COMMUNICATING CORPORATE
CHANGE TO SPECIAL PUBLICS IN AN
ORGANISATION

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In April 1994 is vaarwel geroep aan 'n tydvak in Suid-Afrika. 'n Nuwe Suid-Afrika staan te midde van grootskaalse verandering. Laasgenoemde manifesteer in makro sosiale, politieke en ekonomiese aanpassing soos geformuleer binne die Heropbou en Ontwikkelingsplan (HOP). Groot organisasies maak deel hiervan uit en ondergaan talle strukturele aanpassings om tred te hou met eise van Regstellende aksie, maatskaplike HOP. opheffing ensovoorts is enkele voorbeelde. Moontlike privatisering van staatsbates maak verder deel van hierdie strukturele aanpassings uit en ontlok tans teenkanting uit vanaf vakbond geledere. In die ou tydyak was die tipe van teenkanting teen privatisering nie iets nuut nie. Neem die oud-regering se privatiseringsbeleid in die laat tagtigerjare, toe staatsorganisasies by hierdie beleid ingeval het en dit grootskaalse organisasieverandering te weeg gebring het met gepaardgaande teen-druk vanuit geledere wat verandering nie wou aanvaar nie. In hierdie tyd is 'n ondersoekende studie vanuit 'n kommunikasieoogpunt na hierdie teenkanting binne 'n parastataal onderneem. In die artikel wat volg word lesse uit hierdie studie geleer, onder die loep geneem. Hierdie lesse kan waarskynlik suksesvol op meeste vorme van teenkanting teen poli-ekonomiese en sosiale verandering in organisasies van toepassing gemaak word.



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### BACKGROUND

The White paper on privatisation and deregulation in the Republic of South Africa, was tabled in parliament in 1987. In this document, privatisation was described as the systematic transfer of appropriate functions, activities or property from public to the private sector; where services, production and consumption could be ruled effectively by market and price mechanisms (White paper on privatisation and deregulation in the Republic of South Africa, 1988:1).

Privatisation would form a process and strategy of reduced involvement of the

state in the economy; and give the private sector the opportunity to grow optimally and with minimum state intervention.

This drastic step was necessitated by the fact that the influence of the state in the economy has grown out of proportion with that of the private sector - to such an extent that it started causing serious economic distortions with concomitant socio-political ramifications.

As part of implementing privatisation, the State identified a number of privatisation candidates. The most important candidates were Iscor, Eskom, the then SA Transport Services (Transnet) and SA Post and Telecommunication (SAPOS and Telkom respectively).

Generally, this step was met favourably by Big Business, but rejected and opposed (in some cases violently and through mass action) by political parties and pressure groups on the left and the right. On the right it was branded "selling the family silver" (Die Afrikaner, October 7 1988:6). Noted opposition to privatisation came from the Congress of South African Trade Unions (COSATU) who, in 1989 during their third national congress, adopted resolutions to unite people to resist and fight privatisation, to initiate a campaign to educate people about the harsh effects of privatisation and for the then Mass Democratic Movement (MDM) to initiate a campaign to stop foreign capital from buying people's assets from the "racist" government (Political Ideologies and South African Trade Unions: A profile, 1990: 87-90). These resolutions were again adopted at their fourth national congress in 1991.

On February 2 1990, previously banned political movements and groups were reinstated by the President of the day, Mr F W de Klerk. Amongst those unbanned were the African National Congress (ANC). Following their unbanning a workshop was held in Harare where

the ANC and COSATU issued a discussion document on economic policy in a post-apartheid South Africa. Privatisation was branded immoral and unjustified while a non-democratic government was in power. Nationalisation of privatised state assets was threatened (The Star, June 16 1990:7). This view was reiterated on a number of important occasions where Mr Nelson Mandela (then deputy-president of the ANC) met with Big Business or made public statements.

This opposing view more or less moved the government of the day to revise their privatisation policy and to announce that they were committed to reduced state intervention in the economy and that they were to pursue deregulation and commercialisation of state-assets among other steps, to attain this goal (Sake Rapport, October 7 1990:1).

Commercialisation, instead of privatisation, in terms of its social, economic. and political implications represented a dramatic shift from the State's original policy of privatisation. Despite this new development, the threat to nationalise privatised state assets remained an important focus of ANC / COSATU public announcements during the course of 1990, 1991 and part of 1992 (Beeld, February 6 1992:4). spite the fact that the only state asset that had been privatised by that stage had been ISKOR. The other privatisation candidates were undergoing a process of commercialisation - turning them into viable public companies, but effectively still in the hands of the state. In other words, nationalised business enterprises.

What became clear, was the possibility that privatisation cum commercialisation, was at the time turned into a political ball play, entrenched in the free market, versus a mixed economy

debate on a future economic dispensation in South Africa.

This premise was more or less verified during the course of negotiation between the NP-government, the ANC and other important parties. Privatisation became less of a burning issue as time progressed and was, by the end of 1993, overshadowed by other critical political issues such as full participation of significant parties in the election, etc. Privatisation became one of many side-issues.

Against this background, the problem that was to direct the study, was formulated.

### **PROBLEM**

It seemed at the time that COSATU leaders did not accept the shift from privatisation to commercialisation - largely due to the political and economical status quo which had prevailed at the time, making privatisation a political rather than an economic or social issue. However, labour union members, predominantly Black then, as employees of a commercialised organisation, (used as the unit of analysis), should be studied separately from their leaders in terms of their understanding and attitude (positive or negative) towards privatisation cum commercialisation considering historical, social and economic reasons for their affiliation to labour unions. Also, they should be studied separately from labour union leaders in terms of their exposure to the communication of commercialisation, so that conclusions can be drawn on how communication could have impacted on their understanding of and attitudes towards commercialisa-The overall aim was to explore ways in which large organisations can overcome resistance from their employees, resulting from macro poli-economic change impacting on corporate change.

This will be elaborated upon in the discussion to follow.

## **CONCEPTUALISATION**

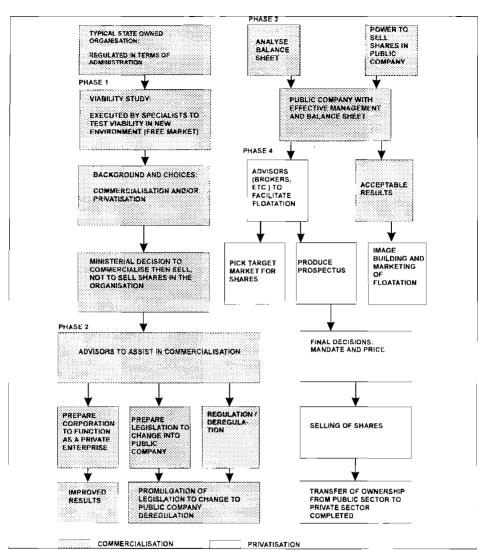
With a view to exploring the problem of this study empirically, four main constructs had to be conceptualised. These constructs are: privatisation and commercialisation, internal communication of commercialisation; as an intermediary construct linking the first two guidelines for developing a communication strategy and plan, and finally, the labour union member as a complex receiver.

# PRIVATISATION AND COM-MERCIALISATION

Using the British privatisation model (a First World model) as framework (see figure 1) it is illustrated that the global privatisation process is divided into distinctive phases. The first three phases representing commercialisation and phase four being bona fide privatisation (Wiltshire, 1987). This supported the contention that opposition by the political and labour union leadership could have been due to political rather than cognitive rationale (seefigure 1).

If the commercialised organisation wanted employees to understand and have a positive inclination towards commercialisation, then, in the light of overt rejection of privatisation, it would have been their responsibility to communicate the nature of real commercialisation and how it differed from privatisation.

In communicating the meaning of commercialisation, it was necessary to embed the following mainstream traits in the cognition of the employee:



Fiure 1 A typical privatisation process

commercialisation. During this phase this study the Minister in charge of the the state will decide (for reasons mentioned in the introduction) to initiate a depoliticising process of their assets. This decision will be followed by a viability study where inter alia, the asset (organisation) will be evaluated in terms of value versus liabilities, quality of man-

agement, market potential, etc. (Wilt-PHASE ONE of privatisation is in fact shire, 1987). Pending the outcome of asset will contemplate the viability of subjecting the state organisation to commercialisation and perhaps privatisation later, if the former proves successful.

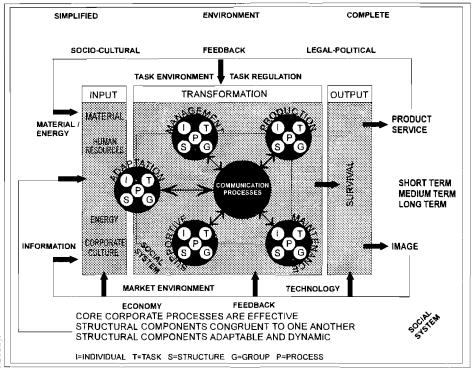


Figure 2 A social systems model of organisational operation

PHASE TWO of privatisation is in fact also commercialisation. This phase is commonly regarded as the crucial step to successful and eventual privatisation.

Phase Two comprises the legal transformation of the state organisation where, for example, assets and liabilities are transferred to a new entity or monopolies are dissolved (Vuylsteke, 1988). This step in Phase Two can be regarded as an important step towards the "liberation" of the state asset, giving it right of way to start the most crucial stage of commercialisation: namely the transformation of the former corporate culture (state oriented) into a so-called business culture. It meant changing "sets of values, norms and beliefs reflected in the structures of systems" (Handy, 1986:185). Corporate culture is shaped. according to Handy (1986), by the following mainstream aspects: history and ownership of the organisation; magnitude; technology; corporate aims and objectives; its environment; and its human resources.

Thus, changing the corporate culture implies changing, the way an organisation functions. The latter is complex, but is well illustrated by Verwey's social systems model of organisational operation (Verwey, 1990: 144)

By changing the way the organisation assimilates input from its external environment (economic, socio-cultural, legislative-political and technological sub-environments) and task environment (market, natural resources, human resources, technological sub-environments), and transforming this input and render output to its environment to address its corporate purpose

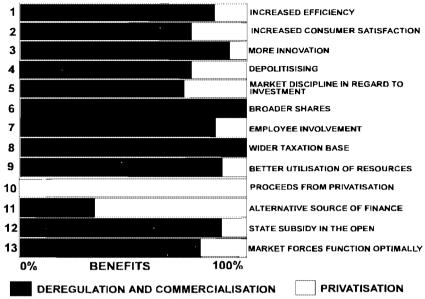


Figure 3 Commercialisation vs. privatisation

(e.g. service, production etc.), it changes the very nature of its corporate culture (Verwey, 1990).

A detailed discussion of what this process demands, does not fall within the scope of this paper. However, Anker (1988); Pettigrew, 1987 and Quinn (1980) are of the same opinion as Overton and Verwey (1991) that this process requires the following critical management tasks:

- Developing a new focus (vision) for the organisation and making this vision concrete, focusing on, inter alia, aspects such as new products / services, client needs, market descriptions, technology, production and distribution, assets and skills within the organisation;
- The new vision and mission are then to be translated into specific short, medium, and long term goals;
- In order to attain these goals, strategies have to be formulated on corporate level (e.g. mainstream policies etc.); business level (e.g. tailormade business strategies) and institutional level (eg. values which will direct business decisions). Cutting across all three levels of strategy formulations are the changes in systems which eventually will characterise the real change in corporate culture. These changes are: changing the formal corporate structure, production systems, internal political systems, socio-cultural systems, human resources systems, corporate processes and finally the way in which the organisation responds to its external environment.
- Once change strategies have been formulated, they need to be implemented. Implementation warrants

lowing aspects: description of what needs to be changed; determination of which people, structures, operational systems and management orientations need to be changed; quantification of change level and sources needed for change; a responsibility breakdown and time framework; and eventually, implementation by putting the plan into action and establishing a new corporate structure, new internal political system, new socio-cultural system, etc. (Hickman and Silva, 1986; Hrebiniak and Joyce, 1984). Finally, the implementation of change

an implementation plan with the fol-

 Finally, the implementation of change needs to be monitored, and, if necessary, corrective action taken. Monitoring can be done by evaluating culture change against the following outcomes: impact on training, organisational development, human resource planning, labour relations etc. (Guidewell, 1986).

Once Phase Two of commercialisation has been completed, Phase Three will follow.

PHASE THREE is in fact also commercialisation. The organisation is restructured financially in such a way that it can be sold legally, but the State can also decide not to sell. Phase Three (financial restructuring) can pave the way to eventual privatisation.

PHASE FOUR, then, is in fact bona fide privatisation, where the State decides how many shares will be sold, a privatisation policy is formulated etc. Privatisation becomes reality when the transfer of ownership takes place. Privatisation manifests itself in many ways such as the selling off of the organisation, contracting of services, reduction of monopoly powers, etc.

It can be concluded from this discussion, that commercialisation and privatisation are, from a process point of view, mutually inclusive, but not the same concept.

Not only does commercialisation differ from privatisation conceptually, but also in terms of its economic (and probable socio-political) impact. Economic differences are illustrated by Moolman's (1989) liberation diagram.

The second construct that had to be conceptualised was the internal communication of commercialisation.

# INTERNAL COMMUNICATION OF COMMERCIALISATION

The communication of corporate change (e.g. commercialisation) is described by Brody (1987) as a process whereby change is institutionalised and woven into the cultural fabric of an organisation. This process, according to Brody (1987), requires knowledge of organisational communication.

Verwey's (1990) model (see figure 2). illustrates the positioning of such a process within the global organisational operation. During change, communication plays three vital roles, namely a production role, innovation role and maintenance role (Farace, Monge and Russel, 1977). In fulfilling its production role, information on how tasks are to be executed in a new task environment is communicated to the employee. As part of its innovation information on corporate function. plans, activities, programmes etc., are communicated. Finally, the purpose of maintenance is to communicate corporate policy in order for the organisation to fulfil its purpose (e.g. service, production etc.).

To enable communication to fulfil these roles, an internal communication

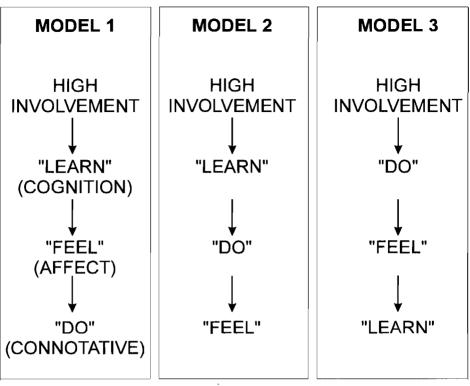


Figure 4 Hierarchical models of persuasion

of the commercialisation process has to be managed. This process is comprised of the following elements:

SENDER MANAGEMENT where the formal senders in an organisation (management, etc.) and informal senders (opinion leaders etc.) are activated to communicate the new corporate culture (Brody, 1987). Important elements of sender management are: what should be communicated, to whom, where, why etc. (Francis, 1987). Aspects such as the homofily / heterofily between the sender and receiver of the message should be taken into consideration as part of sender management (Rogers and Shoemaker, 1971).

crucial part of the communication of the precede attitude change. However, if

commercialisation process. It is of crucial importance to firstly position the message of change. Drawing from previous research (Krugman, 1965; 1966; 1977) and later Overton (1988), Ramond (1976) and Ray (1982), it was postulated that messages aimed to persuade can be positioned as either a low involvement (low risk) or alternatively a high involvement (high risk) message. This positioning, according to these authors, has an impact on the persuasive effect of messages. Persuasion can take place in three ways, according to Rays hierarchical model (Ray, 1982) of persuasion effects, illustrated in figure 4.

If the message is one of low involve-MESSAGE MANAGEMENT forms a ment, then behavioural change can

involvement increases, then model 1 (see figure 4) comes into play, necessitating learning about change before a positive attitude can be established. leading to acceptance (behaviour) of Drawing in addition on rechange. search of communication of change by Rogers and Shoemaker (1971, 1973) and Rogers (1976), it was postulated that persuasion during change can take place on an individual level (the individual innovation decision process), representing more or less the "learn-feel-do" order of persuasion (model 1). However, persuasion on a collective level (the collective innovation decision process), represented an order where the idea of change is born (stimulation), the idea is initiated by a knowledgeable leader, legitimised by, for example, opinion leaders in a system and eventually members of a system take a collective decision to accept/reject the proposed change and action is taken accordingly.

This theory is very significant in terms of the problem which directs the study. It was argued that the labour union members should be studied separately from their labour union leaders in terms of their cognition of and attitude towards commercialisation (amidst possible confusion with privatisation). However. their affiliation to a labour union and its collective influence on their cognition and attitude, is a very important variable which had to be taken into account. This contention will be elaborated upon during the conceptualisation of the labour union members as a complex receiver.

The significance of the preceding theory of message management, is in essence that privatisation cum commercialisation can be positioned as a high involvement message following the controversy and publicity that surrounded this issue (Parameters, 1988-1991). This meant that in order to persuade receivers (e.g. black labour union members) to support commercialisation, messages had to establish cognition of this concept first, be-

fore a positive attitude and acceptance (behaviour) could occur. However, the collective influence effected by the receiver's affiliation to a labour union, should be taken into consideration as a process variable. Especially since process variables can trigger selective processes (e.g. selective exposure, selective perception etc.) which in turn can influence the individual decision process (Allport and Postman, 1947; Hassinger, 1959; Katz and Lazersfield, 1955; Rogers and Shoemaker, 1971, 1973).

Positioning commercialisation as a high risk message, also holds significance for the types of knowledge which should be managed, in order to influence the receiver during various stages of cognition, attitudinal and behavioural change.

Three types of knowledge (messages) exist: awareness knowledge, principles knowledge and "how-to" knowledge (Rogers and Shoemaker, 1971, 1973).

Awareness knowledge is important during the first stage of the individual innovation decision process, where the receiver has to form a cognition of the change in question. Principles knowledge is of importance during the formation of an attitude towards change and, "how-to" knowledge plays an important role in the eventual behaviour towards change.

These types of knowledge each have specific contents, which in turn can be divided into so-called downward, upward and horizontal messages. This will be elaborated upon in the discussion of the next element of the communication process of commercialisation, that of channel research.

To conclude the message management element of the internal communication process of commercialisation,

INTERPERSONAL CHANNELS	MEDIATED CHANNELS	MESSAGE CONTENTS (Not linked with a specific channel)
Personal instructions	Written instructions	Policy and procedure information (new vision and mission)
Lectures / Conferences	Letters / memorandums	Task information (new production systems, technology, decision-making systems etc.)
Committee meetings	Newsletters / corporate publications	Socio-emotional information (new socio-cultural systems in terms fo recruiting, task structures, development programmes, compensation systems etc.)
Interviews	Notice boards	Work rationale information (new corporate philosophy and task system for improved productivity)
"Advice" sessions	Manuals	Indoctrination information (training in planning, decision-making, leadership, communication, etc.)
Telephone calls	Pamphlets	Feedback (information on how progress is made in terms of change etc.)
Departmental meetings	Posters	
Briefing sessions	Information shelves	
Social gatherings	Circulars	
Labour union meetings	Payslips	
Rumour network	Annual report	
Speeches	Corporate radio	
Change agents	Progress reports	

Table 1 Downward channels and messages

Training programmes

other elements of the message management should be touched upon briefly. These elements are: who are the targeted receivers of the message; the complexity of the message; quality of the message; distance it has to travel; need for accuracy; and need for feedback on the message.

Message management and channel management are intrinsically interrelated.

CHANNEL MANAGEMENT is another crucial element of the internal communication process of commercialisation. In essence, communication can only fulfil its production, innovation and maintenance roles when sufficient net-

Achievement evaluation

INTERPERSONAL CHANNELS	MEDIATED CHANNELS	MESSAGE CONTENTS (Not linked to a specific channel)	
Face-to-face interviews	Reports	Personnel information (employee attitudes, achievements, ideas for change etc.)	
Telephone conversations	Personal letters / memorandums	Technical feedback (information on how the employee is coping with a new task environment etc.)	
Task planning and feedback meetings	Written grievances	Problem solutions (information on how corporate culture can be improved etc.)	
Rumour network	Suggestion procedures		
Shop stewards	Attitude surveys		
Problem solving groups	Labour union literature		
Think-tanks		]	
Quality circles			

Table 2 Upward channels and messages

working of channels exist in the organisation; and specific channels are utilised within the networks, in terms of its exposure potential, usefulness, accuracy and timeousness (variables impacting on channel effectiveness) (Koehler, Anatol and Applebaum, 1981).

The choice of channels should also be well integrated with the communication aims the organisation has in mind, e.g. forming cognition, or shaping attitudes, or eliciting certain behaviour. When these requirements have been met, only then can the choice of channels for the communication of a message be made. Referring back to the so-called downward, upward and horizontal messages (see message management), the organisation normally has a number of channels (within a network) at its disposal. Summarised in table format, these are downward, upward and horizontal channels communicating specific contents (messages). Hence, to establish awareness (cognition) of commercialisation, downward channels are utilised for communicating downward messages.

To influence attitudes towards commercialisation, and also to determine the effectiveness of downward communication, upward channels communicating upward messages are employed (see table 2).

Finally, in order to attain synergy in behaviour towards commercialisation, horizontal channels should be employed across divisions in the organisation to communicate horizontal messages (see table 3).

Central to the sender, message and channel elements of the internal communication of commercialisation process, is receiver management.

 RECEIVER MANAGEMENT entails the diagnosis of the receiver whom messages are aimed at. Senders

INTERPERSONAL CHANNELS	MEDIATED CHANNELS	MESSAGE CONTENTS (Not linked to a specific channel)
Top management conferences	Letters / memorandums / reports	Policy and procedure information (new vision and mission, corporate policy, corporate aims tailored for divisional needs etc.)
Middle management meetings	Newsletter / notice board / posters	Task co-ordination information (new production systems tailored for divisional needs, etc.)
Lectures / conferences / committee meetings	Annual reports	Socio-emotional information (new socio-cultural systems tailored for divisonal needs etc.)
Social gatherings		
Opinion leaders / rumour		

Table 3 Horisontal channels and messages

network

can only select effective channels and design effective messages once they have analysed the receiver's dynamism (socio-economic, personality-communication behaviour and cultural traits). The role of the received dynamism on the commercialisation decision process, will be elaborated upon as part of the third and fourth construct under discussion. The fourth construct will be made pertinent to the labour union member as receiver.

Finally, the internal communication of the commercialisation process has a feedback element.

 FEEDBACK MANAGEMENT aims to evaluate how effective communication has been in terms of pre-determined communication goals (e.g. to attain cognitive change, attitude change and behavioural change).
 This is a difficult part of the global communication of the commercialisation process since variables such as the context and communication system in which communication took place, should also be analysed in order to determine how effective the communication process has been (McQuail, 1975).

In a nutshell, internal communication of commercialisation aims to make the employee aware of what commercialisation entails so that a positive attitude towards this form of corporate culture change can be formed, and collaborative behaviour towards it can be stimulated.

Success of this communication process will depend on how well organisational communication process principles are adhered to when formulating an internal communication of commercialisation strategy and plan. The latter integrates the two constructs which were discussed so far, namely what is communicated (commercialisation as corporate culture change) and how it should be communicated (organisational communication principles). This

will form the focus of the third construct which had to be conceptualised, in order to address the problem of the study.

# COMMUNICATION STRATEGY AND PLAN

Developing a communication strategy warrants a process which addresses three basic questions: where are we, where do we want to go and how do we get there! In order to determine the . status quo ("where are we") a corporate culture and climate study is undertaken, analysing the aspects discussed as part of the commercialisation cum privatisation construct. This is combined with a communication audit, analysing key aspects which can influence the internal communication process of commercialisation. Thus, the communication audit will analyse the nature of communication in the organisation in terms of: interpersonal communication, written communication, communication networks, communication channels, messages, receivers, information needs, symbolic communication and communication culture and climate (Booth, 1986; Emmanual, 1981; Hamilton, 1987).

Resulting from these studies are fundamental assumptions on which the communication strategy for communication of commercialisation will be based (Verwey, 1992). The communication strategy has two broad elements, namely a programme strategy and contents strategy, answering the questions of "where do we want to go" and "how do we get there" respectively. The development of a communication strategy for commercialisation can be summarised as follows (Verwey, 1992:24)(see figure 5).

The programme strategy comprises the following elements:

What are the basic principles and assumptions on which communication

of commercialisation will be based, answering: What is the new vision and mission of the organisation; its short, medium, and long term objectives; strategies which will realise these objectives; its implementation and monitoring strategies?

- What are the communication objectives emanating from these principles and assumptions?
- What are the problem areas in and opportunities for attaining these communication objectives which emanated from the principles and assumptions identified?

Once these aspects have been ascertained, then the contents strategy can follow. It comprises the following:

- Establishing the communication platform in terms of positioning of the message: is it a low or high involvement message? (this holds important implications for the communication objectives which will be set); identification of specific commercialisation messages tailored to the situation and communication objectives set (see tables 1;2;3); and, finally, managing the design of the message tailored to the receiver/s dynamism so that the message is exposed to and perceived as useful, accurate and timeous.
- Coinciding with the latter is the evaluation of target publics in the organisation. It is imperative to analyse receivers in the commercialised organisation in terms of receiver levels (e.g. organisation, group level, dyadic level and individuals) and their position in these levels (e.g. top management, middle management, professional staff,

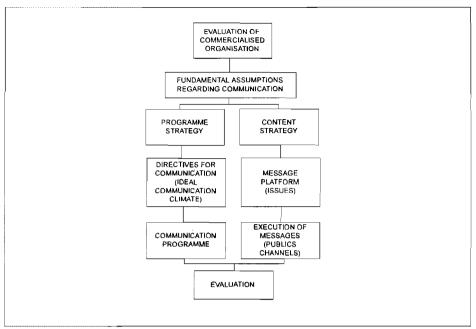


Figure 5 Developing process of a communication strategy

blue collar etc.). Of equal importance is to further segment these levels and position it in terms of receiver variables (see receiver management). It will warrant analysis of their socioeconomic traits (level of education, social status etc.), personality traits (aspirations, abstract thinking etc.), communication behaviour (knowledge of innovations, opinion leadership etc.) and their cultural traits (perceptions, time perspective, stereotypes etc.)

Finally, as part of the contents strategy, channels should be identified that will effectively communicate a specific message/s to the specific receiver/s. Effectiveness of messages will be determined by exposure to the message and how it is perceived as useful, accurate and timeous. This represents the programme execution

and budget element of a communication plan for commercialisation.

The development of a communication plan for commercialisation can be summarised as follows (Verwey, 1992: 25)(see figure 6).

The preceding discussion focussed on privatisation cum commercialisation as a central construct; internal communication as yet another central construct; and integrating these two constructs, elements central to the strategy and plan to communicate commercialisation (corporate change) to employees (receivers) in an organisation.

Referring back to the problem (see introduction and problem), which directed the study, it was said that this study focussed on a special public (receiver) namely black labour union members affiliated to a labour union which rejected privatisation cum com-

mercialisation (Parameters 1990-1991).

The discussion of the final construct set to follow, will now focus on this receiver, especially in the light of theoretical assumptions made during the discussion of message management as a critical element of the internal communication process of commercialisation.

# LABOUR UNION MEMBER AS COMPLEX RECEIVER

In positioning privatisation cum commercialisation as a high involvement message, it has been argued theoretically that the persuasive effect of messages of commercialisation on receivers could take place on an individual or/and collective level (Rogers and Shoemaker, 1971; Rogers, 1976). A labour union member is, in this regard, a special receiver who can typically be subjected to both forms of persuasive effects, and should therefore be scrutinized accordingly.

Using Rogers and Shoemaker's (1971;1973) classification of receiver types (innovators, early adopters, early majority, late majority and laggards) - in combination with generalisations of typical socio-economic and communication behaviour traits of each receiver type - as a framework, deductions were made on how the black union member could be positioned as a "receiver type" and how it could influence his commercialisation decision process.

In relative terms, using logical deduction from theoretical analysis, this receiver was positioned as a late adopter of change rather than, for example, an innovator (first to accept change). Furthermore, considering typical cultural traits, it was concluded that apart from socio-economic and communication behaviour traits impacting on this receiver's individual decision process, cultural traits were in all probability also

impacting on the individual's innovation process.

It was concluded generally from a qualitative analysis, that on an individual level, several variables (in terms of receiver traits) were probably impacting profoundly on the labour union member's cognition of and attitude towards commercialisation.

Although speculative in nature, a process of logical deduction was later employed to interpret the results which emanated from the empirical part of this study, in terms of the preceding conclusion. This will be elaborated upon in due course.

In order to gain insight into how affiliation to a labour union could possibly impact on the labour union member's collective commercialisation decision process, a qualitative analysis was undertaken, analysing the historical background leading to the formation of unions in South Africa. Supplementing this by using official documents and poli-economic literature, further parallels were drawn between the labour union members, official labour union leaders and its alliances with political parties and Cosatu who, as described in the introduction, rejected privatisation cum commercialisation (Constitution of the South African Railway and Harbour Workers Union, 1990, Parts 1-3; Cosatu constitution, 1985:1; New Nation, June 15-21, 1990).

It was concluded from this analysis that, once again in general, affiliation to a group that rejected change of this nature, could have a profound collective influence on the collective commercialisation decision process of a labour union member, especially in the light of the labour union's doctrine to "fight privatisation" and to "teach members about the harsh effect of privatisation" propagated by their leadership

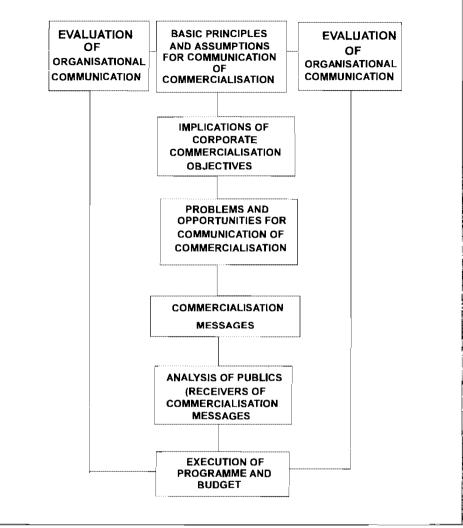


Figure 6 Developing process of a communication plan

(Political Ideologies and South African Trade Unions: A Profile, 1990: 87-90).

A process of logical deduction was once again employed to interpret the empencal results of this study, in terms of this general conclusion.

This concluded a very brief interpretation of the detailed constructs conceptualised for purposes of this study. Specific aims of this study were then formulated. The following aspects were explored using a systematic stratified sample of black labour union members from a labour union that opposed the commercialisation of an organisation.

### AIMS OF THE STUDY

- Cognition of commercialisation and how it is perceived as being different from privatisation;
- Attitude towards important dimensions of commercialisation;
- Channel consumption in terms of specific channel variables, following communication of commercialisation in the organisation mentioned;
- The relationship between the sample's cognition of and attitude towards commercialisation; and
- Exposure to channels communicating commercialisation, and the sample's cognition of and attitude towards commercialisation.

Considering the nature of this sample, an elaborate methodology was employed to ensure that scientific requirements were met in exploring these aims.

## **METHOD**

What this methodology eventually entailed, deserves a seperate paper. The discussion to follow will therefore only highlight the most important elements.

### PREPARATION AND ORIENTATION

A comprehensive process of preparation was embarked upon. Discussions were held with key figures from the organisation (working on a daily basis with labour union members) brainstorming the nature of the study and collecting input on possible problems involved in such a study. An important recommendation (among many others) was not to use a survey method but to explore other means of collecting data. Previous surveys among black employees failed to elicit a satisfactory response.

# LITERATURE STUDY AND DRAFT QUESTIONNAIRE

A concept questionnaire was then compiled, drawing for the purpose of operationalisation, from central elements identified in the course of the conceptualisation process (literature study). These indicators (elements) were carefully correlated with commercialisation messages communicated by the organisation during the course of 1989 and 1990.

Channels operationalised in terms of channel variables and included in the questionnaire, were also carefully correlated with channels utilised in the organisation to communicate commercialisation during the course of 1989 and 1990.

These indicators were linked to appropriate scales (ordinal scales) in order to measure cognition of and attitude towards privatisation / commercialisation; and the effectiveness of channel consumption (exposure, usefulness, accuracy and timeousness). Scales were combined with open-ended questions etc. Questions asking for socio-demographic particulars were also included.

#### **FOCUS GROUPS**

In order to test the variability of this data collection method, it was subjected to an in-depth interviewing method in the form of focus groups (Kinnear and Taylor, 1979). The questionnaire was subjected to three groups of eight black employees each (not necessarily black labour union members). A conversant facilitator (black) was used for these sessions.

Looking at specific responses from participants to this questionnaire, it eventually failed in every possible way, necessitating the researcher of this study to compile an alternative questionnaire, eliminating sophisticated scales, open ended questions and socio-demographic questions. Although the way in which the questionnaire was constructed failed, the respondents asked questions creating the impression that structured interviews using a simplified questionnaire, could succeed as a data collection method.

Further consultations with a senior 6 M-instructor from the organisation were held, leading to a simplified questionnaire. Items measuring cognition, attitude and channel consumption were all linked to very simple nominal scales, tailored to work in a structured interview situation

# PILOT STUDY OF FINAL QUESTION-NAIRE

The agent who facilitated the focus groups subjected the revised questionnaire to a pilot study using structured interviews with black employees from vastly different levels of education. Results from these structured interviews were satisfactory and the second draft questionnaire was accepted as the formal data collection method for this study.

## SAMPLE

A proportional sample (5 percent of the universum), of black labour union members were drawn systematically from a division of the organisation, stratified in terms of the operation departments in which they were working.

### **PROCEDURE**

Serving as interviewers were labour facilitators who worked regularly interacting with the respondents on a daily basis. These facilitators were thought, considering the rapport they had with the labour union members, to be best equipped for this task.

They were subjected to a training session in structured interviewing and also handed, for reference purposes, a list of directives compiled from scientific literature. (Burgess, 1985; Dijkstra and van der Zouwen, 1983; Fiedler, 1978; Fowler and Mangione, 1990; Kimmel, 1988).

Interviewing followed, taking the best part of twelve weeks and producing 82 percent "successful" interviews. Fifteen questionnaires later on turned out to be spoilt and were rejected during statistical analysis.

### STATISTICAL ANALYSIS

An important question was built into the questionniare, asking whether "they knew anything of the commercialisation of the organisation which they worked for"? If answered no, the interviewers were instructed not to fill out "section 3" which measured channel consumption.

By virtue of this instruction two subsamples were identified, namely Group 1 which for practical purposes was not substantially exposed to the organisations communication of commercialisation and, group 2 which was substantially exposed to communication. The total sample was also divided by means of statistical procedure, into high / low cognition and negative / positive attitude groups.

Statistical methods of analysis suitable for nominal scales (frequency distribution, percentages, cross tabulation and Chi-square (X²)) were employed to analyse the data in terms of objectives set.

The first three aims of this study were analysed using descriptive means of

analysis. The fourth and fifth aim predicted a particular relationship between two variables (cognition and attitude), therefore necessitating a hypothesis which were tested using a customised means of statistical procedure. The following hypotheses were tested:

- Hypothesis 1: A statistically significant relationship exists between the total sample's cognition of and attitude towards commercialisation.
- Hypothesis 2: A statistically significant relationship exists between the group, who has not been exposed to channels of commercialisation, cognition and its attitude towards commercialisation.
- Hypothesis 3: A statistically significant relationship exists between the group who has been exposed to formal channels of communication cognition, and its attitude towards commercialisation.
- Hypothesis 4: A statistically significant relationship exists between cognition and channel exposure of commercialisation.
- Hypothesis 5: A statistically significant relationship exists between attitude and channel exposure to commercialisation.

The following results were obtained.

# RESULTS

In terms of the aims of this study it was found that:

 A very low percentage of the total sample had cognition of the difference between commercialisation and bona fide privatisation.

- A very low percentage of the total sample had a positive attitude towards dimensions and sub-dimensions of commercialisation; and
  - A very low pecentage of the total sample has been exposed to formal channels of communication. Those who had been exposed to these channels rated the 6-M course and TV/1/2/3 as useful channels for information on commercialisation. A surprise finding was that in the light of the samples affiliation to a labour union (and in the light of their collective innovation decision process). labour union and shop stewards did not significantly feature as useful, accurate and timeous senders. This was probably a result of their labour union getting official recognition in their organisation only long after commercialisation began.

Testing hypothesis 1, 2 and 3 on three levels, namely the total sample, sample not exposed to channels of commercialisation and the sample exposed to channels of commercialisation respectively, the following results were obtained (see table 4).

Results showed, with the exception of Group 3, that a significant relationship exists between cognition and attitude; and, specifically, that high cognition of commercialisation had a significant relationship to a positive attitude towards commercialisation.

Testing Hypothesis 4, the following result was obtained (see table 5).

Hypothesis 4 was rejected on a 5% level of significance.

However, it should be noted that, proportionally, a larger portion of the group exposed had a higher cognition

GROUP	X²-VALUE	DF	р	STATISTICAL RELATIONSHIP (5% level of significance)
Total sample	8,12440	1	0,0437	Significant
Group not exposed	6,66634	1	0,0982	Significant
Group exposed	0,012981	1	0,90929	Non-significant

Table 4 Relationship between cognition and attitude

CHI-SQUARE	DF	P	STATISTICAL RELATIONSHIP (5% level of significance)
0,72351	1	0,39500	Non-significant

Table 5 Exposure of channels and recognition

CHI-SQUARE	DF	P	STATISTICAL RELATIONSHIP (5% level of significance)
9,36834	1	0,0221	Significant

Table 6 Exposure to channels and attitude

of commercialisation than a low cognition, showing that high cognition of commercialisation does have a relationship with exposure to channels.

Testing Hypothesis 5, the following result was obtained (see table 6).

A statistically significant relationship (P=0,0221) exists between attitudes towards commercialisation and exposure to channels of commercialisation. Hypothesis 5 was verified on a 5% level of significance.

These results were interpreted in terms of the constructs which grounded this study. For practical reasons, the interpretation cannot be discussed in detail. The most important interpretation was, however, captured.

### INTERPRETATION

The samples' low percentage of cognition can be ascribed to various reasons. Reason such as non-exposure to commercialisation; the probability that a very complex concept such as

commercialisation is falling beyond their cognitive abilities; that the labour unions receiver traits and collective commercialisation decision process triggered selective processes, blocking exposure to messages of commercialisation leading to a low cognition, etc.

The samples' low percentage positive attitude towards commercialisation could in the same manner have been a result of non-exposure to commercialisation. Receiver traits and the collective commercialisation decision process could have triaaered selective processes blocking exposure to messages of commercialisation, leading in terms of the high involvement theory on messages, to a low cognition and negative attitude. The relative visibility and tangibility of commercialisation may never have been experienced by the labour union member, etc.

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- The samples' low percentage exposure to formal channels of commercialisation could have been a result of the corporate culture and communi- • cation culture and climate in the organisations, blocking effective communication to this receiver: the distribution process of commercialisation messages in terms of an ineffective sender, message, channel, receiver . and feedback process, etc.
- It can be concluded from this study that cognition of commercialisation had an influence on the labour union's attitude towards commercialisation: and
- Finally, it can be concluded from this study that communication can facilitate a higher cognition of commercialisation leading to a more positive attitude towards this form of corporate change.

Thus, in terms of the overall aim of this study, to explore ways in which large organisations facing change in a new South Africa can manage outright rejection of these changes internally, a number of lessons have been learnt. These lessons are translated into recommendations:

## RECOMMENDATIONS

- "Change is strange!" If corporate change is not communicated effectively to create awareness of what it entails, a low level awareness will prevail leading to attitude and behaviour problems towards the phenomenon.
- a strategically planned and sustained process, and not a once-off linear communication action. A thorough and in depth knowledge of organisa-

- tional communication is required to communicate corporate change effectively.
- In using communication to address corporate change, do not expect a panacea. Effective communication of corporate change goes hand-inhand with a conducive corporate culture and climate.
- The social systems model illustrated clearly the number of variables impacting on corporate change. If real change does not take place, do not resort to communication to solve resistance.
- Finally, effective communication can reduce resistance, facilitate changes in attitudes and stimulate conducive task behaviour in an organisation undergoing dramatic cultural changes.

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