

An exploration of South African corporate communication practices and trends

ABSTRACT

This study explored the status of corporate communication in selected South African companies. The main purpose of the study was to determine the levels of corporate communication knowledge and practical abilities of top corporate communication professionals. The research design adopted was a mixed method approach utilising a sequential transformatory model. The sample, selected through purposive and convenience sampling, consisted of twenty-six professionals drawn from a wide range of businesses and sectors in South Africa.

The study indicates that corporate communication professionals deal with stakeholder-relationship management and perceive their roles as being strategic, then managerial, and lastly technical in nature, which is however often not practically applied. Furthermore, the study alludes to the fact that the corporate communication professionals concerned had a basic understanding of the strategic issues where the strategic implications of issues of publicity, company image and reputation were seemingly grasped by professionals. This highlights the need for continuous training in corporate communication - particularly at the strategic level- although it is apparent that corporate communication professionals need to be schooled continuously in a fundamental understanding and analysis of power relations, ranging from the most basic interpersonal levels to the socio-political contexts. Such training may allude to how these contexts, these relations, affect the way in which practitioners put it into practice. The study forms part of an international benchmarking survey that aims to contribute to a better understanding of corporate communication best practices worldwide.

INTRODUCTION AND CONTEXT

The period since 1994 has been marked by a number of political, social and economic changes in South Africa, which have profoundly influenced the country. South Africa's democratic transformation has created a myriad new opportunities – and challenges – for companies operating in it. Denton and Vloeberghs (2003) also argue that all stakeholders would benefit if companies were both to adapt to the competitive international environment and adopt world-class business principles. Corporate communication professionals thus have a significant role to play in the process – for companies *and* their stakeholders – of adapting to the competitive international environment. The internal and external stakeholders of South African companies have multicultural, multi-ethnic and multilingual individuals representing diverse personal backgrounds, experiences, values and ethical approaches (Van Tonder & Van Rheede van Oudtshoorn, 2006: 138). In dealing with such stakeholder diversity, this study explores the practices and trends of corporate communication in the South African context.

This study complements a series of similar studies conducted over a period of time in the USA (1999, 2001, 2002 2003, 2005 and 2006) and in China (2006, 2007). The South African component of said studies was based on the framework used for all existing studies conducted in collaboration with Corporate Communication International (see www.corpcomm.org).

In South Africa, an awareness of the importance of corporate communication and public relations has been evident for more than fifty years. For the purposes of this study, *corporate communication* is the preferred concept, which is defined as the act of effectively conveying to a company's stakeholders the particular corporate philosophy that the company regards as the ultimate expression of its corporate culture (Yamauchi, 2001: 132). Public relations-related studies (such as communication studies and journalism) have been on offer at universities since the late 1960s (Niemann-Struweg & Meintjes, 2008). In industry, it is estimated that there are at least three hundred public relations (PR) or PR-related consultancies currently operating in South Africa. The professional body for corporate communication in this milieu is the Public Relations Institute of Southern Africa (PRISA), a non-profit organisation that has been accrediting PR and PR-related qualifications for the past few decades.

The aim of this study has been to explore the current practices and trends of corporate communication in South Africa - based on the framework of the existing Corporate Communication International studies. The contribution of the present study is that it assists professionals and academics alike to understand the state of corporate communication practices and trends in South Africa in the new millennium.

1. BACKGROUND TO THE STUDY

Managers have realised that corporate communication encompasses a wide range of relations between an organisation and its stakeholders. This realisation acknowledges that companies must

engage in corporate communication, which involves describing the functions of the organisation and the trends within that particular organisation (O'Dwyer in O'Dwyer, 2005: 809).

Corporate communication practitioners are seen as having to manage communication for the organisation in order to enhance the effectiveness of the organisation through establishing and servicing stakeholder relationships (Steyn & Puth, 2000: 5). In this regard, Goodman (2006: 197) states that *corporate communication* is used as an umbrella term for a number of functions regarded as strategic. These functions include "public relations, crisis communication, corporate citizenship, reputation management, community relations, media relations, investor relations", and the like. In the context of this study, these functions are regarded as imperative functions of corporate communication that should be practised strategically.

Because attempting to review the present global corporate communication landscape is a daunting task - the field being diverse and complex - it is possible only to outline the trends that are shaping and redefining the industry (Wilcox, 2006: 67). A review of the South African corporate communication landscape has been completed by Van Heerden (2004: 1) who studied the practice of public relations in Africa by means of a descriptive study during the early years of the new millennium.

Furthermore, in the opinion of Buchi and Steyn (2006: 108), academics should focus on research that develops theory on the macro issues in corporate communication. This includes exploring the purpose of strategic corporate communication in a paradigm where companies are redefined, the contribution of such strategic corporate communication to the effectiveness of the organisation, the magnitude of execution of corporate communication, the strategic alignment in the organisation and the potential consequent impact. Similarly, Niemann-Struweg, Meintjes and Grobler (2007: 22) state that research in corporate communication must be focused in such a way as to address both the organisational context of corporate communication in South Africa, as well as the emerging models of communication management.

Against this background, the research problem of the study then is:

To determine the corporate communication practices and trends in South Africa, based on the framework of existing Corporate Communication International studies

2. RESEARCH OBJECTIVES

In order to address the research problem, the research objectives include:

1. To determine the level of understanding corporate communication professionals have of corporate communication, transparency and integrated communication
2. To determine the role corporate communication professionals play in the company
3. To determine the functions of corporate communication in the company
4. To determine the extent to which the company relies on agencies to develop and implement its corporate communication functions

5. To determine the budget and budget changes associated with corporate communication in South Africa
6. To determine what titles and reporting lines are used in South African companies
7. To determine how the company positions itself in the changing socio-political and economic landscape.

It is also important to bear in mind that, as an exploratory investigation, this study forms the basis for further investigations into corporate communication practices in South Africa.

3. THEORETICAL ORIENTATION

Systems theory is one of the predominant theoretical lines of thinking underpinning corporate communication (Gregory, 2000). Systems theory proposes that mechanical, organic and social systems can be defined by their interactions with their environment. Three main systems perspectives can be applied to the business context, namely the mechanistic, the organismic and the adaptive. This study will be approached from the adaptive perspective with an emphasis on the organisation as a social-cultural entity. In this regard, Buckley (1967) proposed a process or adaptive systems model with particular emphasis on the role of adaptive feedback being sought in order to initiate change. An organisation, when it realises that the prime responsibility of engaging in activities designed primarily to increase profits has become outdated, it starts practising within a social-cultural context. Then, the standpoint of the organisation shifts to a focus of communication and interaction, which facilitates the organising of stakeholders and society, as is characteristic of systems theory (Mersham, Rensburg & Skinner, 1995). Gregory (2000) states that the adaptive approach is mostly associated with an open system that enables practitioners to fulfil a function or management role and it provides a framework for considering an organisation in context, which makes organisations examine external forces and internal processes and structures.

Holtzhausen, Petersen and Tindall (2003: 309) argue for a Western dialogic model of corporate communication in line with the bases of the social-cultural theory outlined above, in terms both of the influence of culture within and on organisations and of the individual persona that each organisation has. These authors state that the South African landscape has the typical characteristics of a postmodern society in that it is diverse with different interest groups who hold differing value systems and goals. From this viewpoint, the foundation of a corporate communication practitioner's work is in both societal and organisational activism, where the societal practitioner becomes involved in grassroots movements and where organisational practitioners resist organisational power that attempts to marginalise stakeholders with less power.

4. KEY CONCEPTS

5.1 Corporate communication defined

Corporate communication is defined as "the overall planning, execution and evaluation of

an organisation’s communication with both external and internal publics – groups that affect the ability of an organisation to meet its goals” (Grunig in Steyn & Puth, 2000: 6). This term is equated to public relations, which, according to PRISA (The Public Relations Institute of Southern Africa) (Skinner, Von Essen, Merscham & Motau, 2008: 4), is the “management through communication, of perceptions and strategic relationships between an organisation and its internal and external stakeholders”. Also, corporate communication is seen to be managed communication for the organisation in order to enhance the effectiveness of the organisation with the use of establishing and servicing stakeholder relationships (Steyn & Puth, 2000: 5). Goodman (2006: 197) states that corporate communication or communication management is used as an umbrella term for a number of functions regarded as strategic. These functions include “public relations, crisis communication, corporate citizenship, reputation management, community relations, media relations, investor relations”, and the like. These are regarded in the context of this study as imperative functions of corporate communication that should be practised strategically.

5.2 Roles and corporate communication

The skills required by individuals who are managing communication between organisations and their stakeholders are exceptional: technical competence and a command of analysis, wisdom and authority to make decisions for the benefit of the organisation and all its stakeholders (Gregory, 2000). According to Steyn and Puth (2000: 18), communication management is progressively gaining the standing of a central management function in an organisation’s business management.

There are two types of roles that communication management professionals fulfil, these being traditional or contemporary roles. These roles are discussed in Table 1 below.

Traditional roles	Contemporary roles
<p>The <i>expert prescriber</i> role is identified as the informed practitioners who are regarded as experts on communication management, best informed about communication management issues and best qualified to answer communication management questions (Dozier, 1992). Furthermore, Steyn and Puth (2000: 15) assert that this practitioner researches, defines communication problems, develops programmes and takes responsibility for implementing programmes, but plays a passive role in management involvement.</p>	<p>The role of the <i>strategist</i> or, the most senior communication practitioner in the strategic management process is to identify the organisation’s strategic stakeholders and issues and feed this information into the organisation’s strategic formulation processes, suggesting the appropriate organisational response. It also involves managing environmental turbulence by developing and maintaining excellent relationships with strategic stakeholders and developing communication programmes to address key strategic issues and stakeholders (Steyn in Toth, 2007: 141).</p>

<p>The <i>communication facilitator</i> role concerns process and the quality and quantity of information flow between management and publics, and serves to interpret the organisation (Dozier, 1992). In this role, practitioners are sensitive listeners who share information and provide a link in relationships between organisations and their stakeholders (Steyn & Puth, 2000: 15).</p>	<p>The <i>manager</i> role involves using formal and information research and participating in management decision making. Managers also make communication policy decisions and are involved in all communication decision making. They counsel management and are held accountable for communication programme outcomes. The managers facilitate communication between managements and publics and solve problems within stakeholder relationships (Steyn in Toth, 2007:141).</p>
<p>The <i>problem-solving process facilitator</i> is a practitioner who helps others in the organisation to solve their communication-management problems and works with top management in defining and solving communication problems (Steyn & Puth, 2000: 15).</p>	<p>The contemporary technician role, as referred to by Steyn & Puth (2000: 21), is the same as the traditional technician role (see <i>communication technician</i>).</p>
<p>The <i>communication technician</i> does not participate in management decision making, but carries out the mechanics of generating communication products that implement the policy decisions made by others. They provide the communication and journalistic skills and do not conduct research to plan or evaluate work (Steyn & Puth, 2000: 15).</p>	

Table 1: Traditional and contemporary roles of communication management professionals

Stroh (in Toth, 2007: 215) argues that the role of the communication manager should not be one of facilitator between management and stakeholders, or internal problem solver or being part of top management, but being that of organisational activist.

5.3 Transparency and the King Report

Transparency is an essential dimension of the environmental diagnosis by means of which contemporary companies understand themselves and their communication strategies. A recurrent theme in writings on the contribution of corporate communication to a better society is the concept of “enlightened choice” (Heath, 2006: 108): the notion that corporate communication can and should participate in an ongoing provision of knowledge and insight and thus help citizens, consumers and other stakeholders to make decisions that are in the interest of the common good (Gallhofer, Haslam & Roper, 2005; Heath, 2006; Motion & Weaver, 2005). Corporate communication, in these writings, is charged with the obligation

of securing a balanced flow of information about all matters of societal relevance concerning companies and social institutions. In such perspectives, a central dimension of a good and just society is the availability of information – an availability that limits ambiguousness and complexity and, in turn, helps to reduce the potential for power abuse, fraud, corruption and other types of corporate or institutional evil-doing. Committing itself to supporting and facilitating the provision and circulation of information in order to build or rebuild trust and healthy stakeholder relations, corporate communication places itself in the business of transparency (Jahansoozi, 2006).

5.4 Integrated communication

The concept of integrated communication – in brief – means unity of effort across the organisation. This does not however refer only to consistent messages – the “one-look-one-voice” approach – but includes unity of rationale for the organisation, unity of organisational procedures, unity of organisational purpose, and unity of achievements within the organisation. Integration refers ultimately to everything the organisation actually does and does not do. Thus, integration is an organisational pursuit, and not merely a quick-fix solution to marketing management. In essence, integration intensifies the integrity of the organisation. Integration produces integrity because an organisation that is seen as a whole rather than as an anthology of incongruent, autonomous functions is perceived as being more sound and reliable (thus a unity of efforts), the latter being imperatives for sustainable relationships with the stakeholders (Niemann, 2005).

5.5 The changing socio-political and economic landscapes of South Africa

In a study conducted on the influence of political change in South Africa on public relations practice, Holtzhausen (2005: 414) found that South African organisations seem to be aware of the ability of the environment to decide their survival – hence organisational efforts towards social upliftment and economic empowerment with symbolic value for practitioners attempting to manage and build corporate reputations. In this study, the practitioners emphasised the social value of their practice rather than the contribution to the financial bottom line.

6. RESEARCH DESIGN

A sequential transformative mixed-method methodology was used in the study with combined quantitative and qualitative research processes (Cresswell, 2003). The qualitative aspects of the study were important because they allowed for the expression of a deep understanding of how companies think of, and carry out, their corporate communication. A description of the research design is outlined in Table 2.

Paradigm and strategy	Mixed model The sequential transformatory characterised by the collection of either quantitative or qualitative (or both) data, and using a theoretical perspective to guide the study
Population and Sampling	Convenience or purposive sampling is used. The best-performing 100 South African companies were identified, based on the data provided by Fletcher's study (2007), which used criteria such as the size, the growth, the profitability, and the economic impact of companies. For the purposes of the present study, 26 companies in all were selected from the three segments identified by Fletcher. These three segments were in turn subdivided into 16 sectors with 30 subsectors. From these subsectors 26 companies were identified.
Method	Mixed method
Instrument	The instrument used was a structured in-depth interview. The questionnaire consisted of 30 questions – the majority of these being quantitative in nature.
Data collection	The research lasted from November 2007 to May 2008. The interviews were conducted on the premises of the selected companies. Interviews each lasted between one and two hours.
Data analysis	The <i>quantitative data</i> were analysed with the assistance of the University of Johannesburg's Statistical Analysis Unit (Statkon). The quantitative analysis was based mainly on descriptive statistics to gauge percentages and frequencies of certain variables. A number of cross-tabulations were done. The <i>qualitative analysis</i> was based on the qualitative data analysis model used by Huberman and Miles (1994, in De Vos, 1998). This model proposes the following four processes be applied to the data: reduction, display, conclusion-drawing, and verification. The analysis was based on identified themes – and highlighted the similarities and differences, and also the exceptions that arose from the data analysis.
Limitations	The limitations of this research resulted from the Gauteng area having been the only region included in the study, the limited understanding in some instances on the part of the participants of the questions asked, and from the time constraints on the part of the participants. Although a relatively small sample was selected - not necessarily representative of the sectors – it does however provide a sound image and understanding of the research problem.
Trustworthiness and validity and reliability	Based on the mixed-method methodological approach, attention was paid to trustworthiness and to reliability and validity. Triangulation was enhanced through theoretical, methodological and data triangulation (De Vos, 1998)

	<i>Trustworthiness criteria</i>	<i>Application</i>
	Truth value of the research findings	A pilot interview was conducted with the top communicator at Anglo Platinum.
	Applicability of the research findings	A dense description of the research results is presented in relation to the theoretical grounding of aspects in the interview questionnaire.
	Neutrality of research findings	The interviewers were, in most cases, accompanied by a moderator using dictaphones to ensure neutrality of the research findings.
	<i>Reliability and validity</i>	The reliability of the data was ensured by means of methodological and moderator triangulation. The mixed-method approach generally results in method triangulation to increase the reliability and validity.

Table 2: Research design

7. FINDINGS

The findings outline the demo- and firmographics followed by a discussion including tables (in some instances) addressing each research objective.

7.1 Demographics/firmographics

This section summarises the demographics of participants with regard to gender, age, qualifications, area of study specialization, and also salary per annum. It further delineates the firmographics of the companies with regard to the main area of business, turnover and employees.

7.1.1 Demographics of participants

From the findings, almost 58% of corporate communication heads of department (or their representatives) were female, and the majority of the participants fell in the 40 to 49 year age bracket. Almost 81% of all the participants were between 20 and 50 years old. The companies in the study seem, therefore, to have preferred younger corporate communication professionals. In terms of the qualifications of the participants, almost 90% possessed a three-year degree or postgraduate qualification and of these,

53.8% possessed a postgraduate qualification. An exploration of the undergraduate specialisation of the participants revealed that fewer than half of the 26 participants had undergraduate qualifications featuring a combination of communication studies, journalism, public relations, and advertising. The most extreme case was a respondent heading up a corporate communication department without any formal qualification: "I have worked myself up in the organisation". Quite a number of participants were qualified in law, business, or economics – as well as in geography and engineering. People specifically qualified in corporate communication subjects, it seems, are few and far between in the industry. The last aspect explored in the demographics of the participants related to the cost-to-company salary per annum. Here, almost 30% of all participants had a cost-to-company salary of more than R1 000 000 per annum, while almost 63% of participants were earning more than R700 000 – with only 4.2% earning between R300 000 and R399 000.

7.1.2 Firmographics

Interviews were conducted with 26 participants from 30 different subsectors of South African business, including education, telecommunications, the media, the financial sector, manufacturing, and the retail and wholesale sectors. The inclusion of these companies provided a broad spectrum of sectors in which corporate communication was examined.

The selected companies' total company turnover for the 2006/2007 financial year varied from a low R30million to R160 billion per annum. In five cases, participants could not provide information on their company's annual turnover – information which is vital in corporate communication.

Globalisation is a reality for almost all of the companies considered. Only 10% of the companies had no global presence (which in some cases can be explained, as in the case of the water utility, Rand Water).

In determining the number of local corporate communication employees in the selected companies, the following results were obtained: Between 11 and 40 or more corporate communication *professionals* were employed in 86% of the participating companies. In 56% of these cases the professional corporate communication professionals were supported by up to five support staff, whilst in 22% of all companies the support staff numbered between 11 and 20 employees. The largest number of local professional corporate communication personnel ranged between 21 and 30 employees, which was the case in 49% of all the companies considered. In 34% of cases, the total numbers of professional employees were in the category between 0 and 10. In 42% of all participating companies, support staff numbered more than 21. One-third of the participating companies indicated support staff numbers to fall in the category between 0 and 5.

RESEARCH OBJECTIVE 1: To determine the level of understanding demonstrated by corporate communication professionals regarding corporate communication, transparency and integrated communication

Corporate communication with a stakeholder focus

Participants were asked to define the kind of corporate communication where the emphasis was on communication with internal and external stakeholders. In this regard, a participant stated that corporate communication was about “[S]etting the tone and manner about the company through communication”. The feeling was further focused on corporate communication as a proactive disposition.

Corporate communication incorporating marketing and branding

Both internal and external branding were seen as fundamental aspects of corporate communication. This finding corresponds closely to the previous finding concerning communication with internal and external stakeholders. A very strong opinion was expressed that “[B]randing was at the centre of it all”. This was followed in importance by a remark that “It was all about understanding and knowledge of the organisation through branding and marketing which was quite different”. One participant reported that “corporate communication deals with the brand reputation pro-actively, managing the perception of the marketplace”.

Corporate communication as information management

A small number of participants regarded corporate communication as the management of perceptions and information management. One of the participants stated: “Corporate communication is a process of facilitating information and knowledge exchange”.

The impact of transparency on the practice of corporate communication

Skepticism regarding transparency in the organisation

An overwhelming similarity was found in respect of participants being highly skeptical or cynical about their organisation’s commitment to transparency as the company’s declared code of practice and guiding philosophy. Although some efforts were made to promote transparency, comments such as, “[I]t raises more questions than answers” and “[I]t is all window dressing because it suits management” were received. An interesting difference was the ambivalence between selective commitments to transparency as opposed to a for ‘window dressing purposes’ approach.

Values-driven transparency

Fewer than half of the participants declared that transparency was an integral part of the company’s values, stating that “[I]t plays a major role when we communicate our values and reputation”, and, “[I]t forms a major part of our strategic positioning as a company”. Apart from acknowledging the inherent value of such a philosophy, caution was expressed that although it remains a cherished value of the organisation, it must be managed carefully not to jeopardise the organisation’s livelihood. An opinion was expressed that transparency “was a work in progress”.

No need for transparency

Almost a fifth of the participants declared that “there was no need for transparency”. Another opinion expressed was: “It depends on the situation and circumstances. We

will not just declare or be open about certain things". This is significant, given the local and global drive towards a greater sense of transparency regarding all aspects of organisational governance and practices.

Implications of the King Report

In line with the findings related to transparency, participants were asked to comment on the implications of the reference in the King Report to governance in the practice of corporate communication.

The overall and most important aspect identified by the majority of participants was that corporate communication must be open and transparent. This was further qualified: "Open communication and accountability are two essential aspects which inform our corporate communication"; yet another said: "It is all about honest communication without spinning." A number of participants mentioned that transparency also requires a high level of ethical communication and conduct. In one instance, a participant said: "Communication must assist with the institutionalisation of governance principles".

The most common similarity regarding governance was the emphasis on ethical practices and principles as far as governance and managerial practices were concerned. "Governance must be ethical and in the interest of the company and environment". Only one participant referred to the role of governance and citizenship: "Governance should promote corporate citizenship".

Cause for concern was that there were some participants who were not aware of the existence of the King Report. One response was: "No idea, but not of relevance for Corporate Communication". It could be argued, based on the findings of this section, that it is worrying that corporate communication professionals in this study had a limited understanding of the King Report that exhibits voluntary codes of governance that provides a pathway towards guiding and enhancing the structure of South African responsibility. The King Report has significant implications for how corporate communicators need to communicate the intentions and actions of companies to their stakeholders.

Integrated communication and corporate communication

The central idea expressed (with some variations) by participants was: "We should speak with one voice about the company and its activities". Other significant ideas were: "All our communication actions must be aligned to support the company's strategic intent", and: "Management must have goals supported by integrated messages". Participants also saw the following ideas as important: "Making communication understandable", "It is all about open communication", and "It is 360 degree communication, but I am not sure how it works".

Only a few participants mentioned concepts such as: "Corporate communication involves people", "We are working towards common ground", and "Corporate communication is

all about managing image, perceptions, and being profitable as a company”. Others mentioned concepts such as “it involves people”, “We are working towards common ground” and that it was all about ‘[M]anaging images, perceptions, and being profitable as a company”.

Three participants indicated that they had no idea what integrated communication was about. One participant said: “It is difficult to describe”.

RESEACH OBJECTIVE 2: To determine the role corporate communication professionals play in the company

Corporate communication often means different things to different companies. In order the better to understand the role of corporate communication in contemporary South Africa, participants were asked to indicate their roles on a list of descriptions. The results are reflected in Figure 1.

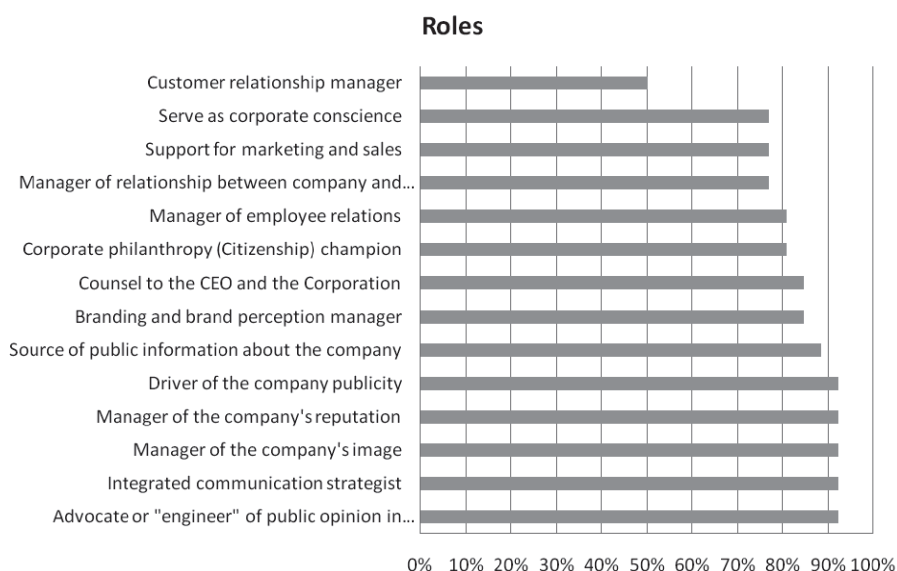


Figure 1: Roles of corporate communication professionals

Five roles – more than 90% of the total number identified by participants – were viewed as being the most important of those performed by corporate communication professionals: driver of company publicity, manager of the company's reputation and image, integrated communication strategist, and advocating or engineering public opinion. Other roles that were important in more than 80% of responses included, amongst others, giving counsel to the CEO, and branding and management of the public perception of the company's

brand. Customer relationship management turned out to be the least important role, with only 50% of the participants regarding this as important.

Perceptions about the nature of the role of corporate communication

In asking participants to indicate whether these roles of corporate communication are regarded as strategic, managerial or technical in nature, the findings uncovered that in 14 of the possible roles, participants perceived their function as being somewhere between managerial and strategic. The importance of corporate communication professionals in technical roles was seen only when it came to driving the company’s publicity; in branding and brand-perception management; in corporate philanthropy; in management of employee relations; and in support for marketing and sales.

The managerial function was most important when it came to being the source of public information about the company, in branding and brand-perception management, and in the management of employee relations. Customer-relationship management scored the lowest when it came to preferred roles.

RESEARCH OBJECTIVE 3: To determine the functions of corporate communication in the company

Participants were asked to identify – from a list of functions – the ones viewed as part of corporate communication in their companies. The findings are reflected in Figure 2.

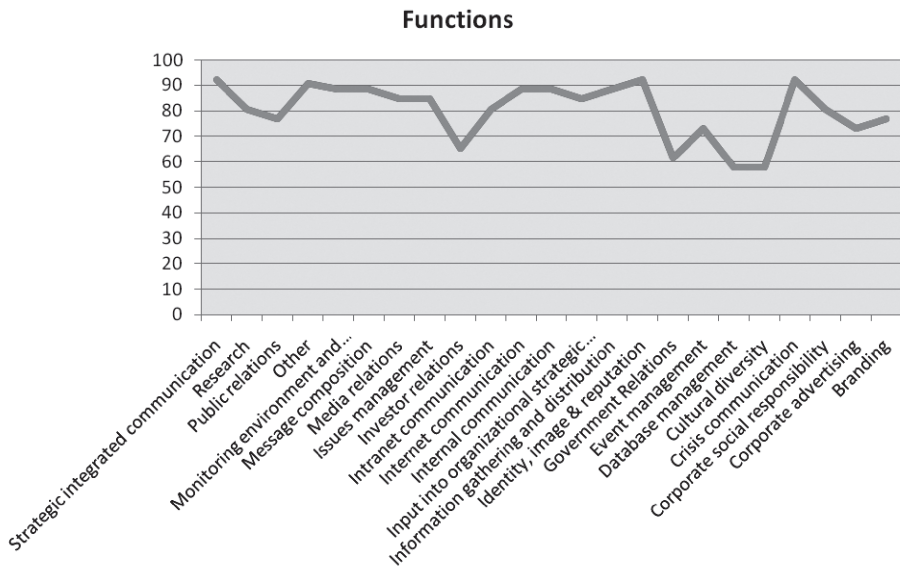


Figure 2: Functions performed by corporate communication professionals

The most prominent functions identified (by more than 90% of participants) were: strategic integrated communication; other functions; identity, image and reputation; and also crisis communication. The lowest scores (less than 70% of participants) included investor relations; government relations; database management; and cultural diversity. As is evident in Figure 1, a seemingly contradictory situation presents itself, in that integrated strategic communication was identified by participants as being one of the most prominent functions they performed, yet as indicated, a whole number of functions seemed to be of lesser strategic importance from a corporate-communication perspective.

Role preference

Whether participants saw the above functions of corporate communication as strategic, managerial, or technical is illustrated in Figure 3, below.

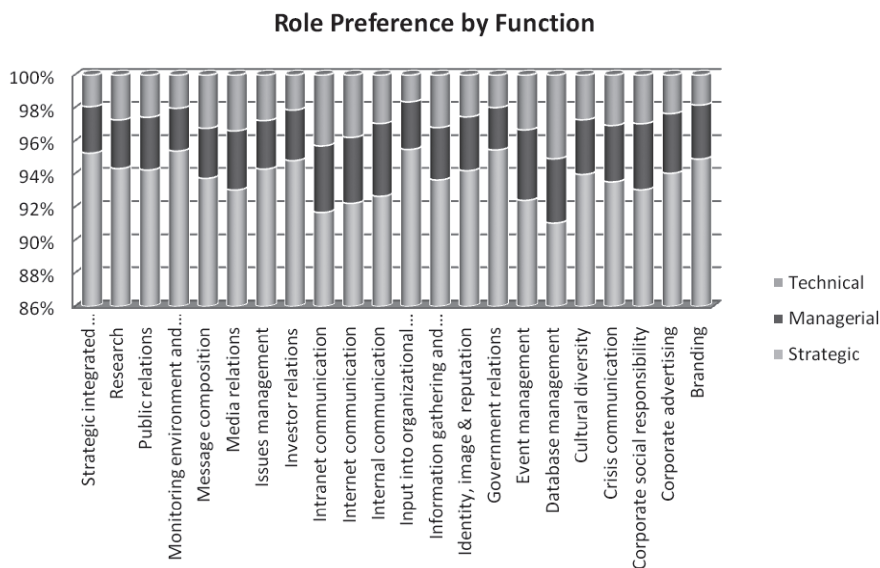


Figure 3: Role preference by function

An interesting observation is that in all of the 22 identified roles between 91% and 95% of the participants viewed these roles as being predominantly strategic in nature. In contrast, managerial and technical roles scored 5% and 9%, respectively. From the data, it is clear that corporate communication professionals saw themselves as strategic contributors to the existence of their companies.

RESEARCH OBJECTIVE 4: To determine the extent to which the company relies on agencies for the development and implementation of its corporate communication functions

The most important observation about the use of agencies is that the participants perform their functions in-house – but with some outsourcing. The corporate communication functions that were most often outsourced were input into organisational strategic decision making, corporate advertising, and research. These findings will also be valuable to communication service providers in South Africa, as they indicate the current areas where companies tend to leverage external vendors to support their corporate communication programmes, as well as the unexplored areas of communication services for third-party vendors.

RESEARCH OBJECTIVE 5: To determine the budget and budget changes associated with corporate communication in South Africa

One of the sections of the interview schedule focused on budget-related issues in corporate communication. These included: (1) the extent to which the corporate communication functions are covered in the budget allocation of the corporate communication department; and (2) the extent of change to the corporate communication budget.

The extent to which corporate communication functions are covered by the budget allocated to them is illustrated in Figure 4.

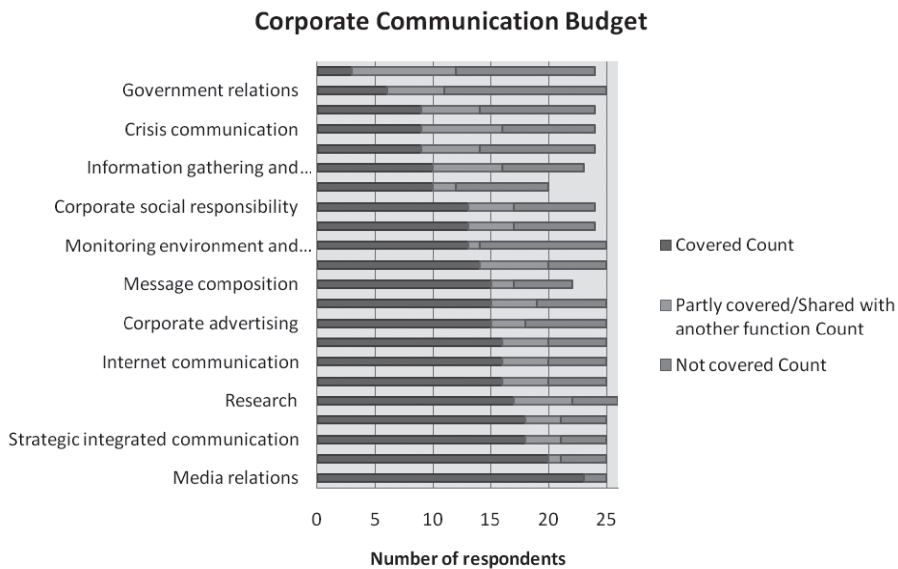


Figure 4: The corporate communication budget

The following were regarded to be the most important corporate communication functions that had to be fully covered by the corporate communication budget: media relations, strategic integrated communication, research, and internet communication. Considered as being least important in this respect, were crisis communication and government relations.

Changes to the corporate communication budget

With businesses increasingly operating in a market-oriented environment, one of the foremost issues regarding corporate communication in South African companies is just how important communication executives regard this function to be. To gauge its importance within South African companies, participants were asked whether their department would be the first to bear the brunt of corporate downsizing.

The most prominent observation with regard to the changes to the corporate communication budget was that there had, on average, been a 73% increase in the annual budget for corporate communication. Only in 13% of all cases did the budget actually decrease. Furthermore, the corporate communication budget was increased by up to 15% (for 40% of participants). Participants with increases in their corporate communication budget of 15% or more constituted 35% of the sample. This is in line with the economic growth in the South African economy in recent years.

More than two-thirds of all participants were not of the opinion that the corporate communication budget was either among the first the last to be cut, whilst 20% of participants indicated that their corporate communication budgets would be the first to be cut.

RESEARCH OBJECTIVE 6: To determine the titles and reporting lines used in South Africa companies

The titles designated to corporate communication professionals covered a number of permutations of the following roles: communication, corporate communication, marketing, and strategic management. In only seven instances did 'corporate communication' appear in a title along with the terms 'communication' and 'marketing manager'. Titles tended to be very elaborate, with titles such as 'Group Transformation Manager', 'Manager: Corporate Affairs' and 'Group Director: Sales and Marketing'.

In 16 cases interviews were conducted with the top person responsible for corporate communication. This is important, as it was necessary to understand how the decision makers managed their responsibilities, and moreover, to understand how they dealt with corporate communication conceptually and practically. The rest of the participants were intermediaries who reported to the top person responsible for corporate communication.

RESEARCH OBJECTIVE 7: To determine how the company positions itself in the changing socio-political and economic landscape

For the purposes of this study, three categories were identified in respect of issues management for participants to indicate the implications of said categories for corporate communication, namely:

- Economic development issues: New Partnership for Africa's Development (NEPAD), Accelerated and Shared Growth Initiative for South Africa (ASGISA) and Black Economic Empowerment (BEE)
- Social issues: HIV/Aids, crime, violence, corruption, poverty and environmental issues
- Community Development issues: diversity illiteracy, volunteerism and technology-transfer issues

Economic development issues: NEPAD, ASGISA and BEE

Awareness

The most prominent similarity identified was the emphasis on awareness campaigns: "We use awareness campaigns to position us strategically". It was not clear whether these campaigns were focused on company stakeholders but one would think so. A second important aspect was the need to communicate about the company's strategic positioning regarding these economic projects, with a view to acknowledging the potential advantages to the company on the economic and the political fronts. Thirdly, the need to use communication about these projects to "[P]romote the company's image, reputation and credibility", seemed to have been an important aspect of the companies' strategic positioning. An exception was: "It is more about how the Government should communicate about these things".

Empowerment

The most prominent similarity mentioned in respect of corporate communication as a process able to facilitate the empowerment processes was its ability to contribute to the empowerment of the intended beneficiaries. This would mainly be through the development of the inherent potential of the recipients of development, skills development, education, leadership development, the building of culture, role modelling and the ethical: "Empower, but the emphasis should also be on the development of ethical conduct." Only one participant mentioned the issue of sustainability by pointing out that a company through its corporate communication strategies has "[A] huge educational role to create the conditions for sustainability".

No company role

Quite a significant number of companies did not see any benefit or role for corporate communication in this regard: "Our role is very limited and we are just too occupied with other priorities".

Social issues: HIV/Aids, crime, violence, corruption, poverty and environmental issues

Awareness

The most common similarity was the emphasis on awareness campaigns about these very serious issues. The emphasis further fell on: "We communicate about these things but it is all about our position, nothing more". Yet another group of participants focused on attempting "to understand the complexities of these things through our corporate communication projects". Another company professed that it was all about "[A]wareness but mainly about our own image and reputation". Only in one instance did a participant mention that their campaigns were all about developing integrated communication strategies: "We need to create a shared understanding of the tremendous complexities and impact of these things on us, as well as on the South African society at large".

Empowerment

A significant number of participants acknowledged the important though as yet only potential role of corporate communication in facilitating empowerment. This includes the role of their corporate social investment programmes and skills development, through relevant information: "[T]hrough our leadership development projects", and, "[B]ecause we are all part of the consequences of these things, we must therefore all be empowered to deal with these things". In only one instance did a participant mention that these social issues were all actually being dealt with strategically: "Our whole strategy is aiming at being proactive. Several projects are being managed on most of these issues." In only one instance was the opinion expressed that these social issues were the responsibility of the government of the day.

Practitioners' limited knowledge

A number of participants indicated that they had no need for these programmes, and they simply did not see a role for corporate communication in this respect, saying they were "[N]ot sure what role is to be played". In one instance the responsibility for these issues was placed on "[H]uman resources (that) must deal with these issues".

Community development issues, diversity, illiteracy, volunteerism and technology transfer

The same three themes have been used for the community development aspects of this question.

Awareness

Quite similar to the two categories on economic development and social issues, the emphasis in this category was on the awareness role played by corporate communication. The overwhelming response focused on "[A]wareness and nothing more" or on "awareness about our reputation and image because we must be seen to be caring".

In other responses there was an emphasis on sporadic communication without a formal plan, with corporate social investment playing the major role, and yet another response alluded to “an awareness campaign with a strong educational programme”. Another fairly similar response was: “We have several systems in place in the company to deal with these issues but not necessarily through our corporate communication programmes.” In one instance only the response was that “these issues are all part and parcel of our integrated communication strategies”.

Empowerment

Two intertwined foci were mentioned here, namely that empowerment through corporate communication links up strongly with the fact that “[O]ur CSI programmes take care of these”, and that “[W]e have an educational programme specifically dealing with this”. In one instance the philosophy of empowerment was seen as being incorporated strategically within the corporate communication context: “The whole strategy is aimed at being proactive. Several projects are being managed on most of these issues.” As an exception, one participant was of the opinion that “[T]he issues of corporate communication’s role as facilitating empowerment is totally over-estimated”.

Practitioners’ limited knowledge

Responses revolved mainly around “[N]o idea” to “[W]e must still develop a position” to “[T]he Company is aware of these things, but they are too weary to deal with these things”.

From the findings of this category regarding how corporate communication professionals view the implications of topical issues for the phenomenon of corporate communication, it could be argued that participants were hesitant and fairly vague in their understanding of the role of the issues within the context of corporate communication. Again, it could be argued that this is not an ideal situation for the practice of corporate communication in that environmental (and related) issues affect companies in their relationship with their stakeholders and with the environment as a whole.

CONCLUSIONS AND RECOMMENDATIONS

From the findings, there was a realisation among the participants of the importance of corporate communication as a field that contributes to the functioning of an organisation. Participants’ views of the role of corporate communication within an organisation were rather limited in that they saw the role of corporate communication within the organisation as being largely related to publicity, while publicity can be regarded as one of the functions of corporate communication mostly performed by technicians. A further implication of the participants’ demonstrated limited understanding of the role of corporate communication is that it has an effect on the understanding of participants’ comprehension of strategic integrated communication, which here was also rather narrow. On the other hand, there was a realisation among participants that, within the organisational context, the growth towards integrated communication could not be ignored, nor could working towards

the strategic contribution of corporate communication to organisational goals. However, some inconsistencies became apparent between the emphasis on strategic integrated communication and identification of the role and function of corporate communication within the organisation. This could possibly be regarded as a consequence of the study participants' limited understanding of strategic integrated communication.

Awareness campaigns received both attention and support from participants; however, they could not clearly articulate how such campaigns aligned with the strategic alignment of corporate communication and with that of the organisation as a whole.

Participants were overwhelmingly skeptical about their companies' commitment – both in practice and philosophy – to transparency. Furthermore, there was a decided ambivalence among participants regarding selective commitments to transparency as opposed to a window-dressing approach to transparency. In speaking about the relationship of corporate communication and governance, a significant number of participants were not sufficiently informed to comment on the King Report. This consequently affected relationships with stakeholders.

Participants mostly had a fair understanding of the socio-political and economic issues at work in South Africa – but could not articulate how these factors (including community development) relate to strategic corporate communication.

In the light of the above conclusions, the following recommendations are suggested:

The distinct lack of understanding among participants regarding the dynamics of communication as a phenomenon and of how it manifests in the organisational context, both internally and externally, poses a shortcoming. This shortcoming can be regarded as having resulted from organisations not having suitably empowered individuals in the positions to which they were appointed in their respective companies. There was a critical lack of understanding in terms of the strategic challenges that organisations face in a volatile and changing social-cultural South African context. This is evident in participants' limited understanding of alignment issues of corporate communication in the strategic functioning of its role, and also its contribution to greater organisational strategic direction. The recommendation is therefore to appoint suitably empowered individuals in such positions.

There was a high level of awareness among participants regarding their role within the organisation, yet there was a lack of knowledge of how actually to use this to practical advantage. It is therefore recommended that corporate communication personnel be encouraged to make use of quality continuous learning in order to improve and update their capacity.

Participants have limited insight into issues affecting the organisation and its relationship with its stakeholders. From a theoretical perspective, the organisation can, given this limitation, therefore not be regarded as a learning organisation and can thus neither respond to organisational challenges nor implement changes so as to constantly build long-term strategic relationships

with its stakeholders. It is again recommended that there should be continuous organisational and professional training programmes in place to address this.

Disintegration of communication was prevalent in most organisational instances. Furthermore, there was an apparent lack of teamwork to ensure consistency, strategic alignment and direction in the corporate communication function (which could, in turn, have significant implications for the strategic functioning of the organisation to build and maintain long-term interactive relationships with their various stakeholders). Corporate communication professionals should therefore obtain a thorough understanding of issues affecting the organisation in order cross-functionally to practice corporate communication to align strategically with the organisation's professed strategic intent.

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