

Chapter 2

Communicating Strategically

This chapter provides an excellent bridge from the traditional material that most management communication courses cover on communication strategy to material that is applicable for business students who will encounter communications challenges daily. I would strongly urge you to read Chapter One in Mary Munter's *Guide to Managerial Communication*, 9th Edition, published by Prentice-Hall in 2011, as a companion piece to this chapter. This is a very useful book that is successful in getting students to consider the “how” and “why” of their communications strategies.

Faculty trained in classical rhetoric can make much more of the section on communication theory since so much has been written on this subject. In fact, this might be an area to spend an extra day on if you are so inclined.

I think the chapter is self-explanatory, so will not go into more detail here, but Janis Forman of UCLA and I have written a chapter called “The Communication Advantage: A Constituency-Focused Approach to Formulating and Implementing Strategy,” in *The Expressive Organization*, ed. Majken Schultz, Mary Jo Hatch, and Mogens Holten Larsen, published by Oxford University Press in 2000. It gives more examples and color that will help you to teach this chapter, if you are not familiar with either Aristotle or Munter.

In my view, the most important concepts in this chapter are the notions of corporate credibility and constituency analysis. You can give students many interesting exercises in association with these concepts. For example, have them analyze the credibility of a group of local companies by surveying people in the community. Or use published information about a larger corporation to determine which would be the most important constituencies for external communications. Although students should easily be able to identify key constituents, this is a useful exercise as it forces them to consider similarities and differences among these groups in terms of level of knowledge, motivation, preferred communication method, etc.

Another possibility for the material in this chapter is to work with the faculty who teach management or strategy at your school to discuss the connection between corporate communication and the corporation’s mission, vision, and values. You could organize group projects where students think about how mission and overall strategy are connected to communication in specific companies, identifying how particular company actions reflect (or fail to reflect) different components of their mission. These sorts of strategic alliances with other faculty help to strengthen the overall curriculum at your school while anchoring this subject through associating its concepts with more familiar, established fields like strategy. Reading “The Strategic Communication Imperative,” an article I wrote with Robert Howell and Karen Beck, published in the Spring 2005 edition of *MIT Sloan Management Review*

(included), will also help illustrate the importance of connecting corporate communications and overall corporate strategy.

Just getting students to focus on the notion of communication as something that must be strategic, which you really have to think about and plan for, rather than something to approach on an as-needed basis, is a huge step in the right direction.

The PowerPoint slides I have created for this chapter come out of both Munter's model and my own. Although this chapter comes second in the book, it is the core of the book in terms of importance. I debated putting this chapter, or Chapter Three, first. I decided on the current structure so that students could gain a sense of why corporate communication is important first, then move on to consider how to approach it strategically, followed by an overview of the function.

For those of you using *Corporate Communication* as a module in a larger survey course on communication, you should probably start with this chapter rather than the first chapter in the book. You will find that the comparisons to what goes on at the individual (or micro level) and what goes on at the macro (or corporate level) in terms of communication strategy are not really that different.

Teaching Note

Galen Healthcare System

This is a case based on many others you may be familiar with. I think it is deceptive in that students tend to think it is easy because it is so short. Instead, the case can be an excellent focus of discussion for classes ranging from 30 to 60 minutes.

The way I teach the case is to start by getting students to discuss the first and second case questions: "What problems does Galen Healthcare System have that will affect its communications?" and "What specific problems does Mr. Gunerson have as a result of his communications to department leads?" for about 40 minutes. Once you have discussed these problems, get them to focus on how it all relates back to the corporate communication strategy model (see figure 2.1, Chapter Two) and the expanded version of the same model (see figure 2.2, Chapter Two) for about 40 minutes. Supplement this discussion by having them talk about their own experiences. I end with a discussion of possible solutions. Twenty minutes allows you to do this as a role play.

Galen's Problems and Gunerson's Problems

Here are the kinds of problems you are likely to get from students.

1. Bad timing – the end of the budget cycle might be a busy time of year, reporting rules start immediately.
2. Gunerson has low credibility.
3. Wrote to wrong audience.
4. Was not clear about his true objective (to centralize).
5. Didn't listen to Friberg – visiting would have helped.
6. No motivation for purchasing department leads to respond.
7. Purchasing department leads were not positive about doing what Gunerson asks.
8. Mentions inefficiencies and redundancies, implies that they might be department leads' fault
9. Department leads' might assume that their positions will be eliminated if Gunerson implements his new procedures.
10. Communication is one-way.
11. Board of directors irrelevant to purchasing department leads.
12. Gunerson didn't have enough information.
13. Gunerson's appointment had been announced, however, the scope of his role may not have been.
14. Gunerson is attacking department leads' positive relations with local suppliers.
15. Return letter implied Gunerson's request was a "suggestion".
16. Tone of Gunerson's memo is pompous.
17. Tone of response is very informal and could be seen as insulting.
18. Possibility that many orders coming in under \$100,000.

Relate Back to Strategy

When you analyze the case in terms of the corporate communication strategy model put the model up on an overhead transparency or on a PowerPoint slide and write in students' comments about all four parts of the model.

1. Objectives

Gunerson expected the purchasing department leads' to notify him of contracts over \$100,000, as a result of reading his memo.

If this were his objective, he has failed miserably since the case states that Gunerson ". . . heard nothing from plants about contracts being negotiated with suppliers."

Students may point out that what he is really after is to centralize procurement. If so, he hides the reference to centralization after his request for contract reports and not elaborating on the goal. Again, he fails to meet this objective.

Finally, he could just be trying to assert himself (credibility building by association with the board of directors, etc.). Again, the response from managers suggests he has gained little credibility in this interaction (see how they demote him to Procurement Coordinator and refer to him as “Dick”, for example).

2. Resources

Students may not immediately identify the resource investments in how Gunerson has delivered his message to the department leads. This is not a major communications campaign that requires advertising, newsletters, or other expensive materials. Gunerson has simply sent out an e-mail announcing the new guidelines for reporting contracts.

The limiting resource in this case study is time. Friberg has suggested that Gunerson meet with the department leads individually. Gunerson rejects this suggestion because he is too busy to travel. Would a greater time investment have led to a different outcome?

3. Credibility

Students will typically point out that Gunerson has “rank” credibility in that he is a vice president. But, in fact, his rank is useless in this organization because of its decentralized focus.

In addition, headquarters itself (and staff managers like Gunerson in particular) lacks credibility in a decentralized organization like Galen. He operates under the false assumption that department leads will be moved by his mention of the board of directors, his title, and his authoritarian style. All fail to move his audience to act on his objective.

Finally, at the personal level, he should have tried to gain credibility through Friberg, who obviously has rapport with the hospital managers. Instead, he dismisses her advice to go visit and doesn’t ask her to help him build relationships with the managers and department leads.

4. Constituency Analysis

Gunerson addresses his memo to the purchasing leads, but perhaps he should not have begun with this constituency. Consider the reporting system within the company—hospital managers might oversee purchasing leads and their purchasing practices, but would not have the same direct connections with local suppliers. These hospital managers, therefore, may have been more receptive to Gunerson's efforts to change procurement procedures.

You can get into a good discussion of who is a part of the audience for his message. For example, the suppliers will be interested in his message, but he doesn't address them directly. If local suppliers for Galen Healthcare System represent a significant portion of the businesses in towns where Galen healthcare facilities are located, then the entire community may have an interest in Gunerson's new centralization plans.

Finally, in terms of constituency analysis, Gunerson is really an unknown quantity, but his hidden agenda is quite clear. So, from the managers' perspective, someone they don't know is trying to take away their authority and possibly eliminate their positions: "eliminate inefficiencies within the system. Today, our member organizations' purchasing habits result in unnecessary redundancies and high prices". They are unlikely to be positively disposed.

5. Delivering Messages Appropriately

Gunerson picked the wrong channel for his message. The one-way nature of a written memo left little room for consultation with the purchasing leads. He should have followed Friberg's advice and met with them face-to-face.

He structured the message directly in terms of the \$100,000 contract notification, but the real message was that he is trying to centralize procurement in order to cut costs, a goal mentioned in the second paragraph. Gunerson was direct about the contract negotiations, but indirect about his real objective.

6. Response

The response is meant to be a contrast in tone with Haskell's memo. Notice again that they demote him, refer to him by a nickname "Dick", point out that he's an outsider ("Welcome to Galen!") and end with a smiley-face emoticon (: -)). In all, he didn't get the desired response, so his communication is a failure.

Solutions

Ask students to brainstorm solutions given the problems and their strategic analysis. Here is what you are likely to get:

1. **Go out and meet the purchasing department leads:** This would have been a great idea if he had done it when Friberg told him to do so, but it's hard to imagine him meeting them without talking also to the VP of Operations and the hospital managers.
2. **Call department leads in for a group meeting:** This is probably not a good idea because there is strength in numbers. The department leads have probably communicated with each other already. They could be a hostile audience. Again, Gunerson would need to involve hospital managers in arranging such a meeting.
3. **Call the managers on the phone:** I like to role-play this when students suggest a phone call. This is an example of using a bad communications channel to solve his problems. The managers don't know him, which makes this less than optimal. And remember, the e-mail already demoted him; a little bit of humor works well here.

I usually end by pointing out that none of these solutions are great and that he would have been much better off if he had thought about communications strategically *before* writing and sending the memo.

Go back to the Chapter Two discussion about time. Correcting mistakes like Gunerson's takes more time rather than less time. Wouldn't he have actually *saved* time by meeting with the materials managers first? You cannot cut corners in communications.