**Advocating for an ‘Infrastructure’ of Global Stakeholder Relationship Governance by integrating Generic Principles and Specific Applications with Employee Communication, Integrated Reporting and other Public Relations specialty functions**

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**Introduction:**

Is there an inherent contradiction in considering the concept of a generic (*able to operate anywhere and in any circumstance*), systemic (*spread throughout, affecting society as a whole*) and situational (*specific combination of circumstances in a given territory and at a given moment*) approach (*system of guidelines, methods, principles, and rules[[1]](#footnote-1))* to the practice of **public relations** (*intended as an organisation’s planned and conscious activity to create, maintain and develop effective relationships with its influential publics in order to improve the quality and accelerate the implementation time of its decisions[[2]](#footnote-2)*?

This paper attempts a somewhat rational response by:

1. Mentioning some of the more relevant constitutive elements of the two prevailing public relations approaches (*the symbolic interpretative and the strategic/behavioral stakeholder governance[[3]](#footnote-3)*);
2. Advancing the concept of a ‘stakeholder relationship infrastructure’ as a material, conceptual and operative system integrating the two paradigms of *generic principles and specific applications* and *global stakeholder relationship governance*, as ‘soft’ components of the infrastructure;
3. Analysing employee relationships and internal communication, considered as an ever growing and relevant part of public relations practice and as ‘hard’ components of that infrastructure;
4. Extending the analysis as an ongoing, integrated, multi-channel and multi-stakeholder process reporting organisational behaviours and intentions, aimed at stimulating and facilitating stakeholder dialogue, as another emerging ‘hard’ component of the infrastructure, in parallel with the more traditional and consolidated specialties of day-to-day practice (such as public affairs, media, investor, supplier, community et al.. relations).

The paper illustrates the current status of my analysis but also summarises, is inspired by, adapts and interprets the substance of selected online conversations related to these developing issues recently posted by reputed scholars and professionals on the [www.prconversations.com](http://www.prconversations.com) blog.

This is meant also to advance the idea that active and publicly-accessible online collaboration amongst scholars and professionals can strongly accelerate the development of the existing body of knowledge. It goes without saying that I have extracted from those conversations the discourses I deemed more relevant to my thinking, and therefore I take full responsibility for potential misunderstandings or unintentionally-biased selections, for which I apologise in advance.

**The context**

The dominant paradigm in public relations practice today is (as Jim Grunig defines it) the “*symbolic-interpretive*” approach… “*the idea that the role of public relations is crafting messages to influence the interpretation that stakeholder publics hold in their minds about organizations, their actions and behaviors. The public relations professional contributes to manage the meaning attached to the public’s interpretation of that behavior and this includes popular concepts such as image, identity, impressions, reputation, and brand. In this approach, much of the operational emphasis is on publicity, media relations, and media effects and interprets public relations mostly in terms of unilateral messages and campaigns*.”

In day-to-day professional practice, the other, but much less frequently adopted, paradigm -the ‘*strategic/behavioral stakeholder governance[[4]](#footnote-4)*’ one - is, however, increasing its legitimacy and adoption in the more aware and attentive organisations. For this approach, the role of the public relations professional is to:

1. Listen to, and monitor specific stakeholder publics and general societal expectations of the organisation (reflective role)[[5]](#footnote-5);
2. Interpret such expectations with management and participate in the organisation’s decision-making process as well as in the operational implementation of those decisions (reflective role);
3. Involve and eventually engage stakeholder publics by enacting a policy/process of continued integrated multi-channel and multi-stakeholder reporting, thus proactively facilitating their access and active feedback (integrated reporting process);
4. Ensure that each management function is coherently enabled with, and supported by adequate communicative competencies, resources and skills so that it may coherently create and develop direct constructive relationships with each priority stakeholder group (educative role);
5. Globally adopt and constantly adapt an aware and programmed ‘generic principle and specific application’ relationship policy[[6]](#footnote-6).

If one considers the Arthur Page Society ‘Building Beliefs’ 2011 document where it elaborates on the ‘looks like/sounds like, thinks like/performs like’ methodology [[7]](#footnote-7), one could claim that the first two belong to the symbolic/interpretive approach while the second two, to the strategic/behavioural one, also adding that the first legitimises a ‘reputational view’ of public relations, while the second one reinforces the ‘relationship governance’ approach[[8]](#footnote-8).

**a) Why an infrastructure?**

From Wikipedia: *An infrastructure is the set of interconnected structural elements that provide a framework supporting an entire structure of development.*

*Soft infrastructure includes both physical assets such as highly specialised buildings and equipment, as well as non-physical assets such as the body of rules and regulations governing the various systems, the financing of these systems, as well as the systems and organisations by which highly skilled and specialised professionals are trained, advance in their careers by acquiring experience, and are disciplined if required by professional associations (professional training, accreditation and discipline). Unlike hard infrastructure, the essence of soft infrastructure is the delivery of specialised services to people. Unlike much of the service sector of the economy, the delivery of those services depends on highly-developed systems and large specialised facilities or institutions that share many of the characteristics of hard infrastructure.*

I here suggest that the concepts of *global stakeholder relationship governance* and *generic principles and specific applications* go to form a substantial part of the potential founding elements of the soft elements of an infrastructural world-view of the *strategic/behavioral* approach to organisational stakeholder relationships, while *internal communication* and *integrated reporting*, the two specific specialties developed in this paper, coherently with the spirit of the Stockholm Accords and the Melbourne Mandate, as well as the necessary addition-to-come of parallel analysis of other specific areas of relationship cultivation practices, go to form the hard elements of that infrastructure.

**b) Generic Principles and Specific Applications**

“Management decisions in pursuit of the organisation’s objectives induce consequences on stakeholders. The behaviour of the latter, in turn, induces consequences on those management decisions. Stakeholder behaviour thus creates issues the organisation deals with by cultivating stakeholder relationships. Their outcome then induces consequences on the achievement of those objectives as well as on organisational reputation.”[[9]](#footnote-9)

**It is impossible for an organisation to apply whatever generic principles (***the characteristics which define excellent public relations*)**, if not in the operational context of specific applications (***a specific combination of circumstances in a given territory and at a given moment)***; while, conversely, the latter cannot be effective unless embedded into the former**[[10]](#footnote-10)**.**

Based on the increasingly interrelated dynamics of public relations and the ever-changing environment in which it operates, I suggest five priority generic principles[[11]](#footnote-11), and six specific applications that need to be considered in understanding the operative implications of day-to-day stakeholder relationship practice.

Here are the ‘generic principles’:

* Stakeholder relations is a unique management function that facilitates organisations in developing effective relationships with stakeholder publics as well as with their overall operative environment;
* The value of stakeholder relations can be determined by analysing the dynamic quality of relationships the organisation establishes with its stakeholder publics, as well as by the improvement of the quality of the organisation’s decision-making process, enabled by the listening processes related to stakeholder expectations and environmental scanning;
* Stakeholder relations serve a technical, managerial as well as a strategic role;
* Stakeholder relations are powered by professional managers ( not subordinated to other management functions), who supply, facilitate, enable, distribute and support relationship and communication competencies to all other management functions of the organisation;
* Stakeholder relations are **two-way processes and tendentially symmetric, value diversity as a specific added-value to the relationship, and are based on a responsible communicating-with,** rather than a communicating-to platform. ANGIE: THIS IS THE ONLY OCCASION WHERE ‘WITH’ IS ACCEPTABLE INSTEAD OF ‘TO’, TO PROVE A POINT. IN NORMAL EXPRESSIONS, ‘TO’ MUST BE USED.

And here are the specific applications:

Embracing this conceptual framework of generic principles and specific applications delivers a number of (strategic) organisational benefits by:

* Accelerating the institutionalisation process for the stakeholder relations function within the organisation;
* Supporting the development of a distributed managerial monitoring dashboard globally and in each relevant territory;
* Affirming stakeholder relationship governance as the overall responsibility of contemporary public relations.

While organisations may understand the need to apply generic principles within their public relations operations on a global basis, it is more complex, challenging and yet not fully clear, how they should identify the basic public relations system of a given territory, correlated to the specific applications as part of the paradigm. As indicated in the above chart, to be effective, organisations need periodically to analyse and ‘dashboard’ a territory’s legal/institutional, economic, political, socio-cultural, active citizenship and media system specificities.

However, my practical experience of case studies where this is done with satisfaction, suggests that:

* There may be other significant variables within a given territory that need to be considered, leading to a situational approach. For example, the religious system of a territory may need to be considered an autonomous and forceful variable rather than only as part of the socio-cultural system;
* The correlation and interdependence between the generic principles and specific applications need to be explained in terms of operational mechanisms. Again, these may be ‘situational’ in the sense that, to be fully effective, they need to fit into the organisation’s specific culture, sub- and counter-cultures.

Four key questions arise:

**1. Does the paradigm apply only to Public Relations?**

Potentially, the concept could similarly apply to any other management function or profession with the caveat that relevant generic principles and specific applications be specifically researched. In a recent intense discussion on [www.prconversations.com](http://www.prconversations.com)[[12]](#footnote-12) blog, Heather Yaxley suggested “*to come at this question from the other direction – which is whether it would be beneficial to start from some generic principles of management and then contextualise these to public relations.*” Agreeing with Heather, I responded that I had based the concept on my (albeit limited) knowledge of management, its literature as well as my own personal experience.

**2. Do the generic principles also need to reflect the unique characteristics of the organisation as well as those of the industry in which it operates?**

I believe that, in ensuring effective stakeholder relations practices around the world, organisations need to reflect at least three sets of analysis related to generic principles:

1. The specific practice (PR) and its global principles;
2. The organisation’s specific and unique characteristics that are globally valid;
3. and, the industry’s specific and unique characteristics that are also globally valid.

Again Yaxley wonders “*why this would be a specific consideration for public relations. Should we not instead engage with understanding at a strategic level how organisations structure and approach their reputation, relationships, communications etc to reflect their unique characteristics? Rather than looking at PR in isolation,*” she suggests: “*it is more helpful to integrate consideration of PR with the wider operational and conceptual dimensions of organisations. Mintzberg for example has written on developing a worldly as opposed to a global view, which could be relevant*.”

Agreeing with these suggestions, I add that the globalisation theory, as it has been practiced by large organisations (including NGOs, universities, trans-national public institutions and not only in the private sector), has so far failed to move out of an ethnocentric worldview (think global and act local in the best of circumstances).
In my view, a situational and intertwined approach could possibly not only apply to organisational public relations, but also to many other fields whose traditional worldviews are increasingly being questioned.

**3. Should other territorial systems be analysed to determine specific applications?**

Are there other territorial systems in addition to the six identified? And, should these be ‘situationally’ identified? For example in some countries religion can well be considered as part of the socio-cultural system, while in others it has such a prominent role to warrant an autonomous analysis.

Also the language variable, always given for granted, could well deserve an autonomous role as well, given its specific communicative relevance.

Yaxley points out that “*this thinking seems to connect to the ‘boundary spanning’ role. Certainly PR can contribute to that, but its lamentable engagement with research seems to counter any claims of expertise in the knowledge and insight field, leading companies to turn to business/marketing functions for such an insight*.” She also adds the question if “*PR itself is operating at this level in terms of providing the insight into specific areas such as reputation, relationships, and so on?*”

I again agree on a full interdisciplinary approach, but underline that, in my personal and professional experience, corporate public relations functions are becoming highly sophisticated in their analytical processes (more so than consultancies or agencies).

Robert Wakefield, professor at Brigham Young University and one of the first thinkers of the generic/specific paradigm twenty some years ago, added that “*when working on the generic/specific theory, trans-national organisations should not:* ***EITHER*** *concentrate on the central issues of mission, global strategy, etc..,* ***OR****, let local entities do whatever they wanted, which was what literature of the time suggested. To ensure effective communication all over the world, some combination of the two was needed*.” Furthermore, he felt it has to be “*wrong to hire ‘local’ expertise to worry only about local issues, while central staff concentrated on global imperatives. What a waste of great talent, it seemed to him. When he worked for a trans-national, he tried to create as much horizontal teamwork as possible, to get the best minds and thinking contributing to our global strategy in addition to handling their daily local issues.*”

I then suggested that “*the first generic principle of public relations should be that the application of the Excellence theory is not effective if not related to the territorial infrastructure… while, the first specific application should be to connect to the general principles. This would close the conceptual loop*.”

**Wakefield went on to explain: “*w****hen I started thinking of generic/specific, I was thinking that within each organisation, there must be ‘central’ or overall principles and values that continually identify and advance the mission and purpose of that organisation; but as the organisation spreads throughout the world, it also confronts, always and daily, very dynamic and distinctive environmental factors—and thus there is more or less a continual tug-of-war between those two imperatives. Instead, today I would say that organisational PR units must ‘think globally AND locally, and act locally AND globally’, all at the same time*.”

“*I also believe*,” he added, “*that social media have changed the equation for both levels, for the simple reason that they can instantaneously surpass anyone local and create global problems for an organisation no matter where an issue arises. At the ‘generic’ level, I agree it is important to expand the universals of the field to accommodate the uniqueness of each organisation. For example, wouldn’t an organization that is highly consumer-oriented have different ‘general’ characteristics than one that is mostly a scientific organisation dealing with a much smaller set of stakeholders, or a business-to-business organisation*?”

Jim Grunig added this important note to the conversation:

“*I think the crucial thread to this discussion is the question of whether the generic principles apply at the level of the profession or at the level of the organisation. I agree with Rob (Wakefield) that the generic principles were intended to apply to the profession. These generic principles were based on theoretical principles derived from the Excellence study but also on years of research on a number of middle range theories (such as strategic management, roles, models, gender, evaluation, etc.) that we incorporated into the Excellence principles. I still believe that the Excellence principles are generic to the profession. Of course, it is still possible to add new principles or to subtract some of the old ones…. Your conversation also raises the intriguing idea, however, that there might be principles that are general to each organisation and which it should incorporate into the organisation of its communication function and its strategic communication planning… I think such general principles should be derived from the more generic professional principles–specifically from the strategic behavioral management model that describes two of the most important generic principles: that public relations should be part of the strategic management of the organisation and that communication programmes should be managed strategically (i.e. developed for specific publics, have specific objectives, and that these objectives should be measured to evaluate the success of the programmes)*.”

“*For general principles, then*,” Grunig adds: “*I think organisations need to decide the publics (stakeholders, if you prefer) with which they need relationships, the problems (ie, consequences) experienced by the publics that make such relationships necessary, and the issues that might result in the relationship… This is where the specific applications come in. One could also attempt such middle-range thinking for each of the other generic principles. For example, the organisation of the Public Relations function probably will be different for consumer product companies (where marketing dominates), financial companies (where the stock market or government dominate), non-profit organisations (where donors dominate), government (where ideologically-derived publics develop), public diplomacy (where diplomatic relationships must be mixed with relationships with local publics). The symmetrical principle would differ in organisations with authoritarian rather than participative cultures and where the public relations function has been institutionalised as a symbolic-interpretive function rather than a strategic management function. Recently, though, I have begun to think about the symmetrical principles in terms of ‘relationship cultivation strategies’. Different types of organisations will find different symmetrical cultivation strategies to be ‘generally’ useful in their public relations efforts*.”

Also based on this conversation, I suggest that effective global stakeholder relationship governance of any social, private or public organisation, today, requires a situational and therefore dynamic conceptual managerial approach. This defines an overall and global professional relationship infrastructure that includes generic guidelines related to:

* The Public Relations practice per se,
* The unique characteristics of the sector in which the organisation operates,
* The unique characteristics of that very organisation.

It is my opinion that applying this conceptual and operational framework to both the symbolic/interpretive and the strategic/behavioral approaches to global public/stakeholder relationship policies and programs greatly benefit any organisation. Certainly the major benefits relate to the latter approach, if for no other reason other than because of the conceptual coherence. Yet reputation-led, communication-to and message-oriented programmes also benefit.

**c) On global stakeholder relationship governance**

This part of the paper updates, revises and collates selected paragraphs from a 2010 paper I wrote for the Institute for Public Relations’s website under the title ‘global stakeholder relationship governance’.[[13]](#footnote-13)

Only a few years ago, in the best of cases, any experienced Public Relations or Communication professional working for a New Delhi retail firm would benchmark[[14]](#footnote-14) and research activities of direct competitors, within the local environment (national, at best), and proceed to roll out a programme as coherent as possible with the client’s organisational culture, the perceived expectations of the community and his/her own professional experience and responsibility.

The same would happen in Milwakee, Dresden, Capetown or Buenos Aires.

Similarly, any effective organisation actively involved in international operations, with headquarters in any one of those cities, would probably employ a central, coordinating Manager of International Communication and possibly (but not necessarily) a network of consultancies based in the more relevant countries.

Alternatively and/or in parallel, that Manager would stimulate (and eventually participate in) the selection of local communication professionals by local management. This was business as usual.

As international economic activities have since greatly expanded in every country, a growing number of organisations and professionals have begun to make their way in the transition from traditionally *international*, to *global[[15]](#footnote-15)* communication practices; and this is because nowadays communication (interpreted here as an organisational management function and practice[[16]](#footnote-16)) may no longer be approached from a local, national, regional or even an international perspective, but only from a global one, even if and when its activities are local.



In parallel, contemporary Public Relations has also come to be interpreted by organisations as relationships with publics rather than, as once may have been, the opposite of private relations (i.e. relations in public).

In recent years, publics have become more and more situational[[17]](#footnote-17); they change and fluctuate in search of improbable certainties and points of reference. They aggregate and disaggregate, in relation to the dynamics of an organisation’s general aims and/or specific objectives.

The increasing pressure of these publics on the organisation mandates that organisations at least listen to them, and better communicate with them. This is the core element of Edward Bernays’s scientific persuasion model, which, in the early Twenties, initiated the dominance of marketing in social, political and commercial developments of western societies.

Since the Seventies, organisations have based their strategic planning on the Porterian (from Harvard Business School’s Professor Michael Porter) linear *value chain* model where phase after phase, value is created by material and predictable actions. The organisation therefore, analysing the value components of each phase (from procurement to transformation, innovation, marketing and end-user assistance) identifies where improvements in value creation are needed and plans accordingly.

In today’s network society, mostly driven by knowledge and 24-7 communication, this ‘*value chain*’ tends progressively to turn into a ‘*value network’* model, based on fuzzy and immaterial relationships amongst the characters within the networks and amongst the networks themselves (as Swedish Business professor Sven Hamrefors has recently conceptualised[[18]](#footnote-18)).

Thus, the ability to govern relationships effectively, within and amongst networks as well as with society at large, has now become the most important value, as it reinforces, nurtures and develops the organisation’s so increasingly important ‘licence to operate’[[19]](#footnote-19) .

In the mid 1980s, corporate governance concerns began to emerge in organisations induced by the juxtaposition of the traditional and descriptive Anglosaxon shareholder model, with the more normative European stakeholder model.

The growing adoption by organisations of the stakeholder model has since made progress and very recently the South African corporate lawyer and Supreme Court Judge Mervyn King rationalised in his ‘King 3 Report’ that relationships with stakeholders have now become a primary responsibility of the board of directors, and that management needs to monitor regularly and govern those stakeholders by reporting specifically to the board at all its meetings.

This is one reason why many traditional and even innovative Public Relations practices have now become stakeholder relationships and, as the organisation may not manage stakeholders but only govern their relationships with them, this part of the paper is dedicated to the art and science of stakeholder relationship governance from an organisational, systemic and relational perspective, recognising the societal perspective and integrating this with the value network society model of the organisation.

The argument is that in absence of such a global and relationship-based perspective, a professional communicator is no longer able effectively to perform at any level (local, regional, national, international), and this is mostly due to the embedded interactions between accelerated and diverse social, economic, political and technology dynamics.

It is the stakeholder who decides to be such, and it is not up to the organisation to decide who its stakeholders are. Of course, the organisation may freely decide to ignore, to involve (i.e. allow access and input) or actually engage (i.e. actively attempt to include in its decision-making processes) some or all of its stakeholders. But this is a management decision.

Also, even a merely local organisation may not practice effective public relations unless it is in the

framework of what a growing number of professionals and/or scholars define as the ‘generic principles and specific applications’ paradigm (see previous chapter). This implies the adoption of few generic principles thoroughly embedded in the organisation’s day-to-day practice, wherever it may be located in the world. They apply *only if and when* that same practice is firmly grounded on, and influenced by, the highly dynamic and specific public relations infrastructure of a given territory (specific applications).

I purposely did not use the term ‘country’ because the infrastructure greatly varies from location to location even within a same nation. For example, Beijing and the southern territories of China; Lagos or the oil field communities of Nigeria; New York or Nebraska; Milano or the southern region of Sicily.

The identification, understanding and practical adoption of this paradigm is the **first** of the two main subjects of this chapter, written with the overall aim of supporting an organisation’s and/or a professional’s growing need to practise effective stakeholder relationships governance.

In parallel to this first subject, the 21st century’s ‘discontinuity’ in our traditional understanding of the concepts of time and space was induced by the acceleration of a globalised environment driven and by 24-7 communication technologies. This has led to the current economic and social turmoil, which have caught national, international or trans-national governments, agencies, organisations and institutions *with their pants down.* This illustrates their inability to agree on global governance standards, at least for those four tsunamis: the financial interests, migration, climate and organised crime disruptions which are seriously destabilising our societies in many areas of the world.

Consequently, the leadership of every social, public or private organisation is well aware that its managerial ‘business as usual’ approach justifiably consolidated by 15 years of continued economic growth (at least in western societies) is no longer viable.

A similar awareness, of course, applies, at the very least, to those professions who rely on supplying counsel and services to organisations: from legal to accounting, from management consulting to marketing, communication and/or public relations.

It is becoming increasingly clear that, in parallel with a continued process of institutionalisation of the specific function[[20]](#footnote-20) shown by an unprecedented increase of direct reporting to CEOs in organisations from every corner of the world, the principal contributions of public relations to organisational value rely on:

1. Their ability to collect, understand and interpret organisational leadership stakeholder and societal expectations, with the result of improving the quality of management decisions, thus helping to compress the time necessary for their implementation;
2. Their ability to ensure that the organisation introduces processes to govern effectively stakeholder relationships;
3. Their ability to facilitate and enable all other organisational functions to govern their respective stakeholder relationship systems.

Therefore, the effective governance of stakeholder relationships is the new global frontier of the public relations and communication profession in which the process of communication, however complex and important, is one, and possibly the most relevant, of the available tools to enable stakeholder relationships[[21]](#footnote-21).

The first years of this century have ignited a ‘new beginning’ of the Public Relations profession in its day-to-day practice, conceptualisation and public perception **[table 2]**.



In the whole second part of the 20th Century, a substantial part of public relations practice consisted in *communicating* predetermined *messages* **to** specific *audiences*, in the effort to *persuade* these into modifying opinions, attitudes, decisions and behaviour so that they be so more closely aligned to those desired by the organisation (whether private, social or public).

Today, one may see a sweeping transition towards a different practice, focused on the development of *relationships* (rather than communication) with carefully identified organisational *stakeholders* (rather than audiences).

These relationships allow organisations better to understand and interpret stakeholder and societal[[22]](#footnote-22) expectations, thus substantially contributing to the improvement of the quality of management’s decisions, and at the same time, accelerating their times of implementation.

By ensuring a permanent stakeholder dialogue, based on *contents* rather than messages, aimed at

*con-vincing (from the latin ‘vincere cum’, ‘to win with’)* rather than persuading, both the organisation and its stakeholders reciprocally modify opinions, attitudes, decisions and behaviours in closer alignment with the *public interest.* This is interpreted as a balanced mix of institutional and generally accepted norms together with the prevailing expectations of society, represented by active citizenship groups (rather than merely those of the organisation or its stakeholders).

The implication is that the quality of effective relationships with stakeholders is based on the

dynamics of at least four indicators which may (relatively simply) be measured, before, during and after:

* *trust* in the relationship by the parties involved;
* *commitment* to the relationship by the parties involved;
* *satisfaction* in the relationship by the parties involved;
* *mutual control* (aka *power balance*) in the relationship by the parties involved.

Thus, one of the essential roles of an organisation’s stakeholder relationship function, wherever it may reside, has to do with ensuring that rather than **bending** organisational objectives and tactics to satisfy the often conflicting expectations of one or more of its stakeholder publics (which amounts to a biased and instrumentally ungenerous interpretation of the two-way symmetrical model conceptualized by Jim Grunig); or simply listening to those expectations better to craft and deliver messages aimed **at persuading** publics to agree to the former’s specific objectives (as the Bernays scientific persuasion model implies)….

* ***A* *responsible* organisation** is effective when it achieves the best possible balance -- on any specific as well as general objectives -- between the three different levels of interests involved in any organisational activity:
* the organisation’s interest;
* the different and often conflicting interests of its stakeholder groups, and
* the public interest

***Stakeholder Relationships Governance Process: step by step***

To assist effectively an organisation in governing its different stakeholder relationship systems implies the adoption of a generic ‘scrapbook’ approach defined as GOREL (Governance Of Relationships), first developed by the author in the mid-Eighties and subsequently many times adjusted to the ever-changing environment[[23]](#footnote-23)**.**

This has nothing to do with a detailed methodology. Gorel is preferably described as a situational ‘scrapbook’ approach to the day-to-day practice of global stakeholder relationships which enables any professional to find some rational reply to that one single good question which rarely arises in our current, intense and increasingly twittered environment: what am I doing?

1. *Envisioning*

A stakeholder relationships professional -- always and before anything else -- needs to be aware of

(when it exists) or contribute to define (when it doesn’t) an organisation’s

* Mission (where are we today? what are we about?)
* Vision (who do we want to be? Where do we want to go in a determined timeframe?)
* Guiding values (which rules are we going to abide to, while transiting from mission to vision?)
* Strategy (how and following which specific operational processes and overcoming specific intermediate objectives, do we plan to get there?)

In management consultancy jargon, this is sometimes called the *envisioning* process and is a necessary prerequisite for any stakeholder relations program.

This may be approached in various ways and formats, requires time (subject to available resources and situational urgencies), but is essential.

It is clear that the more the process of defining and distributing the contents of this process is participated in, and shared inside and outside the organisation, the better it is.

2. *Active Stakeholders*

In itself, an organisation is a relationship system of different subjects who bring together resources and competencies to achieve common goals (workers, investors, technicians, researchers, managers). In order to achieve those very goals, the organisation also needs constantly to develop and entertain relationships with many other subjects who either bear the consequences of those goals, receive their effects from the organisation while it pursuits those goals, or both.

Thus, the organisation needs to identify and be well aware of all those subjects who respond to this

description, who may be defined as *active stakeholders,*and proceed to listen attentively to their expectations by:

1. Collecting relevant info and data related to positions, policies, attitudes, behaviours related to those pursued goals (this can be done by desk work; market, social and political research; participant observation; as well as direct involvement in dialogue and conversation);
2. Understanding the collected data and information without being obstructed by one’s prejudices or stereotypes and, wherever possible, checking this data directly with active stakeholders;
3. Interpreting what has been understood by the organisation and evaluating the possibility of fine-tuning its pursued goals, adapting or even sometimes changing them in order to ensure that the vision may be effectively pursued. This is where the organisation’s decision making process may improve and also accelerate the time of implementation of specific and operative decisions, a management variable which has increasingly become one the principal indicators of the quality and value of the organisation itself.

It is however important here to stress that it is not the organisation that decides who these active stakeholders are. Active stakeholders decide themselves to ‘hold a stake’. This is because they are aware of the organisation’s goals and interested in relating with the organisation either to support or oppose it. The organisation, in turn, needs to involve these active stakeholders, relate with them and supply them with easy access to information; as well as appropriately respond to their opinions, suggestions and voiced expectations and, where possible and convenient, engage with them to co-create both the decisions and their consequences.

This is typically a *pull* format of relationship cultivation and communication, in the sense that, being aware and interested, it is often the active stakeholder who initiates the relationship, by requiring that the organisation adapt its strategy in order to reduce the negative consequences and time delays that some of these stakeholder groups might wish to avoid.

3. *Defining specific objectives*

The implementation of any business strategy implies the definition of specific objectives to be pursued in their different phases, related to different time frames, to pursuit said planned strategy. If these objectives consider the expectations of (at least some) active stakeholders, it is more than likely that the time of their implementation will accelerate.

4. *Involving potential stakeholders*

Each of those specific objectives requires the prompt identification of other publics (specific, by each objective), which may be identified as potential stakeholders. In this case, it is the organisation which decides it has an interest in relating with specific stakeholders, believing that their opinions, attitudes and behaviours will have consequences on the pursuit of a specific objective.

This is clearly more of a *push* format of relationship creation developed by communication. The organisation, having thus far formed an acceptable scenario of its active and potential stakeholders, decides, in the autonomous and responsible judgment of its leadership, to intensify the relationships and actively to engage those stakeholder clusters believed to be more relevant.

This again implies listening to their expectations by:

1. Collecting information, understanding and interpreting it for the leadership’s benefit, so that the latter might take expectations into consideration for the implementation of each specific objective
2. Eventually, modifying those objectives or even
3. Deciding to pursue them in any case, but being aware and prepared for the problems the organisation will be facing, induced by the actions of potentially dissenting stakeholder groups.

5. *Relating with issue influencers*

An organisation’s licence to operate, its understanding of social issues and general pursuit of both strategic goals and tactical objectives, in the effort to avoid a risky *integralistic* approach to organisational governance, may not limit its role to the ‘golden cage’ of its stakeholder involvement and engagement processes. Society is more complex, and organisations need to understand the wider environment in which they operate.

In the late 1970s and early 1980s, many organisations adopted an *issue management* approach to policy development, which implied a careful selection of cultural, technical, economic and social issues whose dynamics were not only believed to create consequences for the organisation as such, but also had the characteristics of being potentially influenced by an organisation’s proactive activities. Once these issues are identified, the next step is to identify those subjects (issue influencers) who the organisation believes have a direct or indirect power to influence the dynamics of those issues. This must happen in order to develop a relational and communicational effort to dialogue with those influencers.

Of course, it is more than likely that many of those influencers will have already been identified within the two preceding stakeholder clusters (active and potential), but not necessarily so, and it would be a mistake not go through this process.

So, we have thus identified a third segment, with whom the relationship building format is very similar to the one adopted with the potential stakeholders, i.e. initially *push* to attract their attention and, once this has been achieved, by involving and engaging them into a continual dialogue and negotiation.

6. *Con-vincing opinion leaders*

Finally, the stakeholder relations professional is also required to identify opinion leaders: those subjects believed by the organisation to have the power and the means to influence opinions and behaviours of the organisation’s final publics.

Thus, a fourth specific cluster of organisational publics.Once again, it is likely that many opinion leaders will already have been identified in the threepreceding clusters, but not necessarily so, and it is wise to indulge situationally in the entire exercise inorder to avoid neglecting subjects that could turn out to be very relevant for the achievement of both theorganisation’s strategic goals and tactical objectives.

It is at this point, and only at this point, by having listened to the specific expectations of these publics, that the stakeholder relations professional is enabled to develop appropriate contents and arguments and to create specific platforms (real or virtual spaces and other mainstream or social media tools) in which these publics may access those contents.

This is also where the evaluation of the quality of both relationships and communication contents and tools begin to develop.

7. *Contents, channels and ‘spaces’*

According to the complexity of the issues and the available resources, the professional may now

- also on the basis of this ‘scanning’ process - elaborate and create appropriate and specific contents related to the both strategic goals and each of the tactical objectives, which are believed would attract single or multiple stakeholder groups into being involved or engaged in an effective relationship.

The term *content*s is preferred here to the traditional ‘messages’ for two reasons:

1. Stakeholder relationships are mostly based on conversations and arguments related to complex issues which are not easy to turn into ‘messages’ and should not be encapsulated as such
2. Stakeholder relationships are not based on persuasive and advertising related techniques (or, at least, as advertising is still stereotyped today)

8. *Pre-test and the setting of communication and relationship objectives*

This is the time to pre-test the effectiveness of the communication contents as well as the quality of the existing stakeholder relationships.

This is necessary in order to:

1. Verify whether the groundwork has been effectively carried out before beginning to roll out elaborated contents;
2. Identify specific communication and relationship objectives to be pursued and whose achievement may be verified.

This can be done through a savvy use of social, political and market research tools (according to the context of the prepared contents).

There are at least three indicators related to the effectiveness of communication content, and four indicators related to the quality of relationships, which may be usefully adopted.

The first three indicators are:

1. Source credibility (i.e. on a scale 1 to 10, if you receive content from this source, how credible would it be for you?)
2. Content credibility (i.e. on a scale 1 to 10, if you received this content, how credible would it be for you?)
3. Content familiarity (i.e. on a scale from 1 to 10, look at this content and indicate how familiar it is to you).

It is evident that if the first indicator is very low then one should wonder if the exercise makes sense. If the second indicator is very low then one should review the contents. If the third is very high then one should wonder if the exercise ought to be conducted at all.

This can be fairly easily performed with samples of the different and identified stakeholder groups and allows one to set specific communication objectives to be achieved over a certain period of time.

The second set of indicators is:

1. Trust in the relationship (i.e. on a scale 1 to 10, how much do you trust your relationship with x?)
2. Commitment in the relationship (i.e. on a scale 1 to 10, how much are you committed to your relationship with x?)
3. Satisfaction in the relationship (i.e. on a scale 1 to 10, how satisfied are you with your relationship with x?)
4. Balance of power in the relationship (on a scale 1 to 10, how much leverage do you think you have in your relationship with x?)

It is also sometimes very useful to adopt a co-orientation approach by also asking the stakeholder representative to indicate how x would reply to the same questions.

By performing this pre-test on samples of the relevant stakeholder groups, the professional will not only be able to refine and fine-tune the contents and be fully aware of the quality of existing stakeholder relationships; but he will also have sufficient data to set specific objectives to be pursued by the public relations effort in itself, along both the communication and relationship effectiveness lines of action.

Arguably, one may well wonder if this approach to setting measurable objectives is not on the one hand too complex and, at the same time, simplistic. One may also believe that it is more sophisticated than most other, generally accepted, systems: those which evaluate financial, marketing, human resource, production or research objectives within an organisation and which, material or immaterial, linear or hazy, are all based on conventions agreed by both the reviewing and reviewed parties, and whose overall purpose is to track the dynamics of a given phenomenon.

9. *Content roll-out*

There are many books, manuals, websites, blogs and other resources meant to assist a stakeholder relationship professional in improving operational performance. At the same time, as we have argued all along, specific situations continue to change, while the only certainty is that one can but adopt a situational perspective to this very important part of the process.

It would be a mistake to consider this as ‘business as usual’, and it would be blatantly contradictory with the very objective of this paper. Even more so, the relatively recent surge of the internet in general, and more specifically of what we are accustomed to define as social media, implies that we fully acknowledge the existence of a new environment in which communication and relationships are developed and conducted with stakeholders by adopting different parameters and processes which still need to be convincingly conceptualised.

Furthermore, in parallel with allowing the creation and development of relationship with identified stakeholder groups, social media also often determine new stakeholders to be dealt with.

There are dedicated manuals and resources to improve professional performance on the specific issue of digital environment and its consequences for stakeholder relationships.

There is at least one other relevant concept worth elaborating here, in the context of global stakeholder relations, which tends to align the work of the global stakeholder relator to that of an architect.

Ever since the second part of the 19th century (though some say that this has always been going on) the creation and implementation of pseudo-events, coupled with the ongoing quest for third party endorsements, have been the building blocks and prime competencies of the public relations profession.

Pseudo-events, defined as such in 1985 by the American contemporary historian Daniel Boorstin in his pamphlet The Image: what has happened to the American Dream?[[24]](#footnote-24)., are artificially created and developed by organisations in order to attract the attention and the interest of specific publics.

Often these are journalists and opinion leaders, but increasingly they tend to be various clusters of organisational stakeholders. Many tens of thousands of these pseudo-events are being held every minute of the day, in every country, for a multiplicity of reasons, and the stakeholder relations professional is usually involved in their planning and organisation.

The overall scope of these pseudo-events, as mentioned, allows for the organization to gather (more or less carefully and selectively) stakeholder publics into one physical space in which a product, a service, an idea may be illustrated; an organisation’s change of programmes may be announced and explained; an issue, a policy, an idea or a decision may be argued. There are available sources of information and textbooks on traditional event organisation and how an event may be effective. The internet, telecommunication and mobile technologies, as well as social media, have made possible the creation of virtual events, which are not necessarily tied to a physical place or a specific territory or a determined time-frame.

This gives the stakeholder relations professional a richer range of opportunities, as long as s/he keeps in mind that:

1. A virtual relationship is certainly diverse from a face-to-face one and has its specific rules and processes;
2. Differently from physical pseudo-events, virtual pseudo-events allow participants not only to relate with the ‘gathering’ organisation but, more importantly, to relate with one another.

In other words, the relationship process - rather than moving top-down (when a communicating-to

mode is applied) or bottom-up (when a communicating-with mode is in place) - tends to move left-right-left, and the ‘gatherer’ is no longer necessarily *in control,* though it certainly facilitates the conversation.

All this implies that the specific competency of organising events, so typical of the PR

profession, takes on yet another profile. Namely, the task is creating attractive (at least more attractive than other competitive spaces) real and virtual ‘spaces for dialogue and relationships’ in which stakeholder publics are stimulated to participate and relate in, among themselves, and with the convening organisation.

10. *Evaluation and Reset*

The GOREL process enters in its last conceptual phase, before rewinding in a never-ending loop. The allocated resources have now been deployed by the professional in the given time and in the process we have also identified, on the basis of the pre-test results, specific communication and relationship objectives to be achieved. It is now time to verify if those objectives have been met. In that pre-test phase elaborated contents, as well as the state of stakeholder relationships, had been submitted, with specific indicators, to a sample of different identified stakeholder publics. Now, following the roll-out of operational activities, a second representative sample of those same stakeholder groups needs to be involved in a similar analysis related to the status of those indicators.

It is clearly important to avoid questioning the same sample of the pre-test, as it is well known that specific stakeholders selected to participate in opinion research tend to be influenced by these exercises and therefore the analyst would never be able to know how much a subject having participated in the first sample actually has influenced the final outcome.

Therefore, one should use a different sample, although selected of course from the same universe. Yet, it is also sometimes important for the stakeholder relations professional to understand how stakeholder participation to the pre-test actually influences the final result. This is because the very research effort is, in itself, both a relationship tool and channel.

One way to deal with this issue is to divide the second post-test sample in half: question one half of the first sample and add another half of new participant representatives of the same stakeholder groups. Alternatively, when the sample is too small to be significantly divided, one may expand the size of the second sample. Adopting this method will not only allow the stakeholder relations professional to validate if her/his overall activity has under/over or simply achieved the defined communication and relationship objectives, but also to understand how much the selected involvement of stakeholders in the active listening process of the pre-test has in fact influenced the final result.

This turns into one more vivid demonstration of the power of the whole stakeholder relationship governance process.

**d) Employee relationships and internal communication**

The Stockholm Accords (2010)[[25]](#footnote-25) indicate the alignment of external and internal communication as an essential part of any aware and effective communicative organisation (*a communicative organisation recognises that even the most empowered Public Relations Director cannot realistically hope directly to ’manage’ more than 10% of an organisation’s communicative behaviour. The communication leader of the organisation, in this context, plays two fundamental and strategic roles:*

* *A ‘political’ role in supporting and providing the organisation’s leadership with the necessary, timely and relevant information which allows it effectively to govern the value networks as well as an intelligent, constant and conscious effort to understand the relevant dynamics of society at large;*
* *A ‘contextual’ role which implies the constant delivery of communicative skills, competencies and tools to the members of those value networks so that they may improve the quality their relationships thus creating more organisational value[[26]](#footnote-26)*).

The text of the Accords says that the professional’s operational role in performing this specific function is to:

*Oversee the development and implementation of internal and external communications to assure open listening, consistency of content and accurate presentation of the organisation’s identity. Research, develop, monitor and adjust the organisation’s communicative behavior. Create and nurture a knowledge base that includes social and psychological sciences. Manage and apply research to implement evaluation and measurement programs for continued improvement.[[27]](#footnote-27)*

In planning and implementing relationships with internal and border publics(*not only employees but also* consultants, suppliers, volunteers and others required to fulfil the organisation’s purpose*[[28]](#footnote-28)*), the ‘communicative organisation’ prepares ad hoc programmes and activities –today often involving a specific ‘change management’ effort - by initially clustering this ‘universe’ and applying selected sense-making indicators - *from Carl Weick: making sense of what we see and hear* - to ensure that those identified groupings be motivated to participate voluntarily and actively in a ‘relationship space’ (physical and/or digital) provided by the organisation to allow a better understanding and interaction with factors such as:

* *How the internal community comprehends, accepts, communicates and achieves the organisation’s strategy;*
* *How/how well organisational leaders and internal influencers collaborate and communicate with stakeholders;*
* *How knowledge and policy are being shared;*
* *How processes and structures are identified, developed and enhanced;*
* *and, most importantly:*
* *How the organisation’s reputation depends largely on the actions taken by internal stakeholders[[29]](#footnote-29).*

In identifying relevant indicators, these could traditionally relate to:

1. The publics’ contractual relationship with the organisation (blue, white collars, management…);
2. Traditional market segmentation (identifying [segments](http://www.businessdictionary.com/definition/segment.html) with similar [needs](http://www.businessdictionary.com/definition/need.html), [wants](http://www.businessdictionary.com/definition/want.html), or [demand](http://www.businessdictionary.com/definition/demand.html)s i.e. behavioural, demographic, psychographic, and geographical .…),
3. Adoption and adaptation of the generally accepted digital influence approaches (i.e. influencers, activists…),
4. Adoption and adaptation of the generally accepted concepts of niches, tribes…

Each of these approaches may be investigated by ad hoc questionnaires and/or focus groups.

However, I believe that each member of this internal/boundary ‘universe’ owns a personal, a professional and a territorial profile; and, on the other hand, each communicative organisation also owns a distinctive industry profile and, obviously, a specific corporate profile.

This leads to the identification of **five different profiles** that combine and interact to form that very relationship ‘space’ that the internal communicator creates, enables, facilitates and nurtures.

The internal communicator is inspired by the material consequences of the relatively new concepts of ‘network society’ and ‘value networks’ that (once more) belong to the above-mentioned Stockholm Accords (*In the network society, the traditional and consolidated strategic planning process from the late Seventies (based on Michael Porter’s value chain, mostly linear and material) is at least integrated by another planning process based on value networks. This recognises that a substantial part of the value created by the organisation is generated today from fuzzy (non-linear) and immaterial networks that normally disrupt the distinction between internal and external publics. Members of these networks play specific and value added roles defined by their relationships rather than by their formal position. The generated value is based on the quality of the relationships that exist between members of each network and on the quality of the relationships which exist between the various networks[[30]](#footnote-30)*).

Furthermore, by assigning a value to this ‘clustering’ effort, I can also investigate the quality of relationships within and amongst these very networks, on the basis of the four traditional trust, commitment, satisfaction and power balance indicators.

This implies that the internal communicator is required to master specific competencies and skills such as:

* Mapping the above-mentioned five profiles;
* Mapping networks, cultures and subcultures;
* Mapping the specific territory (adopting the legal/institutional, economic, political, active citizenship, socio-cultural and media systems indicators).

All this enables the creation, monitoring and constant updating of an ad hoc employee relationship dashboard.

And finally, this ensures that whatever **content is developed to argue the organisation’s position, it may be adapted** to attract the attention (and to an acceptable extent,[[31]](#footnote-31) satisfy the expectations) of (and stimulate dialogue with) very **specific stakeholder groups**.

Within this operational relationship “space,” a given employee group of a given organisation can be “clustered” into at least **the five ‘profiles’** listed above, each of which, obviously, intersects with the others.

According to each specific objective that the employee relations professional wishes to achieve, the related contents and available tools and channels may be differently mixed and deployed in each situation.

This is not - as some may think - an “easy way out,” as it would imply the use of professional skills and competencies that today are not normally in the internal communication practitioner’s domain.

To take one common example, with one clear and specific change-management project, the employee communicator will presumably be well versed with the organisation’s sectorial and corporate cultures and will focus attention on those mission and values, inasmuch of course as they impact on the specific objective being pursued. S/he then identifies the specific employee group involved in that objective, listens to their opinions and expectations, related to the pursued objective, and integrates these findings into the personal, professional and territorial profiles.

All this knowledge, in turn, creates an overall communicative infrastructure[[32]](#footnote-32) that enables a flexible adaptation of multiple contents, releasable through an ever-growing list of tools and channels selected on the basis of priority indicators, i.e. interactivity, flexibility, time impact, credibility, reach and so on.

A suggested approach to evaluate the effectiveness of this effort is that, once the universe and the specific groups are identified, the **quality of existing relationships and the prepared communication contents** be pre-tested with samples from each ‘group’ focusing on:

* Trust in the relationship
* Satisfaction with the relationship
* Commitment to the relationship
* Power balance or control mutuality in the relationship

as well as:

* Credibility of source (if the primary source is deemed not credible by the intended cluster, then the communicator may decide to select another primary source or change/abandon the programme);
* Credibility of content (if the content is deemed not credible by the intended cluster, then the communicator may decide to modify the content or change/abandon the programme);
* Familiarity of content (if the content is either entirely unfamiliar or entirely familiar then the communicator may decide to either modify the content or change/abandon the programme).

This double pre-test (adopting the co-orientation approach can also be very revealing) allows to determine and share with management, specific relationship and communication objectives to be achieved in a given timeframe with given resources.

Instead, the post-tests following the actual implementation of the programme will give a good idea of where, how and if something went wrong in the process. What is more, this approach to evaluation allows the communicator to negotiate, before the rollout of the program, a well-deserved incentive scheme with management or client, *if* and *when* results exceed the negotiated objectives.

This approach to internal communication, in part expressed in the [www.prconversations.com](http://www.prconversations.com) blog in my recent interview with the reputed British practitioner Rachel Miller, stimulated some relevant comments and reactions by respected professionals and scholars[[33]](#footnote-33).

Sean Williams - amongst other precious suggestions, including citing the excellent paper by Brad Rawlins[[34]](#footnote-34)- suggests that cultural dynamics are a very difficult path to tread, as organisations frequently cast their cultures as ‘aspirational’ and, often, their current state is less positive than stated. Therefore, he adds, it could be less desirable for organisations to explore and openly discuss culture with their employees. Of course, he also says that self-identification or some sort of cultural assessment might well be revealing, but wonders if it can be done quickly and at reasonable cost. Clearly, exploring the strength and health of organisation/employee relationships is essential, but again - says Williams - the need to use surveys leads to issues of time and expense, even if it would be very useful to measure not only the self-assessment, but also the differences between that and perceptions of other relationships. He also adds that flexibility and adaptability are urgent requirements and concludes that one really hard thing is the value assessment of the employee communication function – “how many things are we doing that add no appreciable value to the organisation, when we could instead be enacting a more research-based, more strategic set of tactics that lead to better results…?”

Heather Yaxley instead posits that, often, internal communicators seem to view employees a bit like an entomologist views insects. Hence, that idea of studying ‘them’ presents both ethical but also conceptual issues. Yaxley prefers Cutlip’s *et al* idea that “effective public relations starts with listening” and Covey’s principle: “seek first to understand, then to be understood” by “empathetic listening”. Rather than researching employees as psychological subjects - she asks - shouldn’t internal communicators be advocating methodologies that are primarily about listening and understanding those with whom we seek to communicate and engage? Perhaps then, management (and the very practitioners) can also come to understand themselves and their role better. She also wonders about the role of ethnography with respect to understanding cultural phenomena and indicates an emerging body of literature around ethnography and PR which might be useful to consider. She cites, as an example, the paper by Everett and Johnston: “Toward an ethnographic imperative in public relations research.”[[35]](#footnote-35)

Also in response to Heather Yaxley, Sean Williams goes on to argue that the methods by which we seek to understand, prior to merely “Sending Out Stuff”, have so far been applied in distinctly haphazard fashion and many organisations have an anti-intellectual bias in their internal communication, a lack of desire to listen for fear of discovering a need for change. A second item that inhibits listening is the concept that culture is warm and fuzzy. Williams cites one organisation where the top leader says, “culture eats strategy for breakfast” and means it. Others see culture as an intangible “something” that is subject to manipulation from above, rather than a state emerging from below, hence his previous comment about ‘aspirational’ cultures - making statements as regard the desired state as though that state was in place now rather than in some future. Finally, he says, there also is the problem of executives who don’t understand communication as a business process, seeing internal communication instead, as Dilbert’s boss once said: “Teamwork is a lot of people doing what I say.”

Stimulated by these considerations I argue that:

* The ethics issue is certainly relevant, but any professional who analyses, studies, interviews other individuals and writes about these studies and decides on how, when and if s/he is impacting employees’ day to day lives, raises ethical questions. If transparency in professional practices exists, it is clear that - at least in public relations (but the author believes that the same applies also to other more mainstream research professionals) this has to do with informing at least the selected interlocutors, before activating any analysis effort about ‘who I am, who I represent, what my objective is and how I plan to get there’.
* The listening issue is also relevant inasmuch as every effective communication process today implies that the role of listening is more important than that of expression. But very few scholars and educators are capable of acting on or teaching about professional listening. In 2005 in Trieste, long before ‘diversity’ turned into the almost intolerable buzz-word it has become today, the Global Alliance held a World PR Forum dedicated to the issue ‘*communicating for diversity, with diversity, in diversity’*. Behind this was the idea that one-to-one communication is the most effective; that each person is diverse from the other; and that today it is at least theoretically possible to do this. Amongst the most gifted lecturers in Trieste was Prof. Pieraldo Rovatti (Italian philosopher) the only authentic and authorised interpreter of Franco Basaglia’s famous listening practice (Basaglia was Europe’s greatest analyst of the 50s and 60s). Forum participants learned how to listen professionally: a) Move out of yourself and your knowledge; b) Collect all that you can from the other you are listening to, in his/her words and gestures; c) Obtain from your interlocutor agreement on the assembled sequence and interrelationships; d) Return into your knowledge and yourself and interpret, then check again.
* The issue of the ‘aspirational’ aspect of corporate culture - therefore unlikely to be discussed between management and employees - appears to be transiting from a one-way-top-down process to a much more engaging left-right-left one, this with specific reference to the Page Society’s Building Beliefs[[36]](#footnote-36) work, and Anne Gregory’s challenging first part of the Melbourne Mandate[[37]](#footnote-37) (defining an organisation’s character and values), both of which can be extremely helpful for the employee communicator.

To conclude:

It is clear that the specific role of the internal communicator within the ‘*symbolic-interpretive*’ approach to public relations (in the best of cases) relies mostly in crafting messages, adapting or creating channels of communication from the organisation to its (however segmented) employees.

In the context of the ‘*strategic behavioral stakeholder governance*’ approach, instead, the role of the internal communicator - again, in the best of cases - relies mostly in identifying and applying situational indicators to listen to the employees on issues related to specific organisational objectives, and in involving each resulting cluster in communicating, with programmes that create real-life/digital conversation ‘spaces’. Such activities allow the organisation to improve and evaluate the quality of its relationships as well as of its communicative contents, and accelerate and more effectively implement the pursuit of its objectives.

**e) The integrated reporting process and the Janus approach**

Amongst the many elements that have led to the recent and current global economic, social and political meltdown, observers and commentators believe that organisational reporting practices and standards, specifically related to listed companies (in my opinion, the argument, even more appropriately, is extendable to most other social, private and public sector organisations) have grossly misled not only investors, shareholders and regulators but - by extension of the author’s analogy - also citizens, voters, consumers and all other stakeholders, in a reliable assessment and interpretation of the material sources of organisational and societal creation of value.

Limiting the analysis to listed companies, it has been proven that current corporate reporting standards do not reflect the recent dramatic rise of immaterial (intangible) versus material (tangible) components of value creation. Yet, when considering other social, political or public sector organizations, it is at least as evident that, by and large, their reporting standards and outcomes are obsolete and in large part equally misleading and generally ignored by their stakeholder expectations, who have, in turn, been dramatically driven by the ‘always on’ and self-empowering force of current global communication technology.

The transition of an organisation’s reporting from a ‘nice to have’ (or mandatory by existing regulations) activity, to gradually becoming an essential strategic component of its licence to operate (as well as of its very legitimacy in markets and society-at-large), has stimulated the quest for a substantial reconfiguration of the organisation.

The ongoing governance, economic, social and environmental performances of the organisation -when conceived, imagined and implemented as an integrated, sense making, multi-stakeholder, multi-channel reporting process - fully includes all operational functions across current organisational charts and necessarily involves them in a concerted and collaborative effort.

This process not only leads the organisation to adopt a common and inter-operable language to allow a coherent evaluation of its general and specific indicators of value creation, but also induces a radical overhaul of its worldview, aimed at improving the quality of the relationships with all its stakeholders, fully blurring any specific traditional distinction between corporate and marketing, internal and external, or among advertising, promotion, direct response and publicity.

This inspires the metaphor of Janus, the two-faced pagan Roman god, where - in an organisation’s body vitalised by the same blood circulation system - one head is mandated to ensure the material parts of its value creation, while the other is equally mandated to ensure the immaterial part of its value creation.

All this leads to a reconfiguration of the organisational structure, where the stakeholder/public relations function - if and when empowered by adequate skills and competencies - is the most likely and probable coordinating hub for the creation of that immaterial value and its representation with stakeholder publics and society-at-large.

The concept of integrated reporting was ignited only in 2010 by authors Bob Eccles and Michael Krzus in the book titled: ‘*One Report - integrated reporting for a sustainable strategy*’[[38]](#footnote-38). This book stimulated some of the more advanced and aware components of the global accounting, auditing and public relations professions under the endorsement of the UK’s Prince Charles’ Accounting for Sustainability[[39]](#footnote-39) and Holland’s Global Reporting Initiative[[40]](#footnote-40). The concept was then rationalised by South Africa’s King 3 Report on Governance[[41]](#footnote-41) and subsequently materialised by the Johannesburg Stock Exchange’s decision that all listed companies either comply or explain the filing of an integrated report[[42]](#footnote-42); and is currently being actively advocated and developed at a global level by the IIRC (International Integrated Reporting Council)[[43]](#footnote-43). In this still early phase the IIRC’s effort is mostly focused on advocating the need for new reporting standards amongst the investor community, regulators and governments. But, as already mentioned, the implications of the ongoing process are forceful for all other organisations in today’s global society.

This concept of integrated reporting is highly relevant for the legitimatisation and consolidation of the *strategic/behavioral* approach to stakeholder relations, but is also significant for the future of the currently dominant *symbolic/interpretive* approach, inasmuch as it is likely that in the near future (though in some countries like Sweden, Denmark, Holland this has become a reality) at least large organisations will be induced by norms, regulations and (dis)incentives to adopt the integrated reporting process, thus inevitably stimulating a necessary transition to the *strategic/behavioral* approach.

A highly relevant feature of the King 3 Report[[44]](#footnote-44) implies that Boards of Directors take full responsibility for the governance of stakeholder relationships by situationally deciding (issue by issue) which stakeholder groups’ expectations and operative options merit, in the interest of organisational and societal sustainability, more attention by management, as it proceeds in defining and implementing its strategies and tactics.

This clear option for a transition from the traditional shareholder to a stakeholder model of corporate governance paves the way for the *strategic/behavioural* stakeholder governance approach, as it empowers the stakeholder/public relations function to identify, listen to, monitor and interpret stakeholder and societal expectations, while in parallel supplying communicative skills, competencies and resources to all other management functions, enabling them coherently and directly to create, develop and improve the quality of their relationships with specifically relevant stakeholder groups.

**f) temporary conclusions**

Clearly, this paper is anything but ‘conclusive’.

In fact it has an open ‘call for completion’ for likeminded professionals, researchers, scholars stimulated by the idea of an ‘ infrastructure’ for public/stakeholder relationship functions within social, public and private organisations, wherever they are called to perform.

Not only are the chapters that I approach in this paper fully open to suggestions, criticisms and additions or subtractions, but there are many other specialties to be described and updated in coherence with the basic consequences of a conscious adoption of the strategic/behavioural approach integrating the global stakeholder governance and the “generic principles and specific applications” softer elements of the proposed infrastructure.

For example, it would be worthwhile to analyse if and how consolidated media relations, public affairs, community relations, investor and marketing public relations are modified along these lines.

And even more interesting, it is important to elaborate coherent operational guidelines for supplier and other relationships with less traditional, mainstream stakeholder groups.

1. These definitions are drawn from Wikipedia [↑](#footnote-ref-1)
2. The only relatively new aspect of this definition of public relations is the explicit connection to the organisation’s decision making process and -maybe even more importantly- the idea that effective listening and understanding of stakeholder expectations enhance the much-needed acceleration of the timing of implementation of those decisions. [↑](#footnote-ref-2)
3. The two approaches have been recently rationalized by Jim Grunig (see this in his comment here <http://www.prconversations.com/index.php/2013/04/three-wise-men-homage-to-a-public-relations-paradigm/#comments> [↑](#footnote-ref-3)
4. I prefer the use of the term ‘governance’ to that of ‘management’, used by Jim Grunig. This is to avoid the notion, popular amongst many managers, that an organisation controls its stakeholders. This is certainly not the case, and is definitely not so in Jim’s intentions. As I explain later in this paper, an organisation’s active stakeholders decide to be so. Of course, the organisation can well decide not to develop relationships with any specific stakeholder group. But this is at its own risk and is a legitimate decision that rests within the responsibility of the organisation’s management. [↑](#footnote-ref-4)
5. In evoking the reflective and educative roles in public relations practice I refer to the ‘bled manifesto’ (2002) description here http://www.bledcom.com/\_files/293/manifesto.pdf [↑](#footnote-ref-5)
6. This interpretation of the approach has many analogies with Jim Grunig’s but is also different. In a recent lecture at Boston University he described the model with the following terms: “Public Relations participates in strategic decision-making and organizational governance to help manage the behavior of the organization. Public Relations is a bridging activity to build relationships with stakeholders rather than a set of messaging activities designed to buffer the organization from stakeholders. Emphasis is on two-way and symmetrical communication of many kinds to provide publics a voice in management decisions and to facilitate dialogue between management and publics.” [↑](#footnote-ref-6)
7. <http://www.awpagesociety.com/wp-content/uploads/2012/11/Building-Belief-New-Model-for-Corp-Comms.pdf> (pg. 19) [↑](#footnote-ref-7)
8. I owe this very insightful comment to Joao Duarte. [↑](#footnote-ref-8)
9. This text is drawn from Jim Grunig’s comment on prconversations.com cited in note 3 [↑](#footnote-ref-9)
10. The total interdependence between the two ‘horns’ of the paradigm is one of my obsessions: all practical cases I have been involved in implementing indicate that this is mandatory [↑](#footnote-ref-10)
11. These five are not the same as Grunig normally indicates, but similar. See res://ieframe.dll/acr\_error.htm#prismjournal.org,http://www.prismjournal.org/fileadmin/Praxis/Files/globalPR/GRUNIG.pdf [↑](#footnote-ref-11)
12. There are three successive posts on this conversations with many interesting and enlightening comments:

<http://www.prconversations.com/index.php/2013/04/developing-a-worldview-of-public-relations/>

<http://www.prconversations.com/index.php/2013/04/generic-principles-and-specific-applications-in-public-relations/>

<http://www.prconversations.com/index.php/2013/04/three-wise-men-homage-to-a-public-relations-paradigm/> [↑](#footnote-ref-12)
13. http://www.instituteforpr.org/topics/global-stakeholder-relationship-governance/ [↑](#footnote-ref-13)
14. For many, and where rigidly interpreted, benchmarking may become a road to mediocrity: one learns how others have solved their problems, but not necessarily *your* problems. Of course, benchmarking is very useful, but needs to be handled with care, caution and a critical mindset, as with many other things, including the contents of this paper. [↑](#footnote-ref-14)
15. In this context, while international implies at least two nation states involved in the process, the term global is used in the sense that effective practice implies, on the one hand, considering the whole world as a networked scenario, and on the other, its specific impact on each specific territory in which the practice is implemented [↑](#footnote-ref-15)
16. There are many different perspectives in a conceptual approach to the discipline. This author opts for an organisational,

systemic and relational perspective, however recognizing that a *societal perspective* is highly relevant to a better understanding of the role of public relations in society (i.e. the critical and post-modernist approaches). By definition, an organisation is a relationship system of different subjects who pool resources and competencies to achieve a common aim. To pursue that aim, the organisation develops relationships with other subjects whose attitudes, opinions and, most importantly, behaviour impact on its achievement and/or are themselves impacted by the organisation’s activities. Also, well beyond the mere (but difficult) action of balancing the organisation’s interest with the often conflicting interests of its various stakeholder groups, the organisation needs always to consider as central, in the overall balance of the different interests involved in a specific issue, the public interest (i.e. the existing norms integrated with active citizenship expectations). The stakeholder relations function, equal to other management functions, supports the organisation in governing those relationship systems. [↑](#footnote-ref-16)
17. It is important here to acknowledge that Jim Grunig’s situational theory of ‘publics’ dates back to 1966! [↑](#footnote-ref-17)
18. Please visit <http://www.sverigesinformationsforening.se/in-english/research-statistics/business-effective-communication.aspx> [↑](#footnote-ref-18)
19. I much prefer this definition of what others call reputation, identity, image, for two reasons: a) an

organisation’s licence to operate implies that its concession derives from other sources (in our case, stakeholder publics) and is not self-driven; b) the other terms used all have different meanings and one of the specific competencies of communicators should be to use words appropriately. Identity is the snapshot of an organisation (mission, vision, values, strategy and behaviour); Image is what publics perceive of that identity (organisational behaviour); Reputation is what publics say to others about the organisation (it is a judgment by a third party putting his/her own reputation at stake with others). [↑](#footnote-ref-19)
20. In October of 2008 Euprera (the European Public Relations Research and Education Association) held its annual Congress in Milan on the institutionalisation of the public relations function. Together with some 60 accepted papers from scholars and professionals from many European and non-European countries, research reports were presented from Italy, the United States and Europe indicating a strong and unprecedented acceleration worldwide of public relations directors from private, public and social organisations reporting directly to the CEO.

For details visit [www.euprera2008.com](http://www.euprera2008.com) [↑](#footnote-ref-20)
21. As already mentioned, the Institute of Directors of South Africa has issued its King 3 report on corporate governance (from Mervyn King, chairman of the ad hoc commission). Chapter 8 of that report clearly states that the governance of stakeholder relationships directly falls within the role of the board of directors. To access the report (www.iodsa.co.za) and better to understand my interpretation, visit http://www.prconversations.com/?p=532 [↑](#footnote-ref-21)
22. The organisational, systemic and relational perspective adopted in this paper in no way intends to weaken the position of those critical and post-modern scholars and professionals who are concerned that an exclusively organisational perspective risks to undermine the impact that public relations activities have on society in general. I reiterate this because it is clear that an organisation, when solely guided by a process of gathering, understanding and interpreting the often conflicting expectations of its specific stakeholders will certainly improve the quality of its decision making processes and accelerate the times of the implementation of those decisions, but will also risk, in balancing those different conflicting expectations, not being sufficiently aware of wider societal expectations (the public interest). This is why the integration of stakeholder relationship governance process with those of boundary spanning and issues management is so essential. [↑](#footnote-ref-22)
23. In 1984 the author of this paper was CEO and principal shareholder of SCR Associati, then Italy’s largest, most reputed and successful Public Relations consultancy. In the Eighties, the market was booming and annual income increased by 20%. Yet, one of the major challenges was that young professionals came and went (as they do to this day) without capitalising on a specific and detailed operational process which would allow them to ask themselves, ‘what am I doing?’ and formulate an acceptable answer. Four of our senior practice directors took two months off their ‘normal’ duties to analyse carefully the last 50 completed programs from a random selection of clients and issues, and identify all the commonalities and differences. At that time, public relations education in Italy was in its infancy. The result of this effort led to a ‘scrapbook approach’ to a systemic process focused on the evaluation and measurement of effectiveness, which was then benchmarked with what the very limited global body of knowledge (mostly American textbooks) could offer. We decided to define that process as Gorel (in Italian, ‘Governo delle Relazioni’). Little did we know that in the 1990s scholars and professionals would subsequently elaborate both the reputational and relationship schools of Public Relations. To us, it was clear, then, that public relations, as the term indicates, implies the governance of an organisation’s relationships with its influential publics (we did not use the term stakeholders then because in those same months Freeman was writing his first conceptualisation of the term). Since that first effort, the Gorel approach has been many times revisited and adapted and will certainly continue to be updated. [↑](#footnote-ref-23)
24. http://www.amazon.com/The-image-happened-American-dream/dp/B0006AXNK8 [↑](#footnote-ref-24)
25. The full text, the various phases of the collaborative process as well as a glossary of the Stockholm Accords can be perused here [www.stockholmaccords.org](http://www.stockholmaccords.org) [↑](#footnote-ref-25)
26. From the Accords’ glossary [↑](#footnote-ref-26)
27. From the Accords’ final text [↑](#footnote-ref-27)
28. From the Accords’ final text [↑](#footnote-ref-28)
29. From the Accords’ final text [↑](#footnote-ref-29)
30. From the Accords’ glossary [↑](#footnote-ref-30)
31. I would like here to underline that the listening to stakeholder expectations process in no way implies that management needs always to satisfy those expectations. No red stakeholder carpet here. What I mean is that by correctly interpreting stakeholder expectations, management not only improves that quality of its decisions but also can prepare in advance for stakeholder behaviours and thus reduce time-consuming resiliance in implementation. [↑](#footnote-ref-31)
32. The idea of infrastructure is explained in the final part of my paper. Suffice it now to say that this typical ‘hard’ term is used here to imply that also ‘soft’ practices like internal communication have ‘structure’ that hold other elements together. One could also say that internal communication is the glue that holds an organization together, and glue is everything but a ‘fluffy’ element. [↑](#footnote-ref-32)
33. The full discussion may be accessed here <http://www.prconversations.com/index.php/2013/02/selecting-stakeholder-groups-for-effective-communication-in-the-21st-century/> [↑](#footnote-ref-33)
34. <http://www.instituteforpr.org/topics/prioritizing-stakeholders/> [↑](#footnote-ref-34)
35. <http://www.journals.elsevier.com/public-relations-review/> november 2012 [↑](#footnote-ref-35)
36. <http://www.awpagesociety.com/news/arthur-w-page-society-unveils-new-model-for-corporate-communications/> [↑](#footnote-ref-36)
37. <http://melbournemandate.globalalliancepr.org/> [↑](#footnote-ref-37)
38. <http://www.wiley.com/WileyCDA/WileyTitle/productCd-0470587512.html> [↑](#footnote-ref-38)
39. <http://www.accountingforsustainability.org/> [↑](#footnote-ref-39)
40. https://www.globalreporting.org/Pages/default.aspx [↑](#footnote-ref-40)
41. <http://www.iodsa.co.za/?page=kingIII> and <http://www.iodsa.co.za/?page=King3> [↑](#footnote-ref-41)
42. https://www.saica.co.za/tabid/695/itemid/2344/language/en-ZA/An-integrated-report-is-a-new-requirement-for-list.aspx [↑](#footnote-ref-42)
43. [www.theiirc.org](http://www.theiirc.org) [↑](#footnote-ref-43)
44. See chapter 8 of the report [↑](#footnote-ref-44)