

Towards a new stakeholder-inclusive conceptual framework to strengthen internal corporate image

ABSTRACT

It is widely reported in the literature that employees' image of the organisation has a direct influence on external stakeholders' image of the organisation. This research attempted to address the need for an approach that facilitates employee engagement coupled with a leadership approach that allows collaboration, inclusion and co-operation within the organisation, to strengthen the internal corporate image. A synthesis of the literature from a unique stakeholder-inclusive perspective, depicted in the King III Report on corporate governance, was conducted to identify the theoretical principles for a preliminary conceptual framework explored through a case study approach. Parsec Technologies Pty Ltd was purposively selected as case study, because it was the 2012 and 2013 winner in the manufacturing sector of the Deloitte Best Company to Work For (BCTWF) survey, and served as a best practice organisation in the context of this research. Data triangulation by means of one-on-one interviews, focus groups and an open-ended survey was conducted with employees to determine the pragmatic relevance of the proposed framework. The findings culminated in a new generic stakeholder-inclusive conceptual framework to strengthen the internal corporate image by means of the AA1000 Stakeholder Engagement Standard elements and responsible leadership. Although a single case study is limited, this framework contributed to the body of knowledge on corporate image to provide organisations with guidelines for strengthening their internal corporate image.

INTRODUCTION

The “images held by the external stakeholders are a function and a reflection of those held by employees – the internal stakeholders of the organisation” (Rensburg & De Beer, 2011:160). According to Cravens, Goad Oliver and Ramamoorti (2003), employees are the core resource on which the corporate image and eventual corporate reputation is built. Loyalty of customers and other stakeholders to the organisation is also directly linked to employee loyalty to the organisation. If employees do not trust the organisation they work for, it is most likely that they will openly voice their thoughts and feelings about the organisation, which could be detrimental to the overall reputation of the organisation, resulting in the dissolution of its successes (Dortok, 2006). Conversely, it is also essential for employees to be associated with a reputable organisation (Helm, 2011), because employees’ pride in their organisation is a key indicator of organisational effectiveness (Pruzan, 2001).

Existing research that recognises the central role that employees play in the formation of an organisation’s corporate image and reputation includes, among other aspects, the general exploration of employees’ influence on corporate image, reputation-building and management (Magee, 2012; Dortok, 2006; Cravens & Goad Oliver, 2006; Cravens et al., 2003); employees’ awareness of their influence on the corporate reputation (Helm, 2011), and the development of measuring instruments to assess employees’ and customers’ perceptions of the corporate image and reputation (Davies, Chun, Da Silva & Roper, 2004). It is however argued that, in order to build and maintain a positive corporate image, employee engagement is essential (Helm, 2011). This implies that employees should be engaged in the decision-making processes of the organisation, which would ultimately require a relational leadership approach that facilitates collaboration and co-operation in the organisation (Maak & Pless, 2006a). Although research has been conducted on the link between stakeholder engagement and corporate reputation (Romenti, 2010), a gap exists in the literature to provide organisations with an approach indicating how stakeholder engagement, coupled with a collaborative leadership approach, could be applied to build the corporate reputation, with specific emphasis on employees as foundation. To address this gap, it is necessary to provide an approach to build the corporate image as starting point, which could ultimately lead to the building of the corporate reputation. Consequently, the research reported on in this article proposes a new conceptual framework to strengthen the internal corporate image of the organisation, based on the stakeholder-inclusive approach as depicted in the King III Report on corporate governance (Institute of Directors of South Africa [IoDSA], 2009) – an approach that has not been applied to corporate image literature before.

Based on the above contextualisation, this article focused on addressing the research problem of determining whether the implementation of a stakeholder-inclusive approach could strengthen the internal corporate image of the organisation, by means of the AA1000 Stakeholder Engagement Standard (AA1000SES) elements and responsible leadership to establish stewardship among employees. To address this research problem, two objectives were identified. Firstly, the literature was explored and synthesised from a unique stakeholder-inclusive perspective, to identify the theoretical principles for a preliminary conceptual framework to strengthen the internal corporate

image. Secondly, these theoretical principles were explored by means of a case study involving Parsec Technologies Pty. Ltd., which served as a best practice organisation in the context of the study. This qualitative exploration is the first phase of a larger research project and foundation for quantitative testing to develop a new framework which could strengthen the internal corporate image.

The remainder of the article will focus on defining the key concepts, specifically the reciprocity between corporate reputation, corporate image and corporate identity, to serve as contextualisation for the focus on internal corporate image. This section will be followed by an overview of the proposed theoretical principles for a preliminary conceptual framework that could strengthen the internal corporate image. An elaboration on the methodology used to explore the theoretical principles at Parsec Technologies Pty. Ltd. will be provided, followed by the reporting and discussion of the findings. The article will conclude with a graphical depiction and discussion of a generic stakeholder-inclusive conceptual framework for strengthening the internal corporate image.

1. DEFINITIONS OF KEY CONCEPTS

Numerous schools of thought, approaches and perspectives are applied to the concepts of corporate reputation, corporate image and corporate identity (Balmer, 2008; Bick, Abratt & Bergman, 2008; Bendixen & Abratt, 2007; Balmer & Greyser, 2005; Fombrun & Van Riel, 2005; Balmer, 2001; Pruzan, 2001; Van Riel & Balmer, 1997). Although a corporate branding, customer-centric perspective is often prevalent in corporate image literature, the current research was based on a broad, corporate communications perspective, which is perceived as a function that regards communication as a strategic function for managing all organisational communication, enabling the organisation to build a favourable reputation and sustainable relationships with internal and external stakeholders (Cornelissen, 2011). Based on this broader perspective, the strategic approach to corporate identity (Hatch & Schultz, 2000; Cornelissen, 2011), whereby corporate identity is defined as part of a strategic process linking corporate strategy, corporate image and corporate reputation, was accepted for the purpose of this article. This implies that corporate reputation was defined in terms of its interconnectedness with corporate image and corporate identity. In support of this interconnected relationship, Balmer and Greyser's (2005) three definitions of corporate reputation, corporate image and corporate identity were accepted: **Corporate reputation** is regarded as the perception that an individual or group has of the organisation over time. **Corporate image** is an individual or group's perception of the organisation at a specific point in time. At the heart of corporate reputation and corporate image lies **corporate identity**, which represents the "central idea of the organisation" or corporate personality and character, which includes the vision, core values, mission, philosophy and the corporate culture of the organisation.

The focus of this article is on internal corporate image specifically, which is based on the distinction between the internal and external stakeholder orientation of corporate image Gioia made (2000). Therefore, internal corporate image is defined as the perception that employees – as internal organisational stakeholders themselves – have of the organisation at a specific point in time. Employees constitute all lower-level employees and day-to-day management in teams,

departments and divisions, excluding members of strategic management (Welch & Jackson, 2007). In terms of this study, employees, as an internal organisational stakeholder group, also included members of strategic management, although a distinction was made between the leader of the organisation (Chief Executive Officer), management (strategic management and day-to-day management), and general employees (non-management). Based on these definitions and the focus of the article on the potential influence that the internal corporate image might have on external corporate image, it is argued that a method for strengthening the internal corporate image could serve as starting point for strengthening the external corporate image and, ultimately, corporate reputation.

2. THEORETICAL PRINCIPLES

To address the first objective in approaching the research problem, this section will provide an overview of the theoretical principles of the preliminary conceptual framework.

2.1 The stakeholder theory

Freeman (1984) was the first researcher to introduce the importance of stakeholder groups other than customers and employees (Mainardes, Alves & Raposo, 2011). The stakeholder theory concentrates on the maximisation of value for all stakeholders aligned with the organisation's strategy to ensure the fulfilment of mutually beneficial objectives for both the organisation and stakeholder (Freeman, Harrison, Wicks, Parmar & De Colle, 2010). The stakeholder theory emphasises that business success is achieved through the creation of supportive communities, which are established through building sustainable stakeholder relationships. Various approaches and derivatives of the stakeholder theory have been developed over the years, of which Donaldson and Preston's (1995) three stakeholder paradigms – instrumental, descriptive, and normative – are the most important (Mainardes et al., 2011; Amaeshi, 2010). The instrumental and descriptive paradigms are not relevant to this study, as they are aimed at achieving the economic self-interests of the organisation. The normative paradigm, on the contrary, is oriented towards establishing a relationship between the organisation and stakeholders within an ethical and morally acceptable framework (Mainardes et al., 2011). The normative paradigm is also congruent with the relational perspective of strategic management, which underscores the original intention of stakeholder theory by viewing the relationship between an organisation and its stakeholders as a two-way relationship (Freeman et al., 2010). The pragmatic relevance of the stakeholder theory to a stakeholder-inclusive approach in strengthening the internal corporate image, is that the relationship between management and general employees is not oriented towards achieving the self-interests of the organisation, but to achieving mutually beneficial objectives, based on high ethical and moral standards.

2.2 Integrated internal communication

Rensburg and De Beer (2011) identified three prominent approaches to internal communication, namely, a stakeholder approach; a knowledge management approach and a resource-

based approach. The stakeholder approach represents Welch and Jackson's (2007:186) perspective on internal communication as "communication between an organization's strategic managers and its internal stakeholders, designed to promote commitment to the organization, a sense of belonging to it, awareness of its changing environment and understanding of its evolving aims". The knowledge management approach embodies Kalla's (2005) integrated internal communication approach, which is a multidisciplinary approach to all communication within the organisation, with an emphasis on knowledge sharing. Lastly, the resource-based approach is a strategic internal communication approach based on the resource-based theory and instrumental stakeholder concept, whereby internal stakeholders should be controlled and managed to the benefit of the organisation to ensure a competitive advantage. The resource-based approach to internal communication is not applicable to this article, as it focuses on exploiting employees to the benefit of the organisation. Although Welch and Jackson's (2007) stakeholder approach to internal communication is supported since it allows employee engagement with all internal organisational stakeholders, Kalla's (2005) integrated internal communication approach is utilised for the purpose of this article, as it underlines the importance of not only employee engagement, but also of knowledge-sharing at all levels of the organisation.

Integrated internal communication draws from various communication domains, such as business communication, management communication and organisational communication, with an emphasis on message consistency to avoid] message fragmentation (Welch & Jackson, 2007). The most prominent focus of integrated internal communication is that an organisation's competitive advantage lies within effective internal knowledge-sharing, which "is the formal and informal exchanges through ongoing social interaction, which mobilizes knowledge that is dispersed around the organization" (Kalla, 2005:310). It should be noted that knowledge-sharing falls within the communication component of knowledge management, which has to be studied in conjunction with knowledge creation (Barker, 2011). Knowledge creation is the process of obtaining and strengthening knowledge that was created by individuals and integrating it into an organisation's existing knowledge system (Nonaka, Von Krogh & Voelpel, 2006). This implies that the knowledge that employees obtain benefits fellow colleagues, and ultimately, the organisation as a whole.

Integrated internal communication is also closely related to Katsoulakos and Katsoulakos' (2007) responsiveness dimension of strategic management (Rensburg & De Beer, 2011). Responsiveness is, among others, dependent on the organisation's learning and innovative capability, as "learning is the only sustainable source of competitive advantage" (Katsoulakos & Katsoulakos, 2007:360). Learning is dependent on the collaboration motivation of knowledge network members and their capacity for knowledge absorption, which could ultimately be facilitated by stakeholder engagement. Therefore, it could be argued that the process of knowledge creation and sharing stems from a collaborative corporate climate (fostered by the leader of the organisation), enabling employees to absorb and ultimately apply the knowledge obtained from fellow colleagues. A collaborative corporate climate in the context of this study refers to "mutually sharing norms of behaviour" (Yang, 2007:532).

From this perspective it could be argued that integrated internal communication does not only provide alignment between various internal communication messages sent from different channels in the organisation, but also facilitates knowledge creation and sharing as an avenue for creating understanding, commitment, belonging and awareness among employees which is, in essence, the goals of internal communication (Welch & Jackson, 2007). The realisation of these goals could assist employees with absorbing the knowledge and further apply what was learned.

For the purpose of this study it is inferred that integrated internal communication creates the ideal platform for the integration of a stakeholder-inclusive approach to engage employees in decision-making and to collaboratively identify, manage and resolve challenges, as well as to address opportunities.

2.3 *Aula's arena model of reputation*

Aula's (1996) arena model of reputation emphasises the dual function that communication could have in building the organisation's reputation. A "reputation arena" refers to the interaction between the organisation and stakeholders in different contexts, where the arena represents the domain where the organisation communicates with its stakeholders (Aula & Mantere, 2013). The four arenas (*peace, defence, offense* and *riot*) proposed by this model are based on two acts of meaning-making, namely "sensegiving" (communication focused on maintaining coherence among various beliefs between the organisation and stakeholder), and "sensebreaking" (communication aimed at breaking existing meanings with the main purpose of amending these meanings). (Aula & Mantere, 2013). The peace arena is of specific relevance to the proposed conceptual framework, as it represents a domain of little or no contradictions or disagreements between the organisation and stakeholders, and both parties are in agreement on their meanings of the organisation (Rensburg & De Beer, 2011). "Sensebreaking is [therefore] reciprocated with sensegiving" (Aula & Mantere, 2008:62). Although the peace arena could be regarded as idealistic, it is argued that, in order to strengthen the internal corporate image, communication between management and general employees needs to occur within the peace arena context. A platform of integrated internal communication could simulate a peace arena as it provides, in this context, room for creating understanding between strategic management and general employees to identify, manage and resolve challenges, as well as to address opportunities collaboratively.

2.4 *Stakeholder inclusivity*

The stakeholder-inclusive approach obtained global significance, especially in South Africa, with the publishing of the King III Report on Corporate Governance, among other documents (Rensburg & De Beer, 2011). Stakeholder inclusivity implies that organisations give stakeholders a right to be heard, while simultaneously accepting the responsibility to account to them (AA1000SES, 2005). Stakeholder interests are therefore considered when deciding on the best interests of the organisation (IoDSA, 2009). For the purpose of this

study, stakeholder engagement is accepted as a tool to achieve stakeholder inclusivity (AA1000SES, 2005).

2.4.1 Stakeholder engagement

Stakeholder engagement represents the organisation's endeavours to involve strategic stakeholders in decision-making, to encourage participation in organisational activities and to recognise the potential influence that one's actions might have on another (Magee 2012; Noland & Phillips, 2010). In order to strengthen the internal corporate image from a stakeholder-inclusive perspective, it could be argued that employees should be provided with a voice by means of access to decision-making processes and active participation in organisational activities, which could be achieved in the context of this study through the integration of the three AA1000SES elements and responsible leadership.

AA1000SES: AA1000 Series elements relating to stakeholder engagement

The purpose of the AA1000SES, established by AccountAbility, is to provide a generic framework to assist in improving the design quality, implementation, assessment, communication and assurance of internal and external stakeholder engagement (AA1000SES, 2005). It should be noted that, although there is a later edition of the AA1000SES available, the 2005 edition of the report was used in this article as it underlines the commitment to inclusivity as being governed and operationalised by the three elements of materiality, completeness and responsiveness, which ultimately serve as the building blocks of stakeholder inclusivity. The three elements can be described as follows (AA1000SES, 2005): *Materiality* emphasises that the material concerns of both the organisation and stakeholders should be known – being the most relevant issues for an organisation and its stakeholders; *completeness* stipulates that organisations should understand stakeholder concerns that relate to their material issues (views, needs and performance expectations); while *responsiveness* emphasises that there should be coherent responses to the identified stakeholder and organisational concerns, which could include the decisions, actions, performance, and communication related to address identified material issues. It can be inferred that in the context of a stakeholder-inclusive approach towards strengthening the internal corporate image, the three AA1000SES elements imply that not only should management's core issues be known, but also that of general employees. These general employee concerns and the way the core issues of management are perceived by general employees should be understood by management, so that appropriate action plans could be devised to address these concerns.

Responsible leadership

Responsible leadership encapsulates the ability of a leader to have concern and respect for others, where justice and honesty on an organisational, social and global level are of importance (Maak & Pless, 2006a). Three cornerstones of responsible leadership are evident from the literature, namely *ethics*, *social capital* and *relationships*. Responsible leadership is in direct relationship with the normative perspective and relational approach

of the stakeholder theory as discussed earlier, as leadership in the context of stakeholder inclusivity is interpreted as an ethical and moral values-based phenomenon (Rensburg & De Beer, 2011). Furthermore, leaders should have the mindset that employees should be treated fairly and equally, and that their inputs should be heard and respected in the process of realising a commonly shared vision (Maak & Pless, 2006b). Ethics also focus on the quality of relationships whereby the leader should ensure that both relational parties respect and act according to certain values, and that the relationship fulfils a mutual and good purpose (Maak & Pless, 2006a). Social capital in this context implies that, in order to build sustainable stakeholder relationships, leaders should be socialised as opposed to being personalised: being able to act in diverse ways, align different values to a shared vision, and “listen to others, care for others and, ultimately, serve others” (Maak, 2007:332). Lastly, it is argued that responsible leadership is the art of building mutually beneficial, sustainable relationships with stakeholders that are based on the notion that business is “a force of good for many and not just a few” (Maak, 2007:332). In this capacity, leaders are therefore responsible for facilitating the relationship-building process (Rensburg & De Beer, 2011). For the purpose of a stakeholder-inclusive approach to strengthen the internal corporate image, the duty of the responsible leader is to strengthen network ties within and among departments to establish “bonding social capital” in order to create a stable basis for supporting and maintaining the organisation’s value-driven culture (Maak, 2007). More specifically, Maak and Pless (2006b), emphasise that a responsible leader has the following responsibilities in terms of employees: Teams should be led and mobilised; employees should be coached and reinforced to achieve objectives in an ethical, respectful and relational intelligent manner; incentives should be integrated to encourage respectful collaboration, to foster responsiveness and to encourage ethical behaviour; freedom of speech should be safeguarded; a healthy and safe working environment free from discrimination should be established; and a healthy work/life balance should be established.

Taking into account the above, it is argued that a responsible leader is required to instil the AA1000 elements of responsiveness, materiality and completeness in order to foster a collaborative corporate climate and mutual goal fulfilment between management and general employees. Since this approach aims to build towards a commonly shared vision, it could contribute towards building stewardship among employees to strengthen the internal corporate image, which could ultimately contribute towards building a stronger external corporate image.

2.5 Stewardship

Stewardship in an organisational context could sometimes be seen as oriented towards achieving the one-way objectives of the organisation (Davis, Schoorman & Donaldson, 1997). However, the perspective that stewardship is a matter of being supportive of the partnership between management and general employees is accepted in the context of this article (Cohen, 2003). For the purpose of strengthening the internal corporate image, this

perspective emphasises that management and general employees should be stewards of each other through a mutual experience of reciprocity, responsibility and relationship nurturing.

3. METHODOLOGY

The research was exploratory in nature and based on an interpretative paradigm, as it aimed to present a new method for strengthening the internal corporate image of an organisation based on an exploration of existing literature and insights from a best-practice organisation. The research design was qualitative with the application of a single-case study method according to Yin's case study protocol (2014). The single case study research method was selected, as it allows a researcher to explore a particular setting or phenomenon (Bryman, 2008). An organisation with an existing positive internal corporate image was purposively selected, to determine whether the actions of the organisation are congruent with the theoretical principles in the literature discussed, and to glean additional insights that could be integrated into the proposed conceptual framework. Parsec Technologies Pty. Ltd., a privately owned engineering organisation, was selected as case study, because it was the winner in the manufacturing sector for both 2012 and 2013 of the Deloitte Best Company to Work For (BCTWF) survey. This is an annual survey which has been running for the past 14 years, where the inputs of employees from 113 different organisations are obtained to establish which organisations these employees considered to be the best employer to work for (Top ranked companies, 2013). Parsec Technologies, based in Centurion, Pretoria, is one of four organisations of the Parsec Holdings group. The organisation was established in 1993 and currently employs 110 people (Parsec Holdings group, 2014). The organisation specialises in the development, manufacturing and supply of modern electronic products or sub-systems to clients in the global defence, aerospace, telecommunications and industrial market sectors (Parsec Holdings group, 2014).

The unit of analysis of the case study was an organisation. However, since the research was heavily reliant on obtaining information from the employees at Parsec Technologies, the unit of data collection was individuals. It should, however, be noted that the questions posed to these employees were related to the organisation itself with reference to the identified theoretical principles. The population for data collection comprised all the employees at Parsec Technologies. The sampling strategy for data collection was two-fold: Firstly, two participants from strategic management were purposively selected, based on their knowledge of and responsibility for guiding the internal communication processes at Parsec Technologies, and included the human resources manager (who is also a founder and director), and the supply chain and corporate communications manager. Secondly, snowball sampling was applied to obtain a sample of managers and general employees. These participants were identified on the recommendation of the human resources manager, based on the precondition of participation in the Deloitte BCTWF survey, and were representative of all the departments in the organisation.

To ensure the accuracy of findings in case study research, multiple data collection methods have to be employed (Yin, 2014). In this research, one-on-one interviews, focus groups and an open-ended survey were employed as selected data collection methods. In alignment with

the sampling strategy, the data collection process consisted of three phases: Firstly, one-on-one interviews were conducted with the human resources (HR) manager and the supply chain and corporate communications manager. As part of this phase, the sample of general employees and management that participated in the focus groups and open-ended survey was identified; it comprised 61 employees. Secondly, three focus groups of seven participants each (21 general employees and management in total), were conducted. Thirdly, an open-ended survey was distributed to the remaining participants in the sample.

Both the one-on-one interviews and the focus groups were semi-structured as predetermined questions, based on the theoretical principles and statements of the proposed stakeholder-inclusive framework (as outlined in Table 4.1), were devised to guide the researcher. The one-on-one interviews and focus groups lasted approximately one hour each and were recorded and transcribed to aid the data analysis process. The survey consisted of 11 open-ended questions that were also related to the theoretical principles. The survey was self-administered and had to be distributed in printed format, as some general employees in the production department did not have access to a computer. The questions of the interview and focus group guides and survey were pre-tested with a corporate communication specialist to avoid ambiguity.

Miles, Huberman and Saldaña's (2014) qualitative data analysis process was used to analyse the data from the interviews, focus groups and open-ended survey independently, and again collectively, during the integration of the findings. This analysis method consisted of three phases: data condensation, data display, and conclusion-drawing and verification (Miles et al., 2014). Data condensation was applied by studying the transcripts and survey data carefully to identify chunks of information that were relevant and related to the proposed framework. Data display entailed the process of identifying patterns in the data, and loosely categorising the condensed data in accordance with the theoretical principles of the proposed framework. Conclusion-drawing and verification entailed the process of drawing initial conclusions as to whether the theoretical principles of the proposed framework were congruent with that of Parsec Technologies Pty. Ltd. From these steps, it was evident that the theoretical principles and statements obtained from the literature formed the core of the analysis, which is one of four case study data analysis techniques (Yin, 2014).

To ensure the quality of this single case study, four tests recommended in qualitative research have been applied to achieve trustworthiness: credibility; transferability; dependability, and confirmability. *Credibility* was achieved by means data triangulation, where the data collection instruments were guided by sound theoretical principles and also pre-testing the questions of the data collection instruments; *transferability* was established through generalising the findings of the identified theoretical principles and statements; *dependability* of the current research was achieved by pre-testing the data collection instruments, and using a case study protocol; *confirmability* was established by recording and retaining the interviews and the application of a logical data analysis flow according to the proposed principles of the conceptual framework.

4. REPORTING AND DISCUSSION OF THE FINDINGS

Table 4.1 provides a summary of the theoretical statements derived from the theoretical principles were explored at Parsec Technologies to address the second objective of this article.

Table 4.1: Theoretical statements

Theoretical principle	Theoretical statements
Stakeholder theory	<ul style="list-style-type: none"> • The organisation has high ethical and moral standards. • General employees' ethical and moral standards are congruent with the management's ethical and moral standards. • The relationship between general employees and management is mutually beneficial. • Management and general employees have shared objectives in realising the success of the organisation.
Integrated internal communication	<ul style="list-style-type: none"> • Messages sent through different internal communication channels are consistent to avoid message fragmentation. • A collaborative corporate climate is evident in the organisation. • Employees actively share knowledge with one another. • Employees work collaboratively to develop new knowledge (innovations, resolutions to issues, etc.). • Employees absorb and apply the knowledge obtained from fellow colleagues. • Knowledge creation and sharing increases employees' commitment to their work. • Knowledge-sharing and creation increases employees' understanding of the relevancy of their work and the general functioning of the organisation. • Knowledge creation and sharing stimulates a sense of belonging among employees. • Knowledge-sharing and creation increases employees' awareness of general organisational-related aspects.
Peace arena	<ul style="list-style-type: none"> • Little/no conflict between general employees and management is evident. • Grievances/issues are addressed immediately and resolved in a timeous manner. • Both management and general employees agree on the significance of the organisation.
AA1000SES elements	<ul style="list-style-type: none"> • Materiality: Both management and general employees are aware of one another's most prominent concerns. • Completeness: Management understands general employees' concerns related to their views, needs and performance expectations. • Responsiveness: Both management and general employees' concerns should be actively addressed where general employees are involved in the resolution of organisational concerns raised by management.

Responsible leadership	<p>Ethics:</p> <ul style="list-style-type: none"> • The leader of the organisation ensures that all employees are treated honestly, fairly and equally. • The leader of the organisation ensures that there is mutual respect between employees. • The leader of the organisation ensures that employees act according to the organisation's ethical and moral standards. <p>Relationship:</p> <ul style="list-style-type: none"> • The leader of the organisation, as facilitator of the relationship between management and employees, ensures that the relationship between employees and management fulfils a mutual and good purpose. <p>Social capital:</p> <ul style="list-style-type: none"> • The leader of the organisation listens to employees, cares for employees and serves employees. • The leader of the organisation facilitates productive relationships between various departments in the organisation. • The leader of the organisation fosters a collaborative corporate climate in the organisation. • The leader of the organisation ensures that the input of all employees are valued and respected in realising a commonly-shared vision of the organisation. • The leader is concerned about the wellbeing of employees. • The leader of the organisation encourages employees to learn and improve their knowledge. • The leader of the organisation encourages input and feedback from employees. • The leader of the organisation encourages a healthy work/life balance. • Employees should be awarded for optimal performance.
Stewardship	<ul style="list-style-type: none"> • There is a give-and-take relationship between management and general employees (reciprocity). • Both management and general employees have a responsibility to act in a socially acceptable manner towards one another (responsibility) • Both general employees and management contribute towards building a sustainable management-employee relationship (relationship-nurturing).

Based on the viewpoints of the participants, it can be argued that Parsec Technologies' practices were congruent with the theoretical principles and statements of the proposed framework, as outlined in Table 4.1, which implies that the application of a stakeholder-inclusive approach could have the potential to build a stronger internal corporate image of the organisation. Some of the most prominent findings obtained from the one-on-one interviews, focus groups and open-ended survey to support this are summarised below.

Stakeholder theory: The normative paradigm and relational perspective of the stakeholder theory were illustrated by the fact that Parsec Technologies Pty. Ltd. is built on a solid foundation of tradition, ethical practices and a high degree of honesty and integrity. Based on the input from the

participants, it could be inferred there is a shared understanding of the organisational vision and goals between employees and management. In this regard, a participant stated that “employees unite to strive to achieve the vision of the organisation”. Moreover, participants emphasised that their own value system was congruent with that of the organisation. One focus group participant said, “You will not be able to work here if your values are in contrast to the organisation’s value system”. Furthermore, it was evident that employees at Parsec Technologies work as a team towards a common goal. As one survey participant stated, “We [employees] are happy to work together for the good of the organisation. We work together towards a goal to make a difference in the immediate environment as well as the world.”

Integrated internal communication: There was an unanimous view among participants that knowledge was collectively created and shared throughout the organisation. It was evident that there were many opportunities for training, development and furthering one’s career. A survey participant declared, “We work as a family where the focus is on mentoring, nurturing and doing things together” and “We are content and committed to grow”. Participants also stated that employees actively share their experiences with one another and senior employees often fulfil mentoring roles to juniors. Moreover, it was apparent that collaborative problem-solving was essential to ensure the successful implementation of projects. As stated by a focus group participant: “There is a problem-solving orientation in the organisation where we talk to iron out and clarify issues”. Participants mentioned that Parsec Technologies’ supportive and co-operative nature and family orientation allow employees to freely share their own experiences and expertise (knowledge-sharing); to ask questions, ensuring that tasks are correctly executed (absorption and application of knowledge), as well as to collaboratively work towards resolving issues or creating new ideas (knowledge-creation). Furthermore, a participant highlighted that “I feel at home when at work”, which emphasises that the collaborative corporate climate of Parsec Technologies that provides understanding, motivation and awareness among employees, also contributes to a sense of belonging.

Peace arena: Participants did mention that there were sometimes disagreements between general employees and management, but confirmed that this was managed and solved proactively. The HR manager specifically stated “Everybody is not always happy – it is just human nature. But the MD [managing director] will put issues in perspective and explain why certain decisions have been made or why a suggestion is not implementable.” Because the organisation has an open door policy, employees reported that they have direct access to managers and the MD to raise concerns. In addition to these sessions with management, it was clear from the data collection that other strategies were in place at Parsec Technologies to maintain the peace arena between management and general employees; amongst others, a 360-degree appraisal system, where both general employees and managers have the opportunity to comment on one another’s performance; regular employee surveys; suggestion boxes, and the opportunity to raise comments via the intranet. As per the peace arena of Aula’s (1996) arena model, it is essential for general employees and management to agree on the way the organisation exists. As stated by the HR manager: “Management devotes a lot of effort in obtaining employees’ trust and buy-in in the organisation’s goals and vision”.

AA1000SES elements: The first AA1000SES element, **materiality**, was reflected within Parsec Technologies in that employees were kept abreast of current affairs in the organisation. According to the HR manager, “employee input is paramount when decisions have to be made”. In this context, the survey participants emphasised that information on new and lost business was shared with general employees and management valued their input on the possible contributors of lost business. This was also congruent with the second AA1000SES element, **completeness**, whereby inputs from employees are obtained not only on lost business, but also on issues in general via suggestion boxes and surveys. The supply chain and corporate communication manager specifically mentioned, “employees are allowed to suggest ways of making the organisation prosper”. Focus group participants further mentioned that “management will try to implement your ideas or suggestions if it has merit” and “management values the input of employees on possible rectification strategies”, which directly resonates with the third AA1000SES element of **responsiveness**.

Responsible leadership: From the data collection, it could be inferred that the MD of Parsec followed a responsible leadership approach that was extended to all levels of management. Participants emphasised that the MD “is always sincere”; “manages issues in a civilised manner” and “helps the employees beyond the boundaries of the organisation”. It was evident from the data collected that the employees are coached and incentivised, respectful collaboration is encouraged, a work environment free from discrimination is instilled, and a healthy work/life balance is encouraged. A focus group participant affirmed, “[management] attend to you as an individual, not just someone that is working here. [Management] send you for training, we have socials; [management] do a lot that other companies do not do, to enhance yourself, to better yourself, to be motivated”. Employees were of the opinion that management treated them with respect and placed a high value on integrity and honesty. One survey participant stated, “Management took a serious salary cut for eight months to avoid retrenchments”, which underscored the fact that management went the extra mile for employees and that employee wellbeing was a top priority. This could also have been a contributing factor to the low employee turnover at Parsec Technologies at the time of this research, as the average period for an employee to work at Parsec Technologies Pty. Ltd. was eight years.

Stewardship: The application of the aforementioned theoretical principles should culminate in a sense of stewardship in the organisation, whereby both management and general employees act in each other’s best interest (which also includes the nature of the relationship between employees). This was specifically evident in statements from the focus group participants, for instance, “I am responsible for the wellbeing of the person next to me”, and “It is a partnership; the one cannot do without the other”.

5. A STAKEHOLDER-INCLUSIVE CONCEPTUAL FRAMEWORK

The theoretical principles obtained from a synthesis of existing literature and the affirmation thereof at a best practice organisation, as reported above, resulted in the proposal of a new,

generic stakeholder-inclusive conceptual framework to strengthen the internal corporate image. The proposed framework is graphically depicted in Figure 5.1 below:

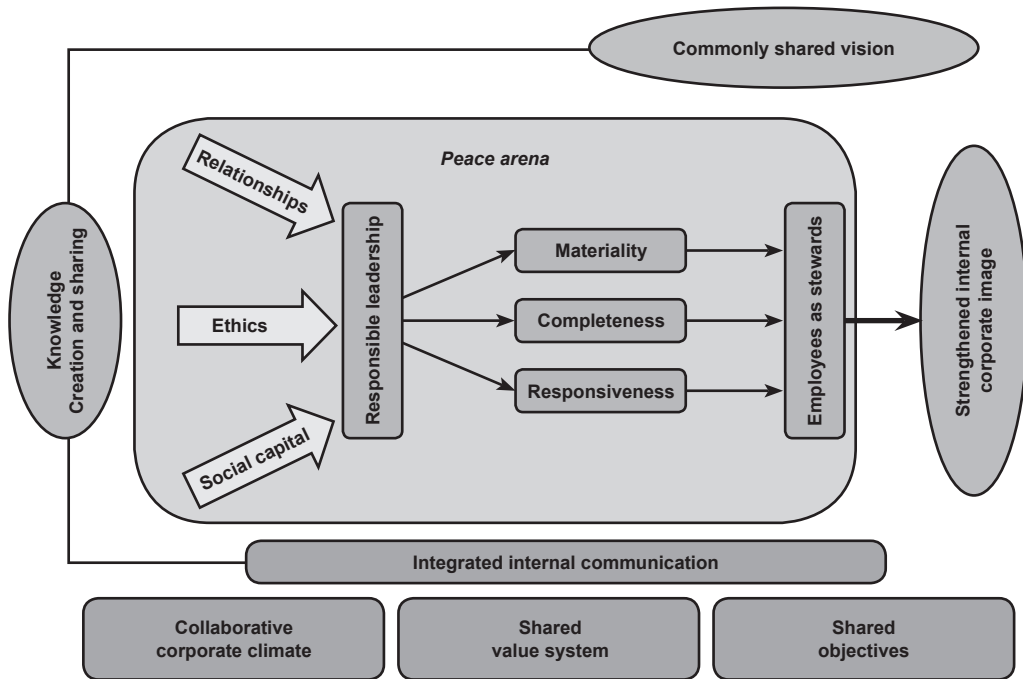


Figure 5.1: A stakeholder-inclusive conceptual framework to strengthen internal corporate image

This proposed stakeholder-inclusive conceptual framework was built on the normative paradigm and relational perspective of the stakeholder theory. This implies that the relationship between management and general employees is driven towards the fulfilment of shared objectives, and is built on a shared value system of honesty and integrity and high moral, social and ethical standards; furthermore, it should not be oriented towards the economic self-interests of the organisation. A shared value system and collaborative corporate climate, fostered by a responsible leader, is a key requirement for the successful adoption of an integrated internal communication approach in the organisation to allow knowledge creation and sharing and the absorption and application thereof to elicit a sense of commitment, belonging and awareness among employees, and – most importantly – to build towards a commonly shared vision, a key aspect of responsible leadership. Integrated internal communication, the normative paradigm and relational perspective of the stakeholder theory all relate to social capital, ethics and relationships – the three cornerstones of a responsible leader. A responsible leader not only facilitates the relationship between general employees and management, but also establishes an inclusive environment

of fairness and honesty to allow sharing and participation within the organisation, through the notion of people engaging with equals. Such a context would allow the responsible leader to be aware of employees' material concerns, the relation of these material concerns to managerial concerns, and how such material concerns could be addressed continuously and proactively. This is essential for the employee to have a feeling of belonging. Addressing employees' material concerns proactively could assist in maintaining the peace arena, whereby management and general employees are in agreement in terms of the organisation's intention to build towards the commonly shared vision. For the purpose of this article it is argued that such an approach could result in a sense of stewardship, with both general employees and management acting in the best interest of one another. This could ultimately contribute to strengthening the internal corporate image, which could subsequently have a positive influence on the external corporate image, and, eventually, the corporate reputation. It should be noted that such a framework would be conducive to organisations with an organic organisational structure and an established participative corporate culture. Furthermore, the successful implementation of such a framework should arguably be driven by the corporate communication professionals in close collaboration with the strategic executives of the organisation.

6. CONCLUSION

This research aimed to address a gap in the literature, in providing organisational managers with an approach where stakeholder engagement, coupled with a collaborative leadership approach, could be applied to strengthen the internal corporate image.

The main contribution of this research is the proposition of a new, generic stakeholder-inclusive conceptual framework that could not only serve as a foundation for future research, but also as a guide for organisations to strengthen their internal corporate image. The framework could furthermore be used as a starting point for strengthening the external corporate image and, eventually, the corporate reputation. This research also approached corporate image from a unique stakeholder-inclusive perspective, to highlight the relevance of applying stakeholder engagement and responsible leadership in strengthening the internal corporate image. In that sense, the research contributed to the body of knowledge on corporate image. Although a single case study approach could be regarded as limited and the findings cannot be generalised, the research was exploratory in nature, which served as the first phase and foundation for the second phase of this research project, where the framework will further be quantitatively tested among the 2014 Deloitte BCTWF survey winners. The overwhelmingly positive support of the proposed theoretical principles during data collection could be subject to criticism, as it might be argued that the HR manager was not objective in recommending employees to participate in the survey and focus groups. This issue could, however, be addressed in future research by exploring the pragmatic relevance of the proposed framework in a larger sample of organisations. Ideally, this framework should be measured by means of a longitudinal study, which will entail extensive quantitative testing to constitute a model for strengthening the internal corporate image.

In conclusion, this article proposed a new, generic stakeholder-inclusive conceptual framework to illustrate the significance of employee engagement and responsible leadership in strengthening the internal corporate image. Based on the statement by the HR manager that “employees are your gateway to the outside world; you continuously have to reinvent what makes employees happy, you can never become complacent”, this approach can provide organisations with a method to strengthen internal corporate image.

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