THE APPLICATION OF INFORMAL FEEDBACK INTERVENTION AS A COMMUNICATION MANAGEMENT TOOL IN LEARNING ORGANISATIONS

by

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Synopsis

Feedback is an essential component of the communication process. Feedback reveals how participants assign meanings and how these meanings are negotiated through interaction (Verwey, In: Lubbe and Puth 1994:64). Feedback also ensures the success of the communicated message and determines whether the objectives of the intended communication have been achieved (Seitel 1995:109). Communication feedback also contains information in all its formats. In the 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.

In communication management literature, writers and researchers often emphasise the significant role of communication feedback. Feedback plays a vital role in communication management, in particular, as a strategic management function. One example is the two-directional symmetrical model, described by Grunig (1992), where *feedback* and *mutual adaptation* play an important role.

In most management theory the collection of communication feedback is mainly seen as an active, *intentional* and *formal* research process that is initiated by corporate communication and marketing departments. In this sense much has been written about formal research (for example, surveys and environmental scanning) by means of quantitative and qualitative research methods as well as the solicitation of formal customer feedback. However, informal, unintentional and almost accidental *casual* communication feedback input (informal feedback) is often neglected and regarded as being unimportant by organisations, and is therefore not measured or captured in a data system.

At the same time stakeholder engagement and dialogue has become quite a contemporary issue in the corporate governance of organisations. This study agitates for the cultivation of informal feedback intervention as a method of obtaining improved stakeholder engagement that ultimately leads to inclusive corporate governance.

This research study investigates *informal feedback* and defines it as all of communication feedback (into the system - the organisation) that occurs spontaneously via media such as the telephone, e-mail, fax and through internet services, such as internet chat rooms, and even feedback obtained from the organisational grapevine, rumours and gossip.

Stakeholders or interest groups deliver informal feedback without the organisation making a formal effort to collect it.

The empirical research was conducted amongst 55 inspiring South African learning organisations as identified by The Corporate Research Foundation (CRF) in its publication *The Best Companies to Work for in 2004*. Organisations have to learn to be smarter to survive. Learning organisations are characterised by conscious and intentional learning, openness to inquiry, experimentation and the sharing of knowledge.

The applied research design consists of a dual investigation, with both exploratory and descriptive characteristics, of the management of informal feedback and the possible existence of informal feedback intervention methods in these organisations. In this qualitative investigation, content analysis was firstly used to determine the current degree of "openness" (accessibility) to informal feedback input in these organisations' corporate web pages. This was supplemented by the results of a questionnaire as completed by the communication managers/ marketing managers of the same organisations.

This research study aims to determine whether informal feedback, the ongoing management of the feedback process and systematic analysis thereof can be regarded as one of the critical communication management tactics of *learning organisations*. The study also aims to determine how *informal feedback intervention* can be integrated into corporate communication strategy. It suggests that modern learning organisations should make an effort to provide proper channels and favourable environments to increasingly receive informal feedback input from all stakeholders and thereby facilitate ongoing learning and continuous improvement. This study concludes that communication managers have a vital role to play in explaining feedback inputs to management in terms of its impact on existing corporate communication and business strategies.

This study also defines *informal feedback intervention* as the communication management process by which all informal feedback input is collected, sorted and grouped, evaluated and described according to applied and relevant impact on strategy. The intervention lies in the *impact* and *outcome* envisaged as well as the adaptation of the organisation's strategy and change of course. A framework that aims to systemise the informal feedback intervention process - *The Multi-Layer Informal Feedback Intervention Wheel* – is subsequently proposed. This framework aims to provide intervention suggestions (feedback interventions) to management.

The framework is also applied in an anonymous case study of a major South African company - *Company X.*

It is concluded from this case study that the *Multi-Layer Informal Feedback Intervention Wheel* also acts as a forecasting tool by providing communication managers with feedforward.

The *Informal Feedback Intervention Wheel* assists the communication manager in assessing everyday feedback issues and identifying emerging suggestions of informal feedback interventions to management. It, therefore, assists communication managers to be proactive, early warning agents for their 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.

Opsomming

Terugvoer is 'n belangrike komponent van die kommunikasieproses wat onthul hoe deelnemers betekenis toewys en hoe dit deur interaksie onderhandel word (Verwey, In: Lubbe and Puth 1994:64). Terugvoer verseker ook die sukses van die kommunikasieboodskap en bepaal of die doelwitte van die bedoelde kommunikasie suksesvol was (Seitel 1995:109). Kommunikasieterugvoer bevat ook inligting terwyl in ons huidige inligtingsera geglo word dat inligting mag is en dat diegene wat oor inligting beskik magtiger as die res is.

In kommunikasiebestuursliteratuur beklemtoon skrywers en navorsers dikwels die belangrike rol van kommunikasieterugvoer. Terugvoer speel veral 'n belangrike rol in kommunkasiebestuur as 'n strategiese bestuursfunksie. Een voorbeeld is die tweerigtingsimmetriese model, deur Grunig (1992) beskryf, waar *terugvoer* en *wederkerige aanpassing* 'n groot rol speel. In die meeste bestuursdenke word die insameling van kommuniksieterugvoer hoofsaaklik as 'n aktiewe, *doelgerigte* en *formele* navorsingsproses gesien wat deur die korporatiewe kommunikasie- en bemarkingsafdelings van organisasies geïnisieer word.

Hieroor is daar reeds baie geskryf en ook oor formele navorsing (byvoorbeeld, opnames en omgewingsverkenning) deur middel van kwantitatiewe en kwalitatiewe navorsingsmetodes asook die ontginning van formele kliëntterugvoer. Maar, dikwels word informele, ongerigte en amper toevallige informele kommunikasieterugvoer (informele terugvoer) in organisasies afgeskeep, as onbelangrik beskou en daarom nie gemeet of vasgevang in 'n soort datastelsel nie.

Hierdie navorsingstudie ondersoek *informele terugvoer* en definieer dit as alle kommunikasieterugvoer na die stelsel (die organisasie) wat spontaan geskied via media soos die telefoon, e-pos, faks, internetdienste (soos internetgeselskamers) en selfs deur riemtelegramme, gerugte en skinder. Belanghebbers of belangegroepe lewer dit sonder dat die organisasie self 'n formele poging aanwend om dit te versamel.

Die empiriese navorsing is onder 55 inspirerende, Suid-Afrikaanse, leerorganisasies (*learning organisations*) gedoen soos geïdentifiseer deur die *Corporate Research Foundation* in sy publikasie, *The Best Companies to work for in 2004*.
Organisasies moet leer om slimmer te raak en te oorleef en daarom word leerorganisasies

gekenmerk deur bewustelike en doelgerigte leer, openheid tot vrae, eksperimentering en die deel van kennis.

Die toegepaste navorsingsontwerp bestaan uit 'n tweeledige ondersoek, met beide ondersoekende en beskrywende eienskappe, van die bestuur van informele terugvoer en die aanwending van informele terugvoer-intervensiemetodes in hierdie organisasies. In die kwalitatiewe ondersoek word inhoudsanalise eerstens aangewend om die huidige mate van openheid (toeganklikheid) vir informele terugvoerinsette van hierdie organisasies se webwerwe te bepaal.

Belanghebberbetrokkenheid en dialoog het ook onlangs 'n gewilde en tydige aangeleentheid in die korporatiewe bestuur van organisasies geword. Hierdie studie betoog vir die bevordering van informele terugvoerintervensie as 'n metode om beter belanghebberbetrokkenheid te bewerkstelling wat uiteindelik tot inklusiewe korporatiewe bestuur sal lei.

Die navorsingstudie het ten doel om vas te stel of informele terugvoer, die voortgesette bestuur van die terugvoerproses en die sistematiese ontleding daarvan, as 'n kritiese kommunikasietaktiek van leerorganisasies beskou kan word. Die studie wil ook bepaal hoe informele terugvoerintervensie in korporatiewe kommunikasiestrategie geïntegreer kan word. Dit stel voor dat moderne leerorganisasies behoorlike kanale en gunstige omstandighede moet skep om toenemende informele terugvoerinsette van alle belanghebbers te verseker en sodoende voortgesette leer te fasiliteer. Die studie kom tot die gevolgtrekking dat kommunikasiebestuurders 'n belangrike rol te speel het in die verduideliking van terugvoerinsette aan bestuur in terme van impak op bestaande korporatiewe kommunikasie- en sakestrategieë.

Hierdie navorsingstudie definieer verder *informele terugvoerintervensie* as die kommunikasiebestuursproses waardeur alle informele terugvoerinsette versamel, sorter, groepeer, evalueer en beskryf word volgens toegepaste en relevante impak op strategie. Die intervensie lê opgesluit in die *impak* en *uitkoms* wat visualiseer word*,* die aanpassing van die organisasiestrategie asook die verandering van koers. 'n Raamwerk – *Die Veellaag Informele Terugvoer Intervensie Wiel* (*The Multi-Layer Informal Feedback Intervention Wheel)* – wat ten doel het om die informele terugvoerintervensieproses te sistematiseer, word vervolgens voorgestel.

Die raamwerk help met die verskaffing van intervensievoorstelle aan bestuur en word ook

toegepas in 'n anonieme gevallestudie met 'n groot Suid-Afrikaanse maatskappy - *Organisasie X.* Daar is tydens hierdie gevallestudie ook tot die gevolgtrekking gekom dat die *Informele Terugvoer Intervensie Wiel* as voorspellings-instrument optree deur kommunikasiebestuurders van vooruitvoer (*feedforward*) te voorsien.

Die meta-teoretiese agtergrond van die sisteembenadering, sisteemdenke en die algemene sisteemteorie, asook die bestuurskonsep van die leerorganisasie, vorm die fundament vir die ondersoek van die relevansie en toepassing van die konsep van informele terugvoerintervensie.

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■ 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

■ CHAPTER TWO ■

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

2.1.   INTRODUCTION

Seeing that this study interrelates with human communication in the sense of communication management (public relations), this chapter firstly deals with defining the terms communication and communication management.   A few definitions and views on the essence of human communication are investigated.

Theoretical approaches such as the systems, chaos and post-modern, contingency and complexity theories, the relationship management paradigm and their application in communication management are also investigated as the theoretical underscore of this study. Definitions of public relations and corporate communication will be investigated to further sketch the theoretical background of this study.

2.2.   A GRAPHIC PRESENTATION OF THE META THEORETICAL FRAMEWORK AND CONCEPTUALISATION

Meta theories	Systems theory (Chapter Two)	
	Chaos and post modern theories (Chapter Two)	
	Contingency and complexity theories (Chapter Two)	
	Specific communication models	
	Relationship management paradigm and dialogic communication	
Theories	Strategic communication management (Chapter One)	
Concept	Achieving organisational goals (by means of informal communication feedback intervention)	
Constructs	Achieving goals of learning organisations (Chapter Three)	Achieving corporate communication goals (Chapter Four)
Items	• Optimising learning as an integral part of every task and optimising opportunities for employees • Stimulating self-generating learning that stands central to everything employees do	• Optimising informal feedback opportunities for all stakeholders and publics • Providing opportunities for interaction with all internal stakeholders (Stakeholder Engagement) • Providing opportunities for interaction with

	- Obtaining feedback from employees and other stakeholders – leads to organisational change - Welcoming vulnerability and diversity - Exploring best practices and benchmarking - Sharing a vision that guides the organisation - Acknowledging failures and learning from them. - Building and maintaining mutually beneficial relationships	- all external stakeholders (e.g. media, stockholders, investors, pressure groups, government and community) - Providing efficient feedback media opportunities (internet, toll-free numbers, list servers) - Being sensitive to word of mouth, grapevine, rumours and gossip as a form of informal feedback - Building and maintaining mutually beneficial relationships

2.3.   DEFINING COMMUNICATION

Communication has been defined and described by numerous writers and theorists. Definitions of communication are therefore diverse and can often be classified according to certain elements or an element of the communication process as the viewpoint. There are almost as many viewpoints and definitions of communication as there are writers on this subject. For purposes of this study, only general definitions of human communication and public relations (communication management) will be investigated.

Tompkins (1982:60) defines communication as the process to lend *meaning* and *intention* to the deeds of people. Emphasis is placed in this definition on process, meaning and intention. Human communication is therefore part of a dynamic symbolic action.

Sereno and Mortensen (1970:5) define communication as the process through which senders and receivers of messages *interact* in a given social context. Nilsen (In: Sereno and Motensen 1970:16) is of the opinion that the huge pile of definitions and views on communication can mainly be divided into two categories: Definitions that limit the process of communication to stimulus-response situations (where stimuli are sent intentionally to lure response) and secondly, definitions of communication in communicative stimulus-response situations where there is no intention to cause a response when the stimuli are sent.

According to Fauconnier (1985:28), several views and definitions of communication exist as

the result of the multidisciplinary approach to the concept as well as the multiplicity of communication systems and fields in which communication processes occur. There is no all-encompassing definition of communication. However, a definition is in all probability a good one when:

- It is useful – operational with a specific viewpoint, approach, field, system and course;

- It is logical;

- It cannot be rebutted by observable reality;

- It can clearly be differentiated from other phenomena.

The most important definitions of communication can be categorised according to the characteristics of the Stapper's method (Fauconnier 1985:29):

- With emphasis on the receiver

- With emphasis on the source

- Binding

- Collectivity

- Transmission

- Usage of symbols

Fauconnier (1985:30) provides a couple of definitions that have been formulated by different persons over time:

- *John B Hoben*, 1954 - Communication is the verbal exchange of thoughts and ideas.

- *Barnlund,* 1964 – Communication develops from the need to decrease uncertainty, act effectively and to satisfy or strengthen the ego.

- *Steiner,* 1964 – Communication is the transmission of information, ideas, emotion and skills by using symbols, words, pictures, figures and graphics.

- *Schachter,* 1951 – Communication is the mechanism by which power is applied.

Frost, Vos and Dreyer (1993:3) state that a useful definition describes communication as the process of providing meaning and understanding between two or more people within a certain cultural context.

Steinberg (1994:12) states that there are more than 150 definitions of communication and that there are three main points of departure when defining communication: technical definitions, process definitions and transactional definitions.

This writer chose to define communication according to the transactional viewpoint. This is

because this concept of transaction demands that participants have a *communal agreement* about the meaning of messages in order to communicate effectively as well as for enjoying a satisfactory relationship.

The definition states that:

> *"Communication is a transactional process of exchanging messages and negotiating meaning to establish and maintain relationships."*
>
> (Steinberg 1994:13)

2.4. DEFINING PUBLIC RELATIONS, CORPORATE COMMUNICATION AND COMMUNICATION MANAGEMENT

2.4.1. Public Relations

Similar to the notion of communication, one cannot differentiate the ONE definition of public relations. Moore and Kalupa (1985:4) present the definition preferred by the *Public Relations News*, a leading newsletter for practitioners in the USA:

> *"Public Relations is the management function which evaluates public attitudes, identifies the policies and procedures of an individual or an organisation with the public interest, and executes a program of action to earn public understanding and acceptance".*

The writers themselves suggest the following definition:

> *"Public Relations is a social philosophy of management expressed in policies and practices, which through sensitive interpretation of events based upon two-way communication with its publics, strives to secure mutual understanding and goodwill".*

The official definition of the Public Relations Institute of Southern Africa (PRISA) states that

> *"Public Relations is the management, through communication, of perceptions and strategic relationships between an organisation and its internal and external stakeholders"* (PRISA 1998:1).

Grunig (1992:4) states that public relations is merely the management of communication

between an organisation and its stakeholders. According to Moore and Kalupa (1985:11), public relations is *communication*. Through communication with its stakeholder groups, management explains, defends and promotes its policies in order to establish understanding and acceptance.

Newson, Van Slyke Turk and Kruckenberg (1996:4) quote the definition of the First World Assembly of Public Relations Associations, which was held in Mexico City in 1978:

> *"Public Relations is the art and social science of analysing trends, predicting their consequences, counselling organisational leaders and implementing planned programs of action which will serve both the organisation and the public interest."*

According to Baines *et al.* (2004:27,31), the purpose of public relations is simply to *create understanding* by imparting knowledge and information. Communication is part of the learning process, and public relations is about informing, educating and creating understanding". According to these writers it is a misunderstanding that public relations is frequently thought to be the achievement of a favourable image, a favourable climate of opinion or a favourable mention in the media. Organisations can never please all of the people all of the time.

2.4.2. Corporate communication and communication management

Lubbe and Puth (1994:7) indicate that writers such as Cutlip, Center and Broom, Seitel and Wilcox, Ault and Agee debated the problems surrounding one single definition of public relations and corporate communication. There is agreement amongst them that corporate communication, conceptually, is:

- *A management function* – involved with advising the organisation on a planned and constant basis to reach its aims;
- *An interpreting function* – involved in interpreting the organisation's policy and actions for its publics and vice versa interpreting the public's needs to the organisation; and
- *A communication function* – to send and receive messages between the organisation and its different publics.

Harlow (1976:36) characterises corporate communication as follows:

- It is a management function that aims to create mutual two-directional communication between an organisation and its publics;
- It entails the management of all communication problems and issues (and communication opportunities) in the organisation's environment;
- It keeps management informed and sensitive about the public opinion;
- It defines and emphasises the company's responsibility to honour the public interest;
- It supports management to handle change in the business environment; and
- It serves as an early warning mechanism to anticipate trends in the business environment.

2.4.3. The relationship paradigm and communication management

Kuhn (1970:23,175) states that a paradigm is an accepted model or pattern. Kuhn uses the term in his book in two different senses:

> *"On the one hand, it stands for the entire constellation of beliefs, values, techniques shared by the members of a given community. On the other hand it denotes one sort of element in that constellation, the concrete puzzle-solutions which, employed as models or examples, can replace explicit rules as a basis for the solution of the remaining puzzles of normal science".*

According to Ströh and Jaatinen (2001:156), communication management helps the organisation achieve its goals by identifying and building healthy *relationships* with the strategic constituencies and it facilitates interaction. The quality of these relationships determines the effectiveness of the public relations function in the organisation. Learning organisations should treasure and develop these relationships. Horizontal communication across departments and organisational borders is necessary to achieve creativity and innovation. It is important to involve employees in relationships that fulfil their social and work-related needs.

Cilliers (203:25) states that the relational approach to corporate communication is significant because it situates building relationships as the central corporate communication activity.

Mutually beneficial relationships are also central in the definition of Cutlip *et al.* (1994:2)

who define corporate communication as:

> *"…The management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success and failures depends".*

However, Vercic *et al.* (2001) challenge defining public relations just in terms of relationships, especially in terms of their research in defining public relations in Europe for the European Public Relations Body of Knowledge (EBOK). As marketing views an organisation from a market view, these writers state that public relations should view an organisation from *a public view*. They therefore suggest that the relational approach to public relations should be expanded into a *public* or *reflective approach*. A reflective paradigm is concerned with publics and the public sphere; not only with relational (which can be private in principle) but also with public consequences of organisational behaviour (Vercic *et al.* 2001:373).

Most commentators would agree that communication management should aim to achieve consensus between an organisation and its publics. However, as Holtzhausen (2000, In: Baines *et al.* 2004) argues, the *"Public Relations Officer should (also) strive to identify the tensions between the organisation and internal and external publics. Through the identification of tensions, practitioners will promote and create situations in which new meaning is produced through difference in opposition".* This is where informal feedback has a constructive role to play in particular.

According to Cilliers (2003:9), corporate communication works as an interface between the organisation and various external groups or individuals. It supports the other subsystems of an organisation by helping them to communicate with both external and internal stakeholders. Dozier *et al.* (1995:27) went as far as saying that the overall strategic management of organisations is inseparable from the strategic management of relationships.

2.5.   THE SYSTEMS APPROACH

2.5.1. Introduction

The systems approach provides the framework from which the working of all communication theories could be better understood (Sereno and Mortensen 1970:8). According to Gregory (1999:266), one of the predominant lines of thinking, underpinning much of public relations practice, is the systems theory. This theory states that closed and open systems can be defined by their interaction with their environment.

A system can be any gathering of items that are dynamically related – units that interact with their environment. Fauconnier (1985:100) calls it *an organised whole* that is in a relationship with its environment and which consists of sub-systems. The environment or outside world (E) consists of a collection of interactive elements that are in interaction with the system (S). The relationship between E and S is usually indicated by input and output (Fauconnier 1985:101).

According to Jansen *et al.* (1991:41), the systems approach offers the most complete description of communication from a process perspective. It developed from the work of the biologist, Ludwig von Betalanffy, and was later extended to include all possible systems. Von Betalanffy was first to advocate the general systems approach. Various other scientists later joined in and established the framework of the general systems theory.

The systems theory grew fast during the 1960s and originated as an alternative to structural functionalism.   It originated from the physical sciences where both the organic and mechanical entities are viewed from the systems terminology. The society is regarded as one big system that is compiled with numerous interdependent parts. It is important to investigate the relationship between parts as well as the relationship of the system with other systems. It is equally important to take a closer look at the inputs in the social system, the way in which these inputs are processed by the society and the outputs that are produced (Ritzer 1992:220).

It is these interdependent parts or the complex interaction of elements that makes each system unique. Knowledge of parts of the system is insufficient when understanding the whole. The system's entities work together to form the whole.

According to Littlejohn (1983:35), a system has four entities. It has objects, attributes, internal relationships and an environment. *Objects* are parts or elements of the system while its *attributes* are qualities or characteristics of the system and its objects. There are also internal *relationships* between its objects and a system always has an *environment.*

The general systems approach describes the system as a whole that consists of interrelated subsystems. The subsystems have individual characteristics that cannot be derived from its parts. Although the system can clearly be identified from the environment, it keeps an important relationship with the environment – the input-output relationship. Information channels inside and between systems are emphasised because information output is so important in the system (Jansen *et al.* 1991:420).

Kofman and Senge (1995:27) also believe that the defining characteristic of a system is that it cannot be understood as a function of its isolated parts. The behaviour of the system does not depend on what each part is doing but on how each part interacts with the rest. One also needs to understand how a system fits into the larger system of which it forms part. For example: To understand the design of a car one needs to understand how it fits into a society of families who travel together. All the parts of a system need not be taken as primary. How the parts are defined is a matter of perspective and purpose and is not intrinsic.

Griffin (1997:6) states that the systems theory refuses to treat any conversation as an isolated event. According to this model a human communication system is seen as a set of interdependent people who work together to adapt to a changing environment. System theorists concentrate on patterns of relationships within the entire system while they regard the communication event as greater than the sum of its parts.

John Seiler's (In*:* Marion 1999:66) description of systems is more complex. He states that systems are composed of three broad, interdependent functions: internal inputs, activities and internal outputs. Each of these functions is composed of its own set of subsystems. The subsystems of each function are interactive and interdependent within the function. The three functions interact with each other.

2.5.2. Human communication systems

According to Thayer (1987:105), the communication system consists of the individual together with that, which is currently learned from the environment or from another individual or organisation.   This writer identified two characteristics of communication systems: the components of communication systems are interdependent and human communication systems are historical. Therefore the components of a specific human communication system are never the same in other communication systems, but are also never similar in the same communication system.

With reference to interdependency, Thayer (1987:105) states that in physical systems, as well as in information and data systems, the identity of the components would reacted the same in another system with the same characteristics. For example: A chunk of information is the same for an information engineer despite the time of day or the number of times that it is being used. However, this is not true of the components of human communication systems. An individual is not the same in one communication system as in another. A person's communication with his secretary might differ from his communication with his family.

There is, therefore, something unique in every communication system in which a person participates. The components of the human communication system are interdependent – These elements could only be defined in relation with one another. In human communication systems, information is what people do with data.

Fauconnier (1985:103) views the relation between the general systems approach and the cybernetics as conspicuous. In cybernetics, systems are studied according to their self-regulating characteristics and their striving towards homeostasis. Fauconnier was sure that the systems approach and the cybernetic orientation could be applied to human communication. Source and receiver can be seen as two systems that function as an environment with each other.

2.5.3. Characteristics of systems thinking

According to Ballé (1994:37), systems thinking is highly analytic, holistic and pragmatic. It follows the following guidelines.

- It focuses on the relationships rather than the parts;

- It sees patterns, not events; and
- It uses circular causality.

Systems theory also focuses on certain 'operational' aspects of situations that are mainly about resources (renewable and non-renewable); actions; motivations; and conditions. Put together, these elements will assist us in drawing systems control loops. More about this will follow later.

- **Open and closed systems**

There is no interaction between the system and its environment in a closed system and it dies eventually. The system is predictable, there is no alternative, and it is isolated and can only react on change within the system itself. There is also no influence on the environment. In contrast the open systems approach to communication demands optimal interaction with the environment and is therefore dynamic, changing, adaptive and receptive of input from the environment. As a result conditions within the system are influenced by input from outside (Marais 1979: 156).

It is general knowledge that many writers of management literature believed that organisations are or should be open systems in the sense that the survival, growth and nurturing of the organisations depend on its interaction with its environment and the stakeholder groups within that environment. Organisations are considered to function as open systems when they regularly receive input from the environment. The input is information that identifies problems that have put the organisation out of balance (equilibrium). Information inputs are processed (throughput) and the information is organised and solutions for the problems that originally generated the inputs are formulated. Outputs are then released into the environment. The organisation seeks feedback after these outputs have affected the environment to determine if it has solved the problem (Grunig and Hunt 1984:94, 95).

Thayer (1987:108) argues that human communication systems may differ from relative open to relative closed. A relative open communication system is one whose borders are relatively penetrable and open for participation by outsiders and in matters that can create, change, exploit or confirm central communication realities. For example, marriage can be seen as a relative closed system in a big part of the Western world.

- **Open systems and the Organistic Model**

Mink, Schultz and Mink (1979:8) state that organisational planning, according to the open systems approach, must take diverse motivations, values, perspectives and resources into consideration. The open system organisation is seen as the opposite of the bureaucratic organisation. Understanding of organisation dynamics is the key to the open system approach while it is also based on the principles of democracy. An open system anticipates and prepares for change.

Cutlip, Center and Broom (1984:212) state that all systems (mechanical, organic and social) might be classified in terms of their nature and the amount of interaction that they have with their environment. Open systems adapt and adjust themselves to accommodate or oppose variations in the environment in order to survive and grow. Feedback in a system causes adaptations in both the system's structure (what the system *is*) and system processes (what the system *does*). The output of adaptations can be internal or external (or both) while internal outputs change or retain aims and external outputs change or retain environmental conditions.

Figure 1: An open system model
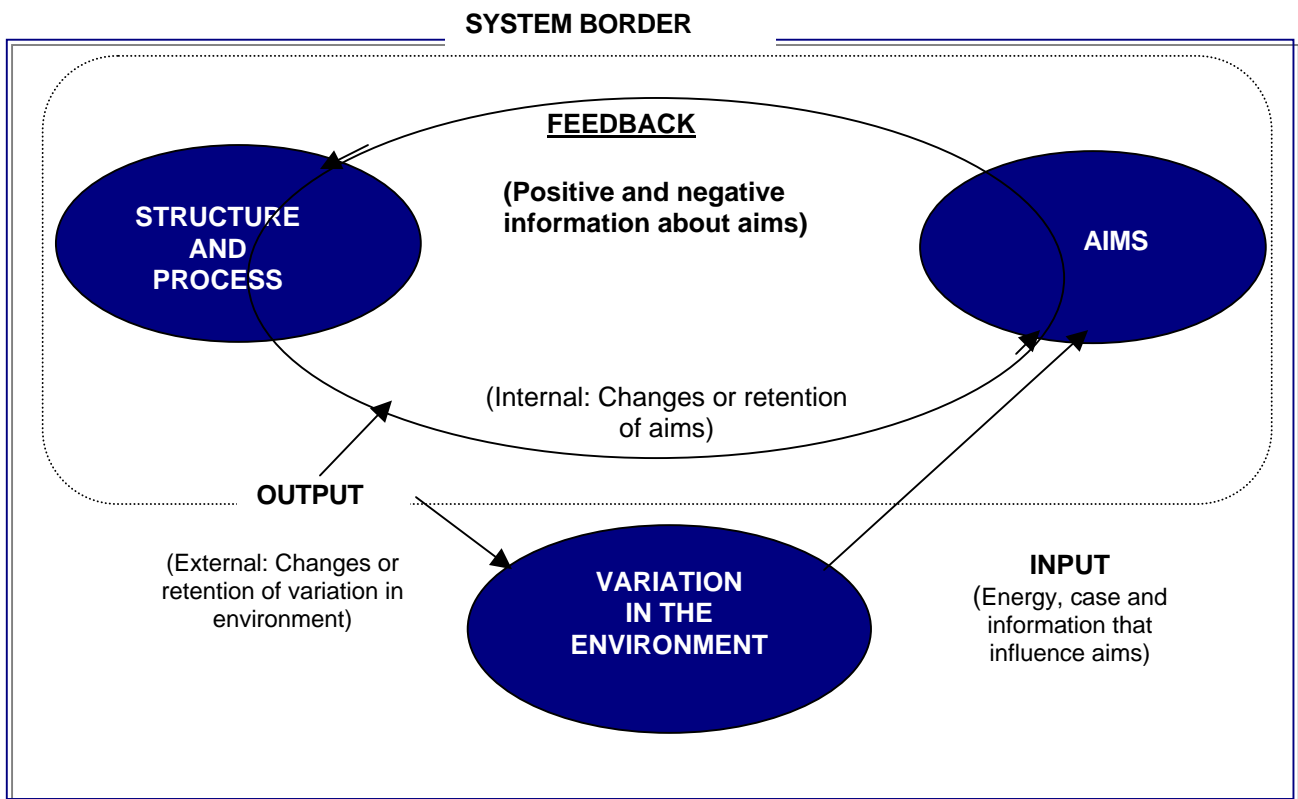
SOURCE: Cutlip, Center and Broom (1984:213)

The circumstances that are essential for survival are represented by the aims of the model in Figure 1. Theorists refer to these changing aims as *homeostasis*: Aims are relatively stable but, at the same time, they are subject to change as a result of system inputs.

In open systems, units of an organisation affect and are affected by other units and the organisation as a whole is responsive to changes in the environment. Organisations as open systems are created by the relatively stable interaction patterns of their employees. These interaction patterns are the products of communication.

Cutlip, Center and Broom (1984:217) argue that sophisticated open systems anticipate changes in their environment and therefore initiate corrective actions, which are designed to neutralise these changes before they develop into problems. Compare Figure 1. In the same sense pro-active public relations programmes should collect information well in time, make adjustments and generate internal and external outputs to prevent or avoid problems. The collection of information could include informal feedback input.

Ballé (1994:xiv) concentrates his understanding of systems thinking around what he calls *"the feedback loop concept"*. He is of the view that systems thinking is a practical way to challenge old logic, to change the way we think and to approach the world in a very practical and down to earth manner.

According to Littlejohn (1983:35), open systems receive content and energy from their environment and also send content and energy to their environment while they are focused on life and growth. Biological, psychological and social systems follow an open model. The open systems approach demands research abilities to monitor stakeholders and other environmental powers as well as the powers within the organisation (Cutlip *et al*. 984: 222).

Katz and Khan (1978: 32) state the key elements of open systems as follows:

- *Input* without which a system dies (entropy). Inputs can be the system's own output or from the environment outside the system.
- *Throughput* or transformation that is the process of transforming inputs into outputs (for example by making a product).
- *Output* **-** whatever the organisation produces (the end product).
- *Interrelationship* or interdependence – the interlocking relationship between the parts of the system and the whole system.
- *Transactional relationship* with the environment - the environment is not constant and must be continually investigated.
- It has *boundaries* that both connect and separate the organisation from its environment.

Gregory (b) (1999: 268) states that an open system receives input from its environment that impacts on its ideal or desired goals or objectives. In response, feedback within the system causes adjustments in the system's structure and processes. Externally, outputs may maintain or change the environment. In organisation systems the objective is survival that necessitates adjustments to maintain balance within themselves and with their environment. According to Buckley (In Gregory (b) 1999:269), variety, tension and the desire to develop or learn are essential to the adaptive system.

- **Open systems and the Adaptive Model**

According to Gregory (b) (1999:268), an adaptive organisation is not static but emerges from a network of interactions among individuals in which information is selectively perceived and interpreted in accordance with the meaning it holds for the people involved. This system has deep roots with cybernetic research and places a big emphasis on the role of adaptive feedback that is actively sought in order to change purposefully. The focus is on exploring the system's own changes.

The open system approach model makes use of a two-directional symmetric approach that means that communication occurs in both directions and information changes can occur in both sides of the organisation-public-relationship. Interaction between the organisation and its environment is not mechanical (a seeking of feedback to make adjustments to a self-perpetuating system), but rather an ongoing process where the development of shared meaning and mutual understanding is vital. This follows a cyclical process where information is given meaning by each participant in the communication process and is typical of the network approach. Adaptive systems carry the inherent quality of being able to transform over time.

Gregory goes on to say that while the two-way asymmetrical public relations model has relevance to the adaptive systems approach, it is the two-way symmetrical model that fits best here. The two-way symmetrical model proposes that organisations should be willing to change like their publics as a result of communication dialogue. The change, therefore, occurs on both sides.

Marion (1999:65) believes that open systems utilise feedback mechanisms to gauge the state of the environment and the environment's reaction to the system's output. The feedback mechanisms enable homeostasis in that they provide information needed to adjust to environmental changes.

- **Autopoiesis**

A key view of autopoiesis is its different view from systems thinking with regards to systems-environment relationships.

This approach sees systems as "self-referential" which means that organisations interact with the environment from its standpoint and therefore the environment is really a reflection of itself, because relationships with the environment are internally determined. The environment is seen as part of the organisation. When there is change, a circular pattern of interactions takes place that have no observable beginning nor end because of the system's closed-loop of interaction. The main contribution of autopoiesis is:

a) Perceptions of the environment are rarely objective. Different organisations and the people within them will have different perceptions of that environment regulated by their own internal reference points.

b) The environment itself is part of the organisation. So-called *egocentric organisations* see themselves as the only ones to determine their own identity of who they are. They have non-negotiable and fixed notions of who they are.

Struggling "against" the environment is viewed as self-destructive since the environment, and its stakeholders, are in reality an integral part of the organisation. (Gregory (b) 199:270)

- **Closed systems (mechanistic systems)**

The closed system tries to take control over environmental powers while the open system approach suggests adaptations and adjustments as more realistic and applicable responses for the organisation.   Closed systems are concerned with the internal workings and composition of the organisation and pay little attention to the external environment. It was used in the early development of management theory to describe "effective management". No input or relationships from outside are considered.

According to Turner (1991:120), closed systems do not exchange energy, content or information with their environment. Open systems, however, move outside their borders into the surrounding environment.

2.6.　CHARACTERISTICS OF OPEN AND CLOSED SYSTEMS

For Ballé (1994:45) one of the major concepts of systems thinking is that of feedback. An effect has a cause, like if "A", then "B", as in Figure 2:
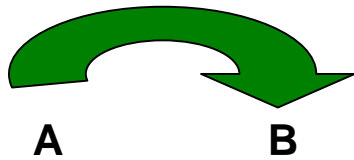
Figure 2: Cause and effect　　　　(**SOURCE**: Ballé 1994: 45).

However, according to systems thinking, if A causes or affects B, then in many ways, B is going to affect A. This circular causality is called a *feedback loop* (Figure 3).
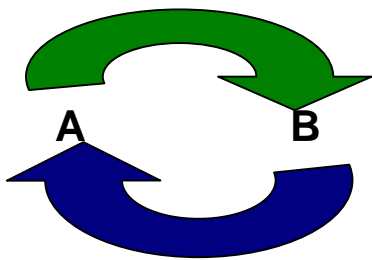
Figure 3: Feedback loop　　　　(**SOURCE**: Ballé 1994: 45).

> *"Representations derived from a systems thinking framework are built on the interactions between parts rather than simple 'because' causality. Instead of one-way causal statements, one is then induced to build 'systems' or series of 'feedback loops' coupled with each other"* (Ballé 1994:45).

The feedback loop often stands against ingrained ideas such as linear causality. When one draws feedback diagrams one clearly sees that the concept of feedback allows one to link causal structure to dynamic behaviour and can highlight how the system itself causes its own behaviour. The systems approach investigates how the changing relationships between the elements of the whole system might be causing the observed behaviour. By modifying the relationships between the elements of the system one is able to have a significant influence over its behaviour. Changing the rules, therefore, changes the game (Ballé 1994:50).

Another important feature of systems is *delays*. In complex systems (such as organisations)

delays can be quite significant. Time plays an important role and is usually represented by delays between an action and its effects in different parts of the system.

Delay

A   **B**
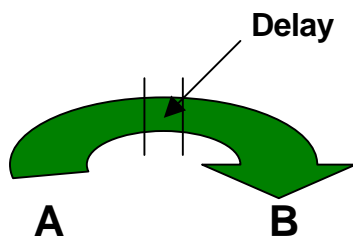
Figure 4: Delay   (**SOURCE**: Ballé 1994: 45)

The feedback concept's most powerful aspect is the way one can link causal structure to dynamic behaviour. For example: The organisation decides to increase its advertising output to attack a competitor's market share. Now the competitor launches an even bigger campaign to remain competitive. This is a positive feedback loop – the system causes its own behaviour. In systems thinking terms, exponential growth of decay is generated by a positive feedback loop. These loops are also known as *virtuous circles* or *vicious cycles*. The action increases the conditions that in turn reinforce the action. For example: More sales mean more satisfied customers, which generate a positive word of mouth, which in turn boosts sales to create more word of mouth and so forth (Ballé 1994: 69).

This is also how reputations (good or bad) are built and how rumours spread and can lead to total panic. However, positive and negative feedback loops occur together in the complex system's quest for balance and generate so called *S-curves behaviour.* The S-curve process limits growth and seeks balance. Complex systems are made up of a multiple of coupled positive and negative loops (Ballé 1994: 69).

Ballé (1994:66) calls positive feedback loops *the engines of growth* and negative feedback loops *the source of stability*. A positive feedback loop cannot exist for too long because everything is in constant change. Any system that will survive must be able to cope with change. All stable systems deal with change by acting to cancel or negate the change. This is called a *negative* or *balancing feedback loop*. It assists the system to return to a stable state. It creates a reaction that will limit the effects of change.

Senn and Childress (1999:9) describe a model, based on general systems theory, which sees a person, group or organisation as a system composed of subsystems located within

a larger system. Fabun (as quoted by Senn and Childress (1999:95) describes their model where the organisation is as an energy exchange system:

> "There is an input of energy from the environment, and a patterned internal activity that transforms the energy into output, which in turn provokes a new energy input. The organisation is thus seen as an open system engaged in constant transactions with its environment, which can be visualised as a system of systems. These systems include the sub-systems within the corporations (divisions, departments) which are constantly engaged in energy exchanges and the systems operating outside the organisation, but affecting it – other members of the same industry, members of competing industries, suppliers and government institutions".
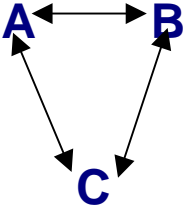
Thayer (1987:107) states that isolated communication systems could not exist inside a complex human society. There are numerous communication systems and sets of communication systems within complex human societies that overlap and which interpret one another through communality or through binding members or participants.

Cutlip *et al.* (1984:210) identify *subsystems and suprasystems.* Just as an organisation forms part of a larger system, the organisation itself can also be seen as a system. The organisation is a component of a higher rank social system. A subsystem within a system can act as a complete system in another context.

2.6.1. Patterns of open and closed organisations

Table 1: Patterns of open and closed organisations

An open organisation is more likely to:	A closed organisation is more likely to:
• Treat top positions in the hierarchy as broader in scope and more integrative in function but not implying overall personal superiority;	• Treat occupants of top business as if they possessed overall personal authority (omniscience, omnipotence);
• **Seek external feedback and respond flexibly in light of the organisation's mission;**	• **Avoid external feedback so as to avoid inconvenient changes in the status quo;**
• Base itself on higher motives (self actualisation, a desire to know and contribute);	• Base itself on lower motives (personal safety, comfort;

An open organisation is more likely to:	A closed organisation is more likely to:
• Encourage an overlap in planning and implementing;	• Make a sharp distinction between planning and implementing;
• View top-level decisions as hypotheses subject to review and revision at lower echelons;	• View top-level decisions as final unless review is initiated by top-level staff;
• Structure itself by temporary task forces, functional linkages, broad role definitions, mobile and regional property, brief amendable constitutes;	• Structure itself by permanent departments and echelons, fixed property, permanent detailed constitution and bylaws;
• Set an atmosphere which is goal-orientated, challenging yet informal;	• Set an atmosphere which is routine-orientated, deadening, formalistic;
• Manage through supportive use of authority, i.e. encourage experimentation, learn from errors, emphasise personnel development, use resources, tolerate ambiguity;	• Manage through intimidating use of authority, i.e. create caution and fear of errors, emphasise personnel selection, conserve resources and avoid ambiguity;
• Communicate up, down and across – unlimited chain of command. Promote an interactive mode.	• Communicate one-way, downward through the chain of command – all other communication is viewed as insubordinate.
A ↔ B C	A B C

SOURCE: Senn and Childress (1999:19)

Figure 5: The systems underlying the organisational loop
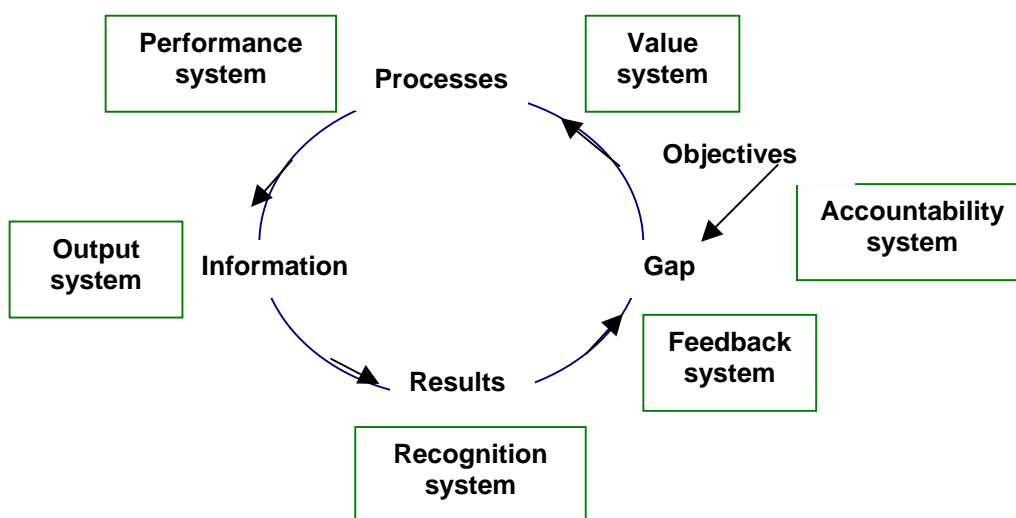
SOURCE: Ballé (1994:129)

2.7. THE SYSTEMS APPROACH APPLIED TO PUBLIC RELATIONS

According to Cutlip, Center and Broom (1984:206), the systems approach can be applied to public relations because communal, dependent relationships are formed and maintained between organisations and their stakeholders.

In public relations the set of interactive units (systems) include the organisation and the publics with whom it has relationships or with whom it wants to establish relationships. They are also communally influenced or involved in some ways. John Bennet, a British scientist, led the development during the 1960s, of another level of systems thinking called *systematics.* Systematics is about the ongoing development of the *systems mind*. Charles Krone, a leader in organisation theory and practice, integrated systematics into the design of innovative organisations (In*:* Wood 1995:403). Here, developing a systems mind becomes an integral part of analysing, designing and evolving the organisation.

According to Gregory ((b) 1999:266), the systems theory states that mechanical, organic and social systems, which includes organisations, can be defined by their interaction with their environment. Three main systems perspectives are usually applied in the business context: mechanical or closed systems, organismic and adaptive systems. The last two are both open systems. All three of these provide communication management with valuable insights.

According to Lubbe and Puth (1994:41), the systems approach is an abstract perceptual framework that is an exceptionally good aid to understanding and practicing public relations. The approach identifies the principle common to all systems of which the most important are wholeness, hierarchy, self-regulation, openness and adaptability. The term 'theory' as it is often called is actually misleading when applied to general systems theory as it is widely accepted as a perspective or approach and not as a theory.

Littlejohn (1983:34) believes that systems theory emphasises the interdependent relationship of the parts of an organisation. The systems theory and the information theory contribute to the investigation of the various characteristics of the physical, biological, social and behavioural phenomena. They are not merely communication theories but also bear important communication implications. The closed systems approach forces communication practitioners to play functionary roles.

The open systems approach enables communication practitioners to fulfil either a functional or managerial role (or both) while they systematically plan and manage communication programmes and are part of the dominant coalition where they counsel and advise as well as make strategic policy decisions. Management needs strategic information in order to make strategic impact decisions. Stein (2003:6) states that the role of *the corporate communication strategist* should be to seek and listen for information (feedback) from the environment so that the organisation can adapt to stakeholder views and societal norms. The role of *the corporate communication manager and technician* is the dissemination of information to the environment about the organisation's views, policies and strategies.

This information is often provided by communication managers who act as boundary spanners that frequently interact with the organisation's environment and who gather, select and relay information from the environment to decision-makers in the dominant coalition. The communication manager, therefore, stimulates learning, which is in essence the aim and lifeblood of learning organisations.

An organisation's public system consists of the organisation itself and the people involved in the organisation or the people influenced by the organisation. Different publics and, therefore, other system borders, should be defined for every communication situation or problem. (Cutlip *et al*. 1984:107). If the systems of the organisations' publics do not adapt, they become ineffective due to the fact that the organisation acts or reacts in ways that are unsuitable in the new circumstances. The task of the communication manager is to bring the organisation's relationships in sync with the communal interest and aims of the organisation and its stakeholders or publics.

Broom and Dozier (1990:7) believe that the model of open systems exchanges processes that lead to structural and activity change and adaptation and depicts the function of public relations in organisations. If the input of information, energy and matter is closed off, the result will be a relatively closed system, which will be insensitive to environmental change pressures. Without inputs, most systems become dysfunctional and eventually cease to output.

Cutlip *et al.* (1984: 211) state that public relations and corporate communication are part of the adaptive sub-system that can be distinguished from the production, support, maintenance and management subsystems of the organisation.

An open or *functional view* of communication management asks for an open systems approach where change is initiated in both the organisation and the environment. According to this view public relations has an advisory role and it has an impact on decision-making. In contrast, a *functionary view* of communication management is equal to the closed systems approach (Cutlip *et al.* 1984: 217).

An open systems model of communication is graphically presented as follows:

Figure 6: An open systems model of communication
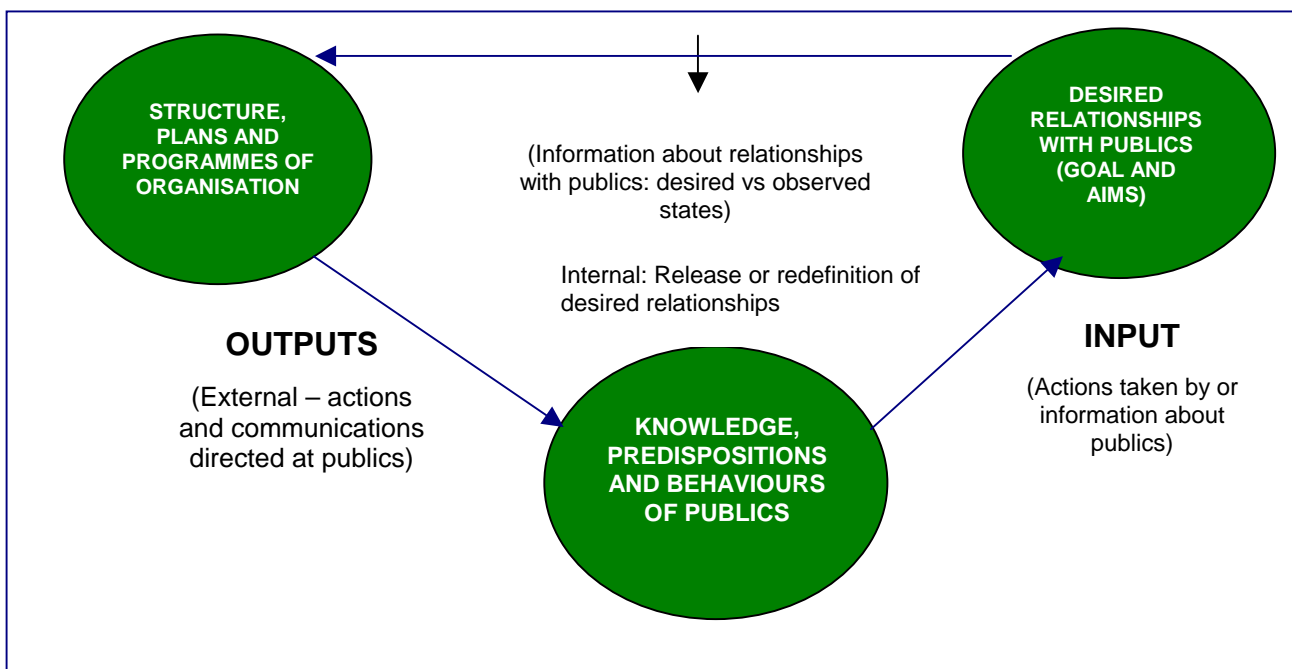
SOURCE: Open systems model adapted from Cutlip, Center and Broom (1984:223)

According to Ballé (1994:173), systems thinking provides a different method to make maps – it does not reject the validity of other maps, but merely contributes to our map-making capability.

2.8.   DIALOGIC THEORY OF PUBLIC RELATIONS

The concept of dialogue in public relations casts an interesting view on public relations and the two-way symmetrical model of public relations and organisational involvement. In the following section issues surrounding dialogue as a concept in public relations and how it could serve as a useful theoretical underscore to the rest of this study is clarified. The dialogic theory of public relations and the relationships management paradigm discussed in paragraph 2.4.3. are interrelated.

The field of relational communication has previously considered the concept of dialogue as a framework for thinking extensively about ethical and fulfilling relationships. Dialogue is sometimes described in public relations as communicating about issues with publics. At other times it has been equated with debate or rhetoric. A theoretical shift from public relations as the management of communication to an emphasis on communication as a tool negotiating relationships has been evident for some time (Kent and Taylor 2002: 22,23).

According to Kent and Taylor (2002: 23), Ledingham and Bruning argue that Grunig's concept of public relations as "building relationships with publics that constrain or enhance the ability of the organisation to meet its mission" was instrumental in shifting the emphasis in public relations from managing publics and publics' opinions to a new emphasis on building, nurturing and maintaining relationships. According to Pearson (In: Kent and Taylor 2002: 23), "public relations is best conceptualised as the management of interpersonal dialectic". Cilliers (2003:25) stated that the relational approach to corporate communication is significant because it situates building relationships as the central corporate communication activity.

Kent and Taylor (1998) (In: Kent and Taylor 2002: 23) address dialogic relationship building on the internet and argue that dialogue is a product rather than a process. They view the two-way symmetrical model as a procedural way to listen or solicit feedback. A discussion of the principles of dialogue and how public relations practitioners and scholars could use dialogic approaches had been missing from discussions of dialogue in public relations literature until Kent and Taylor's review.

2.8.1. Principles of a dialogic public relations theory

According to Kent and Taylor (2002: 24), there are five features of dialogue as an orientation:

- *Mutuality* or the recognition of organisation-public relationships;
- *Propinquity* or the temporality and spontaneity of interactions with publics;
- *Empathy* or the supportiveness and confirmation of public goals and interests;
- *Risk* or the willingness to interact with individuals and publics on their own terms;
- *Commitment* or the extent to which an organisation gives itself over to dialogue, interpretation and understanding in its interactions with publics.

Mutuality

It refers to an acknowledgement that organisations and publics are inextricably tied together, which is characterised by an "inclusion or collaborative orientation" and a "spirit of mutual equality". By *collaborative orientation* is understood that unlike bargaining and negotiation, dialogue is NOT about winning, losing or compromising but that everyone involved in dialogue should have their own viewpoints, which they should advocate vigorously. Dialogue is built on intersubjectivity and seeks to understand the positions of others. No individual or group engaged in a dialogic exchange can therefore possess absolute truth.

Under *spirit of mutual equality* is understood that participants in dialogue should be viewed as persons and not objects and that the exercise of power or superiority should be avoided. Participants should feel comfortable and free to discuss any topic. Ethical dialogue necessitates acknowledgement of the other party (Kent and Taylor 2002: 25).

Propinquity

Propinquity argues for a type of rhetorical exchange and is an orientation to a relationship. Translated to organisations it means that publics are consulted in matters that influence them, while publics should be willing and able to articulate their demands to organisations. Propinquity is created by three features of dialogic relationships: *Immediacy of Pr*esence; *Temporal Flow* and *Engagement*. These features clarify the process of dialogic exchanges.

Immediacy of presence suggests that parties involved are communicating in the present about issues, rather than after decisions have been made and that they communicate in a shared space.

Temporal flow is characterised by the fact that dialogic communication is relational – it involves an understanding of the past and the present and is also aimed at future relationships. Dialogue seeks to build a future for participants, acceptable for all.

Engagement is the third feature of dialogic propinquity. It demands that dialogic participants are willing to give their whole selves to encounters and that they must be accessible. When an organisation is fully engaged in its community (local or global), it will have broader contexts and wider perspectives to draw upon in its decision-making. All parties involved benefit from engagement because decisions serve multiple publics. Successful organisations consider the needs of publics and consult and consider publics on matters that affect them. (Kent and Taylor 2002: 26)

According to Kent and Taylor (2002: 27), there are the following possible positive outcomes for organisations that embrace dialogic relationships:

- Firstly, organisations will know in advance of public disagreement on issues.
- Secondly, organisations can use their open, two-way relationships with publics to improve organisational effectiveness.

Empathy

The third dialogic principle is the concept of empathy. This feature is characterised by supportiveness, a *communal orientation* and *confirmation or acknowledgement* of others. Empathetic communication is important because practitioners can improve their communication by 'walking in the shoes' of their publics.

By *communal orientation* is meant that dialogue presupposes a communal orientation between interactants, whether they are individuals, organisations or publics. Publics and citizens of the world are becoming inextricably linked by new technologies each day. Globalisation demands that organisations must engage in local as well as international relationships.

By *confirmation or acknowledgement of others* is meant that the values of others are an essential feature of humanity (Laing, In: Kent and Taylor 2002: 27). It entails recognising the voice of others and to build trust with them. Organisations also need to acknowledge that individuals and groups, who do not agree with the organisation, also need to be heard. It is difficult to regain trust once it has been lost. A sympathetic orientation to publics may assist to improve relationships with external groups. (Kent and Taylor 2002: 27).

Risk

Leitch and Neilson are quoted by Kent and Taylor (2002: 27) in saying that *"genuine dialogue is a problematic concept for system(s) public relations because it has the potential to produce unpredictable and dangerous outcomes"*. However, some risk is implicit in all organisational and interpersonal relationships. The notion of risk is characterised by three features in dialogic exchanges: *Vulnerability*, *emergent unanticipated consequences* and *recognition of strange otherness*.

Vulnerability

Dialogue involves the sharing of information, individual beliefs and desires with others. Because information is power and dialogue involves risk, it makes participants vulnerable to manipulation or ridicule by other parties involved. Dialogic participants can emerge from exchanges as new and reborn as each encounter offers the possibility to grow.

Emergent unanticipated consequences

Dialogic communication is unrehearsed and spontaneous but not predictable. It is the interpersonal relationship between participants that facilitates dialogue. Dialogic interactants avoid the urge to manipulate others.

Recognition of strange otherness

Kent and Taylor (2002: 28) describe this feature of risk as the *"unconditional acceptance of the uniqueness and individuality of one's interlocutor"*. It is not limited to interaction with strangers, but also with those who are well known. Individuals are accepted as unique and valuable in their own right and because of their differences.

Commitment

Commitment is the last principle of dialogue described by Kent and Taylor (2002: 29). Commitment describes three characteristics of dialogue: *Genuiness and authenticity*, *commitment to the conversation* and a *commitment to interpretation*.

Genuiness and authenticity

Dialogue is by heart honest and forthright while interlocutors endeavour to place the good of the relationship above the good of themselves (or the client or organisation). Organisations and publics that deal truthfully with one another are much more able to come to mutually beneficial solutions.

Commitment to the conversation

The second characteristic of commitment is *commitment to the conversation* that states that conversations are for the purposes of mutual benefit and understanding and not to defeat the other. Sharing the same meanings or working towards common understandings is crucial to dialogic relationships.

Commitment to interpretation

Since dialogue is intersubjective, it needs interpretation and understanding by all parties involved. It also means making an effort towards understanding the positions, beliefs and values of other participants. Dialogue occurs when the individuals (or sometimes groups) agree to set aside their differences in order to come to an understanding of the others' position.

2.8.2. Dialogue and public relations

According to Kent and Taylor (2002:30), public relations often has to negotiate relationships with publics holding diverse positions. For organisations to build community relations requires commitment to conversations and relationships, genuineness and authenticity. These are all strengths of ethical public relations.

Dialogue also needs to be pragmatic and accessible to the people who practice it. Although it involves risk, dialogue can also lead to greater organisational rewards like increased public support, enhanced image and reputation and decreased governmental interference.

Kent and Taylor (2002: 30) describe three ways in which dialogue can be incorporated into day-to-day public relations: The interpersonal, the mediated and the organisational.

Building interpersonal relationships

Organisational leaders, as well as all organisational members, must be comfortable engaging in dialogue with integrated levels of business and society. Skills needed are: being able to listen, empathise and conceptualise issues within local, national and international frameworks; being able to identify common ground between parties; thinking about long-term objectives; seeking out groups or individuals with opposite viewpoints, and soliciting a variety of internal and external opinions or policy issues.

Building mediated dialogic relationships

According to Kent and Taylor (2002: 30), organisations can reinforce their commitment to dialogue and foster more interaction with publics by using mass mediated channels to communicate with publics. They must publish all their contact details like postal addresses, e-mail addresses and contact numbers regularly. The internet is indispensable in modern public relations. The internet is one place where dialogue can inform relationship-building because it comes closest to being interpersonal.

Pearsons (In Kent and Taylor 2002: 32) identifies six dimensions of dialogic organisational systems:

- An understanding of and agreement on the rules governing the opportunity for beginning, maintaining and ending interactions, and:

Public understanding of and agreement on the rules for:

- Governing the length of time separating messages or questions from answers.
- Governing opportunities to suggest topics and initialise topic changes.
- When a response counts as a response.
- Channel selection.

- Talking about and changing the rules.

Not everyone agrees that dialogic public relations is possible. It is often called more ethical without real proof to support this claim, say the critics. Dialogue is, however, a very complex and multifarious process. It is called the "next stage of public relations theory development" (Kent and Taylor 2002: 33).

2.9.   CHAOS, POST-MODERN, CONTINGENCY AND COMPLEXITY THEORIES

According to Ströh and Jaatinen (2001:163), approaches such as the chaos, post-modern, contingency and complexity theories all emphasise the importance of interconnectivity between subsystems of societies and organisations as well as the role of relationships. These relationships create energy in the form of information and dialogue.

Transorganisational development emerged in management literature because it was realised that organisations all form part of a bigger system and are interdependent. According to this view, transorganisational development is a form of planned change that assists organisations in collaborating with one another in order to share resources and risk. Organisations are seen as "living systems", with characteristics of less control and a more organic, holistic and ecological approach to management. Organisations that operate as living systems are more open, flexible, balanced, creative, innovative and respond more easily to environmental changes (Ströh and Jaatinen 2001:152).

These organisations also strive towards healthy relationships with groups that could be influenced by the organisation or that could influence the organisation in turn. Relationship-building, therefore, becomes an important strategic management process and the central task of communication management within the organisation.

Both chaos and complexity theorists propose that a system's dynamics involve more than 'if A, then B' relationships in which outcome is the simple function of inputs. They argue instead that system behaviour more often results from complex, non-linear interactions among parts, of which the behaviour is difficult or impossible to predict.

Non-linearity is a central concept in chaos and complexity theories and means that

response is disjointed with cause (Marion 1999:5).

2.9.1. Chaos theory

Murphy (1996:96) argues that the chaos theory appears relevant to such a broad scope of disciplines that some people view it as a scientific version of post-modernism. It is important for public relations because this field of study takes its assumptions and methods from the social context in which it operates. The term *chaos theory* is somewhat misleading and, therefore, some researchers prefer terms like *non-linear dynamics, bifurcation theory, change theory* or *self-organising theory*.

The chaos theory evolved from the basic principles of the systems theory. Different definitions are summarised by Overmann (In Ströh and Jaatinen 2001:153) as:

> *"The study of complex, dynamic systems that reveal patterns of order out of seemingly chaotic behaviours, the study of complex, deterministic, non-linear, dynamic systems…so complex and dynamic, in fact, as to appear chaotic".* It can be described as a state where *"a system can no longer sustain a stable pattern of behaviour because of an increasingly unstable environment and subsequently leads to the system reorganising itself to adjust to these changes".*

According to Marion (1999:6), the chaos theory tends to focus on systems in which non-linearity is intense and mechanical, e.g. weather systems. These systems are stable but their behaviours are not repetitive and they only have limited memory of their past. Chaos theory seems more appropriate for describing physical systems than for describing human behaviour because the element of life is missing in this theory.

Chaos theory tries to explain why systems do not seem to function in linear, predictable and conventional ways but indeed display patterns and structures when studied from a distance. Examples are phenomena such as weather patterns, economics and traffic patterns. Out of what seems to be chaotic and out of control, new relationships and structures emerge.

Over time the chaos theory attempts to understand the behaviour of systems that do not

act in a linearly predictable, conventional cause-and-effect manner. Although these systems have definite patterns and structures, their future direction cannot be predicted from their past history at any single point in time. An example is that of a stakeholder member's opinion on an issue that cannot be exactly predicted. However, it is possible to locate an underlying order in public opinion over the long term.

According to Murphy (1996:97), even non-linear systems with unpredictable outcomes possess a deep structure that is called an *attractor*. An attractor is an organising principle or an inherent shape or state of affairs to which a phenomenon will always tend to return as it evolves. This is almost like the so-called intelligent alloys that exist. When heated they will always return to their original shape, which is usually straight and flat. We can differentiate between static attractors and strange attractors.

The straight line of a *static attractor* leads to an outcome that continues unchanged at a certain level. However, chaotic situations are identified by *strange attractors* where outcomes change constantly and are unpredictable within a bound range. On a social level, attractors have been seen as indicators of human nature and free choice. Some writers and researchers view organisational culture as a strange attractor. Systems may also be chaotic in some phases in their evolution and quite linear during other phases (Murphy 1996:97).

Murphy (1996:97) concludes by differentiating between the Newtonian logic that teaches us that we can generalise from the part to the whole, while chaos theory tells us that we must study the whole before we can draw accurate conclusions. This is true even about parts. Characteristics of a system at a single point can mistakenly be generalised to the system as a whole. The reality at a given moment is described by the human observer who chooses the scale and not by universal qualities. Such concepts have created convergence between chaos theory and post-modernism.

Complex systems like organisations and their environments have multiple systems of actions that are both chaotic (unplanned communication) and ordered (planned public relations). This complexity causes random disturbances that ripple out unpredictably through the system, creating novel patterns of change along the way. Order always eventually emerges despite all the chaos.

This can partly be described by the emergence of *potentials* that act as attractors while providing a focus for self-organisation. These potentials can be very small, incremental changes (in themselves insignificant) that, together with combined effort, can start major change by creating disturbances in the system. The systems, on the other hand, also have their own increasing dynamic. In complex, random systems all changes together can lead to significant shifts that have a clear direction (Gregory (b)199:272).

According to Ströh and Jaatinen (2001:153), the emergent approaches of chaos, post-modernism, complexity and contingency serve as an important background for understanding approaches for change and communication management. Investigation of change management, in which feedback intervention plays a major role, is an important element of the learning organisation. This will be further explained as this study unfolds.

Chaotic systems can be both determinate and unpredictable as well as self-organising and self-renewed. The theory of chaos maintains that most natural events violate expectations and that irregular changes in some systems' initial conditions may be amplified as they unfold so that end results bear little resemblance to the beginning. As a result, predicting final outcomes becomes impossible.

In contrast to the Newtonian view of modern science, which states that systems maintain their stability by means of *negative feedback* that leads to corrective action, (where stability is seen as the norm), a chaotic system evolves by means of *positive feedback*. As chaotic systems evolve, every step's output provides the material for a new formulation and outcome. This trend toward destabilisation in a chaotic system can lead to sudden changes in the system's direction or character, called *bifurcations* (Murphy 1996:96).

According to Ströh and Jaatinen (2001:154), the chaos approach differs from the complexity approach in that it is seen as a state where no patterns can be distinguished and that does not have any order or understandable detail. There is also a great presence of confusion. This is in contrast with the belief of the complexity approach that there are patterns and models if viewed over time and from a distance. According to Cilliers (In: Ströh and Jaatinen (2001:154), 'complexity' also refers to a much broader category than 'chaos'. There are, however, also a lot of similarities.

According to Ströh and Jaatinen (2001:155), the order behind the apparent chaos lies in the adaptation, renewal and growth of organisations through self-organisation brought about by the chaos. The contribution of this theory to management lies in the appreciation of change, chaos and uncertainty and not in control, as well as the interdependency of subsystems and their natural cooperative nature. This interdependence means that all subsystems should take part in the processes of the system.

"Participation could add to the richness of information, shared responsibility, more trust and transparency and, ultimately, to healthier relationships" (Ströh and Jaatinen 2001:155). This is in essence the role that stakeholder feedback should take on.

Relationships and the investment and maintenance thereof, are central to the chaos theory. It also states that the development and maintenance of these relationships is more important than the outcomes, participants or objects themselves. Relationships lead to the creation of meaning and are often an indicator of successful public relations and communication management (Ströh and Jaatinen 2001:155).

According to Ströh and Jaatinen (2001:155), an important element of the chaos theory is that the strong connections between the diverse elements contained in a system cause it to be more capable of sustaining itself at a state away from the point of balance (equilibrium). They further argue that the organisation's ability to change lies in the challenges of relationship management and not in changing the structures or functions of individuals. Communication plays a central role in relationship-building and strengthens the connection. Open systems have better self-organising abilities because the instability enables the system to respond to the demands of the environment.

Applied to organisational management, it means that open systems organisations can adjust and respond much faster to new challenges and opportunities, and be sensitive to emerging markets and changing consumer needs as well as threats from pressure groups. Internal structures and processes should be aligned with the environmental demands. Open systems organisations can, therefore, respond faster to the needs of all its stakeholders.

2.9.2. Post-modernism and complexity

According to Holzhausen, as quoted by Ströh and Jaatinen (2001:153), post-modernism is characterised by the coexistence of different discourses and paradoxes. These discourses and paradoxes are, however, characterised by the important distinction of being part of a complex set of relationships and interlinked networks. This network of society generates knowledge and leads to an explosion of information. The clusters in the network of society have constant interaction, change and self-organising processes by which meaning is created. Diversity (and not structure) is necessary for systems to create meaning. Diversity creates rich information that could become knowledge and wisdom if managed properly.

According to the above-mentioned writers, complex systems have the following characteristics within the framework of post-modernism:

- Complex systems consist of a large number of elements, while organisations consist of varied elements of different dimensions;
- These elements all interact dynamically: The different departments and levels interact constantly in striving to reach the organisational goals;
- The levels of information-sharing and interaction are fairly rich: The different networks of organisations interact formally, informally on different levels and with different abilities;
- The interactions are non-linear and asymmetric. Small causes can have large effects and power differences exist that feed this non-linearity. Organisations have many internal levels of power and constant competitions for resources;
- The interactions cluster together in networks. This is because there are no controlling levels: Organisational information-sharing is usually centred around groups that have to perform the same function – have shared goals and expectations;
- Feedback loops are interlinked in large networks and information forces the system to constantly transform. For example, organisations use environmental scanning (which could include informal feedback variables) to bring new information into the system, which in term forces it to adjust and transform;
- Complex systems are open systems that interact with the environment and other systems;

- These systems do not strive for conditions of equilibrium as generally accepted in systems theory. Applied to organisations, this means that organisations that are too stable and have no free flow of energy that forces them to change continuously, will eventually cease to exist;

- The complexity of the system has the effect that individuals within the system will never fully understand or know everything about the system. CEOs of organisations will never know everything about the system and therefore need lower rank information-sharing as well.

The core of the complexity approach exists out of the interaction of all subsystems of a complex system. This is further enriched by the relationships that are formed and the creation of information and knowledge that follows as the result of relationships. It is believed that power is spread throughout systems in society. The challenge thereof could inherently cause transformation. Post-modern public relations should involve all stakeholders, also the marginalised groups, to create diversity and dialogue, and recognise differences and dissent between the organisation and its publics. A strategic and holistic view of public relations is emphasised by the post-modernists (Ströh and Jaatinen (2001:154).

According to Marion (1999:7), a complex system is more stable and predictable than a chaotic system. Even though it borders on the state of chaos, it possesses sufficient stability to carry memories and sufficient dynamism to process that information. This balance between order and chaos enables the ability to reproduce orderly change as well as to self-organise or emerge without outside intervention.

Mickey (1997:271) describes the media theory of Jean Baudrillard which illustrates the kind of society in which the signs of the media become their own reality and do not stand for any real reality. The signs and symbols demanded by media are their own reality. Media technology today gives us the facts as presented simply because they are presented and have little or no reference to truth. The writer examines how a public relations campaign can produce results like involvement in a war. Post-modern thought posits the rejection of meaning in its affirmation of the image as signifier, while images exist in an infinite chain of intertextuality. Jean Baudrillard said that we live in a hype reality of simulations in which images, spectacles and the play of signs replace the logic of production and class conflict as key constituents of contemporary capitalist societies.

According to this viewpoint, Mickey (1997: 273) argues that public relations could be called *"symbol production in so far as communication strategy is an integral part of the work, whether work be a speech, a news release or a press conference. The focus will be on the public relations text which can be defined as the public communication vehicle or event produced for some pre-determined objective".*

Complex system outcomes cannot be easily predetermined, yet there is a sense of the predictable about them. Their dynamics do not necessarily favour efficiency and once stable, the system tends to lock into that steady state and to exclude other possible steady states. The emergence of culture, organisational climate and technologies can be described by complexity (Marion 1999:27).

Post-modernists do not consider language or symbol as a tool, but rather a cultural artefact with political or economical reality for the individual in the culture. They argue that the mind is constitutive rather than reflective of reality. Post-modernism also focuses on culture and the acquisition of knowledge in the culture, primarily through signs of art, language and media. It rejects the view that signs are a *representation of reality*. Because of the media age in which we live, signs are therefore our reality. This makes the argument of representation largely irrelevant (Mickey 1997:275).

In this sense Jean Baudrillard's (In: Mickey 1997:275) theory of simulacra further argues that we have shifted from a society of representation to a *society of simulacra*. We have copies of originals that never existed. For example, people whose exercise in getting the 'right' vacation pictures becomes an exercise of picture hunting rather than enjoying a vacation. They go where they can take the best pictures. Where they are at that moment in time becomes secondary to the perfect shot.   What is presented does not represent reality – it is a sign of a sign. Similar to this: Television commercials are not about products but about images of desire and pleasure that override the products they represent.

Before post-modernism, the sign represented reality, but now the sign has become reality. It is therefore argued that signs are what motivate us and not reality. Journalists and publicists are therefore seen as manipulators of signs, therefore of reality, and therefore they are manipulators of myth. Mickey (1997:280) argues that perhaps much of public relations is a simulation of substituting the signs of the real for reality itself. The field of public relations deals with images that have no reality as their basis.

Society looks at the sign and not at any representation of reality it may or should have, as

signs have become more and more removed from the reality of the sign.

Complexity theory (like open systems theory) focuses on environment as well, but is also sensitive to the internal dynamics of a system and how they relate to its external dynamics. Internal dynamics play a more important role in structural elaboration, change and fitness than in systems theory. Complex structures are also more resistant to environmental pressures than the structures of systems theory (Marion 1999:72).

2.9.3. The contingency approach

Ströh and Jaatinen (2001:156) state that this approach also has its roots in general systems theory that originated from the theories of, amongst others, Ludwig von Bertalanffy. The traditional thinking of controlling information in times of disorder is replaced by the opposite idea of providing too much relevant and important information, which then overwhelms employees. This could eventually cause them to give up and let go in accepting the discomfort of change. The flow of information in a system strengthens the system and keeps it alive.

Marion (1999:84) defines *structural contingency theory* as an efficient organisation that has been properly tuned to environmental contingencies.

According to McDaniel (In: Ströh and Jaatinen (2001:162), managers will not be able to predict accurately if they manage according to the chaos theory or the contingency theory. These theories argue to rather do scenario planning (looking at future by plotting possible outcomes). This planning should be very flexible and adjustable. In this sense the role of two-way symmetrical communication, dialogue and environmental scanning (feedback collection) emerges once again as being really important.

2.10. CONCLUSION AND APPLICATION OF THESE THEORIES TO THIS STUDY

The systems approach is one of the most valuable theoretical approaches to communication management.   Striving towards balance, order and mutual understanding between the organisation (the system) and its diverse internal and external stakeholders, forms the backbone of this study. This approach has significant similarities and links in its fundamental departure with the value of feedback intervention and management notions such as the learning organisation.

However, having said that, according to Gregory (b) (1999: 272), the major lesson of the chaos, self-organisation and complexity theories is that in large organisations, while some sort of order will feature, patterns have to be allowed to emerge, and order cannot be forcefully imposed in any lasting way. This writer asked the question whether or not the realisation of the above, could partly explain an organisation's obsession for structural change.

The theories of autopoiesis, chaos, self-organisation and complexity show that organisations need to consider systems (including communication systems) as loops that give transforming negative and positive feedback. They should also pay attention to mutual causality where small, multiple changes cause ripple effects that can quickly escalate in an uncontrollable way.

This point has particular significance for this study and will be further investigated during the development of this study. In this regard it must be examined whether seemingly unimportant information, gained from informal communication feedback (e.g. from rumours and the organisational grapevine) could have a major ripple effect on the organisational system. Gregory (b) (1999:273) agreed with this line of thinking and said that *"in the public relations arena it is readily observed that comments and actions of seemingly little significance can quickly escalate and become hot issues and crises with an uncontrollable life of their own"*.

Gregory (b) (1999:275) argues that the complexity of the working context in which today's public relations professional operates, precludes any of the analytical approaches that might apply to a more ordered and predictable world.

An appreciation of the insights afforded by approaches and theories such as systems thinking, does, however, lead to exciting possibilities. The professionals must understand that

complex feedback within and between systems and the environment can create resonance that cannot be controlled and that may diminish or even contradict the desired results of communication.

For example, no matter what the organisation spokesperson says about his of her company's viewpoint on genetically modified food, he or she will be misunderstood and disbelieved because of multiple other louder and conflicting messages and emotions that are in the environment at the time. This makes it even more imperative for communication professionals to be part of the decision-making corps in an organisation.

These kinds of communication situations and issues may call for unusual methods and mediums of communication. It can also be argued that it is precisely these types of communication issues that can proactively be noticed or that could proactively have emerged through the exploration of informal communication feedback. Proactive intervention on emerging issues could assist the communication manager with planning and the maintenance of a positive organisational reputation.

■ CHAPTER THREE ■

THE LEARNING ORGANISATION

"We're drowning in information and starving for knowledge."
Rutherford D. Rogers. Librarian, Yale. 1985
(McGill 1994:123).

3.1. INTRODUCTION

Fritz (1994:4) asks the question why true change in organisations is so difficult. Companies often latch onto one new system or concept after the other, such as total quality, re-engineering, the learning organisation, etcetera. Fritz argues that change is hard to accomplish because of the way it is approached. Typically the focus of change efforts is on either *behaviour* or *systems* and not on the direct causal forces that determine how an organisation operates – its fundamental *structure* (Fritz, 1994:4).

On the level of systems and procedures, many companies adopted Total Quality Management (TQM) only to abandon it later. Not because of the concepts or systems, but because these systems are adopted in a dysfunctional organisational structure (Fritz, 1994). Fritz (1994:4) further believes that important questions about the values, philosophy and organisational structural architecture have not been asked. All change efforts will fail unless the change occurs on a structural level. It is often thought *what* has to be changed instead of examining the underlying reasons and causal factors that created or sustain the current conditions.

Fritz (1994:9) believes that *"structure is the most important and powerful influence there is within the organisation. If we don't deal with structure, we won't be able to change the organisation fundamentally"*.

This chapter will firstly investigate the relevant terms associated with the learning organisation concept before a definition is provided of the learning organisation as such, its characteristics and its acceptance of informal feedback from internal and external stakeholders as an agreed mode of learning.

3.2.   LEADERSHIP

Because dynamic leadership is so closely involved with learning and learning organisations, this research study has to briefly investigate and establish the term *leadership.*

Leadership is often seen as the captain of the ship with great vision, energy and inspirational abilities, whereas Fritz (1994: 14) argues that great leaders should also be architects and designers and should think structurally to determine the desired outcomes. However, the influence that the relationships within the structure have on each other is also important.

Charlton (2000:29) feels so strongly about leadership that he states that under-performance of organisations, nations, families and sporting endeavours can directly be ascribed to ineffectual leadership. Our future and quality of life are dependant on the quality of our leaders and, therefore, leadership is the key factor differentiating average from excellent. He goes on to say that:

> *"In essence, **effective** leadership is about enabling ordinary people to produce extraordinary things in the face of challenge and change and to **constantly** turn in superior **performance** to the **long-term** benefits of all concerned".*

Effective leadership involves choosing and implementing the right strategy, or translating intention into action and sustaining the momentum. The domain of leaders is the creation of the future. The following priorities and people skills were identified in order of priority by 49 business leaders in the London financial, professional and business service institutions:

- Ability to inspire trust and motivation
- Visioning
- Willingness and self-discipline to listen
- Interpersonal communication skills
- Presentation skills
- Confidence and self-knowledge

(Charlton 2000: 34)

Managers who have high credibility and real leadership qualities have employees who respond with high commitment to the organisation. They are in touch with their people.

According to Peter Senge (In: Starkey, Tempest and McKinlay 2004:464), people do not easily create the preferred learning organisation because of the lack of appropriate leadership. Gone are the days that organisations need the charismatic decision-maker. Building learning organisations needs designers, teachers and stewards with the ability to build shared vision, to bring to the surface and challenge prevailing mental models and, most importantly, to foster more systematic patterns of thinking.

> *"In short, leaders in learning organisations are responsible for **building organisations** where people are continually expanding their capabilities to shape their future – that is, leaders are responsible for learning" (*Senge In: Starkey, Tempest and McKinlay 2004:464)*.*

According to Bennis and Nanus (In*: Charlton 2000:53), "*The problem with underperforming organisations is that they tend to be over-managed and under-led. Managers do things right and leaders do the right things right. Both are important*". Leadership stands central to the way in which progress is created and to the way organisations develop and survive in an ever-changing environment. Charlton (2000:57) believes, like John Kotter from Harvard Business School, that leadership can be learnt if people are willing to pay the price of change.

Charlton (2000:60) goes on to define leadership as:

> *"The competencies and processes required enabling ordinary people to consistently perform and introduce fundamental change to the benefit of themselves and the organisation or country".*

He elaborates with the following competencies of leaders. Leaders:

- Capture people's attention through an inspiring vision of the future that provides focus, hope and direction for people;
- Constantly communicating this vision in creative, understandable ways, which motivates people to do more, provides synergy and combined effort;
- Have inspiring trust in themselves and what they are trying to accomplish and they trust other people;

- Diagnose inappropriate or ineffective actions and independently assume responsibility and become visible role models; and

- Need to create an empowering organisational environment where people are willing, able and allowed to learn and perform to their full potential.

Senge (In: Starkey, Tempest and McKinlay 2004:475) concludes by stating that according to his experience, today's successful leaders are *systems thinkers*. They focus on underlying trends and forces of change instead of day-to-day events and this they do almost completely intuitively.

Senge (In: Starkey, Tempest and McKinlay 2004:474,475) states that the managerial systems thinking of today provides the following key skills for future leaders. They are able to:

- See interrelationships, not things, and processes, not snapshots;

- Move beyond blame;

- Distinguish detail complexity from dynamic complexity;

- Focus on areas of high leverage; and

- Avoid symptomatic solutions.

3.3.   STRATEGY

What is strategy? Thompson and Strickland (2004:3) summarise this concept as follows:

> *"A company's strategy consists of the combination of competitive moves and business approaches that managers employ to please customers, compete successfully, and achieve organisational objectives".*

Without a proper strategy, managers have no prescription or road map for doing business, for competitive advantage or for achieving good performance (Thompson and Strickland 2004:4).

According to Fritz (1994: 62), a good strategy has several qualities:

- It has direction – it moves from one place to another;

- It generates more and more energy along the way and creates momentum;

- It relates the parts to the whole – actions are interrelated;
- It focuses the organisation and generates an economy of means; and
- It leads to important decisions.

Fritz (1994:83) argues that too much change in organisations follows from problems, difficulties or conflicts and leads to change that is temporary. Such change is also unplanned because we do not plan for problems to occur. Change must be anticipated and therefore Fritz argues that it is better to form contingencies based on desired outcomes and not based on problems. He further argues (1994: 87) that it is wise to create a system that continually aligns people with the governing ideas of the company, so that they care.

The insurance and risk consulting business, Marsh, has increased its internal communications budget significantly since 1999 according to their Director of European Communications, Bridget Juniper. Years ago, internal communications dealt with pumping out newsletters and bulletins. Currently, company boards see it as a much more strategic function and a vital part of how the business works. This is especially true in a service organisation where people are your brand (Johnson 2001:30).

Steyn and Puth (2000:29) state that strategy is:

- The art and science of affording maximum support to adopted policies;
- An organisation's pro-active response to an ever-changing environment;
- An indication of an organisation's positioning for the future – the *what* rather than the *how*;
- The thinking and logic behind the actions; and
- Doing the right thing rather that doing things right.

According to the above-mentioned researchers, strategy is also about direction, movement, purpose, a pattern. It is proactive, determines success and provides a framework. Strategy formulation concerns the relationship of an organisation to its environment. Once the strategy has been stated, strategic planning can start. During strategic planning, decisions are taken on how to turn strategy into reality (Steyn and Puth 2000:30). According to Radford and Godstein (2002:254), strategic communication management means influencing outcomes and affecting results by:

- Quantifying perceptions of various audiences through research;

- Using these perceptions in developing targeted messages for distinct groups;

- Creating the capacity to reach large, diverse constituencies with precision and speed;

- Managing communication messages through pre-emptive activities to influence news and views on various corporate issues; and

- Verifying results based on action taken or by quantifying shifts in public opinion.

In broad terms, strategy entails asking: Where are we now? Where do we want to be? How do we get there? Research provides facts for persuasion.

According to Thompson and Strickland (2004:12), the faster an organisation's external and internal environment changes, the more frequently its strategic plans have to be revised. Nowadays strategy life cycles are growing shorter and shorter. Strickland (2004) further emphasises that strategy is a way of life. No strategy is sustainable without improvement. Strategy needs *action* and action necessitates implementation and execution of strategy. This is done by means of *communication*. Dulek (2004) supports this by saying that when implementing strategy, too much emphasis is placed on the analytical side and too little on *shared meaning*. Shared meaning is only developed through proper communication.

3.3.1. Communication strategy

Tibble (1997:356) warns that substance is often missing in so-called 'communications strategies'. He suggested the following context for strategy:

Figure 7: The context for strategy
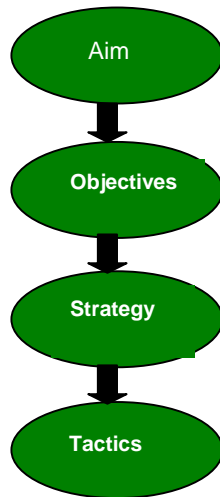
SOURCE: Tibble (1997:358)

Tibble (1997:358) goes on to describe strategy as *"the rationale for all our actions which work to achieve our client's objectives, by providing a master plan to guide and explain all our activities"*. An effective strategy provides:

- Leadership of thought and activity processes for the communications programme;
- The context and a guiding principle for all communications activity; and
- The link between the *why* and the *how* – the logic that binds objectives and tactics together.

Figure 8: The process of strategy
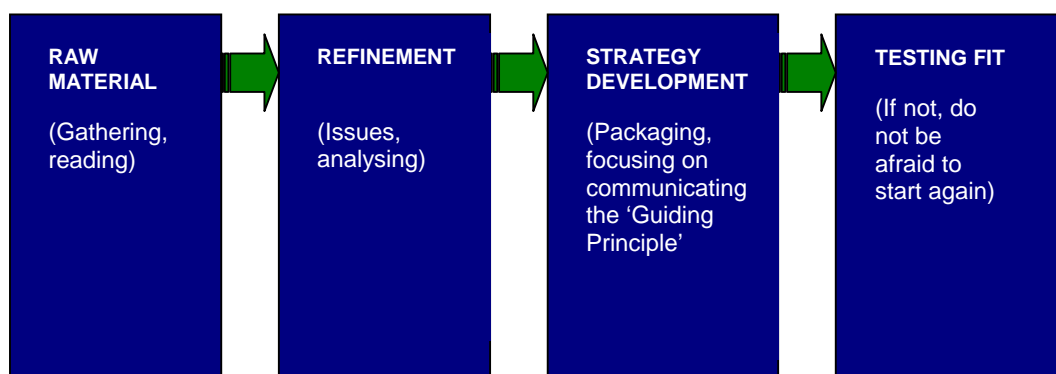
SOURCE: Tibble (1997:359)

Tibble (1997:359) (see Figure 9) also suggests the more dynamic *SWOT Analysis Plus* that forces one to migrate issues. Final strategy lies in the way one envisages converting weaknesses to strengths, threats to opportunities and matching strengths to opportunities.

Figure 9: **SWOT Analysis Plus**
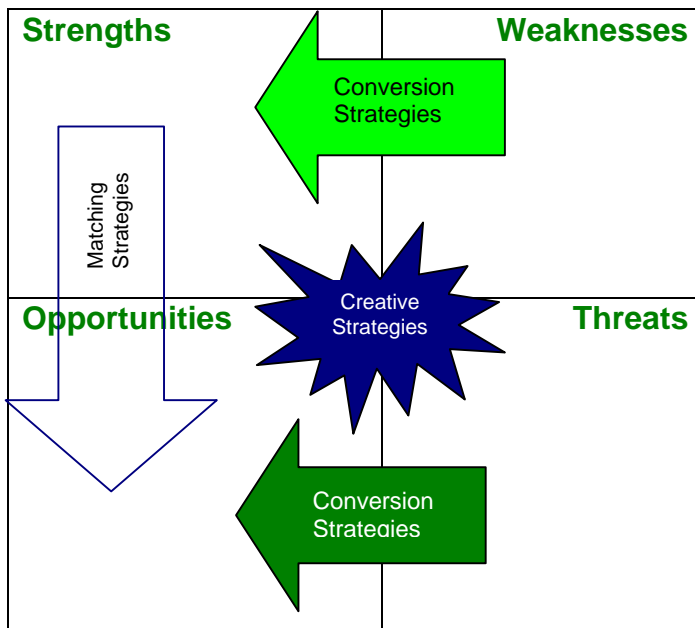
SOURCE: Tibble (1997:359)

Steyn and Puth (2000:31) differentiate between *goals* (the broad outcomes the organisation wants to accomplish) and *objectives* (specific outcomes within the framework of the broader goals.

3.3.2. The mirror and window perspectives

Steyn and Puth (2000:19) take the mirror and window perspectives further from the original description by Van Riel. While fulfilling the mirror and window functions, the corporate communication professional achieves the organisation's mission.

The mirror perspective

This function refers to the monitoring of relevant environmental developments. The consequences for and impact on the organisation's strategies and policies are anticipated. This is also called the *boundary spanner role*. Organisations often gather and receive a lot of information that they do not necessarily use in the formulation of their strategies. According to White and Mazur (In: Steyn and Puth 2000:19), this is because it is not gathered and interpreted at one collection point.

The window perspective

This function refers to the preparation and execution of a corporate communication strategy and policy. Corporate communication practitioners take the organisation's messages to the outside world.

Steyn and Puth (2000:34) argue that strategic management requires strategic decisions while effective decision-making requires having access to vital information about the environment. Management must not only keep an eye on environmental changes, but must also be able to predict these changes. Information gathering requires research that may range from informal research (conversations, etcetera.) to formal research (focus groups, surveys, etcetera.). The organisation should also be receptive to the inputs - such as the opinions - of its internal and external stakeholders.

Strategy follows strategic thinking, while strategic thinking provides the framework for the strategic and operational plans. Strategic thinking also has the following characteristics:

- It is different from planning;
- It is similar to painting a picture and forms the 'big picture';
- It has an external and long-term focus;
- It is pro-active;
- It changes the organisation's look or direction;
- It requires looking at the organisation in a different way; and
- It considers the qualitative aspects of the business as well.

(Steyn and Puth (2000:35-38)

Steyn and Puth (2000:53) further argue that the corporate communication strategy should reflect the organisation's corporate strategy. Corporate strategy formulation is therefore a prerequisite for formulating and developing a sound corporate communication strategy. It provides focus and creates synergy between the corporate and communication strategies.

Steyn (2000:428) suggests the following steps and model for formulating a corporate communication strategy for an organisation:

Figure 10: Steyn's model for developing a corporate communication strategy

ANALYSE THE INTERNAL ENVIRONMENT

Corporate Profile/ Vision / Mission/ Corporate
Culture/Values/Policies/Enterprise/Corporate Strategies

↑↓

**IDENTIFY STRATEGIC STAKEHOLDERS AND PUBLICS
(EXTERNAL AND INTERNAL ENVIRONMENT)**

Draw up stakeholder map (organisational linkages, public relations audit*)
Identify organisational consequences on Stakeholders and Publics (social audit)*
Identify Stakeholder Perceptions/ Attitudes/ Concerns (public relations audit)*
Identify Stakeholder familiarity with organisation (corporate image studies)*
Identify Key Stakeholder Issues (both organisational and communication)

↑↓

IDENTIFY AND EXPLAIN KEY STRATEGIC ISSUES

Macro/ Task/ Internal Environment (PESTE) (environmental scanning/ issues tracking)*
Identify Publics/ Activists that emerge around issues (issue tracking)*
Identify consequences for organisation (e.g. SWOT analysis)

Prioritise Key Strategic Issues
Differentiate between types of strategic issues:

- *Organisational issues*: Communication is not the cause of problem, but can provide a solution;
- *Organisational issues:* Communication is not the cause of problem and cannot provide a solution but can explain the issue;
- *Corporate communication issues* where too little or no communication with external stakeholders is the problem;
- *Management communication issues* where too little or no communication between managers and employees (internal) is the cause of the problem – not telling them *what* they want to hear;
- *(Tactical) communication issues* where messages are not reaching target groups (communication audits e.g. readership surveys, content analysis and readability of messages)*

↓

IDENTIFY THE IMPLICATIONS OF EACH STRATEGIC ISSUE

For each (strategic) stakeholder

↓

DECIDE ON THE CORPORATE COMMUNICATION STRATEGY

What must be communicated to each stakeholder to solve problem/capitalise on opportunity

↓

SET COMMUNICATION GOALS (around which communication plans are developed)

Derived from the corporate communication strategy

↓

COMMUNICATION POLICY *(what is allowed / by whom)*

Organisational guidelines for communication

↓

DRAFT TO TOP MANAGEMENT

Obtain management support and buy-in for each step

↓

OVERALL CORPORATE COMMUNICATION MEDIA ANALYSIS

Intrapersonal, interpersonal, group, organisational, public and mass media

↓

DEVELOP A STRATEGIC COMMUNICATION PLAN *(master plan for how to do it)*

Communication programmes (continuous communication with strategic stakeholders)
Communication Campaigns (single or cyclic)
Communication Plans (implementation strategy and action plans)

*In brackets is Lerbinger's definition of the kinds of corporate communication research

SOURCE: Steyn (2000:428)

3.4. LEARNING CULTURE AND THE LEARNING ORGANISATION

The ability and freedom to ask questions and enquire in an organisation is often a good indicator of the extent of that organisation's culture for learning. Traditional organisations see those who ask questions as 'trouble makers', while those who answer them have been rewarded for their competence and knowledge. However, the notion of the learning organisation teaches us the opposite. This type of organisation is characterised by openness to inquiry, experimentation and the sharing of knowledge. Learning is conscious and intentional.

It was Peter Senge (Fritz 1994:111) who popularised the learning organisation concept in his book *The Fifth Discipline*. Without the individual there cannot be organisations, but at the same time the organisation cannot be separated from individuals. However, individuals can be separated from the organisation. According to Fritz (1994:112), individual entities in organisations connect and lead to a greater system of relationships where the organisation has its own personality and orientation to the world with its own set of values.

Transformation in organisations has to do with "deep" issues such as organisational culture, vision and mission, trust, leadership, innovation, creativity, personal growth, spirit, commitment, buy-in and change. It is often said that the only thing certain in today's organisations is change. Change is, therefore, constant and the only way to survive is to constantly adapt and change, to reinvent, to innovate. This is what the learning organisation is about.

People, staff members and, even more so, executive management, come and go, but the organisation should be able to withstand the test of time if it can adapt to the demands of the time. Fritz (1994:112) sums it up when he says:

> *"Yet the organisation can renew itself and become young again, regaining its vitality and drive. It can become rejuvenated – but only if it can learn. Organisations that can't learn can't change. Organisations that can learn, can transform themselves into new entities capable of greater heights of achievements".*

This is in essence what the learning organisation is all about.

Fritz (1994:113) further argues that the learning organisation does not only consist of individuals that have the drive and desire to constantly learn, but is an entity that has the capacity, instinct and inclination to learn where learning is everyone's business. It is seen as having the potential to create something new and better than what already exists. The learning is self-generating and is not necessarily for survival purposes.

Fritz gives the example of filming companies and, in particular, Steven Spielberg's, where people have to learn to work and learn together for a common goal – a new film each time. There is a natural relationship between learning and creating and when learning is tied to a desired result, it becomes an essential part of the process that produces that result (Fritz 1994:114).

Senge (In: Starkey, Tempest and McKinlay 2004:463) differentiates between generative learning and adaptive learning. Generative learning is about *creating,* while adaptive learning is about *coping.* The total quality movement in Japan illustrates the movement from adaptive to generative learning. With continuous emphasis on experimentation and feedback, the total quality movement formed the first wave in building learning organisations. We have move away from '*what the customers said they want'* to the *latent needs* of customers. This latent need can be described as what customers might truly value, but have never experienced or asked for. Generative learning requires a new look at business.

Often learning takes place in order to solve problems. This in turn stimulates action that is designed to eliminate the problem. However, Fritz (1994:117) argues that organisations that centre their management style on problem-solving cannot be learning organisations because:

- The learning is not self-generating but is generated by problems;
- The knowledge learned is directed towards solving the problem and not to reaching other desired options as well;
- The motivation for learning shifts from one problem to another as their importance changes constantly;
- The problem goes away when the learning and action were successful, leaving no room for future learning;

- Often the wrong things are learned, such as how to stop something instead of how to make it happen; and

- A false impression is created that learning should only take place when there is a crisis.

Staff can have the impression that their learning takes place on a tactical level, that all they do is 'learn' more about the same things over and over without learning about its relevance to the organisation on a corporate strategic level. Learning has to be translated into the desired end goal of the organisation.

- **Learning to gain competitive advantage**

Fritz (1994:119) argues that although learning organisations have a competitive advantage over other types of organisations, this cannot be the basis for a learning organisation as it limits the type of learning that can occur. Competitive advantages also come and go.

Charlton (2000:197) states that developing a learning culture is a strategic imperative because an organisation's ability to learn, to develop and refine both new products and competent people, is a primary source of its sustainability and growth.

- **Learning to ensure survival**

Fritz (1994:120) argues that learning for the above-mentioned reason will also be short-lived and once the crisis has been cleared up, the reason to learn vanishes. Learning for survival is one of the umbrella reasons for learning, but cannot be an end in itself.

- **Learning in order to expand**

According to Fritz (1994:121), the best time to consider increased capacity is when you don't need to. Expanding is not limited to increasing staff numbers, but can also come from streamlining. Although learning to expand is useful to, for example, adopt new systems, it will not alone motivate a learning organisation.

- **Learning to create desired results**

The best reason for organisations to learn is to reach tangible goals (Fritz 1994:125). These goals might be specific business goals that are related to a product or may be more general. Our desire to create something that matters is what encourages learning the best. It enables us to grow, develop and mature.

Fritz (1994:125), therefore, argues that *"organising an organisation around results that matter most to the people involved, can lead to an organisation that has the capacity and inclination to learn"*. This learning is self-generating because people want to master the skills and competencies that will enable them to reach their aims and is often collective as well as individual. Fritz further believes that a prerequisite for becoming a learning organisation is that the organisation has to make a commitment to change its fundamental way of life – a change of total orientation.

Fritz (1994:129) makes it clear that learning organisations are not about acquiring more and more facts, theories, models and knowledge, but that the strength of the learning organisation lies in the individual learning experience of a few people, which is then multiplied into a more general and collective learning.

Fritz (1994:133) provides us with two major guidelines in order to make learning in organisations easier:
- Keep the desired goal of the learning in mind; and
- Communicate the desired end result to others.

He goes on to state four major ways in which an organisation can benefit from communicating clear learning goals to fellow staff members:
- We elicit help in the form of conversation and support;
- We become clearer ourselves;
- We are able to create clear standards of measurement that we can use in evaluating our progress; and
- We gain the perspective of other people's viewpoints.

Learning organisations are dependent on expansive, reliable and efficient communication processes to support the movement of knowledge between the different parts or units of the organisation.   This is to ensure that the relevant knowledge finds its way to organisational units that need it (Henderson and McAdam 2003:776).

According to Fritz (1994:147), many of today's change methods do not attempt to modify the *way* we think, but simply *what* we think. New concepts, philosophies and jargon only become disruptive.

3.4.1. Listening

Murphy (1987:59) is of the opinion that we should listen to context and listen to content and then we will listen more effectively. He suggests that we listen to employees' specific suggestions and comments and that we listen effectively to clients' and customers' needs and tune into body language and written communication as well. This will lead to hearing a full range of information that is not otherwise as obvious.

Murphy (19987:158) says that letters are often a symptom of a more deeply rooted problem or concern and that no matter what your intended message, putting it in writing says that you care.

Cunningham (1994:21) believes that strategic learning has become part of an organisation's competitive advantage. Top managers are starting to realise that unless their organisation is learning faster and better than before, they will be disadvantaged. Cunningham (1994:46) crises the term *learning organisation* or *learning companies* and organisational learning because of its assumption that there is an "it" called an organisation that can learn itself. Learning is to him rather a process that individuals within the organisation undertake. The researcher regards this as a rather narrow view as the term *learning organisation* indeed indicates the organisation's ability, culture and whole image, vibe and acceptability to learn, change and adapt constantly.   Naturally this *learning organisation* consists of people. Cunningham (1994:48) prefers the term *learning business,* arguing that the term business can be applied to activity on a larger scale.

People share ideas and information freely in a learning business. New information and learning can be gained from something as simple as a newspaper article or from something more complex such as knowledge gained from attending a conference that is shared with fellow colleagues. People in this kind of organisation are keen to share ideas learned. In the Western competitive school system, pupils are discouraged to help one another. Helping with essays, for example, constitutes cheating. This is in contrast with the Japanese model where pupils are expected to help those who struggle and are expected to care for their colleagues (Cunningham 1994:77).

Any data that enters the system should go through the following linear process before it can really be helpful in acquiring new strategic insights for the organisation that could lead to corporate strategic re-alignment.

Data → Information → Knowledge → Wisdom

(Cleveland's hierarchy quoted by Cunningham 1994:94)

Many organisations change and change again just to find out that despite several changes, no learning took place. Organisations must learn key processes that will enable them to really make a difference, not just to make changes. Organisations have to get smarter and therefore have to *learn*. The critical issue is not what to change but what and how to learn from it (McGill 1994:5). Change is therefore not learning. However, good learning could cause real change.

Learning organisations continually expand their capacity to create new patterns of thinking and to function as a team. This is an ongoing process and never an end in itself. These organisations, not only generate new ways of thinking, but apply new knowledge in such a way that work gets done. It is skilled in creating, acquiring and transferring knowledge and modifying its behaviour to reflect its new knowledge and insights. Learning is therefore also not training. Learning entails empowering people to apply and try knowledge out for themselves and also allow them to occasionally make mistakes. Mistakes can cause real learning to take place (McGill 1994:10).

Learning organisations only learn to the extent that individual members of the organisations learn. The whole is built up of the sum of the parts in this kind of organisation (McGill 1994:10).

3.4.2. Characteristics of learning organisations

According to McGill (1994:12-17), smarter organisations have cultures and values that promote learning. They also have the following characteristics:

- They are open to experience;
- They encourage responsible risk-taking;
- They are willing to acknowledge failures and learn from them;
- Their strategy is based on a recognition and acceptance that learning is the only source of sustainable strategic advantage;
- Their structural characteristics are permeability, flexibility and network intimacy (the lines between management and employees and customers, and even competitors are blurred;
- Their information systems are accurate, timely and available to those who need it and in a format that stimulates usage;
- They do not select people necessarily for what they know, but for what they are able to learn and reward them accordingly; and
- Smarter organisations learn from others and their leaders are learners themselves.

The following five core learning behaviours exist in smarter organisations:
- Openness;
- Systemic thinking (think of the whole rather of the parts, but see connections);
- Creativity;
- Personal efficacy; and
- Empathy.

(McGill 1994:17)

Learning organisation systems are based on the belief that information is valuable and helpful to the organisation. The belief is that it is better to deal with reality (in whatever form) than to deny or distort it to fit what the organisation desires. In these organisations, feelings, intuitions and testable hypotheses are regarded to be as important as quantitative 'facts' (McGill 1994:129). However, open systems that generate timely, accurate and accessible information are not without risks – of which one could be the potential embarrassment of management.

McGill (1994:249) emphasises the role of systematic thinking that is characteristic of

knowing, understanding, thinking and problem-solving organisations.

Handy (1995:46) argues that learning organisations are the ones with a learning habit. Without the habit of learning, they will not dream the dream, let alone have any hope of managing it. During times of ongoing change it is almost certain that what used to work well in the past will not work at all in the near future.

According to Ryan (1995:290), learning communities are places where:

- Relationships are tended to and cared for;

- Vulnerability and diversity are welcomed;

- Curiosity reigns;

- Experimentation is the norm;

- Inquiry is practiced with compassion; and

- Questions can go unresolved.

The people within learning communities have the following characteristics:

They:

- Communicate with each other honestly and openly;

- Offer themselves and others honour and respect;

- Value and seek feedback;

- Are challenged to see themselves and others with new eyes;

- Encourage each other to sense, see, listen to, and speak of the whole system; and

- Are free to be completely themselves – with no masks.

(Ryan 1995:290)

Moss Kanter (1994:71) states that modern organisations that are winning the game are more focused, fast, flexible and friendly – the four 'f's' of success. She also added a fifth 'f' – fun, by which she meant *satisfaction*. Change is always seen as a threat when it is done to people, but it can be an opportunity when it is done by people.

Learning organisations are built upon an "*assumption of competence*" supported by four other qualities or characteristics: curiosity, forgiveness, trust and togetherness. By *assumption of competence* is meant that each member of staff can be expected to perform to the limit of his or her competence with minimum supervision (Handy 1995:46).

Curiosity

Competence alone is not enough to foster a learning habit – it must be accompanied by *curiosity*. Curiosity goes hand in hand with asking questions and searching for answers and often requires experimentation. This process is encouraged in learning organisations.

Forgiveness

Forgiveness is essential and means that unsuccessful experiments must be viewed as part of the learning process instead of being viewed as failures.

Trust

According to Handy (1995:47), none of the above can function if there is no trust. People will not be allowed to show their competence unless they are trusted to do so.

Togetherness

Curiosity, experimentation and forgiveness need to be shared with other people. One person cannot handle the challenges of modern businesses. Those who collaborate and share their knowledge learn faster and create synergy. Shifting clusters or teams that share a common purpose are often part of modern organisations. Trust improves togetherness. The learning organisation is held together by shared beliefs and values and is therefore not necessarily a comfortable place for its leaders. It is a sort of upside-down place (Handy 1995:48).

The process is described by Handy (1995:49) as *The Wheel of Learning* that has four quadrants which, ideally, rotate in sequence as the wheel moves. The quadrants are *questions* that prompt a search for *ideas*, which are tested in *tests* to see if they work. The results are then subjected to *reflections.* Maintaining constant movement of the wheel requires great leadership. There are five concepts that can help to keep it turning. They are subsidiary, clubs and congresses, horizontal fast tracks, self-enlightenment and incidental learning.

Subsidiary

The concept means in essence giving away power to those who are closest to the action. Subsidiary must be managed by defining the boundaries of the job as well as the boundaries and limits of discretion. This implies the scope for initiative and personal responsibility.

Clubs and congresses

The learning organisation must provide opportunities for talking, meeting and greeting. Such opportunities are decreasing in modern organisations as more and more workers work out of their briefcases and communicate only electronically. It is important that they come together to reach consensus on the meaning of success and to develop trust and togetherness.

Horizontal fast-tracks

In Japan, fast tracks for high performers are rare. They rather rotate their best people through a variety of jobs in different parts of the organisation. Rewards are based on results more than on particular grades of jobs.

Self-enlightment

With this, Handy (1995:52) means that each individual is made responsible for his or her own learning. If you own the question you will have the motivation to turn the wheel.

Incidental learning

However, self-enlightment needs to move on to incidental learning. This means that every incident must be treated as a case study from which to learn. Opportunities must be created for such incidents to occur as they do not occur automatically. For example, regular review meetings can help groups to revise recent events and learn from them. It is the task of the leader to help to turn the wheel by vision, encouragement and example.

"It has been said before that people who stop learning stop living. This is also true of organisations" (Handy 1995:53).

3.4.3. The learning square

In the so-called knowledge economy, organisations increasingly seek to create and use

knowledge through learning to become learning organisations. In practice what is needed to become a learning organisation has become increasingly unclear as writers keep on adding to the ever-growing lists of characteristics of learning organisations.   Lindley (2002:115) proposes the learning square to address this problem.

The learning square proposes four interlinked domains to guide managers to develop new activities and strategies and to measure learning performance. The four domains are:

- Multidimensional goals;
- Shared vision;
- Continual learning; and
- The use of tacit knowledge.

Multidimensional goals

Goals stand central to an organisation's existence and success. Without goals there is no purpose and no ability to compete. According to Lindley (2002:116), goals should be grounded in three dimensions – internal, external and time. Internal goals are primarily within the organisation, for example, the goal to improve knowledge with external goals would include outside benchmarking or making use of external knowledge. The time dimension includes understanding the importance of the organisation's history and realising that today's actions will strategically impact on tomorrow's existence.

Shared vision

Without a shared vision amongst stakeholders and members, a firm is unlikely to succeed. Lindley (2002:116) suggests that the goals of individual members should be aligned with the goals of the organisation (corporate goals) and vice versa. This will increase the ability to achieve these goals.   Shared vision should be extended beyond staff to external stakeholders such as customers, suppliers, shareholders, local communities and even pressure groups.

Continual learning

Continual learning, improvement, adaptation and change are at the heart of the learning organisation.

This should be a continuous effort and learning from customers and competitors is an important part of continual learning. Effective methods to capture information about competitors and customer relationship management software are important aspects of a

marketing strategy (Lindley 2002:116).

Using tacit knowledge

By this, Lindley (2002:116) means all relevant knowledge that is gained or held by individuals that has not yet been shared with a wider group in the organisation. The fact that information is documented does not mean that it has been shared. An important element of competing through continual learning is to use the skills and tacit knowledge of staff operating at the interface of the organisation and its environment.

It is here where the value of informal communication feedback comes to mind. A salesperson that visits customers could – through informal feedback collection from them – be the first to sense changes in the marketplace. Buyers will be the first to sense changes in suppliers' attitude, etcetera.

Effective companies will therefore make sure that systems are in place to ensure that individual learning and tacit knowledge (often through informal feedback) is evaluated, shared and put to use. This includes tacit knowledge from customers, suppliers and others. Gathering customer suggestions, requests and complaints are important means of systematically gathering informal feedback. More formal means include customer focus groups and supplier forums.

Lindley (2002:117) suggests the learning square as a visual method of measuring learning square performance.

Figure 11: **The learning square**

Multi-dimensional
goals

Shared
vision

Using tacit
knowledge

Continual
learning
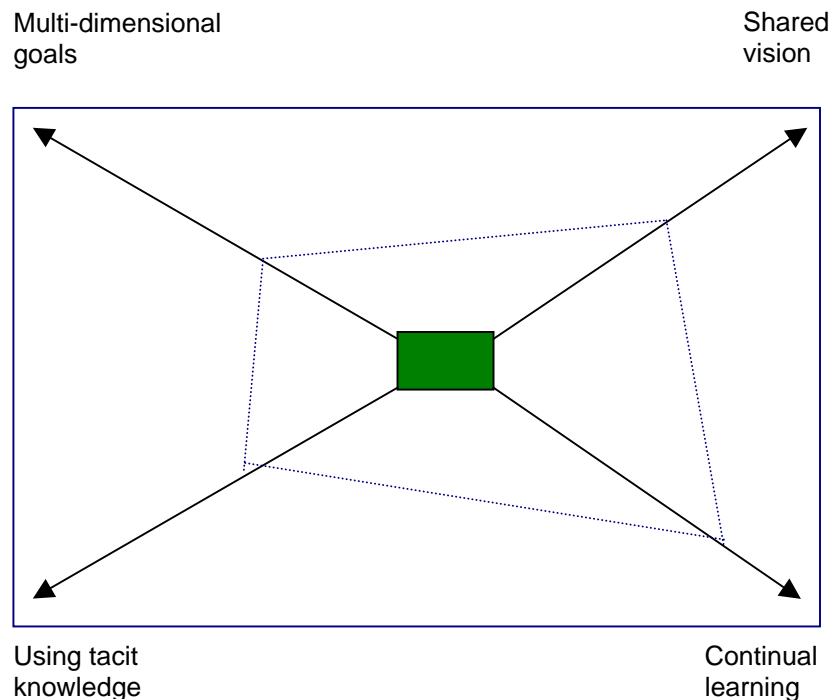
SOURCE: Lindley (2002:117)

As performance improves, organisations will move from the inner square (which represents a zero performance level in each domain) towards the outer square. Opposite movement occurs when performance deteriorates. By producing a performance profile (see dotted line) measurements can be made. For example: Encouraging and using individuals' tacit knowledge can stimulate an increased shared vision because the individuals have an increased feeling of involvement.

Similarly, continual learning may contribute to multidimensional goals that are more capable of achieving shared vision than single-dimensional goals. Kofman and Senge (1995:32) believe that the learning organisation must be grounded in three foundations:

- A culture based on transcendent human values of love, wonder, humility and compassion;
- A set of practices for generative conversation and coordinated action; and
- A capacity to see and work with the flow of life as a system.

In learning organisations people always enquire about the systemic consequences of their actions.

It is because of this reason that the systems approach is so relevant to the learning organisation. Learning organisations are therefore generally more generative and adaptive than traditional organisations. What people in these organisations *know*, is less important than what they can *learn*. To build a learning organisation demands an investigation that goes to the core of the organisation's culture.

According to Kofman and Senge (1995:36), learning is too important to be left to chance. It is also not adequate to offer only training in the hope that this will lead to new methods and insights. No, it will rather be necessary to redesign work and introduce the principles of the learning organisation into mainstream management practice.

According to Thompson (1995:85), organisational learning is increasingly recognised as critical to an organisation's ability to create ongoing economic value for its shareholders. It is therefore no longer a vague management concept that is often not implemented in practice, but rather an economic reality in our societies.

3.4.4. Principles that help create the right atmosphere for learning

Byrd's (1995:478) principles that help create the right atmosphere for learning organisations correspond in general with what has been said by other writers. According to her these principles are:

- There is freedom to create;
- A 'we cannot do it all ourselves' mindset exists;
- Learning is linked to the success of the organisation;
- Managers are seen as resources and process facilitators and not experts;
- Individuals manage their own careers;
- Open systems provide knowledge freeways; and
- Success is shared.

Freedom to create

According to Byrd (1995:479), her organisation's (Informix Software, USA) lack of formal structures makes for chaos at times, but this chaos often serves as a creative lever to move the organisation forward. Having fluid structures allows the organisation to respond quickly to customer preferences and market dynamics.

Ad hoc or structured teams that share existing knowledge and create new knowledge do most of the work in the organisation. Departments, as well as individuals, feel personally responsible for the processes they create and the results achieved.

We cannot do it all ourselves

Partnerships are often critical to the success of learning organisations. Business through partnerships helps to leverage the knowledge and expertise of others in order to help your own organisation learn and develop.   The concept of leverage is at the heart of partnerships.   However, partnering requires exceptional good relationships and business ethics.   Integrity and trust, one of the core characteristics of the learning organisation, stands central to creating partnerships.

3.4.5. Learning is linked to the success of the organisation

Byrd (1995:481) concludes that learning in Informix occurred in a similar way to the learning that occurs with young children – on the job through experimentation. Employees learned on a daily basis through interaction with other employees, customers and partners. Most of the learning that occurred was self-motivated and driven by a business need. More formal training programmes that served to teach employees about business processes, product features or the tools they need to do their jobs, supplemented on-the-job learning.

Henderson and McAdam (2003:783) conclude in their study that communication within organisations is a key factor in influencing how well organisations learn and consequently, how well they perform. Well-structured, reliable and efficient communication processes support learning and create opportunities through which knowledge can be processed throughout the organisation.

Managers are seen as resources and process facilitators and not experts

In Informix it is not uncommon to see younger persons managing older more technically experienced persons. Managers are not always expected to be the experts in the group. However, it is expected of them to design processes and motivate teams of highly skilled workers towards achieving goals. This structure creates more flexible and democratic workgroups.

These kinds of managers are also less intimidating to all employees than the traditional "know-it-all" manager.

Individuals manage their own careers

Career paths at Informix are not clear and not directly related to time, but rather loosely defined and built on opportunities provided by rapid growth. Employees move freely between and within departments to learn new skills. Managers merely help to facilitate the direction of their employees' careers and provide guidance, learning opportunities and formal training programmes. Employees are motivated to be pro-active in plotting and following their career path.

Open systems provide knowledge freeways

Byrd (1995:485) indicates that it is interesting to note that the changes brought forth by technology almost parallel the changes called for to create learning organisations. For example, the move from large mainframe computer systems to smaller desktop computers and localised servers followed the same pattern as the move away from formal top-down bureaucracies to flatter, leaner structures. The linkage of computers across the organisation with other organisations and with the rest of the world opened up substantial new opportunities for knowledge to be gained.

Success is shared

As stated earlier in this document, the sharing of success is one of the critical requirements of learning organisations. Even a successful financial performance should be shared with employees. This makes them feel accountable for the company's success and feel personally rewarded. It makes them feel valued for their contribution to the success.

3.4.6 Organisational conditions for building a learning organisation

Thompson (1995:96) provides the following critical success factors and conditions for building a learning organisation:

- Senior management's commitment to making learning capability a part of its ongoing competitive advantage;

- A compelling vision for the aspiring learning organisation with which people can identify and feel part of;

- A clear blueprint for change;

- Identified, achieved milestones and the celebration of them;

- Committed leadership that models desired changes and drives fear out of the organisation;

- Immediate action against leaders that resist change;

- Management commitment through investment of time and resources;

- A performance management system that links compensation to achievement of the desired vision;

- Encouragement and acknowledgement of experimentation, collaboration, innovation and new paradigm thinking;

- Urgency without quick fixes;

- *Multiple feedback structures*; and

- Multiple learning channels and opportunities.

Morris (1995:322), however, feels that learning organisations need to move through the stage of being a learning organisation to committing to a development strategy. This means that the type of learning organisation needed is *"one that consciously and intentionally develops its people and constantly transforms itself".*

According to Thurbin (1994:199), an organisational climate with the following characteristics will encourage growth of a learning organisation:

- Experimentation and risk-taking are valued;

- Informal groups and professional practice groups form and operate in an open way;

- Information and knowledge on best practices are valued, collected and communicated within the enterprise. Moving knowledge from the tacit to the explicit is rewarded;

- Control and reward systems encourage managers to declare their perspectives and confront their concerns; and

- Change is welcomed and is seen as learning in progress.

3.4.7. Leadership in learning organisations

Rolls (1995:103) states that a learning organisation is a place where people continually re-perceive their world and their relationship to it through learning. By doing so they discover how they create their reality and their future. It stimulates open debate and questioning to remain flexible in the long term and shows a willingness to identify and challenge its existing paradigms, and it rewards thinking and not just doing. This kind of organisation provides opportunities for growth and accepts and even encourages mistakes if it leads to learning.

The cornerstone of the learning organisation is its ability to *repeatedly become*. The leadership of learning organisations has to create the optimal conditions in which employees have the supporting psychodynamics and infrastructure that allows them to move from "change fragile" to "change agile". The leader helps to shift minds and facilitate members' experimentation and learning from experience. He or she nourishes relationships and creates a work intimacy that unleashes the human spirit. The learning organisation is also seen as a place where everyone can be a source of useful and new ideas, where learning flows up and down in the organisation and where new ideas are valuable.   These so-called *transformational leaders* provide the conditions under which employees can unfold, transform, grow and flourish in uncertainty (Rolls 1995:103).

According to Rolls (1995:104), the five disciplines of transformational leaders correspond with the five disciplines of organisational learning first described by Peter Senge in his book *The Fifth Disciple*. It became a whole new way of thinking about organisational learning and is evaluated and described by several writers like Frydman *et al*, Rolls, Lindley and more. The five disciplines, as describe by Frydman *et al*. (2000:4) are:

- *Personal mastery:* Learning to expand our personal capacity to create the results we most desire.
- *Mental models:* Reflecting upon, continually clarifying and improving our internal pictures of the world and seeing how they shape our actions and decisions.
- *Shared vision*: Building a sense of commitment in a group by developing shared images of the future we seek to create as well as the principles and guiding practices by which we hope to get there.

- *Team learning:* Transforming conversational and collective thinking skills so that groups of people can reliably develop intelligence and ability greater than the sum of individual members' talents.

- *Systems thinking:* Utilising a way of thinking about and a language for describing and understanding the forces and interrelationships that shape the behaviour of systems.

Organisational learning is the process by which an organisation might transform itself and its members. Rolls (1995:104) suggests the following model with some of the competencies that leaders need to manage a learning organisation. It is based on the above-mentioned disciplines of Senge. Also included in this model are the corresponding needs of the employees – the fellowship expectations:

Table 2: A model of leadership competencies and followership expectations

The five disciplines	Leadership competencies	Followership expectations
Systems thinking	Expansionist thinking Understanding of connectivity Intuition Perspective Integration	Understanding the whole
Personal mastery	Compassion Self and other acceptance Shared power Authenticity Nurturance of spirit Moral leadership Sensitivity Humility Mastery Growth orientated Risk taking Self directed Tolerance Value ambiguity Learning commitment Trust Spirituality Ego subordination	Encouragement Acceptance Empowerment Trust Self discovery Someone worth working for Dignity Autonomy Fulfilled potential Growth Supported choice Independence Space to make mistakes Support in transition Learning Responsibility Self/other connection Ownership of results

Mental models	Insight	Innovation
	Introspection	Meaning
	Challenge assumptions	Challenge assumptions
	Innovation	
Shared vision	Principles	Sense of purpose
	Personal/organisation value alignment	Personal/organisation value alignment
	Inspiration	Motivation
	Goals	Clarity
	Vision	Co-develop vision
	Vitality	Engagement
	Mobilise commitment	Commitment
Team learning	Cooperation	Co-design
	Dialogue	Self expression
	Listening	Contribution
	Creativity	Creativity
	Promote harmony	Social unity
	Encourage relationship	Relationship

SOURCE: The work of the Transformational Leader: A model of leadership competencies and followership expectations (Rolls 1995:104).

Rolls (1995:105) argues further that leaders who have successfully undergone deep personal change, are transformational and are able to create and manage learning organisations. Without these leaders it would be difficult to build a high performance-learning organisation. The learning organisation must be market-driven and customer-focused. In this framework employees have more accountability and authority as well as the task of self-empowerment. There is more inclusivity and new roles for partners and peers in assessment, mentoring and recognition.

The organisation can only transform for survival if its inhabitants (employees) transform for the organisation to transform. This is instigated with the help of change agents (transformational leaders) with unique characteristics. They create meaning for their followers (Rolls 1995:108).

Marshall *et al.* (1995:121) describe the following tools and strategies for increasing individual and organisational learning:

- *Benchmarking:* By exploring best practices and leveraging the learning process;

- *Continuous improvement:* To always question the status quo in order to do better. This concept allows people to get feedback that is absolute necessary for learning;

- *Modelling*: Identifying an ideal and copying it;

- *Dialogue:* By exploring issues from the base of their assumptions and allowing underlying beliefs to surface, prior to decision-making;

- *The Double Column Technique*: By documenting the actual dialogue in meetings and then allowing people to comment by writing down what they were actually thinking as the conversation unfolded. By means of this feedback, assumptions and beliefs can be addressed; and

- *Action-Reflection Learning:* The process says that learning does not stop when action is taken. That is when learning actually begins.

According to Frydman *et al.* (2000:182), there are seven characteristics of organisational learning leaders (OL leaders):

- OL leaders are pragmatic visionaries – they tend to see their work in a larger context and have inner knowledge of how forces are shaping up and how they will affect the future;

- OL leaders have a centrality of values – core values play an important role, for example a strong focus on people;

- OL leaders are master strategists and tacticians – they must articulate a travelable path to the future;

- OL leaders' essence is the skilful devolution of power – they will find ways to intelligently give power away. The ability to read and respond appropriately to different situations;

- OL leaders are stewards of learning – they encourage others to learn. The role of a leader is to give people freedom and enable them to think, contribute and participate;

- OL leaders are learners themselves – they are always open to learn themselves in spite of their extraordinary gifts for vision and strategy; and

- There is no single path for OL leaders – they follow different approaches to organisational learning. There are multiple ways for bringing learning into the organisation. OL leaders of today are leaders of a transition. Leaders need the capacity to reflect on the feedback that they receive and the ability to learn from their reflections.

3.4.8. Strategies for learning

Henderson and McAdam (2003:775) emphasise that the management of knowledge, employees and internal communication are all identified in current literature as instrumental in terms of organisational survival and growth.

Dilworth (1995:244) provides us with specific strategies that aspiring learning organisations could follow to enhance their learning:

Cross-functional teams or task forces

This challenges team members to work outside their own field of knowledge and fosters individual and team learning at the same time.

Job rotation

Job rotation can be a potent way to promote continued learning. It can broaden employees' knowledge in ways that open up new approaches if it is applied across business processes in a systematic manner.

Work-outs

This is an organisational development strategy that was invented by General Electric in 1989 and is closely related to the notion of action learning. During this process employees, either as natural teams or people that have never worked together before, are brought together in groups and put through an intensive problem-solving experience for three days. As many as 50 persons undergo the experience and are broken up into smaller groups to work on specific issues. The most important outcome of this process is the empowerment of attendees and the improvement of business processes.

Action learning

This is an important ingredient of learning organisations. Although it is a term developed by Kurt Lewin in the late 1940s, the pioneer of action learning is Reg Evans of England (Dilworth 1995:249).

Evans' model centres around the belief that *settings* or the environment and *problems* to be considered have an important link to group composition decisions and the depth of the learning experience. He further states that team learning gains fullest expression when both the setting and the problem are unfamiliar. Action learning sets of five senior managers from different industries are formed. They visit and diagnose an industry other than their own, share observations among themselves and arrive at new understandings.

Succession planning

This is more confined to senior managers. The foundation of this process is that when an individual earmarked for a specific task is absent, the next in line physically covers the role and has equal accountability for outcome. On a strategic level, it breeds an unusual depth of operating strength, sense of cohesion and depth of capability.

Career pathing

It is closely associated with job rotations but it takes on a more global character and is a marriage between the evolutions of processes with the just-in-time readiness of the workforce to deal with those processes.

Mentoring programmes

The Japanese have turned this into an art form. Senior level managers are assigned a group of junior managers whom they nurture and whose development they monitor.

"Sempai-Kohai"

This is a different way of mental modelling that the Japanese apply in mentoring relationships. The mentors learn from the protégés while the protégés learn from them. Learning, therefore, takes place through the act of mentoring.

Employee exchange programmes

These programmes allow cross-peer coaching to occur as a natural and planned result of the experience. Each exchange starts with understudying the other at their work site.

Distributive learning

It uses a well-developed computer network where employees can tap into instructional resources from a workstation. Instant learning feedback occurs and sharing of solutions with other individuals in different organisations or locations is possible. It is useful when addressing multicultural issues.

Formal training

It continues to play a role but becomes much less of a factor in organisational learning.

Town meetings

It provides opportunities for mixing people who do not know each other, or who would normally not work together and can take the form of an inspirational address by leaders about corporate goals and building a sense of unity. Employees are provided with the opportunity to ask questions.

Celebrations of success

According to Dilworth (1995:252), this can be seen as a key aspect of the learning process. It helps to drive out fear and teaches employees to concentrate on actions and processes that can most assist in corporate success.

Self-directed teams

This is the essence of the learning organisation. Sometimes such teams jump up on their own and then later dissolve naturally again. When self-directed teams take hold of an organisation, it becomes a prime way to conduct business and advance learning.

E-mail interconnections

In the learning organisation electronic interconnections become much more generalised with communication that flows across hierarchical lines and lateral boundaries and even extends to customers and suppliers. E-mail suggestion networks to top management can, for example, play a vital role in opening up organisational learning.

Cross-peer tutoring

Cross-peer tutoring becomes a natural occurrence in learning organisations and often leads to a sharpening of skills.

According to Weintraub (1995:424), research in adult education shows that adults are more likely to learn in an informal manner. He names feedback analysis, coaching and walk-throughs as informal learning interventions that can help foster informal learning. Walk-throughs involve a role-play of a process or business activity. Obstacles are encountered along the way and are dealt with, with the help of a facilitator.

In the sense of Weintraub's informal learning, direct similarities can be drawn with informal feedback as a type of informal learning. In this sense Weintraub (1995:427) also argues that learning vehicles such as help-screens, online tutorials, database searches, electronic bulletin boards, electronic mail, computer conferences, electronic performance support systems, help lines, phone mail and conference calls can facilitate informal learning if they are developed and used in a fashion that promotes informal learning.

3.5.   THE APPLICATION OF SYSTEMS THINKING IN ORGANISATIONAL LEARNING

Frydman *et al.* (2000:24) are of the opinion that current management practices such as restructuring, reengineering, ISO 9000 and Total Quality Management (TQM) did not quite make it and are believed to be insufficient. Where TQM deals with improving processes, systems thinking gives one the tools for looking at the whole and all of the interrelationships. Systems thinking can help one examine whether or not the process that one is trying to improve should exist in the first place. The organisational learning notion tends to bring people back into the equation.

Learning is going to be the competitive advantage of the future, because if one can learn faster than one's competitor, one will survive. The more one begins to understand the systems that affect what one is dealing with, the better one will be able to anticipate results and changes. If the different forces are known and respected, one has a good chance of selecting the most advantageous leverage points. This will assist decision-making that will have the most positive impact on the organisation.

Frydman *et al*. (2000:26) go on to say that: *"Organisational learning is a way of thinking about how to create the future".* The writers identify mainly three additional arguments why they believe that organisational learning is the next logical evolutionary step for businesses to take.

- **Argument one: The world is changing**

The ability to learn is an important advantage in the changing environment. Action will be based on the new learning. We are seeing the rise of labour and the birth of the knowledge worker who is able to learn faster and apply that learning faster in order to gain a competitive advantage. Competitive advantage of the future will be and already is obtained through people. Business increasingly demands a greater integration of individual goals and business goals. The interdependency of these goals will be intensified by further globalisation.

With regard to change, Henderson and McAdam (2003:776) further emphasise that if organisational change is to be effective, the communication process must include tools that encourage openness, dialogue and honesty.

- **Argument two: Igniting the resource within**

It is argued that business strategy is best developed by integrating the technology of the business with the capability of all the people in the organisation (Hamel, In: Frydman *et al*. 2000:31). Strategy should be developed by one's own potential (people) within the organisation. Develop the potential that is already there. The tools and methods of organisational learning become a vehicle to make that happen. This learning can help to create shared vision and to surface the existing potential.

- **Argument three: The value of simulation as infrastructure for collective learning**

The potential of computer-generated simulations in the business world must not be underestimated. It enables businesses to play with variables in a safe environment and learn the consequences of their actions without taking a major risk. It also forces one to set parameters and assumptions as well as to define what the inputs are and what the outputs should be (Frydman *et al*. 2000:31).

"We ought to build more simulations based on systems thinking principles and we ought to incorporate that learning into the way we run businesses" (Frydman *et al.* 2000:31).

3.6.   KNOWLEDGE MANAGEMENT

Organisations have started to appreciate the important role of knowledge in the emerging competitive environment since the mid-1980s. Leaders of progressive organisations are pursuing ways to create and generate value from knowledge assets within their organisations. From very early times, wise people have secured their existence by transferring knowledge from one generation to the next (Wiig 1997:7).

Companies have traditionally been valued according to their tangible assets such as property and equipment. Although these are still important, *intangible assets*, such as knowledge, brand equity and relationships with the customer, are important aspects of modern organisations. Organisations that are driven by knowledge are the ones that will succeed (Bagshaw 2000:180).

Knowledge is an organisational asset that is hidden until the knowledge worker releases it. A policy for knowledge management is needed, because a great wealth of tacit knowledge exists inside people's heads, embedded in the way they do things. It is vital that this knowledge is shared because rediscovering this kind of knowledge after an individual has left can be a long and expensive process. One advantage of the informal over the formal is in dealing with the unexpected. No regulations are advanced enough to cover every eventuality (Bagshaw 2000:180).

According to the World Bank (2004:01), the emergence of the global knowledge economy has put a premium on learning and lifelong learning in particular. Ideas and know-how are a source of economic growth and development. Opportunities for learning through people's lifetime are critical for countries to compete in the global knowledge economy. Lifelong learning is therefore education for the knowledge economy.

Gouillart and Kelly (In: Ströh and Jaatinen 2001:163) argue that becoming a truly learning organisation requires the building of knowledge architecture and the creation of knowledge management processes and a technical infrastructure to support this.

The main function of the communication manager could be seen as the establishment of the knowledge management process and the provision of networks and structures that enable the collection and dissemination of information. This information also needs to be translated into knowledge through dialogue. The learning process can create openness and builds knowledge resources – one of the main preconditions for sustainable change.

Davenport and Prusak (1998:2) state that *knowledge* is neither *data* nor *information*, although it is related to both. In an organisational context, data is described as "structured records of transactions" while information can be described as *"data that makes a difference".* Unlike data, information has meaning, while knowledge derives from minds at work.

Wiig (1997:6) emphasises the importance of knowledge management by saying:

> *"To be competitive and successful, experience shows that enterprises must create and sustain a balanced intellectual capital portfolio. They need to set broad priorities and integrate the goals of managing intellectual capital and the corresponding effective knowledge processes. This requires systematic knowledge management".*

According to Davenport and Prusak (1998:5), knowledge is:

> *"A fluid mix of framed experiences, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organisations, it often becomes embedded not only in documents or repositories, but also in organisational routines, processes, practices and norms".*

Clarke (2001:192) defines knowledge management as *"providing the means to generate, distribute and use knowledge in ways that add value to business activity and provide new opportunities for enterprise".* For this to happen, a proper and appropriate knowledge strategy is required. According to Swan *et al.* (In: Barnes 2002:181), there is no single definition of knowledge management, but in general it relates to the unlocking and leveraging of individuals' knowledge so that it becomes available as an organisational resource.

3.6.1. Objectives of knowledge management

Wiig (1997:8) suggests that the objectives of knowledge management are:

- To make the enterprise act as intelligently as possible to secure its viability and overall success; and
- To realise the best value of its knowledge assets.

The overall purpose of knowledge management is to *"maximise the enterprise's knowledge-related effectiveness and returns from its knowledge assets and to renew them constantly"*. Knowledge management must understand, focus on and manage systematic, explicit and deliberate knowledge building, renewal and application. This occurs through the management of effective knowledge processes.

Clarke (2001:189) warns that knowledge management initiatives are unlikely to be successful unless they are integrated with business strategy. They also need to relate to the development of the core capabilities of the organisation. According to him, *"sharing the discovery and synthesis of intellectual activity involves the creation of knowledge communities of practice"*. Strategic know-how and competence needs to be developed interactively and must be shared within sub-groups and networks. This is further emphasised by Feng Kwei Wang and Josh Plaskoff (In: Bellaver and Lusa 2002:118) when they say:

> *"To be effective, knowledge management and business processes must mesh and the design of the knowledge management architecture must reflect the mindset of the workers who operate within those business processes".*

These writers see knowledge management as a capability inherent in the organisation and comprising of the four elements: organisation, people, process and technology.

Organisation and technology are seen as the foundation, people and process as the pillars that maintain the structure and learning, information-sharing and information management, which supports the value-added process of transforming information to knowledge, as the inherent functionality of the building.

The knowledge management system, therefore, comprises knowledge workers (Feng

Kwei Wang and Josh Plaskoff, In: Bellaver and Lusa 2002:116).

A knowledge management framework can be visually presented in the following way:

Figure 12: Knowledge management framework
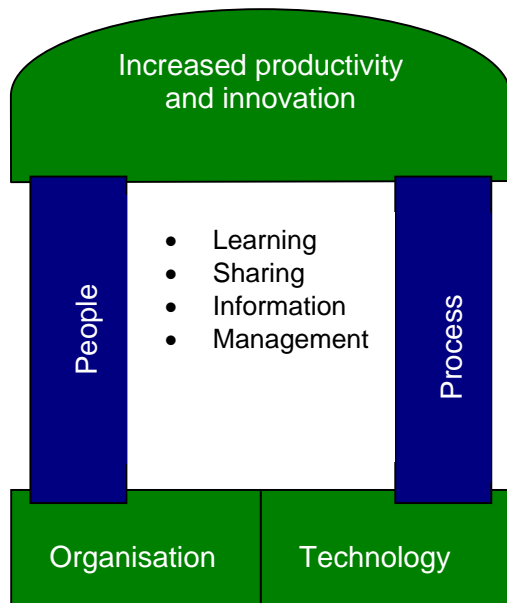
SOURCE: Feng Kwei Wang and Josh Plaskoff (In*:* Bellaver and Lusa 2002:116).

Making people knowledgeable, results in innovation and the continued ability to create and deliver products and services of exceptional high quality. This requires effective knowledge capture, re-use and building upon prior knowledge. We had the industrial revolution, we have passed the product revolution, as well as the information revolution to arrive at the current *knowledge revolution*. This revolution focuses on new customer intimacy (Wiig 1997:8).

Knowledge, therefore, exists within people with the accompanying human complexity and unpredictability. In comparison with data and information, knowledge is also nearest to the *action* – the decision to which it leads. Knowledge may be described as a company's greatest sustainable advantage in a global economy.   It is sustainable because it generates increasing returns and continuing advantages. Knowledge assets also increase with use, in contrast with material assets. All healthy organisations generate and use knowledge as they interact with their environments and information is absorbed and turned into knowledge. This leads to action based on their experiences, values and internal rules (Davenport and Prusak 1998:52).

More (1998:353) mentions that organisational knowledge is a key asset and the leveraging of such knowledge is one of the few sustainable tools for competitive advantage in the global knowledge economy. Clarke (2001:190) further emphasises knowledge embodied in new products and services as becoming the source of sustainable competitive advantage as well as the primary source of wealth creation.

According to Truch (2001:26), the most valuable corporate knowledge is that which exists inside people's heads. It is no use dumping data in databases that will quickly be out of date. The solution, according to this writer, is to create "communities of practice" – non-permanent groupings of people with similar expertise and facing similar issues from different viewpoints. Developing your own "electronic yellow pages" – that is finding the right colleagues with the right knowledge by pre-determined parameters of expertise – makes a lot of sense. However, such communities of expertise can only work if they are volunteers and if the systems are non-compulsory.

According to Clarke (2001:192), knowledge is increasingly being recognised as the most strategically important resource and *learning* as the most strategically important capability for business. He emphasises the link between knowledge management and business strategy once more and suggests that highly developed learning is necessary in dynamic market environments in order to keep the knowledge current and up to date. An organisation's learning capability must keep pace with the changes in the competitive environment.

Jarrar (2002:325) also emphasises what he calls *informal internal knowledge*. It is seen as the most important area, but also the most difficult to manage because it mainly deals with tacit knowledge. Organisations usually use some kind of community-based electronic discussion and 'lessons learnt' databases to pass this kind of knowledge on from individuals to groups.

3.6.2. Knowledge management principles and characteristics

Davenport and Prusak (1998:24) name the following knowledge management principles:
- Knowledge originates and resides in people's minds;
- Knowledge sharing requires trust;
- Technology enables new knowledge behaviours;

- Knowledge sharing must be encouraged and rewarded;

- Management support and resources are essential;

- Knowledge initiatives should begin with a pilot programme;

- Quantitative and qualitative measurements are needed to evaluate the initiative; and

- Knowledge is creative and should be encouraged to develop in unexpected ways.

Zack (In*: Clarke 2001:192) states that strategic knowledge has the following characteristics:

- It is unique – the more rare, the more potential the competitive advantage has;

- It is exploitable – it can be applied to current or potential products and services;

- It is valuable – that which the marketplace values;

- It is defensible – it cannot easily be imitated or substituted;

- It is dynamic – it is easily updated and transformed according to environmental demands;

- It has learning capabilities.

3.6.3. **Knowledge and communication**

According to More (1998:354), the literature on knowledge management excludes the vital consideration of communication within knowledge management processes. In emphasising communication More finds that dialogue is differentiated from debate (win-lose) or discussion (consensus). Communication can be seen as the container or conduit for knowledge data and information and in terms of the transmission of knowledge throughout the organisation. Communication, as a networking and collaboration tool, is important to knowledge creation and transmission. Workers discover through conversation what they know and share it with their co-workers in the process. In this way new knowledge is created. Knowledge work is creative, productive dialogue.

Kitchen and Daly (2002:46) stress the importance of internal communication in the successful implementation of change programmes. They stress that internal communication is not only a crucial variable in relation to achieving organisational goals, but it is also a precursor for organisational existence. The management of knowledge, employee and internal communication is identified in business management literature as instrumental for organisational survival and growth.

3.6.4. Knowledge markets

Organisational knowledge is highly dynamic and is moved by a variety of forces described by Davenport and Prusak (1998:25) as *knowledge markets.* Knowledge is the most sought-after remedy to uncertainty. Knowledge markets are systems in which participants exchange a scarce unit for present or future value. Knowledge is transferred in organisations whether or not the process is managed. Everyday knowledge transfers are part of organisational life. Unstructured and spontaneous knowledge transfer is vital to an organisation's success and managing knowledge should be everybody's business. According to More (1998:358), communication and effective organisational cultures embed knowledge management. Sharing dialogue allows new perspective to evolve.

Davenport and Prusak (1998:40) name three key factors that cause knowledge markets to operate inefficiently in organisations:

- *Incompleteness of information* – organisations often do not know where to find their own existing knowledge;
- *Asymmetry of knowledge* – organisations often have an abundance of knowledge on one subject in one department and a shortage somewhere else; and
- *Locality of knowledge* – the knowledge markets depend on trust and generally individuals trust those they know. People will rather rely on the 'knowledge' of their closest neighbour than deal with the uncertainty of trying to discover who else in the organisation may know more.

Davis (2003:24) warns that successful knowledge management initiatives require a compelling business case, in-depth planning and precise execution. According to Davis, failures are often because of poor post-implementation planning, neglecting people and processes and due to an inappropriate focus on technology.

Knowledge provides increased returns as it is used and the more it is used, the more valuable it becomes by creating a self-reinforcing cycle. Knowledge is generally expensive to generate but costs little to diffuse (Clarke 2001:190).

Davenport and Prusak (1998:62) suggest that the creative potential inherent to the complexity and diversity of ideas should be emphasised. Differences of opinion must be seen as positive rather than sources of conflict. Informal networks are able to extensively generate knowledge when each participant adds an incremental portion. Key knowledge exists anywhere in the organisation and therefore effective knowledge seekers almost always need to cross departmental boundaries and reporting structures to get what they need.

Santos-Vijande *et al.* (2005:187, 204) investigated the relationship between market orientation and organisational learning. They found that a learning orientation stimulates market-orientated behaviour and also affects the establishment of long-term relationships with strategic stakeholders. Organisational learning and market orientation is considered mutually dependent.

An ongoing learning orientation stimulates organisations to gather knowledge about their stakeholders and, therefore, increases trust and commitment. A learning orientation favours an operative market orientation and also stimulates the organisation's trust and effective commitment to its strategic customers and the continuity of its existing relationships (Santos-Vijande *et al.* 2005:205).

3.6.5. **Intellectual capital and knowledge management**

Marr *et al.* (2003:771) describe the link between intellectual capital and knowledge management by saying that knowledge management is recognised as the fundamental activity for obtaining, growing and sustaining intellectual capital in organisations. The successful management of intellectual capital is, therefore, closely linked to an organisation's knowledge management processes. Successful implementation and usage of knowledge management, in turn, ensures the acquisition and growth of intellectual capital.

According to these writers, the creation of knowledge and intellectual capital in organisations is closely associated with the epistemological (the science of study of knowledge) viewpoints of individuals. In other words, how individuals view knowledge in general, has an impact on the organisation's holistic view of knowledge management in turn.

There has to be an alignment between the epistemologies of individuals and the corporate

epistemology in which they operate. It is also vital to determine the roles that knowledge play in creating value for the organisation and how it changes the organisation through organisational learning (Marr *et al.* 2003:773).

Marr *et al.* (2003:775) confirmed during their study that there was considerable misalignment of knowledge management systems in the minds of people frorm different companies. The greater the degree of mismatch between the person and the company, the less relevance the person attaches to the knowledge management system and the less likely it is to have a meaningful impact on the operation of the company.

Computers have made the speed of knowledge transfer more important. Social communication is a critical element of knowledge transfer that has been partly addressed by information technology in terms of shared document editing, news groups, chat lines and video conferencing. Nevertheless, there is still a certain quality to face-to-face communication that cannot be matched by modern methods. The knowledge leader will need to be a great storyteller because it is by telling stories that we are passing on complex tacit knowledge (Bagshaw 2000:180).

Gregory (a) (2003:48) is of the opinion that knowledge management is of particular value as a strategy for industries that focus on information. Bagshaw (2000:179) names six "C's" of knowledge workers:

- *Capability* – having knowledge and skills;
- *Capture* – of tacit knowledge, where it is and how to deliver it;
- *Codification* – of the available knowledge and making tacit knowledge explicit;
- *Connection* – to the networks of knowledge exchange;
- *Co-creation of new knowledge*; and
- *Conversion of knowledge* to action that adds value.

A well-known securities firm sends out an e-mail message to workers each morning with what they call 'useful information', that includes an upcoming event or valuable feedback from a customer. This is done in the form of a story.

In Verifone, where their workers are spread around the world, stories or desirable business behaviour are regularly circulated electronically amongst workers under the banner of *Excellence in Action* (Davenport and Prusak 1998:82).

According to Bagshaw (2000:181), most companies know the importance of knowing as much as possible about their customers. Although there is a lot of information on record, it is rarely collated into a sound knowledge base. Questionnaires are often composed of closed questions to make the collating of data easier. There is, however, much to learn from open questions that invite customers to tell their story. This may contain valuable information about the way that customers want a product to develop further. Scenario planning is a way of making a story about what will happen if the present trends and paradigms continue. This can be very effective in instituting organisational learning. One way to advance this is through dialogue.

3.6.6. Benefits of knowledge management

The benefits of knowledge management are:

- It contributes to increased competitiveness;
- It leads to improved decision-making and avoids 're-inventing the wheel' behaviour;
- It increases responsiveness to customers;
- It encourages employees to share knowledge;
- It improves support amongst colleagues because they value the knowledge and help they receive;
- It improves efficiency of people and operations;
- It leads to better products and services; and
- It leads to greater innovation.

(Jarrar 2002:323)

Truch (2001:23) also mentions the value that an organisation's data has, but emphasises that this value multiplies when it is converted from data into knowledge that people in the organisation can access and act upon. The real smart organisations use business intelligence tools in an effective way to improve the way their people work.

This writer also mentions the existence of business intelligence software that encompasses both meanings of the notion of intelligence. It holds vast quantities of inward flowing information and uses its artificial brainpower to analyse it and discover what needs to be known.

3.6.7. Internal and external cooperation

Hillebrand and Biemans (2003:735) distinguish between cooperation (internal and external cooperation) as means for companies to maintain their competitive edge. Internal cooperation is described as occurring between the business functions within the organisation, while collaboration with other organisations is described as external cooperation.

Information that originates outside the organisation needs to be diffused in the organisation in order for the relevant people to attain consensus on its importance and implications and to translate it into appropriate action. Internal cooperation contributes to the establishment of a continuous learning cycle. In this cycle internal communication functions as a mechanism to interpret the results from external cooperation and initiates new efforts for external cooperation (Hillebrand and Biemans 2003:738).

3.7.   COMPETITIVE BUSINESS INTELLIGENCE

Shore (2003:1) mentions that decision-makers need more immediate access to more relevant information than ever before. They need a more intelligent view of the enterprise and how to exploit information as the basis for practical and positive action to reduce costs and losses, streamline business processes, increase profitability and comply with government regulations. According to her, an *Information Delivery Maturity Model* defines four levels of information delivery:

- Centralised access to data – data and raw material;
- Trustworthy information – information must be made useful and relevant;
- Relevant information as knowledge – apply rules and predictive analysis to make trustworthy data relevant to individual needs; and

- Intelligent action – deliver relevant information to empower decision-makers with the

right information.

Up to 80% of the world's information resides outside of databases and holds the majority share of important customer, process and competitive value. Many companies are realising the importance of managing and leveraging unstructured information sources throughout their organisations. This is breathing new life into the knowledge management industry. Organisations that do not have their house in order will be unable to compete in a knowledge-based economy that mandates empowerment of the workforce. The key is getting the right or relevant information to empower the individual and organisation as a whole. The information becomes intelligence or actionable knowledge (Auditore 2003:1and2)

Littlejohn (1994:134) warns against the theft of proprietary information both internally and externally, which remains a serious problem in the United States. Any organisation has a serious competitor that may be a potential risk. He sees competitive intelligence as a normal, legal business practice, but mentions that problems arise when competitive intelligence activities cross the line to enter into industrial espionage. Particular care should be taken with salespeople who have in-depth knowledge of products, pricing, promotion, marketing programmes and sales forecasts. They may be vulnerable to innovative companies that target such people and use the information to beat their competition in the marketplace with innovative products and promotional strategies. It is also dangerous when sensitive and proprietary information is discussed in elevators, in rest rooms and around the water fountain.

According to Hise (1996:59), more and more small companies are mining the internet for business intelligence and data. The customer feedback that they obtain in this way often sets them ahead of the pack. These companies are quietly proving that the internet is the new frontier for gathering business intelligence. Exploring newsgroups, mailing lists and websites on the internet, can open up unknown worlds of information and opportunity for them.

For those organisations that are willing to invest in time, the internet is an inexpensive way to get online with customers, suppliers and competitors and to use the arising opportunities for controlling damages, providing services and support and to collect feedback.   Using the internet's hard data as well as quick feedback from customers enabled investment firm Gary Martin to tailor their investment advice with up-to-the-moment detail (Hise 1996:60).   The cost-saving character of the Internet is a big plus factor.   By posting a question on newsgroups, the internet can supply one with a quick response of people who are willing to share their experiences of the company's products, services and general image.

3.7.1. Marketing intelligence

According to Tan Tsu Wee (2001:245), marketing research and strategic planning have become more essential in providing firms with the opportunity to stay ahead of competition.   The writer quotes Ettore's view of market intelligence as a process of knowing what the competitors do and staying one step ahead of them by gathering actionable information about the competitors and applying it to short- and long-term strategic planning.   It is a *"continuing and interactive structure of people, equipment and procedures to gather, sort, analyse and distribute pertinent, timely and accurate information for use by marketing decision-makers"*.

A continuous flow of usable information is the essence of a good market intelligence system.   This includes both formal (routine financial reporting, etcetera) and informal information (market comments and opinions).   There is a lot of information buried in organisations' databases, file servers and on the internet.   Scanning the message boards of internet search engines and other groups may provide valuable insight and opinions of consumers.   This source of information is generally under-utilised by most market analysts and the information is often viewed as subjective and biased.   However, with the right message boards, the information can provide a *"community of intelligent opinions"*. Intelligent use of the internet can provide a valuable and supplementary resource of marketing, competitor and business intelligence (Tan Tsu Wee 2001:248,249,250).

3.8. GAINSHARING

According to Band *et al.* (1994:17), the term '*gainsharing'* was established by the father of scientific management, Frederick Taylor, who advocated sharing between an organisation and its workers. The first recognisable gainsharing plan was introduced in 1936. Although there are several varieties of gainsharing, each involves reward for gains in productivity and/or reductions in costs, irrespective of the organisation's year-end bottom line. It is much more than a system of innovative compensation. Gainsharing can contribute significantly to the improvement of quality (Band *et al.* 1994:19).

Arthur and Airman-Smith (2001:737) chose to concentrate on gainsharing as an organisational learning system. For purposes of this study, the benefit of gainsharing in terms of its general noteworthy *suggestions* by employees, as well as its effectiveness as a learning agent, is of specific significance. Employee suggestion schemes often provide the systematic involvement of employees in identifying and implementing productivity improvements. However, suggestions can be much more far-reaching and may have a significant impact as communication management issues.

Band *et al.* (1994:20) make the connection between gainsharing and organisational development that is, in turn, about learning and change. It is about the people, the core competence – the skills, knowledge and creative potential embedded in its workforce. Arthur and Airman-Smith (2001:738) argue that employees possess an untapped reservoir of effort and knowledge that could improve organisational processes and effectiveness. Gainsharing can be an organisational learning system that helps to generate first- and second-order learning at the individual and group level. It is a critical mechanism for transforming the content of individual knowledge into organisational knowledge.

3.9. CONCLUSION

Fritz (1994:112) indicated that organisations can renew them and become young again, become rejuvenated, if they develop the ability to continuously learn. Organisations that can't learn can't change. Informal feedback is a cost-effective and trustworthy way in which organisations can constantly learn. Learning is already a competitive advantage for organisations, because those who can learn faster will survive.

Information that leads to learning is often provided by communication managers who act as boundary spanners and who gather, select and relay information from the environment. The communication manager therefore stimulates learning. During the rest of this research study it will be investigated whether it make sense for modern learning organisations to actively provide proper channels and favourable environments to increasingly receive informal feedback input from all stakeholders and, therefore, to facilitate ongoing learning.

■ CHAPTER FOUR ■

STAKEHOLDER ENGAGEMENT
AND
INFORMAL FEEDBACK INTERVENTION

"The better you listen, the more you learn how little you know".
"What you don't know might hurt you; what you do know will only help you.
(Murphy 1987:88).

4.1.   INTRODUCTION

Carroll (1996:74) explains that there was an evolution in organisations over the years from a traditional production view of the firm, to a managerial view of the firm and a stakeholder view of the firm. This involves not only those groups that management thinks have a stake in the organisation, but also the groups that themselves realise that they have a stake in the organisation. Some writers call it the dawning of the era of stakeholder capitalism (Owen, Swift and Hunt 2001:5).

This is further emphasised by Bronn and Bronn (2003:291,292) who state that organisations are undergoing dramatic changes as stakeholder groups' influence increases on the place and responsibilities of organisations in society. Important drivers are the environmental movement, the search for total quality management, the concept of sustainable development, ethics and organisational learning. Stakeholders also have different views and assumptions regarding particular situations. It is of utmost importance that communication managers understand the underlying complexities of stakeholder relationships because the various stakeholders' views of complex issues may be completely different to the views of the organisation.

An important way of engaging with the stakeholders of an organisation is through monitoring and reacting to informal feedback input. In broad terms feedback could be defined as a means by which deviations from the goal can be corrected. This is possible because information (feedback) on these deviations is passed to the source.

Feedback occurs within a dynamic system if changes in its outlets react on its inlets. This could be negative or positive feedback that may or may not lead to corrective actions (Fauconnier 1985:77).

In this chapter, the notion of stakeholder engagement, feedback and eventually informal feedback intervention will be investigated. Feedback can be described as that stimuli, response or information that is fed back to the system. It must be investigated how the principle of feedback, according to systems thinking, can be applied to the organisational system and ultimately to organisational learning – that which learning organisations are supposed to do. A literary overview of the notion of feedback will be discussed as well as certain types of informal feedback such as rumours and the organisational grapevine as possible sources of 'usable' feedback.

Although environmental scanning is not the primary focus of this particular study, some writers see informal research methods (feedback gathering) as part of the environmental scanning process. It therefore seems appropriate to briefly discuss the notion of environmental scanning as well in this chapter. Lastly, the role of feedback input as an intervention strategy in communication management will be investigated.

Communication feedback as an element is often absent from earlier theoretical communication models or it is often only mentioned by chance in some of these models. Feedback and the role thereof in establishing proper dialogue is emphasised by other theorists in later communication models such as the mass communication model of Maletzke (In: Van Schoor 1982:41) and Van Schoor's analytical communication model (Van Schoor 1982:35).

However, in communication management, as a strategic management function, writers and researchers have specifically emphasised the role of communication feedback. One example is the two-directional symmetrical models, first described by Cutlip and Center (1984:223), where the role of *feedback* and *mutual adaptation* play a vital role.

Macleod (2000:188) believes that the power to communicate widely has fallen into the hands of individuals and small groups across geographical boundaries and time zones as virtual communities.

The notion of feedback will be investigated against the new belief that the internet has changed the focus of traditional marketing (and also communication management). According to Sharma and Sheth (2002:698-702), the internet has changed the focus of marketing from a *supplier perspective* to a *customer perspective*. This is called *reverse marketing*. Manufacturing now only starts when the customer orders. Customers are now in an era of "direct information" where they seek web pages and communicate directly with marketers and companies based on their needs.

Johnson (1983:62) states three rules that aid in determining the amount of quality of elaboration necessary in human communication:

- More elaboration of the information is needed as the level of immediacy of feedback decreases;
- The immediacy of feedback needs to increase as the level of semantic and syntactic elaboration of information feedforward decreases. (The term *feedforward* will be discussed later in this chapter); and
- There is a decrease in the need for high levels of semantic and syntactic elaboration and/or immediacy of feedback as the degree of significant symbolisation increases.

Feedback is also very import for doing business. In their *Ten Commandments for Crafting Successful Business Strategies*, Thompson and Strickland (2004:285) suggest that organisations be prompt in adapting to changing market conditions, unmet customer needs, buyer wishes, alternative emerging technology and competitors' new initiatives. These writers warn that *"responding late or with too little often puts a company in the precarious position of having to play catch-up."* It is often with the help of informal feedback input that early indications become clearer.

4.2.   RESEARCH AND INFORMAL RESEARCH

It is often said of modern organisations that the only thing still certain is the fact that things will change. Change has become the norm and essence of modern day management. For organisations to survive and prosper in this constantly changing environment, they have to adapt to internal and external environmental demands. Management needs to understand the organisation's environment as well as how to change along with it.

This can only happen if organisations have proper information and knowledge to act upon.

Research and the gathering of environmental input and environmental scanning is the means to get hold of this information, to translate it to fit the company's needs and to adapt strategy accordingly. This can be seen as one of the most challenging aspects of the organisation's strategic management process.

Organisational learning, as the umbrella concept of an organisation's gathering of knowledge, has been discussed at length in the Chapter Three. Radford and Goldstein (2002:252) conclude that research is a way of articulating and supporting knowledge claims as well as an important means of adjudicating between competing knowledge claims.

It is often hard to track down some organisational and communication issues because they do not have the same physical visibility, especially in comparison to true crises (Lorenzi and Riley 2003:197).

Walker (1997:98) mentions that both formal and informal research methods have a place in the practice of public relations. Although instinct and gut feel remain important in conducting public relations work, management also demands measurement, analysis and evaluation at every stage of the public relations process. *Measurement* is often confused with *evaluation*. Measurement is rather the assigning of numerical values to some or all attributes of a study object.

Wisner and Corney (2001:240) stress the importance of feedback collection when saying *"collecting and monitoring customer feedback allows firms to access and upgrade their service and product capabilities as needed to maintain and improve competitiveness"*. These writers state that it became very important to quickly determine what customers want in order to capture new customers as well as to keep existing ones. Obtaining customer feedback is essential to finding this kind of information.

According to Lee (1999:19), the trick is to focus on *impact* and not on *activity*. Rather measure awareness, understanding, acceptance and commitment to the organisation's strategies. Some communication practitioners think of communication as only newsletters, media liaison and public relations programmes. They regard formal communication as the only communication.

They should, however, broaden their perspectives to include semiformal and informal communication that is regarded as equally important.

Semiformal communication includes the programmes and initiatives, procedures, systems and processes that carry the organisation's official endorsement. They convey information, messages and meaning and induce specific thinking or behaviour. Informal communication consists of relationships between leaders and the led, driven by routine conversation comments, questions, complaints and humour as well as leaders' behaviours, decisions and attitudes that often speak loader than words (Lee 1999:20).

Lindenmann (1998: 66) feels very strongly about carrying out effective public relations measurement and evaluation by also measuring *outcomes* (Advanced level: measuring awareness and comprehension, recall and retention, opinion and attitude change and behavioural patterns) instead of just measuring the obvious *outputs* (Basic level: amount of attention and exposure in media) or *outgrowths* (Intermediate level: measuring whether target groups/audiences received and retained messages).

The advanced level of measuring outcomes usually calls for advanced research methods like opinion and attitude research. The ultimate test of effectiveness and the highest outcome measure possible is whether the behaviour of the target audience has changed as a result of the public relations programme or activity. Attitude research is much deeper and more complex than opinion research and measures what people **know** and **think** (mental or cognitive predispositions), what they **feel** (emotions) and how they are inclined to **act** (motivational or drive tendencies). Measuring change in behaviour often requires a variety of data collection tools and techniques (Lindenmann 1998:70-71).

Lindenmann (1998:68) sketches the *Ketchum Effectiveness Yardstick* as follows:

Table 3: The Ketchum effectiveness yardstick

K e t c h u m E f f e c t i v e n e s s Y a r d s t i c k		
Level 1	Level 2	Level 3
Basic – Measuring **OUTPUTS**	Intermediate – Measuring **OUTGROWTHS**	Advanced – Measuring **OUTCOMES**
Media placements	Receptivity	Opinion change
Impressions	Awareness	Attitude change
Targeted audiences	Comprehension	Behaviour change
	retention	

SOURCE: Lindenmann (1998:68)

Lee (199:21) also states that communication professionals' unwillingness to include semiformal and informal communication (because of their perceptions that it is beyond their power of influence and measure) needs to be addressed. Semiformal communication builds understanding and acceptance while informal communication, to the extent that it reflects the themes and messages of formal communication, stands alone in building commitment. With this relationship in mind, it is possible to measure levels of awareness, understanding, acceptance and commitment as an indication of the impact of formal, semiformal and informal communication.

Public relations is said to be about relationship-building. It should then be important to measure these relationships in order to find out how good the outcome of public relations programmes is. Effective organisations choose and achieve appropriate goals by developing relationships with their publics (constituencies). Ineffective organisations do not achieve their goals, because their publics do not support or oppose the efforts of management to achieve what publics consider illegitimate goals. Publics' opposition to management goals and decisions frequently results in so-called *issues* and *crises*. The process of developing and maintaining relationships with strategic publics is therefore a crucial component of strategic management, issue management and crisis management of any organisation (Grunig and Hon 1999:8).

According to Steyn (2002:11), organisations can collect information on stakeholders and events and issues that are occurring, feed that information into the strategic management process as well as anticipate issues and trends that will help it to buffer threats and take advantage of opportunities. This is possible despite the fact that an organisation cannot directly influence forces in the societal environment. Lindenmann (1998:67,71) emphasises that the final step in public relations evaluation research is to link what has been accomplished to the business goals, objectives and accomplishments of the organisation as a whole. Public relations managers should strive to relate public relations outcomes to such desired business and/or organisational outcomes as increased market penetration, market share, sales and an overall increase in the profitability of the organisation. Public relations programmes and goals should also be integrated with the total marketing plan.

Cummins (2003:730) states that corporate communicators are the closest thing to a conscience an organisation can have because the nature of the profession uniquely positions them to take on this responsibility. Besides the CEO, the communication managers are the only people who look at the big picture – the organisation in its entirety – and have touch points with every single aspect of the business. Communication managers bring sensitivity to human issues to the table.

4.3.   ENVIRONMENTAL SCANNING

Although environmental scanning is not the primary focus of this study it is useful to understand its role as a potential source of formal and informal feedback. Steyn and Puth (2000:16) argue, *"Environmental monitoring or scanning refers to the formal and informal research activities performed by practitioners to obtain information about 'what is going on' in the external environment".*

Dozier, Grunig and Grunig (1995:412) support this view of environmental scanning by saying that environmental scanning consists of both formal or scientific as well as informal information gathering about changes and trends in the organisation's environment. Practitioners of environmental scanning use qualitative and quantitative research techniques (as well as informal, journalistic information gathering) to make their participation valuable to organisational decision-makers.

By collecting and controlling intelligence about the environment, practitioners become useful participants in strategic planning and decision-making. This is one power strategy that practitioners can use to redefine the public relations function.

Environmental scanning is regarded as the first step in the ongoing chain of perceptions and actions leading to an organisation's adaptation to its environment – the process by which an organisation learns about events and trends in the external environment, establishes relationships between them and considers the main implications for problem definition and decision-making (Steyn and Puth 2000:166).

Broom and Dozier (1990) believe that when the inputs that organisations gather about publics and environmental forces are collected *systematically*, the activities form part of environmental scanning. These activities are conceptually distinct from performance management feedback, programme adjustment feedback and organisational adaptation feedback.

According to Burack and Mathys (1989:82), strategic planning is directly related to an organisation's environmental scanning capabilities. Environmental scanning is a form of system input where organisations gather intelligence about stakeholders or publics and environmental forces. Dozier (1986) states that the strategic function of scanning is early detection of emerging problems as well as quantification of existing or known problems in the environment.

Daft and Welck (1984:285) state that building up interpretations about the environment is a basic requirement of individuals and organisations. Information about the external world must be obtained, filtered and processed into a central nervous system of some sort. This may lead to certain choices being made. However, Xu and Kaye (1995:23) state that companies frequently lack appropriate structures or organisational format to accommodate strategic planning into which data of various types could be fed and interpreted. Companies, therefore, often neglect actively collecting environmental intelligence.

In the environmental scanning process, data is acquired from the external environment to be used in problem definition and strategic decision-making. In the role of gatekeeper or liaison and boundary spanner, the corporate communication manager provides top management with the critical information needed to formulate or adapt strategy.

In this role, corporate communication makes its biggest contribution to organisational effectiveness and therefore the bottom line of the organisation (Steyn and Puth 2000:166).

Kotler (1997:112) stresses the importance of updating the organisation's marketing intelligence system by reading books, newspapers, trade publications, talking to customers, suppliers, distributors and other outsiders; and talking with other managers and personnel within the company. The firm needs to track the results and monitor new developments in the internal and external environments. Although some environments are fairly stable, others change rapidly in major and unpredictable ways.

4.4.   FORMAL AND INFORMAL SOURCES OF INFORMATION

According to Kaye (1995:13), information sources for managers in organisations can mainly be arranged according to format, status and location and classified in the following terms:

A)   Format:
- Oral vs documentary
- Textual vs audio-visual/multimedia
- Paper-based vs electronic

B)   Status:
- Personal vs impersonal
- Formal vs informal
- Published vs unpublished
- Open vs confidential/secret

C)   Location
- Internal vs external

Personal sources (such as a manager's colleagues, superiors or subordinates) are those who deliver information to the individual manager. Impersonal sources (such as books, newspapers and journals) communicate to groups or wider audiences, usually through some sort of formal system. Formal sources are often also impersonal and informal sources are often personal. Sources of information can exhibit complex combinations of features.

What is important is the way in which the recipient of information perceives a source in the context in which the information is supplied. The assessment of source reliability will depend on the manager's perception of and attitude towards the status, format and location of the source (Kaye 1995:14).

Information seekers will also often prefer personal and informal contacts and sources. Friends and colleagues will often not only provide the facts required, but also advice, encouragement and moral support. He or she may be able to evaluate the information, indicate the best choice, relate the information to the enquirer's needs and situation and support the enquirer's action or decision. Many managers seldom look beyond the organisation's borders in their search for information. This can be extremely damaging and limited (Kaye 1995:14).

Kaye (1995:15) provides the following quadrants:

Quadrant A: External/informal

Managers often attach much value to news, ideas and gossip picked up during business dealings or conferences. Often salespersons and technical representatives are frequent recipients of such information. Many people rely on family and friends as their primary source of information.

Quadrant B: External/formal

Many organisations have library and information services. There are numerous external information sources available in the form of statistics, guides and directories.

Quadrant C: Internal/informal

These sources have their own special benefits and problems because they are the most personal. Close and personal relationships with colleagues may enhance the trustworthiness and credibility associated with such people, but it may also involve politics and personal rivalries.

Quadrant D: Internal/formal

Three kinds of formal internal sources can be listed: internal documents, automated systems such as management information systems and internal departments and units. Internal quantitative data, such as sales figures and stock levels, are well known. However, managers are often not equipped to deal with the 'softer' issues such as opinions and news. These may have a potentially great impact on the organisation. Qualitative information of this kind is uncomfortable and difficult to obtain and process and is therefore easily ignored. This can be a fatal error (Kaye 1995:15).

According to Pearson and Thomas (In: Kitchen and Daly 2002:49), effective communication means that managers must take cognisance of what employees:

- *Must know* – key job-specific information;
- *Should know* – essential but desirable organisational information; and
- *Could know* – relatively unimportant for office gossip.

Church and Waclawski (1998:78) add to the argument that the role of informal communication processes and sources should also be recognised. These informal methods can have a significant effect on any type of organisational initiative.

Individuals who cross organisational boundaries, and professionals who have access to both formal and informal networks of fellow professionals, have ample opportunity to come across new ideas. These new ideas can later be tested and applied within their own organisations (King and Anderson 2002:139).

4.5.   DIALOGIC RELATIONSHIPS AND RELATIONSHIP MANAGEMENT

According to Kent and Taylor (2002:30), the internet is very useful as a modern public relations tool and is an useful medium for building interpersonal relationships. The internet lends itself to debates and enables real time cyber meetings and cyber town meetings where organisations can listen to their publics. The web offers text, sound, image, movement and the potential for real-time interaction that is absent from books, magazines and newspapers. Neither radio nor television offers this kind of interaction.

Kent and Taylor (2002:31) emphasise the dialogic role of the World Wide Web further by stating:

> *"The Web can be used to communicate directly with publics by offering real time discussions, feedback loops, places to post comments, sources for organisational information and postings of organisational member biographies and contact information. Through the commitment of organisational resources and training, the Web can function dialogically rather than monologically".*

It is these kinds of potential dialogic informal discussions, comments and feedback loops and their potential as learning agents, creators of dialogue and instigators of strategic change that are the keen interest of this study.

Ledingham and Bruning (1998:1) emphasise the importance of relationship management as a focus area for corporate communication. The organisation must focus on its relationships with key stakeholders, the dimensions upon which these relationships are built and the impact that the organisation-stakeholder relationship has on the organisation and its key stakeholders.

Grunig (In: Grunig 1992) explains this concept further by stating that corporate communication practitioners play their most valuable role when identifying and establishing relationships with strategic stakeholders. Practitioners also identify and manage the publics and activists that emerge around issues, thereby reducing conflict and uncertainty in strategic decision-making. Building strategic relationships should form the centre of corporate communication activity.

Kent and Taylor (1998) state that two-way symmetrical communication as a theoretical approach necessitates organisations to provide the procedural means whereby the organisation and its stakeholders can communicate interactively. Organisations must devise systematic processes and rules for proper two-way symmetrical communication to take place.

According to Ledingham and Bruning (1998:4), the organisation-stakeholder relationship should be anchored on building trust, demonstrating involvement, investment and commitment and by maintaining open, frank communication between the organisation and its key stakeholders. These writers further state that if corporate communication is viewed as relationship management, corporate communication programmes must then be designed around relationship goals with communication strategies employed to support the achievement of goals. Relationship management should focus on the establishment and maintenance of strategic relationships with all stakeholders and not only customers.

4.6.   STAKEHOLDER ENGAGEMENT

Stakeholder engagement and stakeholder dialogue are terms that have become increasingly important and talked about in management circles in recent years. There is a new emphasis on sound and respectable corporate governance of organisations that naturally leads to an increased emphasis on stakeholder engagement as well.

Modern day organisations have to concentrate on sustainability. This means that the organisation must balance its need for long-term viability and prosperity with short-term competitiveness and financial gain. This quest for sustainability forces organisations to also concentrate on non-financial aspects of corporate practice that influence the organisation's ability to survive and prosper in the communities within which it operates. Sustainability in the business context means the finding of balance and integrated economic, social and environmental performance. Non-financial issues, such as social, ethical and environmental issues, can no longer be regarded as secondary to the more common business imperatives. Non-financial issues can easily have financial consequences for organisations if not attended to and managed correctly (King 2002:91-99).

According to McIntosh *et al.* (1998:xii), modern consumers are increasingly more sophisticated. They are interested in much more than product price and ask questions about corporate practices behind the brand name of products they buy. Many modern organisations see social accountability as a competitive asset. The rise of business transparency is also unstoppable (Tapscott and Ticoll 2003:28).

According to Tapscott and Ticoll (2003:28,31), business transparency is attributed to three historic reasons. Firstly the internet, which gave stakeholders an inexpensive and universal communication tool to engage with each other and organisations. Secondly the change in corporate ownership where checks and balances are now provided by a board of directors. Executives can no longer enrich only themselves at the expense of shareholders. And thirdly, the tendency towards operating network economies. As an organisation's market capitalism goes global, performance discipline is increasingly expected from the organisation. These reasons cause supply chain activities to become more visible for stakeholders enabling them to share information and participate with responses through the internet.

Bronn and Bronn (2003:291,299) identify three communication skills that enable communication managers to engage with stakeholders in meaningful dialogue in their quest for a better understanding of the processes that influence the perceptions of stakeholder groups. The communication skills are reflection, inquiry and advocacy. The objective of reflection is to make the person more aware of his or her own thinking and reasoning. Inquiry involves the two parties in the communication process in a joint learning session and advocacy is the process of communicating one's own thinking and reasoning in an open, understanding and visible way to others.

Bishop and Beckett (2000:35) state that it is important to build a communication strategy based on enquiry and accountability in order to encourage stakeholder dialogue. Meaningful stakeholder engagement and the resultant feedback help organisations to:

- Anticipate and manage conflicts;
- Improve decision-making;
- Build consensus among diverse opinions;
- Create identification of stakeholders with the outcomes of organisation's activities;
- Build trust in the organisation; and
- Create and secure social capital.

The desired end result of dialogue with stakeholders should be to deliver long-term value to both the organisation and its stakeholders (Cumming 2001:48,51). This writer found that the world is moving towards an 'involve me' culture in which stakeholders are working in partnerships with organisations for the benefit of society.

Non-government organisations (NGOs) advocate even deeper involvement. This should ultimately be a two-way interaction and exchange.

Trust plays an important role in relationships with stakeholders. Swift (2001:21,24) believes it is based upon reputation, dialogue and experience and cannot be demanded by either stakeholders or organisations. It should rather be earned through trustworthy behaviour. Not all stakeholders have the same stake or legitimacy or even the same requirements for accountability, but trust helps to facilitate interdependent relationships in which stakeholders are given a voice to influence corporate social behaviour.

According to De Bussy and Ewing, (1997:227), in recent years marketers have tended to communicate increasingly with non-customer stakeholders because of the impact that these relationships have on the customer. This used to be one of the exclusive responsibilities of communication managers.

McIntosh *et al.* (1998:194) state that

> "Engaging stakeholders, through dialogue and consultation is one way of finding a common way forward in a fragmented society. Business prospers if it understands its key relationships: it is in its interests to widen its circle and be more inclusive. Transparency and accountability are business virtues. Corporate citizenship has its greatest momentum in three areas: inclusivity, transparency and accountability".

According to Wheeler and Sillanpää (1997:132,133), the ability to learn in organisations requires a total cultural change that emphasises active participation on every level in the organisation, including its multiple stakeholders. Engaging in stakeholders' views creates the basis for a shared future. But one should be aware that different stakeholders hold different images based on their relationship with the organisation (Bronn and Bronn 2003:301).

4.6.1. Stakeholders and publics

The King Report of Corporate Governance in South Africa (2002:98) advocates an inclusive approach that recognises that all stakeholders, such as the community in which the organisation operates, its customers, employees and suppliers (amongst others), need to be taken into consideration when corporate strategy for the organisation is developed.

All stakeholders should be identified and integrated into the strategies for the organisation in order to achieve its goals.

It is important to distinguish between the management of relationships between *stakeholders* and *publics*. According to Steyn and Puth (2000:198), *stakeholders* are those groups or individuals that an organisation has a relationship with. The behaviour of the organisation and the behaviour of the stakeholder have an influence on one another. A stakeholder becomes a *public* when the stakeholder (or a stakeholder group) becomes more aware of the behaviour of an organisation. This behaviour of the organisation has consequences for the stakeholders and therefore the stakeholders become more active in their communication and conduct.

The Body Shop defines a stakeholder as any group or individual who can affect or is affected by an organisation's impact or behaviour (McIntosh *et al*. 1998:198). According to Carroll (1996:23), stakeholders are individuals or groups with which business interacts, who have a 'stake' or vested interest in the organisation. They can broadly be divided into internal and external stakeholders as well as primary and secondary stakeholders.

According to Carroll (1996:76, 78), primary stakeholders are those who have formal, official or contractual relationships with the organisation, while all other stakeholders are classified as secondary stakeholders. Strategic stakeholders are those who are vital to the organisation and the particular threats and opportunities it faces at a certain time.

A potential for two-way interaction or exchange of influence with stakeholders exists because just as the organisation has an influence on stakeholders, so they may in turn affect the organisation's actions, decisions, policies and practises (Carroll 1996:74).

According to Bronn and Bronn (2003:293), stakeholders are *"all interest groups, parties, actors, claimants and institutions, internal and external to the organisation that exert a hold on it"*. Stakeholders have different views about an issue under consideration.

The King Report on Corporate Governance in South Africa (King 2002:98) suggests that organisations should recognise and consider all stakeholders such as the community in which it operates, its employees and its suppliers, amongst others. All these stakeholders should be considered when developing a strategy for the organisation.

This inclusive approach should also be applied to stakeholders who are relevant to the organisation's business. Relationships between the organisation and its stakeholders should be mutually beneficial.

King (2002) emphasises that a wealth of evidence has established that the inclusive approach causes sustained business success and steady, long-term growth and shareowner value.

> *"Stakeholders have a direct bearing on ongoing corporate viability and financial performance while stakeholder perception and thus corporate reputation is recognised as a significant market value driver. Relationships with stakeholders should be managed accordingly" (King 2002:98).*

The King Report goes on to say that much evidence exists that proves that this inclusive approach is the correct way to create sustained business success and long-term growth in shareholder value.

This is in line with the thinking and advocating of the communication management science. Shareholders therefore have a direct concern in the ongoing corporate viability and financial performance of the organisation. Furthermore, stakeholder perception (and thus corporate reputation) is recognised as a significant market value driver. Relationships with stakeholders should be managed accordingly.

But, as Haywood (2002:10) warns *"many of the audiences on whom we depend for our business success are not in business with us. They often have a very different agenda, but one that matters…"*

Carroll (1996:91) states that organisations must continuously assess their responsibilities towards their stakeholders and define strategies and actions for dealing with them. Also relevant to this study is Caroll's (1996:659) description of issue management as the process by which organisations identify issues in the stakeholder environment, analyse and prioritise those issues in terms of their relevance to the organisation, plan responses to the issues, and then evaluate and monitor the results. This will become evident during the case study in Chapter Five where informal feedback issues will be analysed.

John and Thomson (2003:2,8,10) stress that younger people are often more clued up on

issues that they feel are important and relevant to them, in particular about the environment. Various organisations exist nowadays that help shareholders organise themselves, inflict defeat on company boards and have their say in the running of organisations. With modern technology like cellular phones and e-mail, it has become much easier for stakeholders to become involved in radical forms of activism in organisations.

The King Report (2002:97) identifies the following useful categories of stakeholders for an organisation:

- *Shareowners* as providers of capital;
- *Parties that have a contractual interest in the organisation* (For example customers, employees, suppliers, subcontractors and business partners);
- *Parties that have a non-contractual interest in the organisation* (For example civic society in general, local communities, non-governmental organisations and other specific interest groups such as activist groups). They provide the organisation with its license to operate and thereby exercise an influence on its ability to achieve its goals. Special interest groups may be concerned about issues relating to market stability, social equity and the environment;
- *The state* and policy-maker, legislator and regulator of the economy.

Stakeholder mapping entails that organisations plot a range of stakeholders and the relationships of those stakeholders to the organisation. It can be applied to both situations and organisations (McIntosh *et al.* 1998:202).

Unerman and Bennett (2003:660,663) state that only through engaging in effective stakeholder dialogue can organisations develop an understanding of their stakeholders' expectations. Proper corporate governance and accountability should focus on addressing the stakeholders' social, environmental, economic and ethical expectations. However, some stakeholders may be so remote, hide so well and be affected so indirectly that the organisation does not recognise them at all.

4.6.2. Reputation management and stakeholder engagement

An organisation's reputation is influenced by so much more that just visibility through advertising. A key conclusion of Fombrun and Van Riel (2004:105) (in Chapter Six of their book *Fame and Fortune. How Sucessful Companies Build Winning Reputations*) is that advertising is not really as powerful a tool for creating visibility as it once was. Name recognition is built with more credibility through earned media coverage than through paid promotions.

Organisations of today know the difference between mere image building and enhancing corporate reputation. To build enduring and resilient reputations it is necessary to build strong relationships with all stakeholders (including employees, investors, customers, communities the organisation serves, pressure groups, government agencies and several other specialised groups) and to meet their expectations (Fombrun 1996:60).

Reputation management and proper stakeholder engagement are interdependent of each other. Stakeholder engagement or the lack thereof as well as managing stakeholders informal (and formal) feedback issues have a direct influence on the organisation's reputation. Reputation matters because it involves perceptions that in turn have a direct influence on the behaviour and judgements of individual stakeholders. Why is it that a South African company like BMW (SA) recently came out tops as the most popular organisation to work for amongst university graduates? Surely it has to do with image, strong brands and ultimately a sound reputation.

The reasons may be in the summary by Fombrun (1996:5) when he says:

> *"A reputation is valuable because it informs us about what products to buy, what companies to work for, or what stocks to invest in. At the same time a reputation is of definite strategic value because it calls attention to a company's attractive features and widens the options available to its managers."*

Fombrun and Van Riel (2004:4) state that although an organisation may have a strong product or even corporate brand, it can still have a weak or poor reputation. Where branding mainly influences purchases by consumers, reputation affects the likelihood and supportive behaviours from all the brand and organisation's stakeholders.

Branding is therefore an element of reputation.

Fombrun and Van Riel (2004:xxv,7) warn that reputation is proving to be a resilient asset to some companies in an increasingly competitive and difficult marketplace. This is evident from following the daily news. Reputations are worth everything to all organisations because they are both valuable and vulnerable.

Reputation is also of particular concern to knowledge-based institutions like consulting and law firms, banks, hospitals and universities because the services they provide (their most valuable assets) are mostly intangible (Fombrun 1996:7).

Reputation is defined in the King Report (King 2002:98) as a *"function of stakeholder perception of an organisation's integrity and efficiency, derived from many sources such as customer service, employee relations, community relations, ethical conduct, and safety, health and environmental practices"*. Engaging actively with stakeholders helps fuel strategic planning and risk management. According to the King Report (King 2002:99), the real measure of organisational integrity (and the basis of sound relationships with stakeholders) is in the tangible evidence that an organisation practices what it preaches in all areas.

The smart organisations of today welcome the growing interaction with human rights and environmental groups because they sharpen the organisations' competitive edge and prepare them better for the global market. The new corporate citizenship lies at the heart of strategic planning (McIntosh *et al.* 1998:4, 35). However, John and Thomson (2003:267, 278) warn against the new activists who are roofless in their attack of organisations. They achieve an impact far beyond their sizes and resources. The power to engage or disrupt is in the hands of those who do not comply with orderly processes and decent interaction.

Economic institutions as corporate citizens should engage in a much broader role: they should act as *value creators* rather than mere *profit makers*. The term value has meaning to all stakeholders and not only the financial owners (shareholders) of a business. This takes the value of the organisation and its products to another level, taking into account its reputation, potential for growth, history and future.

A broader definition of commercial success is therefore required of organisations to survive in the new economy (Bishop and Beckett 2000:32).

Fombrun and Van Riel (2004:53) provide six dimensions of reputation in their reputation quotient. They are: Emotional appeal, products and services, workplace environment, financial performance, vision and leadership and social responsibility. Each of these six dimensions contains certain attributes that have an influence on the corporate reputation of the organisation. These writers also describe five key ingredients for building excellent reputations: visibility, transparency, distinctiveness, consistency and authenticity (Fombrun and Van Riel 2004:86).

It is of utmost importance that organisations report on stakeholder issues through the most appropriate medium and in the most appropriate manner so that all stakeholders of the organisation understand its achievements (King 2002:100). This is at heart a two-directional exchange where the organisation should be equally willing to listen to the voice of stakeholders. Informal feedback can serve as one channel for the voice of stakeholders.

Fombrun and Van Riel (2004) summarise the reasons why reputation matters for different stakeholders as follows:

- Customers: Reputation affects purchase decisions;
- Employees: Reputation affects decisions to engage, commit, stay and work hard;
- Investors: Reputation affects investment decisions – lowers costs and attracts new investments;
- The media: Reputation affects coverage – more favourable coverage; and
- Financial analysts: Reputation affects content of coverage and recommendations.

The writers came to the conclusion that reputation matters because it affects the strategic positioning of the organisation. It shows an organisation's ability to convince all stakeholders about the current and future validity of its strategic direction and path (Fombrun and Van Riel 2004:20).

Ströh and Jaatinen (2001:162) further argue that communication management might be seen as an important contributor in guiding transformation in terms of building relationships within and outside the organisation. By doing that, communication management actually facilitates successful strategic change management. Communication managers should take leadership roles by facilitating participation through dialogue and by providing networking structures. They can be research experts in organisations by doing environmental scanning (and feedback sourcing) and by providing information on emerging issues around which the organisation needs to adapt.

While the organisation tries to understand its stakeholders, it must at the same time be prepared to continuously test and update its own world-view. An absence of a common starting point on important issues leads to misunderstanding and disagreements between communication parties. As the organisation gains more knowledge about its internal and external environment, it becomes increasingly capable of dealing with new challenges. The role of the communication manager is then to help the organisation to update and surface its worldview (Bronn and Bronn 2003:295). Haywood (2002:22,40) feels that public relations should be defined in terms of its ability to manage corporate reputation. Everyone in the organisation is responsible for the reputation of the organisation. This should be written into the contracts of employees.

Bishop and Beckett (2000:33,34) believe that the new economy requires identifying the management of intangible assets as well as hard assets. Organisations engage in accounting for value across the so-called triple bottom line that aims to measure performance across three parts – social, environmental and economic. The difference in emphasis between the old and new economy is presented as follows:

Table 4: **Shareholder value vs stakeholder value**

Shareholder value vs stakeholder value	
Results-driven tangibles	**Value-driven intangibles**
Bottom-line profit focus	Long-term perspective
Short-term perspective	Triple bottom-line
Exclusive	Inclusive
Monologue	Dialogue
Internal process focus	External focus/ inclusivity
Crisis management	Risk management
OLD ECONOMY	**NEW ECONOMY**

SOURCE: Bishop and Beckett (2000:33)

The organisation TXU Europe recognised the need to address its stakeholders' concerns as part of its continuing drive to achieve sustainable development. TXU started the process through:

- Founding a formal external body where issues raised were referred to the organisation for consideration in business strategy; and

- Founding a dialogue programme with stakeholders that identifies key aspects of their business sustainability (Anonymous 2001:2).

Every organisation has a greater or lesser amount of reputation capital. For organisations to learn how to actively manage reputation capital and the human and intellectual assets embedded in it, is the most crucial and strategic task of today's executives. Better-regarded organisations build their reputations through integrating economic and social considerations into their competitive strategies. It is about *doing the right things* and not only *doing things right*. Stakeholders trust those companies that they respect and grant them the benefit of the doubt in difficult situations (Fombrun 1996:9,10).

However, reputation management and stakeholder engagement is not an easy task. Although an organisation must have long-term economic sustainability and financial stability to serve all stakeholders, the expectations of different stakeholders may work against each other at times. For example, investors prefer high earnings while consumers demand high quality and service; employees agitate for bigger earnings and communities request bigger donations and environmental support.

These last mentioned demands tend to drain high earnings for investors and therefore work against their expectations. However, having a good reputation can also reduce certain operating costs of the organisation because a reputation provides leverage in negotiations with suppliers, creditors and distributors. It is also easier for the organisation with a sound reputation to recruit new employees and to motivate them (Fombrun 1996:71,75,76).

In conclusion, Fombrun and Van Riel (2004:220) warn that corporate reputations are vulnerable to attack from all stakeholder groups – be they individuals or companies, distant groups or powerful institutions. It is not about engaging with only the powerful stakeholders, but also about interfacing with the broadest possible spread of stakeholders and establishing a dialogue with them that can help to consistently address their expectations.

The fact remains, a strong reputation creates a strategic advantage for the organisation.

4.7.   FEEDBACK

Positive feedback was initially considered to be very important, but negative feedback later received increased intention. Since approximately 1961, the role of positive feedback was emphasised again in the development of social systems. It was Klaus (In: Ballé 1994:36) who stated that cumulative feedback occurs when reaction leads to loss of the system's stability while this feedback can lead to qualitative changes or disturbances in the system. Compensation feedback occurs when reaction helps to maintain the stability of the system (Fauconnier 1985:78). Feedback is also the information gained by the source on the result of the communication process that he started. Mayr traced the history of feedback to Ancient Greece and he credited one Ktesibios (250BC) with the first known feedback device (In: Ballé 1994:36).

4.7.1. Negative feedback

Negative feedback is information that leads to a reduction in the deviation with respect to a specific norm. An example of negative feedback is a co-worker's angry face when somebody makes a noise while he is talking on the telephone. His angry face is negative with regard to the deviation.

Marion (1999:75) refers to feedback that suppresses a certain activity. For example, peer

pressure suppresses behaviour that is seen as deviant and directs the deviant behaviour back to stable, acceptable behaviour.

4.7.2. Positive feedback

Positive feedback is information that leads to an increase in the deviation. In our example mentioned, above the co-workers face will be friendly while he shouts to his fellow workers to make even more noise to congratulate his friend on the other end of the line on her birthday. Marion (1999:76) sees positive feedback as *deviation amplifying* - feedback feeding on itself and pushing itself away from its current status.

According to Fauconnier (1985:78), Marsman drew distinctions between three types of feedback:

- Directly available feedback: As received in face-to-face communication and in question and reply during dialogue;
- Borrowed feedback: By asking other experienced individuals; and
- Anticipatory feedback: Gaining information deliberately by market research and surveys.

The above was with regard to communication processes. However, Fauconnier (1985:78) also mentions three types of feedback with regard to communication systems:

- *Goal-orientated feedback*: Occurs when outside data received by the system does not change the system's internal structure in any way. An organisation that receives information on new prices or tax tariffs.
- *Learning feedback:* Occurs when data received from outside the system leads to fundamental changes in the system – within the internal structure. A new production policy for example. It is this kind of feedback that is particulary important to the learning organisation.
- *Cognitive feedback*: Fauconnier called it a "vague concept" where the "consciousness" of an organisation (for example a management board, a political party or university) uses primary and secondary information and feedback leads to the application or non-application of supplementary, new information.

Feedback implies some thought where the receiver (or the original source) intentionally gives

the feedback. When the communication process A → B leads to feedback B → A, source and recipient exchange roles and a new communication process takes place. B's feedback could, however, not always be intended for A or there could be no feedback at all (Fauconnier 1985:79).

An angry newspaper reader (B) may send an angry letter to the paper (A) about something he read in the paper. His feedback is not intended for the editorial staff or newspaper but for that which the article contains. A may, however, still learn something from B in the process. In circular communication it is not always as clear whether event A occurred first followed by B.

Fauconnier (1985:80) argues further that the main function of feedback is as an aid to successful communication. What will happen if communication feedback is totally absent? This is one of the major problems with mass communication. 'Approving feedback' is often stimulating while 'disapproving feedback' often leads to changes or adaptation of the communication content.

Feedback in an organisational context is often used in production and human relationships and especially in small group dynamics. Feedback can become a political instrument when viewed from a macro-economic and demographic perspective (Fauconnier 1985:83). The term is also often used in psychology and pedagogics in, for example, the well-known Johari Window diagram where feedback plays a major role in opening up hidden aspects of personality known to the subject itself or known to others. The sole aim of feedback in this regard is to improve interpersonal relations.

According to Henderson and McAdam (2003:778), feedback plays an important role in establishing a work environment in which staff are motivated to perform to their maximum potential. Feedback provides the context and the opportunities for both employees and organisations as a whole, to learn and make sense of information. Feedback also triggers dialogue and collective thinking (Henderson and McAdam 2003:780).

Broom and Dozier (1990:19) illustrate the role of feedback by means of the *Public Relations Feedback Model* of Glen M. Broom, as adapted from Jerald Hage.

Figure 13: A public relations feedback model

ORGANISATIONAL ADAPTATION FEEDBACK

PROGRAMME ADJUSTMENT FEEDBACK

PERFORMANCE CONTROL FEEDBACK

Intelligence ⇒ Goals ⇒ Programme ⇒ Actors ⇒ Implementation ⇒ Action and ⇒ Change or ⇒

about publics and   communication   maintenance
environmental   effects on publics
forces (INPUTS)   and environment
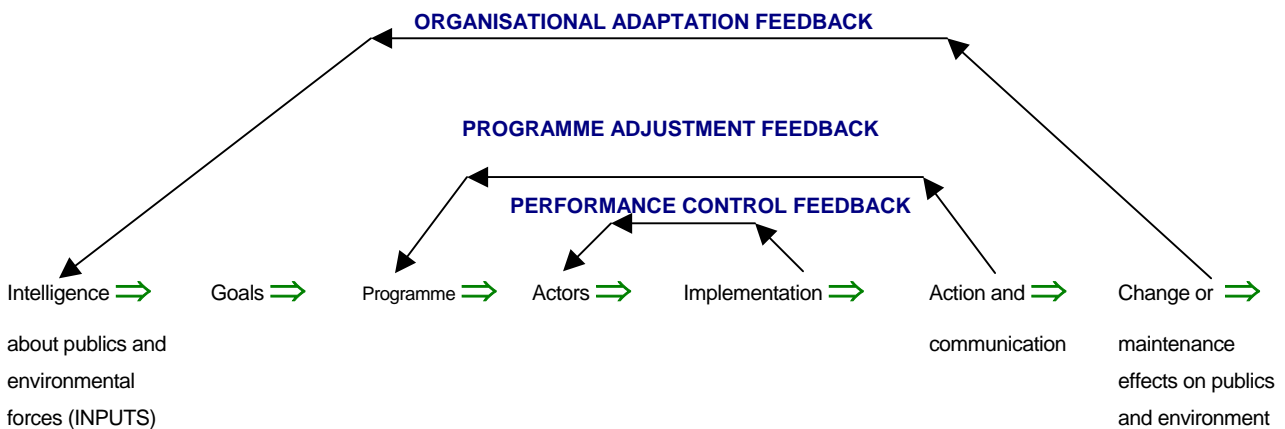
SOURCE: Adapted from GM Broom (In*:* Broom and Dozier 1990:19)

Fauconnier (1985:85) concludes with the importance of feedback as an aid to successful communication because faulty communication could be prevented or corrected by means of feedback. In organisational theory, feedback features prominently as an instrument of control for bringing about changes in management, for example.

Carr and Johansson (1995:36) use the model of W. Warner Burke and George Litwin in their efforts to help companies manage change. The model looks like this:

Figure 14: Burke-Litwin's Model for managing change in organisations
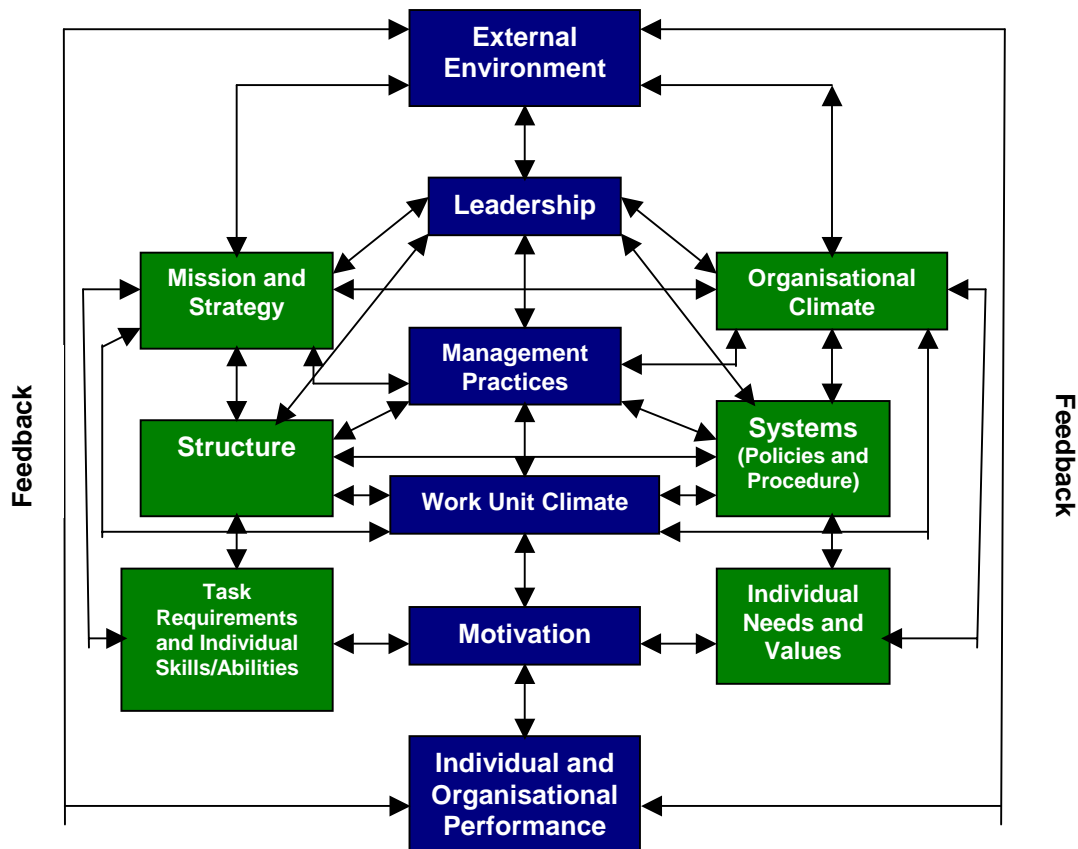
SOURCE: Carr and Johansson (1995:36)

Two-directional feedback is a prominent feature of this model, in particular between the external environment and individual and organisational performance.   In this model, change within an organisation is spurred by the external environment.   However, the feedback could also originate from within the organisation and will eventually affect the external environment.

Pollock (2002:10) strongly feels that feedback is the single-most important technique in achieving better communication. It transforms communication from a shot in the dark into a two-way process that allows both speaker and listener to ask questions. Feedback does not only come from words, but also from behaviour such as facial expressions and gestures that reveal impatience, lack of enthusiasm or agreement and animosity.

Bhasin (1997:49) has shown us that developing good relationships in the workplace depends on taking the risk of asking for, receiving and giving feedback. She calls feedback "a tool we can use to make the known larger than the unknown".

4.7.3. Secondary and primary feedback

Cunningham (1994:33) links what he calls *visual acuity* (really seeing what is going on) to the concept of feedback. According to him the term feedback has been horribly misused in management and has become associated with someone expressing a view about something to another person. Cunningham calls this *secondary feedback* and admits that this may be based on data, but is somebody's view or opinion on something.

Primary feedback is, however, sensory-based data that one can see, hear or feel. According to Cunningham (1994:35), good salespeople, presenters and golfers and tennis players work on this kind of feedback. They don't need somebody to tell them, they can see it (in facial changes, body movement, etcetera) and hear it. Strategic learning is ideally based on primary feedback. The trick is to try to keep clear of generalisations, especially with informal secondary feedback. But, as is the case with qualitative research in comparison with quantitative research methods there could be truth in both kinds of feedback.

According to Birkner and Birkner (2001:9), effective feedback must be two-way, engaging, responsive and directed toward a desired outcome. Feedback can be measured if there is a set of specific, observable performance objectives at the beginning of the communication cycle and if delivery methods appropriate to the person or audience, such as face-to-face presentations, verbal, written, nonverbal, inesthetic or computer-based, are used. To be more effective, messages should be kept straightforward and simple.

4.7.4. 360-degree feedback

The basis of 360-degree feedback is that employees obtain feedback from fellow workers in their own circle of influence and from their supervisor and not from their supervisor alone as in traditional performance appraisals. The evaluation and feedback comes from different directions – top, bottom and sideways – from their circular notion.

For purposes of this study, the 360-degree feedback method is seen as a typical formal feedback process and will, therefore, not be discussed in detail. The principle of employee work-related feedback to fellow employees could also sometimes be seen as *informal* feedback when it happens spontaneously and is not part of the formal 360 degree process.

A worker could, for instance, write an e-mail to a colleague or phone him or her up to give them a suggestion or tip regarding their work or task. This is not regarded as part of the sphere of communication management strategy and corporate feedback that is the focus of this study, but rather slots in with human resources strategies. However, elements of feedback obtained from other sources than co-workers, for example, internal and external customers, form part of the 360-degree feedback evaluation process and can be of significance on a corporate level and with regard to communication management.

Still, there is much to learn about the general principles of feedback through the 360 degree feedback process and its particular significance for teamwork, continuous learning, self-development and individual responsibility. A few points need to be examined.

According to Edwards and Ewen (1996:9), the 360-degree feedback process offers extensive and diverse benefits to key stakeholders in the organisation as well as to the organisation itself. The process helps to strengthen customer-supplier relationships. It also gives leaders and managers the opportunity to tap information from the organisation that may otherwise not be shared with them for fear of reprisal. Employees may identify areas of concern and provide suggestions for improvements. It can lead to better human resource decisions, enhanced quality control, increased employee motivation and provide an opportunity to align vision, values and competencies. Organisational surveys are but one method where 360-degree feedback methods can be applied from a communication management perspective.

360-degree feedback becomes a useful method to communicate the new competencies required by the new values if organisations change their cultures to align with their new vision and values. It also provides a multisource system with accurate assessments of modern organisational applications such as knowledge workers, matrix and project management and participative leadership.

It often leads to improved communications that result in better customer service.

Edwards and Ewen (1996:20) warn against internal informal feedback systems with regard to employee evaluation and performance appraisal and the 360-degree feedback process. This can be understood in the light of the requirements of objectivity, anonymity and fairness in the management of employees. The writers, therefore, rather suggest that a multisource feedback system, such as a comprehensive 360-degree evaluation system, be used.

Although 360-degree feedback methods are mainly applicable to human resource strategies and aims, it seems that there are relevant outcomes in areas such as alignment of cultures with vision and values, monitoring relationships that are related to communication management objectives. It is also of particular interest to organisational leaders and for leadership perspectives (Edwards and Ewen 1996:20).

4.8. CHARACTERISTICS OF EFFECTIVE FEEDBACK

According to Lawrence and Wiswell (1995:49), feedback needs to be two-way, engaging, responsive and directed toward a desired outcome to be effective.

Effective feedback relies on three useful tools: specificity, empathy and inquiry. (Birkner and Birkner 2001:10). Lawrence and Wiswell (1995:49) call it the *three primary element*s of feedback.

4.8.1. Specificity

Specificity refers to factual information and avoids abstractions and perceived attitudes. It is most helpful when it is task-orientated and outlines solutions, while constructive input can be positive (reinforcing) and negative (correcting). Feedback has to be specific to avoid misunderstandings, misperceptions and disagreements between the communicating parties. The less specific the feedback is, the weaker the impact. Specificity depends on the descriptive information that refers as much as possible to the actual behaviour. This is also feedback that avoids abstractions, perceived attitudes and personal traits of the person it discusses. It is accurately detailed and factually verified and documented.

Specific feedback can also be either positive (reinforcing) or negative (correcting) while both can be constructive. The source of a feedback message should collect, evaluate and share specific data in order to describe a situation that has occurred (Lawrence and Wiswell 1995:49,50).

But, according to Lawrence and Wiswell (1995:51), the use of specific feedback does carry risks. Some people may avoid it because they are afraid of exposing their own lack of knowledge. Feedback in this sense is most useful if it is task or problem-oriented, when it describes preferred behaviours or when it outlines problem-solving action plans.

4.8.2. Empathy

Empathy embodies the fine art of listening and reflecting and promotes sharing of perspectives. The characteristics of empathy are openness and truthfulness. Put yourself in the receiver's place by analysing the message in order to better understand it.

Figure 15: A feedback cycle
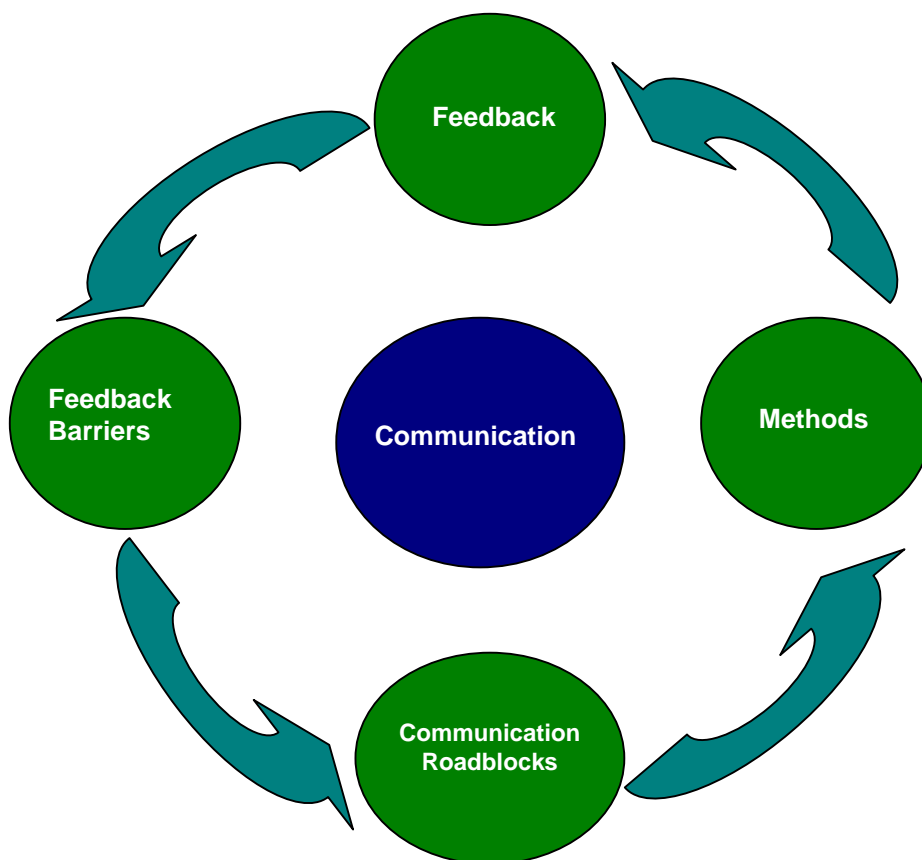
SOURCE: Adapted from Lawrence and Wiswell (1995:51)

Lawrence and Wiswell (1995:52) mention that empathy adds a dimension of trust to feedback. Listening is the core of empathy that leads to the sharing of perspectives. It means that people can put themselves in the place of others. They are sensitive to how other people might think and feel in a particular situation. People with empathy employ honesty and openness in their relationships. When senders and receivers of feedback show empathy they learn to build trust.

4.8.3. Inquiry

Inquiry is the heart of two-way feedback because it tests whether the receiver heard what was intended. Open-ended questions are helpful here to clarify issues. Close-ended questions and 'why questions' tend to make people defensive.

Feedback senders and receivers open up communication channels and confirm data while using phrases such as "What do you think about my comments?" It seeks to learn whether people understand and agree with the message or if they do not agree what their views are. Using inquiry can also be risky and therefore many people would rather observe than inquire. Open-ended inquiry can also be used to mediate conflicts. Inquiry of feedback often provides new perceptions that are in conflict with old beliefs (Lawrence and Wiswell 1995:54).

Lawrence and Wiswell (1995:54) mention that the sharing of information could lead to several outcomes that help both parties in making decisions, following directions, correcting errors and confirming beliefs about themselves and others. A meaningful exchange requires several additional elements:

- It needs to be credible, because feedback recipients are more likely to view feedback seriously if it comes form respectful sources;
- The second important element is *timeliness*. It should be shared soon after the event that triggered it. Immediacy supports and enables productive change;
- How a person delivers the feedback is as important as what is said. A skilful feedback provider avoids blaming and an authoritarian style.

4.9.   THE BLOCKING OF FEEDBACK

Feedback in the workplace may be hindered because of reasons such as:

- Inequity of power in the decision-making process;
- Workers may feel frightened to request two-way feedback;
- Criticism may cause humiliation or loss of face; and
- Supervisors may not think that two-way communicate is necessary.

Lawrence and Wiswell (1995:54) mention that problems might arise between two parties involved in feedback exchange if one of the parties thinks the process is unnecessary or if they feel that they are competing with each other. Many subordinates may also feel intimidated by their superiors. They may think that they have nothing to learn from each other or that "somebody else" will give the feedback. A perceived imbalance of power within a group can also lead to problems with two-way feedback. Diversity issues or different levels of experience and seniority may interfere with effective feedback.

4.10. FEEDBACK AS LEARNING AGENT

According to Birkner and Birkner (2001:9), two-way feedback supports continuous learning in the workplace. The feedback loop is missing or 'assumed' in the old military or top-down, one-way model of communication still often used by organisations. As the military organisational model makes space for the modern internet model of communication, effective feedback becomes central in our lives – in both our work and personal lives.

Bad relationships between communicative partners are often the most important barrier to effective feedback and therefore result in ineffective communication.

McGill and Slocum (1994:125) state that the effectiveness of any learning organisation hinges on its ability to gather accurate information about the effects of its behaviour and to use that information to modify behaviour. Smarter learning organisations should therefore have systems that:

- Generate accurate and timely feedback;
- Make this feedback available to everybody who needs it; and

- Provide feedback in a form that can be used to alter experience and ways of

experiencing.

It is only through obtaining information about the effects of behaviour that we can modify or correct that behaviour. McGill (1994:126) goes on to say that the quality of learning in an organisation is a direct product of the quality of feedback generated by the organisation's systems. If there is no feedback, there will be no learning and where feedback is inaccurate and untimely, learning is limited.

The aim of smarter organisations should be to create systems that provide quality feedback to management, which they can use to change experiences or ways of experiencing. When information is readily available in real time when potential harmful things are happening, there is time to adapt or make a detour from the expected results before it becomes a disaster.

Feedback is important to the communication manager because he or she must check how well messages are accepted by the audiences that the organisation is trying to influence (Haywood 2002:22).

Systems in smarter learning organisations combine information gained with action. Employees should understand how their job relates to the welfare of the entire organisation and how the information they gain through feedback can be applied to enhance the welfare of the organisation as a whole. McGill (1994:135) believes that in order to create a learning system, organisations must not only unlearn their views on power and those who have access to powerful information, but must also unlearn the way they view their own actions.

Fundin and Bergmann (2003:55) researched customer dissatisfaction in connection with failures or malfunctions of a product and targeted three organisations that belong to multinational companies, who have a similarly long history within the Swedish manufacturing industry. They found that the organisations have systematic processes to handle customer issues and that they have good relationships with their customers. However, they found that there is no formal structure for transferring customer feedback to those involved in the development of new products.

Although there are many feedback mechanisms, no systematic process could be found

that links customer dissatisfaction to new product development processes and the planning of future products.

According to a recent study conducted by the American Productivity and Quality Centre's (APQC) International Benchmarking Clearinghouse on the use of customer feedback as a catalyst for change, best practice organisations use customer feedback to drive organisational change. These best practice organisations have specific standards for acting on customer feedback and they encompass more information and use multiple channels for timely distribution. Their ongoing feedback mechanisms provide means for improved customer service, the ability to change and therefore to stay competitive (Bergin 1997:82,83).

4.11. THE ROLE OF INFORMAL FEEDBACK

What is informal feedback? For purposes of this study *informal feed*back is regarded as all feedback into the system (the organisation or company) that occurs spontaneously. In other words, feedback that is delivered by members of interest groups without the organisation putting in any formal effort (such as surveys or research) to obtain it. Obviously organisations should set the table for interest groups to easily provide this kind of feedback by means of, for example, promoting telephone and fax lines, feedback e-mails, complaint handling procedures and web and postal addresses. These actions are seen as part of promoting the accessibility of informal feedback.

Sampson (1998:72) calls this feedback process *passive solicitation of feedback.* The organisation has little or no control over the sample selection and non-response bias since the respondents are completely self-elected. Passive solicitation of feedback (informal feedback) has certain advantages. The biggest advantage is its low cost. Another advantage lies in the use of the data.

According to Sampson (1998:72), the data is not as useful as market research because it is inherently biased. However, the nature of the bias can be exploited. One may assume that customers with exceptionally positive or negative views are more likely to respond. This may result in an extreme-response bias that will be more likely to identify current quality problems than a survey of equal sample size.

Passive data collection is therefore particularly useful in monitoring and controlling quality in

the day-to-day operations of an organisation. It is also useful in identifying ideas for quality improvement.

Informal feedback is often regarded as being less important and is often not measured or even captured in some form of system. Informal feedback can either be received from internal stakeholders, like staff or even management, or from external stakeholders like pressure groups, clients, political groups of individuals, shareholders, etcetera. There are a number of different ways of receiving informal feedback:

- By means of direct observation;
- Through e-mails, telephone conversations, toll-free numbers, SMS's and faxes;
- Through the organisational grapevine, gossip and rumours;
- Through a visible change in attitude and behaviour;
- Through voluntary comments (verbal or through comment cards, etcetera);
- Casual comments (verbal, face-to-face or written) by members of a stakeholders group;
- Through website services, e.g. chat rooms, internet online comments; and
- Letters to the press or opinions expressed in the media.

Oganisations are often pre-occupied with numbers and the capturing of exact data. An organisation's administrative systems are therefore often designed to make things easier and more efficient to administer. Tidy and orderly systems do not necessarily lead to accurate, timely, available and useful information. Many such systems tend to manage the system instead of the substance. This can lead to managing the wrong problems with absolute accuracy. One such example is in the customer service areas of organisations where 'facts' like the speed of answering the telephone is often measured and not the informal nuances and feelings.

Anonymous (2002:1) mentions that feedback provides an opportunity for individuals to grow by seeing themselves from another's point of view and it helps expand their options for future work. The same should be true of organisations. Informal feedback provides chances to adjust performance and improve skills – it's about fine-tuning. It provides chances for growth, adjustment and change.

Sampson (1998:73) mentions that much research has been done regarding the active

solicitation of customer feedback. However, research regarding passive solicitation of customer feedback is very scarce. Research pertaining to the feedback potential of the Web is particularly scarce. Passive solicitations of feedback itself are common on the Web. Almost every company's web pages have some or other opportunity for providing feedback nowadays. As illustrated later in this research study, the methods and ways of dealing with and presenting opportunities for informal (passive solicitations) feedback differ vastly.

Sometimes the distinction between informal feedback input and more formal feedback gathering is very difficult to discern. We must therefore also recognise that there are grey areas that should also be investigated.

4.12. EXAMPLES OF INFORMAL FEEDBACK

Facts usually do not capture *feelings*. An ongoing reliance on facts and analysis in operational processes could therefore limit learning. Intuition and emotion are frustrated by analysis. In the learning organisation the limits of facts and analysis as feedback indicators are acknowledged (McGill 1994:144).

Smarter organisations recognise the importance of forthright feedback that allows for the evaluation of experience. Rationality and the value of intuition are equally valued together with facts and analysis.

Senn and Childress (1999:95) see feedback and coaching as core values in high-performing organisational cultures. Other core values are integrity, openness and trust, respect for the individual, personal accountability and empowerment, openness to change and innovation, teamwork and organisational health.

Thompson (1995:86) argues that children acquire new understandings through a rich process of experimentation that flows from openness to feedback when interacting with its environment. The way a child experiences feedback is a model for the way that living systems (other than adult humans) function – they pay close attention to the environmental response to their behaviours. They quickly learn to build cause and effect relationships.

Why is it then that organisations tend to ignore informal feedback from their environmental systems (their stakeholder groups)? As adults, we are much poorer learners than

children. All living creatures have elaborate systems of corrective feedback. However, when we look at organisations we see that most have elaborate systems that preclude feedback.

Gut feel

According to Gregory (2003:49), Markus Venzin of SDA Bocconi once stated that companies should value personal intuition and use their 'gut feelings'. Intuition should be encouraged and incorporated into corporate strategy.

Although 'gut feeling' is often the winning criteria in personal decisions, organisations are seen as too complex, abstract and accountable to allow gut feel to prevail. As the idea that a company's overall goal was to make profit, emerged through centuries, decisions were almost automatically weighed against the profitability of the actions or outcomes. This is known as the 'financial-decision'. This has come to be the rational way of making decisions.

This kind of decision-making is often the easy way of avoiding the problem of communication across departments and functions such as sales, manufacturing, HR, etcetera. As each has its own judgements and values, money is often chosen as the common language across borders since everybody has to deal with budgets and accountability of results (Ballé 1994:4).

However, the financial language can be very distant from the operational problems of the different departments. The only message that the financial analysis usually conveys, is that a specific department performs well or badly. The real reasons, solutions and root causes of the problems are not analysed or discussed.

With regard to the investigation of messages and their content in communication theory, Skyttner (1998:157) states that the *internal message* (as opposed to the external message) is the real content of transmission – subtle ideas, emotions and the possibility of 'reading between the lines' are typical of its content.

Left and right brain thinking

Rationality can be investigated according to the old debate of left-brain and right-brain

thinking and then applied to organisational culture and structure. Western cultures have a tendency towards rational thought (largely left-brain), while oriental cultures place more emphasis on right-brain activities involving more holistic, timeless and synthetic approaches (right-brain orientated). Left-brain thinking generally asks for facts and not feelings. An over-emphasis towards this kind of thinking may blind us for 'non-measurables' that can, however, be very forceful.

According to Ballé (1994:11), this story symbolises the risk of complexity. The typical left-brain organisation will tend to focus on making profits rather than on the well-being of its employees while the right-brain organisation will believe that it is the quality of the relationships between people and the well-being of various stakeholders that help it to function effectively. That is the real goal. A more holistic view, however, argues that both elements have to be included in the equation. There is nothing wrong with making a profit, but it becomes problematic when every decision is considered in this regard.

Ballé (1994:14) continues to argue that the major problem with left-brain thinking is that it tends to focus on *outputs* rather than *outcomes*. Outcomes are described as overall results of our actions. The real solution lies in the way we design the structures and operational policies of our organisations. We must be able to understand how each part of the organisation affects any other part and that outcomes result from the whole system and not just from each of the parts.

Ballé (1994:18) concludes that the alternative right-brain thinking is also not a complete solution because it mostly contains non-verbal emotions and images. Organisational behaviour is dynamic – not static and therefore we have to understand that stability is an illusion. To be adaptable is the only hope for survival, but for that we need to think dynamically.

Instinct

It took us more than a century to realise that staff morale was a necessary element of long-term corporate success. History taught us that many a disaster could be avoided if people were more willing to act on certain instincts. One such example is the Challenger space disaster where one engineer's convincing efforts that certain pressure points would not hold in certain cold critical conditions were ignored in favour of 'more relevant' facts. In retrospect it was established that this disaster was perfectly predictable (Ballé 1994:11).

Xu and Kaye (1995:22) state that information sources for a marketing CEO may consist of formal reporting structures as well as informal information received from personal observations, from informal contacts and from their individual experiences. All these sources contribute to the exercise of intuition and judgement that results in decision-making.

Suggestions and complaints

Kotler (1997:43) states that a customer-centred organisation makes it easy for its customers to deliver suggestions and complaints. Many restaurants, hotels and banks provide service feedback forms where customers can report their likes and dislikes. Hospitals could place suggestion boxes in their corridors, supply comment cards to existing patients and hire a patient advocate to handle patient grievances. Some organisations establish toll free 0800 telephone numbers to make it easier for their customers. This information flow provides organisations with many good ideas and enables them to act more rapidly to resolve problems.

Fundin and Bergmann (2003:55) argue that customers that use a company's current products have feelings, impressions, and sometimes, even disappointments about them. According to Sampson (In: Fundin and Bergmann 2003:55), suggestions seldom contribute to critical business processes because of the perceived small return on investment.

Zairi (In: Fundin and Bergmann (2003:57) argues that a complaint management system should reflect both formal and informal customer complaints and that feedback should be assigned to designated teams within the organisation.

Trend spotting

Food futurist, Art Siemering, is a veteran trend watcher who often visits the "glamour districts" of cosmopolitan cities such as Georgetown in the District of Columbia, New York City's SoHo district, Michigan Avenue in Chicago and so forth to collect informal information about people and trends. He sees direct observation of what people are doing in such places as a form of informal research that Siemering believes should not be underestimated (Anonymous 1998:32).

Ballé (1994:36) came to the conclusion that many of the above-mentioned problems could be solved through the systems approach. The systems approach provides us with superior rationality to our traditional ones because it accepts non-measurable elements, it deals with dynamic behaviours and its focus is not on the individual parts but on the interrelationships between these parts. As previously stated, in systems thinking the organisation is seen as a continuous interplay of the interactions between elements and the people in the organisation are capable of exerting a significant influence on it by modifying some of the relationships.

4.13.   INFORMAL FEEDBACK AS EARLY WARNING SIGNAL

One of the major strategic roles that informal feedback can play, is that of sending early warning signals to management on emerging issues of concern. Cummins (2003:730) argues that skilful communicators *"can spot the storm clouds and raise a red flag of warning"*. Informal feedback can prevent a major disaster in time by focusing attention on it before it becomes a major issue.

The role of informal feedback in communication issue management should not be under-estimated. Cummins (2003:730) mentions communicators as early warning systems and elements of the company's 'failsafe' programme. Communication managers should be knowledgeable about industry trends and issues and should also know the company's financial picture well enough to recognise potential problems and to report signals.

Informal feedback can be an effective tool to determine general trends and can act as an early warning agent and indicator of potential damage to corporate reputation.
Bromley (2001:317) states that the impressions of an organisation's operations and outcomes

formed by members of external groups are likely to be different from those of its own internal groups. Insiders are generally better informed and have greater personal involvement, which influences their impression of the organisation. This writer further argues that organisations have limited control over their reputations.

4.14. FEEDBACK AND THE INTERNET

Ihator (2001:202) states that internet communication has enhanced two-way communication between organisations and their publics. Online discussion groups can digest information in real-time and around the clock. Easy access to decontrolled and unfiltered information by the public makes reputation and crisis management difficult to control. In the same way the internet has allowed organisations to share power with their publics and foster two-way communication.   Rapport between organisations and their publics has become more interactive and multidirectional. Consumers have a ready medium to deliver their complaints or praises.   On the other hand, corporations also now have the opportunity to deliver information to their publics in real time.

If the organisation follows a two-way symmetrical communication model, the internet allows the organisation to engage in two-way interactive communication and dialogue. In contrast with other mass communication mediums, it also allows organisations to build (beneficial) relationships with their stakeholders (Cilliers 2003:126).

Middleberg (2001:109) warns that the internet has brought along a whole new group of stakeholders. It is a great equalizer that has conferred the status of publisher to anyone with a computer. The internet allows anyone to stand shoulder to shoulder with the best that Wall Street has to offer. It is up to the internet users (readers) to track the difference and often they do not. Middleberg (2001:110) believes that it is the public relations professional's job to help journalists and other stakeholder members to find their way to the most authoritative sources of information.   According to Kent and Taylor (1998), relationships between organisations and their stakeholders can be created, adapted and changed through the internet.

According to Sampson (1998:71), a widely accepted objective in quality management is to be

customer driven. One way to strive towards fulfilling this objective is to provide systems that gather feedback from customers. The internet offers great potential for gathering and using customer feedback. Every member of an organisation's diverse stakeholder groups is also a potential provider of fast and easy feedback input via web pages. This is emphasised by Haig (2000:40) who states that effective public relations is based on good relationships and good relationships are based on interactivity. It is that interaction that really defines a relationship. The internet is the perfect medium to build relationships because it encourages interactivity.

The internet has changed the way marketers develop strategies and how they see their role in general. According to Hoffman *et al.* (2000:129), the internet dramatically shifts the balance of power between a business and its customers and, therefore, radical new business strategies are required for long-term success. The Web offers unprecedented opportunities for interacting with customers (and all other stakeholders as well). Strategies that take advantage of this medium's unique features are likely to succeed in improving customer satisfaction, loyalty and retention of customers. It is important in the long run to develop profitable exchange relationships with online customers and to gain their trust.

The researcher believes that ample informal feedback opportunities can provide the foundation for building these much-needed trustworthy relationships. Not monitoring all feedback and only reacting to those who appear credible may have daunting consequences. Organisations such as Intel and Ford can vouch for this. In Intel's case, in 1994 they did not give any attention to a professor's announcement that he had discovered a flaw in the first version of the Pentium chip. After getting no reaction from Intel, he turned to the internet's complaint forum and aired the flaw online in a Newsnet newsgroup. This resulted in the story being carried in *The New York Times* and soon Intel had a major crises on hand that cost them half a billion dollars in the end. All of this as a result of not responding to a single e-mail. A similar crisis hit Ford when they refused to acknowledge that the self-ignition of a consumer's new Ford truck was faulty, and caused it to catch fire. This cost Ford between $200 and $300 million in the end. In the internet age, consumers have learned to strike back through the internet's complaint forums (Middleberg 2001).

Feedback can take many forms – including on-site customer complaints (or a complaint from any stakeholder member), calls to toll-free numbers and customer comment cards or electronic customer feedback devices. The breakthrough for the passive solicitation of electronic feedback came with the development of the World Wide Web in 1993/1994. The web represents an electronic communication medium that is user initiated. This is a fundamental requirement of passive solicitation of feedback. Organisations normally post general solicitations for feedback while customers may choose to respond to these passive solicitations. This is similar to customers being presented with comment cards or toll-free customer care lines (Sampson (1998:73).

Internet feedback methods can either by structured or unstructured. A *mailto* option link is a code in an HTML document that opens up an e-mail window on the user's screen so that a message can be typed in the e-mail window and sent to a pre-specified e-mail address in the organisation. This message is unstructured and the user may type any message that he or she likes. This is analogous to toll-free telephone numbers that are also free of structure.

Structured feedback consists of a form in HTML format that may contain text fields, check boxes and drop down lists. After users have entered their information and message, they submit it by clicking on the submit button. The organisations receive the information in a more structured format. This can be compared to customer comment cards (Sampson 1998:73).

Sampson (1998:78) found that, in general, response rates to HTML forms over the internet is quite high, in comparison with more traditional methods like response cards. An explanation for this can be the ease of response and the ease of submission.

Anonymity may also influence response rates positively. Sometimes incentives, such as entry into a contest with prizes, are attached to feedback response. Sometimes promises are made on feedback web pages that somebody from the organisation will respond to the feedback. Another prominent advantage of internet feedback is that data received can be fed directly into a database for trend analysis.

Sampson (1998:78) mentions three uses of customer feedback obtained from the internet:

- Customer suggestions may provide ideas for new services, products and features;
- Such feedback can help to track customer perceptions of current operations. This is done through incident and evaluation questions; and
- Feedback can be used to provide an opportunity for dialogue with the customer.

Nowadays online customer feedback occurs much more frequently and is especially useful in streamlining product design and development processes. Online customer feedback helps find product bugs early, reducing the risk when the product is launched. Involving the customer in the development process sets the organisation in the right direction from the start and eliminates the need for expensive changes at a later stage. It is also important to keep in mind that competitors are constantly seeking feedback on their products and services (Sanborn 2001:40).

Finch (1997:73-76) emphasises the opportunities that websites and the internet offer companies to obtain feedback on their products, services and the organisation itself through monitoring conversations on the internet. These conversations may take place in the form of list servers and Usenet discussion groups, newsgroups, electronic bulletin boards and mailing lists. These conversations and opinions expressed may help to improve products and the quality of services. The challenge is to find out where the products are being discussed, how to access these sites and how to efficiently extract the information. Customers' ideas of improvement can sometimes be very creative. Other writers, such as Middleberg (2001:117), also echoed this idea when stating that due to the anonymity of the internet, gossip is often regarded as an expert opinion. Although many online messengers have no credentials, they deliver their messages with a ring of authority.

Tsang and Zhou (2004:1189) state that internet newsgroups allow shy participants to feel more comfortable when interacting with other people online than they do in face-to-face communication. They suggested that newsgroups could serve as a valuable, new and easily accessible channel for marketers to reach and influence opinion leaders.

Analysing consumers' online conversations can gain insight for marketers into the behaviour of newsgroup participants as opinion leaders or opinion seekers. This insight is difficult to gain elsewhere (Tsang and Zhou 2004:1192). The same writers (2004:1193) also found that newsgroup participants who rely less on offline environments when seeking opinions tend to rely even more on newsgroups.

There are even websites like planetfeedback.com that specialises in obtaining feedback from customers on behalf of other companies.
PlanetFeedback gives companies quantitative insight into what their consumers think of their

products and services and also lets customers put feedback tools on their own websites (Smith 2001:26).

The internet organisation *Intelliseek* hosts the website planetfeedback.com. Planetfeedback helps consumers get results from companies with which they have dealt or want to deal with. Consumers (and other stakeholders) can lodge complaints, compliments, questions and suggestions on the site. Planetfeedback helps their users to write a letter as well as the relevant copies, and send it by e-mail or snail mail to the right company. They also offer follow up tips and help users to get a response. An easy letter writer helps users to craft perfect letters by capturing their experience, explains their value to the company and asks for a specific resolution. Users can post their online letters on the website for others to read and can also rate their satisfaction on the website when they get a reply from the company. Companies' reaction to feedback is also rated on the site (planetfeedback.com).

Sampson (1998:78) further argues for response acknowledgement with feedback. If much feedback is received in this way, organisations can consider installing a so-called 'mailbot' or 'infobot', which automatically replies to the sender with a generic acknowledgement and thank-you for his/her input. This also confirms with the sender that his/her message was delivered. However, an even more personal response from the organisation is preferred if possible. Some HTML forms allow senders to direct their feedback to a particular department or person. It gives the sender options as to where to submit the feedback. Records can be added to a database to keep track of responses, follow up, etcetera. A database of questions and answers can also be compiled out of a history of feedback inputs.

Websites with automatic opinion tabulation are common these days. By choosing options and clicking on dots, general opinion surveys can be compiled in short time frames. This type of feedback collection and analysis has become a hybrid between customer feedback and market research (Sampson 1998:79).

According to Sampson (1998:80), the limitations and potential problems of web-based customer feedback are:
- As mentioned earlier, responses may be biased;
- It has an inherent impersonal nature. HTML forms are even less personal since the customer is communicating with a computer (the submit button) and not with a person.

This underscores the need for some form of personalised response to feedback.

The design and function of the organisation's website in general could also benefit from regular user feedback. Dernovsek (2003:34) is of the opinion that maintaining an effective online presence is dependent on opinions, feedback and ideas from many sources, just like any brick-and-mortar branch requires the support of many people. Immediate feedback allows organisations to improve their website before disenchanted members abandon the online services.

Esrock and Leichty (2000) warn against the absence of feedback mechanisms on corporate websites. Stakeholders can easily interpret it as a statement by the organisation of the kind of communication relationships the organisation prefers with its various stakeholders. On the other hand, feedback does not constitute only having a feedback button on an organisation's website, but implies an interactive relationship between the sender and the receiver (Cilliers 2003:109).

Another major advantage of regularly obtaining feedback from the internet is the instant nature of the feedback that leads to instant interaction. This is an essential factor in relationship marketing. A company's ability to adjust its marketing plans depends on the speed at which it can analyse incoming feedback. The internet gives companies the ability to customise orders and to build personal relationships. Internet marketing also makes it much easier to react to customer feedback than any other medium (Geller 1998:36-38).

However, not all internet facilities provide ideal stakeholder engagement opportunities. This is illustrated in the case study with Shell Company described by Unerman and Bennett (2003:674). Shell developed an interactive web forum as one mechanism to ascertain stakeholder dialogue and specifically stakeholder debate around pertinent issues that affect Shell. The investigation revealed that the vast majority of participant's in Shell's web forum used it publicise their viewpoints instead of taking part in constructive debate. The stakeholders did not really use the web forum as part of an open and honest attempt to reach mutual understanding.

Unerman and Bennett (2003:680) also conclude that although the internet goes a long way in giving previously unheard stakeholders a voice, it still ignores many stakeholders upon whom

corporate actions of the organisation might have a significant impact.

The ease whereby informal feedback can be received via the internet can also have an overwhelming effect. *The Informal Feedback Intervention Wheel*, which is proposed later in this chapter, can be of some help to organise and systemise thinking and plot potential strategic impact of a multitude of feedback variables.

4.15. FEEDFORWARD

Fowler (1999:183) introduces us to the fundamental process-orientated concepts that are central to systems thinking and production control and supply-chain management, namely feedback and *feedforward*.

He states that:

> *"A pure feedforward system makes no attempt to monitor and feedback the actual value of a controlled variable but rather monitors the state of the input variables which are known to affect the output and use these to estimate and feedforward corresponding control actions to counter the disturbing actions encountered".*

To give and receive feedback has long been considered an essential skill for leaders. Employees in the organisation use feedback to ascertain how they are doing – to measure their performance and to find out whether this is in line with the organisational strategy. Leaders also need feedback from employees, amongst others, in the form of suggestions on how to improve procedures and processes, innovative ideas for new products and services and input on their leadership abilities (Goldsmith 2003:38).

But, according to Goldsmith (2003:38), there is a fundamental problem with feedback in that it focuses on the past – what has already happened. Feedback therefore excludes the infinite variety of things that can happen in the future. In this sense, feedback can be seen as limited and static as opposed to expansive and dynamic. In contrast with this, *feedforward* is to give someone else suggestions for the future and help him or her to learn in order to better their performance or behaviour in future.

Feedforward involves suggestions for the future that may help a person(s) to achieve a positive change in their selected behaviour.

Griffin (1997:1) introduces the researcher to the work of Ivor A. Richards, a Cambridge University professor, who proposed the new rhetoric called the "study of misunderstanding and its remedies". His new rhetoric focuses on comprehension rather than persuasion. Richards believes that meanings do not reside in words, but they reside in people.

When he was 75 years old, Richards wrote an article for the *Saturday Review* on the concept of *feedforward*. Where feedback is the effect of the receiver on the source, feedforward works in the opposite direction. One anticipates the process of acting as your own first receiver so that you can pre-test and imagine the impact of words on an audience. If this 'impact' does not seem as desirable, you can always rephrase the message so that it has a better effect. According to Richards, feedforward forces one to consider the experience of the other person – the receiver. Therefore, communicators who avoid feedforward tend to be dogmatic and those who try to anticipate the effect of their words are often more open-minded. The open-minded communicator questions whether or not they have made their speech clear and even questions the correctness of their ideas (Griffin 1997:7).

Goldsmith (2003:38-40) provides us with several reasons as to why he thinks that feedforward can often be more useful than feedback:

- Feedforward helps people envision and focus on a positive future instead of a failed past. We can change the future but not the past. It can give people ideas on how they can become even more successful than they are right now.

- It can be more productive in helping people to do things. Negative feedback often tends to try to prove that someone was wrong. It causes defensiveness with the receiver and discomfort with the sender. Feedforward concentrates on solutions and is therefore almost always seen as positive.

- Feedforward is especially suited to successful people because they prefer ideas that help them to achieve their goals. They also tend to accept feedback that is consistent with the way they see themselves.

- Feedforward can be given by anyone who knows about the task and does not require personal experience with the individual.

- You can learn much from people you don't know. Feedback requires knowing about the person whereas feedforward requires having good ideas for performing the tasks at hand.

- People do not take feedforward as personally as feedback. Feedforward addresses

something that has not yet happened and can therefore not be criticised.

- Feedback can reinforce stereotyping and the feeling of failure while feedforward reinforces the possibility of change. Feedforward is based on the assumption that people can make positive changes in future.

- Most people hate negative feedback and do not like giving it either.

- Feedforward can cover almost all the same 'material' as feedback.

- Feedforward tends to be much faster and more efficient than feedback because it eliminates the judgement of ideas. The process becomes much more positive for both sender and receiver.

- Feedforward can be a useful tool for managers, peers and team members. Feedforward has no superiority of judgement.

Leaders can improve the quality of their communication in organisations by using feedforward and thus making sure that recipients are more receptive to its contents. This results in a more open organisation where employees focus on the promise of the future instead of on the mistakes of the past (Goldsmith 2003:38-40).

From a communication management point of view, the notion of feedforward can play a formidable role, combined with feedback, in striving for excellence in communication with stakeholders. Imagine the benefits in terms of the quality and impact of messages when communication managers can use feedforward to anticipate the outcome of their messages.

The occurrence of negative feedback can be limited when applying feedforward to fine-tune the organisation's future messages today. Then there is always the added benefit of rephrasing messages even before the receiver receives it, acts upon it and provides feedback accordingly. Feedforward may also play a positive role in communicating strong messages to lesser-known audiences and stakeholders from different cultures or with unique agendas such as pressure groups.

4.16. ORGANISATIONAL GRAPEVINE, RUMOURS AND GOSSIP

4.16.1. Investigating the organisational grapevine

Despite many organisations' and companies' efforts to eliminate, limit or disapprove of the organisational grapevine, it will always be with us because it is embedded in human nature. Wells and Spinks (1994:24) define the grapevine as:

"Unofficial communication that flows throughout an organisation without official sanction. This unofficial communication exists in all organisations no matter what their nature of character, and no doubt will always exist".

It does not officially come from any position or office in the organisation and does not necessarily flow along a chain of command or through an official channel or network for communication. It is the network of social interactions that develop on a personal level among employees.

Other writers like Church and Waclawski (1998:79) are also of the opinion that informal methods of communication will always exist in organisations. Practitioners should not try to remove or divert them, but rather make efforts to enhance the perceptions of the formal internal communication process and/or try to find ways to use the informal mechanisms to one's advantage to reinforce the appropriate messages.

Although the organisational grapevine, rumours and gossip may not be regarded as feedback as such, it is excellent in providing the communication manager with relevant information (informal feedback) regarding issues, perceptions, feelings and opinions. It therefore makes perfect sense that grapevine communication (and for purposes of this study, specifically grapevine feedback) should enjoy some focus and attention in organisational communication and also in this research study.

Akande and Odewale (1994:27) see the grapevine as containing important elements of informal communication. It is a term that originated during the American Civil War when telegraph lines were apparently loosely strung from trees -- an effect that resembled grapevines and that led to messages often being distorted and unclear. It became common to attribute rumour to the grapevine.

Koller (In: Akande and Odewale 1994:27) states that in transmitting information about a subject, the grapevine might be described as follows:

"It moves with impunity across departmental lines and easily bypasses superiors in the chain of command. It flows around water coolers down hallways, through lunch rooms and wherever employees gather around in groups".

In a survey conducted by Nicoll (1994:1) it was concluded that two-fifths of the respondents obtained organisational information and nearly a third received job information through the grapevine most or all of the time. These results supported the conclusion of Hussey and Marsh (In: Nicoll 1994:1) who state that employees "had a belief in common that the grapevine usually pre-empted anything which management had to communicate". However this pre-empting does not necessarily imply a lack of formal communication or inadequate formal communication systems.

Contrary to popular belief, the grapevine does not merely fill the gap created by ineffectual formal communication systems, but thrives on its own on information fed into it through formal channels. It can, therefore, be very useful in supporting formal communication efforts if accurate and useful information is fed into it. This can again be helpful in reaching organisational goals. If this is the case, it could be argued that it is a futile exercise for organisation managers to fight against the grapevine and that they should use it to their own communication benefit instead (Nicoll 1994:1).

According to Wells and Spinks (1994:24), this unofficial network of social interactions (the grapevine) operates in all known organisations and can bypass the formal organisation's system of communication and upset its distribution of authority. The informal organisation does not only spread rumours, it also strongly influences the distribution of power. While the formal organisation determines who should have power, the informal organisation sometimes reveals who actually has it (Rachman and Mescon, In: Wells and Spinks 1994:24).

Disapproval and scepticism of the grapevine stems from concern about its ability to reach every employee. There is also some concern about the accuracy thereof. The grapevine can often spread gossip and rumours rather than substantial facts. This may lead to miscommunication and misinterpretation in the organisation.

However, with careful management and monitoring of the grapevine, the clever communication manager can use it to the benefit of the organisation as a whole (Nicoll 1994:1).

Cook (1999:101) states that a fundamental weakness of many knowledge management implementation processes is their failure to take into account the powerful internal forces within organisations. Cook quotes Marvin Gaye who says that much of the corporation's intellectual capital is shared through the grapevine. This means that it is inaccessible to people who do not participate in the informal structure. Although many people consider the organisation's grapevine to be an unhelpful gossip machine, it is here that knowledge, skill and experience are transferred easily and efficiently. Any organisation that is serious about knowledge management should find ways of facilitating the informal networks without formalising them.

One wine merchant chain has a 'shadow cabinet' that is composed of future directors of the organisation who are encouraged to formulate an alternative view on specific issues of future importance to the company. By doing this, the organisation recognises the power of the alternative view (Cook 1999:101).

Employees want to be able to identify a real, flesh-and-blood representative of the organisation. This is a basic communication need of employees. Their first choice is the boss.   However, survey after survey has confirmed that employees' main source of information in an organisation is the grapevine. Although, when asked which source they prefer to get their information from, the grapevine is low on their list of preference (Wells and Spinks 1994:25).

In the current, ever-changing environment, the emergence and increased popularity of the grapevine is almost inevitable as the formal hierarchical structures of companies are less able to cope with the increasingly turbulent and fast-paced business environment. Even where formal communication channels are well established, good networks of employees can still form the framework for an active grapevine.   The use of networking means that the organisation also utilises the informal networks that already exist.   In other words, the grapevine is 'formalised'. However, this can cause a potential problem (Wells and Spinks 1994:25). This will be discussed later on in this chapter.

4.16.2. Characteristics of the grapevine

Akande and Odewale (1994:28) mention that a major percentage of employees consider the

grapevine to be their main source of information about organisational matters. Employees perceive it as a personal type of communication and therefore it frequently has a stronger impact on them than the formal communication channels. The grapevine is also much more flexible as it provides information and supplies inferences that are otherwise unavailable.

Tukiainen (2001:49) characterises the grapevine as being based on face-to-face communication, verbal communication and an unofficial communication network and is describe in this writer's third dimension (horizontal face-to-face communication) of the agenda model of organisational communication.

According to Wells and Spinks (1994:25), the following characteristics of grapevines can be identified. They are:

- **Humanly permanent**

Although many managers perceive grapevines as undesirable, recent thinking accepts the permanence of the grapevine and encourages managers to learn to deal with it successfully and to take advantage of its positive elements. This can help to encourage quality productivity.

- **Extremely fast**

If everything moves as fast as information travels through the grapevine, productivity would be greatly improved. Employees do not always know the whole story before they receive the official communication, but chances are good that they have already heard some facts through the informal network. Akande and Odewale (1994:28) agree with this characteristic and stress that the speed of transmission appears to be directly related to each situation and to the perceived importance of the information. Identical information tends to travel much faster through the grapevine than through formal channels.

- **Highly accurate**

Information on a grapevine is usually accurate. Hymowitz (Quoted by Wells and Spinks (1994:25) states that in a study cited by *CPA/Administrative Reports*, it was found that that the office grapevine is usually about 75% to 95% accurate and sometimes provides managers and staff with better information than formal, official communications of the company.

Although gossip and rumour are often associated with the grapevine, Wells and Spinks (1994:25) suggest that these terms might be inappropriate in light of the high degree of accuracy achieved by the grapevine in most organisations. Akande and Odewale (1994:28), however, warn that although the grapevine can be accurate in many cases, it is still more likely to produce a low level of understanding among recipients. This is especially true of rumours.

- **Qualified answers**

The grapevine is good at answering employees' unanswered questions, either correctly, incorrectly or a combination of the two options. This is one of the outstanding characteristics of the grapevine and, according to Wells and Spinks (1994:25), the key to dealing successfully with grapevine problems. Answers provided by the grapevine will usually be at least partly correct and complete.

- **Usually bad news**

Inaccuracies on a grapevine are usually bad news rather than good news. The so-called *bad news* may damage the organisation. This is because human nature fears the unknown. For example; when one's telephone rings in the middle of the night, one will probably first think about bad news rather than good news. Similarly, when the grapevine is used to answer unanswered questions or to fill in gaps of official communication, the information provided is usually bad news that is potentially damaging to productivity.

Information is usually transmitted through oral channels in the grapevine. Written channels may be utilised when word of mouth is not convenient or too obvious.
A person who passes information on in the grapevine, usually talks to several people rather

than with only one. However, only a limited number of those who received it will be involved in passing it on to others (Akande and Odewale 1994:28).

4.16.3. Integrating the grapevine

According to Nicoll (1994:4), bringing the grapevine to the attention of communication managers is especially important where the formal communication system is mistrusted. Managers should make sure that the grapevine is accurate, but that the information is also correctly interpreted. Employee perceptions are as important as the actual information being transmitted.

Techniques by which this is done include open plan offices and staff restaurants. One of the easiest ways is, however, through *management by walking about* (MBWA). Here managers set aside time to discuss informal issues concerning the organisation as a whole, together with specific work issues, with employees in their workplace. This exchange can be handled with caution until sufficient trust is developed over time. MBWA can be an effective tool that enables management to stay in touch with the issues affecting employees at the 'cutting edge' of the business. The danger of MBWA is that it can become a formal exercise in itself with specific times and regular routine. The key of MBWA is, however, its informality where people feel free to say what the mean.

According to Wells and Spinks (1994:26), the key to dealing with the grapevine is to examine its characteristics and to take advantage of them. They state that efficiently, effectively and successfully dealing with a grapevine in ways that improve an organisation's productivity involves at least the following aspects:

- **An existing, proven communication network**

The grapevine can be used as an existing and proven communication network. It is fast and available to communicate certain messages in the organisation. Although not appropriate for much official communication, routine communication is appropriate for the grapevine and can be distributed inexpensively and quickly.

- **Inaccuracies on the grapevine**

Inaccuracies on the grapevine can be eliminated because most inaccuracies occur due to a lack of official communication, gaps in official information or unclear official communication. The role of the grapevine is to supply the missing information. If the official communication is complete and clear, there will be few unanswered questions for which the grapevine can supply answers and that may be damaging to productivity.

- **Complete, accurate, official communication**

Complete, accurate and honest official communication is important in the organisation because, where there is a conflict between the official communication and the information carried by the grapevine, employees will dig into the past to believe the source that has proved to be most accurate in the past. If the grapevine has a reputation for greater accuracy than official communication, it will be believed – correct or not.

- **Secrecy**

Sometimes facts and certain things must be kept secret, but must be eliminated. A full, complete flow of accurate, honest information (with as few unanswered questions as possible) is the best way to deal with the grapevine.

4.16.4. Corporate culture and the grapevine

Tukiainen (2001:49) stresses that if the perception of management's communication abilities is bad, the grapevine will start to function easily. Good relationships are seen as a precondition of the functionality of communication in the workplace, as well as of the grapevine. The grapevine can add to (and partly replace) the official communication structures and gives 'flesh to the bones'. It acts as an extremely important creator and maintainer of human relations.

According to Nicoll (1994:5), the grapevine plays an essential part in looking at the political contingencies of an organisation – the political realities of the organisation. Only by understanding and tackling the underlying attitudes and values of members of the organisations can management effectively move the organisation forwards. Various sub-cultures in an organisation form an integral part of corporate structure.

Managers need to know the ways in which these groups of people approach organisational

issues.

4.16.5. Utilising the grapevine

Despite the predominantly negative view of the grapevine by management and the fact that it was once thought of as the enemy, it inevitably plays a role in socialising employees, initiating behavioural change, disciplining employees and providing information (Nicoll 1994:2).

- **The grapevine and socialising**

Taking responsibility for communication seems to be tied to the empowerment of employees. The anonymity of the grapevine means that responsibility is avoided. But, according to Nicoll (1994:2), there is a need for a communication channel that avoids the allocation of responsibility.   This is especially true in the case of new employees who still need to undergo a process of socialisation and need to find out how they fit into the informal structures of the company. We can learn much from the Japanese where a culture of interdependence is encouraged.

The grapevine is a communication method that arises out of the need for social interaction and as organisations are socially constructed realities, this is an important part of organisational life (Morgan, In*:* Nicoll 1994:2). The grapevine provides a particular means of assessing the perceptions of colleagues on particular issues. Management needs to see to it that the grapevine contains accurate and up-to-date information. The only way to do this is to feed it with this kind of information.

According to Nicoll (1994:3), the grapevine supports formal communication flows by assisting the removal of fear. This is done through less controlled means, which show whether management's words and actions are true.

- **Discipline**

The grapevine is a useful disciplinary device. It shows employees that deviation from normal behaviour is noticed and informs them of whether it is acceptable or not.
It allows for actions and behaviour to be corrected in advance, before it is necessary for managers to resort to more formal disciplinary procedures. This is most effective if managers

are able to get into the grapevine through means such as 'management by walking about'. The grapevine could be used as a mechanism for self-preservation. It could help employees to stay within the boundaries of work behaviour, which is set by the larger group (Nicoll 1994:3).

- **The grapevine and information provision**

Adapting a uniform employee communication strategy can lead to an over or under supply of information in certain sections. There is also a distinction between employees' needs for information and their desires for information. The key issue seems to be relevance of information. The grapevine is particularly good in providing information of little immediate or strategic use but rather of possible future operational use. This is especially true because the grapevine seeks out and finds people for whom the information will be relevant, while filtering out information of less relevance (Nicoll 1994:4).

Cook (1999:101) argues that the learning grapevine should be utilised as an informal structure (next to the formal structures) in facilitating effective knowledge transfer in organisations. However, knowledge management will suffer if knowledge is seen as equal to power. The distribution of formal power is intimately connected to leadership while informal power is hidden in the culture and is surfaced through the values of the organisation. There must be an alignment of these power sources in favour of sharing knowledge, skills and experience.

Care needs to be taken about the types of information transmitted through the grapevine. The role of the grapevine is often supportive to more formal communication. Building trust reinforces the need and importance for management to have regular face-to-face contact with employees. Timeliness is especially important, as the grapevine is one of the fastest methods of communication in an organisation. Regular management contact that transfers honest, reliable information can ensure that the grapevine increases its accuracy. The organisational grapevine can be fed with information that management chooses themselves (Nicoll 1994:6).

Wells and Spinks (1994:27) list several ways in which contemporary managers can utilise the grapevine:

- **Routine communication**

Allow the grapevine to communicate routine information – personal messages, for example, whose son received an award and whose daughter recently graduated, can promote the feeling of an organisational family and serves as a valuable morale building exercise. Much routine communication can be relegated to a grapevine with reasonable assurance that it will reach everyone. However, one of the disadvantages of allowing the grapevine to handle routine communication is that messages may not reach all employees resulting in some feeling offended and left out.

- **Morale and job satisfaction**

The grapevine can be used to build morale and job satisfaction as has been previously indicated. Being part of the informal network and thus the grapevine, can help develop strong personal relationships among employees that in turn lead to higher morale, better job satisfaction and higher levels of productivity.   All these are to the advantage of the organisation.

- **Reliable feedback**

Feedback that is used to keep management's finger on the pulse of the organisation can be observed through the grapevine. Much of this can be observed by tuning into the grapevine and by tapping feedback as a barometer of the general level of morale in an organisation. It also points out specific areas that need attention before more serious problems develop. Obtaining feedback through the grapevine is one way in which feedback input can serve as an early warning sign for management's attention.

Akande and Odewale (1994:28) agree with this in stating that the grapevine can be a valuable source of feedback and can be valuable in assessing the reaction of employees to an announcement before it is made through formal channels. Managers should make sure that they make every attempt to close existing gaps in the formal communication system.

- **Tension releaser**

An organisation can allow the grapevine to help release tensions among employees. The

grapevine serves as an outlet for feelings of frustration and bottled-up anger in the organisation. Letting off steam at trustworthy fellow members of the grapevine community can go a long way in providing a catharsis and is healthy for the organisation and for increased productivity.

- **Clarification and homogeneity qualities**

The grapevine is often accused of distorting messages. However, it can sometimes serve just the opposite purpose – it can provide clarification for orders, instructions and even policies without employees having to wait for official clarification. It can, therefore, add to the clarity and homogeneity of official communication.

When employees have the 'proper' and correct information, they feel better informed and more secure about their role in the organisation. By eliminating ambiguous messages, the occurrence of rumours is reduced and distortion in the grapevine is prevented (Akande and Odewale 1994:28).

- **Trial balloons**

Managers can also send trial balloons via the grapevine. For example, new policies can be 'tested' by placing them on the grapevine network and then monitoring employees' reactions. If there is much resistance to the new policy, it can be changed and adapted, or even scrapped, by officially announcing that such a policy will not be implemented. The use of trial balloons is common in government and political circles. The greatest concern with this use of the grapevine is ethical considerations. Care must be taken to ensure that the boundaries of ethical communication and ethical management are not exceeded.

- **The grapevine as an early warning agent**

Most literature on the grapevine and rumours concentrates internally, on the organisation and on its publics. These phenomena, however, also exist outside the organisation and amongst different stakeholder groups.
The grapevine can, therefore, also be used as an early warning agent. This use is similar to reliable feedback, which was mentioned earlier (Wells and Spinks 1994:27).

The utilisation of the grapevine and rumours as early warning agents is more specific and is aimed at external as well as internal interest groups. The grapevine and rumours can also play a prominent role as an early warning agent internally. An example of external rumours as warning agents can include possible environmental scandals, personal scandals of employees, possible contaminated products like food products or potentially risky structures such as buildings and bridges.

4.16.6. Electronic communications and the grapevine

Electronic communication technologies such as e-mail and group discussions can very quickly spread grapevine information. Management will find such information difficult to counter if they do not understand the issues that are affecting their employees. The potential drawback of communication by electronic means is that it discourages managers to *walk the office* (MBWA). Electronic mail is a private communication system and people therefore need to be trusted to become a member of a mail group. Messages on the electronic grapevine are often impersonal in nature and removed from the nuances of face-to-face contact. These nuances are important for managers to build trust (Nicoll 1994:5).

According to Davis (In*:* Nicoll 1994:6), the grapevine has an accuracy of about 80-90 percent. Regular management contact and the supply of honest, reliable information can ensure that the accuracy of the grapevine increases.

4.17. INFORMAL NETWORKS

Much of organisational learning occurs outside the formal system and transpires within the informal system. If personnel want to create or develop an idea, in which the institution is not involved, they may choose to first experiment in the informal system by connecting with a stakeholder organisation to examine a new policy, programme or relationship. The learning will have to be shared and communicated in order to influence the formal structure and bring about change (Walker and Floyd 2003:2).

Davenport and Prusak (1998:37) state that much of the work that happens in organisations is done because people continually share and ask questions through informal networks. Informal networks have the benefits and drawbacks of their informality, but because they

function through personal contact and word of mouth, they have the trust element that is essential to successful knowledge exchange. A recommendation by someone who is known and respected within the organisation is more likely to lead one to a trustworthy seller with appropriate knowledge, than a cold call to someone unknown would. Such informal networks are dynamic because they consist of people who continually communicate with each other and therefore tend to update themselves as conditions change.

This can, in essence, be seen as gossip, but, according to Davenport and Prusak (1998:38), most corporate gossip is a form of knowledge transfer about internal processes and is the way the company's knowledge network updates itself. The main disadvantage of these kinds of networks is that they are undocumented (because of their informality) and therefore not readily available to all who need them. Their viability depends on chance conversations and local connections that sometimes work well but do not happen at all other times. Although the informal network may help us avoid some bad decisions, it would not provide us with the full spectrum of choices in our area. To get a reasonably wide range of recommendations, one would have to spend much time following the branches of personal, undocumented connections. In the absence of formal knowledge policies and processes, networks act as critical conduits for innovative thinking.

The transfer of knowledge through personal conversations is being threatened by the move to virtual offices. Many companies encourage their employees – especially those in customer-oriented functions – to work at home or on site. Although this arrangement has benefits, it also lowers the frequency of informal knowledge transfer. Managers now know that virtual field employees who have contact with customers are less likely to pass on customer comments to researchers, product developers and marketers. Although 'around the water cooler talk', as it is described, has its limitations, this unstructured transfer of knowledge has the advantage of opening the door to serendipity. It has the potential of generating new ideas or solving old problems in unexpected ways. It is for this reason that many Japanese firms create talk rooms to encourage this unpredictable, but creative, blending of exchange (Davenport and Prusak (1998:92).

Knowledge transfer methods should suit the organisational culture of a specific organisation. Japanese managers also spend many hours together after work and group dinners and visits to nightclubs are part of Japan's corporate culture. This functions as an important knowledge-

sharing mechanism, as well as a mechanism for establishing trust and opportunities for criticism (Davenport and Prusak 1998:94).

4.18. INVESTIGATING ORGANISATIONAL GOSSIP AND RUMOURS

Similar to the grapevine, rumours and gossip are alive and present in every organisation. Although there are also differences between the terms rumours and gossip, Michelson and Mouly (2000:340) found many similarities between the two terms and hence chose to use them as synonyms. Information is transmitted by many means in social settings. Rumour and gossip form an important and integral part of this.

Allport, Lepkin and Davis (In: Akande and Odewale 1994:27) describe rumour as *"unverified information of uncertain origin that is usually spread by word of mouth. It is also a proposition for belief, passed along from one individual to another, usually by word of mouth, without any confirmation of evidence being present."*

According to Michelson and Mouly (2000:339), age, gender and occupational status in the hierarchy of the organisation does not necessarily play a major role in the spreading of rumours and gossip. It is universally acknowledged that involvement in rumour and gossip processes tends to be viewed as undesirable, at least in the public sphere. This view is in contrast with reality in organisational structures since reliance on informal communication sources is a pervasive feature of organisations and work. The disapproval of gossiping in the public domain seems to apply different standards to male and female participants.

An interesting feature of both rumour and gossip is that they are derivative – information is received third hand (Suls 1977, In*:* Michelson and Mouly 2000:339). In most cases the source and origin of the message is not easily located or identified. Although rumour and gossip go through some variation during its path, research suggests that the main theme of messages remains intact during the transmission process.

Rumours and gossip are commonly understood to be unsubstantiated talk with no clear proof of its authenticity or truth.
This suggests that rumours are hypotheses or unconfirmed propositions (hearsay) and recipients do not know whether to believe the message or not. It is, however, based on fact.

4.18.1.Characteristics of rumour and gossip

According to Rosnow and Fine (In*: Michelson and Mouly 2000:339), while the basis of a rumour is information that is unsubstantiated; gossip may or may not be known fact. Michelson and Mouly see this as a distinction of degree rather than substance and state that it is sometimes impossible to separate rumour from gossip. Both can also contain positive or negative messages and have an additional characteristic in common, namely suspension of disbelief. There must be elements of suspension of belief on the part of those involved in order for rumours to flourish among social circles. Individuals normally vigorously resist evidence to the contrary and do not allow any recording of their speech.

Secondly, rumour and gossip are spontaneous and seldom ever planned. It is also usually concerned with topical content, issues of the day and that which is on the hot news agenda. Gossip tends to occur in a more private and intimate setting through friends and acquaintances. Other writers (Rosnow and Fine *et al,* In: Michelson and Mouly 2000:341) suggest that gossip deals with issues or events of interest to an individual or small group while the borders of rumour extend beyond a few individuals to a more universal interest. Harrington and Bielby (In: Michelson and Mouly 2000:341) state, however, that gossip could land in the public domain if it is, for instance, placed on electronic bulletin boards.

Akande and Odewale provide the following way of viewing rumour in the organisation:

Figure 16: Rumours in organisations

Key:

External system: Required behaviour in terms of job specifications, work methods, etcetera.
Internal system: Emergent behaviour that results from friendships and cliques.
Task/job duties: When two employees come together.
Rumours: These are unverified beliefs transmitted by word of mouth. Rumour is a natural result of human interaction.
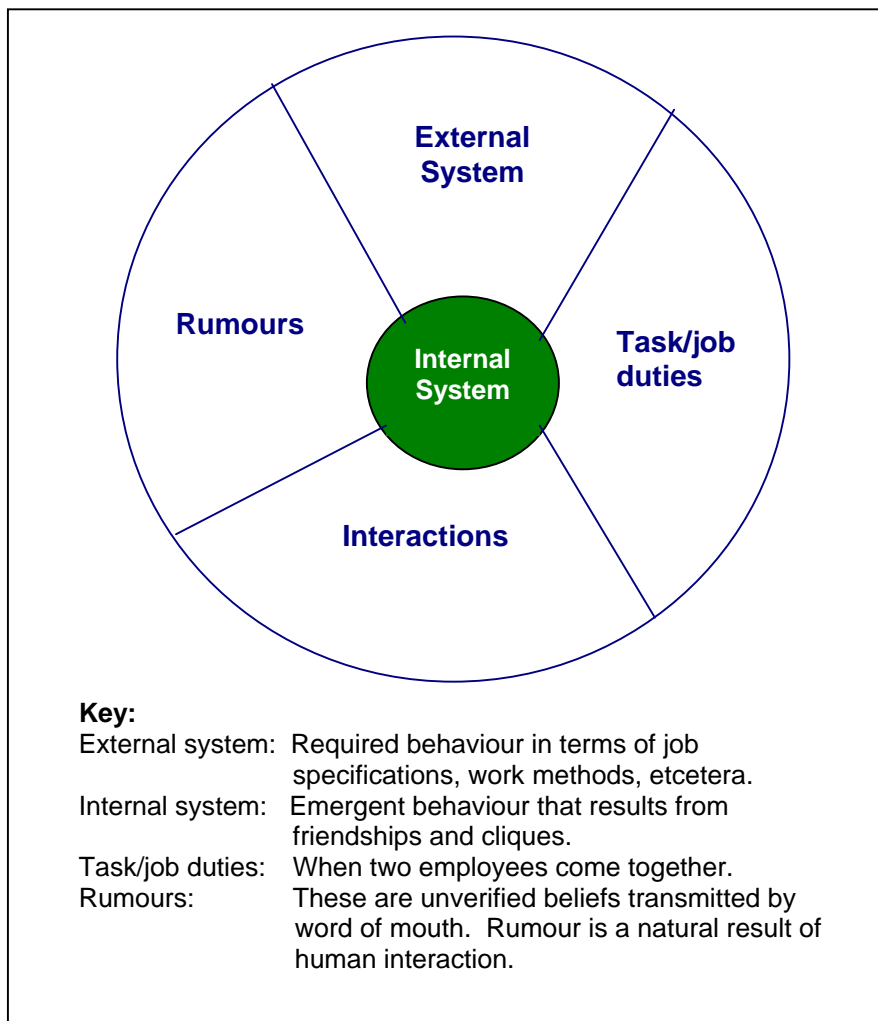
SOURCE: Akande and Odewale (1994:28)

Davis states that rumours usually shed a negative light on their targets and attract much attention among a curious and receptive audience (In*:* Akande and Odewale 1994:27). Yerkovich (In: Michelson and Mouly 2000:341) argues that information (no matter how scandalous) is not gossip unless the participants know enough about the people involved to experience the thrill of revelation. The function served by rumour and gossip appears to be identical. Rosnow and Fine (In: Michelson and Mouly 2000:341) state that our minds strive to eliminate chaos and uncertainty. When the truth is not directly forthcoming we piece together information as best we can. In the process, rumours originate and rationalisations occur. Rumours circulate to explain things and relieve tensions of uncertainty.

Frost (2002:226) states that it seems likely that rumours that cause extreme anxiety are more likely to be passed on.

The level of credibility testing by senders tends to be lower. Therefore, the higher the threat, the lower the threshold of belief and so the greater the likelihood of that rumour being passed on. People's belief in rumour is affected by three main criteria, according to Frost:

- The credibility of the source;
- The level of threat; and
- The likelihood (in people's experience) of the event happening.

A listener is less likely to believe stories about aliens (has not met them) than people that, for instance, will do anything for money (history of experience present). This means that those with specific knowledge and experience of narrated events may be more sceptical than those without expert knowledge. A story, told by a trustworthy source (a news provider like the SABC, for example), is also much more credible.

Akande and Odewale (1994:28) also believe that rumour is a natural outcome of interpersonal relationships.   Research indicates that rumours among employees result from an organisational structure that frequently subjects employees to role conflict and ambiguity. Esposito and Rosnow (In: Akande and Odewale 1994:28) further argue that employees experience rumours because of conflict between the instrumental and expressive functions that they perform.

Individuals utilise gossip to obtain information to make social comparisons.   In an organisational context it functions to provide its members with an important self-appraisal role (Michelson and Mouly 2000:342).

Table 5 provides an overview of similarities and differences between rumour and gossip.

Table 5: Similarities and differences between rumours and gossip.

Factor	Rumour	Gossip
Basis	Hearsay	Hearsay
	Unsubstantiated information	Some presumption of factuality
Characteristics	Suspension of recipient disbelief	Suspension of recipient disbelief
	Culture of more public, universal interest	Culture of privacy / intimacy
	Topicality of message	Topicality of message
	Spontaneity	Spontaneity
Primary motivation	Desire to cope with uncertainty	Desire to achieve status and ego needs
Nature of content	Malevolent / benevolent	Malevolent / benevolent
Primary connotation (directionality)	Neutral / negative	Neutral / negative

SOURCE: Michelson and Mouly (2000:346)

Frost (2002:227) concludes that rumour and news share much in terms of their reason for being transmitted and that only their truth seems to separate them from each other.

4.18.2. Categories of rumours

Michelson and Mouly (2000:341) argue that different types of rumours support different functions. They suggest four categories of rumour:

- The pipedream: Wish fulfilment for those who circulate them;
- The bogey or anxiety rumour: Primarily driven by fear and therefore creates unease;
- The anticipatory rumour: Often precipitated by situations of ambiguity; and
- The aggressive rumour: For example, sexual gossip.

As previously stated, rumours and gossip used to be viewed solely as negative and detrimental to an organisation's productivity and morale. However, Michelson and Mouly (2000: 342) agree with the view that this is a very simplistic view of the phenomena.

Gossip can also be seen as an aid to preserving group solidarity and formal structures. Rumour and gossip are definitely not static, but rather seem to change according to situations. It was also later suggested by writers that gossip could even occur between strangers such as on electronic bulletin boards.

According to Frost (2002:224), the media is important in transmitting urban legends. Although word of mouth was traditionally the main transmission method, the internet is also playing a substantial role in transmitting urban legends. They are often put on websites, either denying their truth or presenting them as fact. One such site is www.urbanlegend.com.

4.18.3. Functions of rumours and gossip

According to Michelson and Mouly (2000:342), the purpose and function of rumours or gossip are numerous and wide-ranging. Broadly it is seen as providing information, influence and entertainment.   Information is used to better understand the social environment and for individuals' benefit.   Other writers have also suggested that rumour and gossip generate pleasure and satisfaction – an entertainment value – for those involved.

It can be added that rumours and gossip can be used as a means of making conversation. For example: When somebody (a stranger) finds out that an individual works for a particular organisation, it is often followed by something from the news or rumour domain: "Oh, the organisation that was recently involved with employing illegal immigrants," etcetera.

Similar to the grapevine, rumours tend to thrive on insecure and threatening organisational environments when the subject matter of the rumour is very important and when employees mistrust formal communications in poor internal climates (Crampton *et al.* and Rosnow, In: Michelson and Mouly 2000:345).

Some rumours can be used to pass the time or can be an avenue to release negative emotions. Rumours may help to maintain one-to-one contact and add glamour to the work environment (Akande and Odewale 1994:28). In the case of urban legends, many of the stories represent some kind of morality tale, warning people about something or advising them to take care (Frost (2002:224).

Just think about the many e-mails that circulate that offer hi-jacking advice and speak of new

hi-jacking tactics that we all receive from time to time. Another example discussed by Frost (2002:224) is the urban legend about the unwilling kidney donor that was drugged at a party and who eventually woke up on a bed with a huge scar, pain and a missing kidney. A UK and US version of this legend was even described.

4.18.4. Harmful rumours and gossip in the marketplace

Akande and Odewale (1994:28) argue that one external domain where the potential negative impact of rumours is of particular concern, is called *the marketplace*. There are many examples of situations where organisations' integrity have come under threat because of rumours. One example is an organisation that was forced to eventually change its logo, that comprising a moon and stars, after it was associated with a Satanist cult. A popular restaurant was rumoured to sell hamburger patties containing red worms. In South Africa there was the famous case of First National Bank's logo that was rumoured to contain the picture of a hare in the trees' branches. One food chain was rumoured to have employees spit in difficult customers' food.

How powerful rumours can be is best illustrated in the story by Wendy Knowler, which was published in the Pretoria News of 6 November 2003 under the *heading: Vicious rumour holds no water* (See Annexure C for the full article). According to this article, a rumour, concerning potential cancer-causing agents in re-usable disposable plastic bottles, originated from an incorrect finding published in a University of Idaho master student's thesis. The thesis incorrectly identified dietthylhydroxylamine (DEHA) as a human carcinogen and incorrectly stated that it is contained in polyethylene terephthalate (PET), the plastic used in beverage bottles. This finding enjoyed some publicity after it was spread via e-mail from Australia and did the rounds on three continents.   The rumour started in the USA and then jumped to Australia before someone e-mailed it to a friend in South Africa.

The method used by Bromor Foods was to 'quash the story with the facts'. The organisation has posted the facts, backed by research from major international scientific bodies, on its Energade website. According to Coca Cola's consumer relations manager, Zanele Sisilana, the organisation received numerous copies of the 'warning' e-mail from concerned customers. In conclusion, it was found that this harmful rumour was entirely false.

Another hoax e-mail claiming that it is unsafe to drink from frozen water bottles because

freezing the water bottles causes dioxins to leak into water, also did the rounds. There is also no scientific data to support this rumour.

Wendy Knowler concluded her article by stating, *"Perhaps the biggest risks to our health in the new millennium are hoax or unsubstantiated e-mails"*. E-mail has definitely became one of the most powerful and fastest (along with personal face-to-face communication) ways in which potentially harmful rumours and gossip are spread within organisations, but also among communities, countries and even continents.

What made the rumour more credible was a story that stated that the sealing mechanisms on glass bottles (including baby food) would be replaced after scientists discovered that small concentrations of a toxin from the seals were seeping into the food, which preceded the rumour. This story was true. South African companies, such as Coca-Cola (producers of Valpré and Powerade) and Bromor Foods (Oros and Energade) were inundated with calls from concerned consumers.

Davis (In: Akande and Odewale 1994:28) states that when a rumour starts because of job insecurity, emotional conflict or an information gap, each individual receives and transmits the rumour in terms of his of her own biases and their perception of reality. Although details of rumours are often not maintained, the main theme is usually intact. Just as any oral communication is filtered, rumour is often reduced to a few basic details that are easily recalled. New details of horror are often added to the rumour along the way, reflecting employees' strong feelings and reasoning. This is called *elaboration*.

According to Akande and Odewale (1994:28), managers should act when rumours affect productivity, when community relations suffer or interdepartmental cooperation is hampered. One effective method is to defeat the rumour completely with truth. As the truth becomes known, the information gap is filled and the rumour will stop. A negative implied truth is less destructive than rumours that feed the fear of the unknown.

4.18.5. The control of rumours and gossip

According to Akande and Odewale (1994:27), taking appropriate initiatives to deal with rumours goes a long way in reducing employees' grievances.
Employees can spend considerable time talking and speculating about the latest rumour and

this can harm both the employee and the organisation itself.

According to Koller (In: Akande and Odewale 1994:27), there are at least three ways to manage rumours in an organisation. The first way is to wait them out – some rumours dissipate over time and do very little harm. Secondly, more serious rumours should be publicly refuted. This is done when the organisation names the specific rumour and discredits its usefulness and the credibility of its source through an advertisement campaign, a press conference or highly publicised event.

Thirdly, truth and authentic information should be released or positively advertised as soon as possible. Lastly, the target of the rumour should be associated with positive features such as the company's traditional commitment to quality, excellence and customer satisfaction. Some writers have named other methods such as creating counter-rumours or by spreading disinformation, but these methods are not acceptable to ethical communication managers.

Research has indicated that it is more effective and useful when the communication of truth behind a rumour comes from a source considered to be reliable by the receivers. For example, when there are rumours about layoffs, it is advisable that the personnel manager be the one to respond. In the same sense a person with advanced technical knowledge should respond to rumours about a technical problem, and so forth. Rumour should also be handled effectively by face-to-face instant release of the truth (Akande and Odewale 1994:27).

Management in modern organisations needs to build a culture of truth that will earn it a reputation of honesty. This will encourage and foster employee confidence and loyalty (Akande and Odewale 1994:28).

4.19.   CONCLUSION ON ORGANISATIONAL GRAPEVINES, RUMOURS AND GOSSIP

The grapevine (as well as rumour and gossip) exists in all organisations and cannot be eliminated. It therefore makes perfect sense to utilise the speed and degree of accuracy of the grapevine network in order to distribute certain kinds of information and for specific reasons.

Grapevines supply answers, whether correct or incorrect, complete or incomplete, to all unanswered questions and are more likely to supply bad news answers. This can be damaging to the productivity of organisations (Wells and Spinks 1994:27).

However, when open, honest and complete communication takes place through the official networks, the grapevine can be a useful way of dealing with softer issues and employees' sense of belonging. It can be particularly useful in providing early warning feedback input to management of potential dangerous or threatening issues.

Michelson and Mouly (2000:345) conclude that while rumour and gossip can be seen as seemingly trivial or harmless talk in some contexts, it does not mean that it is unimportant for management.   Rumour and gossip is not only an extremely widespread form of communication, but may also provide a range of organisational benefits such as the rapid transfer of information to test employee reactions and by reinforcing social bonds and work structures. It provides information, influences and entertains.

According to Akande and Odewale (1994:28), managers can appreciate rumours better if they search for the message behind them. Some rumours are, however, mere symbolic expressions of feelings that are not really offered by the communicator as truth. It is worthwhile for managers to consider rumour as comprehensible, manageable and meaningful. Managers should also rely on relationships of empathy, entrepreneurship and truth to help them in managing rumours and gossip in their organisations.

The investigated literature mainly describes rumours and gossip from an internal, organisational point of view. It can also be applied to rumours and gossip that have their origin outside the organisation. These kinds of rumours and gossip are often very important and potentially harmful to organisations' reputations. They can also be of a positive nature, for example, rumours doing the rounds that a particular organisation has excellent facilities for its staff or that its remuneration and benefits are exceptionally good.

Frost (2002:222) describes similarities between the elements found in newsworthy stories that are common to gossip, rumours, urban legends and hoaxes. One of the common criteria is that the story should be interesting for or of interest to the audience. According to data collected by this researcher, people are not particularly sceptical about what they are told. Often people easily pass 'stories' on when it has the minimal potential to cause harm – the so-called 'least harm test'.

Just as within all informal communication feedback, the organisational grapevine, rumours and gossip also contain potentially useful information. Aspiring learning organisations should

not underestimate the potential of such information. As indicated in the preceding literary overview, this kind of informal feedback can play a vital role in the overall communication strategies of organisations and learning organisations in particular.

4.20. FEEDBACK AND DECISION-MAKING (FEEDBACK INTERVENTION)

According to Ballé (1994:4), the classical management theory that is taught is that managers need to be decision makers. When decisions are made, managers rely on history and past similar cases. Decision-making processes are not universal but are linked to the ethos, culture and even the kind of job or organisation involved. When making decisions, managers normally rely on the rule of money. It will therefore involve some form of cost-benefit analysis.

According to Ballé (1994:5), rational decision-making is often seen as better than no decision. It is argued that if one is able to measure the costs and benefits accurately, there is no reason why one should not reach a correct solution that optimises ones profits. There is, unfortunately, a major assumption in this reasoning: The notion that by increasing the parts individually, one will increase the sum of the parts. The view is that the way in which the costs and benefits evolve in the future is projectable - if things continue in the same proportions that is. This assumption is only true in stable and steady conditions.

However, nowadays one experiences increasing chaos and disorder in fast-changing, complex and uncertain business environments. Projections into the future are likely to be wrong and strategic planning is kept to a maximum of two to three years in advance. To treat certain parts of the organisation in isolation would be wrong because of the complex integrated systems of many an organisation. To simply reduce cost while maintaining benefits would also be a short-term vision (Ballé 1994).

4.20.1.   Barriers to feedback intervention

Some of the reasons why feedback (as a critical element of learning) is rarely forthcoming in organisations are:

■ Firstly, it is because organisational action is often the result of teamwork or groups, which makes it difficult to assign blame to individuals;

■Secondly, learning from feedback experience is difficult when the experience itself is elusive. This is due to the fact that any corporate outcome is usually the result of multiple causes that make the analysis of 'which decision made by whom to what effect' very difficult for evaluation; and

■Lastly, feedback is further hampered by the period to time between decisions and consequences (McGill 1994:136).

4.21. THE *MULTI-LAYER INFORMAL FEEDBACK INTERVENTION WHEEL*

4.21.1.   Introduction

As mentioned earlier, Hillebrand and Biemans (2003:738) support the view that information that originates outside the organisation needs to be diffused in the organisation in order for the relevant people to attain consensus on its importance and implications and to translate it into appropriate action.

It has been stated earlier in this chapter that collecting and monitoring customer feedback enables organisations to access and upgrade their service and product capabilities in order to maintain and improve competitiveness (Wisner and Corney 2001:240). Gayeski (1992:25) stresses the importance of creating value-added and integral communication interventions that should not comprise frills or afterthoughts, but should rather increasingly become the basic component of management and production and be readily accessible to each employee's everyday environment.

An important question comes to mind: What is the best and most practical way to track informal feedback issues and capture them in a manner that makes it possible for the communication manager to evaluate them against their anticipated impact on the organisation's corporate governance, strategies and structures?

This investigation and monitoring the process of informal feedback inputs is a daunting, difficult and overwhelming process for some bigger organisations, especially those that are on the public agenda at times.

The researcher suggests *The Multi-Layer Informal Feedback Intervention Wheel* as a framework that systemises and organises the process of informal feedback input, through four phases. This process ends in the Intervention Phase where the actual intervention or adaptation to policies, strategies, structures and systems (which can be the cause of the original feedback input) will occur.

This wheel was developed with the aim of assisting communication managers through the process of evaluating informal feedback inputs. It takes the manager step by step through the process of collecting and capturing the raw feedback inputs, to the actual change induced and eventually rectifying the situation and plotting the outcomes thereof.

The first version of the framework was developed during the first half of 2004 and will be described first. It was later adapted and simplified as per discussion in the case study in Chapter Five. The *Multi-Layer Informal Feedback Intervention Wheel* merely gives structure to the whole feedback management process and assists the communication manager in collecting, analysing and grouping feedback input. This is followed by the *integration* and eventually *intervention of* communication and organisational strategies by applying this newly acquired learning.

The Wheel itself does not provide answers on *what* should be adapted or *how* change should be implemented, but rather guides the process along to the point where, with the experience and logic of the communication manager, the answers can be found. It assists the manager with everyday feedback issues to suggest informal feedback interventions to management. It, therefore, helps the communication manager be a proactive early warning agent for the organisation. It is, unfortunately, still up to management to be responsible and to act upon the suggested interventions.

Table 6 presents a graphic presentation of the elements of the first version of the *Informal Feedback Intervention Wheel*. A more graphic and dynamic presentation of the Wheel can be seen in Figure 17.

Table 6: The elements of the *Informal Feedback Intervention Wheel* (Original version)

Applying the Informal Feedback Yardstick

Phase	1.\nStructure Phase	2.\nAnalysis Phase		3.\nIntegration Phase	4.\nIntervention Phase	
Key grasp	**INPUT**	**GROUP**	**CORE**	**IMPACT**	**CHANGE**	**OUTCOME**
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and Adjust ■ Policies ■ Procedures ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or score	**Score of Raw Feedback**	**Score of Linked or Natural Groups**	**Score of Importance**	**Score of Truth (Impact)**	**Score of Adjustments**	**Score of Results**
IMPACT / INFLUENCE ON ORGANISATION						

SOURCE: OWN RESEARCH

Figure 17: The Multi-layer Informal Feedback Intervention Wheel

Input from Evaluation Tool
(Feedback Evaluation Yardstick)
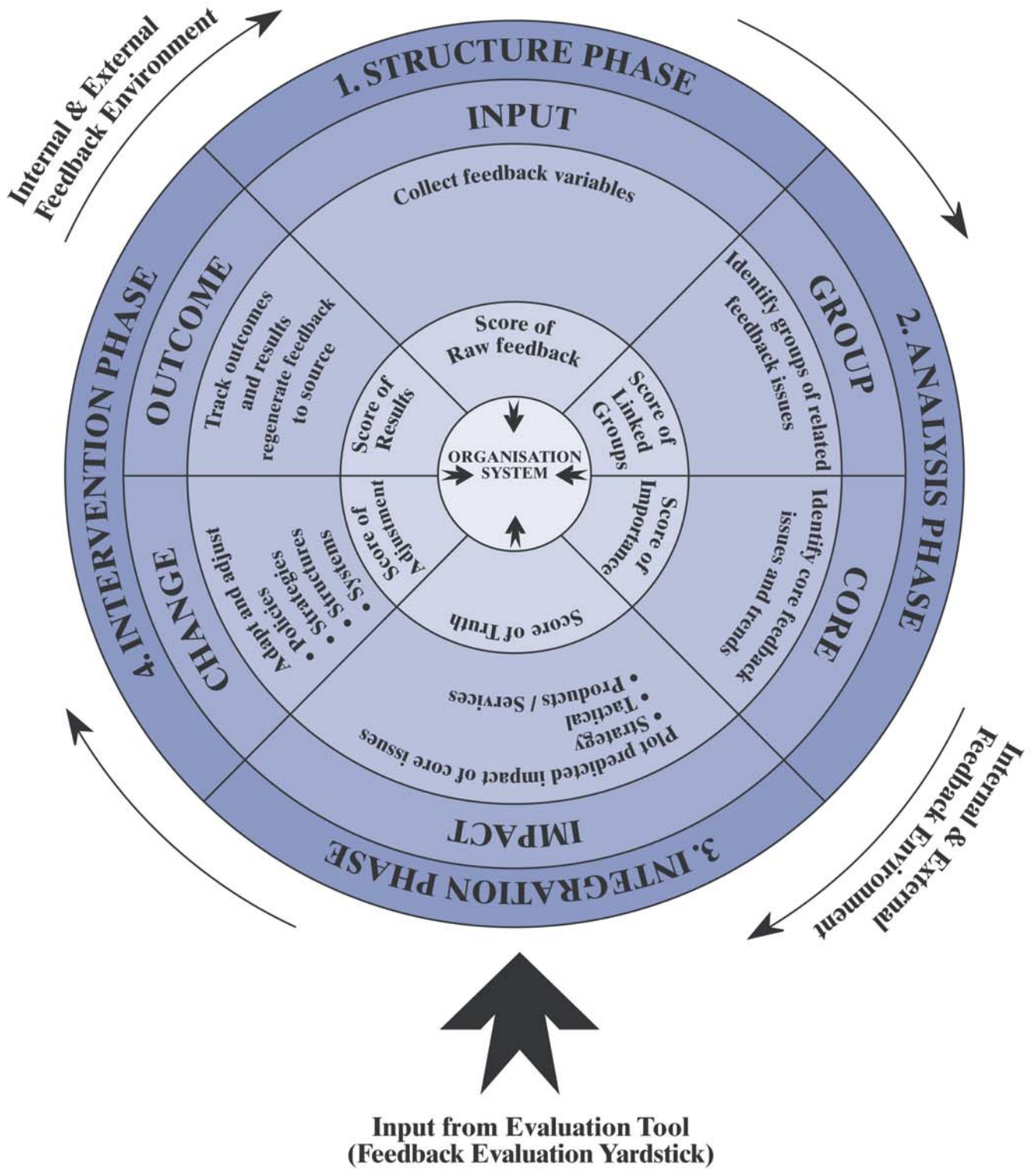
Source: Own research

4.21.2.   Phase one: Structure Phase

This is the first phase in dealing with the collection of informal feedback issues or variables. It is suggested that the feedback intervention evaluation process be conducted at least once at week in order to keep the amount of feedback input at a manageable amount. However, this will differ from one organisation to the next depending on the kind of organisation and the responsiveness of its stakeholder groups.

Normally the feedback evaluation process would be carried out by the communication manager or public relations practitioner.   The more the organisation opens up its acceptance of and ability to receive feedback easily, the more feedback input will be generated.

The key grasp or term in this phase is *INPUT*.   The tasks on hand have to do with physically collecting the various feedback variables. This entails reading e-mails, listening to recorded telephone messages or reading written notes or messages received by telephone, going through interpersonal verbal messages captured on client relations management systems or call centre software and capturing valuable internal and external rumours received through the organisational grapevine.

While drawing a picture of the whole organisational system by tackling feedback input step by step, one can eventually focus on high impact interventions. While focusing exclusively on the individual feedback variables one might easily get lost between the feedback input variables as such. This can lead to the actual intervention being neglected and of little use in the end.

The document or 'score', as it is called in this phase, is the S*core of Raw Feedback*. 'Raw' because it is, at this stage, merely a list of different feedback issues, received and documented on paper. In the next phase this score will be critically analysed and sorted in some or other way that will identify the critical issues that should receive prompt attention.

This phase is probably the most difficult and challenging next to instigating actual change in phase four, *The Intervention Phase*. This is due to the complexity and large quantities of possible feedback input that can be collected from different places.   This requires dedicated staff and is quite a mechanical process.

However, there is computer software available that can help the communication manager collect feedback input issues.

The internet organisation *Intelliseek* markets software called *ExpressFeedbac,* a website application that helps organisations to collect critical customer information and feedback from their websites. ExpressFeedback *"creates a single source management tool to capture consumer feedback in real time and put it to use throughout the company"*.

It assists organisations in handling loads of feedback input, screening routine issues, dealing with true problems, leveraging new insights from consumers and focus groups, conducting market research and reducing manual reporting time and costs (intelliseek.com).

Another software package by Intelliseek is *BrandPulse 360*. It is a solution that captures and categorises consumer feedback from multiple, disparate sources and in various forms. It also gives users quick access to consumer verbatim comments for analysis and insights. Feedback input comes from phone calls, mail and fax, e-mail and website contacts, public online discussion groups and message boards as well as verbatim comments (intelliseek.com).

Both these software packages show promise as very good aids in keeping track and capturing feedback input from stakeholders. Once again, although the organisation markets these software solutions with emphasis on consumer feedback, it may be just as helpful to capture informal feedback from a range of stakeholders.

4.21.3.   Phase two: Analysis Phase

The Analysis Phase has two sub-phases. During the first sub-phase the communication manager tries to logically group interrelated feedback issues together in order to make it more manageable and easier to handle. The grasp term identified in the Intervention Wheel is therefore *GROUP*.

This could also be helpful to reduce many feedback variables to a more manageable number. The document outcome or score is a list of the linked or *natural groups of feedback issues*.

The second sub-division of this phase is identified by the grasp term *CORE*. This is because the manager will identify the core feedback issues and trends from the groups that were evaluated in the preceding step. Now is the time to eliminate useless information and irrelevant feedback issues often received by informal feedback methods. Special attention should also be given during this phase to the analysis of verbal feedback input such as rumours. However, the communication manager should make sure that other evaluation committee members agree with the elimination process. We may ask ourselves what the important trends are. What are the underlying and deep-rooted issues and concerns?

The document to be delivered after this rating process is called the *Score of Importance*.

4.21.4.   Phase three: Integration Phase

During this phase the actual impact of the preceding identified important issues is evaluated. This is a crucial phase because it is the core of the whole feedback evaluation process. The decisions made during this phase will have a significant influence on the next phase during which real intervention is applied.

The grasp term during this phase is *IMPACT.* The impact of each important group of core issues or individual issues (depending on the preceding methods used) will be predicted and forecasted onto existing corporate communication or organisational strategies. The likely impact of each group of issues on strategies, policies, structures and systems of the organisation is projected.

The outcome document of actions taken during this phase is called the *Score of Truth*. It is so called because this is really where the core of the whole intervention process lies. It is the elements contained within the Score of Truth that will lead to the real changes during the next phase.

A helpful tool that can be suggested is the *Informal Feedback Intervention Yardstick*. This is a statistical model that is predesigned in Microsoft Excel. It can assist the communication manager to determine the potential impact value of different informal feedback inputs.

Feedback issues are rated with a percentage according to four possible and set levels of possible impact. Preset factors and pre-determined weights are allocated to each level of potential impact. More than one manager can also be involved in rating feedback inputs according to predicted impact. In this instance the average score of all participants is used in scoring each impact level. The yardstick minimises the chance of subjectivity in the judgement of communication managers. A completed explanation of the *Informal Feedback Intervention Yardstick* will receive attention later in this chapter.

4.21.5.   Phase four: The Intervention Phase

Again this phase consists of two sub-phases. The grasp term of the first sub-phase is *CHANGE*. It says exactly what it is about. The key outcome aimed at during this phase is *intervention*. *Intervention* suggests that there should be some or other change induced in order to alter the course of communication or organisational strategies.

It has to do with adaptation and adjustment of policies, strategies, structures and systems in order to rectify the issues originally raised during the feedback input phase. However, the outcome may not always be change. The evaluation committee could decide that change is unnecessary or that a particular score of truth does not have enough impact potential to make the altering of strategy worthwhile.

The outcome document produced after completion of this phase is called the *Score of Adjustment.* This will clearly show which adjustments are recommended and where it should be applied, to what effect or impact and to what outcome in the organisation.

The second sub-phase of this phase is described by the grasp term *OUTCOME*. This has to do with tracking and identifying the outcomes of the changes envisaged during the preceding phase once it has been applied. It tracks down results and evaluates whether true intervention took place and what adjustment should once again be applied to foster better intervention results. Measuring real outcome is therefore usually a delayed action that will only be realised after intervention has been induced and the outcomes measured at a later stage.

During this phase feedback to the original source of the feedback input should be generated in order to complete the circle of the intervention wheel. The outcome document during this phase is called the *Score of Results*.

4.22. Applying the *Informal Feedback Yardstick*

The *Informal Feedback Yardstick* is a small statistical computer programme that was written in Microsoft Excel by Vermeulen (1999) for evaluating and scoring nominations of former students of the University of Pretoria for the Alumni Laureate Awards. It was adapted for the purposes of evaluating informal feedback variables. This yardstick looks as follows:

Figure 18: THE INFORMAL FEEDBACK YARDSTICK

CORPORATE COMMUNICATION DIVISION - SCORE SHEET

Evaluator:…………………………………………..   **Organisation**: TrueMilk
                                                                                              Pty Ltd.

Example of scored feedback Issues   **FEEDBACK ISSUES / VARIABLES**

	LEVEL OF IMPACT ↓	Relative weight of impact ↓	FI 1 ↓	FI 2 ↓	FI 3 ↓	FI 4 ↓	FI 5 ↓
A	Major organisational impact	ci1 5	2	50	90	5	10
B	Corporate comm. impact	ci2 3	3	60	20	5	10
C	Departmental impact	ci3 2	70	6	10	5	70
D	Minor micro unit impact	ci4 1	10	5	10	50	10
E	<u>Highest Score Repeated</u>	ci5 1	70	60	90	50	70
X	Weighed Averaged Value	**12**	**19.92**	**42.25**	**52.50**	**12.50**	**25.00**
	(Rating of importance of issues)	**-**	④	②	①	⑤	③

Ranking Score ←

$$\underline{X = (\; c_{i1}*A + c_{i2}*B + c_{i3}*C + c_{i4}*D + c_{i5}*E) \; / \; (c_{i1}+c_{i2}+c_{i3}+c_{i4}+c_{i5})}$$
                                    12

Where E = (Max of A,B,C,or D)

SOURCE: Adapted from TuksAlumni Laureate Award Evaluation Model developed by Vermeulen (1999).

Figure 18 continues:

Applying the *Informal Feedback Yardstick* to a fictitious milk company, TrueMilk. The key to the score sheet is on the previous page.

➜ **An example of a milk providing company – TrueMilk**
➜ **Feedback Issues = (FI)**

FI 1: Complaint about telephone not answered in corporate communication division

FI 2: Complaint that farm and cows cause a smell for surrounding houses in suburb

FI 3: Rumour that organisation's milk is not adequately pasteurised

FI 4: Compliment for excellent service with delivery to a shop

FI 5: Rumour that certain employees will have to reapply for jobs

General conclusion after discussion	
C	Dept. Comm. Impact
B	Corp.Comm. Impact
A	Major Org. Impact
D	Minor Micro Unit Impact
C	Departmental Impact

The above presentation of the *Informal Feedback Yardstick* is an MS Excel statistical program where different weights of impact are allocated to each level of impact. For example, *A: Major Organisational Impact* carries the largest weight (ci1) of **5**, *B: Corporate Communication Impact* (ci2) carries a weight of **3**, *C: Departmental impact* (ci3) a weight of **2**, *D: Minor micro unit impact* (ci 4) a weight of **1**.

The highest score (E) is repeated in this statistical equation and carries a weight of 1. FI1 to FI5 represent the different feedback issues that are being brought to the evaluation table after they were received through, written, verbal and electronic media. Each feedback issue (FI1 to FI5 or more) is evaluated against each of the other four possible levels of impact (A to D). A feedback issue, which is regarded by the communication manager or committee as having the potential to impact on the organisation as a whole (*A: Major organisational impact*), will receive the highest percentage score on the level of ci1 and the lowest percentage score at *D: Minor micro unit impact*. The reverse is true of a feedback issue, which is regarded as having a minor impact on the organisation.

If feedback issues are evaluated in this manner by a group or committee, each member of the group gives a percentage score on each level and the average of all scores are logged in the yardstick. In the end the MS Excel programme will automatically calculate a weighted average value, which will represent a ranking score.

The communication manager can thus easily see what the most important informal communication issues are or which ones have the most crucial impact potential. Attention should then firstly be given to these crucial issues.

The benefits of applying the *Informal Feedback Yardstick* are:

- Its objectivity – Different feedback issues can be discussed and consensus can be reached between groups of corporate communication managers;
- It categorises feedback issues and systemises thinking with regard to the bigger picture sketched by the *Informal Feedback Intervention Wheel*; and
- It forces communication managers to systemise and document feedback input and to give attention to all feedback input on a regular and ongoing basis.

One negative aspect of the yardstick is that it can be time consuming to submit all informal feedback, ranging from e-mail to telephone conversations and rumours, to this type of evaluation.

The *Multi-Layer Informal Feedback Intervention Wheel* as well as the *Informal Feedback Yardstick* will be fully applied and tested during an anonymous case study of Company X described towards the end of Chapter Five.

4.23. Conclusion

Constant learning from stakeholders (by means of formal and informal feedback) is a prerequisite for learning organisations to survive today's hostile business environment. The engagement and dialogue with stakeholders are necessities for modern organisations. If organisations wish to build a reputation of good corporate governance particular attention to stakeholder issues is critical. Allowing all stakeholders' informal feedback into the organisational system is an inexpensive way to optimise learning.

To become a learning organisation the organisation has to make a commitment to change its fundamental core. Listening involves more than just providing an ear to stakeholders, but involves true commitment to change the core of the organisation. It can be concluded from this chapter that multiple feedback opportunities are critical for building and enhancing learning organisations.

■ **CHAPTER FIVE** ■

RESEARCH DESIGN, METHODOLOGY AND FINDINGS

5.1.   INTRODUCTION

The modern internet audience cuts across geographical, national, cultural and political boundaries and is also multidirectional and very fast in nature. There is an emerging sharing of power where publics have ready access to the mass media and the internet, where they can tell their story and complain if necessary. There are even websites whose sole purpose is to spread rumours and attack a company's image and reputation (Ihator 2001:199-210).

In the previous chapters, feedback and the gathering thereof are described as a multi-faceted subject. Although the formal gathering of feedback (active solicitation of feedback) is well known in the form of market research and surveys, informal feedback input or unsolicited feedback input as a method, and as a corporate communication management strategy, has not been as widely explored by researchers and writers of scientific books and periodicals.

By exploring the existing literature discussed in the preceding chapters, it became clear that current literature and periodicals mainly concentrate on <u>customer feedback</u> and sometimes operations control.   Compare titles such *as "Feedback and feedforward as systematic frameworks for <u>operations control</u>"* (Fowler 1999), *"Comparing practices for capturing <u>bank customer feedback</u> – internet versus traditional banking"* (Wisner and Corney 2001), *"Exploring the <u>customer feedback</u> process"* (Fundin and Bergmann 2003) or *"Gathering <u>customer feedback</u> via the internet: instruments and prospects"* (Sampson 1998).

Although these serve as helpful literature sources and have much in common with feedback in the broader sense, little can be found on the broader concept of all-inclusive stakeholder feedback as defined by the science of communication management.

As stated in Chapter One, the essence of the problem stated by the researcher in this study is that informal communication feedback of a corporate nature is often ignored in organisations despite its potential of containing relevant information for the communication manager. The role and possible strategic implications, as well as the timely interventions of such feedback, need to be further investigated.

While *customer feedback* is a rather narrow term, which only deals with the actual customers (the primary focus of marketing management) and their feedback to the company, all stakeholders (including customers but also pressure groups, union members, members of public, etcetera) should be included in the solicitation of feedback, whether informal or formal. Communication management is supposed to deal with this much broader and diverse group of stakeholders - including all possible stakeholder groups that could impact on the organisation in some way or another or at some time or another.

Also, while exploring and analysing the 55 websites in the research population of research method one, it quickly became clear that organisations almost exclusively concentrate on customer feedback, and to a lesser extent, on feedback opportunities from investors on their corporate websites. Luckily it is often not determined who can provide feedback through their structured feedback forms or their *mailto* e-mail applications, and therefore any member of a stakeholder group can make use of this facility.

It is the fundamental task of any organisation's communication management and corporate communication function to facilitate a two-directional communication process with all stakeholders. It was with this purpose in mind that this research paper explored the feedback gathering and utilisation process.

5.2.   RESEARCH QUESTIONS

As discussed in Chapter One the following research questions were explored during this research investigation:

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?

5.3.   RESEARCH METHODOLOGY

This study will follow a two-part research design. The first part is an exploratory literary 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 theoretical basis of the systems approach and other relevant theories as well.

The second part consists of a structured survey with both exploratory and descriptive

characteristics as well as content analysis and a case study. Exploratory objectives explore an unknown area of research that can provide 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 help researchers to 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). Informal feedback intervention as a field of study is relatively unique, the phenomena should be explored and key concepts identified as well as described and characterised.

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

This qualitative investigation is divided into a content analysis of 55 corporate websites (research method one) as well as a questionnaire (research method two) electronically distributed to 55 identified top South African companies – *The Best Companies to Work for in 2004.* In the end the questionnaire was only distributed to 54 organisations after Excel was taken over by Sasol.

Research method three involves a case study where the *Multi-layer Intervention Wheel* is applied to an anonymous major South African company – called *Company X.*

The assumption is made that all of these organisations are striving learning organisations. An assumption is described as a principle assumed to be true for the purpose of developing theory (Du Plooy 2002:54). However, this assumption was also tested when the top ten *Best Companies to Work for in 2004* were initially tested against the characteristics of learning organisations. It is clear from Annexure A (as well as from the later results obtained from the questionnaire) that all the tested organisations displayed several characteristics of learning organisations.

5.4.   RESEARCH DESIGN

The research methodology in this study is of a triangulatory nature. This means that more than one data-collection method was used and reference was made to multiple sources of information. Triangulation may result in the combination of both quantitative and qualitative research approaches, the main reason for its application being to test theoretical assumptions in more than one way and to increase the reliability and validity of findings (Du Plooy 2002:39-40). This research study is, however, of qualitative nature.

The research design includes the unit of analysis, the prospective time frame as well as the population and sampling. The data collection process of this study is conducted by means of two qualitative research methods as well as a case study.

Research method one: Content analysis

Content analysis as a qualitative research method is used to evaluate the corporate websites of 55 top South African organisations with regard to their provision of opportunities and existing capabilities for informal feedback via their corporate websites. This includes 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 (Table 6 and 7).

Research method two: Questionnaire

The above-mentioned research method is supported by another instrument – a questionnaire that provides comparative data obtained from the corporate communication managers of the same sample (minus one) of 54 top organisations. This research method was 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. Ten similar and potential respondents were selected to complete the questionnaire sent to them by e-mail. Eight questionnaires were returned in the end. Personal interviews were subsequently conducted with these respondents during which their feedback was discussed. Several minor changes were then made to the questionnaire, mainly with regard to the language and

design.

Phase two entailed 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 research questions. However, it is also exploratory because it attempts to explain phenomena. It may discover and define operational phenomena that will become the basis of future studies (Maier 192:98).

Research method three: A case study

The *Informal Feedback Intervention Wheel,* as well as the *Informal Feedback Yardstick*, proposed towards the end of the research study, was tested when applied in an anonymous case study. This is a practical application of the collection, evaluation and determination of the impact of various informal feedback input into a South African company, called *Company X*.

5.4.1. 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, provides an accurate picture of the group to which that unit belongs.

In this study, the unit of analysis was all organisations (groups of people) identified by The Corporate Research Foundation as *Best Companies to Work for in 2004*. Corporate communication managers (or marketing managers) of all these organisations were targeted to complete the questionnaire (research method one).

All the identified organisations' websites were subjected to content analysis in order to evaluate their 'readiness', accessibility and potential to receive informal feedback from an internet presence point of view (research method two). An organisation – *Company X* – forms the unit of analysis in the case study.

5.4.2. Sampling

No sample was drawn during this research as the entire population (all organisations previously identified as *Best Companies to Work for in 2004*) was 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
- Research method two = 54 organisations targeted
- Research method three = Case study – applied to one anonymous organisation – *Company X*

According to Prof Frank Horwitz of the University of Cape Town's Graduate School of Business (In: Büttner-Rohwer 2003:393), the sample of organisations was selected in the following manner:

> *"Corporate Research Foundation (CRF) invited an expert panel to determine the top ten best employers featured in the publication. The results of the panel's evaluations of the criteria were assessed on a basis proposed by Grant Thornton Kessel Feinstein – Auditors, Accountants and Business Advisers.*
>
> *CRF has worked closely with a team of prominent academics and journalists to update the research and selection criteria for this publication. Prof Frank Horwitz headed the top ten team and he convened a team of academics, financial and business journalists as well as experts from South African universities, business schools and human resources professional associations. In addition, the panel consulted with senior business people.*

The involvement of an inclusive panel is an important aspect of CRF's research approach, ensuring access to a diverse and rich working knowledge and experience within business and other organisations in South Africa.

The panel's brief was to propose a rating and evaluation framework on the basis of benchmark criteria and their in-depth knowledge of South African companies. The framework was carefully revised and refined in order to establish ten agreed criteria, each with descriptors, to enable valid assessments and comparisons to be made.

Criteria included particular employer attributes; recruitment and selection strategies; career development; human capital metrics; organisational strengths; the human face of the organisation; leadership effectiveness; human resources management strategy; corporate governance; and international orientation. Organisation nominations were then invited from the panel. Each panellist was asked to identify companies and rate them on each criterion. Panellists then evaluated each of the nominees. To determine the top ten, companies were ranked based on their final scores; and a weighted average calculation was used to determine the final list.

The study is an opinion-based assessment on how people are managed, and on the organisational strategies and practices used to mobilise people for high performance. It considers espoused policy, public reputations and actual knowledge of operational experiences of organisations in managing their people, as well as the acknowledgement of differences between the policy and rhetoric of human capital and actual practice."

5.4.3. Piloting and re-design

This important part of the research process helps the researcher to develop the most suitable research instrument.   The questionnaire used in research method two was evaluated during a pilot study amongst eight respondents. Vital feedback was obtained in this manner and mostly minor and one or two more comprehensive changes were made to questions and the wording of questions before it was sent via e-mail to the respondents.

5.5.   FINDINGS OF THE STUDY

5.5.1. Research method one

Similar to the research methodology and design described above, Wisner and Corney (2001) evaluated 82 banks with an internet presence with regard to the ease of obtaining feedback from customers and the types of feedback sought. The websites were evaluated from a general information perspective and also from a customer feedback perspective.

Although it is easy to incorporate feedback capabilities into websites, they found that it was surprising to see so few of the bank sites collecting this valuable customer information. They also found that to a large degree, the banking industry does not seek customer feedback and therefore does not utilise this information either to make operational changes geared towards capturing and retaining customers (Wisner and Corney 2001:344).

It would be interesting to see if the same could be said of the more diverse South African organisations' websites analysed in this research study.

As stated earlier, internet feedback methods can either be structured or unstructured. The following terms were identified in the content analysis process and will be used in the research results:

- *A mailto option link* is a code in an HTML document that opens up an e-mail window on the user's screen so that a message can be typed in the e-mail window and sent to a pre-specified e-mail address in the organisation. This message is unstructured and the user may type any message that he or she likes. This is analogous to toll-free telephone numbers that are free of structure.
- *Structured feedback* consists of a form in HTML format that usually contains open text fields. After users enter their information and message, they submit it by clicking on the submit button. The organisations receive the information in a more structured format. This can be compared to customer comment cards (Sampson (1998:73).

The results of the analysis were divided into four categories, namely:

- The *position* of the feedback opportunity within the company's website (posting on the homepage is regarded as a *primary posting* whereas any other position is regarded as a *secondary posting*);
- *Sections* in the website where feedback opportunities are posted, e.g. on the homepage, or on a contacts page or investor centre, etcetera;
- The name of the live button as well as the actual text that the organisation uses to encourage feedback (encouragement of feedback); and
- The *format or method* in which feedback can be provided to the organisation.   This can be in the form of mailto's, structured online forms, by postal and/or physical addresses, telephone, fax or cell numbers and customer care lines. Key contacts and world wide contact lists and maps of locations are also listed here.

The results are divided into two categories, the top ten *Best Companies to Work for* (Table 6) and the results of the remaining 45 best companies to work for (Table 7). It must also be mentioned that two organisations underwent major changes during the period in which the initial content analysis on websites was done (late 2003/early 2004) and when the results of the questionnaire were obtained (first half of 2004) in research method two.

Excel Petroleum Company was taken over by Sasol Ltd and was therefore no longer included in research method two, while Global Resorts (Pty) Ltd listed on the Johannesburg Stock Exchange and changed its name to Peermont Global Ltd during the first half of 2004.

The content analysis was also updated during the last month of 2004 in order to determine whether there had been any significant changes to the feedback opportunities offered on these sites. Results of the content analysis of the 55 best organisations to work for are:

Table 7:
CONTENT ANALYSIS OF TOP TEN COMPANIES' ACCESSIBILITY TO INFORMAL FEEDBACK INPUT AS IDENTIFIED FROM THEIR RESPECTIVE CORPORATE WEBSITES. (First phase: January 2004. Second phase updates: December 2004)

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
1st SABMiller	**Secondary** ■*No specific feedback opportunity for all interest groups*	Media centre	■My suggestions *"Tell us what you need from the communications department"* ■Contacts	■Online form with open field for suggestions ■Contacts button takes you to contact particulars (see below)
		Contacts	■Worldwide contacts ■Communication contacts Investor Relations contacts etcetera.	■Physical / postal addresses Tel no's and cell no Fax no's ■More than 15 personal e-mail addresses of staff (mailto's)
	UPDATE: Dec 2004 ■**Primary / Homepage** ■**Shift to primary / homepage**	Contact us	■Contact "*Ask a question/My question*"	■Physical / postal addresses Tel no's and cell no Fax no's ■Online form with open field for suggestions

TOP TEN COMPANIES ⬇		POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
2nd Impala Platinum Holdings Limited (Implats)		**Primary / Homepage** ■*Emphasis on investor relations. No specific feedback opportunity for other interest groups*	Home	■Contact us ■Investor centre ■General information	■Physical / postal addresses Tel no and fax no ■More than 10 personal e-mail addresses of staff (live links)
			Investor centre	■General queries / marketing queries/ investor relations queries ■*"Subscribe to Implats' electronic investor communication service"*	■Online form – no open field
			Investor Relations	■*"Send us an e-mail to notify us of problems or suggested improvements"*	■E-mail generator (mailto)
		UPDATE: Dec 2004 ■**Primary / Homepage** ■*No major changes to feedback opportunities provided*	Home	■Contact us ■Investor centre / General information ■*"Send us an e-mail to notify us of problems or suggested improvements"*.	■Physical / postal addresses Tel no and fax no ■More than 10 personal e-mail addresses of staff
3rd Standard Corporate and Merchant Bank		**Primary / Homepage** ■*Focus on customer enquiries and service: Ample opportunity* ■*No specific feedback opportunity for other interest groups*	Home	■Contact us ■General customer enquiries	■Physical / postal addresses Tel no's of all different divisions. ■E-mail generator (mailto) (Information@scmb.co.za)

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*New structured online form with open message field added* ■*Online site survey added*	Home	■Contact us "Comments" ■Pop-up box with *"We are interested in your feedback on our site".*	■Office locations with physical / postal addresses Tel no's of all different divisions. ■New structured online form with open message field ■Corporate and Investment Banking website survey – online
4th Pick 'n Pay Retail (Pty) Ltd	**Primary / Homepage** ■*Focus on customer enquiries and service* ■*No specific reference to feedback opportunity for other interest groups but general structured page can be used*	Home	■Contact us *"P&P values its customers and listens to what they have to say. If you have a complaint, query or suggestion, please feel free to contact us using either the contact numbers below or our online query form".*	■Customer care line: Toll free no. Switchboard no. Shopping call centre - 0860 ■Structured online form with open message field ■Tel no's, e-mail addresses (mailto's) and photos of CEO, Director Group Finance and Legal
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities provided*	Home	■Contact us	■Pick 'n Pay Go Banking client care centre – 0860 654 222
5th Barloworld Limited	**Secondary** ■*Specific reference to feedback opportunity for any member of interest groups.*	Give us Feedback	■Give us feedback *"To get more information about Barloworld, ask us a question, or share your ideas and suggestions, please use this form".* *"What are your specific comments or questions?"*	■Postal address Tel no and fax no ■Structured online form with open field ■Global contact list

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 ■**Shift to Primary / Homepage** ■*No major changes to rest of feedback opportunities*	Home	■Contact us *Give us feedback* *"To get more information about Barloworld, ask a question, or share your ideas and suggestions, please use this form".* *Global contact list	■Postal address Tel no and fax no ■Structured online form with open field ■Global contact list
6th Accenture (South Africa) (Pty) Ltd	**Primary / Homepage** ■*Focus slightly more on customers (request services) and employees.* ■*Specific reference to feedback and opportunity for members of interest groups in open field under "General questions and comments".* ■*Ample contact / feedback opportunities*	Home	■Contact us *"We welcome and value your feedback. Please feel free to get in touch with us by utilising the contact details provided".* ■Submit a request for information ■General questions and comments ■Connect with Accenture alumni ■Website comments	■Key contacts ■Browse contacts ■E-mail / mailto

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
			■Proposal for services ■Website feedback and comments ■Contact us: • Accenture employees • Supplier / advertising • Job seekers • Current or prospective clients ■Key contacts	■Structured online form with open comment field ■Structured online form without open field ■Structured online form with open comment field Request forms ■Key tel. no's, physical and postal addresses in different cities
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered. Slightly more user friendly.* ■*How can we help you" – Inserted in left hand of every page*		■Contact us: general questions or comments ■*"To enquire about our services, call 1 (312) 7373-8842 or send us an e-mail"* ■*How may we help you?* (On every page)	■Structured online form with open comment field

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
7th Nedcor Limited	**Primary / Homepage** ■*No specific reference to feedback or opportunity for members of all interest groups* ■*No specific appreciation of feedback and comments expressed*	Home	■Contacts ■Group addresses ■Tip-offs anonymous: Web contacts ■Administrative detail	■Physical / postal addresses Tel no's and fax no's ■E-mail addresses and relevant websites ■Toll free no ■Head Quarters: tel/fax/e-mail Physical / postal address Tel and fax no's E-mail addresses ■Particulars of auditors / attorneys etcetera.
			■Corporate communication contacts for Investor Relations ■Economic contacts	■Physical / postal addresses Tel no's and fax no's E-mail addresses

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.* ■*Still no specific reference to feedback or opportunity for members of all interest groups*	Home	■Contacts 　*Admin details 　*Group addresses 　*Web contacts	Same as above
8th Pfizer Laboratories (Pty) Ltd	**Primary / Homepage** (Consumer and assistance programmes) **Secondary for general feedback** ■*Focus on patient assistance programmes, products and consumers* ■*No specific reference to feedback or opportunity for members of interest groups*	Home	■Contact ■Assistance and information for shareholders ■Headquarters detail	■Contact details for information on: Patient assistance programmes Products ■Physical / postal addresses ■Tel no's ■Web address ■Contact details and e-mail for shareholders

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** (Consumer and assistance programmes) **Secondary for general feedback** ■*No major changes to feedback opportunities offered.* ■*Still no specific reference to feedback or opportunity for all stakeholder members*	Home	■Contact	-
9th South African Revenue Service (SARS)	**Secondary** ■*Although focus is on customers, there is specific reference to "general feedback and suggestions" plus an opportunity.*	Contact us	■■Contact us: ■General feedback: *"My query or suggestion is about"* ■Feedback to Marketing: *"Comments"* ■Website feedback ■Maps of offices ■List of offices	■Structured online form with open comment field ■Structured online form with open comment field

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD

	UPDATE: Dec 2004
	
	 ■**Shift to primary listing on homepage**
	
	 ■*Although focus is on customers, there is specific reference to "general feedback and suggestions" plus an opportunity to give feedback.*
		Home	■Contact us: *"Send us your comments and suggestions"*
			     *General feedback
			     "My query or suggestion is about:"*
			     *Feedback to marketing
			     *Website feedback
			 ■Contact a SARS office
				■Feedback categories
				
				 ■Structured online form with open comment field
				 ■Structured online form with open comment field

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
10th Mobile Telephone Networks (Pty) Ltd (MTN)	**Primary / Homepage** ■*Specific reference to issues, comments and suggestions* ■*Ample opportunity to provide feedback and comments in different sections of website*	Home	■Contact us ■Speak 2 MTN *"An area for open discussion on topics and issues relating to us. We are committed to open and transparent dialogue with our stakeholders, so come on in and join the debate".* *"About an issue, comment or suggestion"* ■■Contact us: Send an e-mail or give us a call ■Website comments ■MTN customer services ■Who do I call? ■Our postal address ■Developers forum: For ideas for a new product or service	■MTN Group: physical / postal addresses Tel and fax no's ■E-mail generator (mailto) (speak2mtn@mtn) ■Structured online form with open message field ■Physical / postal addresses Tel and fax no's

TOP TEN COMPANIES ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY) General summary	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered, although simplified and new wording. "The human touch" was added.*	Home	■Contact us *"The human touch – Sometimes, all we need is human contact. Using our online feedback form, e-mail or your MTN cell phone, contact us. We'd like to hear from you."*	■Contact details: physical / postal addresses Tel and fax no's and mailto e-mail addresses ■Structured online form with open message field

Table 8:
CONTENT ANALYSIS OF OTHER TOP COMPANIES' ACCESSIBILITY TO INFORMAL FEEDBACK INPUT AS IDENTIFIED FROM THEIR RESPECTIVE CORPORATE WEBSTER (First phase: January 2004. Second phase updates: December 2004))

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
11. ABSA	**Primary / Homepage** ■*Specific reference to compliments, complaints and enquiries* ■*Comprehensive list of tel no's, e-mail addresses fax no's.*	Home About Absa	■■Contact us ■General contacts ■■Customer service ■Compliments, complaints and enquiries ■"*Phone our action line number*"	■Switchboard, general enquiries, Action Line: tel and fax no's. ■Contact details per region and division ■E-mail generators (mailto) ■Structured online form with open comment field ■Action Line 0800 – tel no.
	UPDATE: Dec 2004 **Primary / Homepage** ■Feedback opportunities on homepage have been extended to include suggestions on how to improve services ■*Furthermore, no major changes to feedback opportunities offered.*	Home	■Contact us ■Customer service: Contact us: 0800 414141 ■Tell us how to improve our service: *"Absa invites you to tell us how to improve our service. Visit any Absa branch or send an e-mail to service@absa.co.za with your suggestions".*	■Same as the above

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
12. BHP Billiton	**Primary / Homepage** ■*Good opportunity for contact and feedback. Feedback is mentioned.*	Home About us	■Feedback ■Contact details ■E-mail us	■E-mail generators (mailto) ■Physical / postal address Tel and fax no's E-mail addresses ■E-mail generators (mailto)
	UPDATE: Dec 2004 ■*No major changes to feedback opportunities.* ■Feedback: structured online form with open comment field added ■IMPROVEMENT	Home		■Feedback: structured online form with open comment field added ■*There are "contact details" divisions under three different buttons on the homepage*
13. BMW South Africa	**Primary / Homepage** ■*Good opportunity for contact, feedback and comments.* ■*Feedback is mentioned and welcomed and there is a structured online form.*	Home	■■Contact ■How can we help? ■*"Send a Question or Comment to BMW."* ■*"Have BMW call me"* ■■Your input on service ■"*BMW appreciates the ongoing feedback of South African motorists in official research studies… but would also like to encourage BMW drivers to provide feedback regarding their service experience…."*	■Physical / postal address Tel and fax no's E-mail addresses ■Structured online form with open comment field ■Structured online form with open comment field ■Customer care number - 0800

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
14. British American Tobacco (South Africa)	**Primary / Homepage** ■*Good opportunity for contact, feedback and comments. Is labelled as "feedback".*	Home	■Contact us *"We welcome feedback on what we are doing. We're always open. Why not drop in?"* *"We welcome your questions or feedback on any aspect of our business".*	■Physical / postal address ■Structured online form with open comment field
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
15. Cashbuild	**Primary / Homepage** ■*Excellent opportunities for contact, feedback and comments* ■*Feedback and contact us buttons are separated*	Home	■Feedback *"…we promote feedback from our valued customers to improve on our service".* ■Contact us ■Investment centre	■Questionnaire with four open fields ■Physical / postal address Tel and fax no's ■Response form: structured online form with open comment fields
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
16. Coega Development Corporation (Pty) Ltd	**Primary / Homepage** ■*Ample opportunity for contact, feedback and comments. Also called "feedback".*	Home	■Feedback ■Contact info	■Feedback form Structured online form with open comment field ■Physical address Tel and fax no's and e-mail address
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-

17. Deloitte.	**Primary / Homepage**
	
	■*Good opportunity for contact, feedback and comments but not labelled as "feedback".*
		Home	■Contact
			  ■Contact us
			
			  ■Contact
			
			■Alumni
				■Structured online form with open comment field
				■General tel no.
				■For our location and general contact no's – click here
				  Search contact details per name/ business unit
				■Update particulars – stay in contact

	UPDATE: Dec 2004 **Primary / Homepage** ■Name changed to *Deloitte,* instead of *Deloitte and Touche.* ■*No major changes to feedback opportunities offered.*	Home	■The following were added under "Contact us": • E-mail us • Office locator • Submit a RFP (request for….)	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD

18. Dupleix Liquid Meters (DLM) Limited	**Primary / Homepage**
	
	■*Good opportunity for contact and comments but NOT labelled as "feedback".*
	■*No invitation for feedback but rather on info.*
		Home	■Contacts
			
			■Request info
				■Contact information:
				  Physical / postal address
				  Tel and fax no's
				  E-mail addresses
				  Branch contact Information
				■Structured online form with open field for "info needed".

	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
19. Edgars Consolidated Stores	**Primary / Homepage** ■*Good opportunity for feedback and comments but NOT labelled as "feedback".*	Home	■Contact ■Contact us "*We are continuously trying to improve and update our site, and welcome any suggestions, complaints or queries*".	■Contact details on homepage: physical and postal address ■Structured online form with NO open field. Choose one of three options. Response follows by Edcon.
	UPDATE: Dec 2004 **Primary / Homepage** ■Open field added to structure online "Contact us" form ■*Furthermore no major changes to feedback opportunities offered.*	Home	■Contact us	■Open field added to structure online "contact us" form

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD

20. Eli Lilly (SA) (Pty) Ltd	**Primary / Homepage**
	
	■*No mention of "feedback" and no online form. Bad stakeholder feedback opportunities*
		Home	■■Contact
			  ■Contact us
			
			■Shareholder services
				■Worldwide headquarters:
				  Physical / postal address
				  Tel and fax no's
				  E-mail addresses
				  Branch contact Information
				■Physical / postal address
				  Tel no
				  Internet address

	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	■General mailto e-mail: schwegmann_jeanette_l@lilly.com

21. Ericsson South Africa (Pty) Ltd	**Primary / Homepage**
	
	■*Good opportunity for feedback and comments on mailto e-mail as well as structured online form*
		Home	■■Contact
			■General contact: Questions and comments – *"Do you have a question or comment for Ericsson? We welcome any feedback you have". "Ericsson values your feedback and we will do our best to provide you with an answer promptly"*.
			■Press contacts
			■Direct contacts
			■Ericsson enterprise offices – contacts
				■Structured online form with open question / comment field
				
				■Tel and fax no's
				  E-mail addresses
				
				■Tel and fax no's
				  E-mail addresses
				  Branch contact Information

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
22. Ernst & Young	**Primary / Homepage** ■*Good contact details and comments opportunity with mailto's and structured forms* ■*NOT labelled as "feedback".*	Home	■Contact us ■PR and media contact ■Keep in touch: alumni ■Locations in SA	■Structured online form with open comments field ■Physical / postal address Tel and fax no's ■Alumni relations contact person's tel no. and e-mail address Alumni update form: structured online – no open comments field. ■Names of contact persons Physical / postal address Tel and fax no's
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
23. Eskom Holdings	Secondary / feedback / contact details ■*Ample opportunity for feedback/comments*	■Feedback	■Feedback ■Log a service information request ■Log in a service compliment ■Contact details: contact centres	■Structured online form with open mail message field ■Structured online form ■Structured online form ■Tel no's and map with directions, SMS, e-mail addresses, share calls, fax no's. ■Question with yes/no possibilities to click
		■Home	■Opinion meter on homepage	
	UPDATE: Dec 2004 ■Shift to primary/homepage position ■*For rest, no major changes to feedback opportunities offered.*	Home	■Feedback	■Structured online form with open mail message field
24. Execujet South Africa	**Primary / Homepage** ■*No access for online comments*	Home	■Contact us > enquiries	■Physical / postal address Tel and fax no's, e-mail address SITA address
	UPDATE: Dec 2004 **Primary / Homepage** ■*Contact us > enquiries changed to online form with open field*	Home	■Contact us > enquiries	■Contact us > enquiries ■Structured online form with open field: "*Use the form below to send us your comment/enquiry*".
25. Exel Petroleum (Pty) Ltd	**Primary / Homepage** ■*NO e-mail, fax or feedback/ comment form* **(Excel was taken over by Sasol)**	Home	■Contact telephone numbers	■Tel no's

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	NO UPDATE POSSIBLE	-	-	-
26. Flight Centre Limited	**Primary / Homepage** ■*Separate "Contact us" and "Feedback" buttons on homepage.*	Home	■Contact us ■Feedback ■Online enquiry	■Physical address and tel no's of all branches. Call 0860-number for nearest store ■Simple structured online form with open comments field. Only ask for e-mail address.
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
27. Fresh Produce Terminals (Pty) Ltd	No communication feedback ■*No real opportunity for feedback – only comments and questions about website*	-	■*"Send mail to… with questions and comments about this website".*	■Mailto e-mail address Postal address, tel no, fax no and Web address
	UPDATE: Dec 2004 No communication feedback ■*No major changes to feedback opportunities offered.*	-	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
28. Global Resorts SA (Pty) Ltd (Peermont Global)	**Primary / Homepage** ■*Contact details and short structured form on one page. No mentioning o ” feedback as such* (The company's name changed to Peermont Global)	Home	■Contact us	■Physical / postal address Tel and fax no's E-mail and Web address ■Structured online form with open comments field
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	■Contact us	■Physical / postal address Tel and fax no's E-mail and Web address ■Mailto e-mail address
29. Grintek Limited	**Primary / Homepage** ■*All relevant addresses, tel no's and mailto e-mail address are listed on homepage – right hand side* ■*Contact details are repeated and feedback is welcomed.*	Home	■Contact / Contact us *"We welcome feedback from our customers, so please use this facility to let us know your views and comments, or ask any questions about our products, systems and services. We are committed to continuous improvement so any comments that you have, positive or negative, are most welcome"*.	■Physical / postal address Tel and fax no's, e-mail address (mailto) are listed <u>on homepage</u> ■The above is repeated on the "contact us" page with structured online form with open comments field as well as open field titled *What brought you to Grintek's Homepage?*
	UPDATE: Dec 2004 **Primary / Homepage** ■*Online form not linked* ■*No major changes to feedback opportunities offered.*	Home	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
30. Hannover Reinsurance Africa Limited	**Primary / Homepage** ■*Provision for both contact details and feedback*	Home	■Contact us 　■E-mails provided for general information and customer care 　■Worldwide offices' contact detail 　■Feedback ■Investor relations	■Physical / postal address 　Tel and fax no's of different divisions and 2x e-mail addresses (mailto) listed ■Feedback form consists of short research questions about website as well as structured online form with open comments field ■Mailing address with names, photographs and contact details of investor relations staff and Head of Corporate Communication with e-mail addresses (mailto's) ■Feedback form is linked
	UPDATE: Dec 2004 **Primary / Homepage** ■*Lost of feedback button and structured online feedback form*	Home	■Contact us and worldwide offices	-
31. Harmony Gold	**Primary / Homepage** ■*No provision for online feedback or structured feedback form with open comments field.*	Home	■Direct contacts 　Corporate information – Corporate office, Australian office, Company Secretary ■Register for alerts: *"To keep users of the site updated on events at Harmony, we need some generic information. The information received will be used exclusively to keep you abreast of events at Harmony."*	■Physical / postal address 　Tel and fax no's 　E-mail and Web addresses 　Mailto's to Marketing Director, IR Officer, Company Secretary and Webmaster ■Structured form

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	■Contacts	■No structured form
32. Hewlett-Packard South Africa (Pty) Ltd	**Primary / Homepage** ■*Many contact details and mailto e-mail addresses* ■*No structured feedback form with open comments field* etcetera.	Home	■Contact HP	■Call HP, e-mail HP (mailto's for: Sales and pre-sales questions, support of Compaq and HP products, general questions, training sessions, HP events, financial services etcetera) ■Feedback to webmaster (mailto) ■Physical address, tel no and fax no of HP service centre
	UPDATE: Dec 2004 **Primary / Homepage** ■No mentioning of feedback ■*No major changes to feedback opportunities offered.*	Home	■Contact HP • E-mail HP • Call HP • Find HP Homepage: "*Any questions? Get a free call from HP?*"	-
33. Hollard Insurance Group	**Primary / Homepage** ■*Good contact and feedback opportunity* ■*NOT branded as' feedback'*	Home	■■Contact us "*If you use our contact form below, please make sure you fill in all fields so we can deal with your problem or request quickly and efficiently*". ■Regional Contact Information ■Contact us	■Structured online form with open comments field ■Physical / postal sddress, tel and fax no's ■Tel, fax and general e-mail address

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■**Minor changes**	Home	■Contact us • Head office details • Divisional details • Contact by e-mail • Maps Jobs @ Hollard	■Contact e-mail: *"With Hollard Insurance It's Sorted. Fill in the contact form below if you are experiencing any problems, so we can indeed make sure It's Sorted".*
34. IDCS	**Primary / Homepage** ■*No mention of "feedback" and no online form*	Home	■Contact us	■Physical / postal address, tel and fax no's + six e-mail addresses (mailto's) ■General information e-mail address
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
35. Ingwe Collieries Limited	**Primary / Homepage** ■*No mention of 'feedback'. Contact e-mail only refers to webmaster. No online form.*	Home	■Contact details	■Physical / postal address, tel and fax no's and e-mail Address to webmaster (mailto's)
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	■Mailto Marketing Department

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
36. Kumba Resources Limited	**Primary / Homepage** ■*No mention of "feedback" and no online form*	Home	■Contact us Investor Relations Contact	■Physical / postal address, tel and fax no's + e-mail addresses of Corporate Comm/Affairs, Investor Relations Enquiries (mailto's) Directions to corporate centre etcetera.
	UPDATE: Dec 2004 **Primary / Homepage** ■*Major change. "Feedback" and "Contact us" now separate buttons on homepage.*	Home	■Feedback forum: "*We welcome your feedback on this site. Click here.*"	■IR enquiries, ■Media enquiries, ■General enquiries. ■Feedback: Structured online form with open field. Complaint, problem, suggestion, comment or praise.
37. Liberty Group Limited	**Primary / Homepage** ■*No mention of "feedback" or online form.* ■*Contact details/ e-mail enquiries concentrate on product and policy and not general feedback and comments*	Home	■Contact us / contact (twice on homepage) ■Investor Relations	■Physical / postal address, tel and fax no's + e-mail addresses for policy and product queries and website and financial planning suite queries ■Business unit call centre contacts: Tel and fax no's (0800-numbers) ■Directions to Liberty Centre ■Physical / postal address, tel and fax no's + e-mail addresses of Group Corporate Comm and Investor Relations, Call centre etcetera.

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*Only feedback on site* ■*No further major changes*	Home	■Contact • Contact us • Contact your Liberty financial advisor • Where to find us • Site feedback • Ombudsman queries "*What do you think about our site? We would appreciate your feedback.*"	■Structured online form with open field.
38. M-Net	**Primary / Homepage** ■*No general mention of "feedback" or online form.*	Home "Queries? Send us an e-mail" on homepage	■■Contact information ■M-Net contacts ■Contact us	■E-mail addresses (mailto's) of all divisions and programmes (Egoli/KTV/ KykNet etcetera.) and general e-mail address ■Multichoice customer service tel no's ■Contact list of MdotNet (e-mail mailto's) ■Names of staff members, tel, cell no's and e-mail addresses
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.* ■Emphasis still on programme info and customer with no corporate feedback opportunities	Home	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
39. Matrix Vehicle Tracking	**Primary / Homepage** ■*No general mention of "feedback" or online form and no encouragement to contact company or to provide comments and feedback*	Home	■Contact us	■Physical / postal address, tel and fax no Sales foll free (0800) no.
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
40. Microsoft South Africa (Pty) Ltd	**Primary / Homepage** ■*Ample encouragement for feedback and invitation to provide feedback and comments*	Home	■Contact us 1 "*We are dedicated to ensuring that all your enquiries are answered to your satisfaction. If you have arrived at this page you either have a question or would like to send us some feedback. Hopefully this page will lead you to the answers you seek. If not, please send us your question/feedback and we will come back to you within 48 hours*". ■Complaint management team "*Microsoft SA has formed a Complaint Management Team to deal with any negative feedback from customers. The aim is to fix any unpleasant experiences with Microsoft and to restore trust in the company, its products and its staff members*". ■Contact us 2	■Contact us by tel and fax ■Contact us by e-mail (mailto's) ■0860-number and e-mail address of complaint management team ■Structured online form with open comments field

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■Some changes: "Contact us" moved in under "Corporate info" button. This is difficult to find. It is not branded as "feedback" on the homepage.	Home	-	-
41. Network Healthcare Holdings Limited	**Secondary / About us** ■*Ample opportunity for comments / feedback although not called "feedback" and not listed on homepage.*	About Us	■Contact us ■Evaluation form: evaluation of experience ■Contact information: Investor Relations	■Physical / postal address, tel no ■Structured online form for evaluation of experience in hospital and with open comments field ■Name of person, tel and fax no, e-mail address) mailto ■Netcare operations: physical / postal address, tel and fax no's ■Shareholder services: physical / postal address, tel and fax no's
	UPDATE: Dec 2004 **Primary / Homepage** ■Major changes: "Contact us" moved to primary / homepage spot. No reference to "feedback" however.	Home	■Contact us	■Structured online form removed. Now only maito e-mail addresses

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
42. Nissan South Africa (Pty) Ltd	**Primary / Homepage** ■*Contact information concentrates on product info* ■*No mention of general feedback or online form with open comments field*	Home	■Contact Nissan 　■Nissan information centre 　■Customer support centre 　■Info request: "*To be used for obtaining further information relevant to product specifications, promotions etcetera – InfoDesk@nissan.co.za.* "	■0800-tel no. ■E-mail address (mailto) ■E-mail address (mailto)
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
43. Pep Limited	**Primary / Homepage** ■*No mention of general feedback or online form with comments open field*	Home	■Contact us	■Physical / postal address, tel and fax no ■E-mail address (mailto)
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
44. Poynting Innovations (Pty) Ltd	**Primary / Homepage** ■*Contact information concentrates on product info* ■*No mention of general feedback or online form with open comments field*	Home Contact listed twice on homepage	■Contact Contact Poynting ■Directions to Poynting	■Tel and fax no's and e-mail addresses (mialto's) of different divisions Australian agents – Web / e-mail address
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	■Toll free number: 0800 443 443 info@poynting.co.za

45. PricewaterhouseCoopers	**Primary / Homepage**
	
	■*Good opportunities for feedback and comments with either mailto's or 2x structured forms*
		Home	■Contact us – Southern Africa
			    ■Your comments and suggestions
			    ■Give us your feedback
				■Structured online form with open comments/questions field
				■Structured online forms with open comments/questions field
				■Maps, locations, fax / tel details

	UPDATE: Dec 2004
	Primary / Homepage
	■Excellent feedback opportunities offered
		Home	■Contact us (x2)
			■Give feedback
				■More than one structured online form
				  • General questions and comments
				  • *Give us your feedback*
				■Offices in SA listed

46. Railit Total Transport	**Primary / Homepage** ■*No mention of general feedback or online form with open comments field*	Home	■Contact: *"Click here for contact details of our regional branches and branch managers"* Gauteng Region	■Physical / postal address, tel and fax no ■Name of contact person(s) for each region with their e-mail addresses

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■Major change: Feedback is now a separate button on the homepage	Home	■Contacts ■Feedback "*All comments and suggestions about this website are very welcome and a valuable source of information for us. THANKS*".	■Structured online feedback form that is aimed at website feedback.
47. Rand Merchant Bank	**Secondary / Content** ■*No mention of general feedback or online form with open comments field* ■*Site is much too complicated*	Content	■Physical and postal addresses ■Contacts	■Physical and postal address, tel and fax no's and general info e-mail (mailto) ■Name of contact person(s) for each division with their e-mail addresses (Including Client Relations)
	UPDATE: Dec 2004 ■*No major changes to feedback opportunities offered.* ■*Site is still much too complicated and unfriendly to stakeholders* ■*Still no "feedback" or "Contact us" buttons*		-	■Physical and postal addresses under "About us"
48. Rand Water	**Primary / Homepage** ■*No mention of general feedback with emphasis on customer care*	Home	■■Contact us ■Structured form's open field: "*What would you like to know?*" ■"Mail us" ■Customer Service Centre – 0800	■Structured online form with open comments field ■Physical and postal address, tel and fax no's and general info e-mail (mailto) ■Toll free number – 0800 / customer service e-mail

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*Change: Feedback form under "Discussion Forums" added*	Home	■Discussion • Forum's discussion • Forum Feedback Form	■Mail us – customerservice@randwater.co.za
49. RCI Southern Africa	**Primary / Homepage** ■*No mention of general feedback or online form with open comments field*	Home	■Contact us (x2)	■RCI contact centre's tel no. (0822) ■Physical and postal address, tel and fax no's of every region with option to see directions
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	■Contact us • Contact RCI is easy • Tell us about yourself	■Tell us more: questionnaire – no open field ■General mailto: go@rci.co.za
50. Sea Harvest Corporation	**Primary / Homepage** ■*No mention of general feedback or online form with open comments field. Emphasis only on customer care.*	Home	■Contact "*Please click here if you have any queries or comments about our products*" (mailto)	■Physical and postal address, tel and fax no's and general info e-mail (mailto) ■Customer care hotline (0860-number)
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	Mailto: info@seaharvest.co.za

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
51. Standard Bank Group Limited	**Primary / Homepage** ■*Good contact details and even feedback opportunity as well as correct terminology*	Home	Homepage ■■Contact us ■Feedback: "*The Standard Bank Offshore Group is constantly striving to improve its range of products and services. Should you wish to give any feedback on these or this website, please complete below*". ■Investor Relations ■Contacts	■Customer contact centre's tel no's on homepage (0860 + 011 number) and <u>information@standardbank</u>: e-mail address (mailto) ■General customer enquiries: e-mail address and 0860-number repeated ■Tel no's of all relevant divisions (0860-numbers) ■Structured online form with open "feedback" field ■Contact us – e-mail (mailto) ■Physical and postal address, tel and fax no's and e-mail addresses and names of important personnel
	UPDATE: Dec 2004 Primary/ Homepage ■Changes: "Contact us" button moved under "About us" button ■No feedback or structured online forms. Mailto's only. ■Feedback opportunities decreased	Home	■About us • Contact us	-

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
52. T-Systems South Africa	**Primary / Homepage** ■*Good contact details but not branded as "feedback"*	Home	■Contact: (x2): *"If you have question concerning T-Systems, simply send us an e-mail or contact us on +27 11 254-7400."* - Locations in South Africa	■Structured online form with open "your message" field ■Physical and postal address, tel and fax no's and e-mail addresses of regions - "Click here to view the road map" - International locations
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
53. Telkom SA Limited	**Primary / Homepage** ■*Good contact details and feedback /comments opportunity with mailto's and structured form*	Home	■Contact us (x2) ■Contact list - Contacting Telkom ■Telkom online customer support: *"Please send us your feedback/questions on this page. If you want to, however, order Telkom products and services, please click here".* ■Investor Relations	■Online products and services: free tel no's (10212 etcetera.) ■Structured online form with open comments field ■Physical and postal address, tel and fax no's, general IR e-mail address and names of IR personnel

Other companies ↓	POSITION OF FEEDBACK OPPORTUNITY (PRIMARY (Home)/ SECONDARY)	SECTIONS IN WEBSITES	NAME OF LIVE BUTTON OR TEXT ENCOURAGEMENT OF FEEDBACK	FORMAT/ FEEDBACK METHOD
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.* ■*Buttons not branded as "feedback".*	Home	■Contact us • Online customer support • Contact Telkom • Directory services	■Contacting Telkom
54. Ticor South Africa (Pty) Ltd	**Primary / Homepage** ■*No mention of general feedback or online form with open comments field.*	Home	■Contact details	■Names, tel and fax no's and e-mail addresses (mailto's) of CEO, External Relations Manager and Marketing Manager
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	-
55. Volkswagen South Africa	**Primary / Homepage** ■*Good contact details and structured online comments opportunity but not labelled as "feedback".*	Home	■Need help? Just contact us. "*We would always like to know what's on your mind. So if you have any queries or comments please contact us by completing the form below or e-mailing us. You may prefer to use an alternate method of reaching us* " (link to address etcetera) - Contact us	■Volkswagen call centre – 0860-number ■Structured online form with open message field ■Linked e-mail address – mailto webmaster ■Call centre number and postal address
	UPDATE: Dec 2004 **Primary / Homepage** ■*No major changes to feedback opportunities offered.*	Home	-	■Mailto: "Need help? Just contact us: support@vwconnect.co.za"

5.5.1.1. First phase analysis: January 2004

Table 9: Statistical analysis of feedback opportunities on corporate websites (First half of 2004**)**

n = 55; f = freqeuncy

Descriptor	f	%
Primary position on homepage	48	87.3
Secondary position elsewhere	6	10.9
Mentioning '*Contact*' or '*Contact Us*'	53	96.4
Mentioning 'feedback'	19	34.5
No communication feedback opportunity at all	1	1.8
Provision of both feedback and contact us opportunities (More than just a mention)	2	3.6
Specific text on feedback	9	16.4
Provision of structured online form with open comment field	29	52.7
Provision of structured online form without open comment field	2	3.6
Text welcoming feedback, suggestions, comments or questions	13	23.6
E-mail / Mailto's	34	61.8
Provision of tel, fax no's and postal and physical addresses	53	96.4
No tel and fax no's provided at all	2	3.6
Provision of customer care, toll free or share call no's	15	27.3

According to Table 9 almost all websites (53/96.4%) offer contact particulars such as telephone and fax numbers, as well as postal and physical addresses. Often e-mail addresses, in mailto format, and sometimes the names and even cell phone numbers of contact people are provided.

Thirteen of the researched websites (23.6%) contain text that welcomes feedback, suggestions, comments or questions while 19 of the websites (34.5%) specifically mention the word 'feedback'.

Only nine (16.4%) of the investigated websites have sentences/statements which welcome and motivate readers to specifically provide <u>feedback</u> to the organisation. These statements are as follows :

■ **243** ■

- "Please send us your <u>feedback</u>/questions on this page. If you want to, however, order Telkom products and services, please click here". (Telkom)

- "The Standard Bank Offshore Group is constantly striving to improve its range of products and services. Should you wish to give any <u>feedback</u> on these or this website, please complete below". (Standard Bank Offshore)

- "We are dedicated to ensuring that all your enquiries are answered to your satisfaction. If you have arrived at this page you either have a question or would like to send us some <u>feedbac</u>k. Hopefully this page will lead you to the answers you seek. If not, please send us your question/<u>feedback</u> and we will come back to you within 48 hours". (Microsoft SA) "Microsoft SA has formed a Complaint Management Team to deal with any negative <u>feedback</u> from customers. The aim is to fix any unpleasant experiences with Microsoft and to restore trust in the company, its products and its staff members". (Microsoft SA)

- "We welcome <u>feedback</u> from our customers, so please use this facility to let us know your views and comments, or ask any questions about our products, systems and services. We are committed to continuous improvement so any comments that you have, positive or negative, are most welcome". (Grintek)

- Do you have a question or comment for Ericsson? We welcome any <u>feedback</u> you have". "Ericsson values your feedback and we will do our best to provide you with an answer promptly". (Ericsson)

- "…we promote <u>feedback</u> from our valued customers to improve on our service". (Cashbuild)

- "We welcome <u>feedback</u> on what we are doing. We're always open. Why not drop in?" "We welcome your questions or <u>feedback</u> on any aspect of our business". (British American Tobacco)

- "BMW appreciates the ongoing feedback of South African motorists in official research studies, but would also like to encourage BMW drivers to provide <u>feedback</u> regarding their service experience…." (BMW)

- "We welcome and value your <u>feedback</u>. Please feel free to get in touch with us by utilising the contact details provided". (Accenture)

Similar statements, that also motivate comments, questions and suggestions without

specifically using the word 'feedback' are:

- Tell us what you need from the communications department". (SABMiller)

- "We would always like to know what's on your mind. So if you have any <u>queries or comments</u> please contact us by completing the form below or e-mailing us. You may prefer to use an alternate method of reaching us "(link to address etcetera). (Volkswagen SA)

- If you have a <u>question</u> concerning T-Systems, simply send us an e-mail or contact us on +27 11 254-7400." (T-Systems)

- "Please click here if you have any <u>queries or comments</u> about our products" (Mailto). (Sea Harvest Corporation)

- What would you like to know?" (Rand Water)

- "To be used for obtaining further <u>information</u> relevant to product specifications, promotions etcetera. – <u>InfoDesk@nissan.co.za</u>" (Nissan SA)

- "If you use our contact form below, please make sure you fill in all fields so we can deal with your <u>problem or request</u> quickly and efficiently". (Hollard Insurance)

- 'We are continuously trying to improve and update our site, and welcome any <u>suggestions, complaints or queries</u>". (Edgars)

- "An area for open discussion on topics and issues relating to us. We are committed <u>to open and transparent dialogue</u> with our stakeholders, so come on in and join the debate. "About an <u>issue, comment or suggestion</u>". (MTN)

- "To get more information about Barloworld, ask us a <u>question, or share your ideas and suggestions</u>, please use this form. What are your specific <u>comments or questions</u>?". (Barloworld)

- "P&P values its customers and listens to what they have to say. If you have a <u>complaint, query or suggestion</u>, please feel free to contact us using either the contact numbers below or our online query form". (Pick & Pay)

- "Send us an e-mail to notify us <u>of problems or suggested improvements</u>". (Impala Platinum)

Fifteen (27.3%) of the websites list a toll-free or share call number that stakeholder members can phone if they want to provide feedback. A larger number (29/52.7%) of the investigated websites contain the option of providing feedback and comments via a structured online form with an open field where anything can be typed in.

Forty-eight (87.3%) of the investigated websites offer a primary opportunity for feedback on the homepage, with contact details under a 'contact' or 'contact us' button while six (10.9%) prefer to offer this opportunity for feedback at other places in their websites. This is called a *secondary opportunity for feedback.*

Only two websites separate their *contact particulars* from their *feedback opportunity* by providing separate live buttons for both. This is the ideal because of the fact that if stakeholders can contact you, it does not motivate or suggest to them that they can also provide feedback under the same section of the website.

5.5.1.2. Second phase analysis: December 2004

The targeted 54 organisations' web pages were re-analysed in December 2004 in order to find out whether there were significant changes and/or upgrades in their feedback offerings.

It was found that 18 websites had undergone some changes since the first analysis early in 2004. Of these websites, five (SAB Miller, Barloworld, SARS, Railit and Netcare) had major changes where the feedback/contact offering moved from a secondary listing to a primary listing on the homepage. These are regarded as very good improvements. Other important improvements were on the sites of Kumba Resources where the *Contact Us* and *Feedback* buttons were separated on the homepage and Railit Total Transport where *Feedback* was listed as separate button on the homepage.

Minor improvements to the feedback opportunities listed on homepages took place on the following sites:

- Standard Bank: New structured online form was added

- Accenture: 'How can we help you?' added on homepage
- Absa: Feedback offering extended to include suggestions
- BHP Billiton: Structured online form added
- Edgars: Open field added to structured online form
- Execujet: Structured form with open field added

Hollard's and Microsoft's websites also underwent minor changes where '*Contact Us'* was moved to '*Corporate Info'* in Hollard's case.

The only site that had deteriorated significantly was that of Hannover, which deleted the feedback button as well as the structured online form. Details of the re-analysis can be found in Table 7 and Table 8.

5.5.2. Research method two

The same 54 organisations, previously described in research method one, were targeted by the questionnaire sent to them by e-mail. The initial e-mailing was followed-up by a telephone conversation with each and every organisation.

During the telephone conversations, the researcher tried at first to speak directly with the communication or marketing managers of the respective organisations. Often this was not possible as the organisations did not employ communication or, in some cases, even marketing managers. Table 10 shows the vast number of different designations of respondents who eventually responded to and completed the questionnaire.

During these telephone conversations the most suitable person was identified to complete the questionnaire, the correctness of e-mail addresses was verified and the aim of the study was explained. The vast majority of respondents was reminded and motivated an average of five times each, either by e-mail or telephonically, before their actual responses were received.

The details and coding of the respondents from the respective organisations are as follows:

Table 10: Details and coding of the respondents of the questionnaire

Respon-dent no.	Designation	Code	Organisation	Code
1	HR Director	01	Eli Lilly	01
2	Tender and Comm Manager	02	IDCS	02
3	General Manager: Group Comm. and Public Affairs	03	Absa	03
4	Marketing and Comm Manager	04	Coega	04
5	Marketing Manager	05	Standard Bank	05
6	Communications Manager	06	SAB-Miller	06
7	Chief Executive Officer	07	Cashbuild	07
8	Marketing Communications Manager	08	Volkswagen SA	08
9	General Manager: Corp. Comm	09	Pick 'n Pay	09
10	Marketing Director	10	Harmony Gold Mining	10
11	Communications Manager	06	Ernst & Young	11
12	Senior Manager: Marketing	11	Accenture	12
13	Executive Corporate Communication	12	Telkom	13
14	Public Relations Officer	13	Impala Platinum	14
15	People Support Director	14	Pep Stores	15
16	Senior Manager	15	Hannover Life Insurance Africa	16
17	Group Marketing Executive	16	Global Resorts (Peermont Global)	17
18	Communication and Philanthropy Manager	17	Pfizer Laboratories	18
19	Corporate Communication Manager	18	Rand Water	19
20	Public Relations Co-ordinator	19	RCI	20
21	Communication Manager	06	PricewaterhouseCoopers	21
22	Regional Sales Manager	20	Poynting Innovations	22
23	Manager: External Relations	21	Ericsson	23
24	Manager: Internal Communication	22	Kumba Resources	24
25	Marketing Communication Manager	08	Microsoft SA	25
26	General Manager: Marketing	09	Fresh Produce Terminals	26
27	Internal Communications Manager	22	Hollard Insurance	27
28	Head: Public Affairs	23	Rand Merchant Bank	28
29	Communications Manager	06	British American Tobacco SA	29
30	Internal Communication Manager	22	Nissan	30

The intention of the questionnaire was to provide the researcher with further qualitative evidence and a descriptive analysis of the 54 targeted organisations' profiles of feedback accessibily and opportunities, as well as their views on informal feedback, the organisational grapevine and learning. It was therefore not aimed at providing extensive quantative statistics and advanced statistical analysis.

However, the following simple frequency data sets provide interesting insights.

FREQUENCY DATA SET - QUESTIONNAIRE

- * Indicates the most popular choice for any specific question or statement.

- ^ Indicates the second most popular choice for any specific question or statement.

Table 11: Designations of respondents

V2

Code	Frequency	%	
1	1	3.33	HR Director
2	1	3.33	Tender and Comm Manager
3	1	3.33	General Manager: Group Comm. and Public Affairs
4	1	3.33	Marketing and Comm Manager
5	1	3.33	Marketing Manager
6	**5**	**16.67***	**Communication Manager**
7	1	3.33	Chief Executive Officer
8	**2**	**6.67^**	**Marketing Comm. Manager**
9	**2**	**6.67^**	**General Manager: Marketing**
10	1	3.33	Marketing Director
11	1	3.33	Senior Manager: Marketing
12	1	3.33	Executive Corporate Communication
13	1	3.33	Public Relations Officer
14	1	3.33	People Support Director
15	1	3.33	Senior Manager
16	1	3.33	Group Marketing Executive
17	1	3.33	Communication and Philanthropy Manager
18	1	3.33	Corporate Communication Manager
19	1	3.33	Public Relations Co-ordinator
20	1	3.33	Regional Sales Manager
21	1	3.33	Manager: External Relations
22	**3**	**10.00^**	**Internal Comm. Manager**
23	1	3.33	Head: Public Affairs

The designations of respondents differ vastly. Although the questionnaire was originally aimed at communication managers, it was mostly completed by respondents in other designations. This is mainly because the specific organisations do not employ a communications expert as this function is often handled by staff in other designations.

The communication function is often also handled by an *integrated communication and marketing department* or by the *marketing department* as such. Nine (30%) respondents, who indicated that informal feedback issues are handled by an integrated marketing and communication department, confirmed this.

From the 30 respondents, 20 (66.7%) have the words *"communication(s)", "public relations", "public affairs"* or "*internal/external relations*" in their job title. Another six (20%) respondents have *"marketing"* or *"sales"* as descriptive terms in their job titles. Only four (13,4%) of the respondents had other job titles such as *Human Resources Director*, *Chief Executive*, *People Support Director* and *Senior Manager*.

Table 12: Different departements who attend to informal feedback input

V4		freq	%
1	Corporate communication department.	7	23.33^
2	Marketing department.	4	13.33
3	Corporate intelligence department.	0	0
4	Integrated marketing and communication department.	9*	30.00*
5	Other department.	1	3.33
6	No specific department attends to informal feedback.	9	30.00

From the results in Table 12 one can conclude that mostly integrated marketing and communication departments (9/30%), in the targeted population, attend to the collection and interpretation of informal communication feedback. The same percentage (30%) of respondents indicated that there is no specific department in their organisation who attends to informal feedback. This is a huge concern for the researcher due to the fact that, while no specific department attends to informal feedback collection, the chances are good that NO department will be responsible for the collection thereof.

The *corporate communication department.* as the department that attends to informal feedback, was ranked third with 7/23.33%. This should be the preferred central point for informal feedback collection to take place.

Only four (13.33%) of the respondents indicated that their marketing department – as a single department or function – is involved in the collection and interpretation of informal feedback inputs.

It is also interesting to note that no respondents or organisations indicated the corporate intelligence department as an attending department. Despite it being a fairly general term in the reviewed literature, it seems it is not as relevant in the South African context.

Table 13: Time frames for collection of informal feedback input

V5		freq	%
1	As and when it is received.	13*	43.33*
2	On a daily basis.	1	3.33
3	On a weekly basis.	3	10.00
4	Ad hoc – depending on the perceived importance of the feedback input.	12^	40.00^
5	None of the above.	1	3.33

According to Table 13 the majority of respondents (13/43.33%) collect informal feedback inputs as and when received. This is underlined by the 40% (12) respondents who attended to these feedback issues in an ad hoc manner, depending on the perceived importance of the feedback input.

The problem with this statement is that the perceived importance of the informal feedback is limited and subjective to the judgment of one person. The danger exists that one person's view on a perceived minor feedback issue may overlook the latent strategic impact potential of the issue. This may become a major strategic challenge, if ignored. The *Informal Feedback Yardstick* evaluation process has the potential to play a major role in this instance in eliminating potential subjectivity amongst communication managers when evaluating different informal feedback inputs.

It is of some concern that the low percentage of 13.33% of respondents indicated that they attend to informal feedback collection on a daily or at least on a weekly basis.

Table 14: Media and methods used in obtaining informal feedback

		freq	%
V6 1	Web page with structured feedback / "contact us" forms / mailto e-mail addresses	23*	76.66*
V7 2	Through direct observation of customers or staff	24*	80.00*
V8 3	Postal addresses published in literature or on the web	11	36.66
V9 4	Information obtained from the organisational grapevine	23*	76.66*
V10 5	Telephonic feedback, for example, toll free numbers or customer care lines	20*	66.66*
V11 6	By fax	7	23.33
V12 7	Through voluntary comments made at functions or parties	22*	73.33*
V13 8	Electronic chat rooms or list servers	6	20.00
V14 9	By SMS	2	6.66
V15 10	Word of mouth, rumours or gossip	18^	60.00^
V16 11	Through visible changes in attitudes or behaviour	16^	53.33^
V17 12	Letters to the press and opinions expressed in the media	18^	60.00^

This data (Table 14) provides answers to Research Question 2 *(What media, methods and views currently prevail in the investigated learning organisations with regard to their provision for informal communication feedback opportunities), a*s stated at the beginning of Chapter Five.

The four main accelerators as media and methods that the respondents use in obtaining informal communication feedback are: through direct observation of customers or staff (24/ 80%); websites with structured feedback / "contact us" forms / mailto e-mail addresses (23/ 76.66%); information obtained from the organisational grapevine (76.66%); and through voluntary comments made at functions or parties (22/73.33%).

Apart from the obvious use of webpages and e-mail as feedback media, the popularity of *direct observation of customers and staff*, the *use of the grapevine* as well as *through voluntary comments made at functions* was unexpected. The use of telephonic means (20/66.66%) was expected, although at a higher percentage. It is very interesting to see the relatively low percentage of postal services (11/36.66%), faxes (7/23.33%), and even more so, SMSs at only (2/6.66%).

It seems that SMSs are still a largely under utilised method of obtaining almost instant and easy informal feedback from stakeholders.

Letters to the press (18/60%) as well as word of mouth, rumours and gossip (18/60%) are also fairly popular as media and methods of collecting informal feedback.

Table 15: Views on the importance of informal feedback from different sources

1 = "Disagree Totally" / 5 = "Agree Totally"

	My organisation regards:	1	2	3	4	5
V18	Informal customer feedback regarding products or services as most important.	1 33.3	2 6.67	4 13.33	6^ 20.00	17* 56.67
V19	Only certain informal feedback as important.	6 20.69	6 20.69	7^ 24.14	8* 27.59	2 6.90
V20	Informal feedback from investors as most important.	-	1 4.0	4 16.00	8^ 32.00	12* 48.00
V21	Informal feedback from staff members as most important.	1 3.33	1 3.33	6 20.00	9^ 30.00	13* 43.33
V22	Informal feedback from all stakeholders as important.	-	1 3.33	5 16.67	8^ 26.67	16* 53.33

According to Table 15 respondents emphasised the importance of informal feedback with the main stakeholder groups: customers, investors and staff members. Although the majority agreed that only certain informal feedback is important (8/27.59%), a general spread of respondents, who either disagree (20.69%), disagree totally (20.69%) or are neutral (24.14%) to this statement, exists. Once again the problem lies in deciding what feedback input is important and what is not. The neutral score of 5 (16.67%), on the importance of obtaining informal feedback from all stakeholders, is of some concern (V22).

However, 53.33% of respondents agreed that informal feedback from all stakeholders is important. One can derive from this that in general the respondent organisations place a high value on informal feedback from their stakeholders. This is further illustrated by their views on the strategic value of informal feedback as captured in the following table (Table 15).

Table 16: The perceived strategic role of informal feedback

	My organisation knows that informal feedback:	1	2	3	4	5
V23	Can lead to changes in daily operational plans in the organisation.	2 6.67	4 13.33	2 6.67	12* 40.o	10^ 33.33
V24	Is merely worth taking note of.	5^ 17.24	9* 31.03	9* 31.03	4 13.79	2 6.90
V25	Must be acted upon in relevant cases.	-	-	4 13.79	9^ 31.03	16* 55.17
V26	Can lead to strategic change in the organisation.	1 3.33	5 16.67	4 13.33	12* 40.00	8^ 26.67

1 = "Disagree Totally" / 5 = "Agree Totally

Table 16 indicates that the majority of respondents view informal feedback as useful in adapting daily operational plans (12/40% agree and 10/33.33% totally agree) as well as for leading to strategic change in the organisation (12/40% agree and 8/26.67% totally agree). Respondents also agreed that organisations should act on relevant cases (16/55.17% and 9/31.03%).

It is clear that informal feedback is not viewed as something that is only worth taking note of. However, it is of some concern that 4/13.79% agreed and 2/6.90% agreed totally with this statement V24). This does not correlate with the previously discussed views in Table 15 where the majority of 53.33% totally agreed that informal feedback from all stakeholders is regarded as important.

This is also in contrast with the 36.67% total agreement and the same percentage of agreement to the statement that organisations should actively stimulate informal feedback from stakeholders. Compare Table 16, V27.

Table 17: The stimulation of informal feedback

	My organisation:	1	2	3	4	5
V27	Actively and continuously stimulates informal feedback from stakeholders by providing opportunities for feedback.	-	3 10	5^ 16.67	11* 36.67	11* 36.67
V28	Knows that stakeholders will find the means to provide feedback themselves.	2 7.14	6^ 21.43	13* 46.43	4 14.29	3 10.71
V29	Stimulates informal feedback from stakeholders only from time to time when regarded as necessary.	5 17.24	8^ 27.59	7 24.14	9* 31.03	-

1 = "Disagree Totally" / 5 = "Agree Totally

The statement in V28 (Table 17) was deliberately included in the questionnaire to serve as control for V27 and V29.

It seems as if respondents were mostly neutral (13/46.43%) but also disagreed (6/21.43%) with *stakeholders finding their own means of providing feedback*. It is not clear whether the respondents understood this statement very well because it is slightly out of sync with the results of V27. The results of V29 stand more in support of the results of V27, although 9/31.03% of respondents still felt that informal feedback should *only be stimulated from time to time*. This is in contrast with the literary views, that teach us that informal feedback should be stimulated and used as often as possible.

Table 18: Views on the management of excellent relationships

	My organisation regards:	1	2	3	4	5
V30	*Customers* as most important as they provide the organisation's income.	-	-	2 7.41	4^ 14.81	21* 77.78
V31	*Investors* as most important because they have a vested interest in the organisation.	-	1 4.55	3 13.64	7^ 31.82	11* 50.00
V32	*Employees* as most important because they sustain the operations of the organisation.	-	1 3.57	3 10.71	7^ 25.00	17* 60.71
V33	*All stakeholders* as important because they may influence the organisation in different ways.	-	-	4 13.33	7^ 23.33	19* 63.33

1 = "Disagree Totally" / 5 = "Agree Totally

The summarised data above (Table 18), as well as the intepretation that follows, helps us in to answer research question seven *(What role do relationship-building strategies play in the cultivation of informal feedback opportunities?).*

The distribution of results on views about the management of relationships with different stakeholders in Table 18 correlates with the distribution of scores about the importance of informal feedback with the same stakeholders as indicated in Table 15. From this it can be concluded that views on the importance of informal feedback are positively linked to views on relationship-building. If relationships are regarded as important, informal feedback will also play an important role as a means of nurturing those relationships.

Once again it is important to note that the 19/63.33% of respondents *totally agree* and 7/23.33% *agree* that optimal relationships *with all stakeholders* are important for the organisation.

Table 19: Views on the organisational grapevine

1 = "Disagree Totally" / 5 = "Agree Totally"

		1	2	3	4	5
V34	The grapevine is merely seen as gossip with not much value for the organisation.	3 10.00	10* 33.33	8^ 26.67	6 20.00	3 10.00
V35	The grapevine should be carefully monitored and used to the advantage of the organisation.	3 10.00	2 6.67	9^ 30.00	14* 46.67	2 6.67
V36	The grapevine is perceived as an important source of informal feedback.	-	3 10.00	9^ 30.00	14* 46.67	4 13.33
V37	Much can be learned from the organisational grapevine.	-	1 3.33	9^ 30.00	15* 50.00	5 16.67
V38	The organisational grapevine is about emotional issues and not factual issues and therefore should not play an important role in communication management.	3 10.00	12* 40.00	8^ 26.67	6 20.00	1 3.33
V39	The grapevine only flourishes when the formal communication structure is inadequate.	2 6.67	12* 40.00	6^ 20.00	6^ 20.00	4 13.33
V40	The grapevine can be used to release tension among employees.	3 10.71	5 17.86	7^ 25.00	12* 42.86	1 3.57
V41	The grapevine can be used to build morale and job satisfaction.	6 20.00	7^ 23.33	7^ 23.33	8* 26.67	2 6.67
V42	The grapevine may provide answers to employees' unanswered questions.	5 16.67	8* 26.67	8* 26.67	8* 26.67	1 3.33
V43	The grapevine is especially good in distributing routine information fast and accurately.	9^ 30.00	12* 40.00	6 20.00	2 6.67	1 3.33
V44	The less effective communication by management is perceived to be, the more active the grapevine becomes.	-	2 6.67	8^ 26.67	8^ 26.67	12* 40.00
V45	The grapevine acts as an important creator and maintainer of human relationships in the workplace.	4 13.79	10* 34.48	8^ 27.59	5 17.24	2 6.90
V46	The function of the grapevine is to influence or entertain.	4 13.33	10* 33.33	9^ 30.00	5 16.67	2 6.67
V47	The function of the grapevine is to provide information.	7 24.14	11* 37.93	9^ 31.03	2 6.90	-
V48	The grapevine should be used to facilitate effective knowledge transfer in organisations.	11* 36.67	8^ 26.67	3 10.00	8^ 26.67	-
V49	Management can feed the grapevine with information that they choose.	8* 26.67	7 23.33	7 23.33	8* 26.67	-
V50	The role of the grapevine is supportive to more formal communication.	4 13.33	8^ 26.67	6 20.00	11* 36.67	1 3.33
V51	My organisation will never attach any value to instinct or "gut feel".	4 13.33	16* 53.33	6 20.00	2 6.67	2 6.67
V52	Sometimes subtle ideas and emotions can play a role in my organisation.	1 3.33	2 6.67	10^ 33.33	11* 36.67	6 20.00
V53	Informal feedback can act as an early warning system in my organisation. It allows us to act before a crisis occurs.	-	-	4 13.33	14* 46.67	12^ 40.00

The above-mentioned data (Table 19), as well as the intepretation that follows, provides us with answers to research question six (*What role do the grapevine, rumours and gossip play in inspiring learning organisations as forms of informal communication feedback?*).

The results of views expressed by respondents in Table 19 differ vastly according to the specific statements. The results often do not totally correlate with one another. This can be due to the lack of knowledge about the role of the grapevine and especially the application of informal feedback obtained from the grapevine in certain areas of communication management.

In V34 respondents vastly disagree (10/33.33%) with the statement *The grapevine is merely seen as gossip with not much value,* while 3/10% *totally disagree* and 8/26.67% are neutral with regards to the statement. This correlates with their view of the importance of the grapevine as expressed in V22 and V27.

However, there is concern about the 6/20% who *agree* and the 3/10% who *totally agreed* with the fact that the grapevine is not useful as a source of informal feedback. The next statement in V35 correlates with the above. Here even more respondents (14/46.67%) agree that the grapevine should be monitored and used. This is almost exactly mirrored in V36 where 14/46.67% of respondents indicated that the grapevine is an important source of information as well as in V37, which indicates that much can be learned from the grapevine.

This is good news as Akande and Odewale (1994:28) earlier indicated that major percentages of employees consider the grapevine to be their main source of information about organisational matters.   According to Nicolls' (1994:1) survey, two-fifths of respondents obtained organisational information and nearly a third job information through the grapevine.

V35 to V37 indicate that the targeted organisations acknowledge the role and importance of the grapevine as a source of informal feedback.

In V38 respondents did not agree on whether the grapevine is about emotional issues and whether it should play an important role in communication management or not. Although the majority (12/40%) disagree with this statement (V38), 26.67% were neutral while 6/20% agree with this statement and one (3.33%) even totally agreed.

In V39 the majority of respondents (12/40%) disagreed that the grapevine flourishes when formal communication structures are inadequate, but almost 34% (20% + 13.33%) agreed with this statement. The literature teaches us that the grapevine is not dependable on the inadequacy of formal management communication alone, but will always flourish in any organisation.

Comparing the results of V39 and V44, a slight discrepancy arises: Although 40% disagreed that the grapevine flourishes when the formal communication structures are inadequate, 12/40% agreed that the less effective communication by management is, the more active the grapevine is. It can be concluded from this that respondents viewed communication structures and the lack thereof differently from ineffective communication by management. The two do not necessarily go hand in hand. Wells and Spinks (1994:26) indicated in Chapter Four that the role of the grapevine is, amongst other things, to supply missing information.

The results of V40 to V43 draw a more equal distribution from *totally disagree* to *totally agree.* This can be interpreted as a difference in opinion because the statements test facts that were taken from the reviewed literature in Chapter Four and are not common knowledge amongst communication managers.

In V40 42.86% (12) respondents believed that the grapevine can be used to release tension among employees. However, some 25% was unsure, while 26.7% disagreed or totally disagreed with this. This stimulates some concern as the literature indicates to us that the grapevine could indeed provide this service (Wells and Spinks 1994:27). It should be noted that the grapevine can only release tension if those who are engaged in it belong to the dominant political group of the organisation. However, it could create more tension and anxiety for those in the "weaker" group.

In V41 and V42, which described the grapevine's ability to build morale and job satisfaction and provide answers to employee's unanswered questions respectively, the results were more evenly spread between *disagree* and *agree.* This can be attributed to the respondents not being sure.

Although the reviewed literature indicates to us that the grapevine is indeed good in distributing routine information quickly and accurately, 40% (12) disagreed and 30% (9) totally disagreed with this statement.

The same applys to V45 where almost 46.7% of respondents disagreed that the grapevine acts as an important creator and maintainer of human relations in the workplace. Almost 27.6% of respondents reacted neutrally to this statement. V45 to V47 follow, once again, the same pattern. Almost the same values were obtained in V46 where almost 46.7% of respondents do not believe that the function of the grapevine is to influence and entertain. As in V45, only 23.4% indicated in V47 that they agree with the influence and entertainment role of the grapevine. As indicated earlier in this study design, according to Michelson and Mouly (2000:342), the purpose and function of rumour and the grapevine are to provide information, to influence and to entertain.

Similarly, almost 63.4% of respondents do not believe in the ability of the grapevine to facilitate effective knowledge transfer in organisations (V48). However, in contrast to V47, 26.67% (8) respondents agreed to this statement. Cook (1999:101) argued earlier in Chapter Four that the grapevine should be utilised to facilitate effective knowledge transfer in organisations.

V49 also attracted an almost even spread across the continuum. A total of 26.67% (8) totally disagreed that management can feed the grapevine with information, 23.33% (7) disagree, while the same percentage (23.33%) were neutral and 26.67% (8) believed that management can indeed feed the grapevine with information. Nobody felt strongly (agree totally) about this, however.

Slightly more respondents (11/36.67%) agreed that the grapevine is supportive to more formal communication (V50). However, it is concerning that 40% of respondents disagreed or totally disagreed with this view. This is of concern because communication managers should at least know that the grapevine is indeed supportive of formal communication. Maybe this view can be attributed to respondents' perception that sometimes the grapevine works against formal communication messages. This can also be the case in some instances.

In light of the above, it is surprising that in V51 almost 66.67% of respondents disagree with the statement that their organisation will never attach any value to instinct or gut feel.

This is surprising because instinct and gut feel do not often feature in the business sense of corporate managers. This is emphasised in V52 where almost 56.67% of respondents agreed that subtle ideas and emotions could sometimes play a role in their organisations.

Almost 86.67% (26) of respondents, however, agreed or totally agreed that the grapevine can act as an early warning system in their organisations. This is a positive view and in line with the opinion of the reviewed literature.

Table 20: Views on learning in organisations

1 = "Disagree Totally" / 5 = "Agree Totally"

	In my organisation learning:	*1*	*2*	*3*	*4*	*5*
V54	Is seen as an integral part of every task and opportunity that employees embrace.	-	-	1 3.33	10^ 33.33	19* 63.33
V55	Is only generated in order to solve problems.	10^ 34.48	12* 41.38	6 20.69	-	1 3.45
V56	Only takes place in an ad hoc manner.	18* 62.07	8^ 27.59	1 3.45	1 3.45	1 3.45
V57	Should be self-generated.	5 17.24	5 17.24	10* 34.48	6^ 20.69	3 10.34
V58	Is regarded as a strategic imperative and therefore stands central in everything we do.	-	-	-	11^ 37.93	18* 62.07

Table 20 and 21 (V54 to V72) deal with views on and characteristics of learning organisations. At V54 respondents are quite sure (19/63.33% *totally agree* and 10/ 33.33% *agree*) that learning is seen as an integral part of every task and opportunity that employees embrace in their respective organisations. Respondents, therefore, mainly also disagree (73.33%) in V55 that learning is only generated in order to solve problems or in V56 (86.66%) disagree or disagree totally) that learning takes place in an ad hoc manner. At the same time almost 96,7% believed that learning is a strategic imperative and stands central to everything they do (V58).

V57 drew a more mixed response with almost 33.4% who indicated that they disagree with the statement that learning should be self-generated; 34.48% (10) who were neutral on this issue and 20.69% who agreed and 10.34% (combined 30%) who totally agreed.

According to the literature, learning should be actively pursued and stimulated instead of just being self-generated. The researcher suspects that the respondents did not fully understand this statement or drew different conclusions from it.

The relatively large percentage of neutral responses could be an indication of this.

Table 21: Characteristics of learning organisations

1 = "Disagree Totally" / 5 = "Agree Totally"

	In my organisation:	1	2	3	4	5
V59	Feedback from employees and other stakeholders is valued.	-	-	3 10.00	10^ 33.33	17* 56.67
V60	Feedback from stakeholders leads to change in organisational behaviour.	-	-	5 16.67	15* 50.00	10^ 33.33
V61	Communication is honest or open.	-	-	8 26.67	11* 36.67	11* 36.67
V62	Risk-taking and experimentation only cost money.	7^ 24.14	16* 55.17	2 6.90	2 6.90	2 6.90
V63	Employees are encouraged to adhere to the organisational culture more than being true to themselves.	4 13.79	11* 37.93	9^ 31.03	2 6.90	3 10.34
V64	Employees should only enquire about relevant things when given the opportunity.	16* 55.17	11^ 37.93	1 3.45	1 4.45	-
V65	Diversity is welcomed.	-	1 3.33	4 13.33	11^ 36.67	14* 46.67
V66	Best practises are explored and benchmarking is regularly applied.	-	-	4 13.33	7^ 23.33	19* 63.33
V67	People are selected for what they know.	-	1 3.45	10^ 34.48	14* 48.28	4 13.79
V68	Partnerships are critical to the organisation.	-	-	-	13^ 43.33	17* 56.67
V69	All organisational relationships are nurtured.	-	-	6 20.00	17* 56.67	7^ 23.33
V70	Curiosity belongs to those who have too much time on their hands.	12* 41.38	12* 41.38	1 3.45	2 6.90	2 6.90
V71	A shared vision exists in our organisation that guides employees in their everyday work.	1 3.33	-	3 10.00	13* 43.33	13* 43.33
V72	A willingness exists to acknowledge failures and learn from it.	1 3.33	1 3.33	9^ 30.00	9^ 30.00	10* 33.33

In V59, V60 and V61 (Table 21) respondents agreed with majority percentages that feedback is valued, that feedback leads to change and that communication is honest and open. Values 1 and 2 (disagree totally and disagree) did not evoke one response in these three statements.

Respondents also generally agreed (with more than 76.6%) that risk-taking and experimentation are necessary (V62). However, this time 6.90% (2) were uncertain and

almost 13.4% confirmed that risk-taking and experimentation only cost money.

V63 contains a tricky statement. Some 50% disagreed that employees are encouraged to adhere to the organisational culture more than being true to themselves; 31.03% were neutral on this issue, while 16.66% agreed.

From the literature we concluded that it is regarded as better to be true to oneself as far as learning organisations are concerned.

Respondents felt strongly in V64 that employees must be encouraged to enquire about whatever they like and whenever they like. Some 90% of respondents disagree with the statement that stated the opposite. According to the respondents, diversity is welcomed (V65: 83.33% agreed), best practices are explored and benchmarking applied (V66: 86.66% agreed), partnerships are critical to the organisations (V68: 100% agreed) and all organisational relationships are nurtured (V69: 80% agreed).

However, with V67 (*People are selected for what they know*) respondents were uncertain, 34.48% (10) were neutral while 48.28% (14) agreed and 13.79% (4) totally agreed. This is in contrast to the belief of learning organisations that states that people should rather be selected for their potential to continually learn instead of for what they already know.

As far as V70 is concerned, the majority of respondents (12/80%) disagreed with the statement that curiosity belongs to those with too much time on their hands. Curiosity and the freedom to be curious and to learn from it, is indeed a characteristic of learning organisations' employees.

V71 and V72 drew huge support with more than 86.6% of respondents who agreed that a shared vision exists in their organisation and 63.33% of respondents who agreed that willingness exists to acknowledge failures in their organisations and learn from them.

It is clear from the responses captured in V59 to V72 that the organisations that took part in this survey are indeed learning organisations. Evidence of this lies in almost every statement from V59 to V72.

5.5.3. Research method three: A case study – applying the *Multi-Layer Informal Feedback Intervention Wheel*

5.5.3.1. Introduction

This research study earlier defined *informal feedback intervention* as the communication management process whereby all informal feedback input is collected, sorted and grouped, evaluated and described according to applied and relevant impact on strategy. The intervention lies in the *impact* and *outcome* envisaged as well as the adaptation of the organisation's strategy and change of course.

A framework that aims to systemise the informal feedback intervention process – *The Multi-Layer Informal Feedback Intervention Wheel* – was proposed. 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 next be applied to a major South African organisation in a case study. The organisation will remain anonymous and will be called *Company X*. *Company X* chose to be anonymous because of the overall current sensitive phase of its industry in South Africa.

The aim of the case study with Company X is to apply the *Multi-Layer Informal Feedback Intervention Wheel* to an organisation and to investigate whether it can be of some assistance to communication managers in dealing with informal feedback inputs from a variety of stakeholders.

Two data collection techniques were mainly used in setting up the case study – interviews and informal feedback input collection was done by scanning various media. The following steps were taken in developing the case study with *Company X:*

- The first contact regarding clearance, protocols and agreement took place via telephone and e-mail during October 2004.

- The first face-to-face interview and work session consisted of a discussion and further clearance of protocol with the communication manager's personal assistant, and took place during November 2004.

- Data collection and the capturing of the actual informal feedback issues started in December 2004 and lasted until early February 2005.

- The analysis of data followed and the initial application thereof in the *Multi-Layer Informal Feedback Intervention Wheel* was done during the first two weeks of February 2005.

- A second work session with the communication manager of Company X took place in the second week of February 2005 during which the process as well as the *Score of Impact* and application of the *Informal Feedback Intervention Yardstick* took place.

- Several adjustments were made and particular outcomes and interventions were added.

- A last interview and discussion with the communication manager around the final stage of the *Informal Feedback Intervention Wheel* and specifically the *Score of Change* took place during the first week of March 2005.

- Final adjustments followed hereafter.

5.5.3.2. Case studies as research method

According to Hartley (In: Cassell and Symon 2004:323), case study research is about a detailed investigation of phenomena within their context. It often takes place over a period of time and the aim is to provide an analysis of the context and processes that light up the theoretical issues that are being studied.

Leedy and Ormrod (2005:135) state that case studies study a particular individual, programme or event in depth over a defined period of time. Sometimes the researcher focuses on a single case because of its uniqueness or special qualities that can promote understanding for similar cases or situations. In other instances the researcher studies two or more cases, makes comparisons, builds theory or proposes generalisations. This is called a multiple or collective case study.

Although evidence and theories drawn from multiple case studies can be much more powerful, the objective of the research may not be to make generalisations but merely to investigate a once-off situation. A single case study can be very useful in testing existing well-formulated theory, investigating an extreme or unique case or observing a phenomenon that has previously not been accessible or has not even existed. Multiple studies can, however, be useful for contrasting and comparing results. A form of case study research is also to investigate a situation that might exist – provided that certain facts and trends are known (Riley *et al.* 2000:101).

The case study is suited to research questions that ask for detailed understanding of social and organisational processes and the rich data collected in context. A number of methods may be used – qualitative or quantitative or both. The complex phenomena may be studied through several methods. The researcher needs to develop theoretical frameworks during the research that makes sense of the data. It can then be systematically examined during the case study. Building case study theory tends to be inductive and in general flexible (Hartley, In: Cassell and Symon 2004:324).

Hartley (In: Cassell and Symon 2004:325) states that case studies are useful in the following cases:

- Where it is important to understand how the organisation and environmental context have an impact on or influence social processes.
- For exploring new and emerging processes or behaviours and therefore it has an important function in generating hypotheses and building theory.
- It can be useful in capturing emerging and changing aspects in organisations – especially when it changes very quickly.
- It is a useful technique where organisational behaviour is informal, unusual or secret.
- It can help to understand everyday practises and their meanings to those involved. This may not be revealed during short contact sessions.

Leedy and Ormrod (2005:135) add that a case study is particularly suitable for learning about a little-known or poorly understood situation. It is also useful for investigating how individuals or programmes change over time as a result of certain circumstances or interventions.
The weaknesses of case studies lie in the fact that it is very difficult to generalise findings to

other situations, especially when only one case study is investigated.

According to Hartley (In: Cassell and Symon 2004:331), in recent years more vigorous and explicit research design has been developed, while methods of data collection and analysis have improved in case studies. Case studies have to focus on analytical generalisation. The generalisation is about theoretical propositions and not about populations. It is about the existence of particular processes that may have an influence on behaviour and actions in the organisation. They explore the interactions of phenomena and context and aim to build theory and generate hypothesis rather than primarily to test them.

5.5.3.3. The development of the *Multi-Layer Informal Feedback Intervention Wheel*

Research question four and five, respectively, as stated in Chapter One, enquired how informal feedback inputs can best be collected and organised and how the communication manager can logically differentiate between and organise informal feedback inputs with regard to its impact level. In other words – the question guides the study to investigate what the best and most practical way is to track informal feedback issues and capture it in a manner that makes it possible for the communication manager to evaluate it against its anticipated impact on the organisation's corporate governance, strategies and structures.

The monitoring of informal feedback inputs is a daunting, very difficult and overwhelming process for some bigger organisations, especially those that are on the public agenda at moments.

In answering the above-mentioned questions, the researcher suggests *The Multi-Layer Informal Feedback Intervention Wheel* as a framework that systemises and organises the process of informal feedback input through four phases. This process ends in the Intervention Phase where the actual intervention or adaptation to policies, strategies, structures and systems (which can be the cause of the original feedback input) will occur.

This wheel was developed with the aim of assisting communication managers through the whole process of evaluating informal feedback inputs.
It takes the manager step by step through collecting and capturing the raw feedback inputs to the actual change induced and eventually rectifying the situation and plotting the

outcomes thereof.

The first version of the framework was developed during the first half of 2004 and later revised after the first results of the case study were applied. It was simplified in that the scores, as a result of discussion and deliberation of each phase, where reduced from six to four. The name of the score at phase three: Integration Phase was also changed from *Score of Truth* to *Score of Impact.* It was felt that this described the core of the phase better. The other changes were as follows:

- **Phase one: Structure Phase**

  Score of Raw Feedback – unchanged.

- **Phase two: Analysis Phase**

  The Score of Linked Groups and the Score of Importance were merged into the *Score of Core Issues.*

- **Phase three: Integration Phase**

  Score of Truth changed to *Score of Impact*

- **Phase four: Intervention Phase**

  The Score of Adjustment and the Score of Results were merged into the *Score of Change*.

The revised *Informal Feedback Intervention Wheel* is as follows:

Figure 19: The revised *Multi-Layer Informal Feedback Intervention Wheel*

Input from Evaluation Tool
(Feedback Evaluation Yardstick)
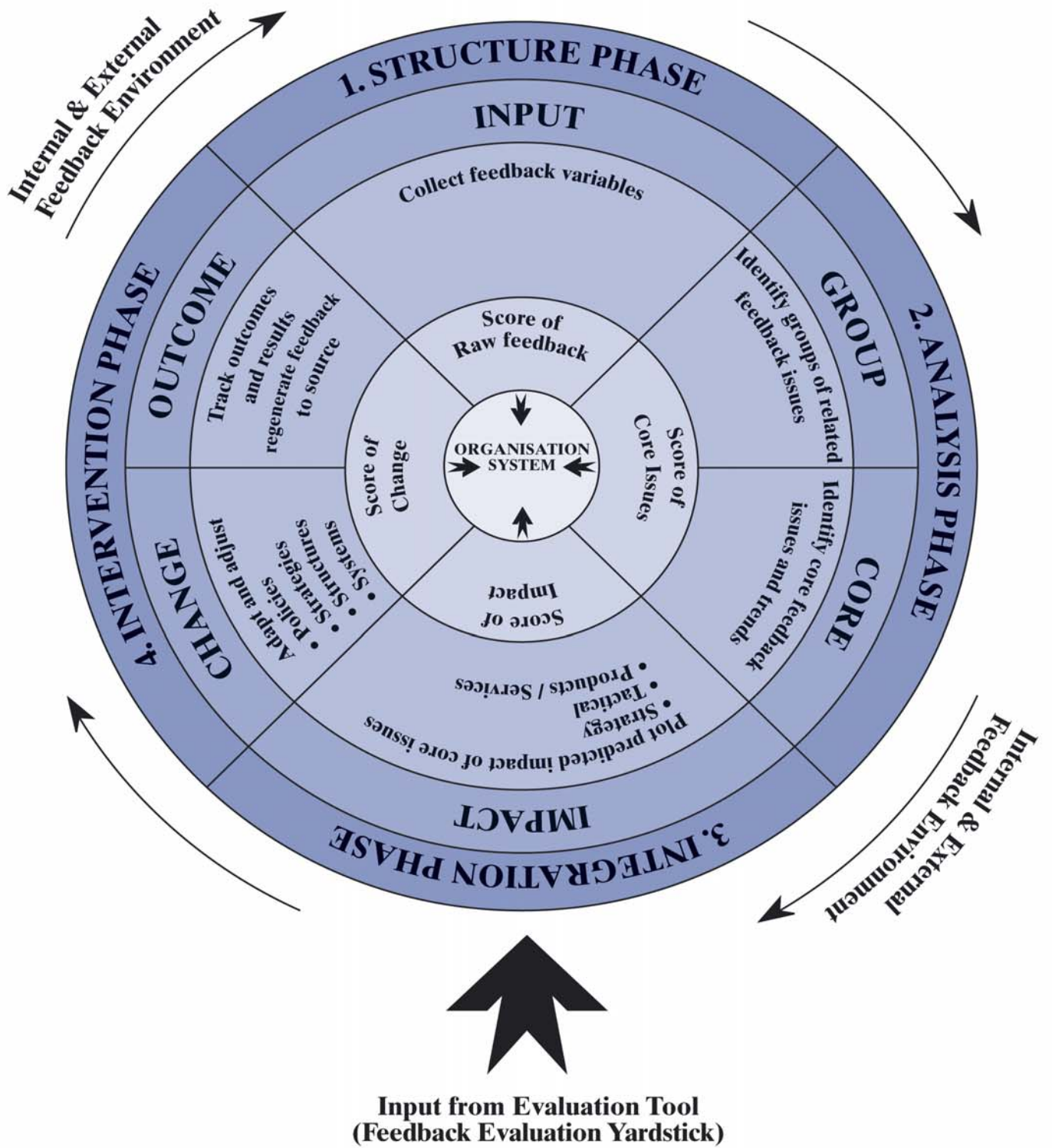
Source: Own research

The *Multi-Layer Informal Feedback Intervention Wheel* merely provides structure to the whole feedback management process and assists the communication manager in collecting, analysing and grouping feedback input. This is followed by the *integration* and eventually *intervention of* communication and organisational strategies by applying this newly acquired learning. The *Multi-Layer Informal Feedback Intervention Wheel* assists the communication manager in being a proactive early warning agent for the organisation.

The revised wheel will next be described and applied in the case study.

5.5.3.4. Applying phase one: Structure Phase

Phase	1. Structure Phase	2. Analysis Phase		3. Integration Phase	4. Intervention Phase	
Key grasp	**INPUT**	**GROUP**	**CORE**	**IMPACT**	**CHANGE**	**OUTCOME**
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and Adjust ■ Policies ■ Procedures ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or Score	**SCORE OF RAW FEEDBACK**	**SCORE OF CORE ISSUES**		**SCORE OF IMPACT**	**SCORE OF CHANGE**	
	⬇	⬇		⬇	⬇	
IMPACT / INFLUENCE ON ORGANISATION						

The green arrow above the table reads: **Applying the Informal Feedback Yardstick**

During this first phase of the framework, informal feedback issues were monitored and

captured on preset sheets (the Informal Feedback Capturing Database – see Annexure D). The communications manager of the anonymous organisation, with the help of her secretary, took the task of capturing the different informal feedback inputs in the database. This meant that they had to give special attention to reading e-mails, listening to recorded telephone messages, reading and capturing written notes as well as messages and conversations received by telephone, going through interpersonal verbal messages and capturing valuable internal and external rumours received through the organisational grapevine.

The capturing of the feedback issues took place almost daily for a period of two months and was conducted from December 2004 to the beginning of February 2005. Initially preliminary possible impact levels were assigned to every informal feedback issue captured in the database. The amount of possible feedback issues was found to be so overwhelming in number that a small selection of relevant feedback issues were made for purposes of this case study. The huge number of feedback issues is ascribed to the size and national role of *Company X* as well as the current negative sentiment of certain stakeholders.

The following possible types of media and methods received attention during the capturing of data (the informal feedback).

- Feedback from web page with structured feedback form
- E-mail received by other means
- Feedback by fax
- Mail / letters received
- Letters to the press and opinions expressed in the media.
- By SMS
- Telephonic feedback (including toll free numbers or customer care lines)
- Information obtained from the organisational grapevine.
  (Including word of mouth, rumours or gossip).
- Through voluntary comments made at functions or parties.
- Through direct observation of customers or staff.
- Through visible changes in attitudes or behaviour.

- Electronic chat rooms or list servers.

The key grasp or term in this phase is *INPUT*. The document or score for this first phase is called S*core of Raw Feedback*. At this stage, it merely consists of a list of different feedback issues, received and documented on paper. The Score of Raw Feedback, as drawn from the Informal Feedback Capturing Database, is presented in Table 22.

Table 22: The Score of Raw Feedback (Phase one: Structure Phase)

*_The real names of websites are not listed as it may reveal the true identity of Company X. Pseudonyms are_ used to protect the identities of individuals.

Period from: December 2004 to January 2005

Feedback Issue No. 1

Description / Quote of single Informal feedback input

"Well! Well! Well! I just received a phone call from an independent company about Company X's service. The lady explained to me that Company X is following up on customer complaints from the past six months. (I had complaints!) I was asked to explain what happened and what was done about it. Bravo Company X. Now let's just hope something gets done about it.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
28 April 2004 (Lifted on 28 Jan 05 from website)	**COMPLIMENT/PRAISE** Media, internet	***** ****.co.za	-	External

Feedback Issue No. 2

Description / Quote of single Informal feedback input

Company X employee called in during a radio interview with the CEO and complained that he knew of a certain manager in Company X that did not come to work but received his salary for over a year.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
October 2004	**COMPLAINT** Call to radio station	Radio Station	-	Internal

Feedback Issue No. 3

Description / Quote of single Informal feedback input

"Corporate Y***** _is not very user friendly as it is linked to some sites that take a long time to open"_

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLAINT** Intranet "Corporate Y" *****	Anonymous employee	VP	Internal

Feedback Issue No. 4

Description / Quote of single Informal feedback input

"Corporate Y***** _helps me to be informed about Company X. I am well informed and feel part of the family. Thank you very much."_

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLIMENT/PRAISE** Intranet" Corporate Y*****"	Anonymous	VP	Internal

Feedback Issue No. 5

Description / Quote of single Informal feedback input
"I am going to transfer my services to the new operator once it becomes available."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLAINT** Telephone	Anonymous	VP	External

Feedback Issue No. 6

Description / Quote of single Informal feedback input
"I am a Company X customer.   I recently reported my faulty Y*. When I followed it up I got three different versions of feedback from you. How is this possible? I still do not have a positive response on my fault reporting. Company X is not reliable and your people have poor knowledge of your products."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLAINT** E-mail	-	VP	External

Feedback Issue No. 7

Description / Quote of single Informal feedback input
"Your TV Ad with the doctor and the internet is nothing less than a misleading piece of Hollywood propaganda. How can Company X mislead the public with untrue ads? Don't you have any integrity as a company?"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLAINT** Faxes	-	VP	External

Feedback Issue No. 8

Description / Quote of single Informal feedback input
"Not only was the public mislead but also we as employees, about the surgeon. We feel ashamed to answer questions outside Company X. We don't know the facts."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**COMPLAINT** Several e-mails, calls and faxes	GROUP	VP	Internal

Feedback Issue No. 9

Description / Quote of single Informal feedback input
"Misleidende Company X advertensie van kassie af. Die Gesagsliggaam vir Reklamestandaarde (GRS) het Company X beveel om sy omstrede advertensie te onttrek omdat dit misleidend is".

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
6 Dec 04	**COMMENT** Media article	Journalist: *Sake Beeld*	VP	External

Feedback Issue No. 10

Description / Quote of single Informal feedback input
Very confidential information about possible retrenchments and the licence for a new operator were leaked to employees prematurely. This lead to an active grapevine all over the company and also externally. Some information even reached the media before it was officially announced.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Dec 04	**OBSERVATION / ATTITUDE CHANGE** Grapevine	Employees internal	VP	Both internal and external

Feedback Issue No. 11

Description / Quote of single Informal feedback input

"Company X se Y *lol met gebruik van internet: Na etlike jare van swak diens, was die afgelope agt dae die laaste strooi wat die kameel se rug gebreek het. Organisasie X doen geen moeite om vas te stel waarom ons net sowat vier dae per week 'n diens het nie, het mnr A * van Magaliesburg geskryf…."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
6 Dec 04	**COMPLAINT** Media	Beeld: "*Tot U Diens*" Feature	-	External: Customer

Feedback Issue No. 12

Description / Quote of single Informal feedback input

"I am a Company X employee. I realise that our service to the public is far from perfect. If I am not satisfied with Company X's performance how can I expect external customers to be loyal to us?"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
10 Dec 04	**COMPLAINT** E-mail	-	VP	Internal

Feedback Issue No. 13

Description / Quote of single Informal feedback input

"Is someone at Company X selling our e-mail addresses to mailing-list-companies at high prices for extra income? I would think so… where else would all those people get our mail addresses!!"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Des 04	**COMPLAINT** Media, internet	* ****.co.za	-	External

Feedback Issue No. 14

Description / Quote of single Informal feedback input

Customer called in to report a call centre operator who was rude to her.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
05 Jan 2005	**COMPLAINT** Telephone	Customer	-	External

Feedback Issue No. 15

Description / Quote of single Informal feedback input

"Employees of our department sometimes do not consult each other and are doing the same tasks which results in rumours in our department – Corporate Communication.
We are not well enough informed about what is happening in our own department with regards to staff changes etcetera.
This creates mistrust, we feel out of touch with the group, nobody can be trusted. We are afraid to talk to management when we see someone doing something seriously wrong. Some people really work very hard and it is not acknowledged as others do nothing and get the honour of being very professional."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Jan 05	**COMPLAINT** Internal Departmental	Employee	VP	Internal – Corporate Comm. Department

Feedback Issue No. 16

Description / Quote of single Informal feedback input

Employees mostly make comments about management's attitude at function Y* the other day.
*General thinking is that senior management advance only certain employees who they favour.
*There is big uncertainty and guessing about who will be the next victims of retrenchments
*Communication between management and staff is poor
*Some employees do not have any access to senior management and are not allowed to communicate with them.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
Jan 05	**COMMENTS** Voluntary comments made at a function	-	VP	Internal

Feedback Issue No. 17

Description / Quote of single Informal feedback input

"Proudly South African. So they have a company in their stable (Company X) which retrenches at least 4 000 people and causes 1% inflation. I go to Company X's website and in the contact us tab, I post my thoughts. It says the domain not found. I cannot contact the people I have a problem with….."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
26 Jan 05	**COMPLAINT** Media, internet	* ****.co.za	-	External

Feedback Issue No. 18

Description / Quote of single Informal feedback input

"Why is Company X so highly rated? South Africans rated Company X the top X company in the world. We wanted to know, how is this possible when there seem to be so many complaints about the service. I am finding it very hard to get my head around this one. Just proves how far we still have to go to let South Africans know how they are being blinded by sheer ignorance".

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
27 Jan 05	**COMMENT** Media, internet	Radio 702 quoted on *****.co.za	-	External

Feedback Issue No. 19

Description / Quote of single Informal feedback input

"Company X kan afdankings los. Company X se plan om 4300 werkers af te dank, is voorlopig van die baan….Die vakbonde se veldtog is as een van die omvattendstes in die geskiedenis van die vakbondwese beskryf en volgens ingeligte bronne het 'n onafhanklike opname - in opdrag van Company X – getoon dat dit groot skade aan die maatskappy se handelsnaam gedoen het."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
28 Jan 05	**COMMENT** Media: Beeld	Beeld	-	Internal and External

Feedback Issue No. 20

Description / Quote of single Informal feedback input

" Price Comparison: That's basically a service 16 times faster than Company X's Y, with a 166 times bigger download limit, including a free Z*, for less than half the price. Nice."*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
28 Jan 05	**COMPLAINT / COMMENT** Media, internet	* ****.co.za	-	External

Feedback Issue No. 21

Description / Quote of single Informal feedback input

"Company X laat die drade weer sing. Mnr B van Company X is 'n absolute staatmaker vir Company X. 'n Paar dae nadat ek Tot-U-diens laat weet het van my frustrasie, het Company X-tegnici opgedaag, die probleem geïdentifiseer en dit herstel".*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLIMENT / PRAISE** Media	Beeld Newspaper *"Tot U Diens"*	-	External

Feedback Issue No. 22

Description / Quote of single Informal feedback input

"Mnr C van Pretoria het ook probleme met Company X. Y* word al die afgelope vyf jaar deur die wind oormekaar gewaai. Company X het, nadat hulle van ons gehoor het, die Y* met nuwes vervang wat geïsoleer is en dus nie meer deur die wind beïnvloed kan word nie, het mnr C* nou laat weet".*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT /COMMENT** Media	Beeld Newspaper *"Tot U Diens"*	-	External

Feedback Issue No. 23

Description / Quote of single Informal feedback input

Mr D*, a journalist from IT Web complained about his Z* that was out of order for the whole weekend and he could not comply to their deadlines.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Media	Mr D*, a journalist from IT Web	-	External

Feedback Issue No. 24

Description / Quote of single Informal feedback input

Mr E* a owner of a game lodge in the Waterberg area complaining that they can't use their internet for the Z systems* and they are losing valuable customers and money this way.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Fax	Mr E *, a customer	-	External

Feedback Issue No. 25

Description / Quote of single Informal feedback input

Mrs F* from Witbank called complaining about a Company X technician who nearly pushed her off the road with his vehicle. She provided the registration number of the vehicle

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Telephone	Mrs F* – a member of public	-	External

Feedback Issue No. 26

Description / Quote of single Informal feedback input

Employees complain they do not receive their monthly online newspaper.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Unknown	Employee	-	Internal

Feedback Issue No. 27

Description / Quote of single Informal feedback input

Bundles of online newspapers have been returned to Corporate Communication's office as a result of wrong addresses.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**GENERAL OBSERVATION**	-	-	Internal

Feedback Issue No. 28

Description / Quote of single Informal feedback input

Management complains that they don't receive the media clippings regularly.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** E-mail / Telephone	Employees (Management)	-	Internal

Feedback Issue No. 29

Description / Quote of single Informal feedback input

Ms G* from Pretoria called to complement a technician on the professional work he had done at her business.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLIMENT/ PRAISE** Telephone	Ms G* – customer	-	External

Feedback Issue No. 30

Description / Quote of single Informal feedback input

A staff member in Corporate Communication has been suspended. Colleagues only received an e-mail to inform them not to contact him.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT/ ATTITUDE CHANGE/ OBSERVATION** E-mail	Human Resources	-	Internal

Feedback Issue No. 31

Description / Quote of single Informal feedback input				
We received a call that someone sells Y* on the street. When asked where he got hold of the cards, he replied that a Company X employee gave it to him.				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Telephone call	Street vendor	-	External

Feedback Issue No. 32

Description / Quote of single Informal feedback input				
Mr H* moved his company from one building to another. He completed the necessary transfer forms. During the move Mr H* contacted Company X about the exact date of the move. He was then informed that the transfer couldn't take place due to lack of Y* infrastructure on the premises that did not receive attention during the development phase of the premises. The X* can only be installed once the Y* infrastructure received attention. This may take months to be completed.				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Letter	Mr H*, a customer	-	External

Feedback Issue No. 33

Description / Quote of single Informal feedback input				
Mnr I* het 'n faks gestuur waarin hy kla dat Company X se mense Y* moes lê en daardeur hulle plaveisel beskadig het. Hy het dit reeds gerapporteer sonder enige sukses en hy verwag van Company X on hom vir die skade te vergoed.				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** Fax	Mr I*, a customer	-	External

Feedback Issue No. 34

Description / Quote of single Informal feedback input				
702 called to report a faulty Z*.				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**REPORT / COMPLAINT WITH NEGATIVE POTENTIAL** Phone	702 Radio Special fault report	-	External

Feedback Issue No. 35

Description / Quote of single Informal feedback input				
"Lack of informal communication within the section. Employees use formal meetings to talk about their personal issues."				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMMENTS**	Employees in meetings	-	Internal

Feedback Issue No. 36

Description / Quote of single Informal feedback input				
"Lack of consistent feedback regarding performance. No formal feedback or performance review sessions."				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**GRAPEVINE and COMPLAINTS**	Staff members of Corporate Communication	-	Internal

Feedback Issue No. 37

Description / Quote of single Informal feedback input				
Customer complains about a technician sleeping on the side of the road…				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMPLAINT** E-mail	Anonymous customer	-	External

Feedback Issue No. 38

Description / Quote of single Informal feedback input				
"Customer enquires about the differences of product, X, Y and Z, and which one is better for them?"				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**PRODUCT ENQUIRY** Telephone	Customer	-	External

Feedback Issue No. 39

Description / Quote of single Informal feedback input				
"Where is 'x' – they're never here!"				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**COMMENT** Verbal comment	Internal – employee from Corporate Communication	-	Internal

Feedback Issue No. 40

Description / Quote of single Informal feedback input				
"While attempting to address something important, the person you're talking to reads something else, types away at a keyboard or just does not show any interest!"				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
31 Jan 05	**OBSERVATION / VERBAL COMMENTS**	Internal		Internal

Feedback Issue No. 41

Description / Quote of single Informal feedback input				
"The Unions approved the new retrenchment process and the grapevine flows in the corridors about possible packages etcetera."				
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal
01 Feb 05	**COMMENTS/ GRAPEVINE and RUMOURS**	Several individuals	-	Internal

5.5.3.5. Applying phase two: The Analysis Phase

Phase	1. Structure Phase	2. Analysis Phase		3. Integration Phase	4. Intervention Phase	
Key grasp	INPUT	GROUP	CORE	IMPACT	CHANGE	OUTCOME
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and adjust ■ Policies ■ Procudures ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or Score	SCORE OF RAW FEEDBACK	SCORE OF CORE ISSUES		SCORE OF IMPACT	SCORE OF CHANGE	
	⭳	⭳		⭳	⭳	
IMPACT / INFLUENCE ON ORGANISATION						

As described earlier, the Analysis Phase involves two steps. Firstly, the communication manager tries to logically group interrelated or family feedback issues together in order to make it more manageable and easier to handle. The grasp term identified in the Intervention Wheel is therefore *GROUP*.

The second step of this phase is identified by the grasp term *CORE*. This is because the manager will identify the core feedback issues and trends from the groups that were evaluated in the preceding step.

The document that is tabled after the Analysis Phase is called the *Score of Core Issues.*

The following natural groups emerged and were agreed upon from discussing and evaluating the issues in the Score of Raw Feedback.

Table 23: Natural groups of feedback issues

• Combine FI 1, FI 4, FI 21 and FI 29. THIS BECOMES THE COMBINED NEW FEEDBACK ISSUE 1.
• Combine FI 2 and FI 25. THIS BECOMES FEEDBACK ISSUE NO 2
• FEEDBACK ISSUE NO. 3
• FEEDBACK ISSUE NO.4
• FEEDBACK ISSUE NO. 5
• Combine FI 7, FI 8 AND FI 9. THIS BECOMES FEEDBACK ISSUE NO 6
• FEEDBACK ISSUE NO. 7
• FEEDBACK ISSUE NO. 8
• FEEDBACK ISSUE NO. 9
• FEEDBACK ISSUE NO. 10
• FEEDBACK ISSUE NO. 11
• Combine FI 15, FI 35, FI 36 AND FI 39. THIS BECOMES FEEDBACK ISSUE NO 12
• FEEDBACK ISSUE NO. 13
• Combine FI 17, FI 18 AND FI 20. THIS BECOMES FEEDBACK ISSUE NO 14
• **FEEDBACK ISSUE NO. 15**   (Thrown out – media article)
• FEEDBACK ISSUE NO. 16 (This becomes Feedback Issue 15)
• Combine FI 23 AND FI 24. THIS BECOMES FEEDBACK ISSUE NO 16
• Combine FI 26, FI 27 AND FI 28. THIS BECOMES FEEDBACK ISSUE NO 17

• FEEDBACK ISSUE NO. 18
• FEEDBACK ISSUE NO. 19
• FEEDBACK ISSUE NO. 20
• FEEDBACK ISSUE NO. 21
• **FEEDBACK ISSUE NO. 23** (Thrown out – report of faulty line)
• FEEDBACK ISSUE NO. 24 (This becomes Feedback Issue 22)
• **FEEDBACK ISSUE NO. 25** (Thrown out – product enquiry)
• **FEEDBACK ISSUE NO. 26** (Thrown out – to little information)
• FEEDBACK ISSUE NO. 27 (This becomes Feedback Issue 23)

Feedback issues 15, 23 and 25 were either insignificant in nature on did not really qualify as informal feedback issues in the true sense. They were therefore not considered in the next stages of the framework. The numbers of the feedback issues were subsequently adapted which brings the total number of feedback issues to 23. The 23 feedback issues will be transfered to the Score of Core Issues.

Table 24: The Score of Core Issues (Phase two: Analysis Phase)

	Applying the Informal Feedback Yardstick

↓

Phase	1. Structure Phase	2. Analysis Phase		3. Integration Phase	4. Intervention Phase	
Key grasp	**INPUT**	**GROUP**	**CORE**	**IMPACT**	**CHANGE**	**OUTCOME**
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and adjust ■ Policies ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or Score	**SCORE OF RAW FEEDBACK**	**SCORE OF CORE ISSUES**		**SCORE OF IMPACT**	**SCORE OF CHANGE**	
	↓	↓		↓	↓	
IMPACT / INFLUENCE ON ORGANISATION						

Out of the indications in Table 23, the following *Score of Core Issues* emerged. The combined feedback issues get new numbers which decreased the total number of feedback issues from 42 to 23.

Table 24: The Score of Core Issues (Phase two: Analysis Phase)

Combine FI 1, FI 4, FI 21 and FI 29.
THIS BECOMES THE COMBINED NEW FEEDBACK ISSUE 1.

*****The real names of websites are not listed as it may reveal the true identity of Company X. Pseudonyms are used to protect the identities of individuals.*

FEEDBACK ISSUE NO. 1

A: Description / Quote of single Informal feedback input					
"Well! Well! Well! I just received a phone call from an independent company about Company X's service. The lady explained to me that Company X is following up on customer complaints from the past 6 months. (I had complaints!) I was asked to explain what happened and what was done about it. Bravo Company X. How let's just hope something gets done about it."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
28 April 2004 (Lifted on 28 Jan 05 from website)	*COMPLIMENT/PRAISE* Media, internet	* ****.co.za	-	External	
B: Description / Quote of single Informal feedback input					
"Corporate Y helps me to be informed about Company X. I am well informed and feel part of the family. Thank you very much."*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	*COMPLIMENT/PRAISE* Intranet" Corporate Y *"*	Anonymous	VP	Internal	
C: Description / Quote of single Informal feedback input					
"Company X laat die Z weer sing. Mnr B* van Company X is 'n absolute staatmaker vir Company X. 'n Paar dae nadat ek Tot-U-diens laat weet het van my frustrasie, het Company X-tegnici opgedaag, die probleem geïdentifiseer en dit herstel".*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	*COMPLIMENT /PRAISE* Media	Beeld Newspaper "*Tot U Diens*"	-	External	
D: Description / Quote of single Informal feedback input					
Ms G *from Pretoria called to complement a technician with the professional work he had done at her business.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	*COMPLIMENT/ PRAISE* Telephone	Ms G – a customer	-	External	

Combine FI 2 and FI 25.
THIS BECOMES FEEDBACK ISSUE NO 2

FEEDBACK ISSUE NO. 2

A: Description / Quote of single Informal feedback input					
Company X employee called in during a radio interview with the CEO and complained that he knew of a certain manager in Company X that did not come to work but received his salary for over a year.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
October 2004	**COMPLAINT** Call to radio station	Radio Station	-	Internal	
B: Description / Quote of single Informal feedback input					
Mrs F from Witbank called complaining about a Company X technician who nearly pushed her off the road with his vehicle. She provided the registration number of the vehicle.*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Telephone	Mrs F * – a member of public	-	External	

FEEDBACK ISSUE NO. 3

Description / Quote of single Informal feedback input

"Corporate Y* is not very user friendly as it is linked to some sites that take a long s time to open"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**COMPLAINT** Intranet" Corporate Y *"	Anonymous employee	VP	Internal	

FEEDBACK ISSUE NO. 4

Description / Quote of single Informal feedback input					
"I am going to transfer my services to the new operator once it becomes available"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**COMPLAINT** Telephone	Anonymous	VP	External	

FEEDBACK ISSUE NO. 5

Description / Quote of single Informal feedback input					
"I am a Company X customer. I recently report my faulty Y*. When I follow it up I got three different version of feedback from you. How is this possible? I still do not have a positive response on my fault reporting." Company X is not reliable and your people have poor knowledge of your products."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**COMPLAINT** E-mail	-	VP	External	

Combine FI 7, FI 8 AND FI 9.
THIS BECOMES FEEDBACK ISSUE NO 6

FEEDBACK ISSUE NO. 6

A: Description / Quote of single Informal feedback input					
"Your TV Ad with the doctor and the internet is nothing less than a misleading piece of Hollywood propaganda. How can Company X mislead the public with untrue ads? Don't you have any integrity as a company?"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**COMPLAINT** Faxes	-	VP	External	
B: Description / Quote of single Informal feedback input					
"Not only was the public mislead but also we as employees, about the surgeon. We feel ashamed to answer questions outside Company X. We don't know the facts."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**COMPLAINT** Petition received. Several e-mails, calls and faxes	GROUP	VP	Internal	
C: Description / Quote of single Informal feedback input					
"Misleidende Company X advertensie van kassie af. Die Gesagsliggaam vir Reklamestandaarde (GRS) het Company X beveel om sy omstrede advertensie te onttrek omdat dit misleidend is".					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
6 Dec 04	**COMMENT** Media article	Journalist: Sake Beeld	VP	External	

FEEDBACK ISSUE NO. 7

Description / Quote of single Informal feedback input					
Very confidential information about possible retrenchments and the licence for a new operator were leaked to employees prematurely. This lead to an active grapevine all over the company and also externally. Some information even reached the media before it was officially announced.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Dec 04	**OBSERVATION / ATTITUDE CHANGE** Grapevine	Employees internal	VP	Both internal and external	

FEEDBACK ISSUE NO. 8

Description / Quote of single Informal feedback input

"Company X se Y* lol met gebruik van internet: Na etlike jare van swak diens, was die afgelope agt dae die laaste strooi wat die kameel se rug gebreek het. Organisasie X doen geen moeite om vas te stel waarom ons net sowat vier dae per week 'n diens het nie, het mnr A* van Magaliesburg geskryf…."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
6 Dec 04	**COMPLAINT** Media	Beeld: "*Tot U Diens*" Feature	-	External: Customer	

FEEDBACK ISSUE NO. 9

Description / Quote of single Informal feedback input					
"I am a Company X employee. I realise that our service to the public is far from perfect. If I am not satisfied with Company X's performance how can I expect external customers to be loyal to us?"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
10 Dec 04	**COMPLAINT** E-mail	-	VP	Internal	

FEEDBACK ISSUE NO. 10

Description / Quote of single Informal feedback input					
"Is someone at Company X selling our e-mail addresses to mailing-list-companies at high prices for extra income? I would think so… where else would all those people get our mail addresses!!"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Des 04	**COMPLAINT** Media, internet	***** ****.co.za	-	External	

FEEDBACK ISSUE NO. 11

Description / Quote of single Informal feedback input					
Customer called in to report a call centre operator who was rude to her.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
05 Jan 2005	**COMPLAINT** Telephone	Customer	-	External	

Combine FI 15, FI 35, FI 36 AND FI 39.
THIS BECOMES FEEDBACK ISSUE NO 12

FEEDBACK ISSUE NO. 12

A: Description / Quote of single Informal feedback input					
"Employees of our department sometimes do not consult each other and are doing the same tasks which results in rumours in our department – Corporate Communication. We are not well enough informed about what is happening in our own department with regards to staff changes etcetera. This creates mistrust, we feel out of touch with the group, nobody can be trusted. We are afraid to talk to management when we see someone doing something seriously wrong. Some people really work very hard and it is not acknowledged as others do nothing and get the honour of being very professional."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Jan 05	**COMPLAINT** Internal Departmental	Employee	VP	Internal – Corporate Comm. Department	
B: Description / Quote of single Informal feedback input					
"Lack of informal communication within the section. Employees use formal meetings to talk about their personal issues."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMMENTS**	Employees in meetings	-	Internal	
C: Description / Quote of single Informal feedback input					
"Lack of consistent feedback regarding performance. No formal feedback or performance review sessions."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**GRAPEVINE and COMPLAINTS**	Staff members of Corporate Communication	-	Internal	

D: Description / Quote of single Informal feedback input					
"Where is 'x' – they're never here!"					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMMENT** Verbal comment	Internal – employee From Corporate Communication	-	Internal	

FEEDBACK ISSUE NO. 13

Description / Quote of single Informal feedback input					
Employees mostly make comments about management's attitude at function Y the other day. *General thinking is that senior management advance only certain employees who they favour. *There is big job uncertainty and guessing about who will be the next victims of retrenchments *Communication between management and staff is poor *Some employees do not have any access to senior management and are not allowed to communicate with them.**					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
Jan 05	**COMMENTS** Voluntary comments made at a function	-	VP	Internal	

Combine FI 17, FI 18 AND FI 20.
THIS BECOMES FEEDBACK ISSUE NO 14

FEEDBACK ISSUE NO. 14

A: Description / Quote of single Informal feedback input					
"Proudly South African. So they have a company in their stable (Company X) which retrenches at least 4 000 people and causes 1% inflation. I go to Company X's website and in the contact us tab, I post my thoughts. It says the domain not found. I cannot contact the people I have a problem with....."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
26 Jan 05	**COMPLAINT** Media, internet	* ****.co.za	-	External	
B: Description / Quote of single Informal feedback input					
"Why is Company X so highly rated? South Africans rated Company X the top X* company in the world. We wanted to know, how is this possible when there seem to be so many complaints about the service. I am finding it very hard to get my head around this one. Just proves how far we still have to go to let South Africans know how they are being blinded by sheer ignorance".					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
27 Jan 05	**COMMENT** Media, internet	Radio 702 quoted on * ****.co.za	-	External	
C: Description / Quote of single Informal feedback input					
"Price Comparison: That's basically a service 16 times faster than Company X's Y*, with a 166 times bigger download limit, including a free Z*, for less than half the price. Nice."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
28 Jan 05	**COMPLAINT / COMMENT** Media, internet	* ****.co.za	-	External	

FEEDBACK ISSUE NO. 15

Description / Quote of single Informal feedback input					
"Mnr C* van Pretoria het ook probleme met Company X. Sy Z* word al die afgelope vyf jaar deur die wind oormekaar gewaai. Company X het, nadat hulle van ons gehoor het, die Z* met nuwes vervang wat geïsoleer is en dus nie meer deur die wind beïnvloed kan word nie, het mnr C* nou laat weet".					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT /COMMENT** Media	Beeld Newspaper "*Tot U Diens*"	-	External	

Combine FI 23 AND FI 24.

THIS BECOMES FEEDBACK ISSUE NO 16

FEEDBACK ISSUE NO. 16

A: Description / Quote of single Informal feedback input					
Mr D* a journalist from IT Web complained about his Z* that was out of order for the whole weekend and he could not comply with their deadlines.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Media	Mr D, a journalist from IT Web	-	External	

B: Description / Quote of single Informal feedback input					
Mr E* a owner of a game lodge in the Waterberg area complaining that they can't use their internet for the Z systems* and they are losing valuable customers and money this way					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Fax	Mr E, a customer	-	External	

Combine FI 26, FI 27 AND FI 28.
THIS BECOMES FEEDBACK ISSUE NO 17

FEEDBACK ISSUE NO. 17

A: Description / Quote of single Informal feedback input					
Employees complain they do not receive their monthly online newspaper.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Unknown	Employee	-	Internal	
B: Description / Quote of single Informal feedback input					
Bundles of online newspapers have been returned to Corporate Communication's office as a result of wrong addresses.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**GENERAL OBSERVATION**	-	-	Internal	
C: Description / Quote of single Informal feedback input					
Management complains that they don't receive the media clippings regularly.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** E-mail / Telephone	Employees (Management)	-	Internal	

FEEDBACK ISSUE NO. 18

Description / Quote of single Informal feedback input					
A staff member in Corporate Communication has been suspended. Colleagues only received an e-mail to inform them not to contact him.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT/ ATTITUDE CHANGE/ OBSERVATION** E-mail	Human Resources	-	Internal	

FEEDBACK ISSUE NO. 19

Description / Quote of single Informal feedback input					
We received a call that someone sells Y* on the street. When asked where he got hold of the Y*, he replied that a Company X employee gave it to him.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Telephone call	Street vendor	-	External	

FEEDBACK ISSUE NO. 20

Description / Quote of single Informal feedback input

Mr H moved his company from one building to another. He completed the necessary transfer forms. During the move Mr H contacted Company X about the exact date of the move. He was then informed that the transfer couldn't take place due to lack of infrastructure on the premises that did not receive attention during the development phase of the premises. The X can only be installed once the Y* infrastructure received attention. This may take months to be completed.*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Letter	Mr H, a customer	-	External	

FEEDBACK ISSUE NO. 21

Description / Quote of single Informal feedback input					
Mnr I *het 'n faks gestuur waarin hy kla dat Company X se mense Y* *moes lê en daardeur hulle plaveisel beskadig het. Hy het dit reeds gerapporteer sonder enige sukses en hy verwag van Company X on hom vir die skade te vergoed.*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** Fax	Mr I, a customer	-	External	

FEEDBACK ISSUE NO. 22

Description / Quote of single Informal feedback input					
Customer complains about a technician sleeping on the side of the road…					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
31 Jan 05	**COMPLAINT** E-mail	Anonymous customer	-	External	

FEEDBACK ISSUE NO. 23

Description / Quote of single Informal feedback input					
The Unions approved the new retrenchment process and the grapevine flows in the corridors about possible packages et cera.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	
01 Feb 05	**COMMENTS/ GRAPEVINE and RUMOURS**	Several individuals	-	Internal	

5.5.3.6. Applying phase three: The Integration Phase

```
        Applying the
         Informal
         Feedback
         Yardstick
            ↓
```

Phase	1. Structure Phase	2. Analysis Phase		3. Integration Phase	4. Intervention Phase	
Key grasp	**INPUT**	**GROUP**	**CORE**	**IMPACT**	**CHANGE**	**OUTCOME**
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and adjust ■ Policies ■ Procedures ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or Score	**SCORE OF RAW FEEDBACK**	**SCORE OF CORE ISSUES**		**SCORE OF IMPACT**	**SCORE OF CHANGE**	
	↓	↓		↓	↓	
IMPACT / INFLUENCE ON ORGANISATION						

During this phase the actual impact of the preceding 23 identified important issues are evaluated. This is a crucial phase because of the actual impact that is determined for each feedback issues of group of feedback issues.

The grasp term during this phase is *IMPACT.* The impact of each important group of core issues or individual issues (depending on the preceding methods used) will be predicted and forecasted onto existing corporate communication or organisational strategies.   The outcome document of actions taken during this phase is called the *Score of Impact*.

The Informal Feedback Intervention Yardstick – preset in Microsoft Excel – will also be applied during this phase in order to assist the communication manager in determining the rank of importance of each informal feedback input. Feedback issues are rated with a percentage according to four possible and set levels of possible impact.

Preset factors and pre-determined weights are allocated to each level of potential impact. More than one manager can be involved in rating feedback inputs according to predicted impact. In this instance the average score of all participants is used in scoring each impact level.

The following impact levels were also assigned to the different informal feedback inputs during this phase. A percentage was agreed upon for A to D with regard to each informal feedback input.

Possible impact levels:

A: *Major organisational impact* – This is the most critical impact level with the highest weight. It refers to feedback issues that have a major corporate or an organisation-wide impact. It touches the heart of the organisation and its reputation.

B: *Corporate communication impact* – This is the second most critical impact level with the second highest weight. It refers to issues that mainly have a corporate communication impact for the organisation.

C: *Departmental impact* – Feedback issues on this level are limited to impact possibilities on departmental level. It involves mainly a specific department and its dealings. It carries a lighter weight for purposes of the evaluation in the *Informal Feedback Yardstick.*

D: *Minor micro unit impact* - Feedback issues on this level are limited to impact possibilities in a small unit within the organisation, for example a small group of people or section within a department.

Table 25: The Score of Impact (Phase three: Integration Phase)

* *The real names of websites are not listed as it may reveal the true identity of Company X. Pseudonyms are used to protect the identities of individuals.*

FEEDBACK ISSUE NO. 1
Perceived importance/Impact value
70% A: Major organisation Impact
20% B: Corporate Comms Impact
10% C: Departmental Impact
0%   D: Minor Micro Unit Impact

A: Description / Quote of single Informal feedback input

"Well! Well! Well! I just received a phone call from an independent company about Company X's service. The lady explained to me that Company X is following up on customer complaints form the past 6 months. (I had complaints!) I was asked to explain what happened and what was done. Bravo Company X. How let's just hope something gets done about it. "

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
28 April 2004 (Lifted on 28 Jan 05 from website)	COMPLIMENT/PRAISE Media, internet	* ****.co.za	-	External	POSITIVE FEEDBACK. Positive impact on reputation of Organisation X both internally and externally.

B: Description / Quote of single Informal feedback input

"Corporate Y* helps me to be informed about Company X. I am well informed and feel part of the family. Thank you very much."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	COMPLIMENT/PRAISE Intranet" Corporate Y*"	Anonymous	VP	Internal	POSITIVE Impact = boost of morale especially internally. Positive impact on internal reputation.

C: Description / Quote of single Informal feedback input

"Company X laat die Z* weer sing. Mnr B* van Company X is 'n absolute staatmaker vir Company X. 'n Paar dae nadat ek Tot-U-diens laat weet het van my frustrasie, het Company X-tegnici opgedaag, die probleem geïdentifiseer en dit herstel".

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	COMPLIMENT / PRAISE Media	Beeld Newspaper "*Tot U Diens*"	-	External	POSITIVE – Feeling that there is some progress in improving reputation of services.

D: Description / Quote of single Informal feedback input

Ms G* from Pretoria called to complement a technician with the professional work he had done at her business.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	COMPLIMENT/ PRAISE Telephone	Ms G – a customer	-	External	POSITIVE: Impact = build sound reputation and cultivate pride.

FEEDBACK ISSUE NO. 2
Perceived importance/Impact value

70% A: Major organisation Impact
10% B: Corporate Comms Impact
10% C: Departmental Impact
10% D: Minor Micro Unit Impact

A: Description / Quote of single Informal feedback input

Company X employee called in during a radio interview with the CEO and complained that he knew of a certain manager in Company X that did not come to work but received his salary for over a year.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
October 2004	**COMPLAINT** Call to radio station	Radio Station	-	Internal	Impact = severe damage to reputation of Company X. Cultivate perception of wasting of money and bad corporate management and incompetence of staff. Corporate governance in doubt. Coverage on national / regional radio can increase possible impact.

B: Description / Quote of single Informal feedback input

Mrs F *from Witbank called complaining about a Company X technician who nearly pushed her off the road with his vehicle. She provided the registration number of the vehicle.*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Telephone	Mrs F* – a member of public	-	External	Impact = damage to reputation of Company X. Cultivate perception of wasting of money, bad corporate management and arrogance of workers. This has a potentially severe impact on *Company X*'s reputation. Staff are seen as irresponsible.

FEEDBACK ISSUE NO. 3

Perceived importance/Impact value

60% A: Major organisation Impact
40% B: Corporate Comms Impact
0%   C: Departmental Impact
0%   D: Minor Micro Unit Impact

Description / Quote of single Informal feedback input

"Corporate Y *is not very user friendly as it is linked to some sites that take a long time to open".*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**COMPLAINT** Intranet" Corporate Y*"	Anonymous employee	VP	Internal	Impact = damage to reputation internally. Messages do not reach the target audiences. Lack of information leads to lack of understanding which in turn leads to conflict. This leads to frustration and negative emotions about the Corporate Y site.

FEEDBACK ISSUE NO. 4

Perceived importance/Impact value

60%   A: Major organisation Impact
0%   B: Corporate Comms Impact
40%   C: Departmental Impact
0%   D: Minor Micro Unit Impact

Description / Quote of single Informal feedback input					
"I am going to transfer my services to the new operator once it becomes available".					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**COMPLAINT** Telephone	Anonymous	VP	External	Impact = damage to reputation of Company X. Loss of customers and income which can also lead to a possible 10 other people that will hear about this case. This may spill over to at least 10 other people.

FEEDBACK ISSUE NO. 5

Perceived importance/Impact value

70% A: Major organisation Impact
10% B: Corporate Comms Impact
20% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input					
"I am a Company X customer. I recently reported my faulty Y. When I followed it up I got three different versions of feedback from you. How is this possible? I still do not have a positive response on my fault reporting. Company X is not reliable and your people have poor knowledge of your products."*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**COMPLAINT** E-mail	-	VP	External	Impact = damage to reputation of Company X. Potential loss of customers and income. Leads to perception of unsympathetic, bullying company who does not care or listen to its stakeholders. Strengthens perception that Company X is a big, bad wolf where nobody knows what goes on, as well as create an image of unprofessionalism and pure incompetence.

FEEDBACK ISSUE NO. 6

Perceived importance/Impact value

80% A: Major organisation Impact

0%   B: Corporate Comms Impact

20% C: Departmental Impact

0%   D. Minor micro unit impact

A: Description / Quote of single Informal feedback input

"Your TV Ad with the doctor and the internet is nothing less than a misleading piece of Hollywood propaganda. How can Company X mislead the public with untrue ads? Don't you have any integrity as a company?"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**COMPLAINT** Faxes	-	VP	External	Impact = damage to reputation of Company X. Loss of customers and income. May lead to misconceptions about company and perception that Company X is not truthful. If Company X lies in their advertisements it will also lie to us about statements and costs.

B: Description / Quote of single Informal feedback input

"Not only was the public mislead but also we as employees - about the surgeon. We feel ashamed to answer questions outside Company X. We don't know the facts."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**COMPLAINT** Petition received. Several e-mails, calls and faxes	GROUP	VP	Internal	Impact = damage to reputation of Company X. Loss of customers and income. Low internal staff morale and pride.

C: Description / Quote of single Informal feedback input

"Misleidende Company X advertensie van kassie af. Die Gesagsliggaam vir Reklamestandaarde (GRS) het Company X beveel om sy omstrede advertensie te onttrek omdat dit misleidend is".

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
6 Dec 04	**COMMENT** Media article	Journalist: *Sake Beeld*	VP	External	Impact = damage to reputation of Company X. Establishes perception that Company X deliberately lies to its stakeholders. This = misleading and unethical corporate governance.

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FEEDBACK ISSUE NO. 7

Perceived importance/Impact value

70% A: Major organisation Impact
10% B: Corporate Comms Impact
20% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

Very confidential information about possible retrenchments and the licence for the new operator were leaked to employees prematurely. This lead to an active grapevine all over the company and also externally. Some information even reached the media before it was officially announced.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Dec 04	**OBSERVATION / ATTITUDE CHANGE** Grapevine	Employees internal	VP	Both internal and external	Impact = damage to internal reputation. Creates a feeling of job uncertainty and unproductivity. Employees lose their loyalty to the company and therefore work performance is lower. Perception develops in media that employees are not loyal to Company X. Lack of trust in leadership and integrity of leadership.

FEEDBACK ISSUE NO. 8

Perceived importance/Impact value

60% A: Major organisation Impact
10% B: Corporate Comms Impact
30% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

"Company X se Y lol met gebruik van internet: Na etlike jare van swak diens, was die afgelope agt dae die laaste strooi wat die kameel se rug gebreek het. Organisasie X doen geen moeite om vas te stel waarom ons net sowat vier dae per week 'n diens het nie, het mnr A* van Magaliesburg geskryf…."*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
6 Dec 04	**COMPLAINT** Media	Beeld: "*Tot U Diens*" Feature	-	External: Customer	Impact = damage to reputation of Company X. Loss of customers and income. Company X does not care for its customers. Quote "Jare van swak diens" strengthens perception that Company X is no good, does not want to better its customer relations and really does not care at all.

FEEDBACK ISSUE NO. 9

Perceived importance/Impact value

80% A: Major organisation Impact
10% B: Corporate Comms Impact
10% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

"I am a Company X employee. I realise that our service to the public is far from perfect. If I am not satisfied with Company X's performance how can I expect external customers to be loyal to us?"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
10 Dec 04	**COMPLAINT** E-mail	-	VP	Internal	Impact = damage to reputation of Company X. Internal perception spills over externally and multiplies. One employee may influence his or her fellow workers negatively.

FEEDBACK ISSUE NO. 10

Perceived importance/Impact value

60% A: Major organisation Impact
20% B: Corporate Comms Impact
20% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

"Is someone at Company X selling our e-mail addresses to mailing-list-companies at high prices for extra income? I would think so… where else would all those people get our mail addresses!!"

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Des 04	**COMPLAINT** Media, internet	* ****.co.za	-	External	Impact = damage to reputation of Company X. Against the law which may lead to possible lawsuit. *Promotion of Access to Information Act No. 2 of 2000.* Severe negative impact on trustworthiness of Company X. Employees and other stakeholders may find hard to trust Company X in future if this is true. This is not true and is only one isolated opinion. Perception of lack of integrity of Sales and Marketing Section.

FEEDBACK ISSUE NO. 11

Perceived importance/Impact value

60% A: Major organisation Impact
10% B: Corporate Comms Impact
30% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

Customer called in to report a call centre operator who was rude to her.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
05 Jan 2005	**COMPLAINT** Telephone	Customer	-	External	Impact = damage to reputation of Company X. Loss of customers and income. Company X is a rude, unprofessional and arrogant company. This is especially true from a call centre agent where excellent customer care is supposed to be their core business.

FEEDBACK ISSUE NO. 12

Perceived importance/Impact value

70% A: Major organisation Impact
20% B: Corporate Comms Impact
10% C: Departmental Impact
** 0% D. Minor micro unit impact**

A: Description / Quote of single Informal feedback input

"Employees of our department sometimes do not consult each other and are doing the same tasks which results in rumours in our department – Corporate Communication.
We are not well enough informed about what is happening in our own department with regards to staff changes etcetera.
This creates mistrust, we feel out of touch with the group, nobody can be trusted. We are afraid to talk to management when we see someone doing something seriously wrong. Some people really work very hard and it is not acknowledged as others do nothing and get the honour of being very professional."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Jan 05	**COMPLAINT** Internal Departmental	Employee	VP	Internal – Corporate Comm Department	Impact = damage to internal reputation of Company X. Low morale and work satisfaction. Employees cannot spread a positive message to the outside world when they are uncertain in their own world. Mistrust and anxiety may occur.

B: Description / Quote of single Informal feedback input

"Lack of informal communication within the section. Employees use formal meetings to talk about their personal issues. "

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMMENTS**	Employees in meetings	-	Internal	Impact = reputation of unit. How can department facilitate communication when they cannot communicate properly themselves. Meetings become moan sessions and are unproductive. This may spread to other departments.

C: Description / Quote of single Informal feedback input					
"Lack of consistent feedback regarding performance. No formal feedback or performance review sessions."					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**GRAPEVINE and COMPLAINTS**	Staff members of Corporate Communication	-	Internal	Impact = reputation of unit. Loss of motivation and low morale and no job satisfaction which leads to bad service and interaction with customers and all other stakeholders. Unhappy staff leads to unhappy customers.
D: Description / Quote of single Informal feedback input					
"Where is 'x' – they're never here! "					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMMENT** Verbal comment	Internal – An employee from Corporate Communication	-	Internal	Impact = Perception of lack of discipline. Damage to internal reputation. Negative change of behaviour.

FEEDBACK ISSUE NO. 13	
Perceived importance/Impact value	
70% A: Major organisation Impact	
20% B: Corporate Comms Impact	
10% C: Departmental Impact	
0% D. Minor micro unit impact	

Description / Quote of single Informal feedback input					
Employees mostly make comments about management's attitude at function Y* the other day. **General thinking is that senior management advance only certain employees who they favour.* **There is big job uncertainty and guessing about who will be the next victims of retrenchments* **Communication between management and staff is poor* **Some employees do not have any access to senior management and are not allowed to communicate with them.*					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
Jan 05	**COMMENTS** Voluntary comments made at a function	-	VP	Internal	Impact = damage to internal reputation of Company X. Senior management could never be seen as unsympathetic to certain employees, arrogant, closed and not reachable by all employees. This leads to apathy and lost of job satisfaction and motivation. Poor communication from management leads to ignorance, false rumours and uncertainty.

FEEDBACK ISSUE NO. 14

Perceived importance/Impact value

70% A: Major organisation Impact
10% B: Corporate Comms Impact
20% C: Departmental Impact
0%   D. Minor micro unit impact

A: Description / Quote of single Informal feedback input

"Proudly South African. So they have a company in their stable (Company X) which retrenches at least 4 000 people and causes 1% inflation. I go to Company X's website and in the contact us tab, I post my thoughts. It says the domain not found. I cannot contact the people I have a problem with….."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
26 Jan 05	**COMPLAINT** Media, internet	*****.co.za	-	External	Impact = damage to reputation of Company X. Loss of customers and income. Company X cannot be seen as deaf to stakeholders' complaints and unsympathetic to stakeholders' requests and needs. Perception increases that Company X does not care.

B: Description / Quote of single Informal feedback input

"Why is Company X so highly rated? South Africans rated Company X the top X company in the world. We wanted to know, how this is possible when there seem to be so many complaints about the service. I am finding it very hard to get my head around this one. Just proves how far we still have to go to let South Africans know how they are being blinded by sheer ignorance".

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
27 Jan 05	**COMMENT** Media, internet	Radio 702 quoted on *****.co.za	-	External	Impact = damage to reputation of Company X. Leads to negative perceptions. This leads to confusion because of the discrepancy between the amount of service complaints and the best rating. Possible internal impact is evident.

C: Description / Quote of single Informal feedback input

"Price Comparison: That's basically a service 16 times faster than Company X's Y*, with a 166 times bigger download limit, including a free Z*, for less than half the price. Nice."

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
28 Jan 05	**COMPLAINT** / **COMMENT** Media, internet	*****.co.za	-	External	Impact = damage to reputation of Company X. Loss of customers and income and negative perception of Company X as covetous. Perception = Company X wants to stack its coffers in anticipation of new competition.

FEEDBACK ISSUE NO. 15

Perceived importance/Impact value

60% A: Major organisation Impact

10% B: Corporate Comms Impact

30% C: Departmental Impact

0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input

"Mnr C * *van Pretoria het ook probleme met Company X. Sy Z* * *word al die afgelope vyf jaar deur die wind oormekaar gewaai. Company X het, nadat hulle van ons gehoor het, die drade met nuwes vervang wat geïsoleer is en dus nie meer deur die wind beïnvloed kan word nie, het mnr C* * *nou laat weet".*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT /COMMENT** Media	Beeld Newspaper *"Tot U Diens"*	-	External	POSITIVE – One positive customer tells 10 others. Also positive impact on low morale of staff members. Sometimes some things are also done right.

FEEDBACK ISSUE NO. 16

Perceived importance/Impact value

70% A: Major organisation Impact

10% B: Corporate Comms Impact

20% C: Departmental Impact

** 0% D. Minor micro unit impact**

A: Description / Quote of single Informal feedback input

Mr D * *a journalist from IT Web complained about his Z* * *that was out of order for the whole weekend and he could not comply with their deadlines.*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Media	Mr D *, Journalist from IT Web	-	External	Impact = damage to reputation of Company X. Negative publicity may result in loss of customers and income. Very important to respond where possible to any journalist complaint as it can harm the company if the wrong actions are taken.

B: Description / Quote of single Informal feedback input

Mr E * *a owner of a game lodge in the Waterberg area complaining that they can't use their internet for the Z* * *systems and they are losing valuable customers and money this way*

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Fax	Mr E *, a customer	-	External	Impact = damage to reputation of Company X. Perception that Company X does not care.

FEEDBACK ISSUE NO. 17

Perceived importance/Impact value

40% A: Major organisation Impact
40% B: Corporate Comms Impact
20% C: Departmental Impact
0%   D. Minor micro unit impact

A: Description / Quote of single Informal feedback input

Employees complain they do not receive their monthly online newspaper.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Unknown	Employee	-	Internal	Impact = lack of internal communication and proper distribution of information. May lead to ignorance and misinformation and false rumours.

B: Description / Quote of single Informal feedback input

Bundles of online newspapers have been returned to Corporate Communication's office as a result of wrong addresses.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**GENERAL OBSERVATION**	-	-	Internal	Impact = messages do not reach internal stakeholders. This leads to misunderstanding.

C: Description / Quote of single Informal feedback input

Management complains that they don't receive the media clippings regularly.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** E-mail / Telephone	Employees (Management)	-	Internal	Impact = management is not informed about media issues and publicity received. This impacts on image of Corporate Communication. Management is not informed about the excellent work that is done by Corporate Communication. This may lead to frustration on both sides.

FEEDBACK ISSUE NO. 18

Perceived importance/Impact value

0%   A: Major organisation Impact
10% B: Corporate Comms Impact
40% C: Departmental Impact
50% D: Minor micro unit impact

Description / Quote of single Informal feedback input

A staff member in Corporate Communication has been suspended. Colleagues only received an e-mail to inform them not to contact him.

Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT/ ATTITUDE CHANGE/ OBSERVATION** E-mail	Human Resources	-	Internal	Impact = rumours occur. Low morale within Department. Who is next?

FEEDBACK ISSUE NO. 19

Perceived importance/Impact value

30% A: Major organisation Impact
10% B: Corporate Comms Impact
40% C: Departmental Impact
20% D. Minor micro unit impact

Description / Quote of single Informal feedback input					
We received a call that someone sells Y* cards on the street. When asked where he got hold of the cards, he replied that a Company X employee gave it to him.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Telephone call	Street vendor	-	External	Impact = Damage to Company X's reputation if true. We cannot trust Company X = perception

FEEDBACK ISSUE NO. 20

Perceived importance/Impact value

50% A: Major organisation Impact
20% B: Corporate Comms Impact
30% C: Departmental Impact
0%   D. Minor micro unit impact

Description / Quote of single Informal feedback input					
Mr H* moved his company from one building to another. He completed the necessary transfer forms. During the move Mr H* contacted Company X about the exact date of the move. He was then informed that the transfer couldn't take place due to lack of Y* infrastructure on the premises that did not receive attention during the development phase of the premises. The X* can only be installed once the Y* infrastructure received attention. This may take months to be completed.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** Letter	Mr H* – a customer	-	External	Impact = Damage to reputation due to a lack of understanding of procedures. Nobody told customer in advance. Perception is that Company X is unprofessional.

FEEDBACK ISSUE NO. 21

Perceived importance/Impact value

60% A: Major organisation Impact
10% B: Corporate Comms Impact
30% C: Departmental Impact
0% D. Minor micro unit impact

Description / Quote of single Informal feedback input					
Mnr I* het 'n faks gestuur waarin hy kla dat Company X se mense Y* moes lê en daardeur hulle plaveisel beskadig het. Hy het dit reeds gerapporteer sonder enige sukses en hy verwag van Company X on hom vir die skade te vergoed.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** - Fax	Mr I* – a customer	-	External	Impact = damage to reputation – Company X has no respect for private property.

FEEDBACK ISSUE NO. 22

Perceived importance/Impact value
70% A: Major organisation Impact
10% B: Corporate Comms Impact
20% C: Departmental Impact
** 0% D. Minor micro unit impact**

Description / Quote of single Informal feedback input					
Customer complains about a technician sleeping on the side of the road…					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
31 Jan 05	**COMPLAINT** E-mail	Anonymous customer	-	External	Impact = Damage to image and reputation of Company X. Unprofessional, unreliable staff who waste money. Perception = this is the reason why Company X is always behind schedule with their work. Company X does not act against unacceptable behaviour of staff.

FEEDBACK ISSUE NO. 23

Perceived importance/Impact value
70% A: Major organisation Impact
10% B: Corporate Comms Impact
20% C: Departmental Impact
** 0% D. Minor micro unit impact**

Description / Quote of single Informal feedback input					
The Unions approved the new retrenchment process and the grapevine flows in the corridors about possible packages etcetera.					
Date	Type of feedback	Source	Staff member	Stakeholder group External /Internal	IMPACT
01 Feb 05	**COMMENTS/ GRAPEVINE and RUMOURS**	Several individuals	-	Internal	Impact = damage to internal reputation of Company X. Employees now acknowledge that the company has certain objectives and processes to prepare for increased competition. Distrust in leadership

Table 26: Applying the *Informal Feedback Intervention Yardstick*

Page 1

INFORMAL FEEDBACK YARDSTICK ⇨

Company X: Dec 2004 - Feb 2005

Scored Feedback Issues   FEEDBACK ISSUES

	LEVEL OF IMPACT	Relative weight of impact		FI 1	FI 2	FI 3	FI 4	FI 5	FI 6
A	Major Organisational Impact	ci1	5	70	70	60	60	70	80
B	Corporate Comm. Impact	ci2	3	20	10	40	0	10	0
C	Departmental Impact	ci3	2	10	10	0	40	20	20
D	Minor Micro Unit Impact	ci4	1	0	10	0	0	0	0
E	Highest Score Repeated	ci5	1	70	70	60	60	70	80
X	Weighed Averaged Value		12	41.67	40.00	40.00	36.67	40.83	43.33
	(Rating of importance of issues) ⇨		-	3	5	5	7	4	2

X = (ci1*A + ci2*B + ci3*C + ci4*D + ci5*E) / (ci1+ci2+ci3+ci4+ci5)

　　　　　　　　　　　　　　　　　　12

Where E = (Max of A,B,C,of D)

SOURCE: Adapted from TuksAlumni Laureate Award Evaluation Statistical Model developed by Vermeulen, 1999.

Page 2 - <u>INFORMAL FEEDBACK YARDSTICK CONTINUES</u>

FI 7	FI 8	FI 9	FI 10	FI 11	FI 12	FI 13	FI 14	FI 15	FI 16	FI 17	FI 18	FI 19	FI 20	FI 21
70	60	80	60	60	70	70	70	60	70	40	0	30	50	60
10	10	10	20	10	20	20	10	10	10	40	10	10	20	10
20	30	10	20	30	10	10	20	30	20	20	40	40	30	30
0	0	0	0	0	0	0	0	0	0	0	50	20	0	0
70	60	80	60	60	70	70	70	60	70	40	50	40	50	60
40.83	37.50	44.17	38.33	37.50	41.67	41.67	40.83	37.50	40.83	33.33	17.50	26.67	35.00	37.50
4	6	1	5	6	3	3	4	6	4	9	11	10	8	6

<u>INFORMAL FEEDBACK YARDSTICK CONTINUES</u>

FI 22	FI 23
70	70
10	10
20	20
0	0
70	70
40.83	40.83
4	4

From Table 26 – the application of the *Informal Feedback Intervention Yardstick* – it quickly became clear that there are six critical feedback issues that rank in the first three places. The most critical feedback issues that emerged from the preceding process and which need urgent attention are:

Table 27: Ranking of the most critical feedback issues (From the most to the least critical)

*The real names of websites are not listed as it may reveal the true identity of Company X. Pseudonyms are also used to protect the identities of individuals.

Priority	Feedback Issue No.	Feedback Issue
1	FI 9	*"I am a Company X employee. I realise that our service to the public is far from perfect. If I am not satisfied with Company X's performance how can I expect external customers to be loyal to us?*
2	FI 6	*A: "Your TV Ad with the doctor and the internet is nothing less than a misleading piece of Hollywood propaganda. How can Company X mislead the public with untrue ads? Don't you have any integrity as a company"* *B: "Not only was the public mislead but also we as employees. We feel ashamed to answer questions outside Company X. We don't know the facts."* *C: "Misleidende Company X advertensie van kassie af. Die Gesagsliggaam vir Reklamestandaarde (GRS) het Company X beveel om sy omstrede advertensie te onttrek omdat dit misleidend is".*
3	FI 1 (POSITIVE)	*A: "Well! Well! Well! I just received a phone call from an independent company about Company X's service. The lady explained to me that Company X is following up on customer complaints from the past 6 months. (I had complaints!) I was asked to explain what happened and what was done. Bravo Company X. Now let's just hope something gets done about it."* *B: "Corporate Y* helps me to be informed about Company X. I am well informed and feel part of the family. Thank you very much."* *C: "Company X laat die Z* weer sing. Mnr B* van Company X is 'n absolute staatmaker vir Company X. 'n Paar dae nadat ek Tot-U-diens laat weet het van my frustrasie, het Company X-tegnici opgedaag, die probleem geïdentifiseer en dit herstel".* *D: Ms G* from Pretoria called to complement a technician on the professional work he had done at her business.*

Priority	Feedback Issue No.	Feedback Issue
	FI 12 **(NEGATIVE)**	*A: "Employees of our department sometimes do not consult each other and are doing the same tasks which results in rumours in our department – Corporate Communication.* *We are not well enough informed about what is happening in our own department with regards to staff changes etcetera. This creates mistrust, we feel out of touch with the group, nobody can be trusted. We are afraid to talk to management when we see someone doing something seriously wrong. Some people really work very hard and it is not acknowledged as others do nothing and get the honour of being very professional."* *B: "Lack of informal communication within the section. Employees use formal meetings to talk about their personal issues."* *C: "Lack of consistent feedback regarding performance. No formal feedback or performance review sessions"* *D: "Where is 'x' – they're never here! (Lack of discipline) "*
	FI 13 **(NEGATIVE)**	*Employees mostly make comments about management's attitude at function Y* the other day. *General thinking is that senior management advance only certain employees who they favour.* **There is big job uncertainty and guessing about who will be the next victims of retrenchments* **Communication between management and staff is poor* **Some employees do not have any access to senior management and are not allowed to communicate with them.*
4	**FI 5**	*"I am a Company X customer. I recently reported my faulty Y*. When I followed it up I got three different versions of feedback from you. How is this possible? I still do not have a positive response on my fault reporting. Company X is not reliable and your people have poor knowledge of your products."*
	FI 7	*Very confidential information about possible retrenchments and the licence for a new operator were leaked to employees prematurely. This lead to an active grapevine all over the company and also externally. Some information even reached the media before it was officially announced.*
	FI 14	*A: "Proudly South African. So they have a company in their stable (Company X) which retrenches at least 4 000 people and causes 1% inflation. I go to Company X's website and in the contact us tab, I post my thoughts. It says the domain not found. I cannot contact the people I have a problem with….."* *B: "Why is Company X so highly rated? South Africans rated Company X the top X company in the world. We wanted to know, how this is possible when there seem to be so many complaints about the service. I am finding it very hard to get my head around this one. Just proves how far we still have to go to let South Africans know how they are being blinded by sheer ignorance".* *C: "Price Comparison: That's basically a service 16 times faster than Company X's Y*, with a 166 times bigger download limit, including a Z*, for less than half the price. Nice."*
	FI 16	*A: Mr D* a journalist from IT Web complained about his Z* line that was out of order for the whole weekend and he could not comply with their deadlines.* *B: Mr E* a owner of a game lodge in the Waterberg area complaining that they can't use their internet for the Z* systems and they are loosing valuable customers and money this way*
	FI 22	*Customer complains about a technician sleeping on the side of the road…*

Priority	Feedback Issue No.	Feedback Issue
	FI 23	*"The Unions approved the new retrenchment process and the grapevine flows in the corridors about possible packages etcetera. "*
5	**FI 2**	*A: Company X employee called in during a radio interview with the CEO and complained that he knew of a certain manager in Company X that did not come to work but received his salary for over a year.* *B: Mrs F* from Witbank called complaining about a Company X technician who nearly pushed her off the road with his vehicle. She provided the registration number of the vehicle.*
	FI 3	*"Corporate Y* is not very user friendly as it is linked to some sites that take a long time to open".*
	FI 10	*Is someone at Company X selling our e-mail addresses to mailing-list-companies at high prices for extra income? I would think so… where else would all those people get our mail addresses!!*
6	FI 8	*"Company X se Y* lol met gebruik van internet: Na etlike jare van swak diens, was die afgelope agt dae die laaste strooi wat die kameel se rug gebreek het. Organisasie X doen geen moeite om vas te stel waarom ons net sowat vier dae per week 'n diens het nie, het mnr A* van Magaliesburg geskryf…."*
	FI 11	*Customer called in to report a call centre operator who was rude to her.*
	FI 15	*"Mnr C* van Pretoria het ook probleme met Company X. Sy Y* word al die afgelope vyf jaar deur die wind oormekaar gewaai. Company X het, nadat hulle van ons gehoor het, die Y* met nuwes vervang wat geïsoleer is en dus nie meer deur die wind beïnvloed kan word nie, het mnr C* nou laat weet".*
	FI 21	*Mnr I* het 'n faks gestuur waarin hy kla dat Company X se mense Y* moes lê en daardeur hulle plaveisel beskadig het. Hy het dit reeds gerapporteer sonder enige sukses en hy verwag van Company X on hom vir die skade te vergoed.*
7	FI 4	*"I am going to transfer my services to the new operator once it becomes available".*
8	FI 20	*Mr H* moved his company from one building to another. He completed the necessary transfer forms. During the move Mr H* contacted Company X about the exact date of the move. He was then informed that the transfer couldn't take place due to lack of Y* infrastructure on the premises that did not receive attention during the development phase of the premises. The lines can only be installed once the Y* infrastructure received attention. This may take months to be completed.*

9	FI 17	**A:** *Employees complain they do not receive their monthly online newspaper.* **B**: *Bundles of online newspapers have been returned to Corporate Communication's office as a result of wrong addresses.* **C:** *Management complains that they do not receive the media clippings regularly.*
10	FI 19	*We received a call that someone sells Y* * *cards on the street. When asked where he got hold of the cards, he replied that a Company X employee gave it to him.*
11	FI 18	*A staff member in Corporate Communication has been suspended. Colleagues only received an e-mail to inform them not to contact him.*

5.5.3.7. Applying phase four: The Intervention Phase

<div align="center">

Applying the Informal Feedback Yardstick

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Phase	1. Structure Phase	2. Analysis Phase		3. Integration Phase	4. Intervention Phase	
Key grasp	**INPUT**	**GROUP**	**CORE**	**IMPACT**	**CHANGE**	**OUTCOME**
Tasks	Collect feedback variables	Identify groups of feedback issues	Identify core of feedback issues and trends Eliminate useless info	Plot predicted impact of core issues	Adapt and adjust ■ Policies ■ Procedures ■ Strategies ■ Structures ■ Systems	Track outcomes and results Regenerate feedback to source
Document or Score	**SCORE OF RAW FEEDBACK**	**SCORE OF CORE ISSUES**		**SCORE OF IMPACT**	**SCORE OF CHANGE**	
	⬇	⬇		⬇	⬇	
IMPACT / INFLUENCE ON ORGANISATION						

This phase also consists of two sub-phases. The grasp term of the first step is *CHANGE* because the key outcome aimed at during this phase is *intervention*.

Intervention suggests that there should be some or other change induced in order to alter the course of communication or organisational strategies.

It has to do with the adaptation and adjustment of policies, strategies, structures and systems in order to rectify the issues originally raised during the feedback input phase. However, as stated earlier, the outcome may not always be change.

The second step during this phase is described by the grasp term of *OUTCOME*. This has to do with tracking and identifying the outcomes of the changes envisaged during the preceding phase once it has been applied.

During this phase feedback to the original source of the feedback input should be generated in order to complete the circle of the intervention wheel. The outcome document produced after completion of the final phase, phase four: The Intervention Phase, is called the *Score of Change***.**

Table 28: The Score of Change (Phase four: Intervention Phase)

The real names of websites are not listed as it may reveal the true identity of Company X. Pseudonyms are used to protect the identities of individuals.

FEEDBACK ISSUE NO. 1
A: Description / Quote of single Informal feedback input
"Well! Well! Well! I just received a phone call from an independent company about Company X's service. The lady explained to me that Company X is following up on customer complaints from the past 6 months. (I had complaints!) I was asked to explain what happened and what was done about it. Bravo Company X. How let's just hope something gets done about it."
IMPACT/CHANGE
POSITIVE FEEDBACK. Liaise with marketing and repair services. Keep up the follow ups and publish the positive responses.
B: Description / Quote of single Informal feedback input
"Corporate Y* helps me to be informed about Company X. I am well informed and feel part of the family. Thank you very much."
IMPACT/CHANGE
POSITIVE Impact = boost of morale. Publish this to celebrate victories and to motivate other staff members to take part.
C: Description / Quote of single Informal feedback input
"Company X laat die Z* weer sing. Mnr B* van Company X is 'n absolute staatmaker vir Company X. 'n Paar dae nadat ek Tot-U-diens laat weet het van my frustrasie, het Company X-tegnici opgedaag, die probleem geïdentifiseer en dit herstel".
IMPACT/CHANGE
POSITIVE – Praise the individual and make results known to the relevant section. Present as case study of how the commitment of one person can make a big difference. Publicize in internal communication vehicles.
D: Description / Quote of single Informal feedback input
Ms G* from Pretoria called to compliment a technician with the professional work he had done at her business.
IMPACT/CHANGE
POSITIVE: Impact = build sound reputation and cultivate proud ness. Get particulars of technician and send e-mail to his executive for praise. Provide publicity in the online newspaper for employees to see that everybody has a contribution to make. The message = Company X relies on its people.
OUTCOME/ INTERVENTION
Positive publicity received. Greater awareness and boost of internal spirit took place = It is not all bad. There is some excellent customer service rendered.

FEEDBACK ISSUE NO. 2

A: Description / Quote of single Informal feedback input

Company X employee called in during a radio interview with the CEO and complained that he knew of a certain manager in Company X that did not come to work but received his salary for over a year.

IMPACT/CHANGE

Impact = damage to reputation of Company X.
Try to trace the employee who called in and find out what exactly he knows about the manager. Take all the necessary actions from HR to the manager. Use as an example in communication with employees. State correct policy again in internal communication.

B: Description / Quote of single Informal feedback input

Mrs F * *from Witbank called complaining about a Company X technician who nearly pushed her off the road with his vehicle. She provided the registration number of the vehicle*

IMPACT/CHANGE

Impact = damage to reputation of Company X.
Request fleet management to call her to report this case. This is a serious call about employees' abuse of branded vehicles. Set up frequent safety meetings with the drivers and warn them of policy and punishment for abuse. This has a potentially severe impact on *Company X*'s reputation. Communicate general policy in internal media.

OUTCOME/ INTERVENTION

Individual cases were dealt with. Feedback was sent back to the source to demonstrate that something was done.

FEEDBACK ISSUE NO. 3

Description / Quote of single Informal feedback input

"Corporate Y * *is not very user friendly as it is linked to some sites that take a long time to open".*

IMPACT/CHANGE

Impact = damage to reputation internally. Messages do not reach the target audiences.

Corporate Y* informs staff members.
Look into design and structure of website in order to speed up links etcetera.

OUTCOME/ INTERVENTION

Negotiations with Marketing took place as they are responsible for the website. Outcome is that the development of a new feedback section for all stakeholders is to be developed on the *Company X* website.

FEEDBACK ISSUE NO. 4

Description / Quote of single Informal feedback input

"I am going to transfer my services to the new operator once it becomes available"

IMPACT/CHANGE

Impact = damage to reputation of Company X. Lost of customer and income.
Find out what exactly the concerns are. Address concerns.

OUTCOME/ INTERVENTION

Changed attitude of customer somewhat. Follow-up by Technical Services will take place in four weeks.

FEEDBACK ISSUE NO. 5

Description / Quote of single Informal feedback input

"I am a Company X customer.   I recently reported my faulty Y *. When I followed it up I got three different versions of feedback from you. How is this possible? I still do not have a positive response on my fault reporting. Company X is not reliable and your people have poor knowledge of your products."*

IMPACT/CHANGE

Impact = damage to reputation of Company X. Potential lost of customer and income.
More than one person handles a specific complaint. Make sure that full history is available on a particular customer at central customer care centre. Job of Corporate Comm to communicate this to stakeholders and to clear confusion with internal public. Work with Marketing and other departments to increase employee knowledge.

OUTCOME/ INTERVENTION

Communication with specific customer took place. Investigation by relevant section into the reasons why he received several different feedbacks is still going on.

FEEDFORWARD

Employees are aware that customers may receive different versions of feedback and are therefore cautious to keep to the same information.

FEEDBACK ISSUE NO. 6

A: Description / Quote of single Informal feedback input
"Your TV Ad with the doctor and the internet is nothing less than a misleading piece of Hollywood propaganda. How can Company X mislead the public with untrue ads? Don't you have any integrity as a company?"
IMPACT/CHANGE
Impact = damage to reputation of Company X. Lost of customer and income. Company should tell their side of story. Explain why the ad was used and apologise for mis-information. Make sure at Marketing that this cannot happen again.
B: Description / Quote of single Informal feedback input
"Not only was the public mislead but also we as employees - about the surgeon. We feel ashamed to answer questions outside Company X. We don't know the facts."
IMPACT/ Suggestion/Follow-up
Impact = damage to reputation of Company X. Lost of customer and income. Low internal staff morale and pride. Corporate Comm should tell Company X's side of the story. Internal communication should get understanding from employees on the why? Explain why the ad was used and apologise for mis-information.
Suggestion/Follow-up
Impact = damage to reputation of Company X. Corporate Comm should tell Company X's side of the story. Try to explain to public why the ad was used and apologise for mis-information. Use ads in newspaper to tell Company X's side of the story.

OUTCOME/ INTERVENTION

A better understanding about why the specific advertisement was used was achieved, especially amongst staff. Discussion and follow-up with Marketing took place. Procedures were put into place to ensure that a repetition of this incident does not occur in future.

FEEDFORWARD
Increased sensitivity for future content of advertisements and procedures for the approval of advertisements.

FEEDBACK ISSUE NO. 7

Description / Quote of single Informal feedback input
Very confidential information about possible retrenchments and a licence to a new operator were leaked to employees prematurely. This lead to an active grapevine all over the company and also externally. Some information even reached the media before it was officially announced.
IMPACT/CHANGE
Impact = damage to internal reputation. Creates a feeling of job uncertainty and unproductively. Employees lose their loyalty to the company and therefore work performance is lower. The grapevine is always very active in times of uncertainty. Try to communicate facts and re-assure employees that Company X will do everything in its power to safeguard their careers. But be honest in communicating the difficult times in which Company X operates. Use the grapevine to the advantage of the company by deliberately spreading useful information.

OUTCOME/ INTERVENTION

Looked into the distribution processes of confidential information. Procedures were adapted to ensure that staff are the first to hear relevant news that impacts severely on them. Lesson learned is that not much can be withheld from staff members for long, as information will leak out soon. Rather communicate sooner than later.

FEEDFORWARD
Employees will get some information somehow. Therefore, communicate as soon as possible.

FEEDBACK ISSUE NO. 8

Description / Quote of single Informal feedback input
"Company X se Y[*] lol met gebruik van internet: Na etlike jare van swak diens, was die afgelope agt dae die laaste strooi wat die kameel se rug gebreek het. Organisasie X doen geen moeite om vas te stel waarom ons net sowat vier dae per week 'n diens het nie, het mnr A[*] van Magaliesburg geskryf…."
IMPACT/CHANGE
Impact = damage to reputation of Company X. Lost of customer and income. Write letter to "Tot U Diens" explaining the situation. Get the relevant section to get in contact with Mr A and solve the problem. Communicate customer service procedures to employees.

OUTCOME/ INTERVENTION

Technical Services addressed the problem and communicated personally with customer. Follow-up will take place in four weeks in order to ascertain the satisfaction rate of the customer. The reasons why Mr A complaint was not addressed sooner, are still under investigation.

FEEDBACK ISSUE NO. 9

Description / Quote of single Informal feedback input

"I am a Company X employee. I realise that our service to the public is far from perfect. If I am not satisfied with Company X's performance how can I expect external customers to be loyal to us?"

IMPACT/CHANGE

Impact = damage to reputation of Company X. Internal perception spill over externally and multiply.
Communicate and get understanding from internal staff on service delivery agreements, procedures etcetera. Expand on internal staff feedback opportunities with focus groups, complaint boxes, anonymous e-mail, and letters.

OUTCOME/ INTERVENTION

This is a serious indicator of internal dissatisfaction. Put processes and programmes in place in order to step up internal satisfaction levels. This is rather difficult under the current phase of retrenchments and uncertainty. Development of user-friendly feedback section on the Company X Intranet is in progress. This may help to offer more feedback opportunities for staff.

FEEDBACK ISSUE NO. 10

Description / Quote of single Informal feedback input

"Is someone at Company X selling our e-mail addresses to mailing-list-companies at high prices for extra income? I would think so… where else would all those people get our mail addresses!!"

IMPACT/CHANGE

Impact = damage to reputation of Company X. Against the law.
Answer this person on the website. Formulate and distribute the message that Company X never sells any addresses to any other companies. Re-assure stakeholders.

OUTCOME/ INTERVENTION

The truth was communicated to stakeholder personally. This is the origin of a potential negative perception and/ or rumour that can spread. Monitor the environment further for possible ongoing intervention.

FEEDFORWARD
Constantly confirm (from time to time) with all stakeholders that their personal particulars are confidential and not released to anybody under any circumstances.

FEEDBACK ISSUE NO. 11

Description / Quote of single Informal feedback input

Customer called in to report a call centre operator who was rude to her.

IMPACT/CHANGE

Impact = damage to reputation of Company X. Lost of customer and income.
Handle as an isolated case. Apologise on behalf of the company and promise to take action against the operator. Report this case to the relevant senior manager

OUTCOME/ INTERVENTION

Handled as an individual and isolated case. Addressed as an example in training of call centre staff. Monitor the call centre complaints further to assure that excellent service is rendered.

FEEDFORWARD
Anticipate reactions to be taken by management with similar cases in future.

FEEDBACK ISSUE NO. 12

A: Description / Quote of single Informal feedback input

"Employees of our department sometimes do not consult each other and are doing the same tasks which results in rumours in our department – Corporate Communication.
We are not well enough informed about what is happening in our own department with regards to staff changes etcetera.

This creates mistrust, we feel out of touch with the group, nobody can be trusted. We are afraid to talk to management when we see someone doing something seriously wrong. Some people really work very hard and it is not acknowledged as others do nothing and get the honour of being very professional."

IMPACT/CHANGE
Impact = damage to internal reputation of Company X. Low morale and work satisfaction. Step up internal communication in CC Department. Employees cannot spread a positive message to the outside world when they are uncertain in their own world. Be honest – tell them that the grapevine is always very active in times of uncertainty. Try to communicate facts and re-assure employees that Company X will do everything in its power to safeguard their careers. Management of Department should try to be visible and caring. "*Management by walking around*". Try to be sympathetic and understanding.

B: Description / Quote of single Informal feedback input
"Lack of informal communication within the section. Employees use formal meetings to talk about their personal issues."
IMPACT/CHANGE
Impact = reputation of unit. How can department facilitate communication when they cannot communicate properly themselves. Improve internal communication through management by walking around, e-mail, staff meetings and notice boards.
C: Description / Quote of single Informal feedback input
"Lack of consistent feedback regarding performance. No formal feedback or performance review sessions"
IMPACT/CHANGE
Impact = reputation of unit. Lost of motivation and low morale. More communication/feedback regarding performance. Step up internal performance reviews and use this as opportunity of communication
D: Description / Quote of single Informal feedback input
"Where is 'x' – they're never here!"
IMPACT/CHANGE
Impact = Perception of lack of discipline. Damage to internal reputation Ask whether they made an appointment? Did they check with the secretary? Have they tried the cell number? - Change the behaviour/attitude of the person asking or commenting.
OUTCOME/ INTERVENTION Internal motivational actions, communication actions and procedures were updated and adapted. Internal feedback opportunities were extended. **FEEDFORWARD** Manager of Corporate Communication must make time to manage by walking about, be visible and listen to staff.

FEEDBACK ISSUE NO. 13

Description / Quote of single Informal feedback input
Employees mostly make comments about management's attitude at function Y *** *the other day.* **General thinking is that senior management advance only certain employees who they favour.* **There is big uncertainty and guessing about who will be the next victims of retrenchments'* **Communication between management and staff is poor.* **Some employees do not have any access to senior management and are not allowed to communicate with them.*
IMPACT/CHANGE
Impact = damage to internal reputation of Company X. Senior management should never be seen as unsympathetic to certain employees, arrogant, closed and not reachable by all employees. Work on image of senior management by getting their buy-in. Open up communication by central e-mail to senior management, expanding Corporate Y*, suggestion boxes, advising letters in newsletter, improve visibility of CEO on shop floor. Invite employees to provide feedback to senior management via the different internal communication vehicles.
OUTCOME/ INTERVENTION Senior Management addressed concerns. Development of user-friendly feedback section on Company X Intranet is in progress. Top management must become more visible and assessible. Put processes in place to address this. **FEEDFORWARD** Management is increasingly sensitive for being perceived as arrogant or unsympathetic, especially during times of change.

FEEDBACK ISSUE NO. 14

A: Description / Quote of single Informal feedback input

"Proudly South African. So they have a company in their stable (Company X) which retrenches at least 4 000 people and causes 1% inflation. I go to Company X's website and in the contact us tab, I post my thoughts. It says the domain not found. I cannot contact the people I have a problem with….."

IMPACT/CHANGE

Impact = damage to reputation of Company X. Loss of customer and income.
Company X cannot to be seen as deaf for stakeholders complaints. Follow-up on working of website feedback tools. Follow-up with Marketing. Put emphasis on promoting Company X's ability to listen to all stakeholders.

B: Description / Quote of single Informal feedback input

"Why is Company X so highly rated? South Africans rated Company X the top X* company in the world. We wanted to know, how this is possible when there seem to be so many complaints about the service. I am finding it very hard to get my head around this one. Just proves how far we still have to go to let South Africans know how they are being blinded by sheer ignorance".

IMPACT/CHANGE

Impact = damage to reputation of Company X. Loss of customer and income.
Follow up by publishing the truth in communication vehicles and in advertisements. Provide publicity on achievements and positive things.

IMPACT/CHANGE

Impact = damage to reputation of Company X. Loss of customer and income.
Price issue directed at Marketing. Not much you can do at the moment. Tell the "Why" when the opportunity comes up.

OUTCOME/ INTERVENTION

Adapted advertisements and publicised articles in internal newsletter were used to explain reasons to staff. This is to be addressed at top management level. These issues and the importance thereof were brought to the attention of top management.

FEEDFORWARD
Management is increasingly sensitive for being perceived as arrogant or unsympathetic, especially during times of change. Anticipates their actions well in advance to be perceived as more sensitive towards employees.

FEEDBACK ISSUE NO. 15

Description / Quote of single Informal feedback input

"Mnr C* van Pretoria het ook probleme met Company X. Sy Z* word al die afgelope vyf jaar deur die wind oormekaar gewaai.

Company X het, nadat hulle van ons gehoor het, die Z* met nuwes vervang wat geïsoleer is en dus nie meer deur die wind beïnvloed kan word nie, het mnr C* nou laat weet".

IMPACT/CHANGE

POSITIVE – Praise the individual and make results known to the relevant section. Present as a case study of how the commitment of one person can make a big difference. Publicise in internal communication vehicles.

OUTCOME/ INTERVENTION

Morale boost for staff took place. There is some good news – make it known.

FEEDBACK ISSUE NO. 16

A: Description / Quote of single Informal feedback input

Mr D* a journalist from IT Web complained about his Z* that was out of order for the whole weekend and he could not comply with their deadlines.

IMPACT/CHANGE

Impact = damage to reputation of Company X. Negative publicity may result in loss of customers and income.

Sometimes the media and specific journalists abuse their authority by demanding that their private Zs* be repaired immediately.

Company X faults is in possession of a full list of very VIP people who receive the necessary attention when their Zs* are faulty.

However it does occur that they cannot comply. With major Y* breaks it is impossible to repair Zs* within hours. It is also very important to assist where possible to any journalist complaint and it can harm the company if the wrong actions are taken. The relevant section must take up the complaint and repair. Explain the situation to journalist – provide facts.

B: *Mr E* * *an owner of a game lodge in the Waterberg area complaining that they can't use their internet for the Z systems* * *and they are losing valuable customers and money this way.*

IMPACT/CHANGE

Impact = damage to reputation of Company X. Perception that Company X does not care.

Due to the non viability of Ys* to these areas, D*systems is in use. When applying for the Zs* the call centre operator has to explain that this is not a trustworthy line for internet use, however, most of the D*customers in the Northern Province are lodge owners or big commercial farmers. Like Cs* the D* system is not always reliable. Study and apply new technology constantly to accommodate the D* customer. The relevant department must distribute specific messages to these customers.

OUTCOME/ INTERVENTION

Technical Services communicated to customer to his satisfaction. Procedures were updated to prevent future repetition. Ongoing monitoring of similar cases.

FEEDFORWARD
Checks and balances must be put into place to follow up on customers' satisfaction and make sure that complaints are addressed.

FEEDBACK ISSUE NO. 17

A: Description / Quote of single Informal feedback input
Employees complain they do not receive their monthly online newspaper.

IMPACT/CHANGE

Impact = lack of internal communication and proper distribution on information. Take steps to make sure that the address lists are up to date by sending an e-mail to all the addressees requesting them to update their addresses.

B: Description / Quote of single Informal feedback input
Bundles of online newspapers have been returned to Corporate Communication's office as a result of wrong addresses.

IMPACT/CHANGE

Impact = messages do not reach internal stakeholders. When receiving it back, call the specific people and rectify the address.

C: Description / Quote of single Informal feedback input
Management complains that they do not receive the media clippings regularly.

IMPACT/CHANGE

Impact = management is not informed about media issues and publicity received. This impacts Corporate Communication's image.

The link to media monitoring is on the Corporate Y* site. Repeat this in communication to employees. Aim special message about this to management and target secretaries and assistants of management.

OUTCOME/ INTERVENTION

New campaign aimed at motivating staff to update their own particulars was undertaken. Better co-operation with HR in this regard will take place in future.

FEEDBACK ISSUE NO. 18

Description / Quote of single Informal feedback input
A staff member in Corporate Communication has been suspended. Colleagues only received an e-mail to inform them not to contact him.

IMPACT/CHANGE

Impact = rumours occur. Low morale within Department. Who is next?
Head should call the staff together and explain why and warn everybody about working according to the Business Code of Ethics.

OUTCOME/ INTERVENTION

Negotiations with HR took place in order to see how this can be handled differently in future.

FEEDBACK ISSUE NO. 19

Description / Quote of single Informal feedback input

We received a call that someone sells Y cards on the street. When asked where he got hold of the cards, he replied that a Company X employee gave it to him.*

IMPACT/CHANGE

Impact = Damage to Company X's reputation if true. Forward this call to Security for follow-up. Keep the customers and media up to date with small ads about fraud. Communicate policy and warning to employees.

OUTCOME/ INTERVENTION

Isolated case of rumour. Monitor similar cases in future. Took matter up with relevant Department.

FEEDBACK ISSUE NO. 20

Description / Quote of single Informal feedback input

Mr H* moved his company from one building to another. He completed the necessary transfer forms. During the move Mr H * contacted Company X about the exact date of the move. He was then informed that the transfer couldn't take place due to lack of Y* infrastructure on the premises that did not receive attention during the development phase of the premises. The X* can only be installed once the Y* infrastructure received attention. This may take months to be completed.

IMPACT/CHANGE

Impact = Damage to reputation due to a lack of understanding of procedures. Nobody told customer in advance.

With the lodging of the application, Company X should have informed Mr H* about the infrastructure requirements. New developments are erected regularly. Develop and package the message aimed at developers and property buyers that they should make provision for the X and Y infrastructure in advance.

OUTCOME/ INTERVENTION

Information sheet to prospective clients was adapted to clearly spell out procedures and requirements from client. Adapt training of call centre staff accordingly so that they lead customers with questions to find out whether they understand the requirements and procedures.

FEEDFORWARD

Needs of customers are better anticipated in future.

FEEDBACK ISSUE NO. 21

Description / Quote of single Informal feedback input

Mnr I* het 'n faks gestuur waarin hy kla dat Company X se mense Y* moes lê en daardeur hulle plaveisel beskadig het. Hy het dit reeds gerapporteer sonder enige sukses en hy verwag van Company X on hom vir die skade te vergoed.

IMPACT/CHANGE

Impact = damage to reputation – Company X has no respect for private property.
If work is to be done at private dwellings and damage to property is inevitable, the customer must be informed beforehand. Company X must stand in for the damage.

OUTCOME/ INTERVENTION

Technical Services followed up on this case to the satisfaction of the client. Establish the reasons why damage was not repaired in the first place.

FEEDFORWARD

Technical services will talk in advance with clients in future if they know that some damage is to be undertaken. Clearly spell out what will be done and what not.

FEEDBACK ISSUE NO. 22

Description / Quote of single Informal feedback input

Customer complains about a technician sleeping on the side of the road…

IMPACT/CHANGE

Impact = Damage to image and reputation of Company X. Thank the customer for caring enough to report it. Get particulars - time, weather, and registration number. Report this to relevant authorities and publicise consequences in internal newsletter.

OUTCOME/ INTERVENTION

Isolated incident that was addressed by his Department. Message of "no mercy" must be sent out. Feedback to the originator of the feedback issue completed the circle.

FEEDBACK ISSUE NO. 23

Description / Quote of single Informal feedback input

The Unions approved the new retrenchment process and the grapevine flows in the corridors about possible packages etcetera.

IMPACT/CHANGE

Impact = damage to internal reputation of Company X. Employees discuss the communication broadcast they received and give their opinion about the packages offered. Employees are still guessing who will be retrenched forcefully and who is going to make use of the opted process. They are calmer than with previous retrenchment processes. Employees now acknowledge that the company has certain objectives and processes to prepare for competition.

Use this acknowledgement to cultivate further understanding with internal communication. Distribute an internal message from the CEO and the head of human resources in which they state the facts again and give their assurance that everyone will be treated fairly.

OUTCOME/ INTERVENTION

Internal communication must be stepped up. Busy with new strategy development.

FEEDFORWARD

Make use of the grapevine and feed it with positive information in times of change and when employees are being retrenched. Always make sure that communication channels are open in times of uncertainty.

5.6.   DELIMITATIONS OF THE STUDY

Although this study starts off with a broader literary overview and description of general feedback and formal research as a method of obtaining feedback results, it is not the sole purpose of this study. The study aims to describe the notion of informal feedback as a communication management tool in all its facets. Relevant subjects such as knowledge management, environmental scanning, gainsharing and the chaos, postmodern, 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 relevant background against which to investigate the real subject of study.

Although very relevant to the South African business community and representative of at least the bulk of most inspiring learning organisations, (the best to work for) the researcher relies on the selection criteria of the publishers of the book *The Best Companies to Work For in 2004* in order to define the population of the study. The population is therefore by no means representative of all South African (learning) organisations.

The findings of this study can, therefore, also not be generalised to all South African organisations. These findings will merely serve as an indication of the general trends regarding informal feedback intervention in some better managed organisations and the best companies to work for in South Africa. These companies are seen as leaders in several ways. It is also natural that the organisations chosen as best companies to work for in 2005 will differ from those targeted in 2004 for this study design.

It is also true that most organisations adapted and changed their websites to a larger or lesser extent during the same period mentioned above. It is, therefore, important to take note when exactly results were obtained or observed during the full time cycle of the research study.

Determining the outcomes of the case study with Company X (research method three) is a lengthy process that can only be investigated over a period of time. The interventions and outcomes documented here have therefore not yet been completed. However, it provides the researcher with a good understanding of the capabilities and results achieved during the case study.

■ CHAPTER SIX ■

CONCLUSIONS AND RECOMMENDATIONS

6.1. INTRODUCTION

Modern information technology has created a new corporate communication landscape where everything, from communication channels to audience identification, methods of communication, message content and communication feedback, has changed. It has also impacted on the shared meaning of messages. Computer technology has altered the power structure and relationship between companies and their publics, stakeholders and the media (Ihator 2001:199-210).

At the beginning of this research study the researcher stated the overall research problem by sketching the broader background, influences and complexities relating to the field of study. The broader objective stated was to add to the existing knowledge base of the notion of feedback, informal feedback and feedback intervention. The role of informal feedback intervention as a communication management tool and as a learning agent and provider of predicting feedforward within the broader concept of learning organisations, was also investigated.

The following research objectives were stated in Chapter One:

1. To contribute to the body of knowledge about informal feedback examination and describing the current existence and applications of informal feedback intervention in South Africa's *Best Companies to Work for in 2004* as identified by The Research Foundation.

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

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

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

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

6.2.   CONCLUSIONS AND RECOMMENDATIONS

6.2.1. Conclusions and recommendations on research method one

We learned from the literary overview in Chapter Three that if organisational change is to be effective, the communication process must include openness, dialogue and honesty (Henderson and McAdam 2003:776). We also learned from that chapter that more and more small companies are mining the internet for business intelligence.

The data and customer feedback they obtain in this way often sets them ahead of the pack. For those organisations that are willing to invest time, the internet is an inexpensive way to get online with customers, suppliers and competitors and to use the arising opportunities for controlling damages, providing services and support and to collect feedback.

Research method one involved a content analysis of 54 corporate websites of mostly learning organisations. It must, however, be stressed that this content analysis of the organisations' websites was made during early 2004. It, therefore, represents the situation as at that moment in time. As websites are supposed to be living publications that are updated daily, several changes could be expected by the time that this study design was completed. However, the analysis was repeated in a second phase that was conducted during December 2004.

The overalll performance of the population of organisations was noticeably better during phase two with regard to feedback accessibility.

South African organisations do not really tune in to the voice of all their stakeholders on their corporate websites as far as informal feedback opportunities are concerned. Organisations concentrate selectively on those stakeholders who are directly and obviously linked with their financial stability. This is, however, a very short-sighted vision and strategy as ignoring hidden and latent stakeholders may cost the organisation dearly.

This is naturally limited to the 55 websites of *'The best Companies to Work for in South Africa* investigated in this study. However, if this is the case with regard to the best companies to work for, similar characteristics could probably be found in other South African organisations as well. There is, however, no scientific proof at this point in time. A more comprehensive follow-up study could provide evidence to generalise these initial findings to a much broader spectrum of South African organisations.

The findings from the content analysis of 55 organisations' websites provide us with answers to research question three (*How do the targeted learning organisations utilise their internet as a useful and accessible way of providing stakeholders with opportunities for informal feedback input?)* as stated in the beginning of Chapter Five.

The investigated sites are by far not sensitive enough to provide an ear to the feedback, complaints, suggestions, queries or general opinions, fears and voices of customers and other organisational stakeholders.   The majority of those websites that do provide opportinities for feedback in the broader sense, concentrate on customers and investor contacts.   Other than this, their websites are limited to distributing and obtaining information about their products and services and providing information to investors.

Very few organisations use their websites to invite and motivate feedback from a broader stakeholder community. From a corporate communication point of view, homepages and websites offer the ideal opportunity to state the organisation's willingness and openess to receive feedback from anybody who wishes to air their opinion and make their voice heard.

Websites serve as living advertisements stating the corporate image, intentions, values and therefore the soul of the organisation. Too many corporate websites still aim to provide primarily information to customers, and sometimes other stakeholders as well, with too little emphasis on listening to what members of all stakeholder groups may have to say.

It will only take a few small fine tunings and adaptions to the majority of corporate websites to make them more feedback-friendly to all stakeholders. From the content analysis and also the preceeding literary study, the following suggestions can be made regarding informal feedback opportunities on corporate websites:

- Live buttons for both *'Contact Us'* as well as *'Feedback'* should be provided on the entry level of corporate websites, namely the homepage. This will provide a primary opportunity for feedback to all stakeholders and at the same time boost the organisation's image by stating its willingness and openess in welcoming informal feedback.

- *'Contact Us'* should be used to list all telephone, fax and cell numbers (if preferred), personal e-mail addresses, toll free numbers as well as postal and physical addresses. It also makes perfect sense to list directions to offices and road maps here.

- The 'feedback' button should specifically be used to provide a structured online form, with a few questions, followed by an open field where the stakeholder can list his or her feedback. This form should be preceded by an invitation that motivates the website user to provide any kind of feedback - be it a suggestion, comment or question.

    The following statement is an example of what the accompanying text should contain and provides an ideal feedback motivating statement:

    We (or name of company) are committed to open and transparent dialogue with all our stakeholders. We value and welcome any feedback, be it concerns, complaints, queries or suggestions and will gladly listen to what you have to say.

    Please feel free to use our online feedback form to share your views and ideas with us.
    We will respond to your contribution as soon as possible.
    Thank-you for your interest in us.

- It is recommended that the word 'feedback' is always used as a collective noun, but that the separate concepts such as suggestions, comments, views and even questions also be named in addition to the concept of 'feedback'.

- Websites should be relatively simple to navigate with easy navigation buttons and logical links on the homepage. Companies should stay away from complicated graphics and especially animation on their homepages. These take too long to download and may frustrate users, especially those with slower computers.

From the preceding content analysis of 55 corporate websites, the best website as far a motivating text to provide feedback is concerned belongs to MTN and its section called 'Speak 2 MTN'. Microsoft SA also provides very good motivational text for sending feedback. PriceWaterhouseCoopers also emerged as a provider of excellent feedback opportunities on its website during the second phase analysis. During this analysis it was found that Microsoft moved its '*Contact Us*' button in under '*Corporate Info',* which made it more difficult to find. There is also an absence of feedback reference or branding on their homepage.

The best execution of both contact and feedback opportunities belongs to Cashbuild and Flight Centre. Kumba Resources and Railit Total Transport later (with the second content analysis) also separated their *Contact* and *Feedback* buttons on their homepages.

The websites with the least openess and opportunities for feedback belong to Exel Petroleum (this organisation has since been taken over by Sasol), Fresh Produce Terminals, Matrix Vehicle Tracking and Ingwe Collieries. At the time Exel's website was a good example of a visually striking homepage with little more to offer regarding feedback. The organisation has since ceased to exist.

Sometimes the distinction between informal feedback (as defined in this research study) and soliciting more formal feedback opportunities becomes less obvious.

One good example is Absa Bank who launched a television advertisement in November 2004 in which their Group Chief Executive Officer personally urged Absa clients to make suggestions and comments on how the bank could deliver a better service to its customers. In the advertisement a central e-mail address for feedback is also provided.

Although Absa solicited feedback by motivating its customers to provide feedback by e-mail, it is still regarded as informal feedback. This is because Absa could not get a direct response and had no control over which customers would adhere to the CEO's call to provide the feedback (and when). This is further complemented by the simple feedback terminals installed at service points in Absa Bank branches as well as on their website where more direct requests for suggestions are made. This is an excellent example of how organisations can use elements of informal as well as slightly more formal or solicited feedback opportunities to stimulate feedback input into the organisation. Absa should be commended for this strategy. Absa's campaign was followed by one by Nedbank in which they emphasised Nedbank's abillity to listen.

In the second analysis of the 54 websites during December 2004 it was found that no less than 18 websites underwent significant changes. Of these websites, five (SAB Miller, Barloworld, SARS, Railit and Netcare) had major improvements where the feedback/contact offering moved from a secondary listing to a primary listing on the homepage. Others underwent minor improvements and two had deteriorated in their feedback offerings to stakeholders.

Like Esrock and Leichty (2000) the researcher feels obliged to warn organisations against the absence of feedback mechanisms on their corporate websites. Stakeholders can easily interpret it as a statement by the organisation of the kind of communication relationships the organisation prefers with its various stakeholders. On the other hand, in agreement with Cilliers (2003:109), one has to emphasise that feedback does not constitute only having a feedback button on an organisation's website, but implies an interactive relationship between the sender and receiver.

The internet and World Wide Web became a new way of communicating with stakeholders. If used to its full potential it provides ample opportunity to facilitate two-way communication with members of different stakeholders in a very cost-effective way.

Too often websites are designed by either IT managers or graphic designers without consulting the communication manager. Communication managers should make sure that the communication opportunities are fully utilised. Organisations should grasp this opportunity and apply this communication tool to its full potential.

As determined in Chapter Three, the openness and willingness to constantly learn from all stakeholders is a prerequisite for learning organisations in order to survive today's hostile business environment. Fritz's (1994:112) view, summarised in Chapter Three, indicated to us that organisations can renew themselves and become rejuvenated only if they can learn. If they are capable of learning they can transform themselves into new entities capable of greater heights of achievement. Allowing all stakeholders' informal feedback into the organisational system is an obvious and relatively inexpensive way to optimise learning.

Fritz's (1994:125) view is also supported by the fact that a prerequisite for becoming a learning organisation is that the organisation has to make a commitment to change its fundamental way of life or total orientation. This should be visible on organisations' windows to the world, their websites, as well. The researcher supports Thompson's (1995:96) view that multiple feedback opportunities are one of the critical success factors and conditions for building a learning organisation.

Murphy (1987:59) also emphasised elements of this in Chapter Three of this research study where he was quoted suggesting that we should listen to *context* and *content* in order to listen more effectively. He also suggested listening to suggestions and comments and even tune in to body language and written communication as well. McGill (1994:5) taught us that the critical issue is not what to change but what and how to learn from it.

Organisations' verbal and text statements with regards to their willingness and openness to all kinds of communication feedback (including informal feedback) on public arenas, in brochures, newsletters and advertisements are often not adequately supported by their web page offerings. The reasons behind these phenomena are not known and could form an interesting subject for a follow-up study. But there are welcome exceptions, as illustrated in the content analysis of the websites described in this chapter.

6.2.2. Conclusions and recommendations of research method two

It can be concluded from the findings of research method two (questionnaire) that in general the responding organisations believe in the value of informal communication feedback and its potentially strategic impact.

The passive solicitation of feedback (informal feedback) from all stakeholders is generally high on the agenda of marketing and communication managers and is pursued and stimulated, although not on a daily or weekly basis. There are, however, some exceptions.

The grapevine is also mainly regarded as a helpful and existing phenomenon in organisations. The learning organisations that were included in the study population, mainly attached significant value to information (informal feedback) obtained from the organisational grapevine. Almost 77 (76.66%) of the respondents indicated that they make use of the grapevine as a source for informal feedback while 60% make use of word of mouth, rumours and gossip.

This was further emphasised in Table 18 where the majority of respondents indicated that the grapevine is an important source of informal feedback and that it should be used to the advantage of the organisation, and that much can be learned from the grapevine.

However, a lot of uncertainty exists regarding the specific role and use of the grapevine and gossip as part of an overall communication and specifically an informal feedback collection policy. Additional evidence for this uncertainty lies in the high percentages that value three (3) (uncertain, where 1 = disagree totally and 5 = agree totally) scored throughout the statements about the grapevine from V34 to V47 (Table 18), with the exception of V43.

There needs to be more deliberation and training in this area. Respondents were, for example, generally unsure about the specific application of the grapevine with regard to its ability to influence and entertain, to distribute routine information, to build morale and job satisfaction and to facilitate knowledge transfer in organisations.

Respondents' lack of knowledge about the application of the grapevine as a source of informal feedback is further confirmed by their disagreement and uncertainty about the fact that management can feed the grapevine with information they choose. Compare the results of V49 in Table 18.

One should also take into consideration that 30% of respondents agreed that they merely see the grapevine as gossip with not much value for the organisation (Table 18). Yet, more than 76% (V9) indicated (Table 13) that they use the grapevine as a method of obtaining informal communication feedback.

One generally gets the impression that, although the grapevine is seen as something that happens spontaneously and is worth taking note of, the perception prevails that it cannot really be successfully used and even 'manipulated' to the advantage of better communication management in the organisation. This is in contrast with what the literature presented us with in the previous chapters of this study design.

Evidence also prevails in research method two that the majority of the participating organisations are indeed good examples of modern learning organisations. These findings, together with the preliminary analysis of Annexure A, prove that the investigated 55 organisations show extensive characteristics of learning organisations.

The following tables represent a summary of those scores and values that are particularly in contrast with the quoted literary views and the conclusion that the researcher draws from this.

Table 29: Conclusion: Time frames for collection of informal feedback input

V5		*freq*	*%*
4	Ad hoc – depending on the perceived importance of the feedback input.	**12**	**40.00**

As stated earlier, organisations should really make an effort to perceive all received informal feedback as potentially important and should regularly collect this feedback.
A further concern lies in the subjectivity of deciding which informal feedback is important and which is not.

Table 30: Conclusion: The perceived strategic role of informal feedback

	Informal feedback:	*1*	*2*	*3*	*4*	*5*
V24	Is merely worth taking note of.	5 17.24	9 31.03	**9** **31.03**	**4** **13.79**	2 6.90
V26	Can lead to strategic change in the organisation.	1 3.33	**5** **16.67**	**4** **13.33**	12 40.00	8 26.67

The 31.03% of respondents that are neutral on this statement in V24, as well as the 13.79% that agreed, are of concern to this researcher because informal feedback should be considered to play a much more important and strategic role. This confirms the researcher's earlier view, which stated that a significant part of the respondents do not attach much value to the strategic contribution of informal feedback although they recognise its existence and even its limited application and role in the organisation.

These conclusions are also in essence our answer to 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?).

Similarly the 16.67% that disagreed with the statement in V26 as well as the 13.33% that were neutral, calls for serious attention. As concluded in the literary overview, some informal feedback should indeed lead to strategic change in organisations.

Table 31: Conclusion: The stimulation of informal feedback

	My organisation:	*1*	*2*	*3*	*4*	*5*
V28	Knows that stakeholders will find the means to provide feedback themselves.	2 7.14	6 21.43	**13** **46.43**	4 14.29	3 10.71
V29	Stimulates informal feedback from stakeholders only from time to time when regarded as necessary.	5 17.24	8 27.59	**7** **24.14**	**9** **31.03**	-

It was concluded from the literary study that organisations should stimulate the collection of informal feedback by providing optimal and sufficient means and methods that make it easier for all stakeholders to provide feedback. It is, therefore, of some concern that 46.43% of respondents were neutral on the statement in V28.

Organisations should do much more to stimulate informal feedback than just rely on stakeholders to find the means themselves.

A similar argument can be applied to V29. Informal feedback should be stimulated continuously and not only from time to time when regarded as necessary. The question stands: Who decides, on behalf of stakeholders, when it is necessary and when not.

Table 32: Conclusion: Views on the organisational grapevine

		1	*2*	*3*	*4*	*5*
V34	The grapevine is merely seen as gossip with not much value for the organisation.	3 10.00	10 33.33	**8** **26.67**	**6** **20.00**	**3** **10.00**
V38	The organisational grapevine is about emotional issues and not factual issues and therefore should not play an important role in communication management.	3 10.00	12 40.00	**8** **26.67**	**6** **20.00**	1 3.33
V39	The grapevine only flourishes when the formal communication structure is inadequate.	2 6.67	12 40.00	6 20.00	**6** **20.00**	**4** **13.33**
V40	The grapevine can be used to release tension among employees.	**3** **10.71**	**5** **17.86**	7 25.00	12 42.86	1 3.57
V41	The grapevine can be used to build morale and job satisfaction.	**6** **20.00**	**7** **23.33**	7 23.33	8 26.67	2 6.67
V42	The grapevine may provide answers to employees' unanswered questions.	**5** **16.67**	**8** **26.67**	8 26.67	8 26.67	1 3.33
V43	The grapevine is especially good in distributing routine information fast and accurately.	**9** **30.00**	**12** **40.00**	6 20.00	2 6.67	1 3.33
V45	The grapevine acts as an important creator and maintainer of human relationships in the workplace.	4 13.79	10 34.48	8 27.59	5 17.24	2 6.90
V46	The function of the grapevine is to influence or entertain.	**4** **13.33**	**10** **33.33**	**9** **30.00**	5 16.67	2 6.67
V47	The function of the grapevine is to provide information.	**7** **24.14**	**11** **37.93**	**9** **31.03**	2 6.90	-
V48	The grapevine should be used to facilitate effective knowledge transfer in organisations.	**11** **36.67**	**8** **26.67**	3 10.00	8 26.67	-
V49	Management can feed the grapevine with information that they choose.	**8** **26.67**	**7** **23.33**	7 23.33	8 26.67	-
V50	The role of the grapevine is supportive to more formal communication.	**4** **13.33**	**8** **26.67**	6 20.00	11 36.67	1 3.33

As stated earlier, major uncertainty with regard to informal feedback lies with the grapevine as a source of informal feedback. Respondents were generally indecisive about the grapevine and opinions differ widely. This is also evident from the high scores that the neutral score of three received in this section of the results.

The grapevine is an area of which respondents have little knowledge. It is also generally considered as having little true use in corporate communication. The studied literature, however, teaches us a different story.

With regard to the above statement, it was concluded from the reviewed literature that the

grapevine indeed flourishes whether formal communication structures are inadequate or not; it can be used to release tension among employees and to build morale and job satisfaction; it provides answers to employees' unanswered questions; it is good in distributing routine information quickly and accurately; and it acts as an important creator and maintainer of human relationships in the workplace.

The reviewed literature also teaches us that the function of the grapevine is to influence, entertain and provide information; it should be used to facilitate knowledge transfer in organisations; management can feed the grapevine with information and that the role of the grapevine is supportive of more formal communication.

6.2.3. **Conclusions and recommendations of research method three: a case study**

The management of and optimal engagement and dialogue with stakeholders are no longer luxuries, but rather necessities for modern organisations. If organisations, and even more so learning organisations, wish to justify their conduct and build a reputation of good corporate governance and ethical responsibility, ongoing attention to stakeholder issues becomes one of the prerequisites for survival.

Listening involves more than just providing an ear to all possible stakeholders. It also involves true commitment for inducing change to the core of the organisation. Even little known or marginalised stakeholders, who have little interaction with the organisation, need to be acknowledged and monitored on a regular basis.

This is, however, not an easy task. Unlike formal surveys, with the collection of informal feedback the organisation is not in control of collecting data and the time frames attached to it. The biggest advantage of informal feedback is, however, the honesty and therefore intrinsic value of it.

A stakeholder who goes through the trouble of providing the organisation with this kind of feedback really feels quite strongly about it. In contrast with this, participation in more formal surveys often involves some degree of irritation and a careless attitude. In this

light, the honesty of informal feedback from stakeholders becomes a valuable tool in the hands of communication managers in conducting issue management and stakeholder engagement.

Too often, problematic procedures, bureaucratic structures and policies are ignored and communication is instead applied as a quick fix for much deeper obstacles in organisations. Communication, and in this instance informal communication feedback, merely indicates what stakeholders observe, find problematic, irritates them or have praise for.

The *Informal Feedback Intervention Wheel* assists the communication manager in taking the management of informal feedback issues to the next level, a level where it becomes a real indicator for intervention and ultimately leads to change in the organisation. This study, therefore, strongly agitates for the cultivation of informal feedback intervention as a method of obtaining improved stakeholder engagement that ultimately leads to inclusive and participative corporate governance. It is a tool for promoting the participation of stakeholders and has a positive contribution to make in enhancing the organisation's reputation.

The Wheel, as framework, also applies structure to the chaotic appearance of bundles of informal feedback issues. Although this case study goes a long way in describing how to capture these feedback issues in a Feedback Capturing Database, it makes good sense to explore faster computer software in order to save time and resources. This may also form part of follow-up research. As the end results and suggestions for interventions take some time to be fully realised, it may also make good sense to explore this advantage further with dedicated follow-up studies.

At the time of the investigation for the case study Company X was in a very difficult time of their existence. A new era was dawning where their monopoly in providing certain services to South African people would come to an end. This led to wide-spread uncertainty and suspicion internally as well as externally. Company X were severely criticised on their customer service and service in general.
Towards the end of the case study investigation at least six managers within the Corporate

Communication Department received severance packages and left Company X. This resulted in a minimal impact on the outcomes of the case study as it was already in the final phase and very near completion.

It became clear from the case study at the time, that communication and feedback (informal and formal) but also the general manner in which the top management of Company X deals with internal stakeholders in particular, needed to be criticised. Although the delivery of new products, the installation and repair of existing products and services has certainly improved much in recent years, informal feedback issues mainly reported about poor service delivery. The other main issue that came out in informal feedback issues, dealt with the apparent high costs of services and products offered by Company X. Together with internal communication challenges, these formed the basis of most feedback issues captured during the period.

Applying the *Informal Feedback Intervention Wheel* against this background resulted in a flood of possible feedback issues that could be used. The researcher, therefore, decided to make a representative selection from certain possible media in order to have a manageable presentation. The feedback issues used in the case study are by no means an all-inclusive version of all possible informal feedback issues available during the period of the study.

It quickly became clear that the *Informal Feedback Intervention Wheel's* power lies in its ability to force managers to make time and structure informal feedback issues in a certain way. It forces the communication manager to give attention to each and every single piece of informal feedback and to predict its impact on policy, structures, strategies and systems.

As the impact of these issues often impacts on other departments and divisions in the organisation, it is of utmost importance that the corporate communication department has a clear mandate from top management to communicate these impacts to the relevant divisions. It is also important that management buys into the concept and process suggested by the Intervention Wheel and expects divisions to address these issues.

The *Informal Feedback Intervention Wheel* enables corporate communication divisions to

fulfil its mandate of boundary spinner and early warning agent. It provides a way to at least give attention to pertinent informal feedback issues that could otherwise be ignored. The case study with Company X ultimately confirmed the researcher's earlier suspiscion that there is no quick way of dealing with informal feedback issues. The nature of informal feedback makes it widely spread and difficult to collect from all possible media.

It was also very useful to apply the framework to Company X because of the sheer size of the organisation and the multiple corporate and informal feedback issues that boiled to the surface in recent months. This made it possible to investigate a variety of informal feedback issues ranging from compliments, complaints and comments to the grapevine and certain observations. This might not have been possible should the case study have dealt with a much smaller organisation. The timing of the investigation also made for an interesting experience. Of particular interest was the dynamics of the organisation in the midst of uncertainty and the organisation's prominent position on the public agenda. Company X currently enjoys one of the most recognised brands in South Africa.

The *Score of Change* of the case study, and especially determining the exact interventions and outcomes achieved, has by no means been completed. It is an ongoing process where Company X is still determining what interventions to apply and, over time, what the exact outcomes of these interventions are. This will take some time and may be completely documented in a follow-up investigation. Fine-tuning the measurement of the outcomes induced by informal feedback interventions must also receive further attention in such an investigation.

To summarise, the *Informal Feedback Intervention Wheel*, as a framework, is of particular significance for the following reasons:

• It provided a way and structure for capturing an overwhelming number of feedback issues;

• It gave structure and order in the processing and evaluation of informal feedback issues;

• It produced meaningful documents that can be followed-up and can be used for statistical analysis;

• It forced communication managers to spend time on individual informal feedback issues and therefore pay attention to them;

- It followed a natural path in which thoughts and facts were directed from raw input to the production of interventions with outcomes, causes, change and the measurement of results;

- It guided communication managers in their thinking to anticipate possible interventions that should produce desired outcomes;

- It provided communication managers with a tool and evidence of measured impact capabilities to the organisation's bottom line that can help them in convincing top management to act appropriately;

- It provides possibilities for feedforward, which may assist communication managers to predict future outcomes and therefore help management to successfully anticipate possible actions and reactions of stakeholders before they occur.

A drawback of this process is the time needed to capture all informal feedback issues and to prepare them for application to the Intervention Wheel. Depending on the size of the organisation, at least one dedicated staff member is required to specifically give attention to the process of monitoring informal feedback. It is, therefore, also recommended that the methods and ways of computerising the informal feedback collection be further investigated.   Existing software, like ExpressFeedback, needs to be examined and investigated.   It might also be worthwhile to investigate the possibility of developing dedicated software to complement the Intervention Wheel.

The role of the *Informal Feedback Intervention Wheel* as provider of both feedforward as well as suggestions for interventions to existing policies, structures and strategies (feedback) is a very exciting outcome of this study. This means that, based on past informal feedback inputs, the *Informal Feedback Intervention Wheel* may also become a forecasting tool for predicting the potential actions and reactions of stakeholders even before it happens. This opens up exiting possibilities for further research into the application of the framework in providing feedforward predictions and trends in organisations.

6.2.4. Deliberating the research questions

To summarise the findings in this research study we have to look at the research questions that were stated in Chapter One once again.

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)?**

It was concluded earlier that the majority of respondents (13/43.44%) collect informal feedback inputs as and when received and that 40% of respondents (12) attend to informal feedback in an ad hoc manner, depending on the perceived importance of the feedback input. The concern was expressed that the perceived importance of the informal feedback is limited and subject to the judgment of one person, that could result in communication managers overlooking the latent strategic impact potential of a particular issue.

Respondents emphasised the importance of informal feedback with the main stakeholder groups: customers, investors and staff members, while more than 53% of respondents agreed that informal **feedback issues of all stakeholders** are perceived to be important. Almost 74% of respondents indicated that informal feedback could lead to strategic change in their organisations.

It is clear that although respondents generally realised the potential strategic importance of informal feedback, they are not always consistent in their realisation of the application of certain types of informal feedback inputs. Examples of this are some views expressed regarding the grapevine and rumours.

Research question two:

What views, media and methods currently prevail in the investigated learning organisations with regard to their provision for informal communication feedback opportunities?

Table 13 mainly provided the answer to this research question. It was concluded that the four main media and methods used by the respondents in obtaining informal

communication feedback were: Through direct observation of customers or staff (80%); Web page with structured feedback / "contact us" forms / mailto e-mail addresses (77%); information obtained from the organisational grapevine (77%); and through voluntary comments made at functions or parties (74%). The use of telephonic means also drew almost 67% of the response.

Letters to the press (60%) as well as word of mouth, rumours and gossip (60%) were also fairly popular as media and methods of collecting informal feedback. Although 77% of respondents indicated that they use their web pages for soliciting informal feedback, this was not supported by the findings of the content analysis of the same population.

It must be agreed with Esrock and Leichty (2000) in their warning against the absence of feedback mechanisms on corporate websites. Stakeholders can easily interpret it as a statement by the organisation of the kind of communication relationships the organisation prefers to have with its various stakeholders. An advantage of regularly obtaining feedback from the internet is the instant nature of the feedback that also leads to instant interactivity. This is an essential factor in relationship marketing.

Research question three:

How do organisations utilise the internet as a useful and accessible way in providing stakeholders with opportunities for informal feedback input?

The answers to this research question were discussed at length earlier. In general it was concluded that the investigated websites are by far not sensitive enough to provide an ear to the feedback, complaints, suggestions, queries or general opinions, fears and voice of customers and other organisational stakeholders. The majority of those websites that do provide opportunities for feedback in the broader sense, concentrate on customers and investor contacts.

It was also concluded that very few organisations use their websites to invite and motivate feedback from a broader stakeholder community. Too many corporate websites still aim primarily to provide information to customers and sometimes other stakeholders as well, with too little emphasis on listening to what members of all stakeholder groups may have

to say. Organisations can do much more in giving their stakeholders an active voice and to listen to these voices.

Organisations' verbal and text statements with regards to their willingness and openness to all kind of communication feedback (including informal feedback) on public arenas, in brochures, newsletters and advertisements are often not adequately supported by their web page offerings.

Research question four:

How can informal feedback inputs best be collected and organised and how can informal feedback intervention be integrated into corporate communication strategy?

> **and**

Research question five:

How can we logically differentiate between informal feedback inputs with regard to its impact level on corporate strategy?

The *Multi-Layer Informal Feedback Intervention Wheel* as well as the application of the *Informal Feedback Yardstick*, described in Chapter Four, provided answers to research questions four and five.

From this lengthy discussion it was concluded that the benefits of applying the *Informal Feedback Yardstick* are its objectivity and its categories of feedback issues and systemised thinking with regard to the bigger picture sketched by the *Informal Feedback Intervention Wheel*.

It also forces communication managers to systemise and document feedback input and to give attention to all feedback input on a regular and ongoing basis. The *Informal Feedback Yardstick* assists communication managers in forming well thought through opinions about different informal feedback issues and to make unbiased decisions

regarding the potential strategic impact of a certain informal feedback issue.

This is further illustrated in practice by the application of the *Informal Feedback Intervention Wheel* in a case study with a major national company.

Research question six:

What role do the grapevine, rumours and gossip play in inspiring learning organisations as forms of informal communication feedback?

The views of respondents regarding this research question were summarised in Table 18. The results of views expressed by respondents differed vastly according to the specific statements stated in the questionnaire. The results often did not totally correlate with one another. This can be due to the lack of knowledge about the role of the grapevine and especially the application of informal feedback obtained from the grapevine in certain areas of communication management.

In general, respondents vastly agreed that the informal feedback obtained from the grapevine should be monitored and used and is seen as an important source of information. They also indicated that much could be learned from the grapevine. However almost 30% also felt that the grapevine is not useful as a source of informal feedback.

In general, respondents did not agree on whether the grapevine is about emotional issues and whether it should play an important role in communications management or not. Almost 64% of respondents did not believe in the ability of the grapevine to facilitate effective knowledge transfer in organisations.

Almost 40% of respondents indicated that they do not believe that the grapevine is supportive of more formal communication.

As indicated, this is of concern because communication managers should at least know that the grapevine is indeed supportive of formal communication. In contrast to this, almost 87% of the respondents agreed that the grapevine can act as an early warning system in their organisations.

From all the results, it can be concluded that, although communication and marketing managers generally aknowledge the role of the grapevine, rumours and gossip, they do not agree on the application and value thereof.

Research question seven:

What role do relationship-building strategies play in the cultivation of informal feedback opportunities?

More than 86% of respondents indicated that the nurturing of relationships *with all stakeholders* was important for their organisations.

The distribution of results on views about the management of relationships with different stakeholders in Table 17 correlated with the distribution of scores about the importance of informal feedback with the same stakeholders as indicated in Table 14. From this it was concluded that views on the importance of informal feedback seem to be positively linked to views on relationship-building. If relationships are regarded as important, informal feedback will also play an important role as a means of nurturing these relationships.

It must be agreed with Grunig (In: Grunig 1992) that corporate communication practitioners play their most valuable role by identifying and establishing relationships with strategic stakeholders. Practitioners also identify and manage the publics and activists that emerge around issues, thereby reducing conflict and uncertainty in strategic decision-making. Building strategic relationships should, therefore, form the centre of corporate communication activity. Beneficial relationships, in turn, lead to the provision of useful informal feedback.

This is further emphasised by Kent and Taylor (1998) in stating that two-way symmetrical communication as a theoretical approach necessitates organisations to provide the procedural means whereby the organisation and its stakeholders can communicate interactively. Organisations must devise systematic processes and rules for proper two-way symmetrical communication to take place.

6.2.5. The strategic value of informal feedback intervention

To give and receive feedback has long been considered an essential skill for leaders. Leaders also need feedback from, amongst others, employees in the form of suggestions on how to improve procedures and processes, innovative ideas for new products and services and input on their leadership abilities (Goldsmith 2003:38).

The role of informal feedback in communication issue management should not be under-estimated. Informal feedback intervention is a significant tool for communication managers whereby they are empowered to be early warning systems for the organisation. Communication managers should, therefore, also have knowledge of industry trends and issues and should also know the company's financial situation well enough to recognise potential problems. Informal feedback inputs, however, also assist managers to effectively determine and predict trends and enable them to act as early warning agents and as indicators of potential damage to the corporate reputation.

One of the major strategic roles that informal feedback intervention as a communication management tool can play is that of an early warning signal device of emerging issues of concern to management. Cummins (2003:730) calls this *"spotting the storm clouds and raising a red flag of warning"*. Informal feedback intervention has a major role to play in preventing communication disasters in advance. This occurs by focusing the attention on emerging issues before it becomes a major concern.

The King Report (King 2002:98) indicated earlier that active engagement with stakeholders helps fuel strategic planning and the management of risk. The more actively the organisation engages with its broadest possible groups of stakeholders, the easier it becomes to pick up early warning indicators through informal feedback inputs.

Ample informal feedback opportunities can provide the base for starting to build much-needed trustworthy relationships with stakeholders.   The alternative – not monitoring all informal feedback inputs – may have daunting consequences. Organisations such as Intel and Ford can vouch for this.

In contrast with feedback that mainly concentrates on past experiences, *feedforward* is much more expansive and dynamic in providing suggestions for the future of the organisation. In this sense the organised suggestions of the *Informal Feedback Intervention Wheel*, described in Chapter Four and Five, become a significant prediction or forecasting tool in the hands of communication managers.   Messages can be rephrased in advance even before stakeholders receive them.

The *Informal Feedback Intervention Wheel* assists the communication manager in assessing everyday feedback issues and identifying emerging suggestions of informal feedback interventions to management.   It, therefore, assists the communication manager to be proactive early warning agents for their organisations. These suggestions, based on first-hand stakeholder feedback and derived feedforward, are particular powerful because tey are trustworthy, honest and frank and not yet contaminated with institutional norms, values and the blindness of the organisations' managers, which prevents them from observing emerging issues. Stakeholders' efforts to put their concerns in writing often indicate that they really care.

Fritz (1994:112) indicated earlier that organisations can renew themselves and become young again, become rejuvenated, if they develop the ability to continuously learn. Organisations that can't learn can't change. Informal feedback is a relatively cost-effective and trustworthy way in which organisations can constantly learn. Learning is already a competitive advantage for organisations, because those who can learn faster will survive. The more the organisations understand the systems that affect them, the better they will be able to anticipate results and changes. This assists decision-making that has the most positive impact on the organisation (Frydman *et al.* 2000:24).

On another level, much of the organisational climate can be observed by tuning into the grapevine and by tapping feedback as a barometer of the general level of morale in an organisation. Specific areas that need attention may emerge and can be addressed before more serious problems develop. Obtaining feedback through the grapevine is one way in which feedback input can serve as early warning signs for management's attention. Feedforward can also be of assistance here in anticipating stakeholders' future reactions to new policies and announcements.

Akande and Odewale (1994:28) state that the grapevine can be a valuable source of feedback and can be valuable in assessing the reaction of employees to an announcement before it is made through formal channels. When open, honest and complete communication takes place through the official networks, the grapevine can be a useful way of dealing with softer issues and employees' sense of belonging. It can be particularly useful in providing early warning feedback input to management of potentially dangerous or threatening issues.

Informal feedback is also very important for doing business. Thompson and Strickland (2004:285) suggest that organisations be prompt in adapting to changing market conditions, customer needs, buyer wishes, alternative emerging technology and competitors' new initiatives. It is often with the help of informal feedback input that early indications become clearer. McGill (1994:126) states that the quality of learning in an organisation is a direct product of the quality of feedback generated by the organisation's systems. If there is no feedback, there will be no learning, and where feedback is inaccurate and untimely, learning is limited. The aim of smarter organisations should be to create systems that provide quality feedback to management, which they can use to change experiences.

Communication managers identify and manage the publics and activists that emerge around issues, thereby reducing conflict and uncertainty in strategic decision-making. (Grunig, In: Grunig 1992). Nowadays online customer feedback occurs much more frequently and is especially useful in streamlining product design and development processes. Online customer feedback helps find bugs early, reducing the risk when the product is launched. Involving the customer in the development process sets the organisation in the right direction from the start and eliminates the need for expensive changes at a later stage (Sampson 1998:78).

6.2.6. Last words

In conclusion of this research study it can be stated that informal feedback is indeed an essential component of communication management in organisations, especially in aspiring learning organisations.

In agreement with Littlejohn (1983:35), open systems indeed receive content and energy from their environment as well as send content and energy to their environment while it is focused on life and growth. Biological, psychological and social systems follow an open model and organisations should not operate differently. The open systems approach demands research abilities to monitor stakeholders and other environmental powers as well as the powers within the organisation (Cutlip, Center and Broom 1984: 222).

As stated in Chapter Two, the open systems approach enables communication practitioners to fulfil either a functional or managerial role (or both) while they systematically plan and manage communication programmes, and they are part of the dominant coalition, where they counsel and advise, as well as make strategic policy decisions. Management needs strategic information in order to make strategic impact decisions. Stein (2003:6) states that the role of *the corporate communication strategist* should be to seek and listen for information (feedback) from the environment so that the organisation can adapt to stakeholder views and societal norms.

Just as with communication feedback in general, informal feedback also contains information that is believed to possess power in the current information age. The active pursuit of informal feedback intervention has a significant role to play in strategic communication management and in following the two-directional symmetrical model of communication management. This information is often provided by communication managers who act as boundary spanners, frequently interacting with the organisation's environment and who gather, select and relay information from the environment to decision-makers in the dominant coalition. The communication manager therefore stimulates learning, in essence the aim and lifeblood of learning organisations.

Informal, unintentional and almost accidental casual communication feedback inputs should be treated with utmost importance and measured and evaluated for its potential strategic significance. Informal feedback intervention as a tool should be integrated into the corporate communication strategies of organisations in order to be pro-active in relationship-building with all stakeholders.

It is suggested that modern learning organisations should make an effort to provide proper channels and favourable environments to increasingly receive informal feedback input from all stakeholders and therefore facilitate ongoing learning. Communication managers are the only ones in organisations with a holistic view of organisational structures, policies, strategies and processes and are therefore in a unique and excellent position to monitor and explain feedback inputs to management in terms of its impact on existing corporate communication and business strategies. It forms, together with feedforward possibilities, a powerful empowering tool for communication managers' roles in organisations.

Open systems organisations can respond much faster to new challenges and opportunities, be sensitive to emerging markets and changing consumer needs as well as threats from pressure groups. Internal structures and processes should be aligned with these environmental demands. The *Multi-Layer Informal Feedback Intervention Wheel,* as a framework, described towards the end of Chapter Four, aims to assist in providing intervention suggestions (feedback and feedforward interventions) to management.

Ströh and Jaatinen (2001:162) argued in Chapter One that communication management actually facilitates successful strategic change management and that communication managers should take leadership roles by facilitating participation through dialogue. They can be research experts in organisations by providing information on emerging issues around which the organisation needs to adapt.

As stated earlier, the King Report on Corporate Governance in South Africa (King 2002:98) also suggests that organisations should recognise and consider all stakeholders such as the community in which it operates, its employees and its suppliers, amongst others. All of these stakeholders should be considered when developing strategy for the organisation.

This inclusive approach should also be drawn through to stakeholders relevant to the organisation's business.

Although some of the findings in this research study cannot be generalised to all organisations, results provide a broad and general understanding and insight of the trends and applications of informal feedback intervention strategies in some of the best-managed organisations in South Africa. The majority of these organisations also proved to be learning organisations.

McIntosh *et al*. (1998:75) says that corporate citizenship asks organisations to be aware of their social responsibilities and that this is only possible if these organisations are learning organisations. Stakeholders and key relationships with them are sources of innovative ideas and strengths for organisations.

From all the preceding deliberation it is clear that informal feedback intervention has a significant role to play in modern communication management strategies of organisations. This is even more true in the existence of learning organisations. It should, therefore, receive the attention and consideration that it deserves in organisations' corporate communication strategies. This research study cannot conclude otherwise than in agreement with Murphy (1987:88) when he states that *"letters* (also read informal feedback in general) *often help us see what we couldn't hear."* Letters are often a symptom of a more deeply rooted problem or concern and no matter what your intended message, putting it in writing says that you care (Murphy (19987:158).

Indeed, this is also true of organisations' accessibility to informal feedback. It is often more important for the organisation to listen to its stakeholders than to make stakeholders listen to what the organisation has to say.

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ANNEXURE A:

PRELIMINARY ANALYSIS OF THE CHARACTERISTICS OF LEARNING ORGANISATIONS IN THE LISTED COMPANIES IDENTIFIED BY THE CRF AS IDENTIFIED FROM THEIR PUBLISHED, "COMPANY CULTURE AND STYLE".

TOP TEN COMPANIES	Openess (Experience) Freedom to create	Responsible risk-taking	Acknowledge failures Forgiveness Learn from mistakes	Flexibility Network intimacy	Habit of learning experi-mentation	Trust togetherness	Systemic thinking	Creativity Curiosity Inquiry is welcome	Shared vision & knowledge & success	Care for relationships	Diversity	Values of love, wonder, humility & compassion. Empathy Integrity
1st SABMiller	x				x		x		x	x	x	x
2th Impala Platinum Holdings Limited (Implats)							X		X			x
3th Standard Corporate and Merchant Bank (SCMB)	x			x	x			x	x		x	
4th Pick 'n Pay Retail (Pty) Ltd	x			x	x	x	x		x	x	x	x
5th Barloworld Limited	x				x		x		x	x		x
6th Accenture (South Africa) (Pty) Ltd					x				x			
7th Nedcor Limited		x		x	x		x				x	
8th Pfizer Laboratories (Pty) Ltd	x		x								x	
9th South African Revenue Service (SARS)					x					x	x	
10th Mobile Telephone Networks (Pty) Ltd (MTN)	x	x			x		x		x	x	x	

Corporate Research Foundation (CRF)

The following corporate profile has been quoted from the website of the Corporate Research Foundation.

"Corporate Research Foundation (CRF) is an independent international organisation established in the Netherlands in 1991. A combined initiative of business journalists, researchers and international publishers, it aims to impart information about all aspects of business enterprise worldwide. The success of CRF in Western Europe and in the United Kingdom prompted the opening of a South African office; CRF's Cape Town office came into operation in 1997.

In 1998 the first editions of The 49 Best Companies to Work for in South Africa and The 50 Most Promising Companies in South Africa were published. Both enjoyed best-seller status. Since then, two more editions were launched, published in 2000 and 2003, respectively. Like their predecessors, both enjoyed enormous success. The 4th edition of The Best Companies to Work for in South Africa, this time in hardcover, was launched in November 2003, giving recognition to the Top Ten employers for 2003/4. In this edition, leading training, development, recruitment and added-value industries gained exposure in a new section of the title. Finance Week *is the media partner and* City Press *is providing further media exposure. The* Black Management Forum (BMF), Afrikaanse Handelsinstituut (AHI), *Association of Personnel Service Organisations (*APSO) *and Institute of People Management (*IPM) *endorsed the 2003/4 title.* "

(Büttner-Rohwer (ed.) 2003)

ANNEXURE B:

The questionnaire of research method two.

14 June 2004

Dear Communication Manager / Public Relations Manager / Marketing Manager

A SURVEY TO DETERMINE THE ROLE OF INFORMAL COMMUNICATION FEEDBACK IN SOME SOUTH AFRICAN COMPANIES

Congratulations on recently being selected as one of the best companies to work for during 2004! This is an excellent achievement.

Thank you for your willingness to spend a few minutes on completing this questionnaire. Your views are not only of great value and importance, but will undoubtedly contribute to the development and promotion of public relations and the management of communication in South African organisations.

This is an independent survey that I embarked upon as part of my PhD studies in Communication Management at the University of Pretoria. The overall aim of this survey is to establish a frame of reference for and to explore the relevance and existing exploitation of *informal communication feedback* in organisations' corporate communication strategies. In order to provide a common reference point, informal communication feedback is defined as:

> *All communication feedback into the organisation that occurs **spontaneously** and is delivered by stakeholders or interest groups without the organisation making a formal effort (through formal research) in collecting it. It is unsolicited and can be regarded as a more passive and indirect process of obtaining feedback from stakeholders.*

Questions later on in this survey deal with relating issues such as **learning** in organisations, **relationship building** and the organisational **grapevine.**

It is of the utmost importance that you read each question carefully and then answer spontaneously as you truly feel. You are also welcome to contact me at any time at: dc.jacobs@up.ac.za or (012) 420-3047 should you need any clarification. Kindly follow the instructions on the questionnaire accurately in order to return the completed questionnaire to me electronically or by fax: 012-362-5088.

Thank you very much for your support.

DC Jacobs

INFORMAL COMMUNICATION FEEDBACK QUESTIONNAIRE

For Office Use

Respondent number

V1 [   ] 1

This questionnaire concentrates on the relevance and existing exploitation of informal communication feedback in organisations.   Questions that follow later in this questionnaire, deal with relating issues such as learning in organisations,the organisational grapevine and relationship building.

Please answer all questions by changing your chosen number's colour to <u>red</u> in the shaded box or by typing your answer in red in the shaded spaces provided. This is done by changing the font's colour to RED on your upper tool bar. You may also use a "X" to indicate your choice.

Please save your completed questionnaire in MS Word under the file name **completesurvey.doc** and return it as an attachment to dc.jacobs@up.ac.za. You may also print the questionnaire, indicating your choice by circling the chosen numbers in the shaded boxes or by writing in the provided shaded areas and then fax it to (012) 362-5088.

<u>**SECTION A:**</u>

1.   **What is your designation?**

V2 [   ] 3

2.   **What is the name of your organisation?**

V3 [   ] 5

SECTION B:

Please indicate <u>which ONE</u> of the following statements is the <u>most appropriate</u> and relevant to your organisastion. <u>Please select only one option per statement.</u>

3. Informal feedback input is attended to by the following department in my organisation:

By the corporate communication department.	1
By the marketing department.	2
By the corporate intelligence department.	3
By an integrated marketing and communication department.	4
By another department.	5
No specific department attends to informal feedback.	6

V4 ☐ 7

4. The responsible department in my organisation attends to informal feedback according to the following time frame:

As and when it is received.	1
On a daily basis.	2
On a weekly basis.	3
Ad hoc – depending on the perceived importance of the feedback input.	4
Not one of the above.	5

V5 ☐ 8

SECTION C:

Please select **ALL** relevant answers to the following questions.

5.   My organisation uses the following media and methods in obtaining informal communication feedback:

Web page with structured feedback / "contact us" forms / mailto e-mail addresses.	1	V6 ☐	9
Through direct observation of customers or staff.	2	V7 ☐	10
Postal addresses published in literature or on the WWW.	3	V8 ☐	11
Information obtained from the organisation grapevine.	4	V9 ☐	12
Telephonic feedback, for example, toll free numbers or customer care lines.	5	V10 ☐	13
By fax.	6	V11 ☐	14
Through voluntary comments made at functions or parties.	7	V12 ☐	15
Electronic chat rooms or list servers.	8	V13 ☐	16
By SMS.	9	V14 ☐	17
Word of mouth, rumours or gossip.	10	V15 ☐	18
Through visible changes in attitudes or behaviour.	11	V16 ☐	20
Letters to the press and opinions expressed in the media.	12	V17 ☐	22

SECTION D: **For Office Use**

Kindly select the most relevant option between 1 and 5 at each question where
    5 = **"Agree Totally"** and **1** = **"Disagree Totally".**

6.   **My organisation regards:**

Informal customer feedback regarding products or services as most important.	**5**	**4**	**3**	**2**	**1**	V18		24
Only certain informal feedback as important.	**5**	**4**	**3**	**2**	**1**	V19		25
Informal feedback from investors as most important.	**5**	**4**	**3**	**2**	**1**	V20		26
Informal feedback from staff members as most important.	**5**	**4**	**3**	**2**	**1**	V21		27
Informal feedback from all stakeholders as important.	**5**	**4**	**3**	**2**	**1**	V22		28

SECTION D: (continued)

Kindly select the most relevant option between 1 and 5 at each question where
    5 = **"Agree Totally"** and **1** = **"Disagree Totally"**

7.   **I am of the opinion that *informal communication feedback* can provide information that:**

Can lead to changes in daily operational plans in the organisation.	**5**	**4**	**3**	**2**	**1**	V23		29
Is merely worth taking note of.	**5**	**4**	**3**	**2**	**1**	V24		30
Must be acted upon in relevant cases.	**5**	**4**	**3**	**2**	**1**	V25		31
Can lead to strategic change in the organisation.	**5**	**4**	**3**	**2**	**1**	V26		32

8.   **My organisation:**

Actively and continuously stimulates informal feedback from stakeholders by providing opportunities for feedback.	**5**	**4**	**3**	**2**	**1**	V27		33
Knows that stakeholders will find the means to provide feedback themselves.	**5**	**4**	**3**	**2**	**1**	V28		34
Stimulates informal feedback from stakeholders only from time to time when regarded as necessary.	**5**	**4**	**3**	**2**	**1**	V29		35

9.   **My organisation regards the management of excellent relationships with:**

Customers as most important as they provide the organisation's income.	**5**	**4**	**3**	**2**	**1**	V30		36
Investors as most important because they have a vested interest in the organisation.	**5**	**4**	**3**	**2**	**1**	V31		37
Employees as most important because they sustain the operations of the organisation.	**5**	**4**	**3**	**2**	**1**	V32		38
All stakeholders as important because they may influence the organisation in different ways.	**5**	**4**	**3**	**2**	**1**	V33		39

■ **373** ■

For Office Use

SECTION E:

10.   Kindly select the most relevant option between 1 and 5 at each question
where **5 = "Agree Totally"** and **1 = "Disagree Totally".**

Statement	5	4	3	2	1	Var		
The grapevine is merely seen as gossip with not much value for the organisation.	5	4	3	2	1	V34		40
The grapevine should be carefully monitored and used to the advantage of the organisation.	5	4	3	2	1	V35		41
The grapevine is perceived as an important source of informal feedback.	5	4	3	2	1	V36		42
Much can be learned from the organisation grapevine.	5	4	3	2	1	V37		43
The organisational grapevine is about emotional issues and not factual issues and therefore should not play an important role in communication management.	5	4	3	2	1	V38		44
The grapevine only flourishes when the formal communication structure is inadequate.	5	4	3	2	1	V39		45
The grapevine can be used to release tension among employees.	5	4	3	2	1	V40		46
The grapevine can be used to build morale and job satisfaction.	5	4	3	2	1	V41		47
The grapevine may provide answers to employees' unanswered questions.	5	4	3	2	1	V42		48
The grapevine is especially good in distributing routine information fast and accurately.	5	4	3	2	1	V43		49
The less effective communication by management is perceived to be, the more active the grapevine becomes.	5	4	3	2	1	V44		50
The grapevine acts as an important creator and maintainer of human relationships in the workplace.	5	4	3	2	1	V45		51
The function of the grapevine is to influence or entertain.	5	4	3	2	1	V46		52
The function of the grapevine is to provide information.	5	4	3	2	1	V47		53
The grapevine should be used to facilitate effective knowledge transfer in organisations.	5	4	3	2	1	V48		54
Management can feed the grapevine with information that they choose.	5	4	3	2	1	V49		55
The role of the grapevine is supportive to more formal communication.	5	4	3	2	1	V50		56
My organisation will never attach any value to instinct or "gut feel".	5	4	3	2	1	V51		57
Sometimes subtle ideas and emotions can play a role in my organisation.	5	4	3	2	1	V52		58
Informal feedback can act as an early warning system in my organisation. It allows us to act before a crisis occurs.	5	4	3	2	1	V53		59

For Office Use

SECTION F:

The following questions deal with <u>learning</u> in organisations. In this context, organisational learning is defined in its broadest sense. It entails any learning by staff members that could be to the advantage of the organisation.

Kindly select the most relevant option between 1 and 5 at each question where **5 = "Agree Totally"** and **1 = "Disagree Totally".**

11.   In my organisation, learning:

	5	4	3	2	1		
Is seen as an integral part of every task and opportunity that employees embrace.	5	4	3	2	1	V54	60
Is only generated in order to solve problems.	5	4	3	2	1	V55	61
Only takes place in an ad hoc manner.	5	4	3	2	1	V56	62
Should be self-generated.	5	4	3	2	1	V57	63
Is regarded as a strategic imperative and therefore stands central in everything we do.	5	4	3	2	1	V58	64

12.   My organisation has the following characteristics:

	5	4	3	2	1		
Feedback from employees and other stakeholders is valued.	5	4	3	2	1	V59	65
Feedback from stakeholders leads to change in organisational behaviour.	5	4	3	2	1	V60	66
Communication is honest or open.	5	4	3	2	1	V61	67
Risk taking and experimentation only cost money.	5	4	3	2	1	V62	68
Employees are encouraged to adhere to the organisation culture more than being true to themselves.	5	4	3	2	1	V63	69
Employees should only enquire about relevant things when given the opportunity.	5	4	3	2	1	V64	70
Diversity is welcomed.	5	4	3	2	1	V65	71
Best practises are explored and benchmarking is regularly applied.	5	4	3	2	1	V66	72
People are selected for what they know.	5	4	3	2	1	V67	73
Partnerships are critical to the organisation.	5	4	3	2	1	V68	74
All organisation relationships are nurtured.	5	4	3	2	1	V69	75
Curiosity belongs to those who have too much time on their hands.	5	4	3	2	1	V70	76
A shared vision exists in our organisation that guides employees in their everyday work.	5	4	3	2	1	V71	77
A willingness exists to acknowledge failures and learn from it.	5	4	3	2	1	V72	78

THANK YOU FOR YOUR TIME, TROUBLE AND PATIENCE.

IT IS TRULY APPRECIATED.

ANNEXURE C:

Vicious rumour holds no water by Wendy Knowler. The Pretoria News, 6 November 2003

Vicious rumour holds no water

It's done the rounds on three continents, but the e-mail – that re-using disposable plastic bottles causes the plastic to break down, leaching cancer-causing agents into the liquid – doesn't stand up to scrutiny

HOW IT STARTED

The claim stems from a University of Idaho student's masters thesis that gained media coverage but was not subjected to peer review, Food & Drug Administration review or published in a scientific or technical journal.

According to the American Plastics Council, the thesis incorrectly identified DEHA as a human carcinogen.

Nor is it contained in PET, the plastic used in beverage bottles.

The Council surmises that as DEHA is a common plasticiser found in innumerable plastic items, the student's detection of it was likely to have been the result of "inadvertent lab contamination".

"This is supported by the fact that DEHA was detected infrequently (about 6% of the samples) and randomly, meaning that the frequency bore no relation to the test conditions."

1.

First came the story that the sealing mechanisms on glass bottles – including baby food – are to be replaced after scientists discovered that minute concentrations of a toxin from the seals were seeping into the food.

That one was true. The same can't be said for the e-mail from Australia which began: "Many are unaware of poisoning caused by re-using plastic bottles. Some of you may be in the habit of re-using your disposable mineral water bottles, keeping them in your car or at work. Not a good idea."

The e-mail claimed that the plastic, called polyethylene terephthalate (PET) used in the bottles contained a potentially carcinogenic element – diethylhydroxylamine or DEHA – and, while it was safe for one-time use, after a few uses the plastic began to break down and the carcinogens leached into the water or juice being drunk from it.

South African companies such as Coca-Cola (producers of Valpré, Powerade and Bonaqua) and Bromor Foods (Oros ready-to-drink, Energade) have fielded scores of calls from concerned consumers in the past few weeks.

"It's simply not true," said Bromor's technical innovation manager Michelle Pickering. "This rumour started in the US and then jumped across to Australia. And someone there e-mailed it to a friend in South Africa.

"And just as has happened in the other countries, we are busy quashing the story with the facts here," she said.

The company has posted these facts, backed by research by major international scientific bodies, on its Energade website: www.energade .co.za

In a nutshell, at least three official bodies – Food Standards Australia, New Zealand (FSANZ), the US Environmental Protection Agency and the American Plastics Council – have agreed that DEHA is not present in PET bottles.

And while there is no evidence of its presence throughout the life of the bottle, even if there was, DEHA has been removed from the US Environmental Protection Agency's toxic chemical list and is considered safe for

Action Line

WENDY KNOWLER

3.

soapy water, rinse thoroughly and then allow to dry before re-use.

In response to the question of whether consumers should be concerned about potentially harmful bacteria when re-using plastic water bottles, the American Plastics Council states on its website: "Not if they clean them just as they would other drinking containers.

"Plastics are by nature extremely sanitary materials and plastic bottles are no more likely to harbour bacteria than any other kinds of packaging or drinking containers.

"Bacteria thrive in warm, moist environments. Once bacteria have been introduced, virtually any drinking container – coffee mugs, drinking glasses etc. – becomes a suitable environment for bacterial growth."

In other words, no matter what you choose to drink your water from, it's not a good idea to leave it sitting on your desk for days, or in your car.

Refillable bottles are made with the same PET resin as the supposedly single-use bottles. The only difference is they have thicker sidewalls.

The US's Food and Drug Administration does not stipulate that "single use" bottles ought to be used once only and then discarded.

And, according to the American

In any event, said the Council, "DEHA has been cleared by FDA for food contact applications and would not pose a health risk even were it present".

direct and indirect food contact.

Coca-Cola's consumer relations manager Zanele Sisilana said the company had received "numerous copies" of the "warning" e-mail from its customers.

"It is false," she said.

PET has become the material of choice for bottled beverages worldwide because it is light, shatter resistant and has been extensively tested for safety.

The International Life Sciences Institute (ILSI) – a non-profit organisation dedicated to advancing scientific understanding of issues related to food safety – has reviewed PET, and declared it to be "biologically inert if ingested, safe during handling and not a hazard if inhaled".

In 1994 the ILSI published a "White Paper on Refillable Packaging made from PET" which stated that PET was considered safe for re-use.

As for DEHA, according to the American Plastics Council, it is a common plasticiser, is not regulated or classified as a human carcinogen and is not inherent in PET as a raw material, a byproduct or decomposition product. And even if it was, it would not be harmful.

Exposure to DEHA may occur when eating certain foods, such as meat or cheese, said the FSANZ, but the levels were "very low".

The body, along with the Plastics and Chemical Industries Association, has assured Australian consumers that PET bottles can be safely re-used "subject to normal hygiene practices".

So much for the carcinogenic risk. But the people who produce, market and sell these products would still prefer it if we binned the bottles as soon as we'd consumed their mineral water or cooldrink.

Sisilana said Coca-Cola "concurs with the advice of the International Bottle Water Association that these bottles are not designed for re-use because it is so difficult for consumers to properly sterilise bottles at home".

Well, they would, wouldn't they?

I'm sure it drives the sellers of bottled mineral water wild to see consumers refilling their branded bottles with the stuff that comes out of our taps.

They'd much rather we parted with R2,50 or so every time we felt the need for half a litre of water.

As for the "so difficult to sterilise" argument – all it takes is soap and hot water.

Once open, bacteria can grow on virtually any packaging material if stored in warmish conditions. So it's best to clean any container with hot,

Plastics Council, "PET water and beverage bottles sold in the US are designed for single use for *economic* and cultural reasons, not because of any safety concerns with PET".

Economic reasons for the manufacturers, that is, not for consumers.

I know of many parents who are willing to spend R3 on a 300ml bottle of ready-to-drink Oros orange "fruit drink", mainly because once the drink has been consumed, the container, with its "push pull" closure, makes a perfect drinking bottle for children.

"You won't believe how many children are sent off to tennis, ballet, or whatever, with these re-used bottles," said one mother. Empty Powerade and Energade bottles – which, like Oros bottles, have a handy "pop top" or "push pull" closure – are widely used in sporting circles.

A Durban canoe club sent a circular to its members last week, including the scare e-mail. "Seeing as Powerade sponsors so many of our events, it may be worth getting their comments," the chairman wrote.

Another hoax e-mail doing the rounds claims that freezing water bottles causes dioxins to leach into water. Again, there is no scientific data to support this claim.

Dioxins are a family of chemical compounds that are produced by combustion at extremely high temperatures. They cannot be formed at room temperature. And in any event, says the American Plastics Council, there is no reasonable scientific basis for expecting dioxins to be present in plastic food or beverage containers in the first place.

In response to the email circulating in SA, our Food Advisory Consumer Service (FACS) will be posting information on this issue on its website (www.foodfacts.org.za) in the coming week.

Perhaps the biggest risks to our health in the new millennium are hoax or unsubstantiated e-mails …

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ANNEXURE D:

Informal Feedback Capturing Database

Corporate Communication Division: Informal feedback capturing database

Period: From…………………...2004 to ……………………2004

% IMPACT LEVELS: A: Major organisational Impact; B: Corporate Comm Impact; C: Departemental Impact; D: Minor micro unit impact

Feedback Issue No. 1

Description /Quote of single Informal feedback input

Date	Type of feedback	Source (If known)	Prelim perceived importance/Impact value	Staff member	Stakeholder group External / Internal	Suggestions / Follow-up / Remedy
			% A: Major organisational Impact % B: Corporate Comm Impact % C: Departemental Impact % D Minor micro unit impact			

Feedback Issue No. 2

Description /Quote of single Informal feedback input

Date	Type of feedback	Source (If known)	Prelim perceived importance/Impact value	Staff member	Stakeholder group External / Internal	Suggestions / Follow-up / Remedy
			% A: Major organisational Impact % B: Corporate Comm Impact % C: Departemental Impact % D Minor micro unit impact			

Feedback Issue No. 3

Description /Quote of single Informal feedback input

Date	Type of feedback	Source (If known)	Prelim perceived importance/Impact value	Staff member	Stakeholder group External / Internal	Suggestions / Follow-up / Remedy
			% A: Major organisational Impact % B: Corporate Comm Impact % C: Departemental Impact % D Minor micro unit impact			