# CHAPTER 9

# CONCLUSIONS AND RECOMMENDATIONS

## 9.1 INTRODUCTION

Chapter 9 provides a holistic view of the phases, and research objectives, and makes concluding remarks on the guidelines for managing stakeholder relationship management according to the King Report on Governance and the stakeholder relationship positioning framework as outcome of the study. The contribution of this study is delineated and the limitations drawn.
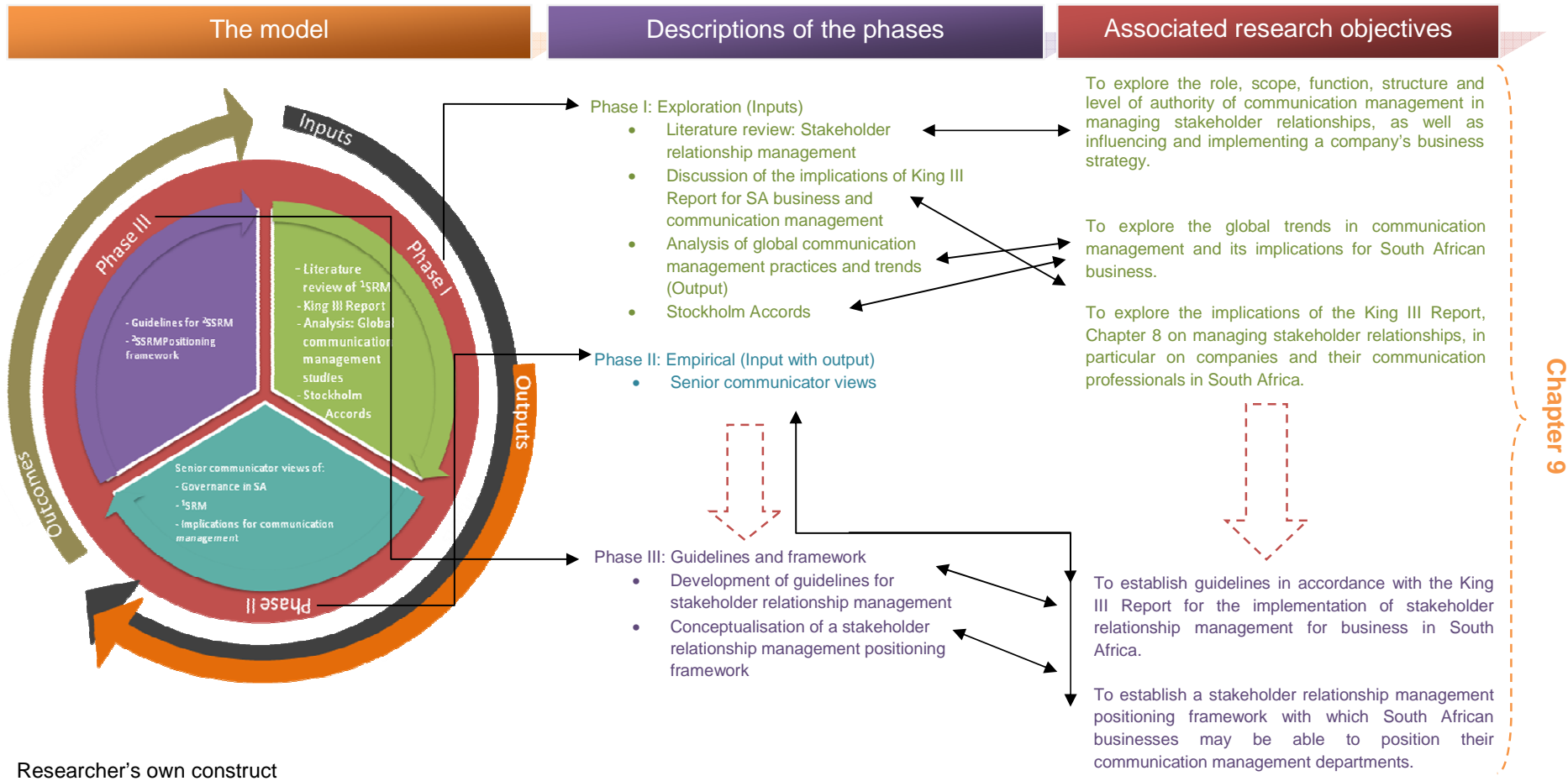
## 9.2 CONCLUSION OF FINDINGS RELATED TO RESEARCH OBJECTIVES

All research objectives were addressed and the outcome emanating from them (Phases I and II) was used to develop the guidelines for strategic stakeholder relationship management according to the King Report on Governance as well as the positioning framework for strategic stakeholder relationship management. The outcomes of the study comprise the discussion of the implication of Chapter 8 of the King III Report on Governance for communication management, the analysis of the global communication management studies, and the results from the senior communicator views on stakeholder relationship management. The guidelines and positioning framework are the outputs of this study. Both the outcomes and outputs are summarised in this chapter in section 9.2 in the order in which they are addressed per research objective.

For easy reference, the phases of the study in relation to this chapter are presented in Figure 9.1.

**Figure 9.1: The relationship between the phases model and the research objectives of this study related to Chapter 9**



| The model | Descriptions of the phases | Associated research objectives |

**Phase I: Exploration (Inputs)**
- Literature review: Stakeholder relationship management
- Discussion of the implications of King III Report for SA business and communication management
- Analysis of global communication management practices and trends (Output)
- Stockholm Accords

**Phase II: Empirical (Input with output)**
- Senior communicator views

**Phase III: Guidelines and framework**
- Development of guidelines for stakeholder relationship management
- Conceptualisation of a stakeholder relationship management positioning framework

To explore the role, scope, function, structure and level of authority of communication management in managing stakeholder relationships, as well as influencing and implementing a company's business strategy.

To explore the global trends in communication management and its implications for South African business.

To explore the implications of the King III Report, Chapter 8 on managing stakeholder relationships, in particular on companies and their communication professionals in South Africa.

To establish guidelines in accordance with the King III Report for the implementation of stakeholder relationship management for business in South Africa.

To establish a stakeholder relationship management positioning framework with which South African businesses may be able to position their communication management departments.

Researcher's own construct

**9.2.1 The role, scope, function, structure and level of authority of communication management in managing stakeholder relationships**

Research Objective 1 aimed to explore the current practice in communication management in South African business with regard to stakeholder relationship management both theoretically and empirically. The literature review provided in Chapters 2 and 3 provided the theoretical grounding for exploring the role, scope, function, structure and level of authority of communication management in managing stakeholder relationships among senior communicators in selected South African companies. Chapter 7 provided the empirical findings. A summary of these findings is outlined below.

*(i)    Communication management described (role, scope, function, structure)*

In South African businesses, communication management is defined as, the management (which includes messages and channels) and facilitation of communication (through leadership communication, communication integration throughout the organisation and through providing advice and support), with the use of research (pre- and post intervention implementation) at various levels of the organisation, driven by issues, through identifying stakeholders and managing relationships with these stakeholders, both internally and externally, with the aim of communicating business objectives and intent.

The functions mostly performed by South African communication professionals are internal communication, media relations and stakeholder engagement/relationship management/communication. Other functions performed are external communication, investor relationships, reputation management (which now includes risk communication/management),

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government and community relations and human resources. New functions noted include consumer communication, industry affairs, business development and systems, as well as sustainability communication.

Six key roles are identified, including stakeholder relationship management which involves engaging stakeholders, managing communication with stakeholders and establishing a stakeholder communication framework for the business. Strategy involvement and development involve improving business value and cost saving for the business, assisting in achieving business goals and developing strategy. This is done by acting as the conduit for business activities and encompasses communicating business strategy and aligning communication goals with strategic business goals. Reputation management requires growing goodwill among stakeholders, managing perceptions and relationships as well as media management. The advisory role implies the empowerment of staff in the business by improving their communication capability. It also includes creating awareness of the communication management function and the role it plays in the business. Crisis communication necessitates crisis avoidance and crisis communication if and when a crisis occurs. Overlap exists with the reputation management role in terms of media management as well as the stakeholder relationship management role, where, if communication with stakeholders is managed well, crises may be avoided. Finally, the message and channel management role entail developing communication strategy and the clarification and management of messages to ensure blockages for understanding are eliminated. It further involves identifying key messages, creating and identifying channels and managing these channels and mediums for optimum results. This may be achieved through integration of both the message and channel.

Integrated communication is regarded as message consistency and unity and coordinating communication management and marketing efforts. Integrated communication is optimised in a flat, task-matrix type organisational structure

where communication responsibility and accountability are shared throughout the company, supporting purposeful communication.

Effective leadership communication, especially that of the CEO is central to communication management effectiveness. The CEO should ideally drive stakeholder affairs and issues management, where issues management and stakeholder affairs are considered a risk for the company. Therefore, risk communication was noted as a new area of importance for communication management, previously only regarded as reputation risk. Risk communication is about neutralising risk through satisfying the information requirements among stakeholders. Efficient organisation of information around specific issues is important.

*(ii)     The legitimacy of communication management (authority)*

Sustainability, as a focus area of communication management, drives the authority of communication management in South African businesses. However, broad management skills and business knowledge are needed among communication professionals to enhance this authority. Sustainability, with its long-term focus, coupled with the necessary skills and knowledge is known as the strategic communication imperative. Organisational structure, the industry within the company operates, measurement, the personal reputation of senior communicators, the counselling role of communication management, as well as the role in the media and message management (ensuring the content is relevant) impacting reputation in companies, all influence the authority the function has within businesses. All these aspects contribute to the enhancement of the authority of communication management, except the counselling role played by senior communicators, which devalues the function.

The influence and impact of communication management is still diluted as it becomes less likely to be excellent and cannot contribute regularly to strategic

management and planning due to most communication management departments still reporting to a larger marketing department. However, most senior communicators that do not report directly to the CEO, have dotted-line reporting to their CEOs.

There are still some companies that do not acknowledge the need for communication management in their companies. However, changes in the environment, especially around legislation, are starting to influence these views in some companies. This legislation has the interest of employees and the consumer in mind, both of whom are strategic stakeholders for companies in South Africa. Those companies that do not see the need for communication management do not understand the value and importance of communication management. On the other hand, there are those companies that appreciate communication management. They view communication management as credible, integral to business success, playing a strategic role, managing issues, aligning messages and being proactive in terms of reputation management. This is also what is expected from communication professionals in some companies.

*(iii)     Requirements for communication management's contribution*

Communication professionals need to illustrate that this field is managed in a disciplined and structured way, aligned with company strategy. Areas of concern that hinder communication management's contribution to organisational success through strategic stakeholder relationship management, include a lack of CEO understanding, the marginalisation of the function, the functions' inability to operate at a strategic level, the limited access to the CEO and top management, company structure, the broad knowledge base expected from communicators, limited means to measure efforts and impact, and inconsistent standards in the field.

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### 9.2.2  King III, Chapter 8 implications for business and communication management in managing stakeholder relationships

The implications of Chapter 8 from King III for South African business and communication management in managing stakeholder relationships were discussed theoretically in Chapter 4 and explored empirically in Chapter 7. The empirical findings revolve around three main areas and are summarised in this section.

### (i)     Stakeholder relationships

Stakeholder relationship management in South African businesses are either proactive or reactive, or seen as similar to stakeholder engagement. The description of the reactive approach to stakeholder relationship management in South African businesses is similar to that outlined in the theory. However, the proactive approach described in the data, aligns to both the proactive and interactive approach to stakeholder relationship management.

Some participants defined their stakeholders around the way in which their stakeholders are identified. An overlap thus exists between defining and identifying stakeholders. Of concern is that some companies engage in little stakeholder talk or discussion, which results in their inability to define and identify their stakeholders. The result is little or no strategic, structured or planned engagement and relationship building initiatives. Those who do identify their stakeholders, are mostly aligned with the normative view of stakeholders, which considers the value and moral rights of stakeholders being affected by the behaviour of the organisation and highlights the rights and duties of the actors involved.

In the theory, various structured ways with which stakeholders can be identified are proposed (Falconi, 2009:[14]; Gregory, 2007:65; Rawlins, 2006:2; Grunig, 2005:778; Steyn & Puth, 2000:201; Mitchell et al., 1997:853;

Clarkson, 1995:107; Donaldson & Preston, 1995:66; Freeman, 1984:52; Grunig & Hunt; 1984:141). Some of these seem to be used in South African business to a more or lesser extent. The ones that could clearly be identified as being applied from the data are that of primary and secondary stakeholder identification by Clarkson (1995), and perhaps the situational theory of publics by Grunig (2005). Some approaches, not outlined in the theory, but mentioned by participants in the study, are those of stakeholder identification around the four (4) Cs (Client, colleague, channel and community), which could be useful in some business contexts. Of concern is that some South African businesses make use of intuition to identify stakeholders, or in some extreme cases, pay little attention to stakeholder identification and thus engagement and relationship building. A need for a comprehensive stakeholder relationship management framework emerged.

Stakeholder engagement is seen as inherent and integrated in the business. Mostly, it is seen as a process of identifying and understanding stakeholders, creating platforms or means to communicate with them and developing appropriate messaging. Some companies have an informal, unstructured approach to stakeholder engagement, while others make use of a stakeholder framework. The theory proposes a more formal, structured approach to stakeholder engagement as part of stakeholder relationship management.

Issues lead to crises and issues management is a disciplined approach. The company's position on an issue plays a role in resolving or avoiding the issue, which results in a research requirement which is a strategic consideration that impacts relationships and thus reputation. The theory suggests the disciplined management of issues which entails a process first categorising and then prioritising issues. This would typically be followed by identifying stakeholders associated with those issues prioritised. Although some senior communicators noted that issue identification precedes stakeholder identification, others noted that stakeholder identification precedes issue identification. The

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prioritisation of issues should revolve around corporate issues taking precedence over global and local issues.

The theory, although indirectly, notes that communication management should be involved in the process of issue identification and prioritisation as part of issues management and not only in managing media responses as mentioned by some senior communicators.

Senior communicators seem to understand reputation as the sum of the perceptions (in the form of company image) of stakeholders, over a period of time. Reputation management's components include corporate social responsibility, issues management and crisis management, although only issues and crises are highlighted by senior communicators. Communication management, with stakeholder perceptions and the management thereof at its core, is in a position to manage reputation for the benefit of the company. The company aspects stakeholders consider in forming an image about the company, and thus, ultimately, reputation, are financial performance, quality of management, social and environmental performance, employee quality and the quality of the goods/services provided. Thus, senior communicators should partner stakeholders and engage them through having a structured conversation with them.

Some confusion seems to exist among senior communicators with regard to the strategies to handling conflict resolution and crisis management, as well as who needs to drive/take responsibility for conflict resolution and crisis communication. Senior communicators do understand though that conflict and crisis are caused by issues. In the theory, various approaches as well as strategies for handling conflict are provided, which include the integrative, distributive and dual-concern approaches. The strategies for handling conflict resolution include contending, avoiding, accommodating, compromising, constructive and win-win/no deal approaches.

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In South African businesses, conflict resolution is handled either by the legal department, the risk department, top management, communication management, or a combination of some of these departments. A combination of the legal and risk department, of the legal and communication management department, and of communication management and top management was reported. The theory does not stipulate which department should drive/take responsibility for conflict resolution and crisis management. However, it does stipulate that communication management has a role to play in terms of assisting in understanding the organisation's stakeholders, assessing the vulnerabilities of the organisation, conducting environmental scanning research and issues management, as well as designating a crisis management team and conducting training activities including mock crisis drills/simulations (Hagan, 2007:423-433).

Senior communicators view conflict resolution and crisis communication as similar. However, the theory indicates different approaches to handling crisis communication. These include being quick, being consistent and being open. In other words, transparency is important. Further strategies in dealing with crisis communication include corporate apologia, corporate impression management and image restoration in cases where the image and reputation have been damaged.

*(ii)    Understanding of corporate governance*

South African businesses view corporate governance as good corporate leadership and strategy development ensuring value for the company and transparency in its activities. The theory further outlines that corporate governance is also about having a long-term vision of performance, resource allocation and making a contribution to knowledge, expertise and information. It is also about the structures and systems that provide a framework for the sustainable management of a company.

There is awareness among South African businesses that CSR is part of doing business and not merely meeting a legal requirement. The realisation is that it forms part of being a good corporate citizen, as outlined by Goodman (2001:118) and can contribute to the competitiveness and reputation of a company.  An aspect, not expressed by any of the senior communicators, is that CSR forms part of communication management as it relates to stakeholder engagement and empowerment (Novelli, 2008:269). Steyn (2003:179) argues that CSR has moved beyond the ethical responsibilities towards society where companies are more responsive and identify the stakeholder issues to which their responsibilities are linked. The definition of who these stakeholders are, is shifting to include those who themselves think they are stakeholders. Finally, the analysis of societal issues and trends is important, because the values and beliefs of key stakeholders are derived from broader societal influences.

South African senior communicators regard sustainability as top management having a long-term vision, with value for both the company and stakeholders in mind, through a culture of accountability and ethics. It needs to consider the unique industry context of a particular company and balance issues around what is relevant to the business.

A matter raised by senior communicators, not explicitly stated in the theory is that communication management contributes to sustainability as it should be integrated into the strategy. Communicators need to take cognisance of the fact that sustainability may give a company a value proposition and competitive edge. Practically, a system to record engagements with stakeholders is needed.

The understanding of corporate citizenship among senior communicators seems fairly limited as only a few views are recorded. These views revolve around citizenship impacting perceptions, credibility and reputation. Some participants acknowledge that it is still a work in process and note the

importance of research. The theory provides a more comprehensive view of citizenship, outlining seven (7) dimensions being how citizenship is defined in a company, the strategic intent of the company, leadership and support towards citizenship, the influence of structure on how citizenship is managed, how citizenship issues are handled, the way stakeholders are engaged, and the extent to which the company's communication is transparent around its financial, social and environmental performance.

*(iii)     King III Chapter 8's implications*

From the theory, the implication of King III, Chapter 8 for communication management in South African businesses, is to proactively inform management of stakeholder views and how these impact the reputation and business. Knowledge of stakeholders and ways to reach them are imperative. Communication management, with this knowledge of stakeholders, is able to align company strategy and stakeholder expectations with each other. Other implications noted by senior communicators are that communication management needs to be proactive in communicating the position of the business, consolidate stakeholder relationship management initiatives undertaken throughout the business, illustrate the structure and systematic approach to communication management, challenge business to address communication issues and raise the awareness of the function as well as eliminate the silos in which some companies operate.

The three levels of strategic communication integration, where communication management contributes to organisational success and sustainability, include the organisational, stakeholder and environmental levels. These levels seem to, although not explicitly stated, exist in the participant organisations. At the organisational level, communication management assists the company to build its reputation, to break down silos that hinder integration in the organisation, help the company make its voice heard and provide some strategic guidance. At the stakeholder level, communication management

helps the company understand, and manage the perceptions, relationships and information to and from stakeholders which implies a two-way flow of communication. At the environmental level, communication management engages in research and monitors the environment to help the company identify and manage risks and deal with issues associated with its strategic stakeholders.

South African senior communicators, mostly use a deliberate communication strategy to contribute to business effectiveness. This strategy is based on stakeholders, is holistic in nature and provides checkpoints to companies to determine if they are communicating appropriately with their stakeholders. Stakeholder identification and audience segmentation are involved in the development of communication strategy impacting which platforms to invest in. Finally, specific messages are tailored for specific stakeholders.

An area not highlighted by the participants of this study, is the strategic alignment of communication strategy with the strategic goals of the company, as outlined in the theory. Steyn (2007:140) argues that the strategic mandate of communication management includes not only the development of communication strategy and plans, but also the counselling of business leaders/managers/supervisors on their communication role towards employees, as well as managing the activities of a support function. These activities include developing, implementing and evaluating communication plans in support of strategies developed at different business levels, developing, implementing and evaluating communication plans in support of the strategies of other business functions, and developing, implementing and evaluating communication plans in support of the top management's communication to employees and other stakeholders.

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### 9.2.3  Global practices and trends in communication management and the Stockholm Accords

Research Objective 3 focussed on the global trends in communication management, which 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. The challenge in this regard was linking communication management actions with organisational strategy. The subfields of internal and change communication grew, as well as the area of CSR. The latter was also seen as the greatest challenge. 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 in this regard were information overload, stakeholder fragmentation and stakeholder preferences for interactive communication taking place in personal settings.

The overwhelming role of communication management was defined as managing the image and reputation of the organisation as well as counselling the CEO. 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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Reputation was seen as a key driver for 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. 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.

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

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

The similarities found between the global studies analysis, the Stockholm Accords and Chapter 8 of the King III Report 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 co-ordination or integration ensuring these practices are proactive.

### 9.2.4 Guidelines for strategic stakeholder relationship management (SSRM)

Research Objective 4 set out to propose guidelines for stakeholder relationship management according to the King III Report on Governance. Based on Phases I and II of the study, nine (9) broad guidelines are

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recommended. Each of these was discussed in detail in Chapter 8. The nine guidelines include:

1. Stakeholder relationship management is strategic and encompasses both stakeholder engagement and the governing of stakeholder relationships.

2. Strategic stakeholder relationship management (SSRM) requires strategic, integrated communication at the organisational, stakeholder and environmental levels of the organisation.

3. Strategic stakeholder relationship management and governance require the utilisation of a strategic stakeholder relationship management and communication framework to identify, prioritise, communicate and build relationships with stakeholders.

4. Strategic stakeholder relationship management requires a carefully crafted communication strategy aligned with and influencing business strategy.

5. Strategic stakeholder relationship management requires the CEO, top management/dominant coalition communication, as well as knowledge and understanding of the considerations and challenges of stakeholders and how it impacts reputation.

6. Strategic stakeholder relationship management requires structured and effective issues management.

7. Strategic stakeholder relationship management requires structured and effective crisis communication approaches to assist in conflict resolution.

8. Strategic stakeholder relationship management requires the strategic, structured, disciplined and systematic management of communication throughout the organisation, as well as the communication management function/department.

9. Strategic stakeholder relationship management is enhanced through the empowerment of the communication management function, assigning decision-making responsibility and accountability to the

communication management function, and having a supportive organisational culture and structure.

Each of these guidelines has detailed descriptions provided in Chapter 8, where Guideline 3 includes a comprehensive strategic stakeholder relationship management framework and Guideline 4 a strategic stakeholder relationship management process.

### 9.2.5 Strategic stakeholder relationship management positioning framework

A strategic stakeholder relationship management positioning framework outlines the extent to which South African companies perceive their stakeholders to care about their proactive stakeholder relationship management practices and their level of communication management involvement in this process.

Companies representing the real estate holding and development and distillers and Vintners industries perceive themselves as companies whose stakeholders prefer a proactive approach to building and maintaining relationships with stakeholders, but do not care about the level of involvement from communication management, while those representing the wireless telecom services, the hospital management and long-term care, broad line retailers, paper, the building and construction materials and the accounting and consulting services industries perceive themselves as companies to whose stakeholders both a proactive approach to building and maintaining relationships with stakeholders and level of involvement of communication management matter to a more or lesser extent. One company representing the household appliances and consumer electronics industry perceives itself as a company to whose stakeholders a proactive approach to building and maintaining stakeholder relationships does not matter, and neither does the level of involvement of communication management.

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## 9.3 CONTRIBUTION OF THE STUDY

This study contributes to both corporate governance and sustainability through outlining nine guidelines for communication professionals to assist their companies in the strategic management of stakeholder relationships. The term strategic stakeholder relationship management is a direct outcome of this study and may be abbreviated with SSRM. As part of the nine guidelines, a strategic stakeholder relationship management framework and process is proposed, as well as practical guidelines to improve stakeholder relationship management as stipulated in Chapter 8 of King III.

Important aspects for consideration for further development in the field of communication management, such as areas that professionals need to focus on more intently as well as future research areas were identified. A deeper understanding is gained of how the practice of communication management has shifted, considering the changing environment within which organisations find themselves. Having guidelines for managing stakeholder relationship management according to the King III Report on Governance is rare and thus makes a significant contribution to both the body of knowledge of communication management and the practice of this field. An extension of the guidelines is the positioning framework a company can use to assist them to benchmark themselves against other companies with regard to how their communication professionals are assisting them in managing stakeholder relationships.

The contribution that communication professionals can add as a value-adding strategic function in the organisation is outlined, specifically around strategic relationship management confirmed as a subfield of communication management.

Communication professionals, gaining a greater understanding of Chapter 8 of the King III Report, as well as the implications of this report for communication management, provide the field and profession with a further call to action than the Stockholm Accords in order to illustrate its value through the strategic communication with and management of stakeholder relationships. Although this may not directly lead to the enhanced professional status of communication management in South Africa, it provides further substantiation and a concrete underpinning upon which a case for professionalisation can be built.

## 9.4    CONCLUDING REMARKS

Globally, corporate governance has attracted the attention of businesses and their leadership due to the escalating number of financial crises companies have experienced since as early as the 18th century. A number of efforts to ensure improved governance have been introduced. Some have had greater impact than others. In South Africa, the King Reports, especially the King III Report which came into effect in March 2010, has assisted companies to become more transparent in their practices. One focus area, particularly relevant to this study, is Chapter 8 of the King III Report, which deals with the governing of stakeholder relationships. Stakeholders have growing power through their increased access to information. This creates stakeholder expectations and companies have to align corporate behaviour with these expectations. This, coupled with the information requirement is not being satisfied by many companies. Communication management focusses on building relationships with stakeholders through dialogue in a bid to improve the quality of decision-making in the company. This function addresses this information need as well the managing of expectations through relationship building and is thus the missing link in the governing of stakeholder relationships, outlined in the King III Report and corporate governance.

A need has emerged to ensure the improved management of stakeholder relationships. Chapter 8 of the King III Report outlines a number of principles that the board of directors of companies should acquaint themselves with, but do to provide practical guidelines on how to go about managing these relationships. For this reason, this study focussed on guidelines for the implementation of stakeholder relationship management according to the principles outlined in the King Code of Governance for South Africa. More specifically, it outlined the global trends in communication management and its implications for South African businesses, the role, scope, function, structure and level of authority of communication management in managing stakeholder relationships, as well as influencing and implementing strategy (including strategic communication) within businesses in South Africa, as this influences the function's ability to contribute to the companies' relationship building abilities. It further outlined the implications of the King III Report and Chapter 8 on governing stakeholder relationships, in particular on companies and their communication professionals in South Africa. As an outcome, the focus of this study was the establishment of guidelines in accordance with the King III Report for the implementation of strategic stakeholder relationship management for business in South Africa. In addition, a strategic stakeholder relationship management positioning framework was suggested with which South African businesses may be able to position themselves.

This study has its roots in the systems theory, particularly the adaptive approach associated with an open system. This implies that businesses realise that the main responsibility of engaging in activities designed to primarily increase profits has become outdated, with the business shifting its focus to communication and interaction. It also enables communication management to fulfil a management role focussed on two-way symmetrical communication. This means that businesses are as open to changes as their stakeholders are because of the communication dialogue that takes place. Feedback forms a critical element in the dialogue especially around relationship building. Furthermore, this study is approached from an

excellence and reflective worldview. Excellence in communication management is rooted in business valuing the input of all people, the autonomy of employees, the emphasis on innovation, and the commitment to eliminate negative consequences of business actions. Two-way symmetrical communication is the foundation of the excellence worldview. Reflectivity refers to a certain group of tasks of professionals and the way in which communication management is viewed. The tasks relate to the adjustment of corporate decision-making processes to the norms and values of society, while the view of communication management revolves around a business' legitimisation within society.

Exploring the role, scope, function, structure and level of authority of communication management in managing stakeholder relationships as well as influencing and implementing strategy (including strategic communication) within business in South Africa, it was revealed that stakeholder relationship management is practised in different ways in South African businesses. However, a more proactive, structured and systematic/scientific approach is needed in order to meet the requirements outlined in the King III Report, Chapter 8, and to use stakeholder relationship management as a strategic tool to enhance company reputation. For communication management to contribute to this approach, it needs to focus on the role of stakeholder relationship management, strategic involvement and development, reputation management, an advisory role, crisis communication as well as message and channel management.

The global trends in communication management include the increased responsibility of communication management in linking communication 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 CSR as well as corporate governance. Internal and

change communication (and in some instances crisis communication) emerged as growing areas of communication management.

The guidelines proposed to assist companies and communication management as a function to improve their effectiveness and value creation abilities, include the cognisance that stakeholder relationship management is strategic in nature and is influenced by issues management and conflict resolution as well as crisis communication. In turn, these impact reputation management, which should be a key consideration of top management. For companies to understand the extent to which they need to apply the guidelines proposed, a positioning framework is presented where they are able to determine their level of strategic stakeholder relationship management practices and the extent to which communication management plays a role therein.

## 9.5   RECOMMENDATIONS FOR FUTURE RESEARCH

Three main areas of future research are identified:
- Firstly, the proposed guidelines and positioning framework could be tested in different industries and companies of different sizes to determine their relevance, applicability and usability, which could provide the opportunity to refine the guidelines and framework.
- Secondly, the study could be repeated among non-profit organisations, NGOs and government departments, as the King III Report and its principles are intended for these types of organisations as well.
- Finally, the relevance, applicability and usability of the guidelines can be determined globally in companies that have to abide by different corporate governance rules and/or principles.

## 9.6 LIMITATIONS OF THE STUDY

The limitations related to this study include:

- The limited understanding of some participants of the true nature of communication management, as well as the limited understanding of some participants of Chapter 8 of King III and how it impacts South African businesses.

- Furthermore, during the sampling process, finding suitable participants in the three geographic areas proved to be difficult. In the Johannesburg/Tshwane region, a number of companies met the requirements set out in the sampling plan, but many were reluctant to participate due to the sensitive nature of corporate governance in South Africa. In the Cape Town and surrounds region, a similar scenario existed, while in the Durban region many companies did not meet the requirements. It seemed as if many companies in this region either did not have a communication management department or did not practise communication management.