

CORPORATE AND ORGANIZATIONAL COMMUNICATION

OVERVIEW OF CORPORATE AND ORGANIZATIONAL COMMUNICATION

Corporate communication (1,2) is the term used to describe a variety of management functions related to an organization's internal and external communications. Depending on the organization, corporate communications include such traditional disciplines as public relations, investor relations, employee relations, community relations, media relations, labor relations, government relations, technical communications, training and employee development, marketing communications, and management communications. Many organizations also include philanthropic activity, crisis and emergency communications, and advertising as part of corporate communication functions.

Technologies, such as the Internet, underscore the global character of communication. In practice, corporate communication is a strategic tool for the corporation to gain a competitive advantage. Corporations use it to lead, motivate, persuade, and inform employees, stockholders, and the public as well. Understanding corporate communication provides the vision and outcome expectations a company requires in an information-driven economy for strategic planning.

Corporate communication is more art than science. Its intellectual foundations began with the Greeks and Romans with rhetoric. Its body of knowledge is interdisciplinary, drawing on the methods and findings of anthropology, communications, language and linguistics, management and marketing, sociology, and psychology.

Strategic Importance of Corporate Communication

Communication has become vital to business growth since our economy has firmly based itself on information, rather than manufacturing. Customers, employees, investors, suppliers, and the general public now expect a high level of communica-

tion and candor from the companies that operate in their community.

Even in an environment that extols the virtues of decentralization to meet customer's needs quickly, the value of a central management structure for communication makes sense for many organizations, particularly those with global operations. A central group responsible for communications develops, projects, and maintains the corporation's image and culture. A communication group within an organization sets policy and guidelines to meet the strategic goal of developing and perpetuating a corporate image and culture, to project consistent messages, and to communicate with its various publics on a routine basis and in emergency and crisis situations.

Much has been written about corporate culture (3) and its influence on the behavior of employees. Often a company is described in cultural terms, its shared values and beliefs. These beliefs are the center of advertising campaigns and motivational programs for employees. A strong corporate culture promotes a recognizable and positive perception of the company among its suppliers, vendors, and customers. The *equity* a company culture amasses is then part of its value as a brand-name product, stimulating customer loyalty. A culture cannot be imposed on people, but it can be nurtured.

How an organization communicates with its employees, stockholders, its external audiences, the press, and foreign customers brings its values to life. Some signs—the company buildings, vehicles, employee appearance—are easy to observe. Others are harder to recognize at a glance: attitudes such as an innovative spirit, a commitment to community, and an understanding of the coexistence of fair play and competition. These forces shape the corporation, and they are manifested in the organization's communications. Corporations that do not value communication highly are doomed to wither.

From the perspective of an anthropologist, Corporate Communication encodes the corporate culture and promotes the following:

- a strong corporate culture
- a coherent corporate identity
- a reasonable corporate philosophy and clear corporate vision
- a genuine sense of corporate citizenship
- an appropriate and professional relationship with the press
- a quick and responsible way of communicating in a crisis or emergency
- an understanding of communication tools and technologies
- a sophisticated approach to global communications

Corporate Communication Philosophy

Corporate visions, mission statements, and company philosophies are the products of executives who recognize the strategic value of a clear statement of what the corporation stands for, its goals, and its practices. Clear understanding and articulation of the company mission and vision is the cornerstone for building an image in the minds of employees and the public.

Organizations committed to communicating with stockholders, employees, and the community have a definite communication philosophy. Companies may call it their communication vision, policy, or their mission statement. The philosophy is articulated through statements of commitment to employees, customers, and other stakeholders. The written statement of corporate commitment to goals and values is often the external manifestation of the communication philosophy. It is not necessary for a written statement to exist to have a philosophy, but if the written statement does not represent corporate behavior and values, its hollowness is apparent to everyone.

For companies operating globally, a strong corporate communication philosophy offers the foundation for a code of ethics that applies throughout the world. Most corporations have a code of ethics with a section on international business ethics. *The Westinghouse Code of Ethics & Conduct* (4) offers a fine model:

Employees conducting business internationally are required to comply with all applicable U.S. and foreign laws and regulations. Compliance with such laws, as well as company standards (including this Ethics Code), is required even if they seem inconsistent with local practice in foreign countries, or would place the company at a competitive disadvantage. The penalties for noncompliance can be severe, both for the company and for involved individual employees.

KEYS TO COMPLIANCE:

Don't Make or Offer Unlawful Payments or Bribes—The *Foreign Corrupt Practices Act* bars the payment or offering of anything of value to officials or politicians of foreign governments, and others, to obtain or retain business . . .

Abide by Import/Export Controls . . .

Adhere to U.S. Economic Boycott Laws . . .

Refer International Trade Law Questions to the Law Department . . .

Individual Skills and Talents

Organizations use personality profiles to find the right person for the job. A corporate communicator should have the following qualifications:

- written and speaking communication expertise
- understanding the communication process
- interpersonal skills face-to-face and telephone
- media savvy
- an understanding of customer, stakeholder, and community needs
- curiosity
- active listening skills
- an understanding of advocacy

In addition, corporate communications demand an ability to solve problems in groups, to understand media and communication technology, to work ethically, and to feel comfortable in a global business environment. The elements of communi-

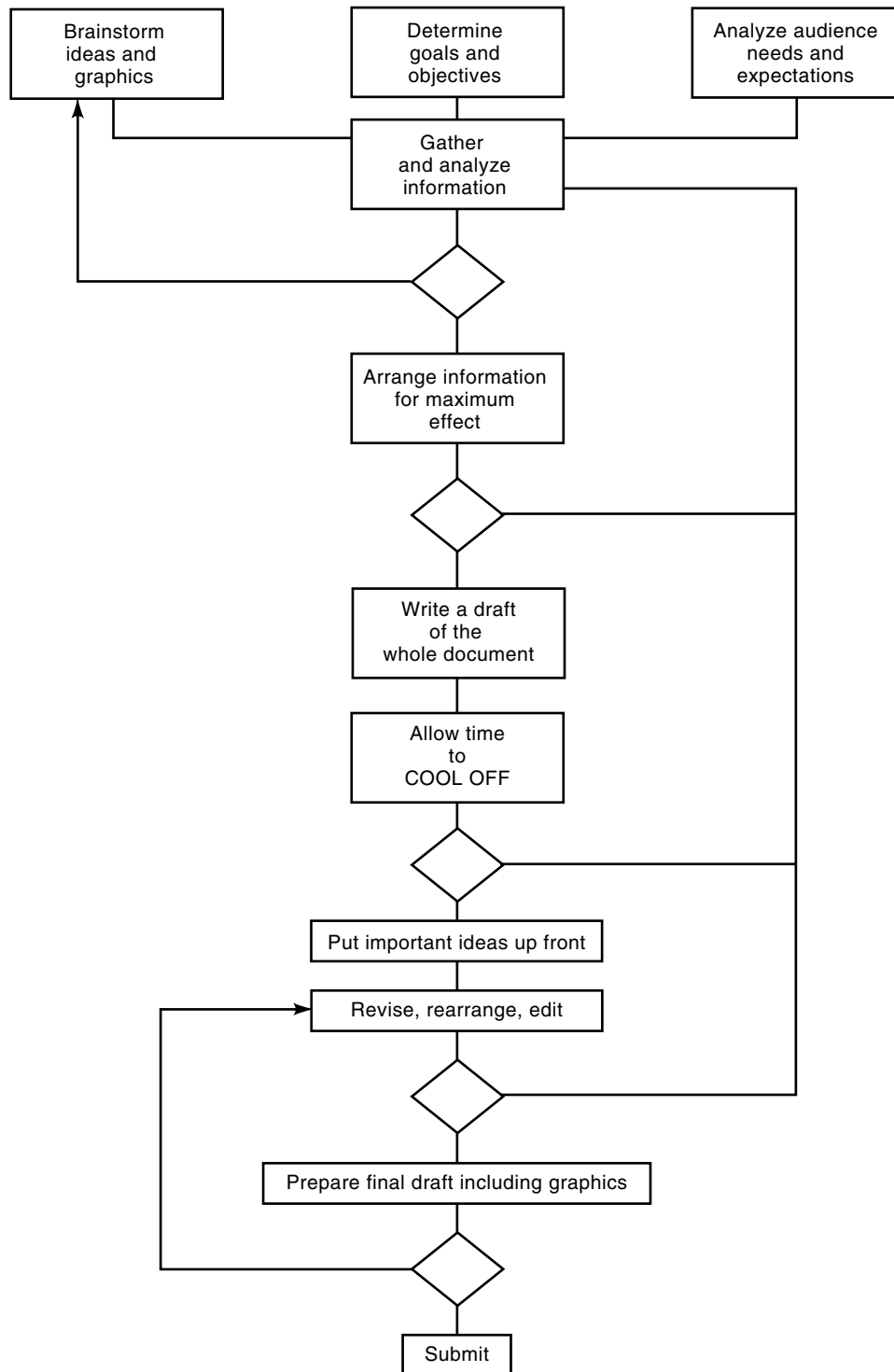


Figure 1. The writing process is dynamic, incorporating opportunities to evaluate and improve the text and graphics.

cation continue to exert substantial influence in all transactions from simple customer questions of frontline sales and retail personnel to the pressure negotiations involved in a multinational merger.

Corporate communication has evolved into a complex profession, yet writing remains the central talent to create any communication in a corporate context. No matter what the medium of the final message, the ideas more often than not begin in writing. Understanding the writing process is fundamental to communication and media applications.

The writing process (see Fig. 1) also serves as a model for the communication process and emphasizes three main areas of analysis:

- audience
- context
- content (message)

Corporations routinely target a message for a particular audience, meeting their needs while achieving the company goals.

Successful communication puts human interaction at its center and in a collaborative corporate environment seeks to win both for the organization and for its customers.

The type of person who can collaborate is someone who sees an issue from several perspectives and creates a message based on analysis rather than on personal bias.

The ability to see a message as a graphic image, or series of images, is also essential. No one can deny the impact of visual media on the way people gather and process information.

Curiosity is also a valuable personal attribute for professional communicators. The communicator must first have an interest in what is happening in the company and to its people and customers to be able to communicate that interest to others. Without interest, the writer's message is bland at best, at worst phony and hollow.

Active listening is essential to effective communication and builds a relationship of trust. Communicators understand the need for this fundamental business practice: listen to your customers and employees. Consideration of the ideas of others places value on them and on your relationship with them.

Understanding advocacy communications is also essential to corporate communicators. A company spokesperson may be called upon to put aside personal opinion in favor of a company position. Because of this fact of corporate life, the ideal corporate communicator is one who has been with the organization a long time.

Negotiation skills are also essential for advocacy communications. Contemporary management experts identify at least six patterns of interaction in negotiations: win/win, win/lose, lose/lose, lose/win, win, or no deal. Even though contemporary business is highly competitive, it is also extremely cooperative and interdependent. Win/win thinking seeks benefit in interactions and selects agreements or solutions to problems that are mutually beneficial and satisfying. The contemporary business environment is one in which today's competitor is tomorrow's partner. Win/win builds an environment of trust since the solution is not your way or my way, but a better way.

Integrity is extremely valuable for any organization, and any corporate spokesperson should instill trust in the audience. Without trust, the message is unlikely to have the desired impact or much positive impact at all. Integrity and trust is built over time through attention to detail, consistency in message, follow-through on promises. It is reinforced in face-to-face contact with customers and employees through body language and eye contact, as well as words. Integrity and trust are built with every act and every message of an organization.

Groups and Presentations

Corporations and organizations function through groups and as collections of groups. Note the language: management team, quality circle, quality action team, management committee, board of directors, product management group, and crisis committee.

Whether your organization emphasizes old-style hierarchical leadership techniques, what has been called Theory X, or more contemporary consensus management styles, Theory Y or Z, the ability to work effectively in and with groups is an essential element in a broader definition of corporate commu-

nication. The reengineering and quality programs are built upon a foundation of shared commitment to corporate goals. Most communication at work occurs in small groups.

People give numerous presentations related to actions and projects. Companies and industries have their own particular presentation style. In engineering and high tech firms, the presentations are straightforward and factual. Engineers prefer an analytical presentation of the facts. Visuals are overhead projections or slides in formal situations.

Management presentations, on the other hand, are brief and direct with the use of slides and video. More effort, however, is spent on the form of the presentation than would be for an audience of technical experts. Managers expect a presentation of the options, alternatives, and solutions, rather than an analysis alone, because they need to see the results of an analysis. Decision makers, then, expect a polished presentation, not a slick one.

Increasingly, meetings are on interactive video networks, computer networks, and by e-mail. Meetings occur through computers, changing familiar patterns of eye contact, facial expression, and body language in face-to-face communication. Like the telephone, computer-mediated communication calls for a new etiquette of human interaction. As these customs and rules develop, the corporate communicators will be in the vanguard of the change.

Selecting Media

Corporate communications require that professionals determine the best media for both the message and the audience. High technology digital multimedia to low technology posters in the company lobby or a new company logo to a "dress-down" day for employees are possible media for corporate messages. Selecting the right medium for the message plays a central role in the success of the communication (see Table 1).

The corporate communication professional selects media, keeping in mind the message, the desired effect on the audience, and the corporate environment. Cost is always a factor because time, talent, and money are limited and budgeted.

KEY CORPORATE COMMUNICATION FUNCTIONS LISTED ALPHABETICALLY

Advertising and Company Image Building

Corporate advertising, as distinguished from product advertising, creates a positive image of the corporation. It presents a general image of the company or presents an issue with which the company wants to be associated. It can feature issue advocacy and present views on social concerns, such as the environment, recycling, conservation, and world hunger. It can be found in special sections magazines, on the Sunday morning news analysis shows, on Public TV documentaries, and in sponsorship of art exhibitions, sports, and concerts.

According to the Association of National Advertisers annual survey *Corporate Advertising Practices*, the intended audiences for corporate advertising continue to be customers first, then the trade, employees, Wall Street, and Washington.

Whether marketing-driven or image-driven, organizations increasingly participate in Public Television as part of their corporate advertising and corporate identity actions. Producers and Public TV station owners consider their viewer as a

Table 1. Selecting Appropriate Media

Medium	Application	Impact	Cost
TV network video	Company annual meetings; motivational messages; news conferences; announcements; training	High	High
Radio	Company annual meetings; motivational messages; announcements; training	Moderate	Moderate
Film	Company annual meetings; motivational messages; company history; training	Moderate	High
Print	Company annual reports; Newsletters; magazines; announcements; policies; reference documents	Low	Low
Computer network; e-mail; electronic bulletin boards and "home pages"	Time-critical messages; proprietary technical information; routine memos and actions items; reference material; policies	Moderate	High
Displays; posters; bulletin boards	Motivational messages; seasonal announcements; safety and quality messages	Low	Low

citizen, rather than a market. It is free to the American citizens, unlike cable-based services, and costs roughly \$1 per person per year in tax money. And the audience is approximately 100 million per week.

The impact of Public TV has created an awareness that the marketplace is not always the answer. The focus of Public TV is on quality programming, which is expensive. And it has done fine programming with limited resources, considering that the yearly outlay of the entire public broadcasting industry (approximately \$1.5 billion) is less than Fox paid to get NFL Football from CBS. Also consider that Public TV has enjoyed broad bipartisan support and is also heavily involved in local and national classroom learning and classroom activity.

Changes in media and technology and the number of channels and other media sources available to people through the Internet make the participation in a proven quality medium such as Public Television less of a risk. These are some ways corporations participate in Public TV and benefit:

- underwriting programming; books tied to programming establish positive public image; indicate participation on letterheads
- sponsoring local programming builds equity in the community
- funding equipment in schools provides strong community link
- hosting receptions to influence law-makers
- sponsoring courses; training; teacher training; literacy; and math associates company with the subject

In terms of traditional advertising, the answer is not clear whether Public TV is worth it. But if participation is seen as a form of corporate advertising, to build image, then support of Public TV is valuable.

Communicating Change—Reengineering, Quality, Corporate Culture Programs

Corporations are changing, reinventing, rethinking, transforming, and reengineering themselves. And with change comes chaos, uncertainty, and *renewal*. For everyone in-

involved, change represents a threat to security or an opportunity to move forward. New forces are at work in changing corporations.

New Sophistication in Customers or Audience. The force of the customer is felt everywhere from consumer electronics to the use of new management tools, such as integrated product development (IPD) in traditionally conservative, hierarchical organizations. Customers at all levels demand quality products and are hungry for information about the products they want. They are also looking for stimulation and entertainment, which has profound implications for such fields as software interfaces and the development of the information superhighway.

New Media Technologies. The number of communication channels available is increasing: e-mail, fax, voice mail, desktop publishing, personalized magazines and journals, networking software and groupware, and the World Wide Web. Because there are more tools and more choices, consumers need more information than ever before. Moore (5) explains the complexity of the forces at work in taking innovations to market. He describes five categories of people in a technology adoption cycle:

1. *Innovators*—pursue new technology products; seek them out before marketing begins; place technology at the center of their lives; take pleasure in exploring new technology for its own sake; make up a small, but influential minority.
2. *Early adapters*—buy new products early in the life cycle, but not technologists; easily imagine, understand, and appreciate the benefits of new technology; relate potential benefits to their own goals; make their buying decisions on their own intuition rather than on another's recommendation.
3. *Early majority*—share some of the early adapter's appreciation of technology, but are driven by practicality; wait to see how others do before they buy-in because they know how fads work; require well-established references before they invest; make up about one-third of the adoption-cycle and are critical to the success of any product.

4. *Late majority*—shares all the concerns of the early majority and more; possesses no comfort with the ability to handle a technological product; waits until a standard is established; requires lots of support from a large, well-established company.
5. *Laggards*—want nothing to do with technology for many reasons, personal and economic; buy technological products buried deep in another product so it is invisible to them.

More Widespread Ethical Environment. Because the tools of our technological age have enormous social and economic impact, the ethics of the workplace must be considered. No longer can a corporation make a product and not worry or care about its impact on the community. Companies now function as *corporate citizens*. New methods of regulation and new laws underscore the responsibility customers expect of providers.

Stronger Economic Factors. Competition has been the strongest economic factor for change in corporations. It has forced the quest for quality and efficiency as coequal goals in a company's strategy. It has also forced the rapid growth in globalism.

New Strategic Alliances. Ventures, partnerships, reorganizations, mergers, acquisitions, buyouts, reengineering, downsizing, rightsizing—more than buzz words, these are the codes for a workplace in upheaval. Almost every organization has undergone or is undergoing a profound change in structure or ownership. If managed well and communicated clearly, the new alliances signal a different way of thinking about work in general and about the workplace itself.

The change process emphasizes rethinking or reengineering of management practices from hierarchical, authoritarian relationships among managers and employees to a consensus approach. The focus is on teams empowered to identify and solve problems and implement solutions. Communication and a new customer orientation are the cornerstones of the change in both company attitudes and practices, requiring corporations to make massive changes in the way people communicate within the organization and with those outside.

Organizations and People Suitable for Technical Innovation. An individual who sees the challenge of widespread changes in work processes and outcomes is best suited for technical innovation and change. This person comes to work smiling, often arriving early and leaving late. No matter how much chaos the organization is in, this person appears to respond well to the situation.

Others in the organization respond less well to change and exhibit dysfunctional behavior. There are degrees of dysfunctional behavior related to change. For instance, examples of a low degree of dysfunction are poor communication, reduced trust, blaming, defensiveness, increased conflict with fellow workers, decreased team effectiveness, and inappropriate outbursts at the office. Moderate dysfunction involves lying or deception, chronic lateness or absenteeism, and symptoms such as headaches and stomach pains, apathy, and interpersonal withdrawal. A high degree of dysfunction involves covert undermining of leadership, overt blocking, actively promoting a negative attitude in others, sabotage, substance abuse, physical or psychological breakdown, family abuse, violence, murder, and suicide.

The person who responds well to change exhibits buoyancy, elasticity, resilience—the ability to recover quickly from change. Such people possess a strong, positive sense of self which provides them with the security and confidence to meet new challenges, even if they do not have all the answers. They are focused on a clear vision of what they wish to accomplish, and they are tenacious in making the vision a reality. In addition, these people are accommodating and flexible in the face of uncertainty and organized in the way they develop an approach for managing ambiguity. They engage the circumstances, rather than defend against change.

Such a person practices fairness, integrity, honesty, human dignity—the principles that provide the security to adapt to change.

Understanding and managing expectations helps an individual or an organization through the change cycle. Rather than lower expectations, *manage* them. In doing so, consider that in responding to positive change most people go through these phases:

1. *uninformed* optimism or certainty at the start;
2. informed pessimism or doubt—people may quit publicly, or more destructively they quit privately and continue to work, allowing the negative feelings to generate dysfunctional behavior;
3. hope emerges with a sense of reality;
4. *informed* optimism results in confidence;
5. satisfaction closes the cycle of change.

The good news is that the cycle is predictable and can be used to manage expectations by helping people prepare for the rough periods. The bad news is that most people feel they are exceptions and they do not follow the cycle from beginning to completion. People neglect to consider that change carries an equal opportunity for failure.

The Language of Change. Often people react to new situations without fully realizing their true feelings, nor can they articulate them. The metaphors they use reveal and shape their understanding of events. The metaphors of change are roughly aligned with four types of organizational change: maintenance, developmental, transitional, and transformational.

In maintenance, change is equated with something broken or poorly maintained. Change means that something is wrong and needs to be fixed. The metaphor provokes a fix and maintain image represented by agents, such as a mechanic, maintenance worker, or *repairperson*.

In developmental, change builds on the past and leads to better performance over time. In this environment teamwork is the key to build and develop. The agent is often called trainer, coach, mentor, facilitator, or developer. You might hear metaphors borrowed from sports, *There is no I in TEAM*.

Transitional change involves a move from one condition to another. For instance an operation goes from manual to automated. The image is often one of movement and relocation, and the agents are often called planners, guides, or explorers. In such environments you might *need to create a map for unexplored territory*.

And transformational change implies the transfiguration from one state of being to a fundamentally different one. An

example might be a business or industry that changes from a regulated monopoly to a market-driven competitive business. The image is one of liberation, and the agents are called visionary, creator, and liberator.

Understanding and using the language of change benefits everyone involved and helps them perceive of change as an opportunity to move forward, rather than as a threat to their well-being.

Communicating with the Media

Creating good media relations requires constant effort and attention and a mature corporate attitude toward the public and the media. The contemporary business environment is awash with media—newspapers, magazines, professional and industrial journals, T.V., business radio, multimedia, and the World Wide Web. Corporations spend millions on marketing and advertising so that their message can reach their current and potential customers. If the press sees a corporation's product or service as news, then it writes or broadcasts a story. Many organizations measure the media coverage in terms of the equivalent cost of advertising. Coverage is the goal of any media relations plan.

Good relations with the press results when the reporter checks with the corporation to validate statements and facts. Their contact offers an opportunity to set the record straight or put the facts into a clearer, more objective context. Rumors and inaccuracies are corrected.

Meeting the Press: Some Guidelines. The following suggested actions offer guidelines for meeting the press most often cited by scholars and practitioners.

Be Prepared. In an information society such as ours, having accurate data and timely statistics is expected. Not only are you giving your valuable time to discuss issues and events with the press, but their time is valuable also. So, do your homework and prepare wisely for a press interview.

Make Your Points. Have three main points you wish to get across. Just as you would in an executive summary of a report or in a marketing communication, identify clearly the main ideas that make up the message you want communicated.

Be Concise—But Avoid Yes, No. Show awareness of the space and time limitations of the media by presenting positions clearly and concisely. Although brevity is a virtue, the press also looks for interest. *Yes* and *no* answers make the story difficult to write and uninteresting for TV or radio.

Get Comfortable. Remember that movements and eye contact communicate nonverbally. When meeting face-to-face with the media, prepare for the discussion by making sure that you are not interrupted. A conference room set aside for outside guests is a good idea.

Tell the Truth. Building credibility with the media begins with their perception of you as a source of accurate and truthful information. Integrity is a valuable attribute. People react positively to people they perceive to be genuine. Being yourself is linked with telling the truth and is part of building corporate integrity.

Use the Printed Word. Prepare for press encounters with a printed statement or press release. The document helps reporters get facts straight—figures, statistics, the spelling and titles of people mentioned. Remember that the reporter's job

is to report the facts, and getting accurate information includes often complex and detailed data.

Keep Your Composure. The media must attract readers and viewers to sell advertising. Such pressure translates into the search for unusual or controversial angles. Journalists call this the *hook*, the means to capture the audience's attention. Offbeat, even offensive questions are a common tactic to elicit an emotional reaction that makes a good headline. So be cool under pressure.

Think of the Reader or Viewer. Remember the importance of the audience in any communication. Consider how remarks would appear on the front page of *The New York Times*, *The Wall Street Journal*, the local TV news, or on the national news.

Say You Don't Know. When asked a question that stumps you or requires information or data you do not have at hand, say you don't know. Follow up immediately with plans to get the information and an offer to contact the reporter later, preferably before the deadline.

Hypothetical Questions, Third-Hand Information. Reporters may ask questions that lead to speculation. Such questions are particularly common when corporate officers are asked to comment on possible mergers, anticipated layoffs, or restructuring. If reporters cannot identify the source of their information, politely decline to discuss rumor and hearsay because of your company press policy.

Sensitivity to Deadlines. The daily production of newspapers and TV or radio broadcasts places strenuous demands on reporters to file their stories on time. It is a common courtesy to ask at the beginning of an interview when the reporter's deadline is.

Accessibility. Give reporters a contact number, an e-mail address, and a fax machine number to indicate that you are available for follow-up questions as the story is being written, and later as a source for other stories.

Forget "Off the Record". If you don't want something to appear in print or to be broadcast, then don't say it.

"No Comment". Finally, the press universally interprets the response "no comment" as a ploy to hide something. Say clearly that the company does not discuss proprietary issues or matters that have personal impact on employees.

Develop a Media Strategy. A media strategy is important locally and globally. The process follows a four-step problem-solving model:

1. Define the Problem. Write a problem statement, and analyze the situation. The analysis requires gathering, processing, and interpreting information. Listening and observing are fundamental methods. Interpreting information helps confirm the problem statement or restates it in a new light. The analysis should lead to planning.
2. Plan. Articulate goals and objectives, and develop a program of actions to achieve them. Identify the audiences or *publics*, the goals for each, and the message and media strategies to meet the goals. Budget time and other resources that must be committed to the program. Planning also involves evaluating the performance of the program.
3. Implement Plans and Communicate Messages. The fundamentals of the communication process offer the key

to successful implementation. Understanding the corporate goals and objectives, fitting them to the audience needs and expectations, and being mindful of the context in which the communication occurs applies. The goal is to change the thinking and behavior of the audience.

4. Evaluate. Evaluating the effectiveness of the program can vary from the number of column inches or the number of minutes on the air the effort generated to the increased awareness of the issues measured in the target audience; to changes in attitudes, opinions, or behaviors; and to evidence of economic, social, or political change. The criteria and evaluation methods must be determined as the program is planned and evolves.

Using Media

Broadcast News. Gone is the era in which national networks dominated TV screens. Major markets have a dozen or more stations. The number goes well above fifty, counting cable. Nevertheless, national network news still plays a major role in bringing the business news to most people. Creating good relationships with the national networks and their local affiliates is fundamental to an effective corporate communication strategy. Corporate use of the national networks is related to building corporate identity and corporate image.

Radio. Radio in the age of television has become an “out-law” medium. It is very personal and focused on niche markets. Certain products and services can be discussed and advertised on the radio with relative ease. Radio programs appeal to smaller and smaller audiences with ever increasing diversity. Advertising and sponsorship of shows is a bargain compared to television network rates. Radio is also used to inform employees of local events or plant closings.

Cable. Like radio, cable television has so many stations that its audiences are smaller and more diverse. Advertising for local businesses makes economic sense in these markets. Business-related programs make up much more of the programming on these stations.

Video and Satellite News Releases. Traditional communication with newspapers called for the circulation of a written press release usually sent by mail or fax. The company held a press conference for important or particularly newsworthy information. Many organizations use video and satellite technology to provide information about the company and its products and services to local news stations, the national networks, and cable companies. In effect, the corporation prepares a video news story that the outlet can run in its entirety or use clips in developing its own story. The practice has benefits for both the company and the news organization. It allows the company to provide detailed information in a visual format that it controls. Often the company provides more dramatic footage than the station has available or could prepare on a daily deadline schedule or budget—pictures of aircraft in flight, new equipment undergoing tests, or computer simulations of planned buildings within the community.

Corporate Video. Corporations use video internally to provide information to staff and employees. Large companies have a television network that broadcasts company news daily to major sites around the world. TV monitors are located in high traffic areas, by elevators, or near the entrance to the cafeteria. The screen may have a scrolling message. In addition

to this video bulletin board, the monitor may offer short pieces from company officers, plant employees, community leaders. The use of corporate video also involves employee orientation and training. Corporate video is also used to provide important information to the community; to present product information to customers; and to present financial information in a video annual report.

Interactive Video. The combination of computers and video has opened the corporation to new media technologies—voice mail, e-mail, and local area networks. Such systems are in use in hospitals, factories, hotels, and offices. They allow users to select information from a menu using a light pen, mouse, or keypad.

The Financial Press. Experts and practitioners agree that good corporate communications improve the company’s financial position, keep managers out of trouble with the Securities Exchange Commission (SEC), and help protect against unfriendly takeover attempts. Companies must communicate their financial expectations and long term outlook. Investors and analysts need such information in making investment decisions for themselves and their clients. Annual reports, 10K and 10Q reports, and quarterly reports are among the documents required by law. These fundamental documents can be used to communicate the corporation’s vision for the future while providing detailed financial analysis for stockholders, regulators, and the financial press. The legal policy of *materiality*, evolved through regulatory changes and decisions, requires that publicly held companies disclose all information with an impact on the organization’s profit or financial position. Such disclosures are done through information wire services—Dow Jones and Reuters. Communication with individual investors and with institutional investors is also done through the business and financial press.

Hometown Media. Local newspapers, radio, and TV stations cover the local angle of corporations. If an organization has a substantial presence in the community, any change in the size of the national workforce or global strategy makes the front page on Main Street. With this in mind, make sure that the corporation’s representatives in the community and those at the home office have had substantial contact with one another before information is released. Such coordination ensures consistency in the information given to reporters and shows careful planning.

National Newspapers. Only a handful of newspapers claim reporting news of the nation and the world as their mission. *The New York Times*, *The Washington Post*, and *The Los Angeles Times* consider themselves newspapers of record. They report events of national and international importance and make information available to the world through wire services. *The Wall Street Journal* could easily be included in the general news category because business is involved in everything, and their coverage of events is certainly global in scope. These few national newspapers have enormous impact on public opinion and attitudes. The stories they run set the agenda for other media, particularly television news programs, and cable network programming. Corporations scan the media regularly for stories and information. They create a briefing book for their officers, alerting them to news related to the corporation, its core business strategy, its products, or the industry as a whole. On-line technologies allow individuals within corporations to program software to call up articles in fields in which they are interested.

Trade Publications. Trade and industry specific newspapers and periodicals offer businesses a medium specific to their concerns. These publications are mainly closed-circulation periodicals, that is, the people who receive the publication are involved in the industry. The free subscription periodicals are regarded as promotional vehicles for the industry or trade, giving advertisers a controlled audience. The paid publications clearly separate editorial content from advertising and are seen as more objective with more reliable information.

Professional Journals. Professional journals have long been the main vehicle for reporting research findings. Their existence and value depend on objective editorial policies. Most accept no advertising to avoid bias. Some, however, accept ads from professional organizations and groups for conferences, books, and other publications. The best way to develop relationships with such publications is through support of professional organizations which in turn support the publications. Company accountants, lawyers, writers, engineers, and scientists can identify the proper journals.

Entertainment Media. Social events related to charity functions are often the only time a corporation appears in the entertainment media. Corporations are mentioned if they sponsor events—Opera, Philharmonic, Shakespeare; the Super Bowl; or the Olympics.

Communication with Stockholders and Investors

Building relationships with the investment community, a central function of corporate communications, demands clear, honest interaction. Not only is it good practice, but laws and regulations require full and fair disclosure of material information to the marketplace. The goal of this flow of information is to give analysts and investors the best information possible so they can fairly assess the value of your company. The information allows informed decisions about the strengths and prospects of companies.

Communication builds a company's mutually beneficial relationships with investors, analysts, and stockbrokers. Information about a company that is candid, complete, timely, and honest is the foundation of a strong positive relationship. Companies help investors develop realistic expectations by providing accurate information for analyzing results and making forecasts. The relationship keeps big surprises from occurring. Investors and analysts prefer companies that have predictable performance and provide reliable information. Once communication establishes the company's credibility, investor confidence in management grows.

A strong relationship with investors can help in flat or down quarters. Investors accept explanations, are more patient, and may be more inclined to hold the stock. Communication methods and vehicles for investor relations are:

- printed matter—company prospectus, annual reports, quarterly reports, 10K and 10Q reports, press releases, fact books, corporate background or overview statements, Securities Exchange Commission filings, the proxy statement
- oral presentations—annual meetings, briefings, conference calls, telephone contacts, audio tape reports
- electronic means—e-mail, broadcast fax, videotape reports, on-line information services and databases, the Internet

Communication in International Environments

“Act local, think global” has become a familiar business mantra. The simplicity of the phrase can lure the unsuspecting into a simple-minded interpretation. Much has been written on the need to compete in global markets. The reality is that doing business in another country is complex and difficult. For a start, familiarity with the history, the politics, the alliances and treaties, and the art and literature of a country. An effective approach to learning about the transnational environment also includes an understanding of language, technology and the environment, social organization, contexts and face-saving, concepts of authority, body language and non-verbal communication, and concepts of time (6).

Language. Doing business successfully demands attention to cultural, social, political, and religious practices, in addition to technical, business, legal, and financial activities. Communication is the key to each. Real communication—not cookbook *do's* and *don'ts*. The first step is to make every effort to learn the language. Almost all people notice your effort to learn their language. This is more than just symbolic. Language encodes culture, and making an attempt to understand the words leads to trying to understand the way people think. Learning the language helps to understand the way the people who speak it view their world. In addition to its power to convey information and ideas, language is also the vehicle for communicating values, beliefs, and culture.

Technology and the Environment. The way people view technology and their environment is culturally defined and has an impact on international business communication. The way people view man-made work environments differs in the perception of lighting, roominess, air temperature and humidity, access to electricity, telephones, and computers. People perceive their relationship to the physical environment differently. For some, nature is to be controlled, for others, it is neutral or negative, and for others, it is something for man to be in harmony with. Even climate, topography, and population density have an impact on the way people perceive of themselves, and that has an impact on the way they communicate, their concepts of mobility, and the way they carry on business. Western managers expect a clean and relatively quiet office, one with dependable lights, telephones, copiers, networked computers and e-mail, and temperature control. However, many countries ration essential services, such as electricity. Transportation and housing may not meet Western standards. And the natural environment may be much hotter, colder, more humid, or dryer than anticipated. Daylight in northern countries may be limited in winter, and almost endless in summer. Heat and rain may change the daily routine, particularly in the tropics. Be prepared to adapt.

Social Organization. Social organization, or the influence of shared actions and institutions on the behavior of the individual, has a strong impact on business communication. Institutions and structures reinforce social values—the consensus of a group of people that a certain behavior has value. Familiarity with the major works of art and literature opens a window

to the social organization of the country. These social structures influence business:

- family relationships
- educational systems and ties to business
- class and economic distinctions
- religious, political, and legal systems
- professional organizations and unions
- gender stereotypes and roles
- emphasis on the group or the individual
- concepts of distance and attachment to the land
- recreational activity

Contexts and Face-Saving. Contexts and face-saving refer to the way one communicates and the situation in which the communication occurs. Cultures are high-context, like the Japanese, and low-context like the German. In a high-context culture like the British, details about class and education and even the place of birth are apparent in one's clothes and accent. On the other hand, low-context cultures require almost photographic detail for clear meaning.

People all over the world seek to preserve their outward dignity or prestige by face-saving. Cultures, however, differ in the emphasis on it. High face-saving cultures have these general characteristics:

- high contexting
- indirect strategy for business communication
- toleration of a high degree of generality, ambiguity, and vagueness
- indirect communication considered polite, civil, honest, considerate
- direct communication considered offensive, uncivilized, inconsiderate
- few words used to disclose personal information

Low face-saving cultures have these general characteristics:

- low contexting
- a direct strategy for business communication; confrontational
- very low tolerance for generality, ambiguity, and vagueness
- indirect communication considered impolite, unproductive, dishonest, inconsiderate
- direct communication considered professional, honest, considerate
- written and spoken words used to disclose personal information

Saving face is allied with concepts of guilt and shame. Shame is associated with high-context cultures; guilt with low. Low-context cultures value rules and the law. Breaking the law or a rule implies a transgression—*sin-and-guilt*—as a mechanism for control. High-context cultures use *shame* as the agent for controlling behavior through face, honor, dignity, and obligation.

Concepts of Authority. The concepts of authority, influence, power, and how power is exercised in the workplace differ from culture to culture. In Western cultures power is the ability to make and act on decisions, an abstract ideal discussed and debated by philosophers and theorists. In Asian cultures, power and authority are almost the opposite of Western concepts. Power results from social order. Asians accept decision making by consensus and decide to be part of the group rather than the leader. Understanding the concept of power helps shape a business communication strategy. The direct approach to communication, so effective in the West, may prove crude and offensive elsewhere.

Body Language, Nonverbal Communication. Body language and nonverbal communication are just as important in international and cross-cultural communications as they are in communications within a homogeneous culture. Important elements in international communication are kinesics (body movements); physical appearance and dress; eye contact; touching; proxemics (the space between people); paralanguage (sounds and gestures used in place of words); colors; numbers; alphabets; symbols (such as a national flag); and smell.

Concepts of Time. Concepts of time differ from culture to culture. Physicists, such as Albert Einstein and Steven Hawking, have demonstrated that time is relative. For purposes of communication across cultures, it also helps to consider time as a social variable. Time is defined culturally and by shared social experience.

Corporate Policy: Vision, Mission Statements, and Corporate Philosophies

The written mission statement defines the corporation, its goals and operating principles, and its values and beliefs. The first of these three parts is straightforward and brief. The presentation of goals and operating principles calls for more detail. The expression of a company's values and beliefs is difficult because people associate values and beliefs with philosophical or religious activities, not commercial ones. These statements cover a company's commitment to the following:

- quality and excellence
- customer satisfaction
- stockholder return on investment
- profits and growth
- employee relations
- competition and competitiveness
- relationships with vendors
- ethical behavior
- community relationships and corporate citizenship

and recently,

- diversity in the workplace
- preservation of the environment and resources

A corporate code of conduct, ethics policy guideline, or handbook of business practice expands the company mission state-

ment. The written code acts as an implementation guide, and may include the following:

- policy regarding general business conduct; disclosure; compliance
- workings of the corporate business ethics committee
- compliance with laws:
 - securities—insider information; financial inquiries
 - disclosure of company information
 - political contributions
 - relationships with government officials (domestic and foreign)
 - commercial bribery—kickbacks, gifts
 - record keeping
 - antitrust—Sherman and Clayton Acts
 - mergers and acquisitions
 - international operations
- bidding, negotiation, and performance of government contracts
- conflict of interest
- equal opportunity
- working conditions
- the environment

Correspondence and Communication Technologies

Knowledge is power. Electronic media offered the productivity and communication tools to organizations to usher in the information age. It was simultaneously a lever to flatten hierarchical organizations and to provide the means for an empowered and informed workforce. However, “The paradise of shared knowledge and a more egalitarian working environment just isn’t happening. Knowledge isn’t really shared because management doesn’t want to share authority and power (7).” Are these the signs of a failed revolution, or are they more likely the end of a cycle in which the organization and the individual continue the struggle for dominance?

Since the 1920s and 1930s and through the depression, organizations worked toward realizing a human relations model, described by Elton Mayo and expanded by Abraham Maslow.

These theorists articulated the twentieth-century conflict between the needs of the individual and the needs of the organization. Then as now, this conflict remains the irreconcilable force of the industrial revolution, the postindustrial revolution, and of the information age. Our electronic communication tools highlight the paradox. A single person can influence the course of large organizations, such as case of Intel’s troubled introduction of the Pentium chip in the winter of 1994–95. Such David and Goliath tales of organizational life make headlines. More often than not, though, it is the organization that still wields such power and influence that most contemporary Davids are overwhelmed almost effortlessly. Today David can be downsized, restructured, press-released, or budget-cut into submission. Or David can be worked into submission, his support staff replaced by productivity software, groupware, and Internet access.

Logos, Letterhead, Annual Reports. Logos of organizations are familiar by design. If not recognized instantly, the logo

has done a poor job of graphic communication. Even if it is a design of the letters of the company name, the artwork reinforces the visual stimulus. The logo and the company colors build corporate image by giving a nonverbal message that reinforces the company image in the mind of the viewer. Shape, use, color, and placement are centrally controlled to build and maintain a corporate identity. Even in an age of decentralized management, the central control of corporate graphic images is essential in building and keeping a corporate image.

The annual report is the primary publication given freely to introduce the company to the outside world. It provides information on the company’s progress and accomplishments to the investment community, stockholders, employees, and the general public. An indirect but essential goal of the annual report and one other way to justify its expensive production is its role in the perpetuating the image and identity of the organization. Copies of the report go to all registered stockholders and also to Wall Street analysts, the business press, students, libraries, vendors, trade associations, and professional groups. The report is often a requirement in new business proposals to clients and the government and is frequently used for employee recruiting.

Given all of these uses, every element of the annual report is designed to contribute to the positive image of the company:

- artful covers, excellent photography
- CEO’s letter
- summary of accomplishments
- discussion of plans for the coming year
- auditors statement and balance sheet
- ten-year comparison of financial highlights
- footnotes to satisfy Securities Exchange Commission regulations

Voice Mail, E-Mail, LAN, The Internet, World Wide Web. E-mail links computers to send messages from one computer to another. The systems have global reach through various networks, such as the Internet and commercial providers. These electronic communication channels save time and distribute costs. Messages can be posted on a general bulletin board to which anyone on the system has access or sent to a distribution list or to one person on the network. In many organizations e-mail has replaced the use of and the need for informational memos. Using e-mail to replace paper memos and physical distribution of those documents has substantially accelerated communication within organizations.

Local area networks (LAN), function similarly to e-mail, but they consist of several computers in a particular location linked to form a network that allows the users to share data and programs. LANs have the outward appearance of a centralized computer, but the system functions more like a bundle of cells.

The Internet and the World Wide Web came into wide commercial use after 1994. Companies have built Web pages for fear of being left out of this technological revolution. The Internet may fulfill the predictions as interfaces improve, the infrastructure gets better, security becomes tighter, bandwidth becomes higher, and full motion video is added. Skeptics see the open architecture of the Internet and the World Wide Web as its reason for success, and its commercial weakness. Designed by the Defense Advanced Research Projects

Agency (DARPA) to withstand the catastrophic damage of a nuclear holocaust, its strength is in its open nature. So security of proprietary company data cannot be protected with high confidence in this environment. Nevertheless, almost every company has an Internet address, up from fewer than half in 1995.

Impact of Electronic Media. As anthropologists know, tools are the artifacts of a culture. Add a new tool to an existing culture, and it changes that culture. Our media technologies now allow us to communicate anytime, anywhere. The impact of a global, 24-hour workday has profound implications on our lives (8) and on how communication technology influences our society. Gates (9) and Negroponte (10) to the contrary, the change is not always positive. New media technologies—the *tools* of communication—continue to have a profound impact on corporate communication. By their nature innovations are tools which may or may not require us to change our behavior. Technologies that require us to change, Moore (5) calls *discontinuous innovation*, and these tools are not user-friendly. As such they are often doomed to failure or require several iterations to attract acceptance.

The issues that face communications professionals focus on human interaction both with machines and with other people. The use of contemporary communication technologies in an environment of accelerating change, political uncertainty, economic stress, and uncertain corporate direction places new demands on the communication professional. No longer is mere superior talent with the written word sufficient. Understanding the ethical conflict of individual rights and corporate goals is necessity for survival. With increased emphasis on team action and the proliferation of empowerment programs through TQM and reengineering, the need to work effectively with others, rather than in isolation, is also a fact of corporate life for communication professionals.

Information technologies have changed the way we create, archive, access, and distribute information. New technologies have made the access to and use of information more egalitarian and less proprietary. Gatekeepers have been eliminated and new classes have emerged, the information *haves* and the information *have nots*. Some experts, Zonis (11), see a global destabilization as a result of these technical advances, a rapid breakdown in the power structure of business, the family, and political organizations. However, the equalizing power of information has flattened the hierarchical nature of organizations. With hierarchies disappearing, egalitarian and collaborative structures are emerging. The workplace, the nature of work, and the fabric of our society entered a rapid and unrelenting change cycle. Once the relationship between individuals and the institutions of our culture could be relied upon. A bond existed that engendered trust and loyalty. Contemporary executives, however, find that these are rare commodities indeed.

Crisis Management and Communication

This section discusses stages of a crisis, planning for and managing a crisis, and responding during the crisis and after. The remainder covers crisis preparation through issues management, particularly environmental issues.

Stage of a Crisis. Many people who write about crises and management use a medical analogy. In the First World War medics developed *triage* for rendering aid on the battlefield:

- not seriously wounded could be treated and released
- those near death for whom no amount of effort could make a difference, and
- those who would most likely recover if something were done immediately

The triage model applies to communications and actions during the crisis itself, when time to contemplate and analyze is all but nonexistent. The triage approach fits the management principle of applying limited resources for their greatest impact. Another model identifies the development of disease through stages: (1) prodromal, (2) acute, (3) chronic, and (4) resolution to a normal state. In practice you can refer to (1) the precrisis stage, (2) the clear signs of a crisis, (3) the persistent reemergence of the crisis, and (4) the resolution. Airlines, utilities, computer operations, and hospitals plan for the unthinkable because they have learned from painful experience that the unthinkable has a nasty habit of happening.

Crisis Communication Plans. In the past what happened in a business was literally no one else's business. Corporations cut off questions with a curt, "no comment." Such closed door policies create an information vacuum. With the trend toward sensationalism, many reporters will do just that, often in ways damaging to the organization.

Employees also fill the information vacuum, fueling the rumor mill within an organization. Combine one disgruntled employee and one ruthless reporter, and the result can be a major headache for the company, which becomes the catalyst in a media feeding frenzy with unpredictable outcome. Cooperation with the media and employees is a much more prudent and mature policy for any organization to take in normal times and in times of crisis.

Planning for a crisis as a fact of corporate life is the first step in its resolution and a subsequent return to normal operations. No one can predict when an event will occur, only that sometime in the life of an organization a product fails, markets evaporate because of a new invention, the stock price falls, an employee is caught doing something illegal, the CEO retires, the workforce goes on strike, a natural disaster occurs, and a terrorist plants a bomb.

It is perfectly normal for executives to avoid thinking about a crisis. Positive thinking is embedded in the way managers are taught to be effective. Problems are opportunities; one man's misfortune is another's fortune, and so it goes. Admitting that a crisis could occur is to entertain the greatest of corporate sins, failure.

The tendency to ignore the worst also recognizes that people cannot control events. Being unable to control the forces of nature certainly does not mean weakness on the part of managers. It merely indicates that people must plan to deal with emergencies and their consequences. Weakness comes only when people do not prepare for events. Companies which get into trouble are often the ones which never considered that bad things would happen to them.

Emergencies, disasters, bomb threats, criminal charges, executive misconduct, none of these may happen, but a well run corporation develops plans in case the unthinkable occurs. Even the best run companies can and do have difficulties. Gerald Meyers (12) identifies nine types of crises: (1) public perception, (2) sudden market shift, (3) product failure, (4)

top management succession, (5) cash flow problems, (6) industrial relations, (7) hostile takeover, (8) adverse international events, and (9) regulation and deregulation.

Planning for a crisis implies that the people in the company can recognize a crisis when it occurs. People experience generally the same stages when faced with adversity or catastrophic loss: denial or isolation, anger, bargaining for time, depression and grief, and finally acceptance. An organization is no different because it consists of people. Organizations experience (1) shock, (2) a defensive retreat, (3) acknowledgment, and (4) adaptation and change.

Responding to Pressure Groups: “Green” Issues and Crisis Preparation. Interest groups make corporate life difficult for companies through public demonstrations staged to capture media attention, through announced boycotts of products and services, through direct harassment of company executives and employees, or through terrorist acts directed at the corporation.

The conflicting power of money and morality is at the heart of understanding the social fabric of contemporary business. Freedom of choice, freedom of religion, and free markets pull and tug at one another over the issues of the environment, sexual behavior and practices, and behavior that corrupts the individual and the community. These issues represent the sharp edge of social change, potentially valuable in a dynamic free society, or a grave danger to the health of the corporation.

People on their own and in organized groups have been and continue to be extremely vocal on these social issues. They express their positions with their pocketbooks. Monitoring social change is the best way a company can prepare itself for new markets and for changes in existing customer attitudes. Social change is often not indicated on the traditional balance sheets, but its power is felt as changes influence the corporation and the community it serves.

During the “greed” decade of the 1980s, the drive for profit forced many companies to rank very low the impact of their actions on customers, employees, and the greater social good. Driven by corporate counsels and a philosophy that adhered to the letter of the law rather than its spirit, many corporate leaders asked, can we do it? as opposed to, should we do it? The environmental icons and popular culture symbols of disaster, such as Chernobyl and Bhopal, are the result. Companies can have their image, and by extension their brands, tainted through a simple act of indifference. According to Ottman, “In this new marketing age, products are being evaluated not only on performance or price, but on the social responsibility of manufacturers (13).” Consumers now look at the long-term impact of the product on society after it is used. The concept of quality in products now incorporates their environmental impact. Customers’ needs, laws and regulations, and the reality of technology to simultaneously create new solutions to clean up the mess and also to cause a new mess are the forces driving companies to include a “green position” in their marketing, advertising, and corporate communications.

To the pressure from consumers, add the force of law and regulation, a global marketplace, and the ability of engineers using the latest technology to design products that are “green.” In the future, products will be fitted with a “green port,” an electronic memory that a technician can access

quickly to find the materials and components in the product, its service records, and to perform a quality check. All this to determine if the appliance can be reused, repaired and resold, or dismantled and some parts reused. In Europe, the lack of landfill space and increased waste from electronics and household appliances are driving regulations for recycling refrigerators, cars, personal computers, fax machines, TVs, and stereo equipment. In response to these forces Germany, Japan, Austria, Italy, Switzerland, France, and The Netherlands have begun to articulate guidelines for producer responsibility. Their efforts indicate a new era of environmental accountability. Companies who wish to do business in these countries have to meet an array of regulations and to comply with ISO 9000 standards, or they cannot sell their products and services in the European Union.

Ethics and Corporate Citizenship

Over a quarter century ago in *The New York Times*, Milton Friedman called corporate giving the equivalent of theft, “spending someone else’s money” to solve social problems that are the province of government. He defined a manager’s moral mandate to “make as much money for the stockholders as they can within the limits of the law and ethical custom.” A new generation of managers views Friedman’s position as out of step with corporate citizenship (1,2). Put simply, corporate citizenship is the acceptance of the corporation’s role as a responsible and significant member of the community it is in.

Add to this the changes in the nature of stockholders since the 1987 crash from individuals to institutions, such as the enormous pension funds of TIAA and the States of New York and California, and the concept of responsibility meets the profit motive in a partnership that works for Levi’s, L.L. Bean, Microsoft, and other successful companies. The message also came from over a decade of financially conservative government funds for social programs which were prime candidates in the slashing of public budgets. So if government was out of the business of solving social problems, who would? The members of the community, which has increasingly come to include organizations and businesses. No longer was it sufficient for a business only to pay taxes and stay out of the affairs of the community.

Corporations, who defined themselves as good corporate citizens, overwhelmingly linked their giving programs to their business goals. Such corporate citizens supported education programs, recycling and other environmental support programs. Good corporate citizens measure and report their corporate efforts by the following means:

- mentioning the activities in their annual report
- publishing a public interest report
- featuring the activities in the company newsletter
- issuing press releases
- linking their citizenship actions to advertising and marketing themes

Companies with a long-term commitment to social responsibility are rewarded with greater name recognition, more productive employees, lower R&D costs, fewer regulatory hurdles, and stronger synergy among business units (1,2). Acting as good citizens, modern corporations have provided social services such as health care, have funded public facilities,

such as parks, playgrounds, recreation buildings, or have entered partnerships with the community to maintain the infrastructure of highways and bridges. For corporations with research and development ties, the corporation often demonstrates its citizenship by supporting employee membership and participation in professional, scientific, and scholarly societies and organizations. Such support includes attendance at conferences and encouragement to take leadership roles in the organizations.

The workforce in America is becoming more diverse in ethnicity, race, gender, and age. The need for individuals to work in groups or teams at work has increased as a result of greater technological complexity in the nature of work itself. Even before the building of the Pyramids of Egypt large projects demanded group efforts. Technological effort in the 1990s and into the next century implies that individuals from a wide variety of backgrounds work together in groups. The quality process itself depends on groups of professionals and technicians at all levels working together to achieve the common goals of the group. Interpersonal communication skill which begins with understanding and respect for each of the people in the group is the key to successful group performance. In a corporate culture of decision making by consensus, the efficient and effective interaction of members of a group is essential for communication. Prejudice and bigotry have no place in corporate America.

Executive Communication Issues

Forces within organizations shape and influence the behavior of individuals in subtle, yet powerful ways. These forces, like the wind and the tides in natural environments, are often unseen and unnoticed themselves, but their effects are easily observed. These forces combine to create the culture.

Corporate culture (1–3) has become a concept that, used appropriately, offers the intellectual tools for an insightful analysis of an organization's beliefs and behavior. Used improperly, it devolves into jargon and faddism. In an anthropologist's terms, all human groups by their nature have a culture, the system of values and beliefs shaped by the experiences of life, historical tradition, social or class position, political events, ethnicity, and religious forces. In this context, a corporation's culture can be described, understood, nurtured, and coaxed in new directions, but rarely created, planned, or managed in the same way a company creates a product or service.

Nevertheless, an organization's culture plays a powerful role in its success and in its failure. For this reason, the discussion of a corporation's culture offers a foundation for the understanding the group's behavior and suggests ways of perpetuating or changing the culture.

Defining a Corporation's Culture. Deal and Kennedy popularized the term corporate culture in 1982 (3). A corporation's culture exhibits three levels:

1. artifacts and patterns of behavior which can be observed, but whose meaning is not readily apparent;
2. values and beliefs which require an even greater level of awareness;

3. basic assumptions about human activity, human nature and human relationships, and assumptions about time, space, and reality.

Level three is often intuitive, invisible, or just below the level of awareness. Examples of artifacts and behaviors abound: corporate logos, the company headquarters, annual reports, company awards dinners, the annual golf outing, and the business attire at the main office. The artifacts and behaviors can be observed. Often these are outward manifestations of what the corporation believes and values, no matter what it says its values and beliefs are.

Examples of values and beliefs are articulated in a slogan or an ad campaign, such as Ford's decades old, "Quality is Job 1," or GE's "We bring good things to life." These are simple, yet effective ways to put into words what may be complex and difficult concepts. Both examples present a complex pledge from the company to its customers to create products that improve their lives. Companies which actually write values statements find the task difficult because the written presentation too often sounds like the values statement of almost any company. Cliches and platitudes can make the most honest presentation seem hollow.

Basic assumptions, the third level, is even more difficult to articulate because it requires analyzing what the company says and observing what it does, then synthesizing to determine conflicting areas. One example of a fatal conflict between the projected basic assumption and what lay beneath the surface was the demise of investment houses E.F. Hutton and Drexel Burnham in the 1980s. Both companies quickly lost clients' trust when scandals surfaced which undermined the integrity a client expects from an investment bank.

Deal and Kennedy described four corporate culture subgroups to identify and understand the various types of corporations. They called them *Corporate Tribes*: tough guy/macho; work hard/play hard; bet-your-company; process. Table 2 provides descriptive information about the four corporate tribes. Examples are risk, feedback from the environment, rewards, people, organizational structure, and behavior.

Signs of a Culture in Trouble. Can a problem with corporate culture be identified? Weak cultures have no clear values or beliefs. Members often ask for an articulation or written statement of the group's mission. When a mission statement is available, people in the organization routinely ridicule it as a fantasy having little to do with what the company really does. Weak cultures also exhibit many beliefs. That may appear to be tolerance, but no agreement on the most important beliefs plants seeds of confusion and undermines motivated employees. Some beliefs may develop into an ingrown and exclusive subculture, and the subcultural values then preempt the company's. Destructive and disruptive heroes are apparent in cultures in trouble. In direct conflict with the organization's stated beliefs and values, an executive's abusive, harassing, or uncivilized behavior may be overlooked because he or she looks great on the bottom line. Other signs includes disorganized rituals of day to day life resulting in a pervasive sense of fragmentation and inconsistency. People in the organization do not know what to expect from one day to the next. As a result, the organization develops an inward, short-term focus. Signs of such deterioration are observed in low morale, emotional outbursts, and subcultural clashes.

Table 2. Characteristics of Four Corporate Tribes

Culture	Tough Guy/Macho	Work Hard/Play Hard	Bet-Your-Company Culture	The Process Culture
Examples	Advertising, construction, entertainment, publishing, venture capital	Consumer sales; retail stores	Oil, aerospace, capital goods, mining, investment banking, computer design, architectural firms; actuarial insurance	Banks, insurance, financial services, government, utilities, heavily regulated industries (pharmaceuticals)
Risk	High	Low	High	Low risk—low stakes
Feedback from environment	Quick	Fast (you get the order or you don't)	Slow (years with constant pressure)	Very slow to none
Rewards	Short-term focus; speed, not endurance	Short-term focus; endurance, not speed	High stakes; constant pressure; long-term focus	Focus on how work is done; real world remote
People	Cowboys; individuals; rule-breakers	Super salespeople are the heroes	Company over individual; heroes land the big one; young managers seek a <i>rabbi</i>	Achieving rank; V.P.'s are heroes (or survivors)
Structure of organization	Flat for fast decision-making	Flat for fast decisions; forgiving of poor decisions	Hierarchical; slow decision making	Hierarchical (many layers of management); slow decision making from the top down
Behavior	Informal; temperamental behavior tolerated; stars	Team players; informal atmosphere; friendly, optimistic, humor encouraged; no prima donnas	Formal, polite; team players; no prima donnas	Protect the system; <i>cover your ass</i> mentality; emphasis on procedures, predictability, punctuality, orderliness

Perpetuating Corporate Culture. If corporate culture is understood through analysis and observation and can be modified through change programs, then corporate training can be used to nurture and perpetuate a desirable culture. Several methods of how a culture perpetuates itself afford an opportunity for training:

- preselection and hiring of new employees
- socialization of members
- removal of members who do not fit in
- presentation of behavior appropriate to the culture
- justification of behavior beyond the norm
- communication of cultural values and beliefs

Many corporations have a clear idea of the kind of people they wish to hire and that profile provides them a guide for recruiting. The analogy is a sports team that drafts players with certain talents and skills, but also with the ability to fit in with the other players. A corporation does the same thing.

Once a person is recruited and hired, the corporation must socialize its new members through a formal orientation program, followed by less formal socialization in the first few weeks and months on the job. Some organizations go further by instituting a mentoring program to reinforce the corporate culture. Sometimes the match does not work out, so that the member who does not fit must be removed. This is usually done within an initial probationary period. The performance appraisal has become the instrument for perpetuating the corporate culture. Appropriate behavior is generally written in a formal employee handbook, a guide to ethical behavior, and a company code of conduct. These documents function as the formal presentation of the company culture. The informal code is in day-to-day activity, tradition, and company custom.

When a member of the company breaks the customs, the corporation must justify this apparent deviation from acceptable behavior.

Perpetuating the culture is vital to survival. Of the hundreds of automobile makers in America just seventy years ago, only three major ones remain. Because chance and luck can happen to anyone, the survivors must have developed a culture that evolved with the changes in the market and technology.

Leadership Communication

Leadership implies elites and privileged classes, and may call up visions of military command and control. Contemporary collaborative organizations shun autocratic and hierarchical leadership styles. However, organizations need people who bind groups together and represent their groups elsewhere in the organization.

The commonly held belief that leaders need to “walk the walk and talk the talk” underscores the importance of honesty and credibility in communication. Leaders use meetings, e-mail, face-to-face discussion, tape, visual models, and the media to share their vision with others. Some use words, visuals, or their own example to articulate their vision and capture the imagination of others.

Successful leaders share certain traits—integrity, intelligence, ambition, will, and optimism. All are persuasive communicators. They take the time during the routine tasks of a job to consider the bigger picture or the organization's mission. Leaders are pragmatic, but most would not sacrifice people for power. They do not try to control everyone and spend a great deal of time developing consensus, rather than dealing with mistakes. In building consensus they seek win/win solutions as the most productive way to manage conflict.

Public Relations

Corporate identity is more than the sum of these parts: mission statement; logo, letterhead, and annual report; advertising; internal perception programs; external communication and public perception of company image. People learn to recognize a company by everything it does, from the products and services it sells to its buildings and employees. Mergers and acquisitions, downsizing, and restructuring have treated corporate reputation and image rather roughly. From GM to IBM the face of business has changed dramatically. The need to build corporate identity through corporate culture has never been more important to a company's survival than it is now, leaving the twentieth century and entering the twenty-first. (For more information about public relations, see the section entitled "Communicating with the Media.")

Corporate identity is demonstrated through a traditional relationship with various publics. With the change in the American economy and way of life from rural to urban during and after the industrial revolution, the role of the organization in a community changed. No longer was it sufficient for a business only to pay taxes and stay out of the affairs of the community. Its presence there had a strong impact on the lives of the people. Public relations has come a long enlightened way since its beginnings when wealthy company owners handed out nickels to the crowds. The role of public relations is now a strategic element in the business plans of most corporations. Public relations plans contain clearly articulated goals, methods, and measurements which coincide with larger corporate goals.

Community relations, or outreach programs are now more closely allied to the core business. For instance, the public utility may sponsor and run a series of seminars at retirement homes and villages on coping with power outages due to a thunderstorm or hurricane. The same utility may offer courses for home owners in how to handle and repair electrical appliances safely. Other companies may donate services like a telephone bank or computers to help with fund raising. Often a company will set aside a day to help the local community by building a community playground or renovating a park. And more and more organizations are sponsoring a section of a highway for litter control. Their participation is indicated by signs along the roadside.

Outreach programs also include corporate education programs in communities, schools, and universities. Sometimes outreach programs include adult courses in first-aid, water safety, crime prevention, and recycling. Company representatives often speak at high schools or colleges about a career in an industry and one at the company in particular. Blood drives for the local Red Cross depend on corporate participation, as does the United Way. Companies also offer in-kind gifts, such as used, but useful office furniture and equipment, to local charities and schools. During natural disasters, corporations are a valuable source of volunteers, equipment, food, clothing, and medical supplies. Such activities are often done with little or no fanfare depending on the corporate attitude toward volunteerism.

Government relations involves meeting with local, state, federal, and in some cases international agencies to advocate for the corporation on matters in its interest. Some corporations provide legislators and agency professionals with position papers and information designed to inform and persuade

the agency. In the marketplace of ideas, such advocacy efforts often make the decision clear. In recent years individual corporations have avoided direct lobbying efforts in favor of joining an industry advocacy group that does that work for all companies in a given industry. A quick scan of the telephone directory in New York or Washington, D.C. under "Association of . . ." offers a snapshot of the thousands of groups formed to represent a particular viewpoint on an issue or industry.

Because of abuses in the past in trying to influence government decision making, this area of corporate communications demands the highest ethical standards. Each company develops its own Code of Business Conduct which often includes standards and procedures for ethical practices with fellow employees and subordinates, with customers, with vendors, with the community, and with the government.

Professional organizations and societies, such as the Public Relations Society of America, also issue standards of ethical practice for their members and for the profession or industry as a whole. The American consumer has become highly skeptical of business practices and intolerant of companies which operate unethically. Maintaining the highest standards for propriety and ethical behavior is the best approach to developing a reputation for honesty and integrity.

Customer relations is considered the "front porch" of the corporation. How a corporation routinely treats customers and vendors and how it handles an angry customer's complaint about a product or service form the foundation on which the corporation's image is built in the minds of individuals. It can be inviting and cooperative or cold and impersonal.

Successful companies make every effort to meet customers' needs. The old cliché, "The customer is always right," is not a cliché for most companies. It is an informing philosophy. It is also a central principle in the quality movements that have infatuated American businesses through the 1980s and 1990s. Satisfied customers come back again. Disgruntled customers do not, and they also tell at least ten others about their bad experience. Good customer relations depends on positive word of mouth. The service industry has made customer relations not only central to the company business strategy, but an art form.

In a market-driven economy, companies with close relationships with their customers have a better chance of surviving difficult periods than companies which do not listen to their customers. Solid, positive relations with customers is a fundamental part of the quality revolution in America.

Total Quality Management

Total Quality Management, reengineering, and other change programs have become a major preoccupation of the business community in the United States, particularly those involved with technical goods or services. In the United States and throughout the world, the quality process derives from W. Edwards Deming whose theories of statistical quality control took root in post-World War II Japan, not in his native America. U.S. corporations embraced the quality process as the tool to use to combat the Japanese challenge for world industrial supremacy. In 1987 the Malcolm Baldrige National Quality Improvement Act made the trend official. The Act also established the Malcolm Baldrige Quality Award,

similar to the Japanese Deming Award for quality given since the early 1950s. The European Community is now at work on similar quality initiatives called ISO 9000. To underscore the power of such programs in the United States, such giants as Xerox, IBM, Cadillac have pursued and won the Baldrige Award.

CORPORATE COMMUNICATION—MEETING THE CHALLENGE OF THE FUTURE

What is Corporate Communication, and who does it? Corporate communication is the total of a corporation's efforts to communicate effectively and profitably. It is a strategic action practiced by professionals within an organization or on behalf of a client. It is the creation and maintenance of strong internal and external relationships. The actions any particular corporation takes to achieve that goal depend in large part on the character of the organization and its relationships with its suppliers, its community, its employees, and its customers. (For more information see the section entitled "Communicating Change—Reengineering, Quality, Corporate Culture Programs.")

Enormous changes in the workplace have had an impact on the communication practices of corporations and organizations. Avoiding print, broadcast, and electronic media no longer suffices as adequate communication policy or even effective corporate communication. A policy of developing strong channels of communication internally and externally has become a standard for most organizations.

Not only has the nature of corporate communication changed over the last few decades, the type of people who create the company messages has also changed. The typical corporate communication professional is college educated with a degree in the humanities. A major in journalism, English, marketing, public relations, communication, or psychology is common. Generally, practitioners are loyal company people with a long record in the organization. This reflects the importance of the strategic nature of the organization's communications.

Often the professional has had a minor in economics or business, or depending on the company's core business, some related technical discipline, such as engineering or computer science. This is in stark contrast to a previous generation of business professionals with backgrounds in law or accounting who have handled the company communications. Using a communication professional underscored another shift in corporate communications emphasis from a total focus on the investment community or shareholders, any owner of the company's shares or stock, to a broader interpretation of community which now includes all "stakeholders." A stakeholder is anyone who has a stake in the organization's success—vendors, customers, employees, executives, the local barber, and the kid on the paper route.

The explosion in the number and type of media available for communications has also had an impact on the communication professional. In the past, mastery of the written word was more than enough. Writing is still the core skill on which all others are built. But a mastery of the essentials of broadcast media is now essential to the creation of corporate messages for TV, radio, e-mail, cable news programs devoted to

business topics, multimedia and digital communications on computer networks, and public speeches.

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