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## **CHAPTER 5**

# **ANALYSIS OF THE GLOBAL PRACTICES AND TRENDS OF COMMUNICATION MANAGEMENT**

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### **5.1 INTRODUCTION**

This chapter presents the findings from the analyses of the global practices and trends studies of communication management since 2005. The purpose of this analysis is to explore the studies and identify trends related to the views and approaches to governance and sustainability globally. In turn, the implications for communication management in South Africa are considered. The analysis was done to obtain an international perspective on communication managements' stakeholder relationship management practices and how their role evolved over time. The Stockholm Accords are further considered as a global initiative in line with the global practices and trends of communication management and were deemed necessary to consider for this study.

### **5.2 THE PURPOSE OF ANALYSING GLOBAL COMMUNICATION MANAGEMENT PRACTICES AND TRENDS**

The purpose of analysing the global communication practices and trends studies is to address the research objective aiming to explore the global trends in communication management and their implications for South African businesses. In the context of this study, this analysis is needed to assist in understanding businesses redefining their focus on strategic communication management's contribution to the effectiveness of the business through managing stakeholder relationships as part of good corporate governance.

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Various studies on the practices and trends of communication management have been conducted on different continents since as early as 1999. These studies have provided researchers and professionals with insights into how communication management is seen, approached and practiced in different parts of the world. It also provides researchers the platform to explore the trends that are both unique and similar in different countries. The particular trends considered relate to the evolving role of communication management and whether corporate governance emerged as an area of concern for communication professionals globally. Furthermore, the managing of stakeholder relationships as an area of practice for communication professionals also had to be explored. The analysis was also an opportunity for comparison. In other words, comparing whether the global economic crisis affects all parts of the world's communication practices similarly, and whether the role of communication management differs from one part of the world to another. Of all these studies, the USA practices and trends studies dominate, followed by those conducted in Europe with two studies conducted in Asia (China). Only one study was conducted in Africa (South Africa).

### **5.3 CRITERIA FOR SELECTING THE GLOBAL COMMUNICATION MANAGEMENT STUDIES**

The field of communication is broad and diverse. Therefore this analysis focussed on the trends and practices of only a selected number of studies. Since the beginning of the new millennium, many studies in different countries have attempted to provide guidelines for communication management to illustrate its practices and trends. Due to the fast-changing environment in which organisations find themselves, only studies conducted since 2005 are included in this chapter. A total of 13 studies were selected as indicated in Table 5.1.

**Table 5.1: Global communication management studies**

STUDY	YEAR	COUNTRY	ABBREVIATION	AUTHORS
The Corporate Communication Institute Practices and Trends Study	2005	USA	CCI2005	Goodman (2005)
The Corporate Communication Institute Practices and Trends Study	2006	China	CCI2006China	Wang & Goodman (2006)
The Corporate Communication Institute Practices and Trends Study	2007	USA	CCI2007	Goodman (2007)
The Corporate Communication Institute Practices and Trends Study	2008	China	CCI2008China	Wang (2008)
The Corporate Communication Institute Practices and Trends Study	2008	RSA	CCI2008RSA	De Wet, Niemann-Struweg & Meintjes (2008)
The Corporate Communication Institute Practices and Trends Study	2009	USA	CCI2009	Goodman, Genest, Cayo & Ng (2009)
The Council of Public Relations Firms' Fourth Generally Accepted Practices Study	2005	USA	GAPIV	Swerling, Mitroff, Hall, King, Benson & O'Boyle (2005)
The Council of Public Relations Firms' Fifth Generally Accepted Practices Study	2007	USA	GAPV	Swerling, Gregory, Schuh, Goff, Gould, Gu, Palmer & Mchargue (2007)
The Council of Public Relations Firms' Sixth Generally Accepted Practices Study	2009	USA	GAPVI	Swerling, Sen, Bonefeste, Rezvan & Mchargue (2009)
The European Communication Monitor 2007 to 2010	2007 to 2010	Europe	ECM2007, ECM2008, ECM2009, ECM2010	Zerfass, Tench, Verhoeven, Verčič & Moreno (2007-2010)

The criteria for selecting each of the studies for analysis here were that the study had to have been conducted by reputable organisations and that it had to have been repeated over a number of years. There are mainly three organisations that have conducted studies into the nature and practice of communication management, namely the Corporate Communication International (CCI) at Baruch College/CUNY (formerly known as the Corporate Communication Institute), Euprera (European Public Relations Education and Research Association) conducting the European Communication Monitor (ECM), and the Council of Public Relations Firms' Generally Accepted Practices (GAP) conducted by USC Annenberg

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Strategic Public Relations Center. The Corporate Communication International (CCI) studies started in 1999 and are conducted every second year in the USA. However, in 2006 and 2008 the first CCI studies were conducted in China and in 2008 in South Africa. In 2009 CCI studies also started in some European Countries, but at the time of writing this chapter, the results were not yet available. The European Communication Monitor (ECM) started in several European countries in 2007 and is repeated annually with an increase in the number of countries participating each year. The Generally Accepted Practices (GAP) studies started in 2002 and are conducted biannually in the USA.

These studies, highlighting the central role of communication management in organisational success, contribute to the international discussion around the legitimacy of communication management. During this research project, the Stockholm Accords was written which emphasise the role of communication management in those aspects considered important for organisational success, and acts as a call to action for communication professionals. Its principles revolve around the concepts of sustainability and governance (discussed earlier in Chapter 1). The Stockholm Accords is therefore critical for this study in emphasising the important role communication professionals can play in assisting companies to managing stakeholder relationships according to the King III Report.

### **5.3.1 The Stockholm Accords**

The Stockholm Accords was a collaborative effort between public relations and communication professionals on every continent and a call to action for the profession. It was endorsed by The World Public Relations Forum held in Stockholm, Sweden in June 2010. The final version of the accords was written by Yiva Skoogh, Gary McCormick and Toni Muzi Falconi. The purpose of the accords was to enhance and affirm the central role of

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communication management in organisational success. It provides principles for the management of communication and stakeholder groups. It particularly highlights the role of communication management in sustainability, governance, management, internal communication, and external communication including the coordination of internal and external communication. Similarly, the focus of Chapter 8 of the King III Report on Governance for South Africa's focus is also on the management of stakeholders to ensure business sustainability through ensuring transparent and effective communication by having a proactive, reputationally driven, communication management strategy geared to be stakeholder inclusive.

- *Principles from the Stockholm Accords*

The Stockholm Accords was considered a plea to communication professionals, which includes associations, managers, consultants, educators, researchers and students to “administer its principles on a sustained basis and to affirm them throughout the profession, as well as to management and other relevant stakeholder groups” (Skoogh et al., 2010:1).

The principles of the Stockholm Accords pertain to the areas of sustainability, governance, management, internal communication, external communication and the coordination of internal and external communication. The principles were considered from the view that organisations act as communicative organisations. Such an organisation recognised that even the most empowered communication management director cannot hope to directly monitor more than 10% of its organisation's communicative behaviour. Therefore, the communication leadership has to play a supportive role to the leadership of the organisation and deliver communicative skills, competencies and tools to the organisation (Skoogh et al., 2010:12). These principles are discussed in more detail in Table 5.2.

**Table 5.2: Stockholm Accords Principles**

<b>PRINCIPLE</b>	<b>DESCRIPTION</b>
<b>SUSTAINABILITY</b>	Sustainability of the organisation depends on balancing the demands from the environment with the ability to meet future needs based on economic, social and environmental dimensions. The communicative organisation assumes leadership by interpreting sustainability as a transformational opportunity to improve its competitive positioning by pursuing and constantly reporting on the achievement of its sustainability policies across the economic, social and environmental 'triple bottom line'
<b>GOVERNANCE</b>	All organisations operating under the stakeholder governance model employ their leaders to be directly responsible for deciding and implementing stakeholder relationship policies. The communicative organisation requires timely information, knowledge and understanding of economic, social, environmental and legal developments, as well as of its stakeholders' expectations. This is to promptly identify and deal with the opportunities and risks that can impact the organisation's direction, action and communication
<b>MANAGEMENT</b>	In an accelerated global competitive network society, the quality and effectiveness of an organisation's decisions are increasingly determined by their time of implementation. The communicative organisation acts on the principle that it is in the organisation's interest to be sensitive to the legitimate concerns of stakeholders, as well as balanced with wider societal expectations. This requires a high priority for listening before strategic and operational decisions
<b>INTERNAL COMMUNICATION</b>	Internal communication enhances recruitment, retention, development of common interests and commitment to organisational goals by an increasingly diverse, extended and segmented set of internal stakeholders. The communicative organisation expands well beyond the traditional definition of full-time employees. Internal stakeholders include: full-timers, part-timers, seasonal employees, retirees, contractors, consultants, suppliers, agents, distributors and volunteers
<b>EXTERNAL COMMUNICATION</b>	Organisations must review and adjust their policies, actions and communicative behaviour to improve their relationships with increasingly influential stakeholders, as well as with society at large. The communicative organisation develops skills to continually nurture its relationships with customers, investors, communities, governments, active citizen groups, industry alliances, mainstream and digital media and other situational stakeholders
<b>COORDINATION OF INTERNAL AND EXTERNAL COMMUNICATION</b>	Organisational communication is a multi-faceted, multi-stakeholder, interrelation enterprise, concurrently engaging several value networks concurrently and often involving diverse legal frameworks. The communicative organisation ensures full consistency of its storytelling by balancing global transparency, finite resources and time sensitive demands dealing with fast moving inside/outside changes and new conflicts of interests that emerge from multiple stakeholder participation. Communication with internal, boundary and external stakeholders is coherent and coordinated with the organisation's mission, vision, values as well as its actions and behaviours

Source: Skoogh et al. (2010:2-7)

The most prominent principles revolved around the concepts of sustainability and governance, as discussed in Chapter 1. The principles of management, internal and external communication coupled with the coordination thereof, have to be considered as supportive principles in achieving organisational sustainability and ensuring the organisation operates within a solid governance framework. Table 5.3 outlines the role of communication management in the organisation with regard to the above-mentioned principles, as summarised from the Stockholm Accords.

**Table 5.3: Stockholm Accords principles for communication professionals**

<b>COMMUNICATION PROFESSIONALS</b>	
<b>SUSTAINABILITY</b>	<ul style="list-style-type: none"> <li>• Involve and engage key stakeholders in the organisation's sustainability policies and programmes</li> <li>• Interpret societal expectations for sound economic, social and environmental commitments that yield a return to the organisation and society</li> <li>• Ensure stakeholder participation to identify information that should be regularly, transparently and authentically reported</li> <li>• Promote and support efforts to reach an ongoing integrated reporting of financial, social, economic and environmental performance</li> </ul>
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li>• Participate in defining organisational values, principles, strategies, policies and processes</li> <li>• Apply social networking, research skills and tools to interpret stakeholders' and society's expectations as a basis for decision</li> <li>• Deliver timely analysis and recommendations for an effective governance of stakeholder relationships by enhancing transparency, trustworthy behaviour, authentic and verifiable representation, thus sustaining the organisation's licence to operate</li> <li>• Create an internal listening culture, an open system that allows the organisation to anticipate, adapt and respond</li> </ul>
<b>MANAGEMENT</b>	<ul style="list-style-type: none"> <li>• Inform and shape the organisation's overall two-way communication abilities</li> <li>• Communicate the value of the organisation's products/services and relationships with stakeholders thereby creating, consolidating and developing its financial, legal, relational and operational capital</li> <li>• Participate in the solution of organisational issues, as well as lead those specifically focussed on stakeholder relationships</li> </ul>
<b>INTERNAL COMMUNICATION</b>	Seek constant feedback for a mutual understanding of: <ul style="list-style-type: none"> <li>• How front-line people comprehend, accept and achieve the organisation's strategy</li> <li>• How and how well organisational leaders collaborate and communicate with stakeholders</li> <li>• How knowledge and policy are being shared</li> <li>• How processes and structures are identified, developed and enhanced</li> <li>• How the organisation's reputation depends largely on the actions taken by internal stakeholders</li> </ul>

<b>COMMUNICATION PROFESSIONALS</b>	
<b>EXTERNAL COMMUNICATION</b>	<ul style="list-style-type: none"> <li>• Bring the organisation's 'voice' and interests into stakeholder deliberations and decisions</li> <li>• Assist all organisational functions in crafting and delivering effective communication</li> <li>• Contribute to the development and promotion of products, services or processes that strengthen brand loyalty and equity</li> </ul>
<b>COORDINATION OF COMMUNICATION</b>	<ul style="list-style-type: none"> <li>• Oversee the development and implementation of internal and external communications to assure consistency of content and accurate presentation of the organisation's identity</li> <li>• Research, develop, monitor and adjust the organisation's communication behaviour</li> <li>• Create and nurture a knowledge base that includes social and psychological sciences</li> <li>• Manage and apply research to implement evaluation and measurement programmes for continued improvement</li> </ul>

Source: Skoogh et al. (2010:2-7)

Communication management's value and contribution to organisational effectiveness and success lie in the role it plays with regard to the achievement of sustainability and governance in the organisation. The Stockholm Accords provides the platform for communication professionals to take action and follow the principles and guidelines for the implementation of the Stockholm Accords. The Stockholm Accords was informed by Chapter 8 of the King III Report on Governance, and therefore provides more practical and communication specific elements in support of the six principles outlined in Chapter 8 of the King III Report.

To support the principles of the Stockholm Accords, coupled with the principles of Chapter 8 of the King III Report (discussed in Chapter 4), this chapter aims to provide an analysis of global trends in the field of communication management with regard to its role in the organisation, as well as sustainability and governance.

## **5.4 METHODOLOGY OF THE ANALYSIS**

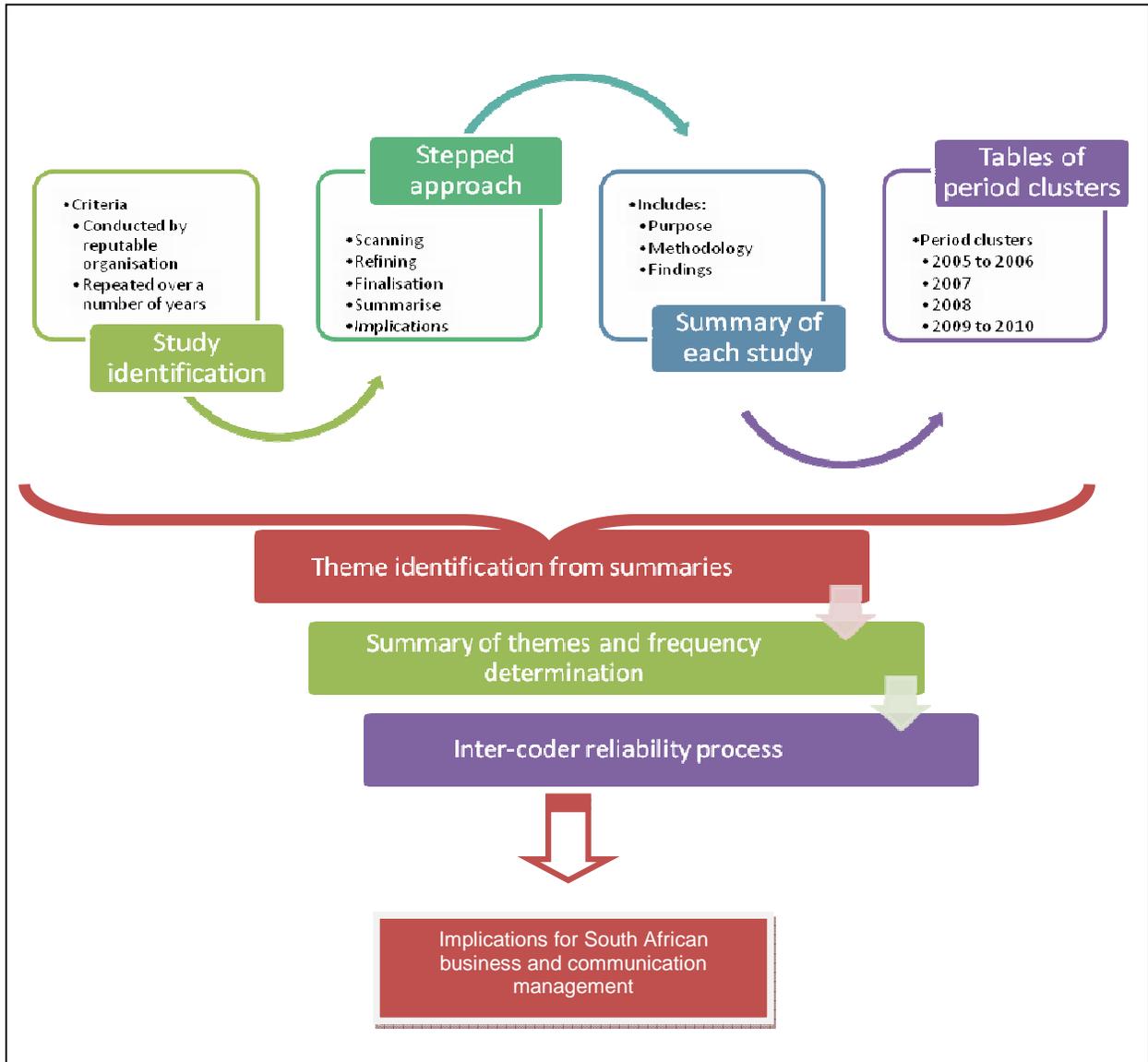
The methodology adopted in this chapter in analysing the global communication management studies included a stepped approach, which

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involved systematically following each of the steps to ultimately compile summaries. These summaries firstly included summaries of the purpose and methodology of each of the studies clustered around four time periods. Secondly, summaries of the key findings of the studies again clustered around the four time periods were compiled. These are presented under Appendix B3. Themes were then identified in line with the identified concepts/ideas.

The methodology described above is outlined in Figure 5.1.

Figure 5.1: Summary of methodology adopted



Researcher's own construct

The discussion of the findings of each of the studies was by no means a comprehensive recall of each of the studies in question, and neither are the summaries provided later on in the chapter. For the purpose of the current study, namely to ascertain how communication professionals are able to assist companies in managing stakeholder relationships according to the King III Report on Governance, the vast amount of information of each of

the studies was reduced to facilitate a snap-shot view of the global practices and trends of communication management.

Table 5.4 outlines the concepts and/or ideas that were considered for each of the 13 studies. However, the review was not limited to these areas only, but provided a broad guideline for the areas under study. The concepts or ideas were derived from Chapter 2 and 3 of this study, the King III Report on Governance for South Africa and the Stockholm Accords. These concepts or ideas include that of reputation, stakeholder relationships, governance, transparency and integrated communication which emerged as recent developments in the field of communication management. From the literature review it became clear that these concepts impact the discipline of communication management, coupled with its role and function in business. In turn, the role and function of communication management, being under pressure to make a meaningful contribution to business success, is dependent on how professionals view the profession, their level of skill and influence in the organisation.

**Table 5.4: Concepts and/or ideas considered**

<b>CONCEPT/IDEA</b>	<b>DETAILS</b>
Reputation	Reputation (including identity and image), reputation management, reputation risk
Stakeholder relationships	Stakeholder management, stakeholder relationships, trust, relationship building, means of building relationships, stakeholder focus (internal and external), preferences of stakeholders
Communication management discipline, role and function	Importance of the function, the role and function fulfilled, resources, areas of growth
Governance	Environmental changes, accountability and transparency, corporate social responsibility, sustainability, ethics and values
Transparency	Ethics and values, open communication, dialogue, authenticity
Professional implications	Skills requirements, self-perception, influence
Integrated communication	Attention received

Researcher's own construct

The process was finalised with determining the inter-coder reliability of the theme identification. Once the discussions of each of the studies were

coded into themes, another independent researcher coded each of the discussions as well. Inter-coder reliability is defined by Lombard, Snyder-Duch & Bracken (2002:589) as “the extent to which independent coders evaluate a characteristic of a message or artefact and reach the same conclusion”. Thus, the data from the analysis of the global communication management studies was coded by two independent coders to determine whether the same conclusions are reached. Freelon (2010:20) argues that it is an essential criterion for validating subjectively-coded data and applies to any research that relies upon the subjective judgments of multiple trained coders. For a variable that has been assessed by more than one independent coder, a number of different coefficients can be calculated to project the level of reliability they attained. In communication, and therefore this study, the most widely used indices are Holsti’s method, Percent Agreement, Scott’s  $\pi$  ( $\pi$ ), Cohen’s  $\kappa$  (kappa) and Krippendorff’s  $\alpha$  (alpha) (Lombard, Snyder-Duch & Bracken, 2004:5).

A stepped approach used in this chapter included scanning each of the studies to identify the findings that related to the concepts/ideas outlined in Table 5.4 in the particular country. This step was followed by a process of refining where the applicability of the findings identified from Step 1 was determined. The following step, finalisation, involved the final identification of the relevant findings of each of the studies to this analysis. A summary (in Step 4) was drafted and the implications (Step 5) highlighted.

**Table 5.5: Stepped approach to the analysis**

STEP	APPROACH	ACTION
STEP 1	Scanning	Identify the relevant findings to the purpose of the chapter.
STEP 2	Refining	Determine the applicability of the relevant findings (as identified from Step 1) of each of the studies.
STEP 3	Finalisation	Identifying the relevant findings of each of the studies.
STEP 4	Summarising	Outline the studies and their implications for governance in South Africa.
STEP 5	Implications	Discuss the implications of each of the studies’ identified findings for governance.

Researcher’s own construct

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## **5.5 ANALYSIS OF GLOBAL STUDIES**

The findings from the analysis are presented in Table format summarising the purpose of the particular study, the methodology adopted in the particular study, as well as the findings of the study. After the presentation in Table format, a brief section on the implications for communication management is included.

The more detailed discussions of each of the studies are summarised according to the time period in which the study was conducted and are presented in Appendix A. The periods were grouped together into four time periods being:

- 2005 to 2006
- 2007
- 2008
- 2009 to 2010.

The way in which the studies were presented is to start the discussion of each of the studies with:

- (i) the purpose of the study,
- (ii) the methodology used, and
- (iii) the findings.

A total of six Corporate Communication International (CCI) studies were included, consisting of three studies from the USA, two from China and one from South Africa. The CCI studies were conducted every two years in the USA. However, the Chinese and South African studies were conducted either in the same years or alternating years, depending on the availability of the researchers in the particular countries. Three Generally Accepted Practices (GAP) studies, all from the USA, were included and four European Communication Monitor (ECM) studies were included. The GAP

studies were conducted every two years, whereas the ECM studies were conducted every year, but only started in 2007. Table 5.6 provides an overview of how the studies are presented in the section that follows.

**Table 5.6: Global communication management studies discussed**

PERIOD	STUDY	COUNTRY/REGION
<b>2005/2006</b>	CCI USA (2005) GAP IV (2005) CCI China (2006)	USA USA China No European/African study available for this period
<b>2007</b>	CCI USA (2007) GAP V (2007) ECM (2007)	USA USA European No Asian/African study available for this period
<b>2008</b>	CCI China (2008) CCI RSA (2008) ECM (2008)	China South Africa European No USA study available for this period
<b>2009/2010</b>	CCI USA (2009) GAP VI (2009) ECM (2009) ECM (2010)	USA USA European European No Asian/African study available for this period

Researcher's own construct

The implications of each of the studies for communication management are listed below in the Table that summarises the findings from that particular study. This is followed by a discussion of the overall findings of this analysis.

### **5.5.1 Studies conducted during 2005/2006**

The purpose, methodology and findings of the CCI USA 2005 study, the GAP IV 2005 study and the CCI China 2006 study are summarised in Table 5.7. The implications of these findings are discussed after the Table.

**Table 5.7: Summary of the purpose, methodology and findings of the global communication management studies conducted during 2005/6**

	<b>CCI USA 2005</b>	<b>GAP IV 2005</b>	<b>CCI CHINA 2006</b>
<b>PURPOSE</b>	State of communication management (CM) in public companies in the USA	Data to manage CM and identify trends affecting the practice of CM in USA	Practice and trends of CM in China Perceptions of corporate social responsibility (CSR)
<b>METHODOLOGY</b>	Public Companies Mixed method (survey, interviews, site visits)	Quantitative (survey) Public and private companies included government agencies and non-profit organisations	Convenience sample of 23 Chinese companies Quantitative and qualitative survey
<b>KEY FINDINGS</b>	<ul style="list-style-type: none"> <li>Public companies affected by public trust</li> <li>Building trust and relationship is a challenge</li> <li>Limited resources</li> <li>Companies to be responsible and accountable</li> <li>CM roles – counsel to CEO and managing reputation</li> <li>Media influenced transparency</li> <li>Stakeholder pressure</li> <li>Transparency key to reputation</li> <li>Companies had a role in public diplomacy</li> </ul>	<ul style="list-style-type: none"> <li>Profession stable considering environment. Enough resources available</li> <li>CEOs see CM playing a role in advancing reputation, marketing, financial success and sales</li> <li>Evaluation of CM activities limited although CEOs felt it is adequate</li> <li>Fewer agencies with same amount of budget</li> <li>CM performed better reporting to CEO</li> </ul>	<ul style="list-style-type: none"> <li>Focus on technical function i.e. building image, branding, marketing and sales support</li> <li>Agencies were used for some of these</li> <li>Little strategic emphasis</li> <li>Realised a need for CSR</li> <li>Internet preferred to communicate to stakeholders</li> </ul>

The CCI study conducted in the USA in 2005 confirmed:

- The important role communication management played with regard to managing the reputation of the organisation and counselling top management in doing so.
- The stakeholder focus that organisations had with the emphasis on relationship building.
- A link between reputation and transparent communication that may be enhanced through the use of new media, and which has implications for how stakeholder relationships are managed. The Stockholm Accords and the King III Report placed great emphasis on managing stakeholder relationships coupled with how it influenced an organisation's reputation.

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The GAP IV study conducted in 2005 delineated:

- As this study was conducted in 2005, a stability and normalisation of the environment were reported, coupled with the availability of resources for communication management.
- The communication function was seen as important and valuable.
- Organisations saw the role of communication as contributing to reputation as well as the bottom line.
- Measurement of communication management was limited, although CEOs felt it was adequate.
- The study did not explore concepts of governance and transparency.

The CCI study conducted in China in 2006 highlighted:

- A technical role of communication management in the organisation, with a preference for the use of the Internet in building relationships with stakeholders.
- Although there was a strong movement towards CSR engagement, the overall importance of governance and transparency was not a priority.

### **5.5.2 Studies conducted during 2007**

In Table 5.8, the purpose, methodology and findings of the global studies conducted during 2007 are outlined.

**Table 5.8: Summary of the purpose, methodology and findings of the global communication management studies conducted during 2007**

	CCI USA 2007	GAP V 2007	ECM 2007
<b>PURPOSE</b>	State of CM in public companies in the USA Identify and analyse practices and trends	Data to manage CM and identify trends affecting the practice of CM in USA	Future trends in CM in Europe, changing framework of CM, evaluate specific topics
<b>METHODOLOGY</b>	Quantitative (survey) Qualitative (interviews)	Quantitative (survey) 520 senior communicators participated Public and private companies included Government agencies and non-profit organisations included	Quantitative Transnational survey 22 European countries
<b>KEY FINDINGS</b>	<ul style="list-style-type: none"> <li>• Building trust and relationships with stakeholders</li> <li>• Technology increased need to transparency</li> <li>• Increased demands for CM</li> <li>• Resources limited</li> <li>• Public diplomacy increased for companies</li> <li>• Managers of reputation</li> <li>• Counsellor to CEO – strategic role and trusted advisor</li> <li>• Companies did not understand reputation</li> <li>• More attention to transparency, employee dissatisfaction and stakeholder criticism</li> <li>• Transparency made media relationship complex and strategic</li> <li>• New tools are used to assist</li> <li>• Investor relations less important for CM</li> <li>• Annual report still responsibility</li> <li>• Ethics and values were a strong base for transparent communication</li> </ul>	<ul style="list-style-type: none"> <li>• Non-profit organisations had same demands on CM as profit-driven companies</li> <li>• Uncertainty in US economy anticipated to impact CM</li> <li>• CM access to top management leading to CM contribution to financial success and market share</li> <li>• CM improved self-perception. Seen as significant contributors and counsellor to senior management</li> <li>• CM to lead integration and cross-function cooperation for improved communication</li> </ul>	<ul style="list-style-type: none"> <li>• Internal/change communication and community relations/CSR grew as disciplines of CM</li> <li>• Agencies took personal and non-verbal communication for granted</li> <li>• Digital evolution, linking CM to strategy and maintaining trust challenges for CM</li> <li>• Changed nature of stakeholder needs interactive and transparent communication</li> <li>• Measurement a challenge – outdated methods of evaluation</li> <li>• Building trust problematic – difficult to have open dialogue and be authentic in communication</li> </ul>

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The contribution of the 2007 USA CCI studies lies in stressing:

- The importance of trust in building relationships with stakeholders, including the use of technology to do so. Stakeholder communication was imperative in building trust and relationships. This type of communication had to include the disclosure of information previously withheld from stakeholders, such as executive remuneration.
- More attention had to be given to transparency, employee dissatisfaction and stakeholder criticism. In terms of governance, transparency and accountability were demanded from organisations and the role of new media as a means, and ethics and values as a solid base for this, were noted.
- Communication management was expected to do more with less. Professional development and cross-fertilisation of skills within the function were noted in fulfilling the role of building relationships with stakeholders.
- A broad base of skills, in particular writing, was required.
- A unique role of communication management identified is that of Public Diplomacy. This was explored in 2005 and grew in importance in 2007.

The Gap V study, conducted in 2007, pointed to:

- Environmental changes, in particular the financial environment that may in future affect the profession negatively. However, support for communication management as a business function was still reported.
- Communication management was viewed as a function that contributed to the financial success of the organisation as well as its reputation.
- This study was the first to report that communication management had an improved self-image.

- Although this study did not explore the concepts of governance and transparency, it found that communication management is the ideal function to champion integration and cross-functional cooperation as keys to contributing to the achievement of organisational goals.

The European Communication Monitor of 2007 concluded that:

- Internal communication, community relations and CSR are growing as subfields of communication management.
- The changing nature of stakeholders was reported as a key challenge for communication management coupled with the fragmented nature of stakeholder groups and their preference for interactive communication to take place in personal settings.
- Trust was noted as important for transparency. Therefore, communication management should ensure open communication, dialogue and authenticity when communicating.
- New media was seen as a challenge, as well as communication management linking with the overall strategy of the organisation.
- Measurement needed attention as outdated methods were used.

### **5.5.3 Studies conducted during 2008**

A summary of the purpose, methodology and findings of the global communication management studies are provided in Table 5.9. This is followed by a list of implications for communication management of each of these studies.

**Table 5.9: Summary of the purpose, methodology and findings of the global communication management studies conducted during 2008**

	CCI CHINA 2008	CCI RSA 2008	ECM 2008
<b>PURPOSE</b>	Determine how communication is managed in China	State of CM in RSA Identify and analyse practices and trends	Future trends in CM in Europe, changing framework of CM, evaluate specific topics
<b>METHODOLOGY</b>	60 Shanghai-based companies Quantitative and qualitative survey	26 public companies Interview (quantitative and qualitative questions)	Quantitative Transnational survey 37 European countries
<b>KEY FINDINGS</b>	<ul style="list-style-type: none"> <li>• Role and function focussed on marketing and publicity</li> <li>• Perceived importance of CM in managing image and reputation</li> <li>• Top executive involvement in CM</li> <li>• Increased resources allocation</li> <li>• CSR strongly supported</li> <li>• Role of politics and government diminished in CM. Significant move away from propaganda</li> </ul>	<ul style="list-style-type: none"> <li>• Realisation of the importance of CM</li> <li>• View of role superficial and seen as publicity</li> <li>• Some level of understanding of integrated communication</li> <li>• Professionals had limited understanding of issues facing companies and how to align CM to company strategy</li> <li>• CM cynical about company commitment to transparency</li> <li>• Often seen as window dressing. Many not aware of the implications of King III and its significance for CM</li> </ul>	<ul style="list-style-type: none"> <li>• CM played major role in companies. Internal/ change communication and community relations/CSR still growing areas of CM</li> <li>• Important to manage relationship with technology. Face-to-face communication started to play bigger role. Interactive channels grew</li> <li>• Challenges of digital evolution, linking CM to strategy and dealing with sustainable development and CSR noted</li> <li>• Measurement tools available, but cannot use them to illustrate CM's contribution to business</li> <li>• CSR relevant but uncertain field</li> <li>• Demand for intercultural communication</li> </ul>

The CCI study conducted in China in 2008 found the following:

- Similar to the study conducted in China in 2006, this study also mentioned a tendency of organisations focussing on a more technical role of communication management.

- A strong movement toward CSR engagement was prevalent, but the overall importance of governance and transparency remained aspects that are not a priority yet.
- This study highlighted the limited influence of government with regard to the practising of 'propaganda' where organisations adjusted to the market-driven environment they find themselves in.

The CCI study conducted in South Africa (RSA) in 2008 found that:

- Organisations valued communication management, however, there was a strong focus on the technical role, especially publicity.
- The need for communicators to engage in continuous development (training) was noted.
- Organisations' selective commitments to transparency coupled with the tendency to be transparent for window dressing purposes were noted. Few communicators were aware of or had knowledge of the King II Report, which had significant implications for their understanding of the management of stakeholder relationships.

The European Communication Monitor of 2008 uncovered the following:

- This study confirmed the findings from the previous study of internal communication and CSR as growing subdisciplines of communication management.
- Relationships with stakeholders remained a focus, but face-to-face communication was starting to play a bigger role in building and maintaining these relationships.
- Interactive channels became more important for managing stakeholder relations, as well as online channels and social media. These channels (online and social media) though remained a challenge for communication management though.
- Another challenge remained finding ways for communication management to link with the overall strategy of the organisation.

- Interestingly, another challenge that was noted was that of sustainable development and CSR. CSR was regarded as an uncertain field, but a strategic issue that communication management should manage as it affects the organisation's reputation.
- Measurement continued to be an aspect that needed attention, as communicators knew that there were reliable instruments for measurement. They however experienced difficulty in integrating them into how to better manage the function and illustrate the contribution the function makes to the bottom line.

#### 5.5.4 Studies conducted during 2009/2010

In Table 5.10 a summary of the purpose, methodology and findings of the global communication management studies of 2009/10 is offered. From there, the implications of each of these studies for communication management are listed.

**Table 5.10: Summary of the purpose, methodology and findings of the global communication management studies conducted during 2009/10**

	<b>CCI USA 2009</b>	<b>GAP VI 2009</b>	<b>ECM 2009</b>	<b>ECM 2010</b>
<b>PURPOSE</b>	State of CM in public companies in the USA Identify and analyse practices and trends	Data to manage CM and identify trends affecting the practice of CM in USA For use as benchmarking tool	Most comprehensive analysis of CM in Europe. Future trends in CM in Europe, changing framework of CM, evaluate specific topics	Most comprehensive analysis of CM in Europe Future trends in CM in Europe, changing framework of CM, evaluate specific topics
<b>METHODOLOGY</b>	Quantitative (survey) Qualitative (interviews)	Mid-sized and large organisations Quantitative survey 382 communication decision-makers Public and private companies included Government agencies and non-profit organisations included	1850 participants from 34 countries Quantitative survey	1995 participants from 46 countries Quantitative survey

	<b>CCI USA 2009</b>	<b>GAP VI 2009</b>	<b>ECM 2009</b>	<b>ECM 2010</b>
<b>KEY FINDINGS</b>	<ul style="list-style-type: none"> <li>• Economic crisis lead to CM anxiety. Business model transformation. Companies to build trust and adapt to changing environment</li> <li>• Dramatic budget and staff decreases</li> <li>• CM still valued, but must do more with less</li> <li>• Social media's impact was greater. Challenge was to focus on strategic use of this media rather than tactical application</li> <li>• Primary role still counsel to CEO and manager of reputation Management of reputation needs collaboration with the CEO</li> <li>• Investor relations required more from CM. CM needs understanding of financial crisis.</li> <li>• Accountable and transparent behaviour were needed. To be driven by ethics and value of the company</li> <li>• CM needed adaptability, strategic thinking, problem-solving, integrity and crisis management skills coupled with understanding of business and strategy</li> </ul>	<p>During economic crisis, position of CM was key to success. CM reporting to CEO was successful, innovative, proactive, strategic, flexible, ethical and good reputations These aspects assisted organisation also to survive</p>	<ul style="list-style-type: none"> <li>• Communicator s did not make use of full potential of strategic communication . CM to contribute by solving business problems with communication activities and to include communication strategy in strategy formulation.</li> <li>• Influence of communicators depended on the role performed, position of CM and years of practice</li> <li>• Internal communication and CSR grew</li> <li>• Trust in relationship building was more important. Senior management had lost credibility, reputation and trust. CSR activities not aligned to business goals</li> <li>• Narrow view of measurement</li> <li>• Communicator s were allowing others (i.e. training managers) to also communicate</li> </ul>	<ul style="list-style-type: none"> <li>• Missing link between CM activities and business goals</li> <li>• Few communicators committed themselves to facilitating business processed</li> <li>• Perceptions of excellence and influence in the organisation were determined by level of experience and position in the organisation.</li> <li>• Criteria for excellence were seen to be the ability to build and maintain relationships with stakeholders and the ability to mobilise people to get involved in decision-making</li> <li>• Internal communication and CSR grew</li> <li>• Online channels became viable through the development of social media guidelines, monitoring routines and key performance indicators being developed</li> </ul>

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The CCI study conducted in the USA in 2009 emphasised:

- The economic crisis was noted as impacting on communication management where communicators' ability to doing more with less increased.
- Primarily, communicators acted as counsel to the CEO and managed the reputation of the organisation where the use of social media in doing so was highlighted.
- Where, in the past, the role of communication management in investor relations decreased, this role became more important again. This required communicators to have the skills to contribute effectively, coupled with a number of other broad-based skills required.
- Effective relationships with certain stakeholder groups assisted in limiting stakeholder criticism, especially with regard to the transparency around executives' compensation. This also translated into the need for organisations to behave in an accountable and transparent way. This study revealed that the focus on transparency and disclosure of information lead to communication management having to ensure the alignment of messages with the actions of the organisation.
- As a foundation, it was found that ethics and values assisted organisations to become accountable.

The GAP VI study of 2009 underlined:

- The difficult economic environment and that the extent of the communication management function's integration, its values and position in the organisation all influenced the extent of the function's contribution made to the organisation. In spite of the economic environment, those departments that reported directly to the CEO still experienced an increase in resources.
- The fact that organisations with a good reputation and that acted ethically, remained successful during difficult times.

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The European Communication Monitor of 2009 postulated that:

- Finding a way to link communication management to the overall strategy of the organisation remained a challenge, where communication management was not making the most of the full potential of the function as strategic communication.
- Internal communication and CSR remained areas of growing importance in communication management.
- Trust in building and maintaining relationships with stakeholders continued to be vital, with online channels increasingly being used as communication channels with stakeholders. Online communities were seen as a means to create dialogue with stakeholders in the next three years. Whether this was something that would affect South Africa, remains to be seen due to the constant Internet bandwidth problems the country is facing.
- Dialogue and authenticity in communication were gaining importance. At the same time communication management may have to let go of some control over messaging.
- Measurement was only considered from an output perspective with little attention to input and outcomes.

The 2010 European Communication Monitor stressed:

- That although communicators engage in building reputation, fewer committed themselves to facilitating business processes in a bid to contribute to the success of the organisation. Being able to fulfil these roles, they needed to have ample experience and be positioned in the organisation as close as possible to top management.
- That communicators regarded building relationships with stakeholders key to their success, coupled with the ability to get people to become involved in management decision-making.
- That communication importance increased with the change in the economic climate, although resources decreased.

The discussion and summaries of the 13 global communication studies provides insight into how communication management is seen, approached and practised in different parts of the world. It further provides an opportunity to highlight the similarities and differences between the different countries/continents, as well as comparing the findings with the elements of the Stockholm Accords, Chapter 8 of King III and the theory.

## **5.6 SUMMARY OF THE GLOBAL STUDIES ANALYSIS**

In this section a summary of the global studies analysis with regard to the purpose, methodology and findings are outlined. Furthermore, the themes identified from the findings in relation to the Stockholm Accords, Chapter 8 of the King III Report and the theory are provided.

### **5.6.1 Purpose and methodology**

The 13 global communication management studies had to a more or lesser extent the same purpose. This purpose was determining the state of the profession, and exploring the practices and trends for professionals to benchmark their departments against. The methodologies used varied with the Generally Accepted Practices (GAP) and European Communication Monitor (ECM) studies adopting a quantitative approach, while the Corporate Communication International (CCI) studies adopted a mixed method approach applied in different ways across the three continents where these studies were conducted.

### **5.6.2 Findings of the analysis in the form of themes**

As a means to further understand the views and practices of communication professionals across the globe, a number of overarching themes and subthemes were identified from the discussion and summaries of the 13 global communication management studies. The number of times a particular

theme emerged is provided, as outlined in the methodology of the analysis in Figure 5.1. These are presented in Table 5.11.

**Table 5.11: Themes identified from the 13 global communication management studies**

OVERARCHING THEME	THEME	SUBTHEME	NUMBER OF TIMES EMERGED
<b>CORPORATE GOVERNANCE</b>	Pressure for organisations to be responsible citizens and CSR		4
	Accountability, ethics and transparency important for the organisation		4
<b>TRANSPARENCY</b>	Link between transparency and reputation		1
	Ethics and values the base for transparency and success		2
	Needs open communication, dialogue and authenticity		1
	Link between integrated communication (IC) and transparency in the alignment of messages		1
<b>REPUTATION</b>	Reputation management-key for business and driver of CSR		3
	CM to manage image and reputation		8
<b>STAKEHOLDER MANAGEMENT</b>	Relationship building		1
		Relationship building through face-to-face communication	1
		Trust in relationship as a challenge	1
		Relationship building through online medium	1
	Stakeholder focus (internal and external)		1
		Stakeholder fragmentation as a challenge	1
		Stakeholder preference – interactive communication in a personal setting	1
Information overload noted as a problem		1	
<b>NEW MEDIA</b>	New media implications	For transparency and stakeholder communication	4
	Tool to create dialogue	Seen as biggest challenge	4
<b>MEASUREMENT</b>	Linking measurement to strategy		3
	Resource allocation to measurement		2

OVERARCHING THEME	THEME	SUBTHEME	NUMBER OF TIMES EMERGED
<b>COMMUNICATION MANAGEMENT DISCIPLINE AND FUNCTION</b>	Importance of communication management		4
	Link of communication management, with organisational strategy as a challenge		2
	Increase in communication management responsibility		1
	Communication management (CM) resources increase		1
	CM resources decrease		1
	Focus on technical aspects		1
	Internal / change communication growing fields		1
	CSR and IC are growing fields and challenge		1
	To let go of control of communication to assist with authenticity of communication		1
<b>ROLE OF COMMUNICATION MANAGEMENT</b>	CM to counsel CEO		4
	CM limited involvement in investor relations (pre-recession)		1
	CM increased involvement in investor relationship (during and post-recession)		1
	Mobilising staff to take part in decision-making		1
<b>PROFESSIONAL IMPLICATIONS</b>	Professional development of professionals	Diversity of professionals	2
		Intercultural skills	1
		Limited understanding of reputation, CSR and sustainability	2
		Broad skills base	2
	Improved self-perception		1
	Influence depends on role, position and years of practice		1
<b>OTHER</b>	Political influence limited		1
	Public diplomacy		2

The most prominent themes identified from the analysis of the 13 global communication management studies included pressure for organisations to be responsible corporate citizens, as well as displaying corporate social responsibility, communication management managing image and reputation through new media ensuring transparency and stakeholder communication, the importance of communication management and its role to counsel the CEO. This is significant as the concepts or ideas considered in the analysis included governance, reputation, stakeholder relationships, transparency and the overall role and function of communication management as highlighted in

Table 5.4. Governance, reputation, stakeholder relationship management and transparency are also regarded as key concepts of this study as discussed in Table 1.2 in Chapter 1. These concepts will be considered in Phase II of the study when senior communicator views are obtained.

### **5.6.3 Implications of the global studies for communication management**

Each of the implications for communication management is briefly mentioned.

#### *Resource implications: economics crisis*

The implications for the discipline and function of communication management include the growing importance of the function coupled with either an increase in resources, in spite of the global economic crisis, or a decrease because of the global economic crisis. “The economic downturn, widely referred to as the ‘Great Recession’ (which officially dated from December 2007 in the United States), included the two most dismal quarters for the U.S. economy in more than 60 years” (Britannica World Data, 2011:[1]). This downturn turned into a crisis not only for the USA, but also for Europe, Japan and even emerging economies. Some emerging economies, particularly China, have been fairly resilient to the financial crisis (The Economist, 2008:[2-3]). A similar scenario existed for South Africa (Zini, 2008:[1]). However, the responsibility and what is required from communication management increased.

#### *Investor relations*

The global economic crisis impacted the role communication management played with regard to investor relations. Pre-recession the role decreased, but during and post-recession the role increased.

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*Link with organisational strategy*

The challenge for communicators was linking communication management actions with organisational strategy.

*Internal, change and corporate social responsibility communication*

The subfields of internal and change communication grew, as well as the area of corporate social responsibility (CSR). The latter was also seen as the greatest challenge.

*Reputation*

Reputation was seen as a key driver for corporate social responsibility (CSR) with the acknowledgement of the link between reputation and transparency. Here ethics and values were considered the base for transparency and success that needed open communication, dialogue and authenticity. Integrated communication was also mentioned as assisting in ensuring transparency in communication through the alignment of messages.

*Changing media landscape*

New media was seen as a big challenge, but important for assisting in this process of ensuring transparency. It was considered as a tool to create dialogue.

*Changing environment*

Furthermore, the changing environment caused increased pressure for organisations to be responsible citizens and to engage in corporate social responsibility (CSR) initiatives. Accountability and transparency became more important where in the USA organisations were even starting to play a role in Public Diplomacy.

### *Stakeholder relationship management*

Stakeholder relationship building emerged as important with trust, face-to-face communication and the use of online mediums as necessary means for building these relationships. Some of the problems were information overload, stakeholder fragmentation and stakeholder preferences for interactive communication taking place in personal settings. All these impact reputation. The overwhelming role of communication management was defined as managing the image and reputation of the organisation as well as counselling the CEO.

### *Communication professionals' development*

Professional development for professionals was mentioned, especially training in how to link measurement to communication management as well as strategy.

## **5.7 INTER-CODER RELIABILITY**

Part of the methodology of the analysis of the global practices and trends of communication management included determining the inter-coder reliability of the analysis. ReCal2 (Reliability Calculator for 2 coders) was used to calculate the inter-coder reliability and the results are presented in Table 5.12. This process was followed to ensure the reliability of the results and conclusions obtained.

Specialised software is necessary to perform the calculations associated with determining inter-coder reliability, where either a specifically installed programme or Web service can be used. For the installed programmes, specific system requirements are often a barrier, whereas Web services are always available and easy to use (Freelon, 2010:21). For this reason, ReCal2

(Reliability Calculator for 2 coders) was chosen to compute the values in Table 5.12. It is not the first computer programme to apply the Web service concept to inter-coder reliability, but it is the most comprehensive and fully-featured. ReCal2's results have been verified especially for nominal data (Freelon, 2010:32) which was used in the calculation of the results in Table 7.15. The two limitations of ReCal2 are that the coefficients ReCal2 offers are only valid for nominal inter-coder data and that it only accepts a single variable per execution. Therefore ReCal2 equates rows with unit of analysis and columns with coders (Freelon, 2010:32).

In the case of this calculation, the rows in the dataset indicated the particular global study under investigation and the columns indicated the two coders to avoid this limitation impacting these results as indicated in Appendix B.

Percent Agreement is most widely used and appealing due to its simplicity, but in some cases it may overestimate true inter-coder agreement. Krippendorff's alpha is well regarded and flexible, but is used for ordinal, interval and ration level variables and, thus, not applicable in this case. Cohen's kappa is seen as the measure of choice and is commonly used in coding behaviour (Lombard et al., 2004:5). Scott's pi is similar to Cohen's kappa and normally used for nominal data in communication studies (Scott, 1955:323).

For exploratory research, as in the case of this chapter, an acceptable level of reliability for the indices used of .70 are appropriate, bearing in mind that some indices such as Percent Agreement are more literal, whereas Cohen's kappa, Scott's pi and Krippendorff's alpha are more conservative. It is preferred that two or more indices are reported (Lombard et al., 2004:3). In the case of this research, Percent Agreement and Scott's pi are most appropriate as the data is nominal within the context of communication studies.

**Table 5.12: Measures of inter-coder reliability**

Theme	Percent Agreement	Scott's Pi
Corporate governance	85	0.68
Transparency	100	1.00
Reputation	85	0.57
Stakeholder management	85	0.69
New media	85	0.69
Measurement	92	0.84
Communication management discipline and function	100	undefined*
Role of communication management	85	0.69
Professional implications	85	0.57
Other	100	1.00

With regard to 'corporate governance', 'stakeholder management', 'new media' and the 'role of communication management' the Percent Agreement was 85% and the Scott's pi .68. As the Percent Agreement was very high and the Scott's pi was very close to .70, the measure was accepted as reliable.

In the case of 'transparency' and the 'other' variable, both the Percent Agreement and Scott's pi were 100 or 1 respectively. This indicates that the two coders attained 100% agreement.

The 'communication management discipline and function' variable obtained a 100% score for Percent Agreement, and undefined for the Scott's pi. This is evident when both coders have attained 100% agreement and they have selected the same variable value for every unit of analysis.

For the variable 'measurement', a score of 92% was obtained for Percent Agreement and .69 for Scott's pi. As the Percent Agreement was very high and the Scott's pi was very close to .70, the measure was accepted as reliable.

The variables 'reputation' and 'professional implications' scored 85% for Percent Agreement and .57 for Scott's pi. Although the Scott's pi is lower than expected, the Percent Agreement is the same as in the case of variables

'corporate governance', stakeholder management', 'new media' and the 'role of communication', all closely linked to 'reputation'. Therefore, the measure was still accepted.

## **5.8 GLOBAL STUDIES ANALYSIS IN RELATION TO THE STOCKHOLM ACCORDS, KING III AND THE THEORY (PHASE I)**

From the analysis of the global communication management studies, similarities and differences were found compared to the concepts/ideas considered. These were based on the theory discussed in Chapter 3, the Stockholm Accords discussed earlier in this chapter, as well as the six principles outlined in Chapter 8 of the King III Report on Governance discussed in Chapter 4 of this study. The similarities found revolved around the prominence of governance and sustainability mentioned in the global studies (especially from 2008 onwards) as well as in the Stockholm Accords, the literature and the King III Report. Other areas of similarity revolved around the notion of stakeholder relationship management with an emphasis on internal and external coordination or integration ensuring these practices are proactive. These are presented in Table 5.13

**ANALYSIS OF THE GLOBAL PRACTICES AND TRENDS OF COMMUNICATION MANAGEMENT**

**Chapter 5**

**Table 5.13: Analysis of the relationships between stakeholder relationship management theory (Chapter 3), the King III Report on Governance (Chapter 4), the Stockholm Accords (Chapter 5) and the Global communication management studies analysis (Chapter 5) (Phase I)**

Theory (SRM)	King III	Stockholm Accords	Global communication management studies review
<p><b>Cross-cutting considerations</b>  <i>Strategic constituency perspective and stakeholder inclusive approach</i> as paradigm                      The focus is on considering the demands and power of stakeholders where the effectiveness of the organisation is based on how well the organisation is able to meet the requirements of stakeholders. This is achieved through the alignment of organisational and stakeholder values and the empowerment of stakeholders</p>			
<p>From the analysis in Chapter 3 on the three related concepts of SE, <b>SRM</b> and GSR it was concluded that the more encompassing concept is SRM as it has a relationship focus based on power, trust, relationship satisfaction, commitment and exchange. It further is based on <u>stakeholder inclusiveness and empowerment</u> as well as the alignment of organisational and stakeholder values, which is aligned with the paradigm of this study.</p> <p>Identification, categorisation, prioritisation and relationship management approaches are considered relevant and of value as determine in Chapter 3. The <b>linkages model</b> (Grunig &amp; Hunt, 1984) was considered a good starting point and used by another author in a more recent development of the concept (Falconi, 2009). The <b>stakeholder typology</b> around power, legitimacy and urgency (Mitchelle et al, 1997) provides the opportunity for organisations to gain a more structured view of their stakeholders, and enables organisations to have a platform with which to <b>prioritise</b> stakeholders. This is important as engagement and communication with stakeholders need to be specific and tailored. The <b>situational theory</b> of publics by Grunig (2005) provides a platform to better understand the behaviour associated with certain publics (stakeholders). Once the process of stakeholder identification, prioritisation and categorisation is complete, issues management, which also involves <b>issues identification</b>, is needed. In the event where an issue turns into a crisis, <b>conflict resolution/crisis communication</b> is required. Finally, all these aspects influence the <b>reputation</b> of the organisation.</p>	<p>The six central themes identified from the King III Report on Governance is:</p> <ol style="list-style-type: none"> <li>1. Stakeholders are linked with <b>reputation</b></li> <li>2. <b>Proactive management</b> of stakeholder relationships</li> <li>3. <b>Stakeholder engagement</b></li> <li>4. <b>Treatment of shareholders</b></li> <li>5. <b>Transparent and effective communication</b></li> <li>6. <b>Dispute/conflict resolution</b></li> </ol>	<p>The Stockholm Accords focus on the following aspects:</p> <ol style="list-style-type: none"> <li>1. Sustainability</li> <li>2. Governance</li> <li>3. <b>Management of stakeholder relationships</b></li> <li>4. <b>Internal and external communication that is co-ordinated</b></li> </ol>	<p>The global communication management studies review provided the following insights:</p> <ol style="list-style-type: none"> <li>1. The changing economic climate has resource implications for communication management, which implies that this function requires support from top management and other management functions</li> <li>2. There is a re-established focus on <b>investor relations</b>.</li> <li>3. Linking with organisational strategy is a challenge</li> <li>4. Internal, change and CSR communication is playing a bigger role than before.</li> <li>5. <b>Reputation</b> is key to the role of communication management.</li> <li>6. The <b>changing media landscape</b> poses challenges.</li> <li>7. The changing environment poses challenges.</li> <li>8. There is a clear focus on <b>stakeholder relationship management</b></li> <li>9. Professional development of communication professionals is important.</li> </ol>

The words highlighted in similar colours indicate the links of these concepts between the different elements of Phase I of this study.

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From the analysis of the four elements of Phase I of this study, being the theory on stakeholder relationship management, the King III Report (Chapter 8), the Stockholm Accords and the global communication management studies the following can be concluded (the element from where the conclusion was derived from is indicated in brackets):

1. Stakeholder relationship management is strategic in nature and encompasses the elements of the paradigm of this study namely the strategic constituency perspective and the inclusive stakeholder approach (Theory).
2. The environment in which the organisation exists needs to be considered (Global communication management studies analysis)
3. The proactive management of stakeholder relationships requires a process of stakeholder profiling (stakeholder identification, prioritisation and categorisation), following by a process of issues analysis linked with possible relationship outcomes. Communication management has a support role to play in this to the organisation (Theory, Chapter 8 of the King III Report, Stockholm Accords, Global communication management studies analysis)
4. Shareholders should be treated equally through the role of communication management of investor relations (Chapter 8 of the King III Report, Global communication management studies analysis)
5. Dispute and conflict resolution may be addressed through a process of issues analysis and management and a consideration of crisis communication strategies.
6. Stakeholder engagement requires the co-ordination of internal and external communication, which is transparent and effective in a changing media landscape (Chapter 8 of the King III Report, Stockholm Accords, Global communication management studies analysis)
7. Reputation is central to stakeholder relationship management (Theory, Chapter 8 of the King III Report, Global communication management studies analysis)

## **5.9 CONCLUSION**

The aim of this chapter was to provide an overview of the analysis of the global communication management studies to gain an international perspective on how communication professionals may be able to assist companies in managing stakeholder relationships more effectively. A total of 13 studies have been selected from the CCI, GAP and ECM studies since 2005. All the global studies analysed include a description of the central role of communication management in contributing to organisational success, keeping in mind the principles of the Stockholm Accords. More specifically, the state (in terms of role, function and position) of communication management, the concepts of corporate governance, sustainability, reputation, stakeholder relationship, transparency, professional implications and integrated communication were explored.

The most prominent principles from the Stockholm Accords and the King III Report revolved around the concepts of sustainability and governance. It became evident that, especially during the analysis of the studies reporting results from 2008, the changing environment caused increased pressure for organisations to be responsible citizens and to engage in corporate social responsibility (CSR) initiatives. Furthermore, organisations felt more pressure to become more accountable and transparent.

Communication management's responsibility increased globally with a renewed emphasis on linking communication activity to business strategy. Stakeholder relationship management was highlighted as a key role of communication management, coupled with the management of the organisation's image and reputation. Reference was made to the link between reputation and corporate social responsibility (CSR) as well as corporate governance. Internal and change communication (and in some instances crisis communication) emerged as growing areas of communication

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management. The findings connect the communication management discipline to the principles of management, in particular the management of internal and external communication. These are regarded as supportive principles in achieving organisational sustainability and ensuring that the organisation operates within a solid governance framework, as outlined by both the Stockholm Accords and the King III Report.

Obtaining legitimacy for communication management is a global effort, hence the Stockholm Accords' call to action for communication professionals. This chapter provides a further platform to demonstrate the way forward, and to indicate the role communication management plays in the implementation of managing stakeholder relations as stipulated by the King III.

An analysis was done considering the concepts identified from each of the four elements of Phase I of this study. The findings of this analysis provide a platform for the conceptualisation of the guidelines for managing stakeholder relationships according to the King Report on Governance. This analysis indicates the strategic nature of stakeholder relationship management as the encompassing term for stakeholder engagement and the governing of stakeholder relationships. These relationships are to be managed proactively and approaches to this are provided in the theory. Shareholders are regarded as a key stakeholder as special consideration is given to this stakeholder group in the King III Report. The theory provides some insight into resolving disputes and managing conflict and crisis. Stakeholder engagement through transparent and effective communication, both internally and externally was highlighted, with reputation as central to stakeholder relationship management. The role of communication management was highlighted through each of the above mentioned considerations.