their work is reproducing or changing.

The importance of theory-informed practice is further strengthened by observations from communications practice that suggest that informed reflection and the use of established concepts from the theoretical body of knowledge are needed to bolster the professional development and status of the corporate communications profession. Such professional development not only would lead to skill development and empowerment of communications practitioners (moving practitioners beyond a mere 'craft' orientation), ¹² but also would enhance the perceived value and accountability of the corporate communications function in the eyes of others (notably the CEO and senior management) and substantially increase the likelihood of the function having an input into decision making and the strategic direction of companies. ¹³ This book responds to this need for reflective practice, or theory informed practice, by providing concepts, insights and findings from theory and research and stipulating through cases and management briefs how these might inform and guide professional practice.

1.3 Theory and practice perspectives on corporate communications

The preceding section has clarified the very different orientations of academics and practitioners to the corporate communications field, but stressed that, amid these differences, there needs to be an interplay of the theoretical and the practical to advance our knowledge of the field and the professional development of practice. In this section I continue outlining the various perspectives that have been brought to bear upon corporate communications from both the academic and practitioner ends, and provide an overview of the different ways in which one can look at the field.

At the theoretical end, as Figure 1.2 indicates, perspectives on corporate communications have been informed and guided by both communications theory and management theory, offering academic researchers various theoretical frameworks to describe, map and explain how organizations communicate and manage relationships with individuals and groups within their environments. Practice has, perhaps understandably, been more concerned with the question of what competencies and skills are needed to 'do the job' and with the trajectories of professional development involved.

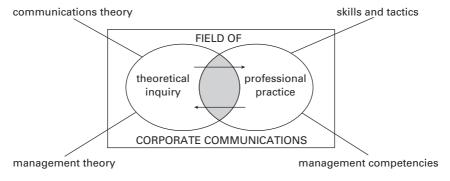


Figure 1.2 Theory and practice perspectives on corporate communications

Theory perspectives on corporate communications

The past decades have witnessed a marked increase in the volume of research into corporate communications. Initially, and until well after 1950, research on the management of communications between an organization and its stakeholders was scattered out among scientific disciplines and mainly completed by researchers working in areas such as social psychology, sociology and even economics and industrial relations. 15 More recently theoretical strands and research activities that previously were disparate have been woven together and integrated into a single theoretical discipline of corporate communications. This theoretical discipline, which in large parts of the world, particularly the US, is still labelled as 'public relations', has started to bring together a considerable amount of research and, as the nexus for these researches, added them up to a coherent whole. In doing so, the corporate communications field has increasingly started to grant itself credibility and independent status as a field of theoretical inquiry (instead of being defined as a subset of mass communications theory, for instance) and is now seen by many as 'maturing' in its theoretical scope, sophistication of its analysis and the many new insights that it has brought.16

As a result of this consolidation, two dominant theoretical strands can now be seen to form the foundation of the theoretical field of corporate communications: (1) theoretical perspectives informed by communications theory; and (2) theoretical perspectives informed by management theory. Both these theoretical strands subsume a huge variety of academic research that employs very different theoretical frameworks and focuses by and large on different areas of the corporate communications field (Table 1.2). The rhetorical and critical perspectives on corporate communications, the dominant theoretical perspectives within the communications strand, for their part, primarily focus on the rhetorical strategies and symbolism within messages issued by an organization, and the effects that these rhetorics and symbolism have on individuals and society as a whole.¹⁷ Rhetorical analysis, dwelling upon communications theory, thus concerns itself principally with the phenomenon, process and effects of communications as rhetorical scholars believe that symbolic behaviour is the essence of how relationships between organizations and stakeholders or publics are created and influenced. Cheney and Dionisopoulous illustrate this claim for the centrality of communications by arguing that symbolism 'must be considered as the substance of organization', and that 'corporate communications must be selfconscious about its role in the organizational process (which is fundamentally rhetorical and symbolic) in responding to and in exercising power (in public discourse) and in shaping various identities (corporate and individual)'.18

The management strand of theory and research on corporate communications is in contrast with the rhetorical and critical perspectives not so much concerned with the act or process of communicating by organizations and its influence upon targeted groups and society at large, but with the management processes that professionals engage in to build relationships with stakeholders. From this management perspective, the focus is thus not on the symbolic act of communicating, as this is only seen as a means to an end (the end being the building and maintaining of favourable reputations and relationships with key stakeholders), but on the analysis, planning,

Perspective Theoretical frameworks used Focus of inquiry Rhetorical analyses of Critical theory, social exchange theory, Communications attitudinal change/persuasion theory, organizational speech in mass theory: rhetorical and discourse theory, semiotic theory, media accounts critical perspectives co-orientation theory Effects (including crisis and disruption) of corporate communications on social systems Decision-making theory, stakeholder Management of communication Management theory: theory, resource dependency theory, and relationships between managerial and orgasystems theory, power-control theory, organization and stakeholders in its nization perspectives

environment

Organizational context (role, location, structuring, professional development) of the corporate communications function

Table 1.2 Theoretical perspectives on corporate communications

contingency theory, conflict theory,

organization theory

programming, tactical and evaluative activities engaged in for communications campaigns. Systems theory, for example, has suggested that for organizations to be effective they must concern themselves with the environment if they are to survive; and that corporate communications can be seen as the critical subunit of the management function of organizations, which is committed to that task. Following a systems perspective, Grunig and Hunt articulate the role of corporate communications as follows: 'they (the [corporate communications] managers) must control conflict and negotiate between the demands of the environment and the need for the organization to survive and prosper'. Importantly, the management spectre through systems theory, or alternative theoretical frameworks within the management strand for that matter, focuses on the corporate communications function from the perspective and interest of the organization (not of individuals or society), and has as such been criticized by rhetorical and critical theorists as being too narrowly focused on corporate communications as a managerial profession, and on the organizational issues that have come to define it.²⁰

On the whole, both the communications and management research traditions are strikingly different in the theoretical frameworks used, units of analysis and even the definition of corporate communications that each has put forward. Yet, these traditions need not be seen as in competition, but should rather be considered as alternative and complementary perspectives for advancing our theoretical knowledge of the field. At their than accepting one research tradition or arguing for one approach, it is because there are differing theoretical perspectives with different assumptions and directions that our overall knowledge of corporate communications is enriched. Nonetheless, as I have already started to suggest, the particular approach of this book is to advance a view of corporate communications from a strategic management perspective. The bulk of theory and research that is sourced to support this view is effectively from the management research tradition. This is not to devalue the communications tradition, or dismiss its currency, but the management tradition will, I believe, have greater value and a more immediate input into the perspectives of practitioners and their professional development.

Practice perspectives on corporate communications

Practitioner perspectives on corporate communications have invariably been at odds with theoretical and academic reflections on the field, as practitioners have always been more immediately concerned with the 'tricks of the trade', or, put differently, the skills and competencies needed by a practitioner to carry out the tasks that fall within the corporate communications remit. At the very start, at the turn of the twentieth century and right up until the 1960s, the period when press agents and public relations officers were employed by corporations to channel and disseminate information into the public realm, emphasis was laid within practice on the vocational skills that were needed to do the job. Communications as an area of professional practice was in itself seen as a vocation and in need of talented individuals who not only possessed a number of 'personality characteristics' such as charisma, patience, discretion and honesty, but had also acquired a talent for handling people and for coming up with startling new ideas. Sam Black, for instance, commented in 1954 that 'it is not necessary to have had any specialized training to possess a good public relations outlook', as 'so much depends on natural common sense and good taste'.22 Edward Bernays, one of the most influential figures in the field, equally emphasized in 1952 that communications management 'rests fundamentally on ideas', generated by a practitioner who is a 'man of character and integrity, who has acquired a sense of judgment and logic without having lost the ability to think creatively and imaginatively'.23

This vocational perspective on practice, which alongside the important personality characteristics of a practitioner also emphasized a whole range of writing and presentational skills, has, primarily due to professional pressures, been complemented with a management view since the early 1970s. Embedded in new understandings and applications of analysis and planning for communications programmes, the management view emphasizes that a whole range of new competencies or abilities need to be acquired by the practitioner including the ability to conduct research, develop strategy and plan for communications programmes.²⁴ Communications itself needs to be seen as a management function (alongside the other management functions of finance, human resources, marketing, research and development, and operations) within the organization. And practitioners, it has been suggested, need to approach their work not so much as 'technicians', who are merely concerned with producing communications materials and disseminating information, but as more rounded 'managers' who use research and planning as the bedrock for their communications programmes and are able to think strategically about the use of communications for organizational problems.²⁵

The management perspective has now, at the start of the twenty-first century, come to full gestation within practice. The 'management mindset' has become ingrained in the heads of many communications practitioners, influencing how these professionals approach their work, and the higher education sector that caters for their development has increasingly shown a preoccupation with communications as a management function. In fact, the traditional location of under- and post-graduate courses on communications in schools of communications and journalism in the US, UK and Europe (e.g. Annenberg School of Communications UCLA, Amsterdam School of Communications Research), following a vocational view of the profession, has over the past decade been rivalled by an increased uptake of corporate communications (as a separate degree or module) in management departments and business schools worldwide (e.g. the Tuck School of Business, Leeds University Business School and the Rotterdam School of Management). Paul Argenti, a professor who teaches corporate communications on the MBA programme at Tuck School of Business, Darthmouth College, gives the following explanation for this trend:

business schools are the most appropriate home for the discipline, because like other functional areas within the corporation (such as marketing, finance, production and human resource management), corporate communications exists as a real and important part of most organizations. As such, it should rightfully be housed in that branch of the academy that deals with business administration or graduate schools of business.²⁶

In 1996, the Education and Training Committee of the Institute of Public Relations in the UK struck a similar chord when it suggested that on the whole it preferred to see corporate communications located in business and management curricula rather than in schools of communications and journalism, from the perspective that the standing of corporate communications needs to be protected and promoted 'as a strategic and vigorous management discipline.²⁷

While not ignoring the importance of vocational skills to past and present communications practitioners, the current view in practice is indeed very much geared towards promoting and adopting communications as a management discipline. Recent surveys indicate, however, that despite this interest, and the related understanding among practitioners that new sets of management competencies need to be learned, the large majority of them are still lagging behind in their professional development. 28 The need for an understanding of corporate communications as a management function is thus timely, requiring first of all a greater understanding of the strategies and activities that it involves as well as the competencies and skills that it requires from practitioners. The following section outlines this strategic management perspective on corporate communications, and the themes and topics that will be discussed in the remainder of the book.

1.4 The strategic management perspective on corporate communications

Corporate communications can be seen as a management function; a perspective favoured and aspired to by communications practitioners, and a view central to much corporate communications theory and research.

Corporate, management and business communications

When seen in such a manner, corporate communications can, for definitional purposes, be further distinguished from other professional forms of communications within organizations, including business communications and management communications. Corporate communications focuses on the organization as a whole and the important task of how an organization is presented to all of its key stakeholders, both internal and external. Business communications and management communications are more technical and applied²⁹ – focusing on writing, presentational and other communications skills - and their focus is largely restricted to interpersonal situations, such as dyads and small groups within the organization. Business communications, for its part, tends to focus almost exclusively on skills, especially writing, and looks towards the communicator himself or herself for its focus, while corporate communications focuses on the entire company and the entire function of management.³⁰ The corporate communications function, as I have already started to suggest above, is also broader than vocational, technical skills alone because of the concepts, principles and management approaches that fall under it. More specific, the function's central concepts of stakeholder, corporate identity and reputation (see below), cannot be understood, approached, let alone managed, by mastering communications skills alone. Communications practitioners, or rather 'managers', thus need management competencies to analyse the position and reputation of their own organization with all of its stakeholders, determine the corporate profile or 'identity' (i.e. the corporate values, messages, images and stories) that needs to be projected, develop and plan communications programmes for it, and evaluate the results that these programmes have achieved afterwards.

Corporate communications as a management function

A central concern stemming from this understanding of corporate communications is the need for organizational structures, rules, routines and effective procedures that actually facilitate this process of decision making and execution concerning corporate communications. 31 Having such structures, routines and procedures in place becomes even more pertinent in consideration of the many communications practitioners, working across all areas of internal and external communications, that need to be coordinated in their work so that a clear, forceful and consistent image of the organization is projected to each and every one of its stakeholders. In other words, corporate communications is not just a catchy umbrella term for the many different communications disciplines in an organization, but, as a management function, is actively charged with overseeing and coordinating the work done by practitioners within each of them. Van Riel, in his book on corporate communications, equally suggests that corporate communications is 'an instrument of management by means of which all consciously used forms of internal and external communications are harmonized as effectively and efficiently as possible', with the overall objective of creating 'a favorable basis for relationships with groups upon which the company is dependent'.32

Together with this view of corporate communications as a management function comes the understanding that corporate communications is at the same time a managerial profession from the perspective of practitioners, suggesting that a number of management competencies need to be acquired by practitioners (alongside the requisite vocational skills) to work and survive within it. The concept of strategic management enters into, and elaborates on, both these levels. At the level of the profession,

Table 1.3 Characteristics of strategic management and operational management

	Strategic management	Operational management
Scope	Organization-wide/fundamental (strategic)	Operationally specific and tactical (craft)
Nature of strategies	Changing and varied (in response to environment and changing corporate objectives)	Routinized and programmed (executing and fine-tuning existing strategies)
Time-frame	Long-term implications	Short-term implications
Role of practitioner Reflective and strategic		Pragmatic and tactical

the adjective 'strategic' in strategic management suggests that professionals need to be able to reflect upon their practice and critically understand their actions, and need to manoeuvre and devise communications programmes in the light of (changing) corporate objectives. A second sense in which the adjective 'strategic' plays a part is in the way in which corporate communications, as a management function, is put to use in and for organizations. Organizations need to understand, from a strategic perspective, how corporate communications can work most effectively; and how it can be used for corporate objectives and to increase organizational performance.³³ In other words, from an organizational perspective, the interest is in knowing how the management function of corporate communications can be used to meet corporate objectives, how the function therefore needs to be organized, and with what resources it needs to be vamped to fulfil its potential. The nature of 'strategic management' in this sense also suggests that corporate communications is valued for its strategic input into decision making and the overall corporate strategy, and not just for its operational excellence in managing communications resources and programmes already deployed within the context and guidance of an existing strategy. The strategic management of corporate communications – as opposed to the mere operational management of the function – thus implies a more organization-wide or corporate scope and involvement where communications is integrally linked to corporate objectives and with generally more long-term implications, instead of an operationally specific scope with more shortterm and tactical implications. Table 1.3 summarizes some of these differences between the strategic and operational management of corporate communications.

Characteristics of corporate communications as a management function

The previous sections of this chapter have already started to suggest that corporate communications can be characterized as:

1. A management function that requires communications practitioners to look at all communications in a holistic manner, and to link the communications strategy to the corporate strategy and corporate objectives. Communications is as such not seen as a

- fragmented range of tactics that are employed impromptu, but as a strategic and planned set of actions that follow from the overall corporate strategy.
- 2. A managerial framework for managing all communications used by an organization to build reputations and relationships with stakeholders in its environment. This does not necessarily mean that communications disciplines, and the practitioners responsible for them, are integrated into one and the same department. Corporate communications offers a managerial framework that goes above and beyond departmental boundaries, and enables the coordination of the work of the communications practitioners involved.
- 3. A vocabulary of concepts and sets of techniques for understanding and managing communications between an organization and its stakeholders. Rather than considering the outside environment of an organization primarily in terms of markets or publics, many organizations and the communications practitioners who work within them now view the environment in terms of the various stakeholder groups upon which the organization is dependent.

Overall, if a definition of corporate communications is required, these characteristics can provide a basis for one:

Corporate communications is a management function that offers a framework and vocabulary for the effective coordination of all means of communications with the overall purpose of establishing and maintaining favourable reputations with stakeholder groups upon which the organization is dependent.

A consequence of these characteristics of corporate communications is that they are likely to be complex in nature. This is especially so in organizations with wide geographic scope, such as multinational firms, or with wide ranges of products or services, where the coordination of communications often appears to be a balancing act between corporate headquarters and the various divisions and business units involved. However, there are other significant problems in developing effective corporate communications strategies. Corporate communications demands an integrated approach to communications management. Unlike functional problems and a more specialist frame of reference, corporate communications transcends the specialties of individual communications practitioners (e.g. advertising, direct marketing, media relations, etc.) and crosses functional boundaries to harness the strategic interests of the organization at large. When attuned to the strategic direction and scope of the organization as a whole, corporate communications is also a way of managing communications that is relevant for all types of organizations, however large and whatever sector they operate in. It has often been thought that only large organizations in the private sector (e.g. Fortune 500 companies) need a vocabulary and tools for orchestrating their communications. Smaller companies, including small manufacturing companies and family-owned businesses, as well as larger organizations in the public sector such as hospitals and universities, may indeed have less communications resources and little fully-fledged communications disciplines when compared to large private firms. However, communications to the various stakeholder groups of these kinds of organizations still needs to be aligned and integrated: a need that can be met by corporate communications as a guiding philosophy.

A definition of corporate communications has been given. Of course, any definition has limitations and may lead to lengthy discussions about its exact scope and precision, and whether everyone would agree with it. In fact, there are different definitions according to different authors. There is also a variety of terms used in relation to corporate communications, so it is worth devoting a little space to clarifying some of them. Table 1.4 defines the key terms that readers will come across in this and other books on corporate communications, and that form the vocabulary of the management function of corporate communications, and also shows how these relate to a specific organization — in this case British Airways.

Not all of these terms are always used in corporate communications books. Moreover, it may or may not be that mission, objectives, strategies and so on are written down precisely or indeed formally laid down within an organization. As will be shown in Chapter 4, a mission or corporate identity, for instance, might sometimes more sensibly be conceived as that which is implicit or can be deduced about an organization from what it is doing and communicating. However, as a general guideline the following terms are often used in combination with one another.

A mission is a general expression of the overriding purpose of the organization, which, ideally, is in line with the values and expectations of major stakeholders and concerned with the scope and boundaries of the organization. It is often referred to with the simple question 'what business are we in?'. A vision or strategic intent is the desired future state of the organization. It is an aspirational view of the general direction in which the organization wants to go, as formulated by senior management, and requires the energies and commitment of members of the organization. Objectives and goals are the more precise (short-term) statements of direction in line with the formulated vision, which are to be achieved by strategic initiatives or strategies. Strategies involve actions and communications that are linked to objectives, and are often specified in terms of specific organizational functions (e.g. finance, operations, human resources, etc.). Operations strategies for streamlining operations and human resource strategies for staff support and development initiatives are common to every organization as well as, increasingly, full scale corporate communications strategies.

Key to having a corporate communications strategy is the notion of a *corporate identity*: the basic profile that an organization wants to project to all of its important stakeholder groups and how it aims to be known by these various groups in terms of the *corporate images* and *reputations* that they hold. To ensure that different stakeholders indeed conceive of an organization in a favourable and broadly consistent manner, and also in line with the projected corporate identity, organizations need to go to great lengths to *integrate* all of their *communications* from brochures to websites in tone, themes, visuals and logos.

The *stakeholder* concept takes centre stage within corporate communications management at the expense of considering the environment just in terms of markets and publics. This is not so much the result of a different way of thinking about markets and publics, as these are still important groups to be addressed by the organization, but concerns a shift towards a more inclusive view in which the organization recognizes a larger number of groups upon which it is dependent (and that literally hold a 'stake' in the organization). Stakeholders include groups that have primarily an economic or contractual relationship with the organization such as employees,

Table 1.4 The vocabulary of corporate communications

Concept	Definition	Example: British Airways*
Mission	Overriding purpose in line with the values or expectations of stakeholders	'British Airways is aiming to set new industry standards in customer service and innovation, deliver the best financial performance and evolve from being an airline to a world travel business with the flexibility to stretch its brand into new business areas'
Vision/strategic intent	The long-term aims and aspirations of the company for itself.	'To become the undisputed leader in world travel by ensuring that BA is the customer's first choice through the delivery of an unbeatable travel experience'
Corporate objectives and goals	(Precise) statement of aims or purpose	'To be a good neighbor, concerned for the community and the environment', 'to provide overall superior service and good value for money in every market segment in which we compete', 'to excel in anticipating and quickly responding to customer needs and competitor activity'
Strategies	The ways or means in which the corporate objectives are to be achieved and put into effect	'Continuing emphasis on consistent quality of customer service and the delivery to the marketplace of value for money through <i>customer-oriented initiatives</i> (on-line booking service, strategic alliances) and to arrange all the elements of our service so that they collectively generate a particular experience – building trust with our shareholders, employees, customers, neighbors and with our critics, through commitment to good practice and societal reporting'
Corporate identity	The profile and values communicated by an organization	'The world's favorite airline' (this corporate identity with its associated brand values of service, quality, innovation, cosmopolitanism and British-ness is carried through in positioning, design, livery, and communications)
Corporate image	The immediate set of meanings inferred by an individual in confrontation/ response to one or more signals from or about a particular organization at a single point in time	'Very recently I got a ticket booked to London, and when reporting at the airport I was shown the door by BA staff. I was flatly told that the said flight in which I was to travel was already full so my ticket was not valid any further and the airline would try to arrange for a seat in some other flight. You can just imagine how embarrassed I felt at that moment of time. To add ghee to the fire, the concerned official of BA had not even a single word of apology to say' (customer of BA).
Corporate reputation	An individual's collective representation of past images of an organization (induced through either communication or past experiences) established over time	'Through the Executive Club program, British Airways has developed a reputation as an innovator in developing direct relationships with its customers and in tailoring its services to enhance these relationships' (longstanding supplier of BA).

Table 1.4 (Continued)

Concept	Definition	Example: British Airways*
Stakeholder	Any group or individual that can affect or is affected by the achievement of the organization's objectives	'Employees, consumers, investors and shareholders, community, aviation business and suppliers, government, trade unions, NGOs, and society at large'
Public	People who mobilize themselves against the organization on the basis of some common issue or concern to them	'Local residents of Heathrow Airport appealed in November 2002 against the Government and British Airways concerning the issue of night flights at Heathrow airport. The UK Government denied that night flights violated local residents' human rights. British Airways intervened in support of the UK Government claiming that there is a need to continue the present night flights regime'
Market	A defined group for whom a product is or may be in demand (and for whom an organization creates and maintains products and service offerings)	'The market for British Airways flights consists of passengers who search for superior service over and beyond the basic transportation involved'
Issues	An unsettled matter (which is ready for a decision) or a point of conflict between an organization and one or more publics	'Night flights at Heathrow Airport: noise and inconvenience for local residents and community'
Communications	The internal and external communica- tions techniques and media that are used towards internal and external groups	'Newsletters, promotion packages, consultation forums, advertising campaigns, corporate design and code of conduct, free publicity/public relations'
Integration	The act of coordinating all communications so that the corporate identity is effectively and consistently communicated to internal and external groups	'British Airways aims to communicate its brand values of service, quality, innovation, cosmopolitanism and British-ness through all its communications in a consistent and effective manner'

^{*}extracted from British Airways annual reports and the world wide web.

unions, distributors, suppliers, shareholders and customers, as well as groups whose relationship is more diffuse and also primarily societal or moral in nature, such as the media, special interest groups, non-governmental organizations (NGOs), community members and the government. A breaking point for the stakeholder concept is that organizations have increasingly become aware of the need for an 'inclusive' and 'balanced' stakeholder management approach that involves actively communicating with and being involved with all stakeholder groups upon which the organization is dependent and not just with shareholders or customers.³⁴ Such awareness stems from high profile cases where undue attention to certain stakeholder groups led to crisis and severe damage for the organizations concerned, government initiatives in the US, UK and the European community that favour stakeholder management and social reporting, and influential think-tanks such as Tomorrow's Company and management consultancies that continue to stress its importance.

All of these terms will be discussed in detail in the remainder of the book, but it is worthwhile already to emphasize how some of them hang together. The nub of what matters in Table 1.4 is that corporate communications is geared towards establishing favourable corporate images and reputations with all of its stakeholder groups, so that these groups act in a way that is conducive to the organization. In other words, through favourable images and reputations existing and prospective customers will purchase products and services, members of the community will appreciate the organization, investors will grant financial resources, and so on. It is the spectre of a favoured or damaged reputation - of having to make costly reversals in policies or practices as a result of stakeholder pressure or, worse, as a consequence of a selfinflicted wound - that overhangs the urgency with which integrated stakeholder management now needs to be treated.

The definitions and vocabulary presented furthermore point to a number of topics that define this strategic management perspective on corporate communications. Each of these topics is discussed in more detail in the remaining chapters of this book. A first central topic involves the process of developing communications strategy in line with the overall corporate strategy of an organization, and in account of the important stakeholders and issues that are of concern to that organization. As Chapter 4 outlines, this requires an understanding of the strategic value and contribution of corporate communications to the organization and a grounded insight into how strategy is developed, how the organizational environment and its stakeholders can be analysed and mapped, how strategic action is taken, how communications programmes are developed, and how the effects of communications can be identified and tracked. Another important topic involves the question of how communications practitioners and their work can be best organized. The organization of communications in terms of the hierarchical position of communications within the organization, and the integration and coordination of communications work, is covered in an in-depth manner in Chapter 5. Viewing corporate communications as a management function also involves an understanding of the various competencies and skills that it requires of different communications practitioners, and the 'manager' and 'technician' roles that these practitioners fulfil within the corporation. Chapter 6 deals with the subject of professional roles and competencies and suggests ways in which communications practitioners can be supported in their work and development. Each of these topics is, as mentioned, covered in an in-depth manner in the remaining

chapters of the book by combining knowledge from the theory and research domain with insights from best practice cases from organizations in the US, UK, continental Europe and elsewhere. In all, corporate communications thus represents a particular view and philosophy of communications management and embodies a number of strategic, structural and professional changes. In the remainder of the book, the term 'corporate communications' is explicitly used when referring to this particular perspective of communications, while the terms communications, public relations, public affairs and marketing communications are used as general and more descriptive terms for talking about and characterizing communications practice.

1.5 Chapter summary

All organizations, of all sizes, sectors and operating in very different societies, must find ways to successfully establish and nurture relationships with their stakeholders upon which they are economically and socially dependent. The management function that has arisen to deal with this task is corporate communications; and this chapter has made a start with circumscribing the importance and key characteristics of it. For one, as we have seen, depending on whether one is looking at corporate communications through the eyes of a theorist or practitioner, the spectacle is rather different. Yet, despite this divergence in views, both the 'theory' and 'practice' camps now appear to converge on their view of corporate communications as a management function. The remaining chapters in Part 1 of the book describe in more detail how corporate communications historically emerged and how it has grown into the management function that it is today. Chapter 2 discusses the changing socio-economic conditions that led to the emergence and increasing importance of corporate communications. Chapter 3 discusses three key theoretical concepts within the strategic management view of corporate communications: stakeholder management, corporate identity and reputation. Each of these concepts has also amassed huge interest in recent years in the world of organizations.

An organization, as mentioned, needs to have a public profile and favourable reputation with most, if not all, of the stakeholder groups upon which it is dependent, and a challenging – at times daunting – task is to develop an integrated communications strategy that clearly signals the strategic direction of the organization and demonstrates a commitment to its stakeholder groups. The many layers that are involved in communications strategy, including decision making concerning communications strategy, the analysis of the organizational environment and its stakeholders, the development of communications programmes, and the measurement of communications effects (i.e. corporate reputations) are covered in detail in Chapter 4 in Part 2 of the book. Communications strategy and the overall responsibilities of corporate communications also cut across different domains and departments (e.g. marketing, public relations) of the organization, making the question of how organizations can design structures that facilitate interaction between communications practitioners and the integration of their work a very significant one indeed.³⁵ Chapter 5 answers this question in detail. Chapter 6, the last chapter in Part 2 of the book, zooms in on the person of the communications practitioner in terms of the required competencies and skills for enacting particular roles within the organization.

The issue of training and development of these practitioners is in part covered in Chapter 6, but is also carried over and further discussed in Chapter 7, the last chapter of the book. Chapter 7 also provides a number of directions and recommendations for the function and profession of corporate communications in the future.

At this point, all of these themes and issues may seem a little overwhelming. I hope that most readers feel a little overwhelmed. Corporate communications is an exceptionally complex management function, and up until now the intricate strategic, structural and political ideas and issues that characterize the function have been largely uncharted territory. True, there is a large number of books, training programmes, and consultant gimmicks out there that depict effective corporate communications as the simple application of a number of 'proven' tools and techniques. Unfortunately, these depictions are as glib as they are misleading. There are a number of principles, insights and tools that can be turned to in most corporate communications situations, but they are neither simple, foolproof, nor generally applicable to every case. My goal in the remaining chapters of this book is to explain those principles, insights and tools and indicate how communications practitioners can analyse and understand the complexities that they face in their day-to-day work and choose appropriate strategic responses.

Key terms

Business communications

Corporate communications Corporate identity

Corporate image

Corporate reputation

Integration Issues

Management communications

Market Mission Operational management

Practice

Professional development

Public

Reflective practitioner

Stakeholder

Strategic management

Strategies Theory Vision

Notes

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⁴Cornelissen, J.P. (2000), 'Toward an understanding of the use of public relations theories in public relations practice', Public Relations Review, 26 (3), 315–326.

⁵The Reputation Institute is a private research organization founded by Charles Fombrun (Stern School of Business, New York University) and Cees van Riel (Erasmus University, Rotterdam), bringing together a global network of academic institutions, market research agencies, communications consultancies and corporations, with the purpose of advancing knowledge about corporate reputation measurement (see http://www.reputationinstitute.com/).

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