

■ CHAPTER ONE ■

THE PROBLEM AND ITS SETTING

1. THE TITLE

This thesis is titled:

The application of informal feedback intervention as a communication management tool in learning organisations.

1.1. THE PROBLEM AND ITS SETTING

This research establishes the scene of the problem by sketching the broader background, influences and complexities related to the field of study. This study and its research have as a broader objective, the addition of further information to the existing knowledge base of the notion of feedback, informal feedback and feedback intervention. The role and place of informal feedback intervention as a communication management tool and as a learning agent within the broader concept of learning organisations, will also be investigated.

1.2. THE CONCEPTUALISATION OF COMMUNICATION MANAGEMENT AS A STRATEGIC MANAGEMENT FUNCTION

According to Radford and Goldstein (2002:253), corporate communicators are increasingly required to have experience across the various communication disciplines. Managers must know how to develop strategies that can influence outcomes and affect results. Organisations increasingly realise the importance of a unified approach to the communication function. The role of corporate communicators has changed in such way that they must see themselves nowadays as *catalysts of change*.

Modern communication management is of a strategic nature, it enhances the goals of the organisation, helps to shape corporate strategy and leads the process of creating brand identity and reputation management.

Radford and Goldstein (2002:255) state that communication management has become a knowledge-based profession where the lines between corporate communication and public affairs disciplines have converged. Media relations, issues management and other disciplines are more closely integrated to ensure clear, consistent and constant emphasis on key messages in the organisation.

Steyn and Puth (2000:17) state that strategic management principles apply to corporate communication in the following important ways:

- The senior communication practitioner is involved in the strategic management of the organisation by surveying the environment, helping to define the organisation's mission and goals and developing problem-solving strategies for the organisation.
- Secondly, the corporate communication department manages its own programmes strategically by aligning communication goals with the organisation's mission and thereby integrating and coordinating its work with that of the organisation.

If the corporate communication department is founded on the two-way symmetrical communication model, negotiation and compromise are used to solve conflict between the organisation and its stakeholders. "Win-win solutions" are therefore developed and corporate communication practitioners act as advocates for stakeholders and in the interests of publics in strategic decision-making (Dozier *et al.* 1995: 11-17). The establishment and maintenance of mutually dependant relationships between an organisation and the stakeholders with which it interacts, is core to corporate communication management (Cutlip, Center and Broom, In: Grunig 1992:71).

1.3. THE PROBLEM STATEMENT

Change, and the proper management thereof, is a major challenge for organisations and managers in the new millennium. Organisations have no option but to operate and exist openly and in harmony with their environment and the stakeholder demands and forces that operate in the internal and external environment.

Communication feedback as an element of communication, is commonly absent from earlier theoretical communication models (Van Schoor 1982:33,34). At other times it is almost mentioned purely by chance in these models.

However, communication feedback and the role it plays in establishing proper dialogue (and therefore communication in the true sense of the word) is emphasised by other theorists in later communication models such as Maletzke's mass communication model , and Van Schoor's analytical communication model (1982:35).

In communication management, as a strategic management function, writers and researchers emphasise the role of communication feedback. For example in the two-directional symmetrical model, described by Grunig (1992), the role of *feedback* and *mutual adaptation* plays a vital role. Communication feedback contains information. In our current information age, it is often believed that information is power and that those who have information at their fingertips are more powerful than the rest.

The collection of communication feedback (hereafter called *feedback*) is mainly seen as an *intentional* and *formal* research process that is initiated by organisations themselves. In this sense much has been written about formal (and even informal research) in the form of surveys, environmental scanning etcetera, by means of quantitative and qualitative research methods.

However, in most of these feedback initiatives the organisation itself plays an *active*, *solicitant* and *intentional* role. Little research has been done on informal, unintentional and sometimes even almost accidental *casual* communication feedback at the corporate level, which enters the organisation incidentally via media such as the telephone, e-mail, fax, through internet services, such as internet chat rooms, messages in the media (for example, comments and letters) and even from the organisational grapevine in the form of rumours and gossip (informal communication). This kind of feedback can also be described as unsolicited or passively solicited feedback.

The essence of the problem stated by the researcher in this study is that informal communication feedback of a corporate nature is largely ignored in organisations despite the fact that it could provide relevant and potentially strategic information. According to Nystrom and Starbuck (In: Starley *et al.* 2004), research shows that people, including top managers, tend to ignore warnings of trouble and interpret nearly all messages as confirmation of the correctness of their beliefs. They blame dissents on ignorance or bad intentions.

This research study will ultimately attempt to suggest methods of collecting, sorting and evaluating informal feedback input more easily in order to determine its potential impact and outcome on corporate communication strategy. The role and possible strategic implications, as well as timely interventions of such feedback, need to be investigated.

1.3.1. Formal communication feedback

For purposes of this investigation, formal communication feedback is described as all communication feedback that is collected by means of intentional actions and formal research processes initiated by the corporate communication and marketing sections of organisations. This formal communication feedback may include surveys and formal environmental scanning as well as other quantitative and qualitative research methods that obtain feedback from customers and other interest groups.

1.3.2. Informal communication feedback intervention

Informal feedback intervention is described as the management process by which all informal feedback input is collected, sorted, grouped, evaluated and described according to applied and relevant impact on strategy. The intervention lies in the impact and outcome it causes – that is adaptation of the organisation's strategy and change of course.

For purposes of this study, *informal feedback* is regarded as all communication feedback into the system (the organisation) that happens spontaneously and is unsolicited. In other words, communication feedback that is delivered by individual members or stakeholders without the organisation making a formal effort to collect it.

Obviously organisations should invest in setting the table for stakeholder groups to easily provide this kind of feedback, as already stated. A favourable environment should always be created to receive any kind of feedback from stakeholder groups by the learning organisation. Informal feedback intervention differs from environmental scanning and other formal research endeavours in the sense that it is not pursued as actively by the organisation. Although the organisation should make an effort to provide proper channels for informal feedback from stakeholders and should even stimulate such feedback, it could be seen as a more passive or indirect process.

Informal feedback is generally regarded as unimportant and is often not measured or even captured in some kind of system. Informal feedback can either be received from internal stakeholders (for example, staff or even management) or from external stakeholders (for example, environmental and activist groups, clients, political groups or individual shareholders).

The researcher regards feedback, and more so informal feedback, in its various forms and applications as a daunting aspect of communication management if regularly captured and evaluated. An ongoing process of daily feedback capturing and analysis tends to be neglected because of its monotonous nature and perceived useless nature. However, general feedback, the ongoing management of the feedback process and the scientific analysis thereof could form part of an important input system for learning organisations.

The meta theoretical background of the systems approach, systems thinking and the general systems theory, as well as the management notion of *the learning organisation*, form foundations for exploring the relevance and application of the concept of informal feedback intervention. A synthesis of the chaos, post-modern, contingency, autopoiesis and complexity approaches will be used as the theoretical departure for this study.

The general research problem

This study will aim to prove that informal communication feedback could be regarded as just as important role as formal communication feedback in the communication management strategies of organisations, learning organisations in particular. Therefore, the relevance of informal feedback in aspiring learning organisations will be investigated and will be applied to the learning organisation environment. The specific role and use of the organisational grapevine, organisational rumour and gossip (internal and external), as kinds of informal communication feedback should also be investigated.

Sub-problem one

To determine the current perceived importance and impact assessment of informal feedback in the investigated learning organisations.

Sub-problem two

To determine the application of informal feedback intervention as a communication management tool as well as possible methods of obtaining and keeping track of numerous informal feedback inputs.

1.4. RESEARCH QUESTIONS

The following research questions will be investigated:

- Research question one:** Is informal communication feedback considered and viewed as relevant and of potential strategic importance to the identified *Best Companies to Work for in South Africa* (inspiring learning organisations)?
- Research question two:** What views, media and methods currently prevail in the investigated learning organisations with regard to provision made for informal communication feedback opportunities?
- Research question three:** How do organisations utilise the internet as a useful and accessible way of providing stakeholders with opportunities for informal feedback input?
- Research question four:** How can informal feedback inputs best be collected and organised and how can informal feedback intervention be integrated into a corporate communication strategy?
- Research question five:** How can we logically differentiate between and organise informal feedback inputs with regard to its level of impact on corporate strategy?
- Research question six:** What role do the grapevine, rumours and gossip play as forms of informal communication feedback in inspiring learning organisations?
- Research question seven:** What role do relationship-building strategies play in the cultivation of informal feedback opportunities?

1.5. RESEARCH OBJECTIVES

Research objective one:

To contribute to informal feedback research and knowledge by examining and describing the current existence and applications of informal feedback intervention in the *South Africa's Best Companies to Work for in 2004* list as identified by The Corporate Research Foundation (CRF).

Research objective two:

To determine how informal feedback intervention can best be applied and integrated into the corporate communication strategy of learning organisations.

Research objective three:

To determine how informal feedback intervention should ideally be conducted and how it can contribute to the integrated sustainability of the organisation.

Research objective four:

To determine what contribution the communication strategist can make to the informal feedback intervention process.

Research objective five:

To determine how the *Informal Feedback Intervention Wheel* as a framework can be applied and tested in a case study with a South African company.

1.6. DEFINITION OF TERMS

The various terms described in this research will be briefly discussed in this section.

1.6.1. Public relations and communication management

For purposes of this study communication is regarded as all human communication and public relations activities. Similar to Grunig (1992:4), the terms public relations and communication management (as well as corporate communication) are regarded as equal. The term *communication management* will mainly be used in this study.

The theoretical foundation of communication, public relations and corporate communication management will be explored in order to provide a theoretical background for the rest of this study. This study will investigate the meta theoretical perspective of the systems approach and the application thereof on communication management and the role of feedback intervention as a communication management strategy. The relationship of systems theory and the systems approach in learning organisations will also receive attention.

1.6.2. Corporate communication research

Du Plooy (2002:15) mentions that we live in an age where most of the work force is engaged in either the production or the processing of information. It is therefore not unusual that communication research finds application in a variety of settings. Every research tradition is characterised by assumptions that can be applied to quantitative versus qualitative approaches to communication research.

Quantitative research approach

This kind of research is often also called positivist or empirical research. Some of the general assumptions that guide researchers who apply quantitative research are:

- An objective and value-free reality exists that can be researched (ontology);
- Communication, as part of the social world, can be objectively measured (ontology and methodology);
- The research process is essentially based on deductive reasoning (theory);
- Reality can be explained in terms of generalisations or universally valid laws (epistemology);
- Empirical observations, experience and/or experiments are the only source of real knowledge;
- Methods that are objective can be developed to study reality;

- Hypotheses formulated about the nature of this reality can be accepted or rejected, based on (objective) findings;
- Hypotheses can be used to predict and control that which is being studied;
- Observations can be measured in quantitative terms.

Qualitative research approach

On the other hand, some of the general assumptions that guide researchers who apply qualitative research are:

- Reality is subjective (ontology);
- Insights into communication, as part of the social world, can be derived from the subjects' perspective (ontology and methodology);
- The research process is essentially based on inductive reasoning, which is used to understand patterns in observation (theory);
- Reality can be described in terms of meanings that people attach to communication experience (epistemology);
- Multiple sources of knowledge exist (values, experiences, cultures) and can be used to explore, interpret and understand a subjective world;
- Qualitative themes and categories can be developed as methods to explore and describe meaning to communication in particular contexts;
- Research questions can guide the types of observations to be made, in order to understand a communication phenomenon;
- Observations can be analysed thematically and holistically within contexts that consist of interrelationships. (Du Plooy 2002:29-34).

Du Plooy (2002:38) argues that the qualitative approach to communication research should not be viewed as an alternative to the quantitative approach, but should rather be treated as a complementary approach. Future communication research should continue to combine both approaches. According to this writer such an approach should also make provision for a process of collective reflection. These are the shared and communal perceptions and experiences by which researchers contribute to social transformations and development.

According to Broom and Dozier (1990:9), the primary function of public relations has to do

with policy formulation. The principle role of public relations practitioners in organisations is to act as listeners for which they use research is a tool. Communication research helps managers to understand communication problems or situations and what potential solutions there are or against what they can be benchmarked. Research provides the detailed information needed to precisely define the existing internal and external aspects of the organisation's environment.

1.6.3. The learning organisation

The essence of learning organisations is particularly well summarised by Henderson and McAdam (2003:774) as follows:

“A learning organisation actively seeks to move knowledge from one part of the organisation to another to ensure that relevant knowledge finds its way to organisational units that need it. Learning organisations spend a lot of time looking outside their own boundaries for knowledge”.

“A learning organisation is one which improves its knowledge and understanding of itself and its environment over time, by facilitating and making use of the learning of individual members” (Thurbin 1994:7).

1.7. RESEARCH METHODOLOGY

This study will follow a two-part research design. The first part is an exploratory literature review of the concepts and nature of the study. The key concepts and problems are pinpointed and discussed. The key notions of feedback, communication strategy and the learning organisation are discussed at length. This is underscored by the meta theoretical foundation of the systems approach and other relevant theories.

The second part is a formal study with both exploratory and descriptive characteristics. Exploratory objectives explore an unknown area of research that can obtain new insights as part of a pre-test or pilot study.

It can identify key concepts or key stakeholders, prioritise social needs, identify consequences of communication problems, develop hypotheses, confirm assumptions, or become familiar with unknown situations, conditions, policies and behaviours. Descriptive objectives, on the other hand, describe the characteristics of a phenomena or relations between different variables as accurately as possible (Du Plooy 2002:48). As informal feedback intervention as a field of study is relatively unique, the phenomena should be explored and key concepts identified, described and characterised.

The dual nature of this study is further characterised by its overall goal that can be described as having elements of both *basic communication research* (investigating and developing theories that expand the knowledge base of communication as a science) as well as *applied communication research* (investigating practical issues and/or finding solutions) (Du Plooy 2002:48).

This study is further divided into three qualitative investigations:

- A content analysis of 55 corporate websites of identified top South African organisations,
- A questionnaire, sent to the same 55 organisations as mentioned above, and
- A case study of the experience of a South African company.

The assumption (a principle assumed to be true for the purpose of developing theory) (Du Plooy 2002:54) is made that all of these organisations will demonstrate elements of striving learning organisations.

1.8. RESEARCH DESIGN

The research methodology in this study will be of a triangulationary nature. This means that more than one data-collection method will be used to obtain data and these methods will possibly refer to multiple sources of information. Triangulation may result in the combination of both quantitative and qualitative research approaches being used to test theoretical assumptions in more than one way and to increase the reliability and validity of findings (Du Plooy 2002:39-40). However, this study is entirely of qualitative nature.

The research design includes the unit of analysis, the prospective time frame as well as the population and sampling. This study's data collection process will be conducted by means of three research methods.

A framework, which is subsequently developed, will be applied in a case study (research method three) of an anonymous major South African company called *Company X*.

Research method one:

Content analysis as a qualitative research method was used to evaluate the corporate websites of the *top ten companies* as well as another 45 identified *Best Companies to Work For in 2004* with regard to their provision of opportunities for informal feedback via their corporate websites. This will include an analysis of the methods offered, the terminology and design used, the number of opportunities offered as well as the accessibility of feedback possibilities for any interested stakeholder member. The results of this content analysis are presented in the form of a comparative matrix.

Research method two:

The above-mentioned qualitative research method is supported by a research questionnaire that provides qualitative comparative data obtained from the corporate communication managers of the same sample of companies. This research method will be divided into two phases:

During phase one the data collection instrument (the questionnaire) was developed and pre-tested to ensure its validity and suitability to collect the required data. Hereafter the data collection procedure was subjected to pilot testing with ten communication managers who do not belong to the research population.

Phase two entails the actual collection of the data. This research is seen as more descriptive in nature because it attempts to measure frequencies, and make predictions based on stated hypotheses. However, it is also exploratory because it attempts to explain phenomena. It may discover and define operational phenomena that will form the basis of future studies (Maier 1992:98).

Research method three:

A framework that aims to systemise the informal feedback intervention process – *The Multi-Layer Informal Feedback Intervention Wheel* – is proposed later in this study. This framework aims to eventually assist in providing intervention suggestions (feedback interventions) to management.

The proposed framework – *The Multi-Layer Informal Feedback Intervention Wheel* – will be applied in a case study to a major South African organisation. The organisation will remain anonymous and will be called *Company X*. *Company X* chose to be anonymous because of the current sensitive phase of the industry in South Africa.

1.8.1. Unit of analysis

According to Cooper and Emory (1994:114), the unit of analysis is the person or object from whom the researcher collects data. According to Du Plooy (2002:53), the unit of analysis can involve individuals or can consist of groups of people. Such data can only describe that specific unit, but when combined with similar data collected from a group or similar units, it can provide an accurate picture of the group to which that unit belongs.

In this study the unit of analysis is all organisations (groups of people) identified by the CRF as the *Best Companies to Work for in 2004*. Corporate communication managers or marketing managers of all these companies were targeted to complete the questionnaire. All the identified organisations' websites were also subjected to content analysis in order to evaluate their "readiness", accessibility and potential to receive informal feedback.

Lastly, a case study describes the experience of an organisation where *The Multi-Layer Informal Feedback Intervention Wheel* was applied.

1.8.2. Time frame

- The research data for research method one (content analysis of websites) was first collected towards the end of 2003 until early 2004. This was repeated during November/December 2004 and the two batches were then compared.

- The data for research method two (questionnaire) was collected during the second half of 2004.
- The case study (research method three) was conducted between November 2004 and March 2005.

1.8.3. Sampling

No sample was drawn during this research study, as the entire population (all organisations previously identified as Best Companies to Work for) is included in the research. A population is the total collection of elements about which one wishes to make some inferences. The census (a count of all the elements of the population) of this study is as follows:

- Research method one = 55 websites targeted (top 10 companies + 45 others)
- Research method two = 54 organisations targeted (top 10 companies + 44 others) (Excel Petroleum Company was taken over by Sasol, which is not included in the top list of companies to work for in 2004).
- Research method three = Applied to one anonymous organisation called *Company X*.

As originally described in the book *The Best Companies to Work for in 2004*, (Büttner-Rohwer 2003) the top 10 companies rated by the CRF will be dealt with separately from the other 45 companies that also made the list in this annual publication.

A panel of senior journalists, academics and associates from the CRF research team selected the *South African Top Ten Employers* according to a set of stringent selection criteria. Although a few of the *top ten companies* were unable to participate in the interview and writing process, the CRF included their profiles to give a general impression and overview of their business strategies and corporate cultures (Büttner-Rohwer 2003:2).

1.8.4. Piloting and re-design

This important part of the research process helps the researcher to develop the most suitable research instrument. As stated above, the research data of research method one (content analysis of websites) was compiled twice in order for comparison to be made and to

determine whether organisations improve their informal feedback offering over a period of ten

months.

The questionnaire used for research method two was evaluated during a pilot study among ten similar respondents. These respondents were not included in the final sample. Several changes were made before it was sent to the respondents via e-mail.

The researcher developed the *Informal Feedback Intervention Framework* during the first half of 2004 with the intention to test it in a case study later on. It became clear during the early stages of the case study that the framework needed to be revisited and simplified in order to make it more streamlined. The document scores derived from the four stages of the framework were subsequently reduced from six to four.

1.8.5. The report

A full report of the research findings is compiled in Chapter Five of this study. This chapter contains the interpretation of the data produced, with its implications for communication management and communication management strategy in particular. Chapter Six draws up conclusions and recommendations based on the findings discussed in Chapter Five.

1.9. DELIMITATIONS OF THE STUDY

Although this study departs with a broader description of general feedback and formal research as a method of obtaining feedback results, it is not the fundamental purpose of this study. Much of the reviewed literature describes *customer feedback* in the sense of feedback concerning particular products and services. Although informal customer feedback in this sense is not excluded from this study, the research study focuses on informal feedback intervention as a corporate communication management tool. The focus of the informal feedback discussed, is therefore generally of a broader corporate nature and involves all stakeholders of the organisation.

This study aims to describe the notion of informal feedback intervention as a communication management tool in all its facets. Relevant subjects such as knowledge management, environmental scanning, gainsharing and the chaos, post-modern, contingency and complexity theories are also investigated.

This is not meant to be an all-inclusive description of the subjects and theories but merely

serves as a relevant background against which to investigate the real subject of study.

Although the above is seen as very relevant to the South African business community and representative of at least the bulk of most aspiring learning organisations (the best to work for) the researcher relies on the CRF's selection criteria in order to define the population of this research. The population is therefore restricted to 54 specific organisations and is by no means representative of all South African (learning) organisations and the findings of this study are therefore also not representative of all South African organisations. These findings will merely serve as an indication of the general trends regarding informal feedback intervention in some of the 'better-managed' organisations in South Africa.

Although the publication (*Best Companies to Work For in 2004*) as well as the criteria used by the panel of researchers concentrated on human resources aspects and criteria such as employer attributes, recruitment and selection strategies, career development, human capital metrics, and human resources management strategy, other more relevant criteria such as organisational strengths, the human face of the organisation, leadership effectiveness, corporate governance and international orientation were also investigated. These findings and the descriptions provided, made it clear to the researcher that these identified companies have sufficient elements and characteristics of learning organisations and can therefore serve as a very relevant population for this study.

Annexure A provides an introductory indication of initial identified elements of the top ten listed companies as general characteristics of learning organisations as described in Chapter Three of this research study. These elements are limited to that which could be identified from the profiles provided by the CRF (Büttner-Rohwer 2003) and merely serve as confirmation of some initial characteristics present in the top ten identified best companies to work for in 2004.

1.10. THE OUTLINE OF THE RESEARCH

An outline of the research in terms of the different chapters will be given in this section.

CHAPTER ONE: THE PROBLEM AND ITS SETTING

In this chapter the problem and its research questions are determined. The conceptualisation, delimitations, assumptions and importance of the study are discussed and a short overview of the research strategy and methodology are also given.

CHAPTER TWO: THE THEORETICAL FRAMEWORK OF THE STUDY LINKS WITH THE SYSTEMS, CHAOS, POST-MODERN, CONTINGENCY AND COMPLEXITY THEORIES

Chapter Two introduces the relevant theories that form the framework and theoretical backdrop of this study. The systems theory and additional theories such as the chaos, post-modern, contingency and complexity theories are discussed.

CHAPTER THREE: THE LEARNING ORGANISATION

The development and rise to importance of the learning organisation in modern organisational theory is discussed in this chapter. Complementary subjects such as leadership, strategy formulation, knowledge management, competitive business intelligence and the notion of gainsharing are also thoroughly described.

CHAPTER FOUR: STAKEHOLDER ENGAGEMENT AND COMMUNICATION FEEDBACK INTERVENTION

Stakeholder engagement as well as dialogic relationships and public relations serve as background for a comprehensive description and analysis of feedback, informal feedback and feedback intervention in Chapter Four. Characteristics of informal feedback as well as general research and informal research receive attention in this chapter. Other subjects that are investigated include environmental scanning, formal and informal sources of information, stakeholder engagement, informal networks as well as the role of the organisational grapevine, rumour and gossip as types of informal feedback inputs. The chapter concludes with a suggestion and description of a feedback intervention framework for learning organisations.

CHAPTER FIVE: RESEARCH METHODOLOGY AND FINDINGS

The research methodology and the findings of research method one, two and three are discussed in length in this chapter. Some more general conclusions are drawn from the gathered data. A framework that aims to systemise the informal feedback intervention process - *The Informal Feedback Intervention Wheel* – is applied in a case study with a major South African anonymous company – *Company X*.

CHAPTER SIX: CONCLUSIONS AND RECOMMENDATIONS

In Chapter Six the researcher reaches conclusions and makes recommendations about the effective gathering, interpretation and application of feedback and feedback interventions in learning organisations. A clear picture of the general stance of informal feedback in a number of top South African organisations is drawn.

REFERENCES