# **M.TECH PUBLIC RELATIONS MANAGEMENT**

# **STRUCTURED MINI-THESIS**

# DEVELOPMENT OF A CORPORATE COMMUNICATION STRATEGY FOR A MEDIUM SIZE ORGANISATION IN THE COMPUTER SOFTWARE FIELD

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# **SUMMARY**

This research paper is aimed at formulating a corporate communication strategy for a medium- sized organisation, Highbury Solutions, operating in the computer software industry. Highbury Solutions consists of a Managing Director and four managers who, together with fifteen operational staff, make up a total staff complement of twenty. Highbury Solutions had a turnover of approximately R25 million over the past financial year (2004).

The organisation enjoys a partnership with the computer conglomerate IBM in which the branding of Highbury Solutions products carries the computer giants' endorsement. This relationship has been in existence since 2001. The relationship, however, according to preliminary research, indicates no communication strategy or formal communication channels in place between the two organisations.

The aim of this research paper will thus be to transform theoretical perspectives into a practical approach and design of a suitable corporate communication strategy for Highbury Solutions. This strategy will be based on sound research principles of both the organisation and its stakeholders and will be based on the model for Corporate Communication Strategy in Steyn & Puth (2002: 62). This research paper will aim to formulate a corporate communication strategy that will nurture and grow the relationship between the two organisations for the next three to five years.

Chapter *one* consists of an introduction to the research issue, including the aim of the research, the stating of the research problem as well as identifying subproblems and possible assumptions.

In chapter *two*, the literature study deals with two case studies that have particular bearing on this research paper. The first deals with Hewlett Packard who implemented strategies (including communication strategies) to ensure a turnaround in the organisation. The second deals with IBM, ironically the major stakeholder in this

research environment, and the strategies that they implemented at a time when the organisation lost revenue due to complacency and ineffective communication channels. Both these case studies provided a focal point for this communication strategy to be formulated.

Chapter three deals with the research methodology adopted. Aspects of the dominant paradigm are discussed, including the concept of two-way symmetrical communication. Linkages, between public relations objectives and organisation goals, give strategists an idea of how groups could respond and indicate areas of intervention. A purposive simple random sample will be utilized involving IBM line managers and operational staff as well as representatives from corporate clients. A sample questionnaire was formulated that provides environmental scanning as to the extent of the communication channels and relationships existing between Highbury Solutions and IBM. In addition, the research methodology provides identification of the strategic stakeholders.

Chapter *four* deals with the data collection and focuses on the most suitable qualitative methods of gathering data as well as the concepts of internal and external validity.

Chapter five tabulates the interpretation of results. The results are tabulated according to Grunig's (2002: 10) four indicators a quality relationship. These are:

- Control mutuality
- Trust
- Commitment
- Satisfaction

From the presentation of findings, the key strategic issues (KSI's) are identified as follows:

- KSI 1: Lack of strategic communication between Highbury Solutions
  management and internal staff
- KSI 2: Poor correlation between Highbury Solutions strategic business plan and IBM.
- KSI 3: Poor communication between Highbury Solutions management and their corporate clients
- KSI 4: Lack of Highbury Solutions operational staff participation at joint iniatives with IBM

Chapter *six* details an implementation strategy for each KSI identified. The implementation strategy is formulated according to each of the functional linkages detailed in chapter 3.

Chapter *seven* uses the implementation strategies to compile a communication plan that includes objectives and goal setting for each KSI. This communication plan includes an implementation strategy for each stakeholder group as well as action plans and an activity schedule. Fundamentals of a budget and methods of evaluation research are also included in the communication plan.

# A CORPORATE COMMUNICATION STRATEGY FOR A MEDIUM- SIZE ORGANISATION IN THE COMPUTER FIELD.

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# ANNEXURE A

# CHAPTER 1 INTRODUCTION

# 1.1 Background

Highbury Solutions is a medium- size organization operating in the highly competitive, constantly changing computer software industry. The organization consists of twenty permanent staff, mostly trained in the computer field, which provides installation, backup and support as well as training to approximately eight large clients and some fifteen smaller clients. Some of the top clients include Johnson and Johnson; Avis Car Rental; Edgars Retail Group; Foschini Retail Group, as well as the Department of Social Welfare and Pensions (Government). Highbury Solutions operates a budget of approximately R8 Million for operation costs with a pre-tax income of approximately R25 Million.

Highbury Solutions provides a unique product package to these clients in a joint partnership venture with the computer conglomerate IBM. This partnership provides the backbone of Highbury Solutions, as the particular product supplied is unique to this joint venture. The uniqueness is because of the specialist service and training that accompanies the provision of the software. Highbury Solutions as a joint partner with IBM is a licensed provider of the software. Herein lies the delicate nurturing needed by Management and employees of Highbury Solutions in that *firstly*, IBM have other partnerships with similar organizations to Highbury Solutions (although there is an undertaking that Highbury Solutions is the premier partner relative to this particular product) and *secondly*, the nature of the large corporate clients (needs a large amount of attention, back-up, networking, training and other such activities). Thus this relationship with IBM is of paramount importance as the securing of clients both Government and Corporate depends, to a large degree, on the backing and branding of IBM.

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Full details concerning Highbury Solutions and its relevant stakeholders will be given in the research methodology (Chapter 3, page 21)

# 1.2 Aim of the research

This research, focusing on developing a corporate communication strategy for Highbury Solutions using Steyn and Puth's model for developing a corporate communication strategy (2000: 62) as a benchmark, will aim to concentrate on three specific areas:

- Highbury Solutions as an organization that operates in the highly volatile and competitive computer software market.
- Highbury Solutions' relationship with the large conglomerate IBM and the nurturing of this relationship as a specific strategy.
- Highbury Solutions' relationship with Government firstly as a major client and source of income and secondly as a strategic partner in the computer industry.

Steyn (2003: 21) in a paper delivered at the 9 th International Public Relations Research Symposium, held at Lake Bled, Slovenia from 3-6 July, 2003 defined the *window* function of public relations as the" preparation and execution of a communication policy and strategy, resulting in messages that portray all facets of the organization in a transparent way". This research will, in addition, to the above, view the activities in performing the *window* function as twofold:

1) Those activities performed by practionioners in the role of the *public relations manager* (in the case of Highbury Solutions the Managing Director and sole proprietor) who will develop public relations strategy, policy and a strategic communication plan for his organization; and

2) Those activities performed by practitioners in the role of *public relations technicians* (implementing the public relations strategy by means of communication plans, programmes and campaigns).

Steyn (2003:21), in addition, describes this window function as an *inside-out* approach to strategic management- this approach spans the boundary between organization and environment (in the case of this research this will relate to Highbury Solutions and IBM) in an *expressive* or *speaking* capacity.

In addition, Steyn (2003: 21) also relates to the expressive task of public relations in *outward* communication which is to widely distribute information in the public communication system, to strengthen public trust in, and achieve social acceptance for the organization; and to achieve greater understanding and support in those public spheres that the organization wishes to be in contact with.

Thus in summing up, the aim of this research paper will be to transform these theoretical perspectives into a practical approach and design of a suitable Corporate Communication Strategy (CCS) for Highbury Solutions. This CCS will be based on sound research principles of both the organization and the stakeholders in its immediate environment. The concept of a corporate communication strategy will then be formulated and 'sold' to the management of Highbury Solutions and its stakeholders for implementation. The results of this extensive research will be benchmarked against the model for Corporate Communication Strategy described in Steyn & Puth's Corporate Communication Strategy (2000: 62).

# 1.3 Research problem

Du Plooy (1996:47) quotes as follows: "When the discrepancy between the standard and what is judged is sufficiently large, the behaviour or state of being is deemed to be a problem."

This quotation is applicable to the origin of the under mentioned research problem as the discrepancy referred to would be the state of the existing relationship existing between Highbury Solutions and IBM. The standard would be a suitable corporate communication strategy to be formulated. The research problem is as follows:

What will be the most effective corporate communication strategy that needs to be implemented at a medium- size computer company, Highbury Solutions, and its partnership with the conglomerate IBM, in order to maintain and further the relationship existing between the two?

The 21 st century has brought a 'pressure –cooker' environment to the volatile world of corporates. Highbury Solutions is no different to any other corporate in that they also operate in an extremely volatile and competitive environment. Deadlines need to be met, clients every need must be satisfied almost immediately and a technological environment is updating constantly. Thus change is the variable that needs the most attention from management and employee's alike. The essence or core of this research will focus on the existing internal environment at Highbury Solutions initially and then move on to the strategic stakeholders (IBM, Government and Corporate) using stakeholder theory as described in Steyn & Puth (2000: 210), as the point of departure, culminating in the development of a strategic communication plan for Highbury Solutions.

# **1.4 Subproblems**

Certainly no research problem can stand alone. This particular research problem needs to address the following sub problems:

## Subproblem no. 1

What is the nature and extent of the relationship existing between the stakeholders at present?

## **Assumption:**

A positive and sound relationship exists, which will be further expanded upon during the research paper. However, initial exploratory discussions indicate two aspects:

- The Managing Director does most, if not all, the relationship building with principal stakeholders, with the employees focusing on the technical aspects of the work.
- Secondly, the relationship with stakeholders is very much an 'it works for now' type scenario, with little reference to strategies and way forward.

## Sub-problem no. 2

How does the major supplier (a USA conglomerate) view this relationship existing between IBM (a large client for the USA supplier at any rate) and the much smaller Highbury Solutions?

#### **Assumption**

IBM would certainly be influential in informing the major United States supplier as to the extent of the relationship existing between themselves and a smaller partner such as Highbury Solutions. This stakeholder (the United States supplier) will need to be included as a stakeholder for Highbury Solutions in the research paper.

## Sub-problem no.3

How do potential customers (as part of the marketing strategy) of Highbury Solutions view this relationship existing between the organization and IBM?

#### **Assumption**

From a marketing perspective, a partnership that is linked to a large conglomerate like IBM will be viewed as positive due to the brand name existing of the Multinational IBM. This sub problem raises the importance of a well-researched and developed corporate communication strategy that will ensure that potential customers will almost view Highbury Solutions as an extension of IBM due to the close alliance of the partnership.

# **1.5 Conclusion**

A plausible explanation as to why a research problem exists in the first place is the essence of this particular chapter. Once the necessity of formulating a research problem is provided, then it is important to acknowledge that no research problem can stand in isolation. A research problem will have related subproblems. These subproblems will have to have an assumption that provides a particular direction for the problem to move into. At the same time these subproblems will need to be addressed throughout the research study and will have to be solved at the conclusion of the research study. This is the sole purpose for formulating both research problems and subproblems.

An organization like Highbury Solutions is not unique in their particular methodology adopted when doing business. The computer field is volatile in that competition is rife and technology ever changing. Management is either involved in various marketing initiatives or pushing staff towards deadlines. The staff work in isolation and communication channels are sadly lacking or neglected.

This environment would require a suitable communication strategy to ensure progress into the next three to five years.

# CHAPTER 2 LITERATURE REVIEW

# **1.1 Introduction**

An important step in any research study is the compilation of a literature review which involves the collection and synergizing of existing information relating to the research topic or issue. In addition, with every dissertation a review of previously published work is included. This review shows one how the work relates to what other researchers have done. A knowledge of what's gone before this paper will give one an added advantage in terms of background to this research paper. This places this dissertation in its relevant context, together with any theoretical frameworks that may be involved. In addition it can certainly trigger the imagination and help the researcher to see the work in a different light.

Although the concept of developing corporate communication strategies was formulated with organisations in the seventies in both Europe and the United States of America, the concept is still in its infancy in South Africa. One often sees evidence of a brand strategy, an advertising strategy or a marketing strategy, yet very little evidence is available concerning a communication strategy.

This is further illustrated by the action taken by Pick 'n Pay (Weekend Argus, 22 May, 2003) that highlighted the cyanide debacle that the organization endured when an alleged extortionist was contaminating certain tin foods. No communication strategy was in place to handle the crisis and very little evidence is available of a strategy in place to handle any future similar situations.

In a paper delivered by Steyn, B at the 9 th International Public Relations Research Symposium,(Lake Bled, Slovenia) she quotes Tibble (1997:77) as follows: "Strategy and the communication world, particularly the PR part of that world, just do not seem to go together. It is certainly unusual to come across a cogent and effective communication strategy. Not a brand strategy. Not a marketing strategy. Not an advertising strategy—but a communication strategy."

This would not mean, by implication that there are no strategies exist for organizations in South Africa. An example follows where a non-profit organization does have a corporate communication strategy and provides evidence of where an organization can benefit from having one in place.

Steyn & Puth, (2001:98) provide an extensive case study of *Business Against Crime* (BAC) that provides a corporate communication strategy and plan for this non –profit organization. Of the five strategic issues identified in this particular case study three of them relate directly to communication issues and would have a bearing on this research paper and are discussed as follows:

Strategic issue two indicates that there is insufficient communication within the realms of the BAC concerning their four major fighting projects. Communication strategies outlined include building co-ordination between the four projects activities through regular information sharing as well as building team spirit among members of different projects especially concerning information sharing on their relative successes.

Strategic issue three relates to lack of formal communication between provincial and national BAC. A recommended communication strategy would be to communicate to potential and current sponsors the respective benefits of specifically donating to Provincial or National BAC organisations. A further strategy would be to communicate to the community and inform them of BAC National and BAC provincial respective roles in crime. This would necessitate a media plan that is formulated out of this strategy.

Strategic issue four relates to how Government manages relationships with the media. Essentially this issue pertains to BAC having no policy that reflects credit on the organization as it is seen as a Government initiative. The corporate communication strategy devised for this issue relates to building relationships with the media as well as an initiative to communicate via the media to stakeholders about BAC's National achievements.

As can be seen from the above strategic issues, once the issue has been researched and identified a corporate communication strategy is formalized with a subsequent communication plan developing. This will be the direction adopted in this research paper.

Benita Steyn and Matebotho Green, from the University of Pretoria (February, 2001), who developed a Corporate Communication Strategy in a case study on the Department of Housing, South Africa, provide further evidence of communication strategies utilized in the South African environment. The findings of this research resulted in the Deputy Director of Communication Services developing a satisfactory Corporate Communication Strategy once the underlying issues of inadequate funding, rural under- development and employee attitude and behaviour were identified and then addressed.

# **1.2 CASE STUDIES**

Lynch, (2003:69) provides two case studies that are pertinent to this research paper as they, firstly both involve organizations in the computer industry and secondly, they both provided different or changed strategies that certainly proved beneficial to both companies.

The *first* case study relates to the computer organization Hewlett-Packard (HP). According to Lynch (2003:69) HP essentially started as a back-yard operation in 1938, grew to be one of the global giants in the computer industry with annual sales of US \$38 billion (R266 billion) in 1996. This exceptional growth was directly attributed to a change in strategy (inclusive of a communication strategy). Initially HP had a very 'leisurely' management style and seemed to make its mark in pocket calculators- the now famous HP scientific calculator. Of relevance to this research paper were the strategies, according to Lynch (2003:74), implemented by HP over the years.

- The company made a strategic decision in the 1970s to focus on market dominance specifically in computer printers as well as specialized fields, namely science and medicine - a strategy to provide highly specialized computer hardware to these fields.
- 2) At the same time a strategy was put in place to maintain a range of joint ventures and alliances with others in the industry.
- 3) The relaxed and informal management style was strategised into a concept called the 'HP' way, which incorporated an open management style utilizing MBWA (Management by Walking Around). This strategy not only addressed communication channels in that they were informal and practiced open door policy, but also implemented 'communication pockets' enabling global involvement in all communication within the organization.
- 4) Profit, although important for survival in the tough computer field, was not seen as the sole objective. A strategy was maintained from early days to regularly give employees share options.
- 5) The company also found that it could only secure low-cost operations if there were centralisation of research and development and concentration of manufacturing facilities.

The importance of the above strategies to this research paper is the relationship (s) and communication channels established by management as part of their ongoing

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business strategy. It is evident from some of the other strategies put in place (share options, for one) that management want to establish an organization that can relate to the well - being of an important stakeholder - their employees. The strategy that they felt can relate to the well-being of employees, is correct and regular communication.

Even though this is a multi-billion dollar organization, the fundamental approaches to stakeholders both internally and externally can be standardized to a much smaller company operating in the same volatile computer industry.

In addition, the profit and sales margins are indicative of a very successful organization only achieved through purposeful application of strategies (inclusive of communication strategies) at the right time and with the correct amount of research.

The second scenario provided by Lynch (2003:30) is more relative to this research paper as it involves IBM, essentially the brand name that has acquired Highbury Solutions as one of its joint partners.

According to Lynch (2003:30), in the early 1990s the world's largest computer company, International Business Machines (IBM) suffered enormous losses bordering on the largest profit disaster in corporate history. The problem was firmly rooted in poor corporate strategy.

During this tumultuous period in spite of a supposedly good business strategy, a dominant market share, excellent employee policies, close relationships with national governments, responsible local and rational community policies, sound finances and extensive modern plant investment around the world, IBM suffered a net loss of close to US \$16 billion (R110 billion).

Interesting enough, is the fact that in spite of the above positive characteristics they were not linked to the profit numbers. This link was sadly a case of a large and powerful organization whose strategy did not include corporate communication.

According to Lynch (2003:34) during the 1970s and early 1980s, IBM became the first choice computer company for many of the world's leading companies - its global market share was close to sixty per cent. At that stage IBM was the market leader in large main frame computers (making up approximately sixty per cent of the company's profits). In addition, because of its sheer size and global reach, the company was split into a series of national companies, each operating with a great degree of independence.

Often, central Headquarters (HQ) did not know what was happening in key product groups until the end of a particular trading year. Throughout this period, IBM central HQ was content to rely on the success and profitability of its mainframe computer range, merely observing the rapid growth of another small but related market; the personal computer (PC) market.

IBM finally launched its first PC in 1981. According to Lynch (2003:37), at this time two strategic decisions cost IBM dearly:

- Firstly it did not use its own hardware but acquired them respectively form Intel (US) and a small company, at that stage called Microsoft; and
- Secondly, IBM placed no restrictions on these two companies supplying similar products to other companies.

The net result was that:

- IBM became merely another PC supplier; and
- This opportunity allowed these two competitors to develop into corporate giants.

IBM's strategic mistake was to think that its reputation alone would persuade customers to stay with its PC products. This oversight at IBM will be relative to this research paper as initial discussions and preliminary research is indicating a lack of strategy or even complacency existing at Highbury Solutions. In addition, the organization restructured during 1991 and created Industry Solution Units (ISU's). Each ISU had its own dedicated management team and operated globally. This proved problematic as the country and product managers were reluctant to give up control to the ISUs. This resulted in confusion among customers as well as internal political battles within IBM.

Lynch (2003:41) states further that the *turnaround* during the three years from 1994 until 1997, resulted in IBM reporting a net income after tax of US\$ 18 billion (R126 billion), compared with a loss of US\$ 16 billion (R110 billion) over the previous three years. In the case of IBM, new leadership brought new strategies.

Louis Gerstner, with a strong reputation concerning cost cutting and communication, became chief executive in 1993. He spent several months reviewing the situation and communicating with IBM customers. He wanted to develop a customer-driven strategy.

According to Lynch (2003:44), Gerstner after extensive research and problem area identification, implemented the following strategies:

- IBM would remain one company with clear-cut communication channels. Large customers wanted integrated technology solutions to their problems and IBM had sustainable competitive advantage in this area. It would therefore not be demerged and the main parts would be retained;
- IBM would refocus its strategy around its customers (needs driven). IBM expected to become closer to its leading customers, perhaps even taking over some functions such as telecommunication network that were previously run by its customers;
- A new corporate culture was established, making the organization more lean, more responsive and willing to learn. This new corporate culture also required

senior management and middle management to work actively on establishing the new focus and organizational structure; and

 Re-organisation of the company away from countries into global product groups, which resulted in economies of scale, now delivered by new worldwide product groups working across country boundaries.

Thus the new organization culture and structure that began to emerge from this new strategic focus was an essential element of IBM's recovery during the subsequent years.

The relevance of, firstly the demise of IBM's profits over the period 1991-1993 and secondly; its dramatic turnaround to this research paper lies in the apparent complacency that exists within a successful organization. Highbury Solutions have proved highly successful over the last three years based on growth and profit yields. There is no denying the benefit of the partnership with the IBM brand over the same period.

Thus this research paper needs to intensify the application of knowledge to Highbury Solutions, in order to identify strategic plans, analyse them and provide subsequent strategic plans specifically in the domain of corporate communication strategy.

The importance of the above scenario is paramount to the task at hand as even though IBM is a huge conglomerate with large resources, the strategies that need to be put in place are largely generic and can apply to a medium –size organisation such as Highbury Solutions that operates in much the same field.

The launch of Microsoft Windows 95 was a strategy in itself, in that it was stretched over a twenty month period, according to Wilcox, et al (2000:150). One of the strategies was to build momentum using suitable communication channels designed to attain a sense of excitement that would boost the product. Microsoft used series of planned events as part of their planning and strategy. A recording of the Rolling Stones hit "Start me up" was played at various centres throughout the United States during pretesting of early versions of Windows 95. Even the release day was a schedule of activities and events as it was designed to launch at midnight August 24 th.

Of interest to this research paper is the concept of communication strategy that Microsoft used. Taking into consideration that Microsoft is a billion dollar multinational corporation is interesting in the perspective that the launch of one of their products actually incorporates a communication strategy that stretches twenty months. The importance of having a corporate communication strategy is emphasized in this case study.

# **1.3 CONCLUSION**

From a South African perspective, as indicated at the commencement of this chapter, the overall desire of corporations to have a corporate communication strategy is lacking. Steyn & Puth (2000: 7) deliberate at length about "the legacy of the past" which attributes this failing to either an inability to breakthrough the strategy barrier (more a case of corporate leaders not providing the opportunity) or to the shortcomings of practitioners. This reflects a two – edged sword with the pendulum swinging in the direction of the practitioner who according to Steyn & Puth (2000: 11) possess "insufficient managerial training". This research process will endeavor to provide a corporate communication strategy for a medium – size organisation with the point of departure being that strategy is a continuous process that evolves over time.

The literature list indicated at the end of this research paper will provide insight into the amount of material or literature on the research topic as well as other writings about this topic in terms of theory, current issues and professional practice. In addition, a thorough initial literature search did help in deciding on the most suitable methodology and techniques to use.

# CHAPTER 3 RESEARCH METHODOLOGY

# 3.1 Introduction

This particular section of the research process is of importance as it provides a plan of how the research is going to be conducted. This is essence would include the research methods to be used (qualitative or qualitative), who is going to involved in the research and even to the extent of where and when the research study will take place.

Explanations will be provided as to why a particular approach is to be adopted and the reasons why it would suit this particular research issue. In addition a research methodology section will also include aspects of the sample chosen, an indicating of measurement techniques (questionnaire) as well as the time – dimension (cross – sectional design).

The importance of providing a chapter on research methodology and design needs to be seen in the light of the following chapter which deals with practical considerations such as data collection and questionnaire considerations. Thus the emphasis in this chapter will be on providing a guideline as to what theoretical considerations will be adopted as well as the aspect of practically analyzing the internal environment of Highbury Solutions and identifying strategic stakeholders of importance to the organisation.

# 3.2 Methodological approach

This section of the research paper is vitally important to the overall research conducted as the time allocated to the collection of data and information as well as the analysis thereof forms the basis of the research paper. In effect, a balanced methodological approach using appropriate well- thought out data collection techniques ensure the conclusions and recommendations made at the end of this research paper are more valid and credible.

The methodological approach applied would be more *qualitative* as the essence of the research paper would focus on relationship building (utilizing an appropriate Corporate Communication Strategy) and the subsequent effect thereof on both Highbury Solutions and IBM. In addition, other variables such as customers and suppliers would also affect the Corporate Communication Strategy.

An important facet of the research paper would be the influence of the *dominant paradigm* in public relations between Highbury Solutions and IBM. The dominant paradigm relevant to this research paper would be two-way symmetrical communication, which entails dissemination of information, manipulation, resolution of conflict as well as promotion of understanding (Steyn & Puth: 2000:39).

The research paper needs firstly, to view paradigms as viewpoints – a dominant way of conceptualizing a phenomenon, of approaching it methodologically and specifically of looking for solutions to research problems. As indicated previously, discussions and observations have indicated that Highbury Solutions finds itself in a multi-million Rand industry doing turnover in excess of R25 million per annum, largely due to the joint partnership with IBM.

This partnership will depend upon the dominant public relations paradigm of persuasion. This persuasion will entail two- way symmetrical communication relating to promotion of understanding. This research paper needs to explore the current internal and external environment and develop a suitable communication plan as part of the overall Corporate Communication Strategy of Highbury Solutions.

Secondly, this research paper will need to acknowledge a conceptual shift to Public Relations as a management/strategic management function that utilizes communication strategically. Research will indicate a shift in the dominant paradigm from persuasion to

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a relationship paradigm that measures trust, commitment as well as satisfaction with the relationship. This paradigm now provides a framework to explore the linkages between Public Relations objectives and organisation goals (in a way that management understands and appreciates) and for constructing platforms for strategic planning and tactical implementation (Steyn & Puth; 2000:109). In essence these functional linkages are the groups (IBM, Government, Suppliers and Corporate clients) that provide inputs to Highbury Solutions and the outputs that the same organisation uses to conduct its business.

Thirdly, an important aspect of the research paper would be the formulation of a *communication plan* (as part of the overall Corporate Communication Strategy) that would have as its point of departure stakeholder identification and classification. Thus the linkages concept (discussed in previous paragraph) gives guidelines to identify the various organizational stakeholders that need to be considered when strategic decisions are made. It gives strategists an idea of how groups could respond and indicates areas of intervention. Esman's linkages (in Dozier and Grunig, 2002: 145) are useful for an organization to achieve its vision, mission and strategic business goals.

Steyn & Puth (2000; 109-110) provide further explanation of these linkages in that they elaborate on the different types of linkages found in an organisation. These linkages will include:

- Enabling linkages are groups that provide the authority that enable the organization to exist.
- Functional linkages comprise stakeholders that provide inputs and take outputs.
- Normative linkages are groups that face similar problems or share similar values.
- *Diffused linkages* are elements of society that cannot clearly be identified by membership in formal organizations.

This research paper will indicate which of the above stakeholder classifications (or combinations thereof) will be the most effective for implementation in the overall corporate communication strategy. Attempts were made to find other classification models but found that this classification remains the most effective as it is relative to this

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particular research study. In addition Steyn & Puth use this stakeholder classification model extensively. A point of departure for the research paper would be to research the existing organizational vision and mission existing at Highbury Solutions. This research of the internal environment would form the basis of the point of departure for the overall research design and will ultimately lead to the formulation of changed, sustained or maintained visions and missions for the organization.

The research paper will need to convert these theoretical perspectives as a point of argument into workable practical implementation plans.

A fourth dimension in the research methodology that forms part of this research proposal is research to be conducted concerning the public or *reflective approach* to public relations. The role of public relations in the reflective approach is more than merely communicating with the organisations own strategic stakeholders – it is also to analyse, reflect and integrate the characteristics of public sphere processes. The part of the reflective approach specific to Highbury Solutions is defined as 'relationship management'. This reflective paradigm (prominent in European thinking relative to Grunig &Grunig, 2002) will be researched from the point of departure of the organization as no longer the centre of society but partakes in partnerships with stakeholders.

# 3.3 Research Design

It is important that the methodological approach adopted in this research paper is aligned with the overall research design. Thus, this research paper is advocating using Steyn & Puth's Corporate Communication Strategy model (Steyn & Puth, 2000:68) as a benchmark relative to a suitable strategy to be researched and developed for Highbury Solutions. This model provides adequate insight into how a strategy can be developed and formulated as a generic guide to any particular organisation.

# A FRAMEWORK FOR THE PROPOSED CORPORATE COMMUNICATION STRATEGY AND COMMUNICATION PLAN FOR HIGHBURY SOLUTIONS

# PHASE 1: CORPORATE COMMUNICATION STRATEGY

## 1 ANALYSIS OF THE INTERNAL ENVIRONMENT

- 1.1 Highbury Solutions main objective
- 1.2 Corporate profile
- 1.3 Vision and mission statement
- 1.4 Existing corporate strategies

## 2 IDENTIFICATION OF STRATEGIC STAKEHOLDERS

- 2.1 Stakeholder map
- 2.2 Linkages between Highbury Solutions and its relevant stakeholders
- 2.3 Stakeholder perceptions of Highbury Solutions

## 3 IDENTIFICATION AND ANALYSIS OF KEY STRATEGIC ISSUES

- 3.1 SWOT analysis of Highbury Solutions
- 3.2 Key strategic issues identified
- 3.3 Key strategic issues prioritized
- 3.4 Corporate communication strategy regarding each strategic issue
- 3.5 Communication goals for each strategic issue identified

# **4 COMMUNICATION POLICY**

- 4.1 Dealings with the employees of Highbury Solutions
- 4.2 Dealings with IBM
- 4.3 Dealings with corporate clients
- 4.4 Dealings with Government

### PHASE 2: COMMUNICATION PLAN

#### 1 RESEARCH

1.1 Situation analysis

#### 2 PLANNING

- 2.1 Set Communication goals
- 2.2 Set impact and output objectives

#### **3 ADAPTATION STAGE**

3.1 Statement of limitations

# 4 IMPLEMENTATION STRATEGY AND ACTIVITIES

4.1 Selected implementation strategy and activities

#### 5 SCHEDULING

- 5.1 Scheduled activities
- 5.2 Roll out of scheduled activities

## **6 BUDGET FOR STRATEGY AND ACTIVITIES**

- 6.1 Proposed budget for strategies and activities
- 6.2 Notes to the budget

#### 7 EVALUATION RESEARCH

The above model will form the basis of this research paper in that it will ultimately contribute to the framework needed to develop a suitable corporate communication strategy for Highbury Solutions. This can only be achieved with a thorough situation analysis that will include both environmental scanning of the external environment as well as the internal environment. In addition, this corporate communication strategy will need to reflect the corporate strategy that is existing at Highbury Solutions.

The researcher will thus need to take the whole picture into account and think through the qualitative aspects of Highbury Solutions and the environment it faces before starting the communication planning process.

In essence this communication strategy developed should accomplish the following: (Steyn & Puth, 2000: 52)

- Establish a framework or profile against which ongoing corporate communication decisions that are relative to Highbury Solutions are tested.
- It reviews and questions the direction taken by the corporate communication function of this particular organisation.
- It produces a profile that can be used to identify the right problems to solve as indicated by the environmental scanning
- To prioritise areas or issues for which communication plans or programmes are to be developed that will be applicable to the organisation on hand.

The importance of these areas is such that they can, in effect, be used to **evaluate** Highbury Solution's corporate communication strategy at the end of this research paper. This will correspond with stage seven of framework given above.

# 3.4 Sample (s)

The research design for developing a suitable corporate communication strategy for Highbury Solutions will use structural interviews with a sample questionnaire (see sample of questionnaire to follow) pertaining to IBM; Highbury Solutions and major corporate clients.

The purpose of the structured interview questionnaire is to determine the existing internal environment of both IBM and Highbury Solutions as well as to identify strategic stakeholders and publics. In addition, key strategic issues existing in both the internal (Highbury Solutions) and external (IBM) environments are probed in the questionnaire. Dependent on the availability of resources and time available relative to using employee focus groups, a maximum of 5 Senior Management Members from IBM have been

used. The purpose of the focus groups is to better observe the reactions of the members to certain questions and apply aspects of qualitative research (effect) to the overall research findings.

A purposive simple random sample has been used. IBM has a population parameter of 3120 employees in South Africa with a target population of fifty employees involved with Highbury Solutions on an ongoing basis.

An acceptable sample providing 95% accuracy and confidence is thirty-five employees from IBM (lincluding five line managers); five employees from Highbury Solutions (excluding the Managing Director) and two employees (management) from each of the four major clients.

# **3.5 QUESTIONNAIRES**

# **3.5.1 PURPOSE OF QUESTIONNAIRES**

The purpose of the questionnaire design of the research paper indicates that the communication strategy problem has been expressed in an appropriate research question. The next subsequent step was for these question(s) to be translated into the language of the respondents and then arranged in a questionnaire in a valid and logical fashion that will produce meaningful results.

Dillon, et al. (1993: 302) lists four inter-related activities in respect of questionnaire design. These activities provide ample justification for the questionnaire(s) and the types of questions asked that is relevant to this research paper.

#### **1** Preliminary considerations

This activity allows the research problem to identify:

- Firstly, what information is required;
- Secondly, who the appropriate target respondents are; and
- Thirdly, what data-collection method will be used to survey these respondents

These preliminary considerations are the driving force for the subsequent questionnaire to follow. As stated previously, this research paper should provide a practical communication strategy that can be implemented at Highbury Solutions. In order to achieve this it is of paramount importance to establish what information is required and who can be correctly identified to supply this information. The third requirement is particularly important, as it must indicate how this information must be collected.

## 2 Asking questions

This activity is a crucial element in maximizing the validity of the data collected. In other words this would relate to the fact that the necessary and correct data that is required to conduct this research depends on the questions posed.

Thus, the questions posed in the subsequent questionnaires are specific relative to the original research question. In addition, the information that is ultimately obtained from responses *will* help in answering research questions.

Aspects such as loaded questions, leading questions, double-barreled questions as well as any bias have been eliminated in order to provide relatively straight-forward, practical questions.

The validity and reliability of the questions asked needs to be addressed as well. The questions posed do relate to what one is attempting to measure (validity) as they relate to the concept of communication and relationships as well as providing an understanding of the situation analysis existing between Highbury Solutions and IBM. At the same time the practicality of the questions posed will ensure that same or similar responses can be replicated at a later stage (reliability).

### 3 Constructing the questionnaire

This activity should be able to yield meaningful results in a cost-efficient and timely manner. Thus the questionnaire(s) need to be constructed utilizing mainly open-ended questions as well as presenting a logical flow.

Once again the questionnaires used for this research paper are practical in their approach, constructed to ensure maximum input into the formulation of a corporate communication strategy for Highbury Solutions.

#### 4 Pre-testing the questionnaire

This fourth inter-related activity is indispensable to the development of good questionnaires. Certain items in the IBM questionnaire for employees have been pretested with management at Highbury Solutions. The size of the sample relative to the target population has also been discussed with management of both Highbury Solutions and IBM and this will ensure that maximum input to the questionnaire will provide the necessary information to formulate a corporate communication strategy.

## 3.5.2 QUESTIONNAIRE METHODOLOGY

Firstly, executive interviewing is adopted with the sample of Senior Management from IBM. This methodology will ensure:

- Confidentiality between interviewer (the researcher) and respondents.
- A first-hand interpretation of qualitative input from respondents and
- An opportunity to explain to executives interpersonally the aim and purpose of the research to ensure relationship building and subsequent full participation.

Even though this is costly and time consuming, it is paramount to this research paper.

Secondly, self-administered interviews were conducted with the balance of the sample, i.e. the employees of IBM.

The advantage of this method is two-fold:

- a) It is cost-effective and can be done electronically.
- b) Interviewer bias will be avoided.

Another aspect that is time consuming, yet important to this research paper is the accuracy needed to fill in the questionnaires. Care has been taken to ensure that questionnaires have indeed been filled in correctly as well as eliminate errors when interpreting the results.

PLEASE NOTE THAT A SAMPLE OF QUESTIONNAIRES TO IBM EMPLOYEES; IBM MANAGEMENT AND CORPORATE CLIENTS ARE PROVIDED AS ANNEXURE A AT THE BACK OF THIS RESEARCH STUDY.

# **3.6 STEP 1: Analyse the internal environment**

### Corporate profile of Highbury solutions

Two operators, Jeff Bird and Steve White started Highbury Solutions in 1996. Jeff came from a corporate background, having been a director at Barlow World computer division and having considerable client and network exposure. Steve was more from a consultancy environment having more financial exposure. Both the owners have tertiary education in commerce. Jeff with a B.Comm in management and Steve with a B.comm in finance provided vast amounts of business acumen to the enterprise.

However, in spite of this vast amount of experience and expertise, the concept of putting the organization together proved a daunting task. The market was flooded with computer software giants who were dominating the market. Fortunately the combination of Jeff's Business network of clients while employed at Barlow World and Steve's financial expertise allowed them to operate through the initial difficult two years and establish a foothold in the market place.

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During the latter part of 1999 and early 2000, Steve left and returned with his family to England and Jeff bought him out and became the sole proprietor of Highbury Solutions. About the same time on an overseas trip, Jeff became involved with a software product from the United States of America, which was growing in South Africa, marketed solely by IBM. Jeff managed to convince both the American supplier and IBM that his organization could supply, train and maintain the software and the partnership between Highbury Solutions and IBM was launched.

Today Highbury Solutions is a medium – size organization operating in the highly competitive, constantly changing computer software industry. The organization consists of twenty permanent staff, mostly trained in the computer field, which provides installation, back-up and support as well as training to approximately eight large clients and some fifteen smaller clients. Some of the top clients include Johnson and Johnson; Avis Car Rental; Edgars Retail Group; Foschini Retail Group as well as the Department of Social Welfare and Pensions (Government). Highbury Solutions operate a budget of approximately R15 Million for operation costs with a pre-tax income of approximately R25 Million.

Highbury Solutions provide a unique product package to these clients in a joint partnership venture with the computer conglomerate IBM. This partnership provides the backbone of Highbury Solutions, as the particular product supplied is unique to this joint venture. Herein lies the delicate nurturing needed by Management and employees of Highbury Solutions in that firstly, IBM have other partnerships with similar organizations to Highbury Solutions (although there is an undertaking that Highbury Solutions is the premier partner relative to this particular product) and secondly, the nature of the large corporate clients (needs a large amount of attention, back-up, networking, training and other such activities). Thus this relationship with IBM is of paramount importance as the securing of clients both Government and Corporate depends, to a large degree, on the backing and branding of IBM.

## Vision statement

"A vision is the realistic, credible and attractive future of a company" is a quote from Steyn & Puth (2000: 55). In addition, according to Steyn and Puth (2000: 55), visions should do the following for an organization:

- Promote change;
- Provide the basis for strategic plans;
- Enhance performance measures;
- Help to keep decision-making in context;
- Motivate individuals;
- and facilitate the recruitment of talent.

Moreover visions should have positive consequences.

The vision statement from Highbury Solutions, although not documented, is:

# 'To provide a reliable and dependable service to all clients in the computer software industry.'

This vision statement appeared in pre research discussions with both the Managing Director (Jeff Bird) and staff members. As pointed out at the time, the purpose of a vision statement is to answer the question: 'What do we as an organization want to become?'

Thus a shared vision should include a possible and desirable future state for an organization and its workers and should include specific goals.

The existing vision statement at Highbury Solutions at the outset does *not* seem to answer these questions and does not include any relationship nurturing with its major partner IBM. The lack of goals as the way forward would be addressed in the corporate communication plan formulated at a later stage.

#### Mission statement

An organizational mission statement, on the other hand, according to Lynch (2003: 353), is a broad statement of intent, which presents the choice of:

- 1) the key services that a company will perform
- the primary bases of distinctiveness in creating and delivering such services which will enable that company to obtain a continuing flow of necessary resources.

The existing mission statement of Highbury Solutions is:

# 'To facilitate the application of business skills and resources towards a strong client base that avails themselves of our services.'

The purpose of a mission statement is to answer the question: 'What is our business?" Steyn & Puth, (2000:104) take the mission concept further by including the following two aspects:

- A standard for allocating resources to a particular organisation is in place
- An organizational climate in the short term is established

Fro the above it is important that a mission statement be broad enough to appeal to an organisation's diverse stakeholders as well as accommodate both internal resources and internal stakeholders.

A reviewed mission statement to be presented to Highbury Solutions would be more effective as:

To apply our business skills and resources together with our global partners to a strong client base that avails themselves of our joint services.
#### Corporate structure

As indicated Highbury Solutions have 20 permanent staff, mainly out in the field dealing with clients or based at client's premises for the duration of a project. The project can last from one month up to six months duration. There are two staff members stationed permanently on Government contracts. One is in Johannesburg and the other in Cape Town. Both government departments are social and welfare services.

#### An organogram follows showing Highbury Solution's structure:



Twelve (12) Technical Consultants.

#### Corporate culture

The following aspects concerning Highbury solutions' corporate culture were formulated through informal research (discussions with Managing Director and staff).

- Even though a formal structure exists, staff is not at any one location and has minimal contact with their managers or office, other than telephone or e-mail.
- Management members are accessible, yet are very involved with clients and presentations.

- Due to the nature of having one 'owner', the managing director, decisions need to be ratified from the top, however, there is an amount of flexibility concerning travel, lunches, working hours and such like.
- Through discussions with employees, it was found that information sharing within the organization was not highly rated or even found to be necessary, a factor that would need to be incorporated into the communication plan.
- Staff is well paid (above industry norms) and this does make them reasonably motivated in their jobs.

#### **Corporate strategies**

It was very evident from discussions with staff and management that very little evidence of strategies, communication or otherwise, exist. Targets are set and everyone in the organisation is made aware of them, and these need to be met.

### **3.7 STEP 2: Identification of strategic stakeholders**

#### The stakeholder approach

According to Steyn (2004: 22), in a paper delivered at the International Public Relations symposium held in Lake Bled from 4-7 July, managers have to undergo a major conceptual shift in how they see the organization and its multilateral relationships with various stakeholder groups. Thus managers should not only perceive those stakeholders as those groups *management* thinks have some stake in the firm but also those that *themselves* think they have a stake in the organization. The paper further mentions that in actual practice, many managers have not yet come to appreciate this need for a stakeholder view.

In addition, Du Plooy (1996: 65-68) articulates three aspects of the stakeholder view that are relevant to this research paper:

• It is descriptive, as it describes what the organization is, namely a constellation of co-operative and competitive interests possessing intrinsic value.

- It is instrumental in that it is useful to establish the connections between the practice of stakeholder management and the resulting achievement of corporate performance goals.
- It is normative, as stakeholders are identified by their interest in the organization whether or not the organization has any corresponding interest in them.

Thus from the above, what is emerging from the stakeholder approach is that stakeholders are seen as possessing *value* irrespective of their instrumental use to the management of the organization. Simply put, people are stakeholders when they are affected by decisions of an organization or if their decisions affect the organization. These concepts will be very applicable to Highbury Solutions and will have to be addressed in the communication plan.

### Definition of Highbury Solutions Stakeholders.

Steyn & Puth, (2000:65) define one method of identifying key stakeholders is to analyse strategic linkages that provide a platform for any organisation to survive in a competitive business environment.

Thus the linkages concept gives guidelines to identify the various organizational stakeholders that need to be considered when strategic decisions are made. It gives strategists an idea of how groups could respond and indicates areas of intervention.

#### Steyn & Puth (2000: 65) expand the linkages concept further as follows:

Enabling linkages are groups that provide the authority that enable the
organization to exist. Due to the nature of the sole ownership of Highbury
Solutions since the departure of the co-owner, Steve White, this linkage rests
solely with the Managing Director. However, government and IBM would also
form part of this linkage. Such is the nature of Highbury Solutions' business that
this link between government ( a large financial income) and IBM (an integral part
of their branding) is paramount to their organisation.

- Functional linkages comprise stakeholders that provide inputs and take outputs. These would include employees and management at Highbury Solutions. The output linkages would include all clients, corporate or smaller. This linkage is important as Highbury Solutions deals with, for example Edgars management as a corporate client, yet deal with many of their operational employees who need to operate the software at till points.
- Normative linkages are groups that face similar problems or share similar values. As indicated previously, Highbury Solutions is one of IBM's many partners. Thus other software organizations would form a linkage with them. This would be a minimal linkage.
- Diffused linkages are elements of society that cannot clearly be identified by membership in formal organizations. The media, although, not a definitive stakeholder in Highbury Solutions' setup, could form part of this linkage.

### **3.8 Conclusion**

This chapter has endeavored to provide a plan as to how the research is to be conducted. This plan includes both the research methodology as well as the research design. Due to the duration of the research data collection (based over a short crossectional period of time) no internal validity threats have been entertained.

The approach is indicated as qualitative as this provides the researcher with more flexibility than quantitative design. This means that the research study will have as its point of departure an objective that describes a particular situation (the current relationship existing between Highbury Solutions and IBM), but may, through data collection and analysis, develop into a combination of objectives and ultimate strategies.

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# **CHAPTER 4**

### DATA COLLECTION

### 4.1 INTRODUCTION

"Statistics is the science that uses mathematical methods to collect, organize, summarize and analyse data. Statistics cannot perform miracles." (Wimmer & Dominick, 1994: 205)

Statistics cannot perform miracles is certainly a valid quote, meaning that even though data collection and the gathering of statistics are vitally important there are other variables that contribute to the success of a research paper. If a research question is misdirected, poorly phrased or ambiguous, or if a study uses poor measurement and design and the project contains numerous errors, statistics alone will not help.

Statistics provide valid and reliable results only when the data collection and research methods follow established scientific procedures. In addition, the science of statistics and the ease with which they can be used has changed dramatically since the development of computers and other data collection and analyzing techniques.

Because this specific research paper deals more with relationships, the research itself is qualitative by nature. This in effect means that although statistics are part of the sample and questionnaire design discussed in the research methodology section, the emphasis is more on the emotions, attitudes, values and beliefs that are derived from the questionnaires. Certainly, results and statistics need to be recorded and analysed in a scientific manner, which in itself indicates quantitative research. However, the information that is derived from the analysis that is necessary to compile a corporate communication strategy will be more qualitative than quantitative and will thus focus on the emotive attitudes of and towards relationships.

For example, if statistics indicate from the questionnaires that meetings between Highbury Solutions and IBM staff do not occur once a week or once a month, the subsequent communication strategy derived around this statistic will not pertain to an increase in the frequency of meetings (quantitative), but more about the nature of meetings, the importance thereof and what relevant stakeholders can mutually extract from such meetings (qualitative).

This chapter describes the activities necessary in administering a survey (points to follow) and in preparing the raw data for data analysis. The research activities affect both the quality of the data generated (its accuracy) and the validity (its generalisability) of the conclusions drawn from these data.

Dillon, et al; (1993: 332), describe two general purposes for the procedures described:

- 1) They establish, as far as possible, *uniformity* in fieldwork and in the processing of data; and
- 2) They establish guidelines for the various steps in the processing of data.

### 4.2 FIELDING THE QUESTIONNAIRE

Fielding the questionnaire refers to the process of administering the data-collection instrument and describes procedures that are used to ensure that the data collected is, to the extent possible, free of errors caused by inadequate fieldwork.

As indicated previously, the data gathering process for this research paper has been conducted as follows:

### STEP 1

Questionnaires have been electronically e-mailed to IBM employees as per list supplied by Office Administrator, Ms. Jill Edwards (Highbury Solutions). This list was then forwarded to Mr. Peter Saunders, Human Resources Practitioner at IBM, for verification of correct e-mail addresses as well collaborating the validity of the respondents.

### STEP 2

Executive interviewing was arranged over a two-day period with three senior managers and six line managers. This, in fact, exceeded the original sample of five line managers and was solely due to extra managers volunteering to complete the questionnaire that added to the validity of the research paper.

### STEP 3

The questionnaire for corporate clients was sent electronically to a manager at each of the corporate clients that Highbury Solutions was actively engaged in or had done business with over the past twelve months. This amounted to eight in total. Ms. Jill Edwards once again provided the lists.

### 4.3 PRACTICAL CONSIDERATIONS

The time and effort required from data analysis and interpretation depends on the study's purpose and the methodology used. Analysis and interpretation can take several days or weeks; therefore every analysis should be carefully planned and performed according to guidelines designed for that particular analysis.

Wimmer & Dominick, (1994: 30) indicate that the results must be analysed with reference to both their internal validity as well as their external validity, which would ensure a likelihood of accuracy.

Internal validity ensures control over research conditions, necessary to enable the researcher to rule out all plausible rival explanations of results. Wimmer & Dominick, (1994: 31) indicate the following as *internal validity factors:* 

- History- various events occurring during a research study may affect the subject's attitudes, opinions and behaviour. The longer the time duration of the field research the greater the possibility that *history* can play a role in the study. This particular study is not over a lengthy period from time of delivery of the questionnaire to analysis that *history* can affect the study,
- Maturation- certainly respondents' biological and psychological characteristics change during the course of a research study. This was one of the variables taken into account with the compilation of this particular research questionnaire. The questionnaire itself is of short duration, which should ensure that mental fatigue does not set in as well as the duration of the research study, which, as indicated, is not over a lengthy period of time.
- Testing- the concept of using a pre-test was discussed with stakeholders and the conclusions formed were firstly, that due to the nature of the practical implications that will eventually come out of this research paper (i.e. a workable communication strategy) and secondly, the simplicity of the questionnaire, that pre-testing was not necessary. The questions were discussed with management of Highbury Solutions as a form of pre-testing.
- Instrumentation- this variable refers to the deterioration of research instruments or methods over the course of the study. This will certainly not be a factor in this research study as the only measuring technique used will be a questionnaire.
- Statistical regression- certainly this could be a factor in this research study as
  respondents can regress or follow the norm and merely indicate the norm or
  average on their questionnaires. A possible solution would be to include a further
  questionnaire for respondents who score consistently on the average or norm.
  This is a practical consideration that the researcher would have to consider once
  the data are collected and analysis begins.

- Experimental mortality- is a variable that applies to longitudinal research studies. As this research study is a cross- sectional research study this variable is not applicable.
- Demand characteristics- relates to respondent's reactions to questionnaires. In other words respondents' who might recognize the purpose of the research study may produce only "good" data for researchers. This variable could well be prevalent with this specific research paper, dependent upon present relationship conditions existing between the relevant stakeholders. This will be addressed in the findings of the questionnaire.
- Bias- is a potential problem in all phases of research and the researcher conducting the study must be aware of problems caused by outside influences. In this specific research, the researcher should be aware that Highbury Solutions may provide a bias in providing lists of respondents from IBM and corporate clients who enjoy a favourable working relationship with them. Certainly bias on the part of the researcher cannot be discounted as well, in terms of presenting 'favourable' data to the client and will need to be professionally addressed in the research.

The above are perhaps some of the more practical variables that can occur as part of internal validity. The sources of internal validity are complex and may arise in all phases of research. Thus the researcher should try to maintain strict control over the research process so respondents and the researcher will not intentionally or unintentionally influence the results.

**External validity** – refers to how well the results of a research study can be generalized across various populations and settings.

Most procedures to guard against external validity relate to sample selection. Wimmer & Dominick, (1994: 35) describe three considerations:

- 1) Use random samples. The researcher has used this aspect.
- 2) Use heterogeneous samples and replicate the research study several times. By using a sample from senior management, line management and operational staff from IBM this condition will be adhered to.
- 3) Select a sample that is representative of the group to which the results will be generalized. Due to the corporate communication strategy that will eventually evolve from this research study for Highbury Solutions and its key stakeholder, IBM, the use of sample(s) from IBM is pertinent to this research study.

A good yardstick for measurement of external validity of a research study is to determine whether the study can be projected to other situations. A study that provides a corporate communication strategy for one particular organisation will need to be able to use generic aspects of the strategy for other organisations, otherwise external validity cannot be guaranteed.

Another practical consideration that needs to be taken into account is that of *estimating costs.* Dillon, et al. (1993:334) indicate that estimating costs and time for conducting fieldwork is more of an art than a science- no given formula exists for this consideration. Dillon indicates further that in general, regardless of the research method chosen, two factors determine the cost of the fieldwork

- 1) Incidence of qualified respondents; and
- 2) Questionnaire length.

From the point of view of this research, the first consideration would relate to the nucleus of the sample coming from IBM's operational staff that are highly qualified and would be able to complete the questionnaire electronically - a huge cost savings.

The second consideration provides further motivation for the simplicity of the questionnaire in asking pertinent, relevant questions that would provide the necessary data to formulate the communication strategy. Thus the specific questionnaire is short and concise, also a considerable cost saving. An indication of questionnaire length is

when the time duration goes beyond 15 -20 minutes to administer a questionnaire to a qualified respondent.

In addition, costs will be incurred with the executive interviewing portion of the research. This sample will be face – to – face as the relationship portion of the study is very important from an executive/management point of view. Fortunately, the researcher alone can conduct this research study and budgeting costs will be minimal.

### 4.4 Conclusion

This chapter focused on all aspects of collecting data. As a particular researcher moves through the various stages of the research process they would encounter a stage such as this which has strong practical considerations. An analogy of this stage would be the fulcrum on which a pendulum swings. In other words this stage provides the equilibrium or balance on which the research depends. The following chapter which interprets the findings form the data would be insignificant, if the necessary attention is not given to these aspects of data collection.

Once the questionnaire has been designed, it will be distributed to respondents so that they can provide the information on which these research results are based. Thus this data once collected, needs to be analysed. This involves defining the unit of analysis as well as formulating categories for the unit of analysis to be coded.

# CHAPTER 5 INTERPRETATION OF RESULTS

### 5.1 INTRODUCTION

During the course of a research paper, researchers typically collect data that are the results of measurements or observations of the respondents in the particular sample selected. These data usually have little meaning or usefulness until they are displayed or summarized using any one or more of techniques that display data in an acceptable manner (to both the researcher and reader).

Accurate data preparation paves the way for data analyses, which, in turn, provides the basis for findings, conclusions and recommendations in a particular research report. This is certainly valid in this specific research paper as the formulation of a correct and accurate corporate communication strategy for Highbury Solutions depends entirely upon data captured and analysed correctly.

Cant, (2003: 149) indicates that *data preparation* (the process prior to *data analyses* and ultimately *report preparation*) refers to the process of checking the quality of the data gathered during the fieldwork and converting it into a format electronically or otherwise so that it can be read and 'manipulated' if necessary. Thus the objective of data preparation is to ensure that high quality data is available for statistical analyses.

There are two important steps in the data preparation process as indicated below:

Validation – is the process of determining, to the extent possible, whether the
researcher's interviews or observations were conducted correctly and are free of
fraud or bias. As indicated in the previous chapter, due to the nature of this
research paper, the researcher could conduct all interviews, questionnaires and
observations individually or electronically, which will minimize the amount of bias

or fraud. Certainly research conducted on a more wide scale basis using field workers relative to larger surveys and organizations would need to institute validation control measures.

• *Editing-* is the process whereby the raw data is checked for mistakes made by either the interviewer or the respondent. As a practical task, editing involves the physical inspection of each completed questionnaire to check for and, where possible, correct mistakes. For the purpose of this research paper doing a thorough scrutiny of each completed questionnaire completed an edit. This entailed looking for missing or incorrect responses or even ambiguous responses.

There are many methods for analyzing qualitative data. However, most methods for analyzing qualitative data consist of looking for patterns in the results as well as insights of individual respondents. This specific research is more qualitative by nature than quantitative. While the numerical data received is prepared and analysed in statistical format it is the trends and insights emerging that classify this research qualitative. In addition, in research on relationships, the researcher would look for patterns or insights defined by the indicators of relationships presented in a paper titled "Qualitative methods for assessing relationships between organizations and its publics", Grunig, (2002:25).

According to Grunig (2002: 25), these *indicators* are the most central to both organizations and publics when they evaluate the quality of a relationship and that the importance of the characteristics declines as one moves down the *list*.

The following are the indicators discussed:

#### Control mutuality

This is the degree to which the parties in a relationship are satisfied with the amount of control they have over a relationship. Grunig indicates further that although some

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degree of power imbalance is natural in an organization – public relationships, the most stable, positive relationships exist when organizations and publics have some degree of control over the other. This certainly forms a point of debate with this research paper, as both Highbury Solutions and IBM consider themselves to be equal partners. One should interpret this aspect of control as not regulatory control where one stakeholder can exercise control over another, but more as being in control of one's destiny or future. This will form the basis of Highbury Solutions strategy to be formulated, as one would need to incorporate in the strategy mechanisms that ensure that any one organisation is not totally dependent on each other. Control and independence as opposed to inter-dependence would need to be part of the strategy.

#### Trust

This is the level of confidence that both parties have in each other and their willingness to open themselves to the other party. Trust certainly is a complicated aspect (particularly in the business world) and has several underlying dimensions.

Three are discussed by Grunig (2002:27)

- Firstly, integrity, which is the belief that an organisation is, fair and just;
- Secondly, *dependability*, the belief that an organisation will do what it says it will do; and
- Thirdly, *competence*, which is the belief that an organisation has the ability to do what it says it will do.

It emerged from preliminary perusals of the questionnaires completed and interviews conducted that Highbury Solutions have a good working relationship with both IBM and corporate clients that would indicate a large measure of trust between the stakeholders. The detailed findings will reveal any aspects relative to these variables of trust mentioned above.

#### **Commitment**

This is the extent to which both parties believe and feel that the relationship is worth spending energy on to maintain and promote.

#### **Satisfaction**

This is the extent to which both parties feel favorably about each other because positive expectations about the relationship are enforced. A satisfying relationship occurs when each party believes the other is engaging in positive steps to maintain the relationship. Once again preliminary findings have indicated that the present scenario is satisfying to both Highbury Solutions and IBM; however this would be an important aspect to build into the corporate communication strategy for specifically Highbury Solutions to ensure this satisfaction aspect extends further. This aspect needs to be nurtured by both stakeholders.

The above form important pillars of the basis of this research. The *relationship* existing as well as future directions are the sole aspects of the corporate communication strategy to be formulated for Highbury Solutions. However, it is important to note that these four pillars are not the only foundation pillars for compiling a corporate communication strategy. These aspects are generic and should be applied to any organisation and its stakeholders. The purpose of this research is to incorporate those relationship aspects that:

a) need to address as determined from the research findings; and

b) are particular to Highbury Solutions.

In addition, relationships cannot always be reduced to a few fixed-responses on a questionnaire. Interviews as conducted in the field can provide more detail on the nature of the relationship. Also, more insight from members of publics and management on why they have described the relationship as they have done can also prove useful.

### 5.2 PRESENTATION OF FINDINGS

Data analysis can be done using different methodologies, invariably computer software being the most common method. In addition, aspects such as the *median* (midpoint of a distribution); the *mean* (average of a set of scores); the *mode* (the score or scores occurring most frequently); would all be relevant calculations in research that is perhaps more market related or mass media oriented where a researcher has to analyse a total of approximately 120 responses and calculate the above aspects to give meaning to the data collected; far more relative to quantitative research.

Also, there are three measures of dispersion when vast sums of data is analysed and placed in statistical form (Wimmer & Dominick, 1994:213). The simplest measure, *range* (R), is the difference between the highest and lowest scores in a distribution of scores. A second measure, *variance*, provides a mathematical index of the degree to which scores deviate from, or are at variance with, the mean. Variance is directly proportional to the degree of dispersion. The third type of dispersion measurement is called the *standard deviation*. This deviation is a more meaningful term than variance since it is expressed in the same units. Standard deviation is, in fact, representative of a given distance of the scores from the mean or the distribution.

Wimmer & Dominick (1994: 215) further illustrate the importance of using any of the above aspects or measures in the following example.

Suppose that two roommates at university are in different sections of a media research course. On a particular day, each section is given a different examination, and both students score seventy-three. However, the first roommate receives a grade of C, and the second roommate receives an A. To understand how their lecturers arrived at the different grades, it is necessary to look at each section's *standard scores*.

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By determining the *mean* and *standard* deviation of a set of scores or measurements, it is possible to compute *standard scores* (z scores) for any distribution of data. However, standard scores allow researchers to compare scores or measurements obtained from totally different methods; they allow for "apple and pear" comparisons.

Thus, relative to this research, it will not be necessary to compute standard scores or mean averages as the data collected is one and the same due to one questionnaire being used for operational staff at IBM and a separate one for line/senior managers and a third questionnaire for corporate clients. These results will be presented in grid or table form with the analysis pertaining to one of the three categories. Due to the simplistic nature of the questionnaire constructed, the analysis becomes straight-forward in order to provide the necessary interpretation to formulate a corporate communication strategy for Highbury Solutions.

It will not be necessary for the format of this research paper to cross - compare data analysis for operational staff to management scores.

An important step in the data preparation will be coding (Cant, 2003: 153) which refers to the process of assigning a code or symbol to each possible answer to a particular question. The purpose of coding is to transform respondents' answers to survey questions into codes or symbols that can be easily entered into or interpreted by a statistical analysis software package or a researcher, respectively.

Each row in a data matrix table could represent a different respondent, while each column represents a different survey question. For the purpose of this research paper the data has been grouped and presented in percentage form. A variable (aspects or characteristics that are measured in a survey) is assigned to each column and relates more to frequency of use or mode or lastly overall satisfaction with the present communication.

As indicated *general meaning* categories have been constructed that serve *two* very important purposes:

Firstly, they help to group together responses that relate to the same basic idea;

Secondly, they are used to determine how many respondents made comments related to a specific meaning category in relation to the *total* number of responses received across all meaning categories. For example, twenty out of thirty-five responses (60 %) relate to the 'e-mail only' category (see figure 1 on page 55).

In essence the purpose of both qualitative and quantitative research relative to presenting the research findings means that irrespective of the methodology used the purpose of the study is 'to get as close to the data as possible'. As stated previously, the purpose of correct analysis of data and careful presentation of findings is to ensure that a practical, efficient and implemental corporate communication strategy can be formulated for the organization on hand. This is what the findings of the data must be able to do.

Notwithstanding the above, *qualitative research* has certain *advantages* when it comes to measurement of data.

Firstly, it allows a researcher to view behaviour of respondents in a natural setting.

Secondly, qualitative techniques can increase a researcher's depth of understanding of the *phenomenon* under investigation. This added advantage sums up the essence of this research paper. There is only one *phenomenon* that is researched and that is the formulation of a suitable strategy. Qualitative research thus keeps the researcher on track from the perspective of providing a solution to the research problem.

Thirdly, qualitative methods are flexible and allow the researcher to pursue new areas of interest. In the formulation of a corporate communication strategy, the strategy could

lead to other areas besides communication, such as a business strategy or a marketing strategy. It would be advantageous to know that the researcher in formulating a communication strategy would have the leeway to move into another area or provide information to another researcher concerning the particular specialist area.

Another concept introduced in analyzing the data and presenting the findings is the use of a *content analysis*. A rough content analysis is performed to search for consistent patterns once all the respondents' inputs have been assigned to their proper categories, columns or files. Decisions and any deviations from the norm (as discussed previously) can be investigated and be implemented if necessary.

Figure 5 on page 58 is an example of this process of manipulation where a content analysis of the respondents' transcripts was carried out and a measure of manipulation done that relates the respondents' inputs, feelings and attitudes to selected categories.

### FIGURES AND TABLES FOLLOW

### FIGURE 1

### COMMUNICATION METHODS EXISTING BETWEEN IBM AND HIGHBURY SOLUTIONS (expressed in percentages)

	OPERATIONAL STAFF	LINE AND SENIOR	CORPORATE
	(IBM)	MANAGEMENT (IBM)	CLIENTS
E-MAIL	<u> </u>	12 %	
ONLY	10 %	(Note 1)	10 %
TELEPHONE/CELL			
PHONE ONLY	25 %	70 %	10 %
E-MAIL AND			
TELEPHONE	65 %	18 %	80 %

Note 1: This only applies to managers who make initial contact at time of new business

### FIGURE 2

# FREQUENCY OF COMMUNICATION EXISTING BETWEEN IBM AND HIGHBURY SOLUTIONS (expressed in percentages)

	OPERATIONAL STAFF	LINE/SENIOR	CORPORATE CLIENTS
	(IBM)	MANAGEMENT (IBM)	
REGULARLY			
COMMUNICATE	100 % / 0 %	80 % / 10 %	0 %
(DAILY) Note 1			
WEEKLY	0 %	10 %	50 %
MONTHLY	0 %	10 % / 80 %	50 %

Note 1: This daily contact only occurred if an IBM staff member's product or service was been utilized at any particular time. If no product or service was been utilized communication became a lot more irregular, in fact zero communication at operational level.

### FIGURE 3

### JOINT INIATIVES UNDERTAKEN BETWEEN HIGHBURY SOLUTIONS AND IBM

	OPERATIONAL STAFF (IBM)	LINE/ SENIOR MANAGEMENT (IBM)	CORPORATE CLIENTS
MARKETING			
INIATIVES (INITIATED BY HIGHBURY	NONE	TWICE YEARLY	NONE
SOLUTIONS)			

NOTE: These iniatives only relate to joint marketing exercises to various role players in the industry. They do not include presentations to clients of Highbury Solutions. These presentations are undertaken solely by Highbury Solutions.

### FIGURE 4

# RATING OF PRESENT COMMUNICATION LEVELS EXISTING BETWEEN HIGHBURY SOLUTIONS STAFF/MANAGEMENT AND IBM STAFF/MANAGEMENT

(expressed in percentages)

	OPERATIONAL STAFF	LINE/SENIOR MANAGEMENT
	(IBM)	(IBM)
COMMUNICATION RATING:	······································	
GOOD TO VERY GOOD	15 %	80 %
COMMUNICATION RATING:		
AVERAGE	60 %	20 %
COMMUNICATION RATING:		
BELOW AVERAGE TO POOR	25 %	0 %

### **GENERAL COMMENTS –**

- 1) Communication occurs predominantly at time of product usage only
- 2) Very little communication is initiated between operational staff of both organisations.
- 3) Communication occurs frequently between the Managing Director of Highbury Solutions and management of IBM.
- 4) Line Managers at Highbury Solutions communicate with staff only on technical matters and not managerial aspects.

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### FIGURE 5

### MANIPULATION OF RESPONDENTS DATA INTO FOUR (4) INDICATORS THAT DEFINE THE QUALITY OF RELATIONSHIP(S) EXISTING BETWEEN HIGHBURY SOLUTIONS AND IBM.

	OPERATIONAL STAFF (IBM)	LINE/SENIOR MANAGEMENT(IBM)	CORPORATE CLIENTS
CONTROL MUTUALITY	ZERO	HIGH	LOW
TRUST	HIGH	HIGH	HIGH
COMMITMENT	LOW	LOW	нідн
SATISFACTION	LOW	LOW	LOW

#### NOTE

<u>Control mutuality</u>- is the degree to which the parties in a relationship are satisfied with the amount of control they have over a relationship.

<u>**Trust</u>**- is the level of confidence that both parties have in each other and their willingness to open themselves to the other party.</u>

<u>Commitment</u>- is the extent to which parties believe and feel that the relationship is worth spending energy on to maintain and promote.

<u>Satisfaction-</u> is the extent to which both parties feel favorably about each other because positive expectations about the relationship are enforced. (Grunig, 2002: 2)

The implication of the above tables is expanded in the formulation of key strategic issues to follow.

### **5.3 IDENTIFICATION OF KEY STRATEGIC ISSUES**

"Strategic issues are developments, events or trends that are considered of consequence by an organisation's management because of the potential to impact the organisation's strategy". (Steyn & Puth, 2000: 68).

Strategy can only be determined by first identifying key strategic (major) issues as a point of departure for top management that are of critical importance for achieving the corporate vision and mission (such as employees, management, the product, stakeholders and the budget).

Steyn & Puth (2000: 68) state further that key strategic issues are identified by conducting environmental analysis ( in the case of this research, application of research questionnaires – step 1), incorporating the effects of environmental changes into corporate decision-making, and formulating new strategies (i.e. *what* to do).

Steyn & Puth, (2000: 67) classify different types of strategic issues as follows:

**Organisational issues Type 1** – communication is not the cause of the problem, but can provide a solution (for example, change that occurs within an organization such as a flattening of the structure)

**Organisational issues Type 2** – communication is not the cause of the problem; cannot provide a solution but can explain the issue (for example, the removal of an allowance by management).

<u>Corporate communication issues</u> – where too little or no communication with external stakeholders is the problem (for example, negative publicity that can affect the organisation).

<u>Management communication issue</u> – where too little or no (internal) communication between managers and employees is the cause of the problem (for example, withholding information from staff concerning wage negotiations)

(Tactical) communication issues – where messages are sent, but are not reaching the target groups (for example, because of certain staff not having access to messages on e-mail)

It is essential that the communication practitioner is aware of the classification of the strategic issue as it provides a perfect *point of departure* for identifying implications of these issues for stakeholders and thereafter subsequent compiling of communication plans to address these issues.

In addition, an important aspect of the research paper would be the formulation of a *communication plan* (as part of the overall Corporate Communication Strategy) that would include stakeholder identification and classification. Thus the *linkages* concept (see chapter 3 page 44) gives guidelines to identify the various organizational stakeholders that need to be considered when strategic decisions are made. It gives strategists an idea of how groups could respond and indicates areas of intervention. Esman's linkages (in Dozier and Grunig, 1991: 145) are useful for an organization to achieve its vision, mission and strategic business goals.

#### These linkages were discussed on page 44 and are repeated here as follows:

- Enabling linkages are groups that provide the authority that enable the organization to exist;
- Functional linkages comprise stakeholders that provide inputs and take outputs;
- Normative linkages are groups that face similar problems or share similar values;
- *Diffused linkages* are elements of society that cannot clearly be identified by membership in formal organizations.

This research paper indicates which of the above stakeholder classifications (or combinations thereof) will be the most effective for implementation in the overall corporate communication strategy.

Both the types of strategies as well as the linkages enable a corporate communication strategy to be formulated based on the implications for the different stakeholders and with consideration to the organisation's vision and mission.

Another important step in developing the corporate communication strategy is to identify the implications that key strategic issues will have for the strategic stakeholders. In order to do this, the researcher must identify and understand the business or strategic issues that Highbury Solutions faces (part of the environmental scanning), and then determine what the implications for strategic stakeholders might be (i.e. how the stakeholders are feeling about the issue or its consequences for them). The linkages play an important role in this step.

### The key strategic issues identified from the research findings are as follows:

#### Key Strategic Issue (KSI) No. 1

Lack of Strategic communication from Highbury Solutions top management to staff (internally)

#### Key Strategic Issue (KSI) No. 2

Poor correlation between Highbury Solutions development and strategic business plan and their major partner (IBM)

#### Key Strategic Issue (KSI) No. 3

Poor communication between Highbury Solutions and major corporate clients concerning specific operational aspects as well as a defined business strategy

#### Key Strategic Issue (KSI No. 4)

Lack of joint iniatives between Highbury solutions and IBM that specifically includes Highbury Solutions operational staff

### 5.4 Conclusion

This chapter provides a crucial step in the research process as the analysis and interpretation of data form the basis of the strategies, conclusions and findings that follow. The analysis of the data also influence whether or not recommendations will be implemented in any particular research.

In the case of this research, the data will be implemented in the form of communication plans in chapter six for each key strategic issue identified (from the data analysed) in this chapter.

The data has been presented in the form of tables (figure 1 to 5) that focus on the communication methods and communication frequency existing between Highbury Solutions and IBM as well as their corporate clients. The tables then form the basis for the identification of the key strategic issues (1-4) and a progression to chapter six where communication plans are formulated.

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# **CHAPTER 6**

# COMMUNICATION STRATEGY FOR EACH KEY STRATEGIC ISSUE (KSI)

### 6.1 INTRODUCTION

Simply put, corporate strategy is concerned with an organisation's basic direction for the future; its purpose, its ambitions, its resources and how it interacts with the environment in which it operates. Every aspect of the organization needs to play a role in this strategy – its people, its finances, its production/service methods and its environment (including its customers). This is logical, if the corporate strategy formulated is going to work for any particular organisation.

Furthermore corporate strategy can be described as the identification of the *purpose* of the organization and the plans and actions to achieve that purpose (Lynch, 2003: 6). In essence this lends itself to two (2) simple questions:

### What is the purpose of the organisation? And what are the strategies to achieve this?

In addition, one should bear in mind that every organisation has to manage its strategies in *three* main areas:

- 1) the organisation's internal resources
- 2) the external environment within which the organisation operates
- 3) the organisation's ability to add value to what it does.

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In the case of Highbury Solutions these three areas are very pertinent to the formulation of a strategy of any kind.

*Firstly,* a medium –size organisation like Highbury Solutions would need to operate within a reasonable budget and not 'over spend 'in formulating a strategy.

Secondly, the external environment specifically referring to IBM is central to the whole communication strategy.

*Thirdly,* a strategy of any nature must add value to the output of an organisation, otherwise it cannot be implemented or evaluated.

The third area is very important as a strategy as any organisation must look at its inputs, add value to these inputs through its operations and then deliver its output to the customer. This is the very essence of any business operation.

There are five (5) key *elements of strategic decisions* that are related primarily to the organisation's ability to add value and compete in the marketplace (Lynch, 2003: 10).

- 1) *Sustainable decisions* that can be maintained over time. For the long-term survival of the organisation, it is important that the strategy is sustainable.
- 2) Develop processes to deliver the strategy. Strategy is certainly, in part, about how to develop organisations towards their chosen purpose.
- Offer competitive advantage. Any corporate strategy usually takes place in a competitive environment. In spite of the present stable relationship existing between Highbury Solutions and IBM, it still operates in a competitive environment and needs strategies to maintain the edge.
- 4) *Exploit linkages between the organisation and its environment.* The strategy has to exploit the many linkages that exist between the organisation and its

environment; suppliers, customers, competitors and even the government itself (imports and export legislation been one area).

5) *Vision.* This is the ability to move the organisation forward in a significant way beyond the current environment.

Thus, in the final analysis, any corporate strategy is concerned with delivering long-term *added value* to the organisation. Once the elements of a good corporate strategy are understood these principles can be extended to include a *communication strategy*. This includes *what* must be communicated to each stakeholder to solve the problem or capitalise on the opportunity presented by the strategic issue.

A corporate communication strategy is not to be confused with a communication plan. The strategy indicates the direction that an organisation needs to take with regard to its communication with stakeholders. It is really a long-term strategy, determining in broad terms what needs to be done to create a competitive position with regard to stakeholders that is compatible with its overall corporate strategy.

A corporate communication strategy should support the business strategies and should help an organisation to compete more effectively by identifying *what should be communicated* to stakeholders to firstly, solve problems or secondly, to capitilise on opportunities that are presented.

# 6.2 <u>KSI ONE: Lack of communication from Highbury</u> <u>Solutions Top Management to their staff (internally)</u>

The communication initiatives from Highbury Solutions top management lack employee buy-in. This is due to three problematic areas:

1) The infrastructure of the organisation in that most of the staff either operate in other regions away from Head Office in the Gauteng region (KZN OR Western Cape) or

#### 2) Some staff are on a contract basis at a corporate client and

3) in part due to lack of communication from top management.

The strategic issue type is a *management communication issue* where too little or no (internal) communication between managers and employees is the cause of the problem (Steyn & Puth, 2000: 68). The most important strategic stakeholders for this issue are those in the enabling linkage as they provide the authority for the organization to operate, as well as the functional linkages as they are the stakeholders (the employees) who provide inputs and take outputs.

ENABLING LINKAGE	
Stakeholder	Potential impact of KSI ONE
Managing Director (HS)	Inconsistent or non-existent messages from
Line Managers (HS)	Highbury Solutions top management could result in
	'grapevine' messages been formulated by
	operational staff. Furthermore, uncertainty
	concerning the way forward could result in
	unmotivated, disinterested staff.
FUNCTIONAL LINKAGE	
Stakeholder	Potential impact of KSI ONE
Employees of Highbury Solutions	Disloyalty, feelings of insecurity and loss of respect
<ul> <li>IBM staff and managers</li> </ul>	could increasingly be resulting from Highbury
Suppliers	Solutions top management's inability to
Corporate clients	communicate with their staff. These negative
	feelings and attitudes could be carried through to
	other stakeholders such as IBM and corporate
	clients. Such emotions in a relationship are not
	conducive to mutual benefits, nor understanding.
NORMATIVE LINKAGE	
Stakeholder	Potential impact of KSI ONE
Industry role players	For these groups, Highbury Solutions inconsistent

The implications of the issue for these stakeholders are as follows:

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Trade unions	communication impacts directly on them as employees speak to fellow industry members and trade unions that can cause unnecessary hostility or cast the organization in the light of been
DIFFUSED LINKAGE	unprofessional.
Stakeholder	Potential impact of KSI ONE
Mass media     Pressure groups	This group relates to elements of society that cannot be clearly identified by association with Highbury Solutions. This impact will be negligible.

#### Communication strategy for KSI ONE

- To communicate Highbury Solutions' stated strategic intention to all staff at regular intervals and strive to develop and constantly improve its communication, monitoring and instilling feedback mechanisms involving enabling, functional and normative linkages.
- To communicate the sustainable, mutual and societal benefits of consistent, credible organizational communication to all employees.

### **Communication goals for KSI ONE**

- To create *awareness* of Highbury Solutions' strategic intent of developing and constantly improving its communication, monitoring and feedback mechanisms.
- To persuade Highbury Solutions staff to *contribute* to the organisation's strategic intent of developing and constantly improving its communication, monitoring and feedback mechanisms.
- To increase the employees of Highbury Solutions *understanding* of effective communication.
- To increase *respect* from employees concerning aspects of openness and credibility that stems from consistent communication.
- To convince Highbury Solutions' employees of the *mutual benefits* of consistent, credible organizational communication.

### 6.3 KSI TWO: Poor correlation between Highbury Solutions development and strategic business plan and their major partner

Communication can contribute significantly as a solution to the poor correlation of Highbury Solutions development and strategic business plan and their major partner IBM. The significance of utilizing the branding of IBM in order to further Highbury Solutions business plan is huge. Therefore, it will certainly be in the best interests of Highbury Solutions as an organization to involve them in their forward planning and strategic thinking.

With this *Corporate Communication Issue* (little or no communication with external stakeholders), the most strategic stakeholders are those in the enabling, functional and normative linkages. The partnership between these two organizations needs to be nurtured on an ongoing basis and one way of building this relationship is to communicate future plans and strategies.

The specific implications of this issue for individual stakeholders are as follows:

Potential impact of KSI TWO
Not only will the image of Highbury
Solutions be negatively affected by their
poor correlation of strategic development
with these major stakeholders, but there
will also be negative impact on them trying
to achieve their own goals. There could
also be a waste of their valuable time and
resources as tasks are duplicated and
knowledge is not shared.

Potential impact of KSI TWO
In addition to this group experiencing the
same problems as those in the enabling
group, they could also be seen as
contributing to the problem. If the enabling
groups are not aware of Highbury
Solutions' business strategy, then this
group is even more in the 'dark'. This
could lead to lower morale and increased
staff turnover.
Potential impact of KSI TWO
These groups of individuals together with
the functional linkages would provide
greater productivity if all their collective
information could be channeled through to
Highbury Solutions' top management to be
interpreted and used in decision-making.
Potential impact of KSI TWO
Any groups in this linkage will have little or
no bearing on Highbury Solutions forward
planning

### Communication strategy for KSI TWO

- Communicate to major stakeholders what the way forward (strategy) of Highbury Solutions is going to be.
- Communicate to operational staff the business strategy of their organization.
- Communicate to staff management's intention to provide feedback channels concerning inputs to the strategy.

#### Communication goals of KSI TWO

- To co-ordinate through improved communication to all major stakeholders what the business strategy of Highbury Solutions is.
- To create awareness amongst staff using suitable channels (e-mail; video conference, personal) of the business direction that Highbury Solutions intends to pursue.
- To persuade all employees of Highbury Solutions that the importance of providing input to top management concerning business directions is of major importance.
- To build lasting, trustworthy relationships with stakeholders in all linkages in an ethical manner.

### 6.4 KSI THREE: Poor communication between Highbury Solutions and major corporate clients concerning a defined business strategy.

This issue falls within the direct environment of Highbury Solutions' top management and is classified as a *corporate communication issue*, where too little or no communication with external stakeholders is the problem. The negative consequences of this issue are that, while Highbury Solutions have a reasonable array of large corporate clients, they certainly face stiff competition in the industry.

To date Highbury Solutions does an inevitable sales pitch when seeking new business and then place a technical employee at that corporate for the duration of the contract gained, there is very little follow up from management. The particular corporate client enjoys the benefit of a quality branded product, yet has very little insight into ongoing strategies of their major IT supplier who they can have contracts with for up to two years. This communication will also determine whether existing contracts will be renewed or not. Thus, this issue has important implications for a variety of stakeholders. Once again, the most strategic stakeholders for this issue are those in the enabling and functional linkages. The specific implications of this issue for stakeholders are as follows:

ENABLING LINKAGE	
Stakeholder	Potential impact of KSI
	<u>THREE</u>
Corporate clients	Minimal or no communication messages
IBM (organisation)	from Highbury Solutions can results in
	these groups questioning the
	professionalism of Highbury Solutions top
	management. Lack of strategic direction
	will firstly allow corporate clients to
	question their ability to deliver, specifically
	concerning contract renewal. This, in turn
	impacts on IBM questioning Highbury
	Solutions ability to deliver on their brand
	name.
FUNCTIONAL LINKAGE	
Stakeholder	Potential impact of KSI THREE
Highbury Solutions management	This linkage has loss of business
<ul> <li>Highbury Solutions staff</li> </ul>	implications through little or no
	communication with corporate clients. It is
	important for management to keep their
	corporate clients in the loop concerning
	strategic developments. Loss of corporate
	clients can impact on earnings of staff.
NORMATIVE LINKAGE	
Stakeholder	Potential impact of KSI THREE
Competitors	For these groups Highbury Solutions non-
	communication impacts on them very

0	for a black and the of the black of the blac
Suppliers	favorably. In spite of Highbury Solutions
Other IT role players	good performance in the field,
	complacency is what competitors will be
	looking for in a very 'cut throat' industry.
DIFFUSED LINKAGE	
Stakeholder	Potential impact of KSI THREE
Mass media	These groupings of linkages that are not
Government departments	part of any formal organization, yet in the
Private sectors and organized	case of this issue can be problematic. The
business	more turbulent an organisation's
	environment is (non- communication can
	cause such turbulence) the more linkages
	an organization must manage, thus this
	linkage can play a role. Lack of strategic
	communication with a corporate client can
	impact on negative press in the business
	media from that particular corporate.

### Communication strategy for KSI THREE

- To communicate Highbury Solutions stated strategic intention to its corporate clients in order to develop and constantly improve its communication involving enabling, functional and normative linkages.
- To communicate Highbury Solutions' strategic goal of integrated strategic development to all stakeholders

### **Communication goals for KSI THREE**

 To create an understanding between Highbury Solutions and its existing and new corporate clients concerning their strategic development.
- To create awareness of the mutual benefits of having a workable, integrated communication plan with all stakeholders in all linkages.
- To convince stakeholders in the functional linkages of Highbury Solutions intent to communicate on an ongoing basis

## 6.5 KSI FOUR: LACK OF JOINT INIATIVES BETWEEN HIGHBURY SOLUTIONS AND IBM THAT INCORPORATES SPECIFICALLY HIGHBURY SOLUTIONS STAFF

This issue can be classified as a *(tactical) communication issue*, as communication messages are been sent but they are not reaching the correct target group. As indicated in the research findings management of both Highbury Solutions and IBM provide budgetary funds for joint marketing iniatives. However the essence of this issue is to include operational staff from specifically Highbury Solutions as this will give them the necessary exposure to partners, suppliers and clients.

Any marketing iniative aimed at a specific target audience provides a valuable opportunity for a communication channel to be established. In this issue operational staff to network with target audiences not normally encountered will utilize this channel. Any subsequent or future work will thus be easier facilitated by this initial contact.

The most strategic stakeholders for this issue are those in the functional linkage as they include the decision makers.

The specific implications of this issue for stakeholders are as follows:

ENABLING LINKAGE	
Stakeholder	Potential impact of KSI FOUR
Highbury Solutions operational staff	The impact on this group could result in
	feelings of insecurity and exclusion from
	important initiatives. It certainly provides a
	divide and creates the 'us' and 'them
	'syndrome that can so easily occur in an
	organization. This issue will directly affect
	morale and staff motivation. In addition, a
	form of reward can be incorporated using
	the initiative as a motivational tool for staff.
FUNCTIONAL LINKAGE	
Stakeholder	Potential impact of KSI FOUR
Highbury Solutions management	Management of both organizations could
IBM management	give the impression of being aloof and
Corporate clients	secular in their dealing with staff. A
	perceptive move that includes operational
	staff in these high profile events will send
	an appropriate message specifically to
	Highbury Solutions staff.
NORMATIVE LINKAGE	
Stakeholder	Potential impact of KSI FOUR
Highbury Solutions staff in other centers.	The majority of Highbury Solutions staff in
	other centers beside Johannesburg will
	understand that logistics will prevent them
	from been part of any high profile joint
	venture. However, some staff feel that
	their Head Office is a mere flight away,
	and feel that they can still be part of all
	iniatives of the organization.

DIFFUSED LINKAGE		
<u>Stakeholder</u>	Potential impact of KSI FOUR	
	This group would include any elements of	
	society that cannot be clearly identified by	
	membership in a formal organization and	
	would not impact on this particular issue	
	as this is a communication issue that is	
	more internal to Highbury Solutions.	

## **Communication strategy for KSI FOUR**

- To communicate Highbury Solutions strategic intention to develop and constantly improve its communication channels with all staff.
- To purposely include operational staff in joint marketing ventures with their major partner IBM.
- To use the participation of operational staff in joint marketing ventures as a form of reward for above standard work performance.

## Communication goals for KSI FOUR

- To increase *participation* of operational staff in joint marketing ventures, specifically with IBM
- To build relations with internal staff in all centers that will positively influence their outlook on management and the organization as a whole.
- To empower employees to obtain individual goals and thereby increase their productivity by linking participation in a joint high level venture as part of a reward system.
- To build *team spirit* through the sharing of high level ventures normally only undertaken by top management

## 6.5 Conclusion

This chapter provides the basis for the following chapter to formulate communication plans. It must be emphasized that there is a vast difference in formulating a communication strategy as opposed to a communication plan. The strategies discussed in this chapter indicate the the direction that an organisation would adopt relative to its stakeholders.

It forms in broad terms the aspects that need to be done for any organisation (Highbury Solutions in particular) to remain in a competitive position yet at the same time the strategy must be compatible with the overall goals of the organisation.

Chapter six will consist of communication plans that have been developed form communication goals formulated in the corporate communication strategy phase (chapter 5).

# CHAPTER 7 COMMUNICATION PLAN

## 7.1 INTRODUCTION

"Most organizations miss the future not because they are lax, but because they are 'genetically blind" (Puth, 2002:190). This is an interesting quotation in that it is very relevant to this research paper. The research findings indicate that Highbury Solutions are operating very well in the present environment, yet showed very little future or onward direction. Planning was non- existent and formal communication channels were not in place.

Puth (2002: 191) makes reference to 'genetic diversity' is valid in that this lack of genetic diversity makes it difficult for organizations to firstly embrace new trends and opportunities that arise and then use these new trends or directions as part of formulating a new strategy.

New stimuli in the form of fresh approaches need to be implemented into the strategic process to create the initial inertia required for strategic thinking. Furthermore, Puth (2002: 191)maintains that the strategic process must be a multi – faceted process with maximum participation from all stakeholders, both within and outside the organisation.

This strategic innovation (tabulated in the previous chapter) now needs to be converted, using the relevant role players, into a working plan for Highbury Solutions. The communication plan provides a clear idea of where people can get where they have to go.

"A strategic communication plan is formulated to direct the implementation of the corporate communication strategy" (Steyn & Puth, 2000:80). As indicated in the previous chapter, during the *corporate communication strategy* phase this quotation will

be relative to the communication goals to be set. In the communication-planning phase (which is this particular chapter), communication plans and programmes are developed around these goals.

This is achieved through a number of communication objectives that are set for each communication goal, and implementation strategies and activities are developed to achieve these objectives; aimed at specific stakeholder groupings such as the employees, partners or clients of an organisation (Steyn & Puth, 2000: 80).

Thus the point of departure for a communication plan is that in this particular plan the operational detail that turns strategy into actions is developed.

Whereas a goal is the destination that an organization wants to reach in the longer term, *objectives* are the achievements or steps making progress along the way. They are short term, very specific and measurable; set tasks to be accomplished within a given time period and to a specified degree.

Objectives as the norm are the expected solutions to day-to-day problems. They transform the problem or opportunity statement into a form that can be achieved and measured.

All objectives should be goal-related and should not be created in a vacuum. Objectives are the single most important element in the communication planning process. They represent the desired outcomes of the corporate communication function (and the organization) in communicating with the targeted groups.

Objectives are the justification for corporate communication programmes and plans.

Steyn & Puth (2000: 84) list two basic types of **objectives** that are used in communication plans as follows:

- Output or process objectives relate to production outputs concerning the work to be done. They refer to instructions and such like that are linked to effort or output.
- Impact objectives on the other hand focus on the stakeholders in that they refer to the organisation and what it requires from these stakeholders in terms of change.

In addition Steyn & Puth (2000: 85) refer to three kinds of impact objectives.

- Informational objectives include message exposure to, or message retention by any particular stakeholder.
- Attitudinal objectives aim at modifying the way a specific target group (a particular corporate client) feels about the client or organisation (Highbury Solutions).
- Behavioural objectives involve the changing of behaviours toward the client or organization.

Output objectives are generally more common in the business world as they are easier to measure. However, output objectives are work and process related and should be included in any sustainable communication plan.

## 7.2 COMMUNICATION PLAN FOR KSI ONE

This communication plan links to strategic issue One: Lack of strategic communication from Highbury Solutions' top management to internal staff

## Communication goal: To create awareness of Highbury Solutions strategic intent of developing and constantly improving its communication, monitoring and feedback mechanisms.

## Informational objective

To improve the output of strategic communication by fifty percent to all employees by creating effective communication channels.

## Attitudinal objective

To reinforce a favourable positive attitude towards Highbury Solutions management by instilling confidence in employees concerning future directions by middle of 2005.

## Behavioural objectives

To obtain total support and commitment from all employees concerning feedback mechanisms (communication channels) put in place for strategic input from all levels.

## Output objectives

To provide a monthly bulletin to all staff via e-mail outlining Highbury Solutions' strategic intent as well as operational activities on an ongoing basis.

## 7.3 COMMUNICATION PLAN FOR KSI TWO

This communication plan links to issue two: *Poor correlation between* Highbury Solutions development and strategic business plan and their major partner (IBM) Communication goal: To co-ordinate through improved communication to all major stakeholders what the business strategy of Highbury Solutions is.

## Informational objectives

To increase awareness of Highbury Solutions' strategic development amongst specicific IBM management on an ongoing basis

## Attitudinal objectives

To reinforce a positive working attitude and relationship between Highbury Solutions management and IBM management by indicating a positive attempt to include these strategic partners in business developments at all times.

## Behavioural objectives

To obtain support, commitment and buy-in from IBM into Highbury Solutions' strategy by communicating these strategies to their management within a two-month period of completing them

#### Output objectives

To arrange a presentation with relevant IBM management within a two-month period following the development of Highbury Solutions' strategies.

## 7.4 COMMUNICATION PLAN FOR KSI THREE

This communication plan links to issue three: Poor communication between Highbury Solutions and major corporate clients concerning a well defined business strategy.

Communication goal: To create an understanding between Highbury Solutions and their existing and new corporate clients concerning the way forward and their strategic development.

## Informational objectives

To increase current corporate clients awareness of Highbury Solutions' business strategies by fifty percent during the following year

## Attitudinal objectives

To reinforce a favourable attitude with corporate clients by demonstrating a willingness to communicate during the following financial year

## Behavioural objectives

To commit to communicating Highbury Solutions strategic development to major corporate clients on a six monthly basis using business presentations

## Output objectives

To contact each of the major corporate clients verbally (using Highbury Solutions' management) on a monthly basis to report back concerning the development of that respective clients contract.

## 7.5 COMMUNICATION PLAN FOR KSI FOUR

This communication plan links to issue four: Lack of joint iniatives between Highbury Solutions and IBM that incorporates specifically Highbury Solutions staff.

Communication plan: To increase participation of Highbury Solutions operational staff in joint marketing ventures, specifically with IBM.

## Informational objectives

To increase awareness and obtain buy – in amongst <u>all</u> Highbury Solutions staff that they will be afforded an opportunity to participate in marketing iniatives by current yearend.

## Attitudinal objectives

To create a favourable opinion amongst ALL Highbury Solutions, staff by demonstrating willingness for them to participate in activities normally only reserved for management.

## Behavioural objectives

To obtain support and buy-in from 100 percent of Highbury Solutions staff within two months of launch of information awareness campaign.

## Output objectives

To increase employee participation in joint marketing iniatives with IBM by 50 % for the first year and the remaining 50 % of the staff by the second year as well as increase the joint iniatives to four per year.

## 7.6 THEME AND MESSAGES

It would seem logical for most communication plans to have one central message expressed in a theme or slogan, as all staff can relate to this theme and focus their energies accordingly. In some cases, including this communication planning campaign, events may have several messages, possibly one for each separate grouping targeted. It is important that the communication practitioner pinpoints exactly what is to be communicated to each stakeholder.

This message will be targeted for each individual target public according to their communication and business needs.

## A central message derived from goals

'Excellent relationships with Highbury Solutions strategic stakeholders are very important to the organization'

## Messages for each target public

## Employees

'You are needed to build excellent relationships with our strategic stakeholders. The aim of these relationships will be to enhance our understanding of one another's individual needs'

## Major partner (IBM)

'We endeavor to align our strategic developments with your organization and pledge to communicate with your organization on an ongoing basis.'

## **Corporate clients**

'We want to keep you informed by providing constant feedback and information on Highbury Solutions strategic developments and business plans' OR

How can we better help you?

## 7.7 <u>SELECTED IMPLEMENTATION STRATEGY AND</u> ACTIVITIES

"The implementation strategy is the heart of the communication plan; the approach selected as the most promising means of achieving the goal and objectives" (Steyn & Puth, 2000:88). This quotation relates to the choosing of the implementation strategy that contains a variety of activities as well as selecting the communication media that will ultimately result in achieving the goals set by reaching the most significant stakeholders.

Adapted from the Public Relations Institute of South Africa (PRISA), Skinner et al (2001:4), the following definitions for the terms 'strategy' and 'activities', as used in the context of the communication plan, illustrate the differences between these terms. Strategy is the overall approach to implementation and is linked to a wide time frame, i.e. *what* one is going to do.

Activities are more detailed and indicate how one is going to do it. They refer to the details that need to be worked out for implementation.

A 'shopping list' approach can be adopted where a list is made of all possible implementation strategies, from which the best option is selected for implementation. This is normally the approach where a singular implementation strategy will suit all stakeholders.

However, when the communication plan is directed at equally important stakeholders several different implementation strategies can be utilized dependent upon the stakeholder group.

Highbury Solutions will use various different implementation strategies as indicated in the table below as the overall approach or framework. These implementation strategies are derived from the communication goals and essentially differ as the approach (or 'how") of the strategy differs for each individual stakeholder.

# The following table indicates each individual stakeholder group and the relevant implementation strategy

STAKEHOLDER GROUP	STRATEGIC APPROACH
EMPLOYEES	<ul> <li>Interpersonal communication strategy (to be implemented by means of two-monthly face-to-face visit from management.</li> <li>Followed up with an electronic campaign (monthly e-mail to each employee)</li> </ul>
CORPORATE CLIENTS	Interpersonal communication strategy (to be implemented by means of monthly meeting with management member of Highbury Solutions)
MAJOR PARTNER (IBM)	<ul> <li>Interpersonal communication strategy (to be implemented by means of meetings on regular ongoing basis)</li> <li>Small group strategy (to be implemented by means of presentations to management every second month)</li> <li>Electronic campaign where e-mails are used as a follow up action.</li> </ul>

## 7.8 ACTION PLANS

"Actions are designed to help achieve programme objectives and organizational goals" (Steyn & Puth, 2000:90). This quotation refers to the various actions steps that an organisation needs to adopt to change that same organisation's policies, procedures, products and services and even behavior so that it can better serve all stakeholders. This bears relevance to this strategy as this is evident from the data analysed.

Steyn & Puth (2000: 90) describe this concept further in that the communication plan formulated will provide details of the communication that will support the implementation strategy in all aspects.

Ehlers & Lazenby, (2004: 219) use the term 'functional tactics' to describe action plans. They go on to say that 'functional tactics' support short-term objectives and can be defined as the key routine activities that must be undertaken in each functional (stakeholder) area to achieve the organisation's chosen strategies. This becomes very relevant as these ' functional tactics' clarify and translate grand strategies into action designed to achieve specific short-term objectives.

Simply put, 'functional tactics' identify tasks or activities that must be performed now or in the near future in the various functional (strategic) areas (according to the functional strategies).

Puth, (2002:202), on the other hand describes action plans as "translating the strategy into operational terms". He maintains that the key to success of successful implementation lies in the creation of a framework. This framework should be able to describe and communicate strategy in a consistent and thoughtful way. This framework is the formulation of action plans that forms part of the 'golden thread' running through from the key strategic issues to the objectives formulated to the implementation strategies and ending with the action plans put together in a schedule.

Emphasis is also placed on the role of the leader in terms of action plans and implementing strategy. Puth (20002: 202) maintains that "leaders cannot expect to implement strategy if they cannot describe it".

An important issue raised relative to the implementation phase is the challenge facing strategic leaders to ensure that everyone understands the strategy and is motivated to execute it in their everyday jobs.

Thus a very important part of the scheduling table overleaf is the presentation to Highbury Solutions employees as the point of departure. Their buy-in to these action plans is of cardinal importance to the success of the overall strategy.

The action plan below gives an indication of when specific communication activities should be implemented.

ACTIVITY	JAN FEB MAR APRIL	MAY JUNE JULY AUG	SEPT OCT NOV DEC
Arrange employee			•
workshops @ main			
centers in each region			
Organise			
interpersonal			
communication			
meetings with HS staff			
Compile introductory			•==
newsletter for staff to			
be presented @			
workshop explaining			
new strategy.			
Arrange for effective			
communication			
channel to be set up			
for staff input to HS			
strategy.			
Organise strategy			
meeting with HS			

management to			, <u> </u>
discuss staff inputs			
Arrange presentation			
@IBM to present two-			
monthly strategy up			
date.			
Organize schedule of			
HS staff to attend IBM			
presentations.			·
Draw up schedule of			
quarterly marketing			
iniatives with IBM to			
present to suppliers and			
other IT role players			
ACTIVITIES	JAN FEB MAR APRIL	MAY JUNE JULY AUG	SEPT OCT NOV DEC
Discuss merits of			
having four joint			
marketing iniatives			
with IBM (allocate			
resources for these			
iniatives)			
Organise quarterly			
marketing iniatives			
with IBM that includes			
HS staff			
		· · · · · · · · · · · · · · · · · · ·	ļ
Set up schedule of	terrer portes start starts		
monthly meetings to			
be held with corporate			
clients. Allocate			
management role to			
HS top management			
Continuously update	terry entry farest parter		
e-mail to HS staff,			
giving feedback on			
strategic			
developments	_		
	L	l	└── <u>──</u> ────────────────────────────────

## 7.9 BUDGET ALLOCATION

The budget allocation is extremely important with any strategic alignment undertaken. It will be of no benefit to any organization to try to implement a specific strategy and not have the available resources necessary.

The strategy will be doomed to fail from the outset if funds are not made available for the implementation of this strategy.

In the case of this particular strategy for Highbury Solutions every effort has been made to compile as accurate a budget as possible. Inevitably, hidden costs occur, however in this particular scenario the strategic alignment has been done bearing in mind that this is a medium - size organisation. Costs have been kept to a minimum in order to persuade top management that this strategy is both practically and financially viable.

The budget below is merely an overall indication of *costs estimates* for the implementation of the communication strategy at Highbury Solutions. It is not a detailed budget and will suffice to give Highbury Solutions' management an indication of costs likely to be incurred.

## Estimated cost (VAT inclusive) for the above communication plan

Employee workshops	R 25 000
IBM Presentations	R 20 000
Joint marketing iniatives (4 per year)	R 200 000
Staff and management travel	R 250 000
Corporate clients meetings	R 20 000
Administration fees	R 20 000

TOTAL

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R 535 000

Note: the amounts allocated to both the marketing iniatives and the staff and management travel include portions of Highbury Solutions operational budget, which is already in use.

## 7.10 EVALUATION RESEARCH

"Evaluation research should be used to learn what happened and why, and to improve the effectiveness of the plan or programme" (Steyn & Puth 2000; 141). In the case of this research paper, one would have to implement the strategy from a practical perspective and apply evaluation and quality checks on an ongoing basis. Thus this particular section will deal more with the types of evaluation research that can be adopted and how it will be adopted.

There are two kinds of evaluation research (Steyn & Puth, 2000:142):

## Formative evaluation research

This form of evaluation takes place during the planning stages and should ensure that the correct objectives relative to the organisation are set.

## Summative evaluation research

This is used to measure corporate communication programmes or plans that include the checking of the implementation of objectives as well as gauging the performance of the communication plan benchmarked against the objectives.

In the case of this particular strategy for Highbury Solutions formative evaluation research would have been done during the planning stages to ensure that the correct objectives have been set. This would have been recorded in the research findings as discussed on page 59.

#### Formative evaluation research should have gauged the following aspects:

- Measure the current perceptions of the communication channels existing at Highbury Solutions between employees and management
- Establish how stakeholders such as IBM view Highbury Solutions communication channels
- Conduct research to determine stakeholders' knowledge of Highbury Solutions strategic developments
- Gain knowledge of how all stakeholders view the current communication situation existing at Highbury Solutions.

Summative evaluation research, as indicated, should only be carried out after the strategy has been implemented and is up and running. One can then compare results and draw conclusions about the achievement of objectives.

Puth, (2002:185) places emphasis on the evaluation of strategic management. He maintains that this final task of evaluating performance keeps the process on an ongoing continuous level. He further states that the progress in putting strategy in place occurs almost like a sine wave, going faster in some areas and slower in others, with some aspects getting done easily and other facets proving to be quite difficult and problematic.

Even though one sees a different emphasis from the two perspectives on evaluation research one aspect is common ground and that is the fact that evaluation should be on an ongoing continuous basis.

Ehlers & Lazenby, (2004: 232), introduce the concept of *strategic control* as a contrasting viewpoint to evaluation research. Strategic control provides feedback on the formulation and implementation phases of the overall strategic management process. This feedback (similar to formative evaluation discussed earlier) indicates the adjustments an organisation will need to make in order to align itself better with its environment and improve the likelihood of successful strategy implementation.

A suitable point of departure for evaluation research would be for managers of any organisation on the one hand to ensure that the organisation's implementation activities are performed effectively and efficiently, and on the other hand to continually be aware of deviations from the strategic plan in order to take corrective action.

## 7.11 Conclusion

In this chapter the steps in the communication planning process are outlined. It endeavors to provide details of aspects concerning planning, adaptation, implementation, scheduling budgeting as well as evaluation research.

Thus this communication is formulated to deal with each of the strategic issues outlined previously. Each strategic issue will derive various objectives and from this objective setting an overall communication schedule is formulated that benefits all stakeholders.

Once evaluation research is conducted formal and informal methods will be used to gauge the success of the formulated objectives.

# CHAPTER 8 CONCLUSION

The purpose of formulating any particular strategy firstly, varies from strategy to strategy and secondly, depends on the type of organization that the strategy is been applied to. Strategies could be applied to a *human resource environment*, a *marketing environment*, a *financial environment*, an *operations environment* and a *communication environment* to name a few. Each of these individual strategies will have had a different purpose at the outset and after the researcher has conducted appropriate research, they would have customized the strategy for the purpose that was agreed on at the point of departure.

In addition, planners of strategies need to take cognizance of the type of organization that they are been formulated for in that no two organizations operate the same. Certainly, basic business fundamentals apply across the board to most companies; however it is the uniqueness in each of them that should set them aside from their competitors. This uniqueness and individuality that organisations have developed over a period of time needs to be taken into account in formulating an individual strategy. The purpose of any particular strategy would thus need to take this uniqueness into account at the time of implementation of the strategy, in order for the strategy to become a workable one.

An organization adds value to a product when it improves the product's quality, provides a better service to the consumer or customizes the product to consumer needs in such a way that consumers will either pay more for it or go to a competitor – in other words when the organization *differentiates* the product from that offered by competitors (Ehlers & Lazenby, 2004:292). This applies to Highbury Solutions in that their product differentiates from that of other medium- size organisations in the computer industry because their product carries the IBM branding. Thus, this became the purpose of this research paper – to formulate a corporate communication strategy that will build on this branding, that will nurture the relationship between Highbury Solutions and IBM and ensure a substantial profit growth over the next three to five years.

The fundamental purpose of any business organisation is to make a profit. To do this the organisation must produce a product, service or idea that is valued by consumers. The purpose of a strategy of any nature is to be aligned with this principle. The strategy must add value to the organisation; otherwise top management will not be interested in implementing it. In the changing climate that an organisation operates in, more challenges await them than ever before. Applying strategies that are meaningful and add value to an organisation will allow an organisation to face these challenges.

This research paper was based on environmental scanning done at Highbury Solutions using a sample of operational staff and line/senior managers from their major partner, IBM. The results of this environmental scanning was then analysed and the research findings formulated into a communication strategy based on the four key strategic issues identified. These key strategic issues were then converted into suitable action plans that could be implemented by Highbury Solutions.

The theoretical principles used in this research paper were based on the model for developing a corporate communication strategy (Steyn & Puth, 2000:62) and subsequent theoretical foundations stemming from this model.

*Emerging trends* and the changing face of public relations management have also been taken into account in the formulation of this corporate communication strategy. Grunig, (2002:10) in an article entitled *"Qualitative methods for assessing relationships between organisations and publics"*, provides useful insight into the four pillars central to both organisations and publics:

- Control mutuality (control in a relationship)
- Trust (willingness to open themselves to each other)
- Commitment (amount of energy spent on maintaining the relationship)
- Satisfaction (providing positive steps to maintain the relationship)

These pillars evaluate the quality of a relationship as given a rating to the importance of the pillars in a successful relationship. These pillars have been inspirational in analyzing the relationship existing between Highbury Solutions and IBM in that the data analysis have corresponded to many facets of these pillars.

According to Grunig (2002: 12) functions are the output or performance variables of a system. He describes two functions that have also been very prevalent to this research paper:

- Mirror function (monitoring of relevant environmental developments)
- *Window function* (preparation and execution of a communication policy and strategy, resulting in messages that portray all facets of the organisation)

Once again these two functions emphasize the approach adopted in this research paper, i.e. that of doing thorough environmental scanning and then using this to formulate a suitable communication strategy.

In a paper delivered by Benita Steyn at the 9 th international PR research symposium, held at Lake Bled from 4-6 July, 2003 in the special session titled *"Reflection as a key concept in Communication Management"*, 'environmental scanning theory' and 'stakeholder and issues management theory' have been adopted for this research paper.

Steyn in the paper describes environmental scanning as the process in which an organisation learns about events and trends in the external environment as well as establishes relationships between them and then considers the main implications for

problem definition and decision-making. This has been the focus in formulating this strategy.

According to Steyn (2000: 13) the *inclusive stakeholder approach* requires managers to undergo a major conceptual shift in how they see the organisation and its multilateral relationships with stakeholder groups. This has certainly been one of the challenges facing this research paper, in that top management at Highbury Solutions consists of a managing director and four managers. Decision-making alone rests with this small group and can even be an autocratic one-man decision. Thus to get these managers to undergo a 'conceptual shift' proved daunting enough. The importance of thorough environmental scanning cannot be over-emphasised as this proved to be the 'key ' to getting buy-in from top management in order to implement this strategy.

In the literature review done in Chapter two a case study (page 17) concerning the strategies implemented at IBM was included. In this case study mention was made of IBM's strategic mistake that to think that its reputation alone would persuade customers to stay with its PC products. This statement has proved invaluable in formulating a communication strategy for Highbury Solutions as they were also thinking that their reputation alone would keep the relationship with IBM as successful for the next five years. Thus this particular case study also proved invaluable in 'selling ' the strategy to top management.

It must be emphasised that the researcher, in dealing with both Highbury Solutions and IBM (the two major stakeholders) felt that a corporate communication strategy could be beneficial to both organizations as the nature of their product and ongoing relationship would be in existence for at least another five years. As this communication strategy is for Highbury Solutions to adopt the majority of time was spent with their top management and staff.

At all times during the initial questionnaire interviews and subsequent discussions, the concept of Highbury Solutions transforming and becoming both a top national and

global player was discussed. The research conducted and the data findings indicate that the organisation is dynamic enough and certainly has both capable management and staff to achieve this vision.

Thus, in conclusion the aim of this research paper (stated on page 6) is to transform the theoretical perspectives discussed into a practical approach in formulating a suitable corporate communication strategy for Highbury Solutions. This corporate communication strategy is based on sound research principles of both the organisation and the stakeholders in its immediate environment.

Thereafter the result of the research is incorporated into a communication strategy that can be benchmarked against the model for Corporate Communication strategy described by Steyn & Puth (2000:62). The evaluation research has shown that a model adapted form Steyn & Puth's model (2000:62) is workable in that it follows the same principles and strategies of this generic model.

In addition, it was at the outset of this research as well as now, the intention of the researcher to provide a workable, practical communication strategy that is to be implemented at Highbury Solutions. While theoretical principles have formed the foundation of this research, it was never the intention to produce a research paper consisting of theories and concepts with very little practical substance.

The researcher feels that this intention of providing a workable, practical communication strategy has been fulfilled.

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## ANNEXURE A

## SAMPLE OF QUESTIONNAIRE FOR IBM EMPLOYEES.

NAME: (OPTIONAL)

POSITION HELD AT *IBM*:

Please answer the questions below as indicated. All answers are treated in strict confidence.

## **QUESTION 1.**

WHAT IS YOUR WORKING RELATIONSHIP WITH THE AFFILIATE OF *IBM*, *HIGHBURY SOLUTIONS*?

.....

## **QUESTION 2.**

DOES *HIGHBURY SOLUTIONS*, AS AN ORGANISATION, COMMUNICATE WITH YOU USING ANY OF THE FOLLOWING METHODS?

• E MAIL:		YES/NO
• TELEPHONE:	•••••	YES/NO
• FACE – TO- FACE:		YES/NO
• ANY OTHER METHODS:	•••••	YES/NO

## **QUESTION 3.**

HOW REGULARLY DO ANY REPRESENTATIVES OF *HIGHBURY SOLUTIONS* COMMUNICATE WITH YOU?

ONCE A WEEK:	 YES/NO
MORE THAN ONCE A WEEK:	 YES/NO
ONCE EVERY TWO WEEKS:	 YES/NO

ONCE A MONTH:				YES/NO
MORE REGULARI	Y THAN ANY (	OF THE ABOVE		YES/NO
<b>QUESTION 4.</b>				
DO YOU PARTICIE	PATE IN ANY JO	DINT MARKETING	INITIATIVES	WITH HIGHBURY
SOLUTIONS?	••••••		YES/NO	
IF YES, GIVE A BR	JEF DESCRIPTI	ION:		
••••••				•••••••••••••••••••••••••••••••••••••••
••••••		••••••		•••••••••••••••••••••••••••••••••••••••
••••••			•••••	

QUESTION 5.

USING THE SCALE BELOW, HOW WOULD YOU RATE THE OVERALL COMMUNICATION EXISTING BETWEEN HIGHBURY SOLUTIONS AND IBM?

PLEASE CIRCLE 10 FOR EXCELLENT THROUGH TO 1 FOR POOR.

10	.86	4	1	
EXCELLENT		SATISFACTORY	PC	OR

**QUESTION 6.** 

ANY ADDITIONAL COMMENT THAT YOU WOULD LIKE TO INCLUDE CONCERNING ANY ASPECT OF COMMUNICATION WITH *HIGHBURY SOLUTIONS*; THAT WILL CONTRIBUTE TO THE RELATIONSHIP EXISTING BETWEEN THE TWO ORGANISATIONS.

## SAMPLE OF QUESTIONNAIRE FOR SENIOR MANAGEMENT: IBM

NAME: .....

POSITION: ..... Please answer the questions below as indicated. All answers are treated in strict confidence.

## **QUESTION 1.**

## **QUESTION 2:**

IT TES, GIVE A DRIEF DESCRIFTION OF THE INITIATIVE.

## **QUESTION 3.**

DESCRIBE ANY FUNDING THAT *IBM* CONTRIBUTES TO THE PARTNERSHIP WITH *HIGHBURY SOLUTIONS* FOR MARKETING PURPOSES.

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## **QUESTION 4.**

HOW REGULARLY DOES SENIOR MANAGEMENT OF HIGHBURY SOLUTIONS COMMUNICATE WITH YOU CONCERNING OPERATIONS ACTIVITIES OF THEIR ORGANISATION?

DAILY::	•••••	YES/NO
WEEKLY:		YES/NO
FORTNIGHTLY:		YES/NO
MONTHLY:	•••••	YES/NO
IRREGULAR INTERVALS		YES/NO
NOT AT ALL:		YES/NO

## **QUESTION 5.**

WHAT IS THE MOST FREQUENT MODE OF COMMUNICATION THAT *HIGHBURY* SOLUTIONS PERSONNEL UTILISE TO COMMUNICATE WITH YOU.

٠	E MAIL:	•••••	YES/NO
٠	TELEPHONE	•••••	YES/NO
٠	VERBAL/FACE TO- FACE	•••••	YES/NO
•	ANY OTHER METHODS	••••	YES/NO

## **QUESTION 6**

USING THE SCALE BELOW HOW WOULD YOU RATE THE OVERALL COMMUNICATION EXISTING, AT PRESENT BETWEEN IBM AND HIGHBURY SOLUTIONS?

PLEASE CIRCLE 10 FOR EXCELLENT THROUGH TO 1 FOR POOR.

10.....8.6.....4.2.....1EXCELLENTSATISFACTORYPOOR

## SAMPLE OF QUESTIONNAIRE FOR CORPORATE CLIENTS.

*NAME*: .....

ORGANISATION: .....

POSITION HELD: ..... Please answer the questions below as indicated.

All answers are treated in strict confidence.

## **QUESTION 1.**

WHAT IS YOUR WORKING RELATIONSHIP WITH YOUR *IT* SUPPLIER – *HIGHBURY SOLUTIONS*?

## **QUESTION 2.**

DOES *HIGHBURY SOLUTIONS*, AS AN ORGANISATION, COMMUNICATE WITH YOU USING ANY OF THE FOLLOWING METHODS?

٠	E MAIL:	YES/NO
٠	TELEPHONE:	YES/NO
٠	FACE – TO- FACE:	YES/NO
•	ANY OTHER METHODS:	YES/NO

## **QUESTION 3.**

DO YOU HAVE REGULAR CONTACT WITH ANY REPRESENTATIVE OF *HIGHBURY* SOLUTIONS? ......YES/NO. IF YES DESCRIBE HOW REGULARLY

.....

## **QUESTION 4:**

ANY ADDITIONAL COMMENT THAT YOU WOULD LIKE TO INCLUDE CONCERNING ANY ASPECT OF COMMUNICATION WITH *HIGHBURY SOLUTIONS;* THAT WILL CONTRIBUTE TO THE RELATIONSHIP EXISTING BETWEEN THE TWO ORGANISATIONS.

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