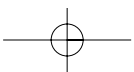
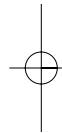
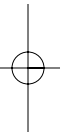


PART A

Why a New Book on Corporate Communication?



1

Corporate Communication as a Field of Study and a Community of Practice

The Missing Link of Corporate Communication as a Field of Study

A quick glance at the titles published in the *International Journal of Corporate Communication*, by far the most credible source of articles and reviews in the area of corporate communication, is both revealing and puzzling. The majority of the topics cover everything imaginable that connotes internal communication, external communication, or both. The variety and range of topics compiled in the journal and the content areas are so wide and mutually exclusive that one can easily confuse the field with its subsets. The topics range from image management, reputation, stakeholder analysis, public relations (PR), investor relations, customer relations, government relations, marketing management, corporate citizenship, crisis management, media relations, and corporate advertising to corporate identity, employee relations, internal communication, management

communication, organizational communication, corporate culture, change, core values, and managing climate. Notably, each writer had a different audience in mind, and each article was aimed at mapping out different parts of the construct space of corporate communication. While most corporate communication researchers and executives could benefit from the use of an integrated and more systematic framework of corporate communication, unfortunately the academic field of corporate communication is scattered, divergent, and lacks coherence. Van Riel (1995), a prominent researcher and a prolific writer in the area of corporate communication, concludes that “the confusion concerning the central concepts of corporate communication has not been resolved” (p. 24).

An earlier reviewer of this book commented: “There is really no definitive text which is able to address the diversity of this field within a coherent theoretical framework.” The two volumes written by Michael Goodman epitomize this problem. The first volume, *Corporate Communication: Theory and Practice* (1994), was aimed at

clarifying definitional issues as well as identifying professional practices of corporate communication. *Corporate Communication* offers a close look at the growing professional practice of corporate communication and provides a discussion of critical functions. As a discipline, corporate communication is more art than science, but its body of knowledge is as old as rhetoric itself. Its theoretical foundation is interdisciplinary, drawing from language and linguistics, anthropology, sociology, psychology, management, and marketing. Its practice within contemporary corporations is seen as a strategic tool to lead, motivate, persuade, and inform numerous audiences inside and outside the organization. The objective outlined in the book is to “explore further corporate communication as a professional practice and an academic discipline” (p. xiv). In the first chapter Goodman goes on to define the intellectual boundaries of the field: “As a focus of academic study, corporate communication can be considered in the large context presented here, or it can be seen as an art of public relations” (p. 1). He then goes on to include the context: “Given the business environment, the more encompassing definition works well in both the applied context of the workplace, as well as within the context of academic study” (p. 2). Unfortunately, the rest of Goodman’s book falls short of providing a solid theoretical basis or systematic procedure for building positions, presenting arguments, or integrating the various corporate communication topics. The value of his book, however, is in providing numerous academic views, stories, and case histories written by different experts in the field.

Goodman’s companion volume, *Corporate Communications for Executives* (1998), sheds more light on the strategic context of corporate communication: “As an executive function, corporate communication is a strategic tool to lead, motivate, persuade, and inform numerous audiences inside and outside the organization. This book . . . further explores corporate communication as an executive and managerial practice” (p. xiv). Whereas the first volume was geared

more toward academic discipline, its companion largely focused on practice. Then again, the total meaning of corporate communication has remained unchallenged, at least in the eyes of the readers in the field. Around the same time, Oliver (1997) rightfully concludes in her introductory words to her own book that “the challenge for higher education and training research and development lies in the encapsulation of excellence from the patchwork parts to produce a definitive whole which is greater than the sum of its parts, and which is capable of regaining lost academic momentum to meet future management, student and practitioner needs” (p. 13).

Corporate Communication as a Community of Practice

What is the reason for the many conceptualizations of corporate communication? Why is there such disagreement over the definition and much debate over the intellectual boundaries of corporate communication? Why has writing about corporate communication models and organizational practices been so fragmented, noncumulative, and in such disarray, breeding different conceptions that are often incoherent and at best incompatible with one another? Why are a plethora of models used with arbitrary variables, unclear relationships, and multiple and diverse audiences? The short, simple answer is that communication is no longer the exclusive domain of PR or marketing departments. Other functional areas within the organization play an important role in decision making and implementation of policies that affect internal and external stakeholders. As organizations become increasingly large, they also tend to become more bureaucratized and standardized, relying on functional departmentation as the primary mode to organize labor and achieve economies of scale. Growth in size is normally followed by a greater formalization and standardization of organizational communication as a means to enhance internal consistency as well as achieve

greater levels of uniformity in organizational responses. However, the proliferation of communication products (e.g., policies, procedures, memos, internal documents, brochures, newsletters, press releases, annual reports) across the functional units takes on a life of its own. Each functional department develops customized methods of communication and uses specialized language with unique syntax, form, style, and substance orientation to address its audience. Let's look at some examples.

The finance department deals with communication directed toward shareowners and institutional investors. The personnel department advertises positions externally and internally; develops codes and procedures to deal with the implementation of selection, training, evaluation, and compensation of employees; and is responsible for disseminating information about government policies and corporate compliance. The legal department handles the communication dealing with business law and regulations, public affairs, industry structure, environmental issues, and financial transactions. In addition to staff units, which provide services to the rest of the organization, most organizations have an operating core staffed by line units that do the basic work of the organization. Like the staff units, line units tend to be organized around occupational skills and technical areas of expertise. These units (e.g., engineering, purchasing, production, marketing) also use specialized language to enhance their operating efficiency and connect well with their customers. The marketing department, for example, interacts with wholesalers, distributors, and retailers and uses advertisements in print and electronic media, direct mail, and various methods of telemarketing to promote the goods and services of the organization.

Although the differences among these functional units and departments are important in delineating their distinct roles and responsibilities, enabling in-depth knowledge and skill development, they also become inhibitors of communication within and outside the organization. Functional areas develop their own standards

and operating procedures for dealing with internal and external communication while treating other functional areas as nonrelevant, rendering the communication across functional lines ineffective. The very same differences that yield efficiencies and economies of scale within the functional departments also breed communication inefficiencies across units and lines. These differences are punctuated by idiosyncratic jargon, specialized meanings, and communication channels and messages that are tailored uniquely to the needs and interests of the clients, internal and external, served by the functional area. On the one hand, the personnel department uses relational and persuasive written messages to motivate new recruits to meet performance expectations creatively and often at "all costs"; on the other hand, the legal counsel staff use rational and conclusive messages to inform employees about the legal consequences associated with product liability laws. These communication activities are essential for the proper functioning of the organization, but they also underpin the proliferation of various corporate communication channels and functions.

Attempts to Integrate the Field of Corporate Communication

During the 1990s, several noteworthy books were written on the subject of corporate communication (Argenti, 1994; Oliver, 1997; Van Riel, 1995). While all of these books advanced the need for a broader, integrated view of the field of corporate communication, each one approached the field from a very different perspective, usually by focusing on a particular function. Oliver, for example, describes the "fragmentation of the discipline" and the "subsequent credibility gap" (pp. 11–12) as the main reasons for the shift that she advocates toward a more systems-oriented approach, which combines both internal and external organizational communication with functional and

strategic approaches to corporate communication. Rather than offering a unifying framework in which the different parts of corporate communication could be presented uniformly and systematically, she divides the field into four mainstream categories by level (individual, group, operational, and strategic) and concludes the book by tying the strategic planning process to organizational communication plans and practices. Oliver's integrated communication planning model, adapted from Van Riel (1995), was then linked with a stakeholder analysis to highlight the significance of internal and external forces shaping the communication plans of the organization and igniting reactive and proactive public relations responses. The function of public relations quickly became the essence of Oliver's message, as captured in her indispensable recommendation to researchers of corporate communication. Researchers, she points out, must "incorporate the body of knowledge from the discipline of public relations into their corporate communication interdisciplinary research" (p. 205).

The Challenge to Identify the Construct Space of Corporate Communication

Surprisingly, lobbying for a more holistic and integrated approach to corporate communication has given rise to the emergence of PR as the most significant element of corporate communication. A PR unit as an important function of external communication has also become synonymous with corporate communication. It is important to note that corporate communication cannot be reduced to any one particular model. Instead, it must be promoted holistically—as a gestalt that brings together groups of researchers to provide direction for future research. There must be a greater willingness to tackle communication problems from a broader perspective infused with multiple viewpoints and enriched by diverse areas of expertise. Van

Riel (1995) punctuates the broader view as a necessity: "The holistic perspective of corporate communication preeminently makes it an area for special attention, which can be meaningfully positioned within the interdisciplinary research and educational field of management" (p. 23). The challenge for future researchers is to identify the construct space of corporate communication both as an interdisciplinary academic field of study that draws on a broader range of specialties bound by principles and theoretical and methodological issues and as a community of practice in which individuals and groups with similar occupational skills share common goals and interests associated with corporate communication. These groups form informal networks and social links within and around organizations aimed at promoting shared understanding, common values, and principles across their practices. They, too, are looking for guidance that informs their views and interpretations of events around them in a way that is consistent with the overarching goals of the organization. As Argenti (1994) observes, "more and more companies have come to realize the importance of a unified communication function" (p. vii).

Weick's (1979) concept of loosely coupled social systems is particularly useful in clarifying how the structure of multiple networks of communication operates. Since functions within the larger system of corporate communication tend to vary circumstantially, the system resembles a loosely coupled subsystem with dynamic patterns of interaction in a network of relationships. These loosely coupled functions and the individuals within them are different from the traditional loosely coupled systems, which are relatively uncoordinated. Individuals and groups playing different roles involving corporate advertising and advocacy programs, customer relations, media relations, and so on are relatively interdependent. Presenting the framework of corporate communication as a loosely coupled system is consistent with Argenti's (1994) view of corporate communication "as a combination of a strong, centralized, functional

area . . . plus a network of decentralized operatives helping to keep communications consistent throughout the organization while adapting the function to the special needs of the independent business unit” (p. 57). Argenti goes on to describe how the tension that exists in a centralized structure with embedded semiautonomous groups is typically resolved functionally:

As we begin to look at each of the different aspects of the function, we will find that some of these activities are already handled through another functional area. For example, the investor relations (IR) function could be in the treasury department, the employee relations (ER) function within the personnel department, and the customer relations (CR) function within the marketing department. All of these activities require communication strategies connected to the central mission of the firm. And . . . each of the activities can be classified as a sub-function of the corporate communication function itself. (p. 57)

Professionals with specialized skills who operate in a matrix-like structure with selective vertical and horizontal decentralization typically perform these activities and functions. While the power to control most of the line decisions is dispersed across the specialized areas (e.g., customer relations, government relations), the central office of corporate communication retains the responsibility to coordinate and integrate the different functions to achieve a unified and coherent organizational response.

Overhauling the Field

There is certainly a need for rescuing the field of corporate communication not by merely reinventing it, as Argenti (1994) suggests in his seminal work, but by overhauling the field as a practice and as an important academic discipline. With that in mind, Goodman (1994, 1998) deserves some praise for pioneering some of the early work on modern corporate communication. By focusing on particular characteristics of

corporate communication, Goodman highlights the need to make explicit the theoretical, empirical, and practical value of each as well as the need to recognize tradeoffs among academicians and practitioners. Furthermore, by segmenting the field into diverse topical areas, he also indirectly creates the need for identifying a universal framework that streamlines the field and presents it as a uniform and consistent base of knowledge.

Van Riel’s (1995) triangle of marketing communication, organizational communication, and management communication is one such framework. Marketing communication is an umbrella for a wide range of external communication, including advertising, sales promotion, direct mail, sponsorship, and so on. Organizational communication has a much broader appeal that includes public relations, public affairs, investor relations, employee relations, corporate advertising, and scanning. Management communication includes traditional aspects of supervision; administration, such as planning, organizing, coordinating, and controlling; and leadership, such as developing shared vision and mobilizing support for that vision through trust and empowerment. According to this schema, the overarching goal of corporate communication is threefold:

1. Increase the harmony among these three functional areas to maximize the fit between corporate strategy, organizational identity, and external image.
2. Sustain the effort to institutionalize the corporation through branding and legitimization.
3. Facilitate the coordination of communication activities for optimal implementation of policies and decision making.

Van Riel’s (1995) definition of corporate communication implicitly underscores the importance of using a stakeholder approach: “Corporate communication is an instrument of management by means of which all consciously used forms of internal and external communication

are harmonized as effectively and efficiently as possible, so as to create a favorable basis for relationships with groups upon which the company is dependent” (p. 26). This definition, however, does not provide sufficient direction for enabling researchers and practitioners to grasp the total meaning of corporate communication. Corporate communication transcends the areas of specialty of communication practitioners (e.g., advertising, direct marketing, media relations) and cross-functional boundaries to harness the strategic interests of the organization as a whole (Cornelissen, 2004).

The Need for a Theoretically Based Organizing Framework

Corporate communication as an academic field and as a community of practice must be broad enough to allow for the integration of ideas and the development of agreement among theoreticians, researchers, and practitioners. It also needs to be specific enough to allow for differentiation of distinct contributions to the field. The organizing framework should reflect the paradoxical nature of corporate communication where unity and variety, consistency and creativity are practically recognized and academically accepted. The value of each contribution to the field, at minimum, must be assessed against the dual criteria of theoretical significance (from the researcher perspective) and functionality (from the practitioner perspective). The importance of any addition to the field can therefore be judged based on (a) unity and thematic focus (Does understanding crisis

management advance knowledge of corporate communication? Does it belong to corporate communication?), and (b) usefulness and relevance to stakeholders (Are technological innovations for revitalizing corporate culture crucial for the practice and functioning of corporate communication from the perspective of employees, investors, customers, or suppliers?). This last question is particularly important for contextualizing corporate communication and for sensitizing the organization to claims and demands by different stakeholders. As Oliver (1997) rightfully points out, a stakeholder approach reminds communication executives, professionals, and academicians that the conduct of corporate communication involves public accountability both internally and externally.

Summary

Chapter 1 discusses the need for a more integrated approach to corporate communication. Corporate communication as a field of study and community of practice encompasses multiple functions. Corporate communication also responds to a large number of specialized and general stakeholders in a number of important areas, including employees, customers, financial markets, and government regulations. It is argued that both researchers and practitioners could benefit from the use of an organizing schema that considers the interdependencies across the functions and responsibilities of corporate communication as well as brings greater coherence to the field.

Review Questions

1. Do you agree with the statement that understanding corporate communication requires an organizing schema that considers the interdependencies across the functions and responsibilities of corporate communication?
2. What are the advantages and disadvantages of having an integrated approach to corporate communication?
3. Why is contextualizing corporate communication and sensitizing the organization to claims and demands by different stakeholders important for organizational effectiveness?