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A meta-theoretical framework for the role of the corporate communication strategist

ABSTRACT

The aim of this research is to provide a meta-theoretical framework for the conceptualisation of the role of the corporate communication *strategist*. The latter has previously been conceptualised by the author as a role at the top management or macro level of the organisation. It entails gathering, interpreting and disseminating strategic intelligence on stakeholders and issues amongst decision-makers (obtained by means of environmental scanning) – to be used as input in the organisation's strategy formulation processes.

The problem addressed in this research is the changing role of business in society and how the corporate communication function could assist the organisation in achieving a balance between commercial imperatives and socially responsible behaviour. Seven approaches to the role of business in society are identified and discussed. It is suggested that the meta-theoretical approach to the conceptualisation of the role of the *strategist* is a synthesis of six of these approaches, namely the *social responsibility/ethical* approach, the *corporate social responsiveness* approach, the *corporate social performance* approach, the *stakeholder* approach, the *issues* approach and the *corporate community* approach.

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1. INTRODUCTION

In 1999, the author conducted an empirical study among 103 chief executives (CEOs) in South Africa to determine their role expectations for, and their perceptions of the role performance of, the most senior practitioner heading the corporate communication function in an organisation. A confirmatory factor analysis of the data gathered indicated that CEOs expect corporate communication practitioners to fulfil three roles. In addition to the well-known corporate communication (public relations) *manager* and *technician* roles, they also expect the role of the *strategist* (Steyn, 2000a; 2000b).

The corporate communication *strategist* was conceptualised by the author as a practitioner functioning at the top management or macro level of the organisation. The most important activities performed in this role are considered to be the following (Steyn, 2000a; 2000b):

- doing environmental scanning in the macro environment, identifying the organisation's strategic stakeholders and key strategic issues, as well as the publics and activists that emerge around these issues;
- analysing and interpreting the consequences of organisational policies and behaviour for stakeholders, publics and activists – and vice versa;
- feeding this information into the organisation's strategic decision-making processes, representing the corporate communication function's contribution to organisational effectiveness.

The items that operationalised the role of the *strategist* in the measuring instrument were the following (Steyn, 2000a; 2000b):

- Explain to top management the impact of their behaviour (obtained through research) on key external stakeholders (media, investors, communities).
- Act as 'early warning system' to top management before issues erupt into crises.
- Act as advocate for key external stakeholders by explaining their views to top management.
- Reduce uncertainty in strategic decision-making by interpreting the external environment to top management.
- Initiate dialogue with pressure groups limiting the organisation's autonomy, e.g. environmentalists or consumer advocates or legislators.

The following section provides a conceptualisation of the role of the *strategist* on which the above operationalisation was based.

2. BACKGROUND: CONCEPTUALISATION OF THE ROLE OF THE CORPORATE COMMUNICATION STRATEGIST

Van Riel (1995:2) views the contribution of corporate communication to the achievement of organisational goals as performing the 'mirror' and 'window' function professionally. The author conceptualised the role of the *strategist* based on Van Riel's 'mirror' function, but broadened the latter to the 'monitoring of relevant environmental developments and the anticipation of their consequences for the *organisation's policies and strategies, especially with regard to relationships with stakeholders and other interest groups in the public sphere*' (Steyn – not completed). The (redefined) *manager* and the *technician* roles are based on Van Riel's (1995:2) 'window' function, broadening the latter to 'the preparation and execution of a communication policy *and strategy*, resulting in messages that portray *all facets of the organisation*' (Steyn, 2000a; 2000b:30).

The (redefined) *manager* role is regarded as a role at the meso or functional level of the organisation. In addition to managing the corporate communication function, its most important activity is to develop corporate communication strategy — providing direction to the organisation's communication with strategic stakeholders and acting as a framework for corporate communication plans. The traditional role of the *technician* is regarded as a role at the micro or implementation level, implementing communication plans and their activities. The *strategist* is thus differentiated from the previous two roles in being a strategic role at the top management or macro level of the organisation (Steyn, 2000a; 2000b:29), called the institutional level by Bowman (quoted by Moss, Vercic & Warnaby, 2000).

The *strategist's* involvement at the macro level consists, firstly, of conducting environmental scanning to acquire strategic information on stakeholders and issues. This entails identifying the organisation's strategic stakeholders and their concerns, as well as determining the consequences of organisational behaviour and policies for them. Furthermore, identifying and monitoring issues around which publics and activists emerge before they erupt into crises (Grunig & Repper quoted by Grunig, 1992), and anticipating their consequences for organisational strategies, policies and strategic stakeholders are other important functions of the strategist.

The *strategist* presents this strategic intelligence on organisational stakeholders and key issues to top management as input in the organisation's strategy formulation process (Robbins, 1990), ensuring that the information is considered and used to align business values to societal values and norms. This represents the corporate communication function's inputs into strategic thinking, planning and decision-making processes as well as its contribution towards organisational effectiveness – assisting the organisation to adapt to a fast-changing environment by paying attention to

issues contained in information flowing into the organisation and putting mechanisms in place to respond to them.

In managing the organisation's interdependencies with the environment, in being a liaison between the organisation, its stakeholders and other interest groups in the public sphere, uncertainty and conflict are reduced and relationships with strategic stakeholders and society are stabilised. In so doing, the organisation obtains legitimacy, which ensures its long-term survival.

The role of the *strategist* is also based on the *boundary spanning role of (information) inputs* to the organisation, which corresponds with:

- Adams' (1976) boundary spanning role of *acquisition*;
- Aldrich and Herker's (1977) boundary spanning role of *information processing*;
- Katz and Kahn's (1966) boundary spanning role of *procuring resources, relating the organisation to its larger community or social system; and adapting the organisation to the future by gathering information about trends*;
- Leifer and Delbecq's (1978) boundary spanning role of *protecting the organisation from environmental stress and acting as regulators of information and material flow between organisation and environment*.

As a boundary spanner, the *strategist* creates meaning with regard to the environment and develops a shared understanding among top managers of what the 'environment' constitutes. Although consensus exists that the environment creates great uncertainty for top management, they are not clear about what it is that must be studied. The *strategist* regards the strategic management of organisations as inseparable from the strategic management of relationships. The environment is therefore seen as the product of the strategic decisions of others, namely as a collection of stakeholders and a patterning of issues (Steyn & Puth, 2000). An analysis of the values, needs, opinions, judgements, perceptions, expectations and even feelings of internal and external stakeholders, as well as other interest groups in the public sphere, is seen as the first step in the strategic process. Providing this intelligence to top management and making sure that these aspects are considered in strategic decision-making (Steyn, 2000c) will go a long way to maintaining public confidence in the legitimacy of the organisation's operations and its business conduct (RSA Inquiry, 1996).

The role of the *strategist* as conceptualised above is seen to correspond with some of the emerging third roles of the corporate communication function such as the *intermediary* and the *reflective* role in Europe, as well as the *senior adviser* and the *communication executive* in the USA (Steyn, 2002):

- Van Ruler's (1997:250-251) *intermediary* role refers to a practitioner who is strategically concerned with bringing the organisation and its stakeholders in tune

with one another, reaching mutual understanding and building bridges.

- The *reflective* role (one of four roles identified by EBOK — the European Body of Knowledge project) entails monitoring and analysing changing standards and values in society, and bringing these to top management's attention. The organisation reflects these norms and values in its decision processes, and adjusts its standards and values regarding social responsibility and legitimacy. This role is fast becoming the core of advanced corporate communication capability in northern European countries (Vercic, Van Ruler, Butschi & Flodin, 2001; Van Ruler, 2000).
- In the USA, Dozier and Broom (1995) identified a *senior adviser* role in addition to the manager and technician.
- Wright's (1995) *communication executive* functions within the 'inner circle' of organisational decision-making. As a member of the dominant coalition, a practitioner in this role spends his/her time performing managerial and executive tasks and rarely functions as a communication technician.

Of all these new conceptualisations of a third role for the corporate communication function (in addition to the historic manager and technician roles), the author regards the role of the *strategist* as being closest in nature to EBOK's *reflective* role and to Wright's *communication executive*.

3. DEFINITIONS

Although the use of the term 'corporate communication' is preferred to 'public relations', this article is based on the premise that there is no theoretical difference between the two terms. The following definitions of public relations are therefore used as the basis of this research:

- The First World Assembly of Public Relations Associations, held in Mexico City in 1978, defined public relations as "*the art and social science of analysing trends, predicting their consequences, counselling organisational leaders, and implementing planned programmes of action which will serve both the organisation and the public interest*" (Kitchen, 1997:7).
- Public relations is "*a communication function of management through which organisations adapt to, alter, or maintain their environment for the purpose of achieving organisational goals*" (Long & Hazelton, 1987:6).
- Public relations is concerned with "*assisting organisations to both formulate and achieve socially acceptable goals, thus achieving a balance between commercial imperatives and socially responsible behaviour*" (Kitchen, 1997:8).
- The Public Relations Institute of Southern Africa (PRISA, 2000:41) defines public relations as "*the management, through communication, of perceptions and strategic relationships between an organisation and its internal and external stakeholders*".

4. PROBLEM STATEMENT

The problem that prompted this research is a multi-faceted one: *Firstly*, the role of business in society seems to be changing. *Secondly*, the corporate communication function seems to have progressed little along the road of making a meaningful contribution to strategic decision-making in organisations. This is however becoming increasingly important in the new interconnected world. The question therefore is what role corporate communication should be playing to assist organisations in performing their new role in society more effectively and which factors are currently preventing them from doing so.

In the 21st century, there is a growing realisation that business as practised in the past will not be sustainable in the future. Organisations will have to adapt to the fact that the stability they once knew is gone forever (D-Aprix quoted by Verwey, 1998:1). A new business paradigm is being institutionalised at present to ensure social order in an increasingly differentiated society. This paradigm is characterised by "*corporate self-control and a more expansive corporate social responsibility*". Since government regulation and market forces are no longer sufficient to ensure social order, legitimacy is becoming a precondition for corporate social acceptance (Holmstrom quoted by Vercic, White & Moss, 2000:41, 45). A fundamental shift in the relationship of business to individuals and to society as a whole is thus taking place (Verwey, 1998:2-3). This development has implications for the role played by the corporate communication function in the modern organisation.

Although the importance of stakeholder communication in the complex organisations of today is widely acknowledged, corporate communication practitioners do not seem to have advanced meaningfully in playing a role in the organisation's strategy formulation processes — giving direction to the organisation's communication with its strategic stakeholders and other interest groups. The contribution of corporate communication to corporate goals is still a mystery to most (Broom & Dozier quoted by Ledingham & Bruning, 2000). Although they provide counsel and advice to senior management regarding communication-related problems, they rarely participate directly at the corporate and business levels (Moss, Warnaby & Newman, 2000:299). According to Budd (1991), the communication function is seen as peripheral to policy formulation, not a legitimate part thereof. This is because the way that corporate communication is practised, reduces it to nothing more than *communications*, meaning the exchange or transmission of information. Its practitioners are not there when decisions need to be taken about what must be done (Neubauer, 1997) to adapt the organisation to its environment:

The career failure of top practitioners to assume the management role within organisations is also a failure to truly emerge as a profession from the communication skills cluster that operationally defines what practitioners do—and what the practice is. (Dozier quoted by Grunig, 1992:352.)

If corporate communication practitioners do not step into management or strategic management roles, a power vacuum is created. This leads to encroachment where non-public relations professionals (often from marketing) are assigned to manage the function (Lauzen, 1991).

There seem to be many reasons for the above situation. It might be that practitioners do not aspire to senior management positions since many of them are artistic, creative types (Dozier & Broom, 1995) or they might have insufficient knowledge and skills to play a strategic and/or managerial role (Moore, 1996; Neubauer, 1997). There also appear to be few theoretical guidelines as to how corporate communication should contribute to the organisation's strategy formulation process (Moss & Warnaby quoted by Kitchen, 1997:59) or what a strategic role for the communication practitioner actually constitutes (Steyn, 2000c).

Uncertainty regarding the perspective that corporate communication brings to the strategic decision-making process might point to a theoretical problem that runs deeper than merely a lack of theory on the strategic contribution of corporate communication. What might be in question is the very essence of corporate communication — what its purpose is to organisations, how it should be used and what it should contribute to society. This study aims to provide some guidelines with regard to the role of corporate communication in the new organisational paradigm.

5. RESEARCH OBJECTIVE

The aim of this research is to construct a meta-theoretical framework for the conceptualisation of the role of the corporate communication *strategist*. This will be achieved by analysing the changing role of business in society and outlining the possible contribution that a corporate communication practitioner in the role of the *strategist* could make towards adapting the organisation to the future.

6. GRAPHIC PRESENTATION OF RESEARCH APPROACH, THEME, PARADIGM AND METHOD

RESEARCH APPROACH	Interpretive (Hudson & Ozanne, 1988:508-521)
RESEARCH THEME	Basic research (Pavlik, 1987), i.e. to build theory and increase understanding of the field of corporate communication
RESEARCH PARADIGM	Ideographic (Windelband, 1980) Qualitative (Marshall & Rossmann, 1995)
RESEARCH METHOD	Secondary data investigation of the strategic management literature as well as the literature on business and society.
ELEMENT (Smith, 1988)	Meta-theoretical approach to the role of the strategist

7. FINDINGS: THE CHANGING ROLE OF BUSINESS IN SOCIETY

From the literature analysis seven approaches to the evolution of the role of business in society could be discerned:

- the shareholder approach;
- the corporate social responsibility (CSR₁) /ethical approach;
- the corporate social responsiveness (CSR₂) approach;
- the corporate social performance (CSP) approach;
- the stakeholder approach;
- the issues approach; and
- the corporate community approach.

7.1 The shareholder approach

The traditional *profit-centred* approach to management that originated during the Industrial Age (1900 - 1950) presumed that capital formation is the only legitimate role of business. Managers are obligated to pursue profits to enhance the wealth of the corporate owners (their shareholders) who are legally entitled to receive it. Other stakeholders could benefit from this approach, but they are only considered the means to achieve the end, which is profitability (Halal, 2000:10).

The shareholder approach is personified by the economist Milton Friedman (1961:16) who sees business as having a limited role in society. He contends that the “*business of business is business,*” and that social issues or politics are not the concerns of business people. The social responsibility/ethical duty of business is to maximise its profits, bound only by legal restrictions.

7.2 The corporate social responsibility (CSR₁)/ethical approach

Although most managers agree that business is an economic transaction, they differ on the role that values and ethics should play in this transaction. The *social responsibility approach* to management prevalent in the Neo-Industrial Age was introduced in the 1960s. In this approach, business is seen to be an actor in the environment that should respond to social pressures and demands, and stakeholders are increasingly thought of in terms of morality, ethics and social responsibility (Halal, 2000:10). Frederick (1983) points out that the disruptions of the ethical, social and legal fabric come from within the business system – they represent business values rubbing against the social values of communities and the ecosystems that sustain these communities.

Davis and Blomstrom (quoted by Carroll, 1996:34) define corporate social responsibility (CSR) as “*the obligation of decision makers to take actions which protect and improve the welfare of society as a whole along with their own interests*”. Hargreaves and Dauman (1975) differentiate between the responsibilities of organisations as:

- *basic responsibilities*, referring to technical and routine obligations;
- *organisational responsibilities*, securing the well-being/needs of strategic stakeholders;
- *societal responsibilities*, referring to becoming involved in the wider community by assisting in the creation of a healthy overall environment, emphasising the welfare and prosperity of society.

Carroll’s (1979:497) four-part corporate social responsibility model focuses on the types of social responsibilities businesses have, and attempts to place economic and legal expectations of business in perspective by relating them to more socially oriented concerns. However, this can also be seen as a stakeholder model because each of the four components of responsibility addresses different stakeholders in terms of its varying priorities (Carroll, 1996):

- The *economic* obligations of business, to be productive and profitable and meet the consumer needs of society, impact especially owners and employees.
- The *legal* expectations, to achieve economic goals within the confines of written law, are crucial with regard to owners. However, in today’s society the threat of litigation comes largely from employees and consumers.
- The *ethical* responsibilities, expected in a moral/ethical sense (to abide by unwritten codes, norms, and values implicitly derived from society even though they are not

codified into law), affect all stakeholder groups but most frequently consumers and employees.

- The *voluntary/discretionary* responsibilities, guided only by business's desire to engage in social activities that are not mandated, required by law or generally expected of business in an ethical sense, most affect the community and employee morale.

It is clearly in business's long-range self-interest to be socially responsible or its role in society may be altered by the public through government intervention or regulation (Carroll, 1996:43). "*All business in a democratic country begins with the public's permission and exists by public approval*" (Page quoted by Griswold, 1967:7).

7.3 The corporate social responsiveness (CSR₂) approach

By the early 1980s there was a shift from the idea that organisations *should* be socially responsible to *how* they should respond to business-related social issues (responsiveness), and what ethical behaviour actually entailed. This shift is clearly enunciated by Sethi (quoted by Carroll, 1996:44) who classified corporate behaviour in responding to social or societal needs as follows:

- *Social obligation* is corporate behaviour in response to market forces or legal constraints (based on legal and economic criteria only).
- *Social responsibility* implies that corporate behaviour should conform to prevailing social norms, values and expectations.
- *Social responsiveness* places emphasis not on *how* corporations should respond to social pressure but rather *what* their long-term role in a dynamic social system should be or as Carroll (1996:46) termed it, how to operationalise their social responsibilities.

Corporate social responsiveness is seen by Frederick (1983) to refer to the capacity of an organisation to respond to social pressures. The focus is the literal act of responding, or of achieving a generally responsive posture to society. That is, providing the mechanisms, procedures, arrangements and behavioural patterns that, taken collectively, would mark the organisation as more or less capable of responding to social pressure.

The distinguishing feature of the corporate social responsibility and responsiveness approaches is that they apply the stakeholder concept to non-traditional stakeholder groups usually thought of as having adversarial relationships with the organisation. However, these approaches fail to indicate ways of integrating social and political concerns into the strategic systems of organisations in a non-*ad hoc* fashion (Freeman, 1984:38).

7.4 The corporate social performance (CSP) approach

The trend throughout the 1980s and into the 1990s to make the concerns for social and ethical issues more pragmatic led to corporate social performance (CSP). This approach states that what is really important is what organisations are able to accomplish with regard to specifying the nature of their responsibilities, adopting a particular philosophy of responsiveness and identifying the stakeholder issues to which these responsibilities are tied.

Carroll's (1996:48-50) corporate social responsibility model points out that social responsibility is not separate from economic performance, but integrates economic concerns into a social performance framework. In addition, it places ethical and philanthropic expectations into a rational economic and legal framework, helping managers to systematically think through major stakeholder issues. Clarkson (1995:103) builds on this model, maintaining that it is in effect not social issues to which organisations respond, but rather stakeholder issues since there are no issues without stakeholders.

7.5 The stakeholder approach

The growth of the stakeholder concept parallels the evolution of business as discussed in previous sections. According to Freeman (1984:5,24-25), in the *traditional production view* of the firm (the shareholder approach), owners thought of stakeholders as individuals or groups who supplied resources or bought products/services. In the *managerial view* of the firm (the corporate social responsibility and performance approaches) businesses began to see the need for interaction with major stakeholder groups if they were to be managed successfully. In the *stakeholder view* of the firm managers had to undergo a major conceptual shift in how they saw the organisation and its multilateral relationships with stakeholder groups — perceiving stakeholders not only as those individuals/groups that *management* thinks have some stake in the firm but also those that *themselves* think they have a stake in the firm. (In actual practice, however, many managers have not yet come to appreciate the need for the stakeholder view.)

Donaldson and Preston (1995:65-91) articulate three aspects of the stakeholder view of the firm:

- It is *descriptive* as it describes what the organisation is, namely a constellation of co-operative and competitive interests possessing intrinsic value.
- It is *instrumental* in that it is useful to establish the connections between the practice of stakeholder management and the resulting achievement of corporate performance goals.

- It is *normative* as stakeholders are identified by their interest in the organisation whether or not the organisation has any corresponding interest in them. Stakeholders are seen as possessing value irrespective of their instrumental use to management.

Another perspective is provided by Goodpaster (1991:53-73) who differentiates between three approaches to stakeholders in the strategic management of organisations:

- The *strategic* approach sees stakeholders primarily as factors to be taken into consideration and managed while the organisation is pursuing profits for its shareholders or else they might retaliate/resist when offended. Stakeholders are viewed as instruments that may facilitate or impede the organisation's pursuit of its strategic objectives.
- The *multifiduciary* approach sees stakeholders as more than individuals/groups who can wield economic or legal power. Rather, management has a fiduciary (trust) responsibility to stakeholders to embrace them on a roughly equal footing with shareholders.
- The *stakeholder synthesis* approach, which holds that business has moral responsibilities to stakeholders but that they should not be seen as part of a fiduciary obligation. Management's fiduciary responsibility to shareholders is kept intact, but it is expected to be implemented within a context of ethical responsibility.

Carroll's views (1996:78) with regard to the above are that organisations should integrate the strategic view with the multifiduciary view, i.e. that organisations should manage *strategically* and *morally* at the same time. The stakeholder approach should not only be a better way to manage, but also an ethical way to manage. The challenge of stakeholder management is to see that primary stakeholders achieve their objectives, but that other stakeholders are dealt with ethically and responsibly, and are also satisfied in the classic 'win-win' situation.

In today's socially aware environment powerful groups of stakeholders can exert enormous pressure on organisations and wield significant influence on public opinion, causing organisations to take particular courses of action (Carroll, 1996). Our pluralist society has become a special-interest society, where stakeholder groups have become increasingly activist, intense, diverse, focused and committed to their causes, and organisations of today must be responsive to them and meet their expectations. "*Success and indeed survival of every business depends on either obtaining the support or neutralising the attacks of key actors in its environment...we need a keen insight into the behaviour of those actors who affect our fate*" (Yavits & Newman quoted by Sturdivant & Vernon-Wortzel, 1990:58).

7.6 The issues approach

The issues approach to management seeks to identify potential or emerging issues that may impact on the organisation, and then mobilise and co-ordinate organisational resources to strategically influence the development of those issues to the benefit of the organisation (Seitel, 1995). It includes identifying and analysing issues, setting priorities, selecting communication strategies, implementing programmes of action and communication, and evaluating their effectiveness.

Many organisations follow a *reactive* approach to turbulence in society where issues are dealt with only after they have developed. A *pro-active* approach to issues management entails the organisation anticipating strategic and other issues, and devising ways to prevent the problem from developing (Sturdivant & Vernon-Wortzel, 1990:53-54). In practice, organisations respond reactively to some issues and proactively to others, subordinating social responsiveness to corporate economic goals (Arlow & Gannon quoted by Sturdivant & Vernon-Wortzel, 1990:54). The major challenge is to devise a means by which managers work toward a definition of their appropriate societal role while effectively managing social, public and ethical issues in addition to the strategic issues facing organisations (Sturdivant & Vernon-Wortzel, 1990:4, 8).

The analysis of societal issues and trends is important because the values and beliefs of key stakeholders are derived from broader societal influences, which can create opportunities or threats to organisations' revenue growth and profit prospects. Awareness of, and compliance with, societal attitudes can help organisations to avoid restrictive legislation and being regarded as a 'bad corporate citizen' (Harrison & St John, 1998).

The management of issues can be approached in two ways (Fahey, 1986:85-96):

- *Narrowly*, where the focus is on public or social issues. Under this conventional approach, issues fall within the domain of public policy/public affairs management and originate in the social, political, regulatory or judicial environments.
- *Broadly*, where the focus is on strategic issues and the strategic management process. Following this approach, issues management is the responsibility of senior line management or strategic planning staff and is inclusive of all issues — anticipating and managing external as well as internal challenges.

Increasingly organisations are opting for the broad approach to issues management. Economic and financial issues have always been an inherent part of the business process, although their complexity seems to be increasing. The growth of technology has also presented business with other issues that need to be addressed. However, the most dramatic growth has been in social, ethical, and political issues—all public issues that

have high visibility, media appeal and interest among special-interest stakeholder groups. For most organisations, the ethical, political and technological issues are at the same time economic issues because organisations' success in handling them frequently has a direct bearing on their financial status and well-being (Carroll, 1996:662).

The stakeholder and issues approaches discussed above provide a new way of thinking about strategic management, what the affairs of the organisation actually constitute and what the organisation's role in society should be (Freeman, 1984:vi). Unfortunately, many organisations continue to favour financial interests rather than the balanced treatment proposed by stakeholder and issues approaches. Or they think of stakeholders only in terms of morality, ethics, and social responsibility rather than economic value and competitive advantage. What seems to be missing is an economic rationale explaining the role of corporate stakeholders in creating organisational wealth (Halal, 2000:10-11).

7.7 The 'corporate community' approach

The corporate community approach to the role of business in society became prevalent during the 1990s and onwards. In the Information Age, wealth is regarded as a function of information, vision, and properties of the mind. In a new economic theory of the firm proposed by Halal (2000:10), the organisation is viewed as a socio-economic system where stakeholders are recognised as partners who create value through collaborative problem-solving. Modern stakeholders work with managers to improve their own benefits while also enhancing corporate profitability. Business creates wealth by integrating stakeholders into a productive whole – a 'corporate community.' This is done not only to be socially responsible, but because it provides a competitive advantage.

In a corporate community approach, the role of the organisation is to integrate the economic resources, political support, and special knowledge each stakeholder offers. This refers to "*the capital, financial discipline, and the investment wisdom of shareholders; the talents, training, dedicated efforts, and problem-solving capacity of employees; the deeper understanding of products and services provided by actively engaged consumers; the supporting capabilities of committed business partners; and the economic guidance of government*" (Halal, 2000:12).

Managers therefore have a new role in the modern organisation: to act as stewards in forming a political coalition that draws together these resources and transforms it into financial and social wealth (Halal, 2000:13). Stewardship is not intended to 'do good' as understood in the social responsibility/ethical approaches (which is why the

latter had limited effect). Corporate community involves pragmatic, two-way working relationships where the benefits each group receives are balanced with the contribution it makes. In a knowledge economy, management's strategic role is to facilitate joint problem-solving among corporate stakeholders, because stakeholder collaboration is the key to creating economic wealth.

8. A META-THEORETICAL FRAMEWORK FOR THE ROLE OF THE STRATEGIST: A SYNTHESIS OF SIX APPROACHES TO THE ROLE OF BUSINESS IN SOCIETY

A meta-theoretical framework for the conceptualisation of the role of the *strategist* is seen to be a synthesis of six of the seven approaches to the role of business in society that were discussed in the previous section: the *corporate social responsibility/ethical* approach; the *corporate social responsiveness* approach; the *corporate social performance* approach; the *stakeholder* approach; the *issues* approach; and the *corporate community* approach.

8.1 Shareholder approach discarded in constructing the meta-theoretical framework

The *shareholder* approach as the first stage in the evolution of the stakeholder approach to the role of business in society is the only approach not considered appropriate as part of the meta-theoretical framework. The reason is that stakeholders are only considered a means to the end (profitability) in this approach, and social issues or politics are not regarded as being the concerns of business people. The sole purpose of organisations is to 'make a profit', bound only by legal restrictions—i.e. societal values, norms and standards do not come into play. This could in effect be regarded as Goodpaster's (1991:53-73) strategic approach to stakeholder management, namely that stakeholders are primarily factors to be taken into consideration and managed while the organisation is pursuing profits for its shareholders, or else they might retaliate/resist when offended. It could also be likened to Donaldson and Preston's (1995:65-91) instrumental stakeholder view where a connection is seen to exist between the practice of stakeholder management and the resulting achievement of corporate goals.

Corporate communication is, per definition, the management of relationships with *all* of the organisation's stakeholders. Since this is in essence the main responsibility of the corporate communication *strategist*, it is clear why the shareholder approach to the role of business in society is discarded as an approach to the strategic management of the modern organisation's corporate communication.

8.2 Corporate social responsibility/ethics as a pillar of the meta-theoretical framework

Most aspects of the *corporate social responsibility/ethical* approach are relevant to this study. The role of the organisation in this approach is to 'be ethical' and to be 'socially responsible'. It is indeed the role of the *strategist* to be the conscience of the organisation — to continually bring to top management's attention the consequences of unethical or socially irresponsible behaviour. Furthermore, the strategist needs to point out to management its obligation to take actions which 'protect and improve the welfare of society' as a whole along with the organisation's own interests, as articulated by Davis and Blomstrom (quoted by Carroll, 1996:34). It is important that the *strategist* makes management realise that, in addition to the organisation's basic and organisational responsibilities, it also has societal responsibilities (Hargreaves & Dauman, 1975). The *strategist* is therefore responsible for analysing changing standards and values in society, and bringing it to top management's attention when business values are in conflict with societal values. This enables the organisation to reflect these norms and values in its decision processes and to adjust its standards and values accordingly.

A major contribution of a corporate communication practitioner in the role of the *strategist* is that he/she champions the need for the organisation to abide by unwritten codes, norms and values even though they are not codified into law. Another contribution is, to stimulate desire to engage in social activities that are not mandated, but are generally expected of business in an ethical sense and is in their long-term interest to do so (i.e. not only to 'obey the law', but also to be a 'good corporate citizen').

8.3 Corporate social responsiveness as a pillar of the meta-theoretical framework

The *corporate social responsiveness* approach is also relevant to this study because it applies the stakeholder concept to an organisation's publics and activists—those groups in the public sphere which normally have adversarial relationships with the organisation and which should be the focus of the *strategist's* relationship-building activities. It is very important that an organisation pays attention to the (opposing) views of publics and activists, and that mechanisms/procedures are put in place to engage such individuals/groups in organisational problem-solving and decision-making processes.

It is thus the role of the *strategist* to assist top management in determining what the organisation's long-term role in society should be and how to operationalise the organisation's social responsibilities. The *strategist's* responsibility is to see that a generally responsive posture to society and stakeholders is achieved by the organisation,

both through symbolic communication as well as through behavioural patterns. All organisational members (but especially management) should be urged to adhere to certain principles. This includes being attentive to information flowing into the organisation from the external environment (and the issues it might contain), being accessible to respond and discuss emerging/current issues with stakeholders/publics/activist groups, respecting the opinions of outside critics, and defining the organisation's own interests in responding to public issues.

8.4 Corporate social performance as a pillar of the meta-theoretical framework

The *corporate social performance* approach is also relevant to the study, as the corporate communication *strategist* should be measured on what he/she is actually able to accomplish with regard to the organisation adopting a particular philosophy/pattern/mode of responsiveness, and identifying the stakeholder issues to which these responsibilities are tied. It is the role of the *strategist* to advise and assist top management in integrating economic concerns into a social performance framework. Furthermore, he or she must place ethical and philanthropic expectations into a rational economic and legal framework, helping managers to systematically think through major stakeholder issues.

8.5 Stakeholder approach as the foundation of the meta-theoretical framework

The *stakeholder* approach to the role of business in society is the cornerstone of the role of the *strategist* – to educate managers to understand that they can no longer take into consideration only those stakeholders whom they think relevant, but also those stakeholders who believe that they themselves have a stake in the organisation. Based on Goodpaster's (1991:53-73) 'stakeholder synthesis' approach, it is seen to be a major responsibility of a practitioner in the role of the *strategist* to ensure that other stakeholders, in addition to the primary stakeholders, are dealt with ethically and responsibly in order to achieve a win-win situation for them as well as for the organisation. The stakeholder approach should therefore be adhered to by an organisation not only because it is a better way to manage, but because it is an ethical way to manage.

Top management should also be made to realise that it is, in effect, not social issues to which organisations respond but stakeholder issues. Special interest groups are becoming increasingly activist, intense, diverse, and committed to their cause — organisations have no choice but to be responsive to them and meet their expectations. The *strategist* therefore has to assist top management to both formulate and achieve socially acceptable goals, striking a balance between commercial imperatives and socially responsible behaviour.

8.6 Issues approach as the foundation of the meta-theoretical framework

In addition to the *stakeholder* approach, the *issues* approach is the other cornerstone on which the role of the corporate communication *strategist* rests. A pro-active approach to issues management is important because the values, beliefs and expectations of key stakeholders are derived from broader societal influences. Awareness of, and compliance with, societal attitudes can help organisations to avoid restrictive legislation and being regarded as a 'bad corporate citizen'. A practitioner in the role of the *strategist* analyses trends, predicts their consequences, and counsels organisational leaders to adapt, alter or maintain their environment for the purpose of achieving organisational goals.

The *strategist* therefore emphasises the importance of following the broad approach to issues management which focuses on strategic issues, both internal and external. However, the incidence of social, ethical and political issues is on the rise and often considered so important by stakeholders and society that they in fact become strategic issues which have to be anticipated and prevented from developing further.

Pragmatically speaking, organisations cannot attend to all issues and all stakeholders do not care equally about specific issues. It is therefore important that the corporate communication *strategist* classify and prioritise stakeholder and societal issues to make them more manageable, communicate with the relevant stakeholders/publics/activists about the issues and even involve them in problem-solving procedures. It is clear that in order to play such a role, the *strategist* must be part of the top management team.

8.7 Corporate community approach cements the meta-theoretical framework

The *corporate community* approach to the role of business in society is the newest, most appropriate and final building block in constructing a meta-theoretical framework for the role of the corporate communication *strategist*. In the knowledge era, the business climate is changing and the rules of the competitive race are being re-written. More than ever, people and relationships are the key to sustainable success.

An organisation adopting an 'inclusive' approach will have a practitioner in the role of the *strategist* who engages in reciprocal rather than adversarial relationships with organisational stakeholders and follows a partnership approach with employees, customers, suppliers and other stakeholders. The *strategist* assists top management in maintaining a license to operate by working closely together with the stakeholders to maintain public confidence in the legitimacy of the organisation's operations and its business conduct (RSA Inquiry, 1996). The *strategist* advises and assists the organisation's top management in forming a political coalition – drawing together the economic

resources, political support and special knowledge of stakeholders into a corporate community, translating them into financial and social wealth.

9. CONCLUSION

A well-managed organisation must deal effectively with the social, political and legal dynamics of its environment, in addition to the more traditional product and market-focused variables found in the economic and technological environment. Management must recognise that business is a component of a broader, constantly changing social system to which it must adapt. Society today consists of many people with a multitude of interests, expectations, and demands as to what major organisations ought to provide to them. In order to obtain legitimacy and social acceptance, organisations need to be responsive to individuals and groups that they once viewed as powerless and unable to make such claims on them.

Organisations now have a different role in society: strategic management has become a process *“through which organisations analyse and learn from the stakeholders inside and outside of the organisation, establish strategic direction, create strategies that are intended to help achieve established goals, and execute those strategies, all in an effort to satisfy key stakeholders”* (Harrison & St John, 1998:4) and other interest groups in the public sphere (Holmstrom quoted by Vercic, White & Moss, 2000).

However, the strategic management literature indicates that most managers are not equipped to identify and manage stakeholders and issues emanating from an increasingly complex socio-political environment. It is therefore suggested that senior corporate communication practitioners in the role of the *strategist* identify and manage the organisation's strategic stakeholders and issues. They are to take responsibility for providing an 'outside' perspective to strategic decision-making, countering the internal myopia often characteristic of other functional managers.

As boundary spanners who anticipate issues and stakeholder concerns, they take part in strategy formulation and develop integrated processes for dealing with stakeholders, issues and the publics that arise around them. They are managers who possess the so-called 'soft skills' and excel in the management of values, perceptions, expectations and feelings. They have excellent communication skills, know how to listen and have a good working knowledge of stakeholder concerns. Furthermore, they are knowledgeable about two-way symmetrical communication and building relationships with stakeholders as partners who create economic and social wealth — through collaborative problem-solving — for the whole corporate community.

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