Book of Graduates' Research Abstracts

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Preface

This is already the ninth Graduation Day of the Master of Corporate Communication Degree Program. We are proud to present the abstracts of the 12 theses that have been written by the Graduates of the Executive Master Program of Corporate Communication of the RSM Erasmus University Rotterdam in The Netherlands.

In this tenth year we were able to allow seventeen new graduates to become Master of Corporate Communication. This means that we have 142 MCC graduates. Most of these MCC's made a substantial career move after their graduation. I sincerely hope (but also expect) that the same will happen to the Graduates of this year. This year 12 representatives of the business world and non-profit organizations can celebrate their graduation of a program they participated in during two years of intense courses where they presented assignments, discussed the most recent academic theory and applied this to their daily life problems in their businesses. The participants graduating this year are:

Drea Berghorst (AFM), Jasper de Boom (Bouwfonds Property Developmnet), Charlotte Bos (NOW), Eline Faber (KvK-Drenthe), Arjan Hoek (Albert Schweitzer Ziekenhuis), Ronald Jager (Pfizer), Saskia Kapinga (Shell Gas & Power), Gert-Jan Lantinga (ROC ASA), John de Munnik (Akzo Nobel), Gwendolyn Rahusen (HBO-Raad), Chris Roelen (Lionfish) and Aglaé Weijers (Bristol-Myers Squibb).

I hope they have learned a lot during the courses we offered them in the past two years. The least I could say, also on behalf of all the teaching staff that worked with them, is that we have learned a lot from them too. Their willingness to discuss practical problems in their own organizations and to relate these to the issues we discussed in the classroom were inspiring and exciting.

In the ten year of the Master of Corporate Communication Program we succeeded in creating an international program that presents all leading experts in a teaching role. I would like to thank the following people (teaching staff) who contributed tremendously to the success of this program: Paul Argenti of the Darthmouth College U.S.A., John Balmer of Bradford University UK; Kevin Corley of the Pennssylvania State University; Charles Fombrun of the Stern Business School, New York; Janet Duckerich of Texas University in Austin, USA; Mary-Jo Hatch, Cranfield University School of Management, UK; Joan Hemels, Universiteit van Amsterdam; Onno Maathuis, Positioneringsgroep; Michael Pratt of University of Illinois, Urbana/Champaign; Bertrand Moingeon of HEC in Paris, Peter Robertson, Robertson Consulting; John Rossiter of the University of Wollongong, Australia, Majken Schultz of Copenhagen Business School, Danmark; Frank Thevissen Vrije Universiteit, Brussel België; David Whetten, Brigham Young University, USA; and from our Faculty: Frans van den Bosch, Gerrit van Bruggen, Pursey Heugens, Kees Koedijk, Swalef Magala, Erik Waarts, Johan Wempe and all working at the Rotterdam School of Management, Erasmus University Rotterdam.

The first Graduation Day in 1999 was a great success thanks to the joint effort of several representatives of the business world (Mr. D.J. de Beus of PGGM, Mr. Rob de Brouwer of Hoogovens and Mr. Dries van de Beek of the VSB-Fonds) and several professors of the Erasmus University. Alexander Rinnooy Kan (member of the Executive Board of ING Group) was the keynote speaker at that time. In 2000 it was a great pleasure to have Mr. Cees van Lede, Chief Executive Officer of the Executive Board of Akzo Nobel as our keynote speaker. In 2001 we proudly announced the CEO of Grolsch NV, Mr. Jacques Troch, who spoke about the social responsibility of a company. In 2002, Leendert Bikker (CEO of Euro RSCG Corporate Communications) gave a speech about 'Building Reputation'. In 2003 we welcomed Mr. Wim Dik, the former CEO of KPN, who spoke about reputation management. In 2004 we welcomed with great pleasure Mr. Frank Welvaert, Director of Social Responsibility at Johnson & Johnson Europe. In 2005 we have Mr. A.W.H. Docters van Leeuwen, Chairman of the AFM. And last year we welcomed Mr. P. van Minderhout, Group Director Communications and Social Responsibility of TNT, who spoke about the 'Reputation Management at TNT'.

This year we would like to welcome Mr. J. Prast, Executive Vice President, Global Director of Corporate Communications of Philips, as a guest speaker who will speak about "What does good look like in Corporate Communication". It's also with great pride that we welcome Herman Kievits of Royal Dutch Shell, who will present the 'Shell Netherlands Stimulation Award for Excellence in Corporate Communication' to the author of the 'best thesis' of 2007. 'The Boer & Croon Innovation in Communication Award' will be announced by Mr. Peter Jurgens, Partner Boer & Croon Corporate Communication. The winners of both awards will be announced at the Graduation Day on July 06, 2007.

Prof. dr. Cees B. M. van Riel
Director Corporate Communication Centre and Chairman of the Part-time Executive Master Program in Corporate Communication

Program
Friday, July 6, 2007

15.00 – 15.05   **Opening**
Prof.dr. M.J. Page,
Dean RSM/Erasmus University

15.05 – 15.30   **Keynote Address:**
What does good look like in Corporate Communication?
Drs. J.A.J. Prast
Executive Vice President and Global Director of Corporate
Communications at Philips

15.30 – 16.45   **Presentation of the Diplomas**
Prof. dr. C.B.M. van Riel,
Director Corporate Communication Centre

16.45 – 16.50   **Presentation of the Shell Netherlands**
Stimulation Award for Excellence in Corporate Communication
Drs. H.J.F.M. Kievits,
Head External Affairs, Shell Nederland BV

16.50 – 16.55   **Presentation of the Boer & Croon Communication Award**
Drs. P.C. Jurgens,
Partner Boer & Croon Corporate Communication

16.55 – 17.00   **Closing Remarks**
Prof. dr. C.B.M. van Riel

17.00   **Reception**

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To an interactive approach of reputation management

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Best practice research in the world of real estate

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the Netherlands

Eline C. Faber *Reputation for Small and Medium Sized Enterprises (SME's)*

Arjan Hoek *New markets, new services, new brands!*

Mr. Ronald Jager *Rx for RQ: Is reputation a prescription for sustainable success*
in the Dutch pharmaceutical industry? Visions and
experiences from board level.

Saskia Kapinga *Effective Business Unit Communications in a Complex*
Organisation: Should corporate communications strategy
be the base for business communications?

Gert-Jan Lantinga *Perceptions of safety:*
Communication, the forgotten dimension in safety at schools

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Can An Outstanding CSR Performance Damage Reputation?

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a better reflection on reputation

Drea Berghorst

Building authority and trust:

To an interactive approach of reputation management

Drea Berghorst (1969) studied Dutch and History at the teacher training college in Zwolle. Although she never practiced her teacher's degree professionally, the love for language and writing remained.
At the Vrije Universiteit in Amsterdam she studied Public Administration and graduated with a thesis on the decision making process in the Netherlands regarding military involvement in Srebrenica. She published various articles about the subject and obtained the thesis award from the Dutch Society for International Affairs.
After her study Drea started her carreer in 1996 as a policy advisor to the ministry of Defence. After four years she worked one year as a PA-consultant in The Hague, mainly for clients in de Defence industry. Since 2000 she has been working as a spokesperson, for the Ministry of Education, the Ministry of Finance and since 2004 for the Authority for the Financial Markets.

Executive Summary

In the past decade many supervisory bodies and authorities entered the administrative field. Founded as government fore posts, supervisors are at one hand responsible for maintaining laws and regulations. On the other hand they are to come to an understanding with parties that are under supervision, in order to learn about the consequences of policymaking. The Authority for the Financial Markets (AFM) is a good example of a fast growing supervisor that is attracting more and more public attention, but is also reaping more and more criticism. Criticism that reflects opinions on supervision, but that is also referring to the reputation of the organization.

Because of the formal positioning and the somewhat dual assignment of supervisors – enforcement of laws and regulations and building trust – their communication with the environment is an actual, interesting and relevant topic. Main question that will be answered in this thesis is:

What is the right way for a supervisor to communicate with the environment?

The question can be answered from two relatively separated communication schools, being the government communications school and the reputation management school. A supervisor is in the first place acting in a political system, as they are founded to achieve goals and accomplish certain effects in society. The central questions to be asked from the perspective of government communications are therefore questions like 'what is the right relationship between a governmental body and it's stakeholders', 'what is the role of communications in the mix of instruments that is available to enact a steering influence' and 'what is the most effective way to organize the communication process'. From a corporate communication perspective we the main focus will be on how organizations can realize a positive perception, judgment and appreciation by all their stakeholders, reflected in a strong reputation.

From both perspectives there are different propositions to be made about what works and what doesn't work in communicating with the environment.

The main problem statement about what is the best way for a supervisor to communicate with the environment will be answered by the following sub-questions:

1. Given the fact that supervision aims at accomplishing certain effects, what should be the role of communications compared with other instruments?
2. What are the requirements and conditions for communication of a supervisor with its environment?

3. What factors are decisive in practice for good communications between a supervisor and it's stakeholders?
4. What is the importance of having a good reputation for a supervisor and in what way should this reputation be managed?
5. Is there a demand for a certain approach regarding the communication of a supervisor?

THE INTERACTIVE APPROACH

The role of communications in the context of administrative steering activities is the territory of public administration and behavioral scientists. The common opinion in this field is that policies can only become when a governing actor is interacting with parties, being part of a network that builds up around policy issue or themes. A public body that wants to exert it's influence in a network will have to take into account different barriers, being: the multiform and closed character of actors and the interdependencies between public as well as private actors. In this approach, the rules and regulations are the framework in which other steering instruments can develop.

Due to the network approach of public administration – also referred to as interactive policymaking – there is more attention in theory and practice for the use of soft instruments like communication is. In this instrumental approach communication can be an instrument by itself, but is particularly important as a supportive instrument in an interactive process and in a mix of instruments.

For supervisors that have to interact with their environment and that ought to involve stakeholders in the process, it is relevant to take interaction as the starting point of their action. On the basis of a theoretical exploration in chapter two the following assumptions and conditions are to be considered in an interactive communication process.

- Communication has become increasingly important in an interactive strategy. As an autonomous instrument or complementary to other instruments, it must be embedded in an overall strategy. Decisions on the use of the communication instrument, the intentions and the timing, are decisions that are to be taken on the highest level of an organization.

- The autonomous use of communication, or communication as part of a mix of instruments, must be judged in the light of all signals that are sent by a policy body. This demands sufficient knowledge about the environment and about the feasibility

of instruments. Images and perceptions in the environment about the intentions and possibilities of enforcing an enfluencing actions by a policy body are an important factor.

- Communication should aim more for the increase of acceptation and less on facilitating the process.

- Communication in an interactive process must aim for change and demands as much openness as possible from a public body. The degree of interactivity that is required correlates with the degree of acceptation for steering interventions. When the level of acceptation is low, efforts should be aiming for accomplishing (renewed) involvement of stakeholders. In situations of increased complexity and many different interests involved, a more conflicting style is preferable.

- A credible communication strategy requires a right balance between enforcement and communication. Negotiating is the appropriate behavior in this strategy.

- An enforcement approach in communication demands a maximum of transparency about goals and intentions of the enforcing actor.

WHAT WORKS IN PRACTICE?

In a benchmark of three different supervisors on the conduct of business in the financial markets – the FSA, ASIC and the AFM – the interaction of supervisors with their stakeholders proved to be modifying for the perceptions on and images of the positive effects of supervision and the effectiveness of the supervisor itself. The benchmark supports the proposition that the use of persuasive communication and enforcing actions by a supervisor requires a maximum of transparency.

The UK regulator FSA serves as an example of a supervisor that very visible as a watchdog and transparent about the intentions of it's enforcing actions. In financial penalties that are published on the website the names of the offenders are revealed as well. Compared to that the FSA knows a lot about the markets in which it operates and is puts a lot of effort in it's communication and guidance to the market. It is likely that cultural differences and differences in the legal system influence the strategy of the FSA. Because of this, it is difficult to prove a causal relation between the FSA-style and the fact that the FSA has a strong reputation and is regarded to be effective in the eyes of a majority of its stakeholders. Nonetheless, there is evidence that supports the conclusion that an interactive strategy and a truly open and transparent working method add to a positive judgment of the supervisor.

THE REPUTATION APPROACH

From a corporate communication perspective it is important that an organization directs the behavior and thinking of its organization members and that it clearly defines the whereabouts of the organization. A good reputation is not a goal by itself, but it is a necessary condition for obtaining a good (commercial) positioning. It is possible to measure reputation directly by analyzing the views of stakeholders on the dimensions 'esteem', 'trust', 'admiration' and feeling.

Although supervisory bodies don't have true competitors, it is clear that they are yet dependant on a clear profile and positive reputation. However, the dimensions of reputation for a supervisor are different, given the fact that stakeholders will use other criteria for their judgment. Legitimacy, continuity, market developments and distinctiveness are regarded to be substantial for the reputation of a supervisor that is operating on the boundary of the public and private world.

Building a good reputation and preserving it requires that the organization will permanently scan it's environment and that will address issues that may possibly be a threat for it's reputation. But reputation also needs maintenance from the inside, by evaluating every now and then if the external views and positioning is still aligned with the what the organization wants to be. The key viewpoints on organization identity and reputation management are conveyed in a model. The different analyzing steps in the model provide for an understanding of the different identities in an organization and possible existing discrepancies between these, and in understanding the critical issues for the organization in terms of reputation. By combining reputation management and issue-management, the model is useful as a tool to develop reputationmanagement inside-out and outside-in.
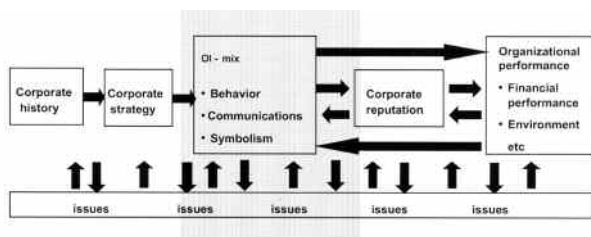

Source: Adapted from van Riel and Balmer, 1997

Model for managing identity from an issue-management perspective

From applying the model to the case of the AFM it follows that we can gain clearness on how the communication of a supervisor with its environment can profit from managing it's reputation. Applying methods for managing identity and issues results in a sharp view on the discrepancies between projections and perceptions. By confronting projections and perceptions with the issues that are critical in the eyes of the members of the organization, an organization can get a clear understanding of the strategic challenges. It provides the organization as well with the necessary information on how to work on it's reputation in a more consistent and pro-active way.

TO AN INTERACTIVE APPROACH OF REPUTATION MANAGEMENT

The two perspectives that have been used to evaluate the communication of supervisors with their environment can be placed on two axes. Following from this, we can define four different approaches.
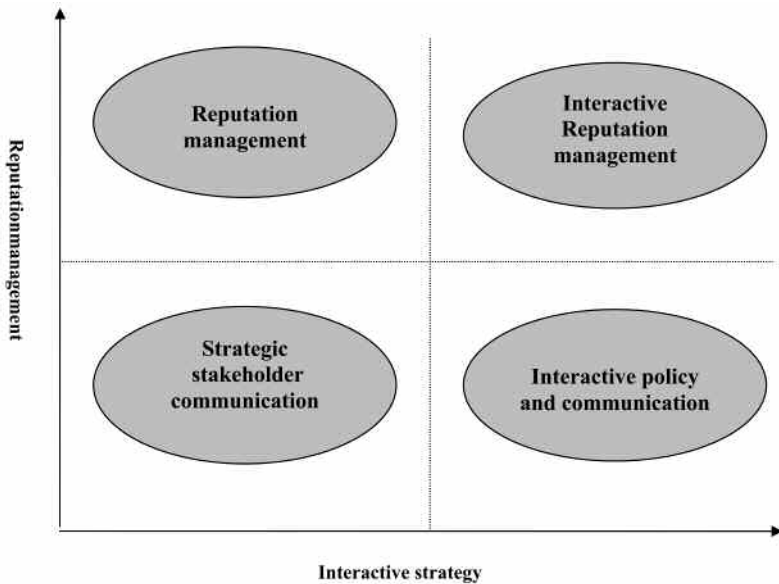
The benefit of the reputation approach is that it provides an organization with guidance on how it can influence actions and thinking of the organization in order to obtain a 'profitable' position. In a public context this enhances consistency and limits the problem of too many senders. The interactive approach is focusing much more on the process and on the complementary role of communication in this.

From communication practices and theories one might get the impression that one will have to make a fundamental choice for either the interactive approach or for reputation management. In practice however combinations do exist. Currently we see for instance that public bodies increasingly apply methods and strategies of corporate communication. This combination can be defined as strategic stakeholder communication. I consider this approach to be less effective, as I assume this approach will in most cases not be based on a rational and strategic choice. The interactive approach of reputation management suggests that decisions on a communication strategy should combine the benefits of both the interactive approach and of reputation management. By this approach a supervisor can manage the public demands that it will be confronted with effectively, as well as it can manage it's reputation actively.

Jasper de Boom

True beauty
is on the inside

Best practice research in the world of real estate

Jasper de Boom (b. 1971) attended Utrecht School of Journalism in 1992. After completing his propaedeutic year, he transferred to the Economics Faculty of Hogeschool Utrecht, where he majored in Communications. In 1998, he joined the Human Resources department of real estate company Bouwfonds as a trainee, and through their Corporate Communications department landed a job as a PR assistant for the Netherlands in Bouwfonds' Property Development division. He is currently Head of Communications for this division and, working with a team of four others, is in charge of the division's corporate communications in Europe. The department focuses on issues such as reputation management, branding, and internal communications. Maintaining over 40 offices in 11 countries, Bouwfonds Property Development is currently one of the largest development companies in Europe.

In recent years, Jasper was involved in several mergers and acquisitions, including the sale of Bouwfonds to ABN Amro Bank in 2000, the takeover of the international property company MAB in 2004, and the acquisition of Bouwfonds Property Development by Dutch bank Rabobank in late 2006. The company is about to be integrated into property development company Rabo Vastgoed.

In the past few years, Jasper served as a guest lecturer at Hogeschool Utrecht and HAN University ('Hogeschool van Arnhem en Nijmegen'), teaching courses in event management, issue management and sponsoring.

EXECUTIVE SUMMARY

1. INTRODUCTION

A property development company founded in the Netherlands in 1946, Bouwfonds Property Development (BPD) is part of Rabo Bouwfonds, the property division of the Rabobank Group. Rabobank acquired the Bouwfonds shares from ABN Amro Bank in December 2006. BPD develops residential areas, retail centres, offices and mixed-use projects in 11 European countries. Most of the revenues and profits are generated in the Netherlands, where BPD is the largest developer of residential units and ranks in the top 3 of commercial property developers.

Reputation Management is a relatively new concept at BPD. Like other companies that operate in the spatial planning and real estate arena, BPD is looking to enhance its reputation in the years ahead. There is little sense of urgency as regards making a structured start with reputation management. BPD's performance is robust, new projects are acquired without difficulties, the order portfolio is well stocked, BPD has an excellent network of business contacts, and projects are sold or leased fairly easily. In addition, the workforce is loyal and staff turnover rates are relatively low.

This notwithstanding, enhanced reputation may make a substantial contribution to the goals and ambitions of BPD in the Netherlands. Bearing in mind the adage 'repair your roof while the sun still shines', now is the time to make progress for the organisation in the area of reputation management.

For the structured application of reputation management, the support of management is indispensable, and so they will need to be made aware that reputation management is useful and necessary. Broad support is an absolute precondition for developing a strong reputation.

By the same token, it must be clear how BPD will best be able to manage its reputation. Once this is clear, management will gain insight into the strategic and organisational impact of reputation management. In other words: what does it mean for the organisation, and how can it be implemented?

2. RESEARCH

The realisation of the issues mentioned above will require research that provides answers to the following three key questions:

1. How are organisations admired by the management of BPD (best practices) dealing with the management of their identity and their reputation?
2. What lessons can BPD learn from these best practices?
3. What steps must BPD take in order to achieve structured identity and reputation management?

Nineteen directors and senior managers of BPD were asked to reflect on organisations operating in their own fields that they admire and appreciate for their profile or performance (in other words: their reputation) in the market. Based on their input, seven Best Practice organisations were examined and analysed.

In addition, extensive literature research was conducted and three opinion leaders from the property industry were interviewed.
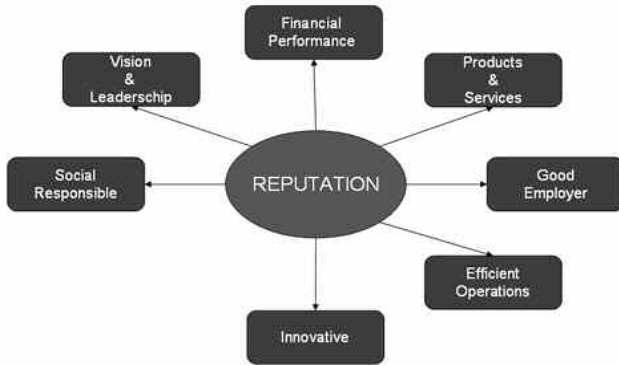
In order to obtain answers to the research questions, this thesis was based on several perspectives:

1. Best Practice research
2. Reputation management
3. Organisational identity

The following models were key in the research:
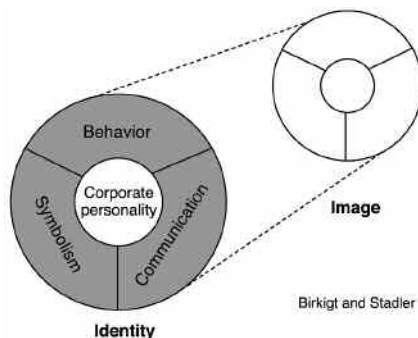
1. Identity Mix, Birkigt and Stadler (1989)

3. McCauley's research model (1998) for Best Practice communication research:

- Design the research structure (what exactly do you want to find out and why)
- Develop the research structure (work on structure and develop an analytical model)
- Select the researcher (choose a neutral and objective researcher)
- Gather information (consistent interviews and map variables)
- Analyse the results (describe the broad outlines and identify success factors)

3. LITERATURE

The literature section deals with the following subjects:

Best Practice research
Organisational identity
Organisational Reputation
Relationship between Identity and Reputation

Best Practice research
The usefulness of and need for best practice research is a matter of controversy in literature. Especially with regard to the implementation of a best practice, once it has been identified, there are various researchers who believe it is extremely difficult to overlay the results on one's own organisation. It may, however, be concluded that if and when organisations succeed in implementing best practices, they will excel in their business.

The implementation of best practices, once identified, is difficult in particular because the best practice is often the tip of the iceberg. Gratton and Goshal (2005) call them signature processes: unique processes that are embedded in the character of organisations and are the result of the company's history or of remarkable leadership. Such processes have actually evolved into core values. It is therefore necessary to acknowledge that certain processes are so unique that they cannot be copied because the nature of the originating organisation (identity, history and management) is too different from the organisations that were researched.

Jim Collins (2001) analysed a number of highly successful American organisations and concluded that none of these organisations had experienced a magic moment that had suddenly turned everything around. A best practice comes about much like a flywheel. By working on goals gradually and consistently, a result is automatically created that shows people that it works. This in turn drives the motivation of the employees.

Best practice research in the area of communication by Forman and Argenti (2005) shows that, in companies with a strong reputation, communication contributes to the implementation of the strategy, to reinforcing the identity and the reputation, and to building the brand. In order to monitor this, the efforts are systematically measured for their effect. Throughout this process, the CEO is the guiding light.

Research by Van Riel and Van Halderen (2006) among oil companies shows that the organisations that have the strongest reputation also score best with their communication on the expressiveness characteristics **honesty**, **transparency** and **consistency**.

Organisational identity
Literature shows that researchers generally find that the identity of organisations can be defined as the **centrally** shared opinion of the members of the organisation of what is **continuous** and **distinctive**. The identity of the organisation is expressed by means of the variables behaviour, communication and symbols.
Together, these variables make up what is known as the Identity Mix (Birkigt and Stadler, 1988). The stronger the identity of an organisation, the more coherence these variables will show.

A strong, uniform identity may ultimately lead to certain, desirable employee behaviour. A strong identity also impacts the commitment and pride of employees. Identity also plays a significant role from the perspective of the sense-making concept (Gioia and Thomas, 1996). People generally feel the need to be part of a group.

External factors, too, can positively or negatively impact employees' feelings about their own organisation. A positive reputation results in a greater degree of pride and desirable behaviour, while, conversely, a negative reputation may also lead to a negative attitude towards the organisation. The term scientists use for this phenomenon is Perceived External Prestige.

Managing an organisation's identity is a complex matter that requires a clear vision, direction, and perseverance on the part of the management. The identity element of 'behaviour', in particular, is often very slow to change.

Organisational reputation
Scholars define organisational reputation as the overall assessment of an organisation as perceived by all stakeholders. This assessment relates to the presumed qualities, competencies and responsibilities (Van Riel, 2003).

The reputation of organisations is increasingly perceived as a strategic tool for achieving a competitive edge, thereby ensuring the continuity of the organisation. In this context, Fombrun (1996) cites reputation as the main element of an organisation's intangible assets.

There are a wide range of advantages to having a positive reputation, including higher product prices, a higher calibre of job applicants, prouder employees, investor appeal, easier access to capital markets, loyal clients and business relations, and increased ability to get through crises. These factors ultimately help create growth and commercial success.

One of the tools used to measure reputations is the *Reputation Quotient*, developed by the Reputation Institute. This tool determines the reputation of an organisation by measuring scores based on a wide range of attributes, divided into so-called 'drivers'. This makes it possible to calculate a total score and provide insight into how an organisation scores on a particular driver. The Reputation Quotient (RQ) method makes it possible to compare the reputations of different organisations.

In order to be able to manage the reputation of organisations, organisations must maintain a long-term perspective. In this context, Fombrun and Van Riel (2004) formulated five basic principles that underpin a strong reputation: visibility, distinctiveness, authenticity, transparency and consistency. By applying these principles to those drivers that are most important to the organisation, an organisation can take a structured approach towards building the desired reputation.

Correlation between an organisation's identity and its reputation

There is a clearly identifiable correlation between organisations' identity and their reputation. Who you are and what you do are important factors in how you are perceived by the outside world. It is also true that a positive reputation helps create an environment of proud and motivated employees who will demonstrate behaviour in line with the desired identity, and so the two factors are really interdependent.

A negative reputation can also be a destabilising factor in the organisation's identity, resulting from diminishing pride and decreased identification.

In order to interconnect identity and reputation, it is essential to implement a strategic tool in the form of a distinct corporate story. This is a basic document for both internal and external communications that answers the basic questions of the organisation: where do we come from, where do we want to go, and how do we intend to achieve this?

4. SURVEY OF SEVEN BEST PRACTICE ORGANISATIONS

As part of the best practice survey, seven directors/senior managers were interviewed representing organisations selected by the management of BPD. In these interviews, the subjects of identity and reputation were addressed. The analysis of the interviews was conducted on the basis of a scorecard, which lists a series of success factors based on the questionnaire used in the survey. The companies analysed were awarded a score on the basis of the interviews. For each success factor, the background information is listed, revealing why the score was assigned. Any unique or striking processes are marked out on the scorecard, a minimised version of which is shown below:

The research conducted among the seven organisations reveals that there are a number of strong opinions and processes with respect to the organisation's identity. In these organisations, it is the opinions of the Managing Director (who, in some cases, is also the founder and shareholder) that make for a clear and easily identifiable identity. This leads to the observation that this clearly defined identity results in a strong reputation. In other words: if the internal world is in good order, the outside world will recognise this through the behaviour and other tangible qualities of the organisation, which will, in turn, automatically lead to appreciation.

The identity is perceived as a self-fulfilling prophecy, as it were, in terms of the organisation's reputation. The companies do ensure, however, that the external communications are clearly in line with the identity, thereby contributing to the desired reputation.

However, the organisations are limited in the implementation of structural reputation management, as it is done on an intuitive rather than a strategic basis and therefore not systematic. The organisations are, however, aware that the organisation's reputation is of vital importance to its continuation and commercial success.

It is striking that the organisations that work towards building a strong identity on a structural basis operate on the basis of 'strength' upon acquisition and therefore do not take any basic positions. This is subsequently translated into substantive and visually consistent external expressions. The management in these organisations plays a crucial role in terms of providing inspiration and through role model behaviour.

On the basis of the scorecards, ten success factors were formulated for the organisation's identity and reputation:

Success factors of the organisation's identity
1. The management and key figures have strong opinions about identity and core values, and serve as role models and inspirers to the members of the organisation.
2. The management considers the organisation's identity to be one of the key strategic tools for securing a distinct position in the market.
3. It is essential to link strategy and identity.
4. A corporate story serves as a basic document for describing the organisation's identity and core values, and is used as the starting point for all internal and external communications.
5. It is essential to recognise that it is people who make the difference. Employees who are intrinsically motivated will adapt more readily to strategic changes.
6. In order to create broad support for the organisation's identity, a combined top down/bottom up approach is essential.

7. Measuring is key to knowledge and, as such, it is a guiding tool for establishing a solid basis.
8. The core values are consistently present in the visible aspects of the organisation: behaviour, communication (also external), symbols, management, types of employees, types of products and services, and the background processes.
9. The core values are key to Human Resource Management with respect to recruitment and selection, the assessment system, and employee competence development.
10. New employees must be able to learn about the identity and core values at an early stage.

Success factors of the organisation's reputation
1. The Managing Director of the organisation considers the organisation's reputation to be one of his key responsibilities.
2. The organisation's reputation is a key strategic objective of the Executive Board. The management recognises the importance of a strong reputation, and communicates this within the organisation through words and actions.
3. The organisation specifically aims for long-term reputation management in order to build the desired reputation in a systematic and structured manner.
4. The organisation has a platform in which its reputation is discussed on a structural basis.
5. The organisation has clear reputation objectives (based on the drivers) that are also in line with the desired organisational identity.
6. The business plans of the various business units and the project plans generally include 'reputation paragraphs', for which the authors are held accountable.
7. The organisation has clearly identified the key stakeholders and, for each group of stakeholders, formulated objectives and actions.
8. The organisation conducts focused research among key stakeholders in order to monitor developments and take control if necessary.
9. The organisation has linked reputation management to the identity of the organisation. This requires a distinct positioning and a distinct creative execution.
10. From the perspective of consistency and authenticity, the corporate story is used as a starting point for all communications.

5. SURVEY AMONG THREE OPINION LEADERS

As part of the best practice research, inteviews were also conducted with three opinion leaders from the world of real estate and spatial planning. The following individuals were interviewed:

1. Jan Fokkema (assisted by Arjan Hofmann) –
   Director of NEPROM, trade organisation of Dutch property developers
2. Wim Laverman
   Partner/Editor, *Building Business* en Editor-in-Chief, *Building Innovation*
3. Ruud de Wit
   Editor-in-Chief, *Vastgoedmarkt*

The objective of the interviews was to determine to what extent these gentlemen were able to describe best practices at property development companies.

The interviews revealed that leadership is considered to be vital to a strategic approach to the organisation's identity and reputation. The founder/owners, in particular, strongly emphasise these themes, as the organisation was established on the basis of their business philosophies and they have the power to enforce these. Once the leadership is more democratic and the shareholder is at more of a distance, it is believed that there is a greater chance that a hybrid identity will be created. The same is true for organisations with a decentralised organisation. This automatically results in a more fragmented corporate image.

In organisations headed by a director/owner, there is little structured reputation management. As a result of its strongly defined identity, the organisation has already secured a distinct position in the market. At the larger organisations that employ external managers, however, there is a trend to create the desired corporate image through strategic reputation management. The main reason for this is that it is more difficult for these organisations to secure a distinct position in the market. People are therefore more likely to consider larger organisations to be interchangeable.

Those interviewed believe that the *Corporate Sustainability* reputation driver is vitally important to developers. However, there is room for improvement in that area. Those at large organisations believe that more resources should be invested into the *Innovation* driver.

6. RECOMMENDATIONS FOR BOUWFONDS PROPERTY DEVELOPMENT

There are three sector-specific reasons why Bouwfonds Property Development should focus more on strengthening its reputation in the Netherlands:

1. As a result of the increase in the number of competitions and selections, larger developers, too, will have to operate increasingly on the basis of 'strength', and a strong reputation is an advantage in this process.
2. Developers become involved in projects at an earlier stage as a result of development planning, and to this end they will need to collaborate with governments and social organisations. A solid reputation is crucial to establishing partnerships with these types of organisations.
3. As the barriers between commercial real estate and residential development are increasingly being eliminated, it is becoming more important to position the organisation as an integrated area developer more clearly and from a single core. A clearer identity and a strong reputation are essential preconditions in this process.

In addition, there are obviously specific generic advantages to having a strong identity and reputation, which have been outlined above.

In order to be able to establish a clear identity and strong reputation, it is vitally important that the management includes these subjects on the Board's agenda and focuses on them on a structural basis. Through their words and actions, they are able to direct the desired identity and reputation. In other words: inspiring leadership.

When we assess Bouwfonds Property Development's inspiring leadership against the variables of 'acquisition of new projects', 'consistent external expression' and 'reputation management' in a series of quadrants, this results in the following three desired situations:
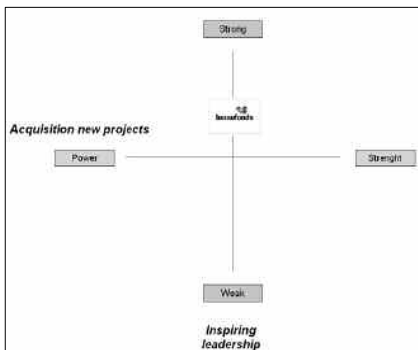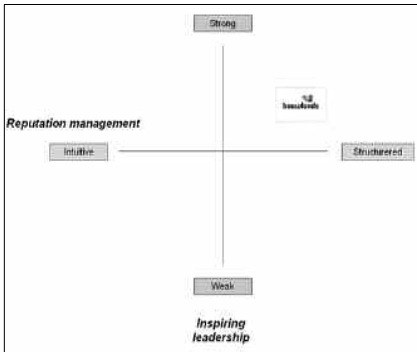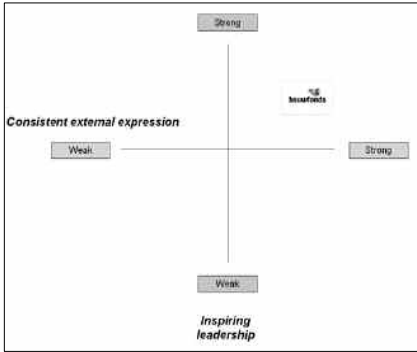
The following ten specific recommendations were formulated for Bouwfonds Property Development:

1. MANAGEMENT'S LONG-TERM VISION OF IDENTITY AND REPUTATION

It is of vital importance that the management of Bouwfonds Property Finance makes the subjects of organisational identity and organisational reputation a fixture on the strategic agenda. The basic tool for achieving this is writing down a corporate story, which details the organisation's origins and history and where it is headed, on the basis of its core values. The management must fully endorse the corporate story, and disseminate it through words and actions.

2. CREATE A CLEAR IDENTITY

In order to be able to strengthen its reputation, Bouwfonds Property Development must work towards establishing a clearer identity. This allows the organisation to position itself more clearly and gives it the opportunity to demonstrate its values.

3 Work on the basis of a strategic and practical framework

Managing the organisation's identity and reputation on a lasting and long-term basis requires a strategic and practical framework. A phased plan must be established in order to implement this framework.

4. Create internal support for efforts made

Consistently involve all parts of the organisation in the process of determining and, where applicable, modifying the desired identity and reputation. This will help create the support necessary for defining the strategy and any related measures. Convince employees of the usefulness and necessity of having a clear identity and a strong reputation and be open about the objectives.

5. Establish a Communications Committee

Establish a Communications Committee that includes both permanent representatives and rotating members. Committee members periodically discuss policy and actions related to the organisation's identity and reputation.

6. Measuring helps increase knowledge

Efforts related to identity and reputation must be measured systematically and periodically in order to monitor developments and provide guidance.

7. Ensure integration in the business units

Integrate the objectives related to identity and reputation in the business plans of the business units. Make sure they are SMART (i.e. specific, measurable, attainable, realistic and timely), so that the business units can be assessed on these criteria).

8. The HR department plays a key role

As the employees play the most significant role in terms of identity and reputation, Bouwfonds Property Development should integrate the desired identity and reputation into the activities of the HR department.

9. Consistency in communications through auditing

The aforementioned corporate story serves as a basic document for both the distinct positioning and internal and external communications. The means of communication should be assessed periodically on the basis of authenticity, honesty and consistency (both in terms of content and visually).

Bouwfonds Property Development must identify its key stakeholders and, for each group of stakeholders, formulate actions and objective – a process conducted on the basis of the selected reputation drivers. Stakeholders are engaged in active, open discussion, though operations are conducted on the basis of a single philosophy.

Once Bouwfonds Property Development starts operating on the basis of these recommendations, this will have a positive impact on employees and external stakeholders in terms of organisational identity and reputation. Any investments made in communications will produce a maximum profit in this context.

If the division does not operate on the basis of these recommendations, or only to a certain extent, any investments made in communications will result in significantly lower returns, because the leverage created by an integrated and consistent approach is not utilised. This has an impact on the organisational identity and, ultimately, on the reputation of Bouwfonds Property Development.

I believe that these recommendations would result in an ideal situation. The road to achieving such a situation, however, is long and requires structural change in thought and action. A clear and unequivocal identity and a systematically managed, solid reputation will only be realised after consistent investment over a period of many years. It is therefore important to approach the process outlined above from this particular context.

Referring to the quotation by Collins (2001) cited above, there will not be a magic moment when everything will be different. Bouwfonds Property Development will have to develop in the direction outlined in a focused and persistent manner. Success is created much like a flywheel: first slowly, and then, prompted by the result, motivation will increase, having a strengthening effect. The main precondition for a strong reputation is a clear and unambiguous identity expressed through communication and symbols, but – above all – through the organisation's behaviour. A beautiful exterior is worth nothing without a beautiful interior – *true beauty is on the inside...*

Charlotte Bos

Strategic business alignment at five knowledge institutions in the Netherlands

I was born in 1960 in Groningen and grew up in Sliedrecht. I studied Discourse and Argumentation Studies in Leiden and Amsterdam. At Utrecht University I discovered my fascination for communication due to the inspiring lectures in an old church of "one of the founding fathers" of Public Relations, Prof. Anne van der Meiden. I started my career as an Internal and External Communication officer at PTT Amsterdam and subsequently at the public relations consultancy Van Rossum and Partners in The Hague. A dream came true when my husband and I quit our jobs to leave for a one-year trip through Central and South America as a photographer and journalist. After my return to the

Netherlands, I worked for ten years in editorial functions at Wolters Kluwer and VNU Business Publications, where I became Head of Documentation and Editorial Development. Yet communication kept pulling at me and I moved to Netherlands Organisation for Scientific Research, again as a Communication Officer, first involved with the research program Fatigue at Work and later on working for the Division for the Social Sciences.
I have just changed job, as was given the opportunity to work as an advisor to NWO Internal Communication, thanks to my thesis and Masters degree. I start my new job with extra knowledge and experience.
I thoroughly enjoyed doing the Master of Corporate

Communication study, especially the research for my thesis. It has been a challenge, but indeed interesting and fascinating to talk with other managers about how to create strategic alignment in their own knowledge institution. As a rower myself, I wholeheartedly agreed with one of the examples of alignment cited in a well-known Conference Board study. "Alignment of a rowing crew. You can pull as hard as you want, but if you are off from your crewmembers, the power of everyone is reduced. When you are balanced with one another, you are going to find that the acceleration is different and effortless – you get to a point where you even feel the release of tension from rowing in sync."

"Strategic alignment follows…. as Communication follows as Structure follows strategy"

A B S T R A C T

The qualitative case study – the implementation of a new NWO strategy – was used to investigate strategic alignment at NWO. Secondly, an additional benchmarking took place using outlines. Interviews with NWO employees and managers responsible for employee communication at four knowledge institutions in the Netherlands were used to explore which communication dimensions create strategic business alignment in an effective manner at five knowledge organizations. Relevant concepts were defined and a theoretical model was applied to the data. Analysis revealed that a successful approach contains an emphasis on mutual respect for each other's contribution. "Thanks to all colleagues and the whole organization this performance (e.g., prize) is put up". Equally important is the shared meaning about the goals. Strategic knowledge and understanding are needed to be able to demonstrate the required new aligned behavior. The fast and complete delivery of information is a condition *sine quod non*.

For the five knowledge institutions, the amount of information from management, the quantity of information content related to strategic issues and the personal role, and the climate of communication seem to exert a strong influence on employees' knowledge, understanding, attitude and actions regarding the organization's strategic initiatives. There are limits to the amount of information about strategic objectives employees can handle. Information about employees' personal roles (i.e., personal messaging) is likely to be more influential for lower-level employees than for higher-level employees, while the reverse seems to be true with respect to information about strategic initiatives. Furthermore, the variables indicating level of job position, job content and division/staff department seem to be significantly correlated with strategic alignment.

I N T R O D U C T I O N

An organization can only be successful when it is able to call upon and conserve the resources it needs to allow its primary process to take place. For knowledge organizations, employees are an important resource. More than 80 percent of their employees are professional and highly educated (graduate+). In today's highly-competitive environment, aligning those highly qualified employees with the organization's strategic goals has become an increasingly important aspect of success. Communication is generally seen as one of management's most important tools.

The implementation of a new strategic initiative requires employee alignment with this strategy. During the last two decades strategic business alignment has attracted global attention and research within the disciplines of ICT management, management, human resource management and corporate communication. However, little is known about the communication dimensions used to effectively create the necessary "employee buy-in" with new strategic objectives at knowledge institutions in the Netherlands.

This thesis attempts to answer the following research question:
which communication dimensions create strategic business alignment in an effective manner at five knowledge institutions?

The main research question was operationalized in four research questions
- Which information dimension (type) is the most effective for creating support for the strategic objectives? Why?
- Which aspect of the communication climate is the most important for creating strategic alignment? Why?
- To which depth can management talk or need to talk about the strategic goals of the organization? Is there a limit to the amount of information about strategic alignment that employees can handle? If the answer is yes then other questions will follow: Can the distinctions be explained by involvement with the organization or by hierarchic position within the organization?
- When creating support for the strategic objectives would it be helpful if prior information was available about the degree to which employees are willing to support the strategic goals of the organization?

RELEVANT CONCEPTS

I defined the term *strategic business alignment* in four aspects:
- Employee's knowledge of strategic goals and the purposes of the organization;
- Understanding used in the sense of line of sight: the employee understanding of the organization's objectives as such and understanding the way in which individual employees can contribute to those objectives. It involves employee depth (i.e., broad scope or detail) as well as direction (i.e., accuracy) of understanding.
- Buying into it (attitude towards the strategy), and
- Enacting like it (aligned job behavior).

With reference to the study of Van Riel et al. (2006) the following dimensions (types) of information are distinguished: (1) management communication, (2) internal media (e.g., intranet, magazines), (3) cross-departmental communication, (4) personal messaging, and (5) corporate messaging.

Management communication, internal media, and cross-departmental communication are three important channels through which information is disseminated within organizations. These types refer to the flow of information, that is the amount of information that is disseminated through the different channels within the organization.

Corporate messaging pertains to the organization as a whole (e.g., strategic objectives, new developments, achievements), while personal messaging is about the employee's personal role (e.g., task performance, career opportunities). Personal messaging and corporate messaging are the two main types of communication content, and refer to what is being communicated.

"Communication climate" contains the following aspects: (1) trust and openness in communication, (2) participation in decision-making (or to have a say in the organization), and (3) the feeling that one is being taken seriously by other members of the organization (supportiveness).

How the management of a organization judges the effectiveness of its employee communication, depends in the end on the vision of the executive (what does he want to achieve with that communication) and on the circumstances in which an organization operates (p. 234, Van Riel, 2003).

Knowledge institutions are the subject of this research and these are categorized as universities, non-academic knowledge institutions and industry where mostly high quality scientific and technical research and *Research & Development* attached to this research takes place. Representatives from these categories can be compared because for this study they possess relevant, common features, despite their diversity in terms of scale or private/public funding. A common feature is for example: the majority of the employees are professional, highly qualified and highly educated (graduate+) and do research or create the circumstances and provide subsidies that make it possible to do research and to study.

The organizations were leading in their category, ranked by such as the Shanghai ranking of European universities, and the *Wetenschaps- en Technologie indicatoren* report 2005. I chose leading organizations as benchmark group because I thought NWO could learn from their best communication practices for creating strategic alignment.

METHODOLOGY

The lack of research dealing with creating strategic alignment at knowledge institutions justified a grounded theory or "constant comparative method" approach to answering the research question (Glaser and Strauss, 1967). This post-modern qualitative method has proven itself in explorative research where the emphasis lay on

the need to infer theories, models or concepts from data. A document analysis was needed to define relevant concepts. Furthermore, a theoretical communication model was created to clarify the process of SBA and to interpret the data.

My sample set consisted of nine NWO employees, representing a division and a staff department. The survey contained a mix of open-ended qualitative questions and questions that had to be answered on a Likert scale. The qualitative case study – the implementation of a new NWO strategy – was used to investigate strategic alignment at NWO. The employees had to be aligned with the strategic goals: to facilitate and to offer opportunities for the Dutch research system to attain a leading position in Europe within ten years. Furthermore NWO intends to realize a more intensive societal use of research results.

Secondly, an additional benchmarking took place using outlines. Four managers responsible for employee communication at knowledge institutions were interviewed: DSM Gist Delft, TNO, Utrecht University, and the F.C. Donders Centre for Cognitive Neuro-imaging. The organizations were leading in their category, ranked by Shanghai ranking of European universities, the Wetenschaps- en Technologie indicatoren report 2005, and external evaluations.

I also included some control variables in the survey design, which were expected to influence strategic business alignment (SBA): division / department, organizational tenure, hierarchical level, education and job content.

The interviews were transcribed, coded and analyzed with respect to the dimensions of information and communication climate and linked to the definition of strategic alignment. NWO results were compared with those of the successful benchmark participants which served as the basis for conclusions - the theoretical communication model has been adapted - and recommendations.

CONCLUSIONS

Conditions

I noticed the truth of Chandler's remark (1962) "*Structure follows strategy*", the addition of Van Riel (2005) "*Communication follows as structure follows strategy*" which results in "*Strategic alignment follows (Bos, 2007) as Communication follows as Structure follows strategy*"

The conditions for creating strategic alignment in a effective manner are twofold: adjustment of structure and communication by top management about strategic alignment of objectives, about aligned behavior, et cetera. The results of the successful benchmark participants suggest that top management of successful knowledge

organizations employ all dimensions of information to communicate goals because no method is the best. Top management is visible and tries to "flatten" the communication hierarchy to achieve shared vision and to inform employees well about the leader's vision. For example, a summary of the strategic document was sent accompanied by a letter of the CEO. Informal cross-departmental meetings are attended by top management. The CEO stimulates the grapevine by creating opportunities at the workplace for informal meetings such as coffee corners and a table-tennis table. Top management delivers corporate messages via internal media and personal messages about aligned actions. The CEO gives serious feedback on employees' opinions.

Effective communication dimensions

How the management of an organization judges the effectiveness of its employee communication, depends on the vision of the executive: what does he want to achieve with that communication? In this study a successful approach places an emphasis on mutual respect for each other's contribution. "Thanks to all colleagues and the whole organization this performance (e.g., prize) is put up". Equally important is the shared meaning about the goals. To be able to show required new aligned behavior, strategic knowledge and understanding is needed. The fast and complete delivery of information is a condition *sine quod non*.

For five knowledge organizations, the amount of information from management, the quantity of information content related to strategic issues and related to the personal role, and the climate of communication seems to exert a strong influence on employees' knowledge, understanding, attitude and actions regarding the organization's strategic initiatives. There are limits to the amount of information about strategic objectives employees can handle. Information about employees' personal roles (i.e., personal messaging) is likely to be more influential for lower-level employees than for higher-level employees, while the reverse seems to be true with respect to information about strategic initiatives. Management and high professionals have a strong demand to know about the organization's strategic objectives. By contrast, employees with a relatively lower degree of responsibility have less need to know all the ins and outs regarding the strategic objectives, but a stronger need to know how these objectives translate to their day-to-day work. These findings support previous research results at companies other than knowledge organizations. Furthermore, the variables indicating level of job position, job content and division/staff department seem to be significantly correlated with SBA. For example, grapevine is greatly valued by high professionals with strategy-related job content in determining favorable actions regarding NWO strategic initiatives, whereas internal media is not that important for employees with strategy-related work – they obviously know that kind of information already. The demographic variable 'education' seems to have no significance.

From vocal and written feedback, executives conclude to which depth as well as direction staff members have *line of sight*. Yet, for the organizations used in this research, it was clear that several groups of employees such as employees with a short labor contract, or employees without a strategic-related job content, perceived that they had been communicated to less than others and received messages with a different content. It seems likely that due to a lack of corporate measures, management information and personal messaging are sources of many of these differences.

Successful strategic alignment is about improved performance – employees' initiatives for going the extra mile. All benchmark respondents are more wholeheartedly positive about employees' initiatives for going the extra mile, compared to the NWO respondents. The difference between the two views could be because all benchmark respondents, besides NWO, came from successful, high-ranked, knowledge organizations. Perhaps these organizations are already very well strategically aligned and therefore their employees show an outstanding performance.

The characteristics of strategic business alignment and the preferred types of information are joined in the research model, Figure 1. The research results suggest that the work attitudes of employees who are engaged in strategically-aligned actions during the preparatory period of a strategic document, are determined by the content of the feedback on their aligned behavior. So, in line with the findings of Van Riel et al. (2006) then besides different types of information, communication climate also influences the degree to which employees "buy into" the organization's strategic objectives. Therefore communication climate is added with a one-way line to employee attitude in the model.

Employee strategically aligned actions via
- **management information**
- cross-departmental communication
- **grapevine (*)**
- internal media
- **corporate messaging**
- **personal messaging**

Employee performance

Self-reported performance

Employee's understanding of strategy via
- **management information**
- cross-departmental communication
- **grapevine**
- internal media
- corporate messaging
- **personal messaging**

Employee attitudes via
- **management information**
- **internal media**
- **personal messaging**

Employee's level of knowledge of strategy via
- **management information**
- cross-departmental communication
- grapevine (*)
- **internal media**
- **corporate messaging**
- personal messaging (*)

Communication climate
- **openness**
- **seriousness**
- **participation**

Figure 1: model of how NWO creates strategic business alignment through providing information and through engaging in a dialogue with its employees (communication climate).
*In **bold** type the most mentioned dimensions of information.*
(*) This information type is important for employees with strategy-related job content. (Charlotte Bos, 2007)

6.4 SUCCESS, FAILURE AND IN BETWEEN: GREEN, RED, AND YELLOW

In the table the influence of different dimensions of employee communication is shown in combination with the four preconditions of employee support: awareness, understanding, attitude towards and having appropriate capabilities for implementing strategic initiatives. A positive employees' judgment of the information dimensions is related to increasing supportive behavior for strategic initiatives.

At NWO new aligned behavior could, for example, be "showing entrepreneurship", at FCDC to submit a VENI application, at DSM to compose global documentation, at TNO "visible eager to go for TNO" and Utrecht University Science Park activities.

The different colors in the boxes show which tools foster the preconditions. A successful tool realizes a positive precondition: green. Yellow is in-between (e.g., respondents' suggestions) and the red color shows that this tool fails to realize a positive effect e.g., lack of serious feedback on aligned behavior realizes frustration in stead of a positive attitude toward strategic initiatives.

The table contains more items referring to the aspects "knowledge" and "understanding" than items referring to the aspect "capabilities". The first aspects can be created with communication; buying into it and especially enabling like it can be strongly influenced not only by communication activities but also by HRM activities, such as financial rewards and dismissal.

Preconditions/ dimensions of information	AWARENESS	UNDERSTANDING	ATTITUDE	CAPABILITIES
management information	- regularly - complete - and up-to-date - summary of strategy to home address with letter from top management	general meetings give not explicit information - Not the same messages with same content	employees' involvement in strategic plans without serious management feedback afterwards	- Knowledge management - leadership development
management information			top-down and / or bottom-up dialogues	
internal media	-more frequently	same content at the same moment for all		
cross-departmental information	-informal meetings with strategic subject	-informal meetings with strategic subject		
corporate messaging	informal meetings CEO with employees, -group discussions, -structured questionnaires -message with same content via internal media	more information about : -strategic objectives, -implementation of these goals -Town Hall Meeting		introduce indicators aligned behavior: annual performance appraisal / discussion of contribution
personal messaging	one-to-one dialogue during discussion of contribution	-give positive feedback on aligned behavior -Information about individual contribution to implementation	employees' involvement in strategic plans without serious management feedback afterwards	
personal messaging	Not every employee gets message with same content	Not every employee gets message with same content	one-to-one dialogue	
communication climate	visibility and accessibility of management / CEO	transparency of - responsibilities - process -visibility and accessibility of management / CEO	-mutual respect for each others contribution -serious feedback	

The different colors in the boxes show which various tools foster the preconditions. A successful tool realizes a positive precondition: green. Yellow is in-between (e.g., respondents' suggestions) and the red color shows that this tool fails to realize a positive effect e.g., lack of serious feedback on aligned behavior realizes frustration in stead of a positive attitude toward strategic initiatives.

THE ROLE OF INTERNAL COMMUNICATION

The degree of SBA within an organization is influenced by several factors, such as employee communication. Several successful aligned knowledge institutions have implemented a corporate communication plan and also place more emphasis on "speaking with one voice to the organization and outside". These soft-wired activities are more effective in the long run than hard-wired initiatives in creating strategic alignment (e.g., financial rewards, other organizational structure, firing people).

The findings should be of value to internal communication practitioners in their role as consultants to (new) leaders and management and as they determine the most effective dimensions of information for creating SBA. Part of the communicator's task is monitoring the organization's strategic alignment. By doing so the professional can keep track with the process and evaluate what they might be doing differently. Then they can pick this up and discuss it with management to involve the SBA concept in day-to-day business, strategy and plans for the future.

In line with the best practice of benchmark group respondents, internal communication has to concentrate on and initiate the following activities that are congruent with the different phases of the SBA implementation process.

- Before and during communicating the strategic goals of the organization, prior information about the degree to which employees are willing to support is helpful according to successful participants. With the help of electronic survey results or employee networks, the employee communication can be reformed where this is desirable and possible. Conclusion: investigate regularly and systematically employee's opinions.
- The role of employee communication is to increase the degree to which group members are informed about a change, and to establish the employees' knowledge of strategic objectives and line of sight. Successful tools to establish for certain are electronic surveys such as Employee monitor and Client Satisfaction monitor.
- Foster corporate measures that promote line of sight.
- Further, employee communication can help the leader to "flatten" the communication hierarchy to achieve shared vision and to inform employees well about the leader's vision.

- As no amount of communication can change deeply held beliefs and values, concentrate on the undecided group when using communication, the people who initially neither agree nor disagree with the vision of the CEO.
- Employ a variety of methods to communicate goals because no one method is the best and employees do not differentiate the channels where corporate messages come from.
- In work settings with multiple goals (and therefore multiple aligned actions), employees are likely to stress the objectives that have a direct impact on their work activities. Throw light on various examples of aligned behavior.
- When applying internal communication measures, employees have only a limited degree of freedom to ignore corporate messages and feedback about their functioning in the organization.
- Provide managers with guidelines regarding the way in which they can facilitate strategic business alignment among employees. For example, by providing more information to employees through line management communication – centralized and decentralized – through personal messaging particularly about examples of desired new aligned behavior (developing research themes in cooperation with public and private partners and to show entrepreneurship) and by fostering a climate of transparency and giving serious feedback, managers can stimulate employee attitudes regarding strategic initiatives, as well as employee behaviors that are consistent with the strategy.
- Create transparency about everyone's responsibilities and the participation process.
- Search for and clear noise in the information flow, especially in the case of management information.
- Create more differences in content (personal and corporate messaging) with respect to differences in division / department, level of job position and job content.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

The findings of this research, coupled with the findings of previous research, illustrate the potential of strategic business alignment and encourage further exploration and empirical testing. Moreover, this research is the first known study of SBA in organizations in the Netherlands where the vast majority of employees are graduate+, and this serves as an addition to previous work with white-collar employees.

Future work could focus on examining the relationship between strategic business alignment and performance measures of the organization, such as ranking or prizes, using measures over multiple time periods. Another issue to explore could be the nature of the concept "grapevine"; is grapevine a formal or informal communication instrument and which role does grapevine play in creating strategic business

alignment? The majority of the Dutch NWO employees said they had line of sight, and the benchmark results also support this high outcome. These findings seem to conflict with the research result from Kaplan and Norton (2001) that less than five percent of the typical workforce understand their organization's strategy. Future research could focus on these conflicting findings.

For knowledge organizations, besides management communication and corporate messaging, personal messaging is also likely to be vitally important for stimulating employee behaviors regarding the strategic initiatives. This seems to differ from results of Van Riel et al. (2006); these showed that for two different organizations only management information and the amount of information content related to strategic issues had a strong influence on employee behaviors. Perhaps the differences are due to the small sample size in this study. It would be interesting to do a large quantitative study.

I recognize the limitations of this study due to its exploratory nature. Key limitations affecting this study's applicability to other scenarios include the small sample and specific organizations, knowledge institutions in the Netherlands, used in the data collection. Another limitation was the choice to compare research results of NWO with those of knowledge organizations that are leading in their category. Other knowledge organizations were not included.

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Eline C. Faber

Reputation for Small and Medium Sized Enterprises (SME's)

Eline Faber (1976) is senior communications consultant at the Chamber of Commerce Drenthe, in Meppel. After her HBO Bachelor in Management, Economics and Law, and during her HBO on the Conservatory, she started her carrier as a PR consultant at a small record company, Choice Music Company in Grijpskerk. Two years later, she went to work as an entrepreneurial advisor at the Chamber of Commerce in Drenthe. There, she developed her interest for SME's.

After one year, at the age of 24, she found her true passion: corporate communication. She became communications consultant at the Chamber of Commerce. There, she had the opportunity to build the department from scratch. The course Communications Consultant, level B, at Van der Hilst, gave her the necessary knowledge to work in the field of communications. She also participated in a course in Journalism at the Fontys Hogeschool in Tilburg.

Today, Eline Faber is responsible for internal communications, public relations and marketing communications at the Chamber of Commerce, as well as communications for projects, in order to stimulate the economy in the region. In the summer of 2006 she successfully completed the Executive Master Corporate Communication, at the Erasmus University in Rotterdam.

S U M M A R Y

In the last decades there has been quite some research about reputation. This is mainly focused on large, mostly international orientated organizations It would be interesting to find out in which way small and medium sized enterprises (SME's) communicate with their stakeholders. This thesis will give an impression in the way SME's are dealing with reputation and communication.

The European Commission has defined SME's in 1996, in collaboration with the Member States, the European Investment Bank and the European Investment Fund:
- Medium-sized enterprises have fewer than 250 employees. Their annual turnover should not exceed EUR 40 million, or their annual balance-sheet total should be less than EUR 27 million.
- Small enterprises have between 10 and 49 employees. They should have an annual turnover not exceeding EUR 7 million, or an annual balance-sheet total not exceeding EUR 5 million
- Micro-enterprises are enterprises which have fewer than 10 employees.

Research questions

In this thesis two questions are being answered, to find out which factors are important for the reputation of SME's.
1. Is there a need for adjusting the RepTrak® Score Card (2005) for SME's? In other words, which parts of the RepTrak are not applicable for small companies? And which parts should be edited?
2. What are the conditions that are important for SME's, to have a good communication with stakeholders, and in what way are they different from the conditions of that of large organizations?

Research method

To get more insight in the existing literature on reputation, desk research is performed in the area of reputation and communication, as well as in the area of SME's, and marketing, because interesting writing exists about marketing for SME's. This is needed to understand how SME's are communicating with their stakeholders.
The literature, combined with personal experience, results in some hypotheses. In this thesis, the hypotheses are separated around two subjects, reputation and communication.
In order to find evidence for the hypotheses, personal interviews with entrepreneurs were conducted. In these interviews, a segmentation has been made on questions about reputation and questions about communication. This segmentation is also used in this thesis.

Fourteen interviews have been conducted to find evidence for the hypotheses. Although the size of the research group is small, it gives some interesting information about the ideas and activities entrepreneurs have on the subject of reputation and communication.

The entrepreneurs that have been interviewed are situated in Drenthe, Groningen or Friesland. This research is focused on companies with no more than 100 employees. There is a difference in companies where the entrepreneur is the only employee, and the larger company with e.g. 80 employees. Therefore, a categorization of companies is made:

Group I: Company with 0-5 employees
Group II: Company with 6-20 employees
Group III: Company with 21-50 employees
Group IV: Company with 51-100 employees

WHAT IS REPUTATION?

According to Fombrun and Van Riel (2004) reputation acts like a magnet: 'It attracts us to those who have it. It affects the decisions of customers about which company's products to buy; it influences the decisions of employees about which company to work for; and it affects the decisions of investors about which company's shares to accumulate.
For SME's this is an interesting aspect, because most of the smaller companies are working hard to get the attention of the customer, hereby selling more products or attracting more work. They are focussing mainly on marketing activities, which can directly lead to response, e.g. direct mail and advertising. However, when SME's would focus on more indirect ways, e.g. more on reputation management, this could mean that a company doesn't have to look for the customer, because the customer will look for the company. Furthermore, as Dowling (2006) argues, a corporate reputation brings money in the basket. Not a bad thing for SME's!

The Reputation Institute's RepTrak® Score Card is used by the Reputation Institute as part of an integrated analysis of corporate communication. Reputations are viewed as outcomes produced as stakeholders interpret what they hear and see based on the company's communications and on media coverage:

- **Products & Services:** you believe that the products are high of quality, value for money, the company stands behind its product, and it meets customer needs;
- **Innovation:** you believe that the company is innovative, first to market and adapts quickly to change;
- **Workplace:** you believe that the company rewards employees fairly, feels responsible for employee well-being and offers equal opportunities;

- **Governance:** you believe that the company is open and transparent, behaves ethically and is fair in the way it does business;
- **Citizenship:** you believe that the company is environmentally responsible, supports good causes and has a positive influence on society;
- **Leadership:** you believe that the company is well organized, has an appealing leader, is excellently managed and has a clear vision for its future;
- **Performance:** you believe that the company is profitable, high-performing, and has strong growth prospects.

What is interesting to know is, if entrepreneurs feel their reputation should be calculated on this RepTrak®.

Secondly, it would be quite interesting to know, how stakeholders feel about the reputation of that specific company. When a company is consciously working on its reputation, this should be noticed by e.g. its customers.

Fombrun and Van Riel (2004) state that companies with high RQ scores appeared to be substantially different from lesser rivals on five dimensions: visibility, distinctiveness, authenticity, transparency and consistency. What is interesting to know, is in which way smaller companies can build their reputation using the above mentioned roots of fame.

THE ENTREPRENEUR AND REPUTATION

Zimmerer and Scarborough (1998) describe which activities may avoid failure in business:
1. Know your business in depth
2. Develop a Solid Business Plan
3. Manage Financial Resources
4. Understand Financial Statements
5. Learn to Manage People Effectively

There are several similarities with the reputation management theory. The first activity can be compared with that of Products & Services and Innovation. The second activity can be compared with Leadership. The third and fourth activity is comparable with Performance. The fifth one is aligned with Workplace and Leadership.
It is interesting to see that the authors do not mention Governance and Citizenship. This is something that is seen more in entrepreneurial books (e.g. Strauss, 2005). It looks like these two drivers are only then important for companies, when they have developed into strong organizations, internally and externally. These kind of

organizations have the opportunity to look for extra dimensions to create a competitive advantage. The entrepreneur has more need for self-actualization. His company is doing well, and it is time for an extra dimension.

On the other hand, when entrepreneurs are just starting their business, they are probably only interested in 'putting bread on the table', having one or two customers, just to make sure some money comes in. They have a more physiological need.

When this is true, this means that entrepreneurs as well as normal individuals have a hierarchy of needs, explained by Maslow, in 1943 (figure 1). The entrepreneur will start his business, having mainly physiological needs (having enough clients to survive), followed by the need for safety (that is: a business accommodation), and the need for love and belonging (a network of colleagues, clients and other people important for the business). For a lot of entrepreneurs, the need for love and belonging will be the most important one. However, some entrepreneurs feel the need for esteem, e.g. to deliver the best products, or the cheapest products, or to be the most innovative company. And when the company has developed into a strong and stable organization, there is a possibility the entrepreneur feels the need for self-actualization.
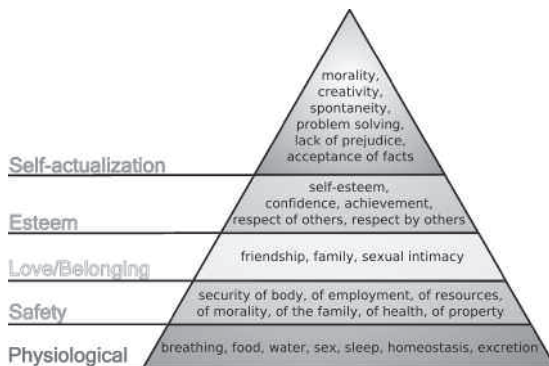
Figure 1: This diagram shows Maslow's hierarchy of needs (1943), represented as a pyramid with the more primitive needs at the bottom.

Knowing this, it makes it easier to understand why books about entrepreneurs and small businesses tend to focus on Branding, Marketing and Advertising. When most entrepreneurs have the need for Love and Belonging, then their focus will probably be on 'getting more friends', as in 'creating a larger network'. So 'getting people to notice you', is an important thing. According to Strauss (2005) "marketing, advertising and branding are the interwoven threads that make up the tapestry that is your business image. Together, they constitute your most powerful weapons for getting people to notice and buy from you."

Important drivers for SME's

According to Levinson (1984) a small company should not be acting like a big company. A small company needs a very different strategy to achieve results. The examples that Levinson gives imply that personal contact of the entrepreneur with its stakeholders is highly important for the reputation of the company. The statements about networking are confirmed by research form Gilmore et.al. (2001), arguing, that 'networking is an inherent tool of marketing which is wholly compatible with SME-decision making characteristics [being haphazard, informal, loose, unstructured, spontaneous, reactive, built upon and conforming to industry norms], in relation to marketing activities.'
So, although the entrepreneurial books focus on traditional marketing and branding, Levinson and Romme (who are specialized in smaller companies) and Gilmore et.al. give much attention to networking. Moreover, the current disciplines in marketing include personal contact (in other words, networking). Also, local citizenship seem to be of some importance.

Now, when looking at the original RepTrak®, some differences can be noticed. According to the authors mentioned above, the entrepreneur makes the business. Networking is very important, especially networking, done by the entrepreneur himself.

One could therefore suggest changing Leadership into Entrepreneurship. The two have great similarities, but entrepreneurship and leadership are two different things. It is very well possible that an entrepreneur is no leader, simply because he has none or view people working for him. Furthermore, an entrepreneur can be appreciated by his personality, or his network abilities. A leader, on the other hand, is more appreciated by his good management or his clear vision for its future. And finally, as shown in the beginning of this chapter, an entrepreneur should have some specific competences, like a preference for moderate risk, confidence in his ability to succeed, a desire for immediate feedback and a high level of energy.

Secondly, Citizenship could be narrowed down to Local Citizenship. For the reputation of a SME it is, according to the above mentioned authors, important to support the local community. This makes sense, while the market of SME's is mostly focused on the local or regional environment. Supporting this environment is better for the reputation of the company.

Conclusions on reputation

The findings from this research suggest a different approach towards reputation management for SME's. Most of the entrepreneurs find the RepTrak® for SME's more applicable. This suggests that there should be a change in the original RepTrak®, in

order to be applicable for smaller companies. The suggestion here, is that the driver Leadership should be changed into Entrepreneurship. Also, the driver Citizenship should be narrowed down to Local Citizenship.

One more thing that has to be mentioned, is the fact that almost no entrepreneur finds Performance an important driver for their reputation. Although Performance is quite important for the future of the company (when the company does not perform very well, the company has a serious problem), it seems to be unimportant for the reputation of the company. The suggestion here is nevertheless, to keep the driver Performance in the RepTrak® for SME's, while this driver is too important for the financial health of the organization.

Most SME's find the drivers Distinctiveness, Visibility, and Authenticity most important. Transparency and Consistency already exists in most SME's, giving them a competitive advantage on larger companies.

What is very interesting, is that the research shows an interrelation between the Pyramid of Maslow for entrepreneurs and the RepTrak®. This interrelationship is showed in figure 2.

Entrepreneurs who feel the need for Self-actualization, identify completely with the original RepTrak®. These entrepreneurs have a larger organization. The entrepreneurs that feel the need for Network, find the RepTrak® of SME's more applicable. These companies can be very small, or larger. But from the point where the entrepreneur has to act more as a leader, because the company gets too large, the entrepreneur will choose for the original RepTrak®. The circles of the RepTrak's have some overlap, because it is not exactly clear at what size of the company the entrepreneur can more identify with the original RepTrak®.
Although there is no evidence for this statement found in this research, it is to be expected that the entrepreneurs, finding themselves in the first two phases of Maslow, find the drivers Products & Services and Entrepreneurship most important. The reason for this assumption is the fact that entrepreneurs who are just starting their business, have to focus on the quality and the communication of their product or service, and they need good entrepreneurship to get the company started. When the company is on its way up, other things become important, like innovation or performance. Probably, the need for Network becomes important quite fast in the development of the company. When this happens, the RepTrak® for SME's becomes important. This means, that, in general, the RepTrak® for SME's is applicable to the majority of the SME's. When entrepreneurs feel the need for Growth, the original RepTrak® will be more applicable

at a certain point in time, but it is also possible that the original RepTrak® will only then be applicable, when the entrepreneur has the need for Self-actualization. At this point, this is not clear.

There is one exception to the model in Figure 2. Entrepreneurs who have the intrinsic motivation to be a good citizen, and, as an individual, have the need for Self-actualization, will, as an entrepreneur, also have the need for Self-actualization. When this is the fact, the entrepreneur will choose for the original RepTrak®.
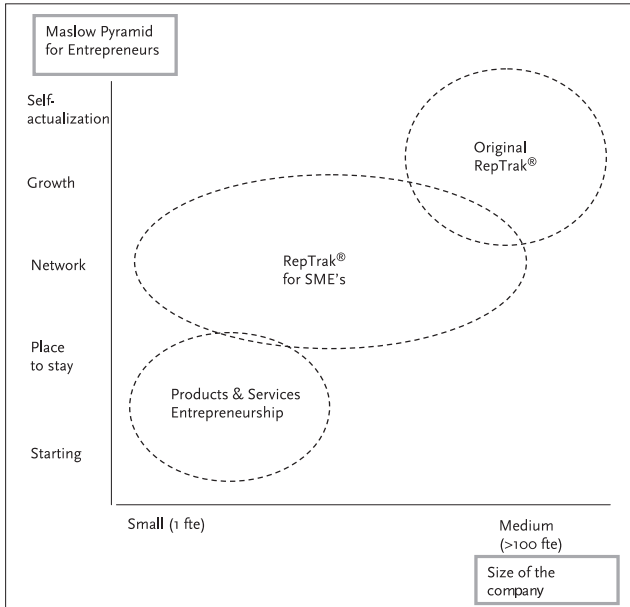
Figure 2: Maslow vs. RepTrak®

CORPORATE COMMUNICATION

Van Riel and Fombrun (2007) define five key stakeholder groups that companies (have to) communicate with: employees, customers, investors, government and the public. What will be interesting to know is, in what way SME's will address the key stakeholders. In this thesis investor relations will be exclaimed, because this group is only found in companies whose shares are publicly traded on a stock exchange. This is not the case in SME's.

In the book "Kritische Succesfactoren bij het management van corporate communication" the authors Adema et.al. (1993), give more insight in the critical success factors for corporate communication. Karen Roeleveld (2006), conducted a research on critical success factors for communication in companies with 80 – 700 employees. Some conclusions in her thesis are important for this thesis.

Conclusions on communication

The way SME's communicate with their stakeholders is different from the way larger companies communicate with their stakeholders.

The main stakeholders that are important for SME's are customers and employees. Only the entrepreneurs who are in the phase of Esteem or Self-actualization sometimes have interests in the government or the public. Therefore, mainly internal communications and marketing communications are important for SME's.

All entrepreneurs find networking the most important and most effective way of marketing. However, consumer based SME's (like retail) also make use of the traditional marketing tools, like advertising, direct mail, and sponsoring. For the B2B Service sector networking, personal selling and marketing public relations are the most important marketing tools. The Industry sector focuses more on personal selling and sales promotion, but also trade-fairs are extremely important.

None of the entrepreneurs have made a communication strategy. The entrepreneur is responsible for communication and marketing. There are external agencies who are hired to translate the ideas of the entrepreneur in professional communication and marketing products. Sometimes a management assistant or another employee is working on the organization of the communication. Almost all the entrepreneurs involve the employees in the communication and marketing activities.

The companies in this research have an organizational culture that fits the sector and the needs of the customer. In companies where the employees have close contact with the customers, there is an open culture, a culture of 'doing it together'. In companies where innovation is important, the culture is more on 'developing', 'learning from each other', and 'respecting each other'. In companies where the product is most important, the culture is more 'just work, don't talk.' So, the organizational culture of the company is important for the way the company is communicating with their stakeholders, and the entrepreneurs are aware of this.

IMPLICATIONS

This thesis on Reputation for SME's shows some interesting findings, where further research is recommended.

In what way is the Maslow Pyramid interrelated with the RepTrak®? As this research shows there is some kind of interrelationship, that effects the way entrepreneurs look at their reputation management, but, in my opinion, also in the way they are working on their communications. Because, why is there so much attention to marketing in literature, when entrepreneurs are concerned? And why is network marketing such an hot item?
In my opinion this is due to the fact that most entrepreneurs feel the need for Networking, and in that phase internal communications and marketing communications are important. When entrepreneurs feel the need for Esteem or Self-Actualization, public relation and government relations also become important for the company.
So, there could be more to it, than this research have shown.

Furthermore, there is a difference between the way the different sectors are dealing with their marketing, while in literature, this difference is not clearly made. There should be more research on the way the different sectors are dealing with their stakeholders, in order to differentiate e.g. the marketing of the retail store and the marketing of the b2b service company.

Also, it would be interesting to find out in what way the culture, the line of business, the customer and the communication are related. Mentioned above, the sectors all have comparable cultures, working for comparable customers. The assumption here is, that customers decide what the culture of the company should be, and not management. Probably, in HRM literature, there has been some research on this item, but it would be interesting for communication professionals to know in what way customers decide what the culture of a company should be, instead of the organization deciding what culture fits most to the company.

Furthermore, there was an interesting finding in an interview with one entrepreneur in this research. This entrepreneur focuses, in an extreme way, on HRM. Development, education, an open culture, learning from each other, respecting each other: all ways to make the employee, and as a result, the company extremely innovative. The same entrepreneur was the only one in the research who did not focus on marketing communications, because the customers came and never left the company.

Now, this is interesting. The company is extremely innovative because the employees are innovative. The employees are innovative because there is a very strong focus on HRM. Could it be, that in future, Workplace Environment is the most important driver on reputation?

SME'S HAVE GREAT REPUTATIONS

The entrepreneurs in this research all have a successful way of communicating with their stakeholders. They are focusing on personal contact with employees and customers. They invest time and effort in retrieving feedback from employees and customers. With this feedback the entrepreneurs make adjustments in their products, their services or the way they are treating their employees, so that stakeholders are satisfied again. The organizational culture fits the customer. This makes the SME's flexible, having a product/service of great quality and adjusted to the wishes of the customer. Moreover, the company's are authentic and transparent. All these aspects give SME's a distinct competitive advantage over larger companies. SME's have great reputations!

Arjan Hoek

New markets, new services, new brands!

Arjan Hoek (1965) works as head of the Communication & Information department at the Albert Schweitzer hospital, one of the largest hospitals in the Netherlands with six locations in the region Drechtsteden.

He started working for several Dutch newspapers during his study at the Academy for Journalism (Kampen/ Zwolle). For his military draft, he joined the Royal Military Academy in Breda (KMA), were he worked as a press officer. After that he picked up his career as a journalist again and worked for the regional newspapers Tubantia and the Alkmaarsche Courant.

In 1989 Arjan joined the second Dutch trade-union, CNV. In a period of almost ten years he worked in several communication functions for unions in the transport, industry and food sector. In his last years at the trade union, Arjan was Head of Communication at headquarters in Utrecht.

In the beginning of 1999 Arjan switched to Bikker Communicatie in Rotterdam (Euro RSCG Bikker). He worked as a senior advisor for several large accounts such as the Ministry of Health and the Ministry of Social Affairs and Employability. In 2002 Arjan moved to the Albert Schweitzer hospital in Dordrecht. For his thesis he did a study into the consequences of the liberalisation of the care market for the brand policy of Dutch hospitals and their private initiatives.

Arjan is married to Diana Kroesbergen and together they have three children; Jelle, Rosalie and Mirthe. They enjoy cooking, travelling, athletics and skiing.

A study into the consequences of the liberalisation of the care market
for the brand policy of Dutch hospitals and their private initiatives

INTRODUCTION

During the last decade major changes in the government controlled or regulated sectors have occurred. The government withdraws and stimulates competition on the market. The liberalisation of these markets, like the energy, public transport, telephone and post market, strengthens the competition. Many new companies penetrate in the only recently closed company sections. As a feature side effect the number of brands seems to have exploded, only a few years after the liberalisation of the market.

Take for example the energy market. Nuon, Essent and Eneco are admittedly big players, but they experience strong competition of Oxxio, Greenchoice, Ecopower, Energy directly, NL-energy, Elektran, Yourenergy, Energiestunter, Wind Unie and only recently even of the Hema. Since the market has been liberalised, a number of the predictable business rules has changed. The major change concerns the availability of substitutes. An unsatisfied customer has the choice to step over to another provider. And energy is energy. That makes it for the national energy players hard to distinguish their product. Brand image is suddenly a factor of interest. The energy players have to take care of customer satisfaction and stimulate a connection between consumers and their brands.

First requirement for all these suppliers is to obtain a preferential position for their brand in the consumers' mindset. A continuous thread through the brand strategy at denationalised markets is that at first numerous new brands are introduced to represent the new initiatives (Franzen, 2005). Organisations are forced to seriously reconsider their brand policy, brand portfolio and brand image.

The care sector (cure) is one of the latest markets in the Netherlands with a withdrawing government (introduction Zorgverzekeringswet, 2006). This forces care providers to better reject their products on the wishes and needs of (potential) clients and to provide a range of supplying services. Care insurers, patient interest groups and consumers have become players to be reckoned with. The new power field forces care providers to battle for the favour of the client (patient) or a contract with an insurer. Principal objective of the reforming of the care sector: to keep the care payable regarding the increasing use of care facilities and the strong ageing of the population. In order to prevent consumers becoming the victims of a competition (that also might be too strong), the liberalisation of the care market is regulated. It's interesting to research whether brand developments that are characteristic for a liberalised market, also count for the care sector with their own distinctive habits and customs.

RESEARCH QUESTION

Anyone who studies a recent policy plan of an average hospital will notice that there is a modification going on. Hospitals introduce new businesses (private initiatives) in order to use the possibilities of the market and trying to find alternative revenue sources. Because of these developments the Dutch landscape in the care market is strongly changing. Around these private initiatives an even diverged as confusing brand scenery emerges. As a result of this change and the battle for consumers a strong care brand has become an important competition asset. Hospitals take more interest in their brand image, the confidence of consumers and (brand) loyalty. Apparently in the care market the same scenario will be executed as the one that took place in other markets, earlier liberated by the government.

This forms the framework and the reason for this thesis. How do hospitals deal with their brand policy in a denationalised market? The main research question is:

In which way and on what ground do Dutch hospitals use strategic brand management in a liberated care market?

Considering this, a special attention arises for brand portfolio management in the preface of new services that are launched in the liberalised market. Brand portfolio management refers to the choices that are made, regarding the brand, the products or services and their mutual relations. The question is: which strategies do hospitals use to manage their brands in mutual relationship in the launch of a new service and which pleas play a dominant role in their brand portfolio management?

Hypotheses

1. Hospitals react to the liberalisation of the care market by introducing many (new) brands.
2. A majority of the hospitals will choose an endorsed brand strategy when launching a private enterprise.
3. When launching a private enterprise hospitals will prefer a new brand (stand-alone) above their corporate brand.
4. Hospitals intend to ignore their competitors' new developments or the interests of their consumers regarding their brand development.
5. The board of directors and the medical staff are the overriding parties when it comes to choosing the brand.
6. To prevent costs hospitals prefer an in-house brand development.
7. Compared to each other the brand choices made by hospitals for their private initiatives are not very distinguished.
8. The private initiatives of hospitals are limited in their communication, because they are strongly bound by the communication policy of the hospitals (mother brands).

METHODOLOGY

In increasing competitive surroundings hospitals with private enterprises must positively distinguish themselves from their competitors and invest in building a good image. In scientific literature much is written about brand policy and brand communication, especially in relation to commercial organisations. As to non-profit organisations and the health care sector less is known. Like most health care organisations, hospitals have a specific position: they trade in a social context with eye for the public interest and depending on public money.

In relation to these particular circumstances the question is whether branding strategies from commercial trade and industry can be applied to the care sector. Because of the particular environment (that hospitals operate in) and because of the fact that little is known from literature in relation to the care sector, more research in the brand strategy of hospitals in the private market is necessary. Central question is how hospitals launch their private activities and what brand strategy is followed.

The research is based on qualitative investigation (interviews, 6 hospitals), completed with quantitative data (received from a questionnaire, 17 hospitals). The data received from the questionnaire support the interview data. The research was set up with the help of the theory from the literature and additional documents to a structured questionnaire. The research population is formed by the Dutch general hospitals (85 hospitals).

The respondents on both the interviews and the questionnaire represent large as well as medium sized and small hospitals, with a representative geographic spreading over the Netherlands. The overall number of general hospitals participating is 23. This is a score of 27.1 % compared to the sector general hospitals. The data from the interviews and questionnaire are compared to the brand theories and models from the literature and other documents. The brand theory is also applied to the brand policy of the Albert Schweitzer hospital (see paragraph Albert Schweitzer hospital along the folding measure).

The overall picture forms a good (fitting) abstract of the brand policy and creates insight in the portfolio management of hospitals launching one or several private initiatives.

LITERATURE REVIEW

The central constructs in this thesis – strategic brand policy and brand portfolio management – have been the subject of many scientific publications. Despite the fact that brands already exist for centuries, the attention for brands as an important part of the enterprise strategy has considerably increased in the last decade.

This is explained by the fact that all innovations that energise and promote the sales, are usually quickly copied by competitors (Franzen and Van den Berg, 2001). Strong brands can make the necessary distinction. Companies invest in strong brands and are sometimes prepared to pay a multiple of the stock exchange value. Interbrand says on this: '*Brands are the engines of growth and profitability and by far the most valuable assets of companies'*.

The introduction of a new brand is an expensive business. Beside an added value (diacritical power) brands also represent a strong economic value. In 1988 the costs of brand development in the United States were estimated on 150 million dollar (Tauber, 1988). Twenty years later the brand value of the worlds largest companies is expressed in astronomic amounts. A brand is therefore more than simply a business card of a company. That applies to well-known companies as Philips, Nike, MacDonald's or Coke, but also to smaller enterprises or for example hospitals. This financial value, also mentioned as brand equity, emerges because consumers are prepared to pay more for a brand. Therefore the financial value of a brand is the consequence of the interest of consumers in that brand. Consumers buy brands to fulfill specific needs. Brand functions differ for both companies and consumers.

Some important functions of brands for (care) companies are:
* a brand differentiates the product/service compared to corresponding products/services. The brand expresses the advantages of the organisation, products and services. Through this an organisation can claim a desired position (Kotler, 2003, Franzen, 2001);
* a brand motivates employees. It contributes to pride of employees for their organisation (Kotler, 2004, Franzen, 2001, Vels en Boere, 2005);
* a brand is the symbol of the relation between the provider and customer; it connects the company to the consumer.

For consumers a brand reduces the choice process. Brands offer structure in the memory, recognition points and give information on the origin and added value, for example by the visual recognition and design (Van Riel, 2001, Boer, 2004, Mosmans, 2003).

Brand policy & brand portfolio

Good brand management and brand policy are crucial for building strong brands and increasing the value of the brand. Part of the brand policy is developing a well considered logo and visual identity. This must be communicated consistently and linked to the desired identity and the desired position. For example: the logo of the Albert Schweitzer hospital symbolises the core values of the hospital: *care with head, heart and soul.*

The choice for a logo and other characteristic elements is only a part of the brand policy and the result of the choice and place in a companies' brand portfolio. A brand portfolio can consist of several brands (corporate, individual, sub brands, endorsed, labels), with different functions. Brands can represent a range of products or serve as an endorser to support one of the other brands in the portfolio. Good brand portfolio management can be seen as the organisational structure of the brands: the role and functions of a brand are specified, just as the nature of the relations between the brands (Franzen en Van den Berg, 2001). It forms the connection between the brands of an enterprise. The better this connection and fit, the more individual brands support each other, with as a result a lifting of the value of all brands. It increases the synergy and supports the realisation of a powerful brand position.

In practice managing a well and fitting brand portfolio is a tricky problem for most organisations. That appears from a thesis of Kim Cramer on brand portfolio management (2005). A deliberated brand portfolio strategy furnishes more result than the insulated management of brands. More and more companies strive for a well-structured brand portfolio management. However by lack of acquaintance and experience this strategic instrument is not used well yet.

Brand choices & brand development

Many Dutch hospitals introducing a private initiative choose an endorsed brand strategy for their enterprise. With this strategy hospitals follow a trend that previously was seen in the service sector. From the literature a number of preconditions can be identified for successful endorsed brands (Franzen en Van den Berg, 2001):

* the endorsement brand itself must be present in the memories of the target group with clear significations;
* these significations should be in the interests of the product/brand combination it is given to;
* the endorsement brand must be part of the association network of the main brand.

In practice many endorsement brands don't meet these conditions, which makes them a meaningless graphical element of the main brand or corporate brand.

Managing the brand portfolio hangs in strong measure along with brand extensions. From Cramers investigation it appeared that many enterprises are struggling in how to sufficiently manage their brand portfolio. The choice for a corporate brand, an individual brand or an endorsed strategy can be seen as one of the main choices of brand strategy. Because of the importance to distinguish and to obtain a preferential position in the consumers' mind, one would suppose that this choice is based especially on the behaviour of consumers. But in practice it turns out that the identity sense in organisations is so strong, that this mainly impacts the brand policy (Franzen, 2000). The own values, vision and persuasions of the enterprise are clearly the starting point.

Brand identity	In house perception perception (management)	External reality	External perception (consumers)
Reality	Self image	Visual identity	Image
Ideal	Brand ideal	Brand reality	Brand expectation

Figure 1: The brand identity is build up from the perception of the company, the objective reality and the perception of the consumer (Strategisch management van merken, Franzen en Van den Berg, 2001).

In the ideal situation the brand ideal links maximum to the brand expectation. In practice this is an impossible goal. The challenge for most companies – and also for the Dutch hospitals – is to approach the brand expectations of consumers as densely as possible, without doing too many concessions to their own brand ideal.

Case: Albert Schweitzer hospital along the folding measure
With 6 locations in the region of the Drechtsteden the Albert Schweitzer hospital offers both high care facilities and personal care 'around the corner'. The hospital arose in 1999 from a merger between four hospitals, representing over 700 years of experience in healthcare. The hospital treats more than 600.000 patients visits under the auspices of 210 specialists and is therefore one of the largest in the Netherlands. The care is organised around the patient with a clear and logical clustering of disciplines.

For its core medical activities the Albert Schweitzer hospital uses one corporate brand: Albert Schweitzer ziekenhuis. This brand is used in all communication with (potential) customers and stakeholders, in the labour market (direction of employees) and financial markets (direction of bank and care insurance).
The society Albert Schweitzer owns several health companies, like the Preventiecentrum Zuid-Holland zuid and Centrum Arbeid en Zorg. The brand strategy for these daughter companies however is absolutely different. Centrum Arbeid en Zorg

is positioned as an endorsed brand (token endorsement). The Preventiecentrum is put into the market as a stand-alone brand because of political and organisational reasons. Consumers do not connect this brand to the Albert Schweitzer brand.

With a corporate brand, a number of endorsed brands and a stand-alone brand the hospital has a diverged portfolio. It proofs once more that leading a consistent brand policy and portfolio management (*see figure 2*) in practice is a tricky problem.

Figure 2: A few brands of the brand portfolio of the society Albert Schweitzer.

Last year Albert Schweitzer hospital limited a special enterprise to offer private care. This can be seen as a reaction on the developments on the care market (liberalisation, stronger competition) and to bind the medical specialists. On the basis of several internal and environmental factors the organisation started off with the construction of the new enterprise, the products and a brand and position strategy. An important choice was how to position the new organisation in the brand portfolio of the Albert Schweitzer hospital. As starting points were taken: a recognisable position to the market, a visual relation with the 'Schweitzer-family' and the quality of the medical care. From the sense that brand development is not only an issue of a new name or creating a logo, the hospital chose a model for the brand development. This model or checklist had the following ingredients: the organisational identity, position and place in the brand portfolio, logo, visual identity and brand name and implementation policy. After several in-house sessions and with the professional help of a design agency, the hospital chose out of four options (branded house, sub brands, endorsed brand and house of brands) for a weak endorsed brand: ToCare, trade mark of the Albert Schweitzer hospital. Political and in-house motives were leading regarding this choice; pleas in relation to branding strategy and branding policy played a minor role.

LESSONS LEARNED

Goal of the mentioned model was to force the brand portfolio choice in a more strategic way. What strikes is the fact that the in-house vision and drivers were the overriding factors; the hospital didn't take the values and needs of their main asset (the patient) into account. Unfortunately, most companies do so. And in doing so they risk that brand position and chosen values don't match with what's relevant for consumers. While a good brand position should primarily activate and attract consumers.

Another observation is the fact that the hospital has limited itself with a brand portfolio with four options. In practice there are many more choices and variants possible that can lead to a well structured brand architecture. The pleas are applied admittedly consequent to the four scenario's, but they are not complete. The hospital didn't take account of the segmentation of needs, brand tactics and possible conflicting distribution channels.

The development of ToCare as a weak endorsed trade mark of Albert Schweitzer means that it will take more time, money and energy to develop this new brand. On the other hand, the danger of image risk, which is rather big in hospitals, is reduced.

RESULTS AND CONCLUSIONS

Organisations facing a liberalised market are seriously forced to reconsider their brand policy, brand portfolio and brand image. In many cases it's a logic consequence of the first reaction to position many new brands for just as much new services and products. The care market, confronted with a withdrawing government and stronger competition, is no exception to this rule: many care companies (and hospitals) launch new private initiatives under the device flag of a large number of brands and labels.

Hospitals wanting to distinguish themselves in a commercial driven care market with a new or corporate brand, are a rather new phenomenon. For care providers and hospitals in particular, competition, consumer interests, marketing and brand policy are new territories that need to be explored and developed. The research done for this thesis shows that hospitals have a strong in-house focus and still have to learn a lot. This atmosphere of trial and error seems to fit in perfectly well with the main organisation aim of most private initiatives: learn to survive in commercial markets.

Most hospitals that dissolve the private market choose for an endorsed brand strategy (50%) or for their own corporate brand (31,8%). They rely on the idea that their good name and image will attract consumers to their private section. Hospitals that want to shelter their image more frequently choose for a new brand (18.2%) or a weak endorsement. The choices regarding the brand portfolio policy of hospitals do not differ from the trend, described in the literature, that the use of the corporate brand is

a growing and popular strategy for companies taking their reputation in consideration. Hospitals follow that trend. The conditions under which an endorsed strategy can be successful and that are described in literature, are present in the hospitals. Hospitals are strongly present in the minds of the target group (patients) with clear significances. There is also a fit between the new service and the endorsed brand and the corporate brand.

What strikes is that many brand names and the visual identities (logos) are not very distinguished compared to each other. For instance, there seems to be a strong preference for names that express health and life: Vivre, Vitalys, Vital, Vitalis, derma-Vital, Vita Nova.

The brand development mainly takes place within the hospitals (64%), without external support or professional help. ('*The name is invented in the door opening*'). This confirms the hypothesis that hospitals choose for a in-house brand development. This can damage the *personality, creativity and flexibility* of the (new) brand. The chosen brand names are hardly ever tested (in advance) or compared with the brand initiative of competitive hospitals of other care companies.

Not a single hospital takes the values of customers as a starting point for their brand identity and position (outside in). This confirms the hypothesis that hospitals don't have an eye for the interests of their main asset (patients - consumers) and that they don't check out the initiatives of their rivals. The brand development comes to existence according to the vision and core values of the own organisation (inside out). But again, learned form literature, hospitals with their strong internal focus are in good company. Risk is that many private enterprises of hospitals are not able to distinguish themselves enough and that there's no necessary link with the values that are relevant for consumers.

Regarding the marketing policy and the communication policy it strikes that the development and independence of the private initiatives is very premature. They are depending on the mother organisation for their communication policy and also for (sufficient) money for marketing activities. As to this conclusion there is difference between (Dutch) hospitals and regular trade and industry: there is no or hardly any money reserved for marketing to launch the new private initiatives successfully.
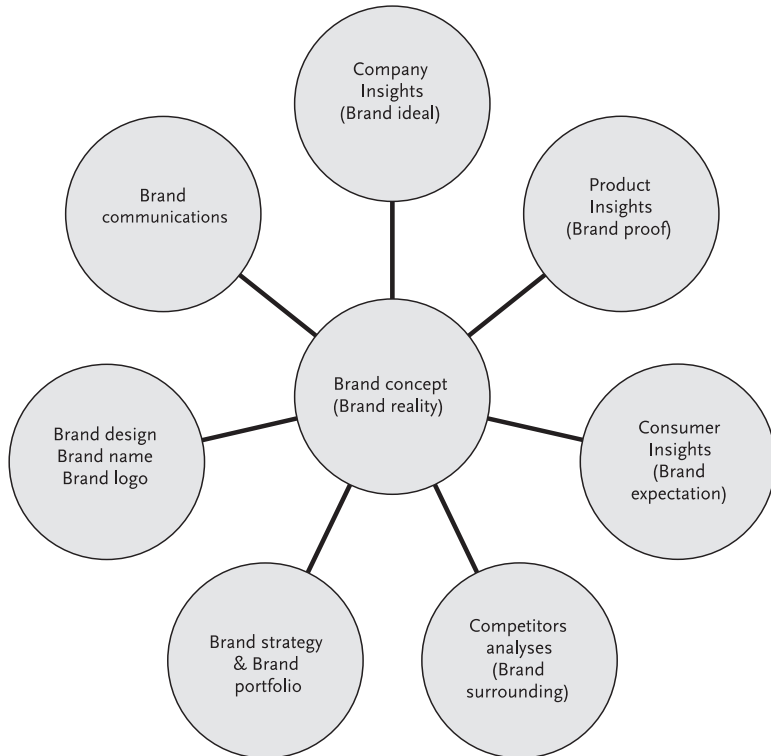
1. Dutch hospitals respond to the liberalisation of the care market by introducing new private enterprises with many new brands.
2. Most hospitals prefer an endorsed brand strategy for their private initiatives. This choice is based on their need to position themselves more independently and simultaneously to make maximum use of the image and name recognition (fame) of the parent behind the brand.
3. A majority of the Dutch hospitals choose to develop their brand strategy within their own organisation. New brands are generally not tested in the market.
4. Dutch hospitals with private enterprises in generally think that professional support in regard to brand development and brand strategy adds (too) little. Hospitals overestimate their own acquaintance and knowledge on brand development.
5. The process of brand development proceeds inside out. There is no eye for competitors. The needs and values of consumers are not taken into account. Consequence of this in-house focus is in particular that the brands for the private enterprises are not able to distinguish themselves enough and that there is no necessary link with the values that are relevant for consumers.
6. The core values and organisational aims are rather predictably and not very creative in most cases. Consequence is that the brand positioning is (too) little diacritical compared to competitive initiatives.
7. Although the medical staffs are an important (informal) force factor in Dutch hospitals, they are not involved in the brand development.
8. In many cases the brand development expires insufficiently and therefore the flexibility and the use of the chosen brand is (too) limited. Regarding their private enterprises, hospitals invest in brand tactics for the short term, but not in their brand strategy for the long term. Therefore the brands are less durable. Twenty percent of the Dutch hospitals with private initiatives reconsider their brand policy for their daughters companies.
9. As to the brand communication, the private initiatives are strongly depending on the mother organisation. Communication policy must be approved and for the necessary marketing activities is hardly any money reserved.
10. Hospitals recognise the interest of a well and structured brand portfolio policy. However by lack of acquaintance and experience this strategic instrument is not used well yet.

Although hospitals are new entrepreneurs, the end conclusion is rather hard: hospitals are still insufficiently using the strategic brand policy as a valuable instrument to launch their private initiatives professionally and durable in the market. It resembles the fact that hospitals are consciously busy with their brand policy and brand portfolio, but that only a small part also has the necessary acquaintance and understanding of

how to develop a strong and durable brand. Unfortunately there's (still) a big gap between the positive intention of hospitals to create a mindful brand policy and the realisation of a professional and strategic brand policy.

RECOMMENDATIONS

The research conclusions as mentioned above can serve as recommendations. In addition to this an important recommendation for hospitals willing to develop strong brands is that they should improve their insight and the skills regarding brand policy and brand communication. And if there's no time or interest in brand development hospitals should hire professional help. Brand policy is far too important to be handled by good willing amateurs.

Company
Insights
(Brand ideal)

Product
Insights
(Brand proof)

Brand
communications

Brand concept
(Brand reality)

Consumer
Insights
(Brand
expectation)

Brand design
Brand name
Brand logo

Brand strategy
& Brand
portfolio

Competitors
analyses
(Brand
surrounding)

The realisation of a brand that fits both consumer values (outside in) and the companies' wishes (inside out) is like cooking a good meal: no crucial steps or ingredients should be skipped:

* the vision and core values of the organisation;
* the unique skills and selling points of the new services or product;
* the values and needs of consumers;
* eye for environmental developments and the activities of rivals;
* creating an own and durable brand strategy, brand portfolio
* choose a fitting brand creation (design, logo);
* take care of a balanced marketing (money!) and communication policy;
* and in the end a distinguished brand concept and conspicuous brand position.

As with each step-by-step plan or model the above steps don't guarantee that at the end of the line a creative and original brand concept can be presented. But, by following the logic steps hospitals get more grip on a systematic and a well-reflected brand development of their private initiatives.

RESEARCH

Further research should be done to the question why – according to the respondents – the medical staff is not involved with any brand activities and major brand choices. It would be interesting to research the question why medical staff is not involved in the brand policy and to measure how and if they can identify with the chosen brand policy and brand identity of hospitals and their private enterprises.

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Mr. Ronald Jager

Rx for RQ.

Is reputation a prescription for sustainable success in the Dutch pharmaceutical industry? Visions and experiences from board level.

Ronald Jager (Eindhoven, 1964) is Manager Corporate Communication for Pfizer bv, Capelle aan den IJssel, since October 2004. In this position, Ronald is responsible for developing and executing corporate communication strategies with focus on issues management, reputation management, corporate identity & branding, stakeholder management and corporate sponsoring. Ronald joined Pfizer in 2002 where he started as Manager Legal Affairs with focus on pharmaceutical advertising and trademark law.

In the complex pharmaceutical business environment, he experiences that having a legal background is a relevant advantage (and is becoming increasingly complementary as well) for his daily corporate communication practice.

Before joining Pfizer, Ronald worked in several sales positions at Baan Software for 1,5 years and for Amstel Lease Maatschappij as a Large Account Manager for 2 years. He started his sales career at Servier Nederland, a privately owned small pharmaceutical company, as a Senior Medical Consultant for approximately 5,5 years. He is married, has three children and lives in Dordrecht.

Before successfully completing the Master of Corporate Communication course at the Erasmus University Rotterdam in 2007, Ronald graduated in Corporate Law at the University of Leiden from 1987 until 1992.

Thesis Rx for RQ

The core of his thesis is about visions and experiences of board members of pharmaceutical companies in the Netherlands. Ronald has interviewed 18 executives of several organisations. Practically every executive sees a transition to from a pragmatic and opportunistic role of corporate communication into a professional and strategic direction. However, before really getting strategically embraced, corporate communication has to prove its business value. The momentum currently is very positive to earn such a position. Let's get started!

For a full version of my thesis and Curriculum Vitae, please contact me at ronald.jager@pfizer.com.

S U M M A R Y

Reputation and pharma, especially a good reputation and pharma don't seem to go hand in hand together easily. Can the pharmaceutical industry ever overcome the paradox of being part of worldwide healthcare systems and being commercially driven organizations at the same time?

The risk of a negative reputation spiral is significant in the pharmaceutical industry. Distrust in a company can happen as a result of one or more incidents. That's not exclusively a pharmaceutical industry issue. If well managed with integrity and transparency, companies can overcome such crises.
Possible distrust in a sector is a real threat for sustainable future success of the sector and its individual companies. Reputation surveys demonstrate that the current situation tends to a collective distrust of the sector, caused by a widespread of factors, but with a red line in corporate behaviour, marketing practices, lacking transparency and integrity. It could be even worse when industry distrust turns in to a general distrust for pharmaceutical products. That would be disastrous; regaining that kind of trust would take years and years and should be avoided at any price. That means: there's work to do for corporate communication. Now!

The industry should position itself clearly as a valuable contributor to innovative healthcare. No single CEO would deny that his company doesn't play that role already or at least have such intentions. But there's more to do. 'Practice what you preach' is key to prove your intentions and contributions. Maybe more appropriate: 'preach what you practice'! That's what lacks in general in the industry as a whole and at company level as well. A lot of good achievements of the industry have a status of 'best kept secrets'. A sustainable communication and reputation platform where companies present themselves to the outside world will be very useful for organizations who really want to change.
Express the company, with integrity, transparency and honesty. Show the industry's successes and explain the struggles faced in for example drug development or reimbursement. Crisis can happen (and be sure: it will happen), but can be survived more successfully when stakeholders know, understand and are involved in the industry's business challenges.

Investing in communication professionals will pay off. There's a need for relationships with press and media, for continued reputation management, for internal communication, for issues and crisis management and so on and so forth. In the new era of pharma, it's no choice anymore not to pay serious attention to corporate communication. People want to know who you are. In that case, you'd better be in

charge on what you express about yourself rather than others will do that for you. (what currently often is the case) Be convinced that a good reputation will be really of substantial importance for long term survival of company and sector.

In this thesis, research was conducted under the umbrella of the question whether reputation is a prescription for sustainable success in the Dutch pharmaceutical industry. To be short: of course there's no pill for success. But, based on 18 executive interviews and theoretical backgrounds, a practical overview from board level visions and experiences on corporate communication and reputation management is provided, which must be seen as the red line of this thesis.

The first chapter is about typical characteristics of the pharmaceutical industry. I found this step necessary because of the link between these characteristics and reputation related matters. Strong regulations, high risks of modern drug development and a changing healthcare environment are important circumstances where trust, reputation and good behaviour are becoming long term survival factors.
In chapter 2, definitions of corporate communication, corporate reputation and reputation management are elaborated. It is assumed that the pharmaceutical industry is a 'laggard' in corporate communication and reputation management. A strong product orientation, especially in sales and marketing is a traditional 'Big Pharma' characteristic. Of course, medicines are still essential for pharmaceutical companies, but a shift to corporate (communication) thinking and acting is not (yet) generally nested in the pharma genes. However, practically every executive predicts that corporate communication will develop in a strategic and professional direction within 2 years.

Very important in successful reputation management is measuring of reputation. In chapter 3, this is demonstrated with international and national ranking and measuring methods. What can be measured can be managed, and that's where it's all about in reputation management and corporate communication. Examples are given of measuring customer loyalty, customer satisfaction and company image. Customer loyalty in general is very important in every commercial setting. The best customer is a returning customer. In pharma, loyalty is key for long term success. (for example with respect to future product introductions) Loyalty heavily leans on satisfaction and on corporate image. And bottom line, a company must be trusted before interaction will take place.

Chapter 4 is presenting the outcomes of the executive interviews, which I structured around the Reputation Institute's RepTrack™ dimensions Innovation, Governance, Products & Services, Leadership, Workplace, Performance and Citizenship. Visions and experiences from general managers (CEO's) and communication managers

(CCM's) are combined with a positioning quadrant where CEO's and CCM's plotted their views on development of the corporate communication function within their organizations. (two years ago, currently, and in two years)
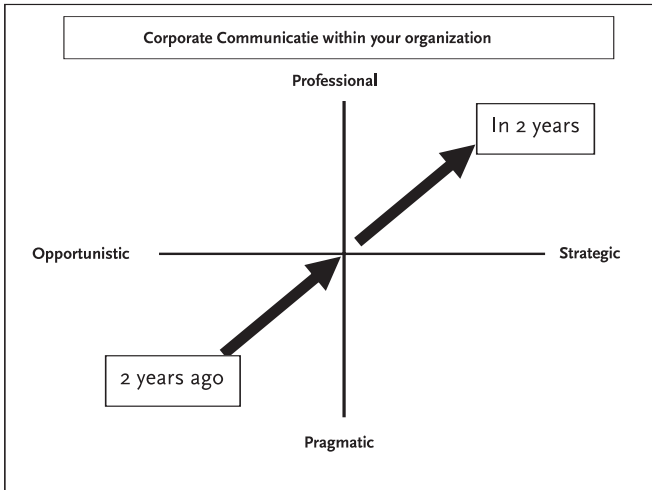
The overall conclusion is that practically every executive sees corporate communication develop from pragmatic/opportunistic (two years ago) to strategic/professional (in two years). This is perhaps not surprising. However, a shift to real strategic corporate communication requires more than just having a corporate communication department with dedicated professionals. There should be for example strong alignment with the leadership team of the company as well as focus on how corporate communication can offer value to the overall corporate strategies. The traditional inside-out approach should be replaced by an outside-in way of operating while involving stakeholders in long term planning is becoming a key success factor.

Chapter 4 also provides insight in the way corporate communication is organized in the interviewed companies. An inventory of communication tasks, stakeholders and priorities and much more is provided. Most executives see their company as an innovator and leader in their sector. Two specific biotech companies see themselves as niche players. Issues management and internal communication were reported as most important while consumer communication and corporate social responsibility were seen as least important tasks. Healthcare professionals, patients and healthcare insurers are seen as most important stakeholders, while pressure groups, NGO's were least favourable.

This summary started with 'Reputation and pharma, especially a good reputation and pharma don't seem to go hand in hand together easily. Can the pharmaceutical industry ever overcome the paradox of being part of worldwide healthcare systems and being commercially driven organizations at the same time?'

Why not? Other healthcare providers such as hospitals are increasingly commercializing, annual rankings of best hospitals are no exception anymore and ranking the 'best doctor' is perhaps just a matter of time. There hasn't been any significant discussion on these developments so far. On the contrary, quality of healthcare is served by more transparency to patients who now carry more self responsibility in the renewed Dutch healthcare system. That system in the Netherlands is based upon stimulation of such market dynamics in order to encourage competition and to reduce costs. In that changing climate, opportunities for pharma raise, if well approached and managed. Reputation of healthcare providers will probably become an important factor for healthcare insurance companies ('we will only be contracting top 25 hospitals' could be a future advertisement pay off of a healthcare insurance company) but also for patients, who will select healthcare on quality and reputation.

The executives interviewed are convinced that reputation management is an important corporate communication activity which should be directed and supported from board level and handled in-house with professionals. In the ideal world, these professionals have a seat in the management team. That's no common place yet, but probably (hopefully) a matter of time. Corporate communication has to prove its strategic value in order to earn a seat in the boardroom. The executive interviews demonstrate that there's currently a good climate for development of strategically aligned corporate communication in the pharmaceutical industry in the Netherlands.

Saskia Kapinga

Effective Business Unit Communications in a Complex Organisation

Should corporate communications strategy
be the base for business communications?

Saskia Kapinga is a Communications professional with more than 15 years of international experience in leading companies and industries. She is fluent in English, Dutch, Swedish, French and German, with some proficiency in Arabic. She has strong academic and professional qualifications in Communications and Marketing, obtained in the United Kingdom, France, Sweden, Dubai and The Netherlands. Saskia graduated from the Hogeschool Noord-Nederland in 1991, where she obtained a bachelor's degree in Hospitality Management. Following this, she studied Marketing at the University of Karlstad in Sweden. She started her professional career at Disneyland Paris, where she was part of the opening team for the Eurodisney theme park and resort. In this role, she was responsible for the successful operation of the VIP floors and services at the Disneyland Hotel. In her next positions, Saskia specialised in marketing and communications of the service industry. She moved to London, where she worked for the Le Meridien Hotel chain, followed by a move to Dubai, to work as Public Relations Manager for a major regional hotel chain in the Gulf. In these positions she managed media relations and marketing communications for a number of five star hotels. Saskia stayed in Dubai for more than ten years. She was recruited by Lufthansa as Marketing

Manager for Africa, the Middle East and South East Europe, based in Dubai. In this role, she was responsible for the airline's frequent flyer programme and marketing communications strategy across the area – a fascinating challenge considering the variety in languages, culture, history and politics in this region. In her last position in Dubai, Saskia worked for the Al Tayer Group, a high profile regional distributor, where she managed regional public relations for a number of luxury brands throughout the Gulf region. These included automotive brands such as Ferrari, Jaguar, Maserati, Landrover and Ford; fashion brands such as Armani, Gucci, Yves Saint Laurent, Bvlgari and Jimmy Choo and cosmetics including Guerlain, Gaultier, La Prairie and Kenzo.

In addition to her day job, Saskia wrote columns and articles for the Khaleej Times, the largest English language newspaper in the Gulf.
In addition, she developed a marketing strategy for the Dubai Convention Centre, which opened in 2004.
In 2003, Saskia returned to The Netherlands where she exchanged the glitter and glamour of her previous job for the nuts and bolts of Shell. Her first Shell project was the design and implementation of a communications strategy for Shell's Learning and Development function.
Today, Saskia is responsible for external communications at Shell's Gas & Power division, a challenging role in an extremely dynamic and interesting industry. Saskia and her husband Mark now live in The Hague.
Her most challenging role to date sees her working hard to combine a full-time job, MCC study and being a mother to two energetic girls, aged 21 months and 6 months.
On the rare occasions she manages to find the time, she enjoys travel, skiing, movies, reading and the theatre.
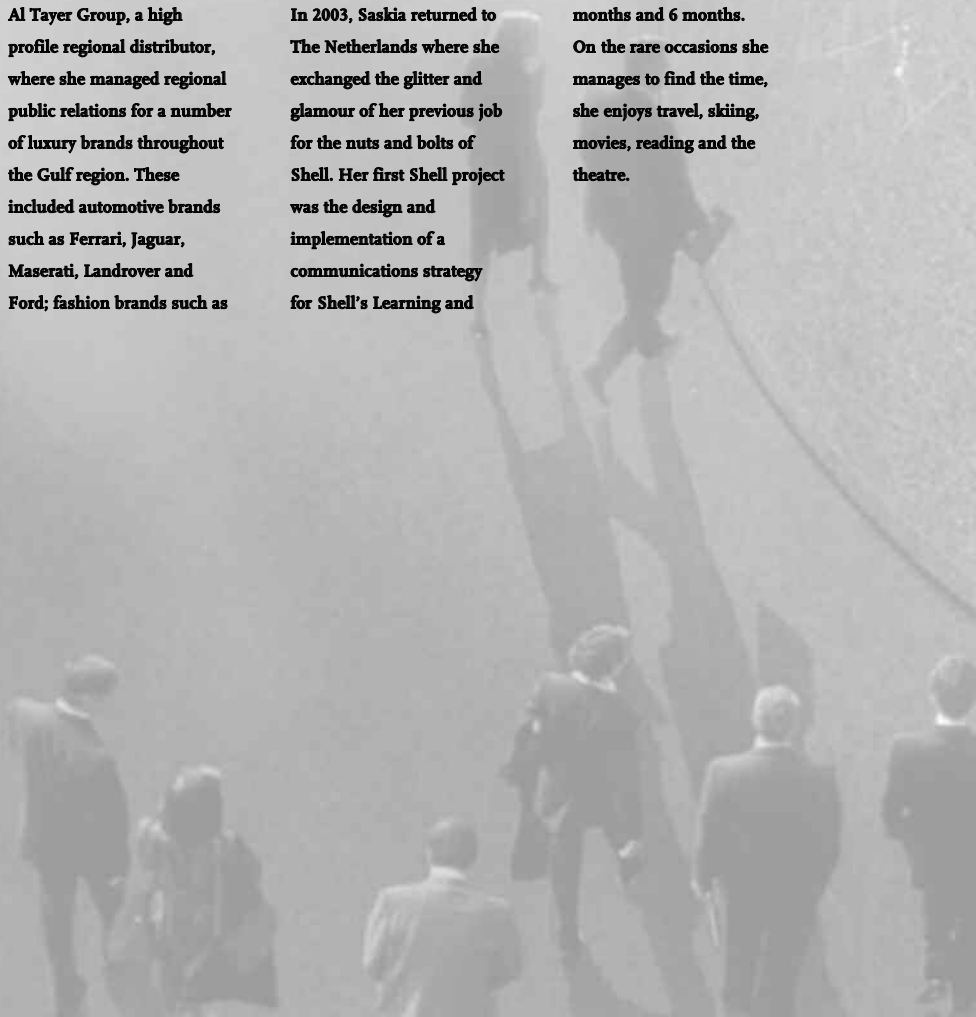
S U M M A R Y

The development and implementation of a consistent communications programme throughout the company is often a source of frustration. The process can be messy and involves many people and departments, often located in different countries and continents. In order to succeed, it would be necessary for all these people and functional units to agree and share common goals and speak the same language. Power struggles, lack of understanding of differing goals and politics are just a few of the issues that can undermine the efforts. (Noble 1999) These challenges are especially prominent in complex organisations. This thesis focuses on one particularly complex organisation, namely Royal Dutch Shell (RDS). Within Shell and particularly within its Liquefied Natural Gas (LNG) business, there a number of issues that hinder the development and implementation of effective and consistent communications:

- A complex organisation like Shell can include a number of multi-billion dollar businesses, which deal with diverse groups of stakeholders across the world and operate relatively autonomously. In practice, many of the (business development) teams within these businesses develop their own messages and communications tools, without involving the communications function. This often results in inconsistency of messages and tools, which carries considerable reputation risks and can lead to the loss of business opportunities. • The communications function is often regarded as a non-essential part of the organisation, especially in the energy industry, which is dominated by technology experts and engineers. As a result, professional communication features low on business leaders' priorities-lists. This puts the company's reputation at risk, as seen in three major crises that that hit Shell within one decade. A damaged reputation impacts the company's bottom line, as it can lead to lost business opportunities.

- The process of developing communications messages and tools for the SBUs is inefficient, as the communications function does not have any real authority within the company and its businesses. In practice, at Shell, divisional communications teams would develop a communications strategy in discussion with the respective SBU directors. SBU teams worldwide are not involved in this process, although they are expected to use the developed material, whilst the SBU director would often have 'more important' things on his mind (see the point above).

• Reactive communications: Shell has had a long history of communicating reactively. Three crises between 1995 and 2004 triggered a new approach and prominence for the communications function; however, changing culture is difficult and takes time, and the newly assigned importance did not automatically result in bottom-up support for communications efforts, which has led to inconsistencies in the communications effort and messages. Again, this carries reputation risks and potential loss of business opportunities.

- Multi-business / multinational companies often operate in complex business environments. Some of the issues attached are:
  - Large geographical spread of activities, which makes for extremely diverse and specific communications requirements and issues o A number of a business' operations might be structured in joint venture operations, which is the case in the LNG SBU at Shell. This increases complexity, as numerous joint venture partners will now be involved in communications for and around the plants.
  - The LNG industry is growing rapidly and the competition is increasing. To reach its business objectives, Shell needs to capitalize on this growth. For the company to be considered as a partner in new LNG projects, effective and consistent communications are required to increase awareness of the company's core competencies, track record and unique selling propositions amongst key stakeholders.
  - Commercial structures in the LNG industry are changing and Shell needs to position itself effectively to capitalise on these changes.
  - The LNG business has set itself the ambitious growth target of 14% per annum, whilst the industry is becoming increasingly competitive. Strong, effective and consistent communications are needed to help the business reaching these targets.

One of the main challenges in developing effective external communications programmes is ensuring consistency of messages and tools across the business. Inconsistent communications can lead to reputation risks, which in turn can cause a decline in business results. In their book 'Fame and Fortune' (2004), Van Riel and Fombrun found that "stakeholders are more likely to be receptive to corporate messages when they perceive the contents to be coherent. To them, it implies that the company speaks harmoniously about its efforts – and so must be more authentic about what it is saying. Inconsistency in the company's communications and initiatives suggests the opposite – that the company may be disingenuous and less than authentic about its actions".

The impact of a lack of consistency and effectiveness in external communication with important external stakeholders could be considerable – the company does not appear to be speaking with one voice, and the strength of the communications activities is seriously undermined. In addition, it could lead to missed opportunities and loss of contracts in an increasingly competitive commercial environment.

It is clear that some sort of consistency is essential for communications to be effective. However, should communications for the businesses be consistent with corporate communications? Or would consistency within the business be more relevant? And what would be the best way to develop and implement messages and material to ensure it would be effective and would be used throughout the business?

To address some of these issues, and to increase effectiveness of communications messages, tools and process, two research questions were formulated:

RESEARCH QUESTIONS:

1) Is it relevant to develop and implement external communication messages at strategic business unit (SBU) level within Shell's Gas & Power division that are consistent with the company's corporate communication strategy?

2) Considering the answer to (1), what is needed to develop and implement effective, consistent messages?

To answer these questions, this study focused on the LNG SBU within Shell's Gas & Power division.

CONTEXT

Royal Dutch Shell and its equity accounted investments constitute one of the largest independent oil and gas enterprises in the world. It was ranked the world's second-largest energy company in terms of financial performance in 2006 (Platts 2007) and it is the third largest company in the world in terms of revenues (Fortune 2006). The company's 2006 earnings were more than 26 billion dollars. Shell markets oil products in more countries than any other oil company and has a strong position not only in the major industrialised countries but also in the developing ones. The company consists of three core divisions; Gas & Power, Exploration and Production and Downstream. In turn, each of these divisions includes a number of business units (SBUs). For Gas & Power, these are:

- LNG (liquefied natural gas)
- GTL (gas-to-liquids)
- Clean Coal Energy
- Power

Within the Gas & Power division, the LNG business is the largest. With earnings of nearly 2.2 billion US dollars in 2006, LNG accounts for approximately 80% of RDS' Gas & Power's annual revenue, and is one of the fastest growing businesses in the company.

LNG is a clear, colourless liquid that forms when natural gas is cooled to -162°C. It is odourless, non-toxic and non-corrosive. In its liquid form, natural gas is more efficiently stored and is economic to transport in dedicated LNG carriers overseas to receiving terminals.

The global LNG market doubled in volume between 1995 and 2005 and is set to double again by 2010 (International Energy Agency). The LNG plants that are currently in existence will not be able to meet this increasing demand, and the development of new plants is necessary. This means there will be new opportunities for the international energy companies to partner in these projects, and major resource holders will be looking for companies that can add value and benefits to projects. To maximise opportunities for Shell, effective communications and messaging play a key role by increasing awareness of Shell's core competencies and unique selling propositions amongst potential partners.

Along with these opportunities come some challenges. Supply has become tight so companies with their own equity supply have a significant advantage. Going forward, this will mean that Shell and other international oil companies (IOCs) will need to work harder to demonstrate and communicate to national oil companies (NOCs) and governments in resource-rich countries the value they bring to a relationship and how partnerships can work to everyone's advantage.

CORPORATE COMMUNICATIONS AT SHELL

Shell's communications function was restructured and a new top-down corporate reputation strategy was put in place in 2005, to ensure effective and consistent messaging concerning Shell's reputation. This was triggered by the 2004 reserves scandal that badly affected the company's reputation and was a move towards enhancing corporate synergy following the unification of the British and Dutch parts of the company in the same year.

The strategic building blocks of the new reputation plan are five reputation, communication and engagement themes. They address Shell's reputation challenges in key areas of economic, social and environmental performance. Over time, demonstrating its excellence in these fields will help to protect the company's license to operate and build differentiation between it and its competitors, which in turn will help to win contracts and projects. In this way, successful communication can make a direct contribution to business success.

The five themes are:
- Energy Challenge
- Delivering corporate strategy and business performance
- Technology & Innovation
- Respect for People & Environmental responsibility
- Preferred partner

METHOD

Methods used to find and review answers to the research questions, included literature reviews, desk research and semi-structured qualitative interviews with 42 internal stakeholders.

> THE FIRST RESEARCH QUESTION:
>
> *Is it relevant to develop and implement external communication messages at strategic business unit (SBU) level within Shell's Gas & Power division that are consistent with the company's corporate communication strategy?*

To answer this question, Van Riel and Van Bruggen's (2002) SIDEC model was applied. Although the SIDEC model focuses on corporate branding strategies, it was argued that it would also be Is it relevant to develop and implement external communication messages at strategic business unit (SBU) level within Shell's Gas & Power division that are consistent with the company's corporate communication strategy?

applicable to the corporate communications strategy as a whole. Based on this application, it would make sense to base LNG communications on the corporate communication strategy. There is a good strategic fit between the SBU and head office in terms of complementarity of scope, implementation style and core competencies. However, it is realistic to expect a certain degree of resistance amongst SBU management. Changes aimed at increasing centralisation and alignment throughout Shell were introduced very recently. It is still too early to tell whether SBU management and employees have fully embraced these changes and will readily accept the LNG communications to be based on the corporate communications strategy.

THE PARENTING ADVANTAGE

In assessing the strategic fit between the business and the 'parent', it is also relevant to consider the 'parenting advantage' – the fit between the parent organisation and the SBU (Campbell, Goold, Alexander 1995). In this case, the relationship between the LNG SBU and RDS as its parent organisation was analysed to assess whether this relationship benefits the SBU, or whether it would be better to create distance and perhaps even operate as an independent company?

The outcome of this analysis indicates there is a good fit between the parent and the LNG business – the parent adds value in a number of ways, and the LNG business' strong business results and clear leadership position arguably demonstrate the

parenting advantage offered by Shell. This fit creates value (as demonstrated in the business' results) and it makes sense for the LNG business to operate as part of the RDS group.

Having established that it is relevant to develop and implement LNG communications messages and tools consistent with Shell's corporate communications strategy, literature research, desk
research and semi-structured qualitative interviews were used to answer the second question:

THE SECOND RESEARCH QUESTION:

Considering the answer to (1), what is needed to develop and implement effective, consistent messages?

CONSISTENCY

Fombrun and Van Riel (2004) propose that there are five key ingredients for building quality reputations, namely; visibility, transparency, distinctiveness, authenticity and consistency. Considering the defined research questions, consistency is of particular relevance in this context. To achieve consistency, Van Riel and Fombrun (2004) identify five steps. By reviewing these five key steps and applying these to the situation at Shell, it was found that most of the criteria to achieve consistency throughout the company are met. However, inconsistency in communications still occurs on a regular basis in the SBUs. A likely cause for this was found to be a lack of compliance in the SBU.
According to Kim and Mauborgne (1993), SBU top managers' compliance with the company's strategy is induced by procedural justice. Procedural justice is defined as the extent to which corporate strategy making is judged to be fair by SBU top managers. Overall, it can be concluded that increased procedural justice would lead to an increase of SBU managers' compliance with corporate strategic decisions.

Procedural justice can be influenced through the use of five levers:
-   Head office management is knowledgeable about local situations of SBUs
-   Two-way communication exists in the company's decision making process
-   Head office is fairly consistent in making decisions across SBUs
-   SBUs can legitimately challenge strategic views of head office
-   SBUs receive an account of the company's final strategy decisions

DEVELOPMENT AND IMPLEMENTATION

To implement effective and consistent communications messages and material, Noble (1999) has developed a model that outlines the stages of strategy development and implementation.

To increase procedural justice and considering the earlier findings on consistency and compliance, an additional stage was added to Noble's model. This has resulted in a useful model for the development and implementation of consistent communications messages and tools for the LNG SBU.
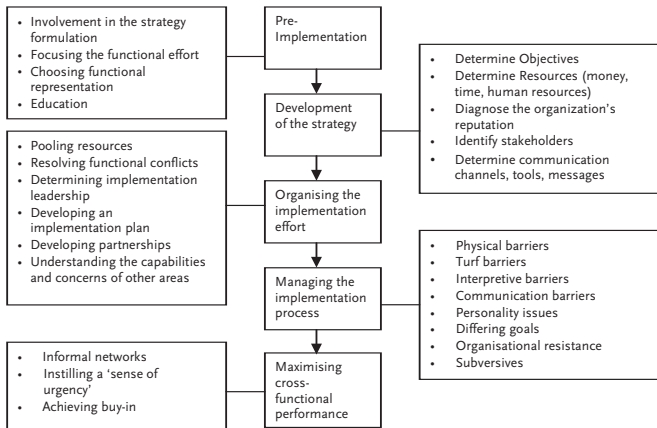
Strategy development and implementation model

ACTUAL COMMUNICATIONS REQUIREMENTS

To assess actual communication requirements, issues and opportunities in the SBU, it was important to talk with the relevant people in and around the LNG SBU. This method has the added benefit of increasing procedural justice. To that purpose, 42 semi-structured qualitative interviews were held with LNG managers from a range of (corporate) functions, regions and locations.

The ultimate selection of the interviewees (internal stakeholders) was based on cross-business representation, exposure (regular, direct interaction with external stakeholders), supply / marketing positions and corporate functions. This selection ensured that the results of the interviews would be valid, representative and reliable.

The interviews provided a wealth of data, and some of the main results of the interviews included:

• The interviewees identified six key external stakeholders, categorized in Upstream (supply markets) and Downstream (demand markets) segments:
  • Upstream
    • Major Resource Holders
    • Governments
    • National Oil Companies
    • Joint Venture Partners
  • Downstream
    • Governments (of demand countries)
    • Utility companies

• Overall, when looking for a partner, these stakeholders are mainly looking for operational expertise, technological expertise and good / fair partnership (including transfer of knowledge and good relations with NGOs).
• External stakeholders are most likely to choose Shell's LNG technology and project management (rather than a competitor's) because of Shell's track record in project management with delivery of projects on time and within budget – both upstream and downstream. Other reasons include Shell's presence throughout the LNG value chain, its ability to share financial risks and its commitment to localisation, knowledge transfer and generating jobs for the local population.
• On the negative side, external stakeholders often perceive Shell as arrogant and expensive ('gold-plated' designs)
• In terms of required communications channels and tools, the interviewees' main requirements are for case studies, slides and brochures. They currently predominantly use existing slides, which are adapted to local requirements, or create their own material and messages (without involving the communications function).
• Stakeholders in the LNG business are anything but homogeneous. Regional, national and even local geo-political factors, culture and history are important factors to consider when communicating with external stakeholders. In order to communicate effectively, there is a real need for the possibility to personalise messages and material to specific stakeholders and / or regions.

In addition to the information obtained in the interviews, other important areas that were considered in the development of content for messages included the company's reputation, which was assessed by focusing on the competitive context for the LNG SBU and RDS' corporate reputation. Further considerations were the strategic context and the business' specific challenges and opportunities.

Based on feedback from the interviewees, it appeared that the defined external stakeholders did not appreciate Shell management talking about themselves and their company as being the 'preferred partner'. This was seen as a confirmation of the perception that Shell is an arrogant and boastful company.

Therefore, for the content of messages for the LNG business, the corporate 'preferred partner' communication theme was not used; instead, the other themed messages (in line with the company's corporate communication themes) were formulated to position Shell's LNG business as a good and fair partner. All messages incorporate the 'preferred partnership' theme by focussing on the added value (potential) partners can expect from Shell.

MESSAGE MATRIX

Considering the complexity of the business, the diversity of stakeholders and issues, specific, tailored messages are necessary for specific stakeholders and regions. It was therefore essential to design messages and tools in such a way that they would allow for these specific requirements and local adaptations. This resulted in the development of a message matrix that offers this flexibility.

The matrix provides a structure that is consistent with corporate communications strategy (corporate messaging themes), whilst allowing specific messages to be formulated for the identified stakeholders. The messages have been formulated in such a way that they will be of use for a large majority of the stakeholders mentioned by the interviewees, address their requirements and consider current perceptions. The messages are underpinned by proof points, which serve as 'evidence' validate and support the messages.

The matrix offers LNG teams worldwide the flexibility to pick and choose relevant messages and proof points according to stakeholder and region. Localisation with regional examples and projects can be increased by adapting or adding proof points for the messages. In order to ensure continuing consistency with the corporate communications strategy, teams will be asked to obtain approval from the GP communications team for locally adapted and developed messages / proof points.

(corporate) Reputation Theme Stakeholders	Technology	Delivering Business Performance	People & Environment	Energy Challenge
MRH / Governments (UPSTREAM)	**Message:** Shell offers you security of operation and revenues. You can rely on us during both the start up and after commissioning.	**Message:** Shell can help you deliver. We have a consistent track record and a tested methodology of developing LNG plants within time and budget.	**Message:** Shell will actively ensure knowledge transfer and develops your local talent both in construction and in the long-term management of a plant.	**Message:** Our proven technologies help you extend the lives of your natural gas fields and we can operate these technologies at any scale.
	Proof points: - Very fast start up of new plants e.g. Qalhat LNG: 33 months construction, without equipment pre-ordering and prior mobilization which is among, if not the quickest in history.	**Proof points:** - All existing Shelladvised plants (from startup until today) that have completed acceptance test runs are capable of operating at or above design capacity (average 119%).	**Proof points:** - Over a ten-year period, Shell plans up to 100 million US dollar expenditure at the Qatar Shell Research and Technology Centre. This investment will help Qatar become a knowledge leader in the oil and gas industry.	**Proof points:** - The rejuvenation and upgrade of the Marsa Al-Brega plant, Libya will increase output from 0.7 to 3.0 mtpa.
	- In benchmarking studies carried out by Merlin and Associated (2004), Qalhat LNG has lower costs (capex) per tonne than other LNG plants.	- Since 1999, our projects have delivered 11 LNG trains that were overall within budget and on schedule – an average of. nearly two trains per year.	- As LNG is an international business, experienced local staff are often assigned to other Shell locations worldwide to share and gain experience.	- Brunei LNG is currently undergoing a major rejuvenation and refurbishment, which will extend its life by a further 20 years beyond 2013.

Message Matrix model with sample messages and proof points

In addition to the messages and proof points, other communications material that has been developed include a brochure, case studies and an 'online' library of presentations.

FINDINGS:

- Literature and models are of considerable use when deciding whether to base SBU communications on the corporate communications strategy. There are currently no models that focus on *communications* strategy at SBU level and the degree to which it should be linked to the corporate communications strategy. However, the SIDEC model (Van Riel and Van Bruggen, 2002), which was designed around brand strategy and relevant corporate endorsement, was found relevant and useful. The model was practical and easy to use, and provided a structured and systematic approach.

- It is also important to consider the strategic fit between the parent company and the SBU. Goold, Alexander and Campbell's (1995) parenting advantage analysis is of use, although care must be exercised in reaching conclusions based on applying this analysis, as many factors besides the influence of the parent impact a business' performance.

- Noble's model (1999) was found useful to provide structure to the development and implementation of a communications strategy. Adaptations were necessary to increase dialogue and involvement of the SBU managers and teams.

- Non-compliance can be effectively addressed by maximising procedural justice (Kim & Mauborgne (1993). Procedural justice is defined as the extent to which corporate strategy making is judged to be fair by SBU top managers. Kim and Mauborgne identified five levers to maximize procedural justice, and these were applied throughout the development and implementation of LNG messages and communications tools. To ensure this, Noble's model was adapted to increase procedural justice at each stage of the process. The results so far are certainly promising; involvement and dialogue increased, and support and buy-in across the SBU have been tremendous.

- The relatively large number of interviewees meant a considerable amount of time was invested in the interviews¸ both by the communications function and the LNG managers and teams. However, the involvement of a wide community from the LNG SBU has had significant positive effects:
  - It has increased involvement of LNG managers and teams across the business and across the world (increasing perceived procedural justice!).
  - It has resulted in a wealth of data on actual communications requirements, enabling the development of effective messages and tools that are of real use and support the LNG teams in reaching their business objectives.
  - It has helped to position the communications function throughout the LNG SBU. The interviews and the internal communications around this project demonstrated to the business that the communications function can provide real support and help the business teams reach their objectives. The developed messages and tools have been accepted and implemented and all feedback from

the LNG teams has been overwhelmingly positive. In addition, since the start of this project, LNG managers regularly contact the communications team with requests for advise, support and approvals of specific messages and tools.

- Considering the complexity of the business, the diversity of stakeholders and issues, specific, tailored messages will be necessary for specific stakeholders and regions. It was therefore essential to design messages and tools in such a way that they would allow for these specific requirements and local adaptations. A message matrix was developed which offers this flexibility and was found particularly useful. The matrix includes key messages and proof points for the identified stakeholders, in line with corporate communications themes.

- Although the defined messages will be applicable to the majority of stakeholders, the matrix offers a useful structure for the addition / adaptation of messages. To ensure consistency, the LNG managers will need to obtain approval from the communications function for these tailored messages, which seems to be working well. Moreover, the matrix can be used as a template for other businesses within Shell, and possibly other companies.

- The provision of clear communications support, tools and templates is of particular value in business units that do not have dedicated / professionally qualified communications staff. This helps to improve their knowledge and understanding in how to formulate localized / personalised messages in line with the corporate communications strategy, and will increase their confidence in their role.

The findings and tools developed in this study were found to be of excellent use in Shell's LNG SBU in enhancing the contribution of the communications function. The extent to which these research findings are applicable in other organisations is something that would be a useful area for further investigation.

However, for large organisations in particular, and especially those that have similar communications issues, this research should be of help in increasing the effectiveness of the communications function in contributing to the success of the business.

AREAS FOR FURTHER RESEARCH

Based on this research, the following areas for further research were identified:

- Research into the effectiveness of the message matrix developed in this study, and its use for other companies and businesses.
- Research into which conditions and criteria are relevant to consider when deciding whether to base SBU communications on corporate communications strategy. The SIDEC model (which focuses on brand strategy) was useful in this particular study, but it would be interesting to research a model that would particularly focus on the communications strategy as a whole.
- Research into issues, challenges and opportunities around joint venture communications and the most effective link with corporate and business communications.
- Research aimed at developing practical ways to improve the standing of the communications function within companies.

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Gert-Jan Lantinga

Perceptions of safety:

Communication, the forgotten dimension in safety at schools

After Grammar school Gert-Jan Lantinga (1959) studied English Language and Literature at the University of Utrecht. During his studies he chaired several student associations. After travelling around abroad he took up a career in education initially as a teacher English. Driven by the ambition to really make the difference in this sector he became manager and a little later executive director of a large educational institution. Presently, he is regional director of ROC ASA Amersfoort, part of the Amarantis Onderwijsgroep.

A B S T R A C T

In tegenstelling tot andere organisaties hebben scholen de hele dag hun "klanten" over de vloer. Scholen staan in de schijnwerpers. Wanneer geweld onder jongeren aan de orde is, levert dat vrijwel altijd negatieve publiciteit op. Scholen hebben dus een kwetsbare positie in de samenleving. Op scholen, gemeenten en andere overheidsinstanties vragen betrokkenen zich al jaar en dag af wat de beste optie is om te zorgen dat leerlingen, medewerkers en docenten zich veilig voelen op school en dat ouders hun kinderen met een gerust hart naar school zien gaan, ook als zij al wat ouder zijn en middelbaar en hoger beroepsonderwijs of beroepsvormend onderwijs volgen.

In Nederland, in tegenstelling tot de andere Europese landen, is de schoolkeuze vrij. Ouders en kinderen bepalen zelf naar welke school het kind gaat. Zij kunnen kiezen voor locatie, religie, cultuur en specialisatie. Dit betekent dat voor scholen in Nederland, net als bedrijven, imago en reputatie van groot belang zijn voor hun marktaandeel en dus voortbestaan. Issues als geweld en veiligheid, zeker onder jongeren, worden vaak breed uitgemeten in de media.

Schooldirecties lijken dus gebat te zijn bij het binnenshuis, of helemaal stil houden van incidenten die te maken hebben met geweld of onveiligheid op school. Op regionaal- en instellingsniveau wordt onderzoek gedaan maar ook vanuit de hogere regionen in de BVE organisaties wordt gezwegen wanneer het gaat om specifieke maatregelen om geweld en onveiligheid te voorkomen. In de literatuur wordt dit een "conspiracy of **D E**

P A R A D O X

"Gedogen is uit" staat er letterlijk in het COT rapport (Helsloot et al., 2004) als het over geweld op scholen gaat. ROC ASA Amersfoort heeft, na jaren voorbereiding, besloten zichtbare maatregelen te nemen om het aantal veiligheidsincidenten terug te brengen door toegangscontrole in te voeren. Sinds januari 2006 wordt elke bezoeker geregistreerd en hebben medewerkers en leerlingen een pasje met foto, dat bij elke ingang wordt gecontroleerd door bewakend personeel. Bijkomende omstandigheid is dat bij deze vestiging van ROC ASA Amersfoort aan de Leusderweg, deelnemers van de opleiding Security Academy in huis hun vak leren. Zo snijdt het mes aan twee kanten, heeft het management van de school gedacht. Niet in de laatste plaats omdat mogelijke imagoschade, door het invoeren van maatregelen, beperkt kan worden door in communicatie steevast het trainingselement van de bewaking mee te nemen. In de vrees voor imago en reputatieschade zit de paradox bij de invoering van maatregelen tegen geweld. Het gezonde verstand zegt dat wanneer alle betrokkenen zich veilig voelen op school, de werkbeleving erop vooruit gaat en deelnemers gemakkelijker en beter leren.

Door het terugbrengen van incidenten kan de school wegblijven uit de, vaak negatieve, berichtgeving in de media.

Het zwijgen kan ertoe leiden dat docenten zich door hun directies in de steek gelaten voelen; Zij hebben in hun dagelijkse bestaan wel degelijk te maken met incidenten. Medewerkers en leerlingen weten wat er aan de hand is en zien het zwijgen als verraad.

Het invoeren van maatregelen kan leiden tot de perceptie dat "de school dus niet veilig is" bij de buiten- èn binnenwereld van de school. Nu, 5 maanden na de invoering van de toegangscontrole, meten we of en hoe de maatregelen effect hebben op de perceptie van veiligheid. We meten het gevolg van maatregelen voor het imago en reputatie van de school op deelnemers, docenten, medewerkers, ouders en verzorgenden en de media.

Ook de rol van communicatie vóór, tijdens en na de invoering van de maatregelen is onderzocht. Vernieuwend en nog niet eerder aan de orde geweest in de rapporten van de BVE is het onderzoek naar welke rol communicatie, of het gebrek eraan, daarin gespeeld heeft en zou moeten of kunnen spelen bij de invoering van maatregelen.

ONDERZOEKSVRAAG

IN DIT ONDERZOEK WORDT DE VEILIGHEIDSPERCEPTIE OP VIER NIVEAUS GEMETEN:

1) ouders/verzorgers
2) deelnemers
3) medewerkers/docenten
4) de media.

We kijken o.a. naar het effect van de invoering van maatregelen tegen geweld op school op berichtgeving in de media.

Onderzoeksvragen

DE BELANGRIJKSTE ONDERZOEKSVRAAG LUIDT ALS VOLGT:

Kan een school veiligheidsmaatregelen nemen zonder schade aan te richten aan het imago of de reputatie?

Subvragen

Welke rol kan corporate communicatie spelen bij de introductie van een "veilige school"?

Welke rol kan communicatie spelen bij de introductie van maatregelen die de gevoelens van veiligheid op het werk vergroten?

Interne imagoschade

Op de onderzoeksvraag of een school veiligheidsmaatregelen kan nemen zonder schade aan te richten aan het imago of de reputatie? Is het antwoord "ja".

Extern is geen imago- noch reputatieschade geleden door invoering van de veiligheidsmaatregel. De enige schade die we kunnen constateren aan het imago is intern . We spreken dan niet van een imago maar van een organisatie-identiteit of, in bredere zin van de organisatiecultuur. De schade die geleden is lijkt niet veroorzaakt door de invoering van maatregel. Het gebrek aan communicatie, warmte en begrip van de directie voor de medewerkers, leidt tot weinig draagvlak voor maatregelen. Medewerkers nemen geen genoegen met alleen begrip vanuit de teammanagers, zij vragen om erkenning vanuit het topmanagement. Het gevolg van het ontbreken van die communicatiestroom is een bevestiging van een gevoel van ontevredenheid, dat toch al heerst in de organisatie.

In dat licht is de toegangscontrole meer een casus die laat zien dat de interne communicatie niet goed werkt, dan een de aanleiding voor de schade. Het onderliggende probleem is dat interne communicatie niet belegd is. Een goed doorwrocht plan, uitgevoerd door goed geïnformeerde communicatiemensen met zeggenschap in het beleid van de organisatie zal dit probleem kunnen oplossen.

Communicatiewerk aan de winkel

Mondeling communicatie alleen, wekt onvoldoende vertrouwen om te leiden tot inbedding van veiligheidsmaatregelen. De interne doelgroepen hebben sterke behoefte vanaf het begin betrokken te worden bij belangrijke maatregelen.

Managementcommunicatie blijkt hierin een belangrijke factor. Formele communicatie en het ondersteunen van mondelinge communicatie is essentieel. Het ontbreken daarvan werkt in de hand dat de betrokkenen zich niet serieus genomen voelen. De organisatie, met drie lagen, is voor communicatie niet voldoende; communicatie moet structureel en continu vanuit elke laag van de organisatie gebeuren. En in elke fase voorafgaand aan, tijdens en na de invoering van de maatregelen.

Een gedegen persbeleid kan leiden tot een positieve agendasetting. Wanneer corporate communicatie professioneel en niet alleen instrumenteel wordt ingezet, zal dat substantieel bijdragen aan een positieve organisatiecultuur, een sterkere identiteit en een beter imago. Ook in het onderwijs zou issues management usance moeten worden. Dit kost echter tijd.

Tot die tijd moet ROC ASA zo spoedig mogelijk een goed crisis communicatieplan (Argenti, 2004) opstellen, compleet met rollen en acties. Hiermee kan een mogelijke crisis zowel intern als extern voorkomen worden n.a.v. veiligheidsincidenten.

Het wordt tijd dat ook op scholen corporate communicatie wordt belegd bij een communicatie-afdeling met professionals die ook op beleidsniveau kunnen meepraten en meedenken. Er zijn plekken op school voor vertrouwenspersonen, medezeggen-schapsraadsleden, ondernemingsraadsleden, hoofden bewaking en allerlei andere disciplines. Interne communicatie, persbeleid, issues management en crisismanage-ment zijn echter niet adequaat belegd.
En vanaf vandaag niet alleen in rapporten als deze maar ook in het werkveld, en op de werkvloer!

Op de subvragen van dit onderzoek (Welke rol corporate communicatie kan spelen bij de introductie van een "veilige school".En welke rol kan communicatie spelen bij de introductie van maatregelen die de gevoelens van veiligheid op het werk vergroten) is het antwoord duidelijk; substantieel, zo niet alles bepalend!

Zo komen we tot de retrospectieve titel van dit rapport; *Communicatie, de vergeten dimensie van veiligheid op scholen.*

John de Munnik

Ethical Paradox:

Can An Outstanding CSR Performance Damage Reputation?

John de Munnik (1955) is responsible for communications about Corporate Social Responsibility for Akzo Nobel, including projects like the management of the CSR Report and upgrading emergency communications. He is a senior advisor in the department of Corporate Communications and for staff group CSR (including HSE and Regulatory Affairs). Presently this includes the preparation of an effective and efficient Public Affairs function for Akzo Nobel.

Before his present function of Head Corporate Public Affairs he was Head of Corporate Media Relations (2000-2005) and Communications Manager for the Netherlands for Akzo Nobel (1999- 2005). From 1977 up to 1999 he had several communications positions in the area of government, including Head of Public Relations for the City of Nijmegen, Head of the Nijmegen public information center, senior PR and media relations officer for the Province of Gelderland and

reserve officer for communication in the Dutch army. John started his career in communication as a primary teacher. His education includes various post academic courses about public relations, communications management, communication campaigns and the fundamentals of finance. John is married and has 3 kids, is an active sportsman and loves blues music, hobby cooking and photography.

INTRODUCTION AND PROBLEM STATEMENT

Research goal of this thesis is to deepen the understanding of the relationship between Corporate Social Responsibility (CSR) and corporate reputation. The assumption is that a good CSR policy might be damaging for a company's reputation.

Even the companies that are most active in CSR may not always see their performance on this front reflected in their corporate reputation. Take, for example, Shell, which became an apparent CSR champion after the Brent Spar disaster—but is still the target of much criticism in spite of its efforts and transparency.

Is it because being a frontrunner in CSR draws special attention from critical stakeholders, who stir up public discussion in media about controversial issues, thereby damaging reputation? Or is it because the general public prefers to believe NGOs and to distrust companies it widely perceives to be "window dressing" and whose biggest mistake is to draw attention to themselves with their positive news?

Or, on the contrary, is CSR a relevant and positive contribution to a company's reputation, especially when it is more than window dressing? For companies that value both sustainable behavior ánd a good reputation, these questions are all relevant.

THE CHANGING CONCEPT OF CORPORATE SOCIAL RESPONSIBILITY

Sustainability is often defined as: meeting humanity's needs without harming future generations.

"Imagine a world in which socially responsible and eco-friendly practices actually boost a company's bottom line. It's closer than you think." This was the front cover headline from a recent issue of the U.S. magazine Business Week. The magazine is quite famous all over the world, and not really known for its left-wing, soft stories about business or sustainability. "Only five years ago, sustainability reports were transparent efforts to polish the corporate image. Now there is a sophisticated understanding that environmental and social practices can yield strategic advantages in a world of shifting customer loyalties and regulatory regimes. Embracing sustainability can help avert costly setbacks from environmental disasters, political protests, and human rights or workplace abuses."

In fact, the Business Week article gave a concise overview of the development of the concept of corporate social responsibility or sustainability in the recent past.

Looking back on the developing concept of "corporate social responsibility" or "sustainability" from today's perspective, it looks like an ascending scale where every next step includes the former ones:

1. Sustainability as charity, not by definition with a connection to the company's business and not by definition a public activity

2. Sustainability as an instrument to protect or polish up (or even "window dressing") a company's reputation by being showy generous to society

3. Sustainability as a neutral "hygiene" factor for organizations: it is just good management. You simply have to have it, and if you don't it is a negatively distinguishing factor

4. Sustainability as crucial for long term survival, protecting company's "license to operate" in society, still being a defensive concept

5. Sustainability as a long term and offensive business opportunity: creating –before competitors do– new business by meeting new demands in society and thus shaping new markets. These new demands include dealing with such issues as global warming and the UN Millennium Development Goals, preferably while considering them as business opportunities.

If we look at this final description, Milton Friedman's old and often reviled words are not too far away from today's opinion: it is the responsibility of a company "to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception and fraud". These words were often translated as "the business of business is business".

The financial community has embraced the sustainability concept too, with a wide variety of ratings and investment opportunities. Governments and politicians are also pushing for more social and ecological accountability among big corporations.

THE ISSUE OF CORPORATE SOCIAL RESPONSIBILITY AND ITS LIFECYCLE

The subject Corporate Social Responsibility meets the criteria of being an issue: any forthcoming trend or in- or external development that could affect the organizations ability to meet its objectives.

For the strategic management of this issue, including the question of what it means for corporate reputation, it is necessary to know what the key elements of this issue are and in what stage of its lifecycle this issue is to be able to make the right choices for research.

CSR has all these elements in it:

1. Inside the company there is a detailed and bounded view on what a company can and should do, while in society there is a more unbounded view on the responsibility of companies for jobs, environment, taxes, profits and society in general. Competing insiders and outsiders support their claims by highlighting qualifications and the effectiveness of their approaches and by denying those advocated by the other side.

2. From a short term perspective there may be a conflict of interest between companies looking for profits and survival and outsiders looking for a sustainable product portfolio, jobs and other contributions to society

3. The constantly changing arena of media and politics certainly has an impact on a company's reputation and its possibilities for survival and even growth.

"Sustainability" is a very wide issue, in fact an issue portfolio consisting of all kinds of smaller ones, and very much alive in the media, political and governmental arena. This makes it hard to categorize it as one single subject in one phase of its life cycle. From the perspective of issues management it means that all these arenas are interesting and can be object of research and issues / communications management.

The latest – less defensive and more positive - developments in sustainability thinking does not really fit the issues management approach. Although it is not explicitly mentioned in the formal definitions, issues seem by nature to be developments companies have to protect themselves against. This defensive nature does not fit the more positive turn that is being made in the area of sustainability management nowadays, where companies try to find new markets, customers, and opportunities while going beyond sustainability as a hygiene factor and using it as a unique selling point.

RESEARCH IN LITERATURE

The research question of this thesis seems at the first glance to be conflicting with the opinion that social responsibility is a positive driver of reputation. In a search for literature about this subject it proved to be hard to find relevant articles within the huge amount of articles that discuss the relation between "sustainability" and "reputation"

from a critical perspective. Most of these articles are of a positive nature, stating in different wording that social responsible behavior will or at least may add value to reputation.

It is very hard to find negative remarks about the value of sustainability for the reputations of companies. Werbel and Wortman even state that – not exactly about sustainability but about the related subject of corporate philanthropy - the results of their research suggest

..that companies make strategic use of their corporate foundations to influence images of their social responsibility. Corporate foundations changed their philanthropic allocations following negative media exposure... The study provides support for the notion that corporate philanthropy is a useful adjunct that companies use to repair damaged reputations...

And they make a tiny, but interesting remark about the role of media

Direct corporate giving may be more likely to vary annually than foundation giving, and may be more sensitive to negative media exposure.

But they conclude that a lot of future research is needed to identify different strategic ways to improve corporate reputation, to identify key variables, to determine how stakeholders react and how the images change following the strategic philanthropic allocations that companies make.

Also Zyglidopoulos shows some hesitation about the frontrunners by stating that

...it is argued that although leading societal expectations has a positive impact on a firms' reputation for social performance, leading too much (as well as lagging too much) has a negative effect on the firm's legitimacy.

But Fombrun has no doubts:

Forward thinking companies can build reputational advantage internationally by taking head of these trends and being early adaptors of vanguard CSR practices.

This thesis is trying to answer the related but different question whether media might play an unjustified negative role in the perception process that consumers go through **before** the earlier mentioned psychological support (or rejection) is formed. Unjustified, because (and if!) negative media messages are based on the amount of attention companies attract, for example due to NGO activities aimed at the biggest, most interesting companies, instead of on the content of their sustainability policy. This specific research question was also object of research in relevant, factual literature.

Are there no doubts at all? In literature it is hard to find information about this angle, but it is not completely new. Already in 1995 the Business and Society Review wrote in a summary

> Companies spend millions of dollars to advertise their philanthropic sponsorships and support for community causes. These non-product messages seem designed to convey messages of good deeds and good character, presenting the corporations as caring, generous, personal, and likeable members of society... Advertised displays of social responsibility such as Mobil's help build goodwill capital and an environment of confidence.

It looks like a very positive article, but it was issued under the remarkable title
> We're Good Guys: Image Propaganda from Mobil Oil

Some other doubts were described by Márquez and Fombrun in their article about the relevance and responsibilities of sustainability ratings. They notice that
.... even a good CSR rating does not guarantee acceptance by stakeholders. Spurred by non-governmental organizations (NGO's), disgruntled employees, or distraught consumers, activists are often quick to launch boycotts or marches against companies that can cause long-term damage to a company's reputation

There is also no doubt about the agenda setting role of media with regard to people's attention to, comprehension of, and opinions about topics in the news.
Caroll and McCombs wrote
Newspapers communicate a host of cues about the relative salience of the objects on their daily agenda.....The Public uses these salience cues from the media to organize their own agendas, to decide which issues, persons or other objects are most important. Over time, the set of priorities visible on the agenda of the news media becomes, to a considerable degree, the agenda of the public....

All in all: more than enough reasons for a good look in media.

CRITERIA FOR RESEARCH

To be able to find answers to the research question in the media, clear research objects had to be chosen: business sectors, company and sustainability ratings, relevant issues and the right media resources – all with a fully international perspective.

Choice of business sectors

To be able to get a valid overview of how companies, media and issues relate to each other in the area of reputation, five completely different, but main business sectors have been chosen with a worldwide scope and sensitive to CSR related issues like business integrity and environment:

1. Oil and Gas
2. Chemicals
3. Banks
4. Automobiles
5. Health Care

Choice of world rankings and companies

To be able to compare companies that are apparently CSR oriented with companies that are not, world wide renowned rankings are being used. In the CSR area, the Dow Jones Sustainability Index (DJSI) is leading and global. For the earlier mentioned sectors, the following companies are selected from the DJSI World 2006-2007:

Sector bln.)	company	2006 revenues (USD
Oil and Gas	Statoil	61
	BP	268
Chemicals	DSM	10
	Akzo Nobel	16
Banks	Westpac Banking Corp.	16
	Citigroup Inc.	131
Automobiles	BMW	58
	Daimler Chrysler	186
Health Care	Novartis	32
	Pfizer	51

Looking for comparable companies that can be characterized as not-CSR oriented - for the simple reason that they apparently did not qualify or did not even try to for the DJSI - the Fortune Global 500 list for 2006 is used. In each sector the 2 biggest companies that are not in the DJSI World 2006-2007 are chosen:

Sector	company	position	2006 revenues (USD bln.)
Oil and Gas	Exxon Mobil	1	340
	Chevron	6	189
Chemicals	DuPont	205	28
	Sabic	307	21
Banks	Credit Agricole	19	111
	Bank of America	37	84
Automobiles	General Motors	5	193
	Ford Motor	9	177
Health Care	Sanofi-Aventis	159	35
	Merck	289	22

Issues selection

To be able to compare the amount of flak companies are exposed to in media, two issues have been selected that are relevant to each sector. The issue selection is rather a gut-feeling process than a scientific selection - just like the way media select what "news" is. Criteria for issue selection were: factual and relevant, CSR related, unambiguous description possible, results available in the selected media.

These are the issues have used for the media analysis for each sector:

Oil and Gas	Bribery (including facilitating payments)
	Hydrogen (as alternative energy source)
Chemicals	Emission (pollution, global warming)
	Safety (of raw materials and products)
Banks	Weapons (investing in weapons industry)
	Human rights
Automobiles	Fuel efficiency
	Automobile safety
Health Care	Patent protection
	Access to medicines

On top of the specific issues, the overall relation between companies and NGO's as reflected in media has been researched.

Media and news selection

For an equivalent comparison of companies and the way their issues are handled in the media, media were selected following these criteria: worldwide distribution, leading, and available in the LexisNexis system. For the news selection in relation to all the research objects, a random period has been covered of the same full year, from 24 March 2006 up to 24 March 2007.

FORMAL CSR STRATEGY AND ISSUE POSITIONS OF COMPANIES

In addition to the use of the DJSI as a check list for the CSR orientation of companies, the formal company statements about sustainability and the selected issues were compared. It was an experience similar to reading the election programs of political parties: it all makes some kind of sense if you read it, but the more interesting question is sometimes: "What dot they **not** say or want?" What they do not say was used to determine san estimated level of CSR policy.

Companies that have a sustainability policy that is also rewarded by outside agencies, all have their policy in clear statements available on their corporate websites. Sustainability as a business opportunity, on top of the other reasons to have a corporate social responsibility policy, is not yet always an explicit part of their formal strategy. The other – non-CSR oriented - companies have in some cases a very well defined sustainability policy, but the overall picture is much more scattered.

As said: the wording of the various companies does not prove too much about what they really do, but it is a supportive indication of the position they have on independent sustainability ratings and of the value they attribute to CSR themselves.

MEDIA ANALYSIS

The policy wording is no evidence of sustainable behavior, nor is the wording about specific issues in each of the industry areas: a lot of nice words, position papers and official statements. But in this case supportive information has been sought via an analysis of relevant articles in the most relevant media.

Based on media coverage, the reputations of the aforementioned companies have been compared. Based on their tone with respect to sustainability, all relevant articles have been rated positive, neutral or negative. All scores are related to CSR relevancy. For example: patent protection as a financial issue did score irrelevant, not positive, neutral or negative.

CONCLUSIONS AND ADVISE

Is CSR helpful for reputation? Or can – on the contrary - a strong CSR oriented company policy be damaging for reputation?

I was not able to prove one of these statements on a basis of some 2,500 articles in 40 international media about 10 different issues (plus the relation with NGO's) of 20 companies in 5 different sectors.
Does it hurt a company if the "hygiene factor" is not okay? There was no clear proof for that too.
The overall outcome is more or less neutral, which is surprising too because of the window dressing atmosphere that is always connected with the sustainable activities and communication of companies. It means "window dressing" does not seem to be a very successful activity too. Extended media or public opinion research might lead to a more distinctive outcome (but I doubt it).

Does this make CSR irrelevant for companies and their reputation? May be, if reputation would be the only driving force, but sustainability is certainly not irrelevant for a sound business future of a company. How to deal with communications and sustainability then, when a company's sustainability policy has grown beyond the point of CSR being defensive subject or a hygiene factor only? If "sustainability" is a strategic choice for a company and an unavoidable part of its identity, the management question is how to connect this to reputation in the long term.

Internal, for (top) management, this means that they have a continuous responsibility to prove that sustainability is inextricably linked to the identity of the company by repeating the policy message and by showing the right and consistent and behavior. And managers have to recognize the interplay among reputation and stakeholders, understanding that reputation is not solely determined by organizational action alone.

From an external point of view, we have to understand that no company can totally manage public policy issues that affect it, but it can only participate in that process. And the more global a corporation becomes the harder it gets, as different regions have different legal and cultural environments. Issues management is the strategic response to public policy change – either by mitigating unreasonable external demands or taking advantage of the opportunities.

Based on the issues life cycle stages "Politicization" and "Resolution" , it would mean that companies should try to connect with third parties to support their claims and to build coalitions with in order to bridge expectational gaps. This might be a the real meaning of strategic stakeholder engagement: discuss your issues with those who can

help to solve them, and take care you also have an open mind for their perspective. In an Annex to the full thesis, some thoughts about the conditions and other specifics of the cooperation with third party stakeholders, specifically NGO's, are discussed in more detail.

Media reputation is a strategic resource for organizations. From a media relations perspective, in order to refocus the issue of sustainability in the desired direction, (news) framing and themed messaging can be very helpful: a structured approach of media, based on selected topics, stories, statements, pictures and journalists. These themes obviously have to fit the desire of media for factual issues and the company's wish to tell the stories that support the desired reputation. After political and media research, themes can be selected for the specific sector in which a company is active.

Media can also be helpful to create a position to have a debate about controversial issues, thus avoiding the spiral of silence and a possible uncontrolled explosion of a specific issue. In this battle for the mind of the public, media can also help to stay visible as an active company.

Connecting sustainable behavior of organizations to planned and themed communications may in the end be the best guarantee for a positive reputation and a sustainable future.

John de Munnik
June 2007

Gwendolyn Rahusen

Connected Thinking: Corporate Branding Strategy of the Ministry of Defense

Gwendolyn Rahusen (1974) is communications advisor at the HBO-raad, an organisation that focuses on strengthening the social position of the Universities of Applied Sciences in the Netherlands. Here she is responsible for initiating and developing corporate communication strategy's that concern the 44 university's of applied science in the Netherlands.

Gwendolyn started her career in 1999 as a communications advisor at de Royal Dutch Army. Within the HRM department she developed communication strategies for projects concerning the labour market and employability.

In 2003 she started as a spokesperson at the Ministry of Defence. Here she acted on a variety of issues, such as the Dutch mission in Iraq and Bosnia. This included editing press releases, answering media enquiries, preparing media interviews and visiting military missions with the press.

Gwendolyn studied Bachelors of Communications in Groningen, and a post Bachelors senior communications advisor. She experienced the MCC programme as a necessary and highly interesting supplement to her professional development.

Gwendolyn recently married Luuk Aarts, with whom she lives in The Hague, enjoying the coast and sea by sailing.

MANAGEMENT SUMMARY

Background

The current tasking of the Defense organisation and the complicated environment in which it carries out its tasks require a large political and social support base. Reputation, communication and positioning play an important role in obtaining and maintaining this support base.

Strategic changes within the Defense organisation, combined with developments in the field of public management, have led to a wave of reorganisations in the last few years, focusing on the improvement of management, efficiency and effectiveness. These reorganisations have resulted in a Defense organisation which now, more than ever, displays the characteristics of a concern/business unit model. The corporate level (ministry) focuses on the strategic positioning, establishment of frameworks, allocation of resources and integral management. The business units (the armed forces Services) focus on the execution of tasks. These changes have had an effect on the identity of the Defense organisation.

The strategic changes and choices with regard to the set up and management of the armed forces are also finding their way to the discipline of communications. In the past few years, there has been a continuous discussion concerning the branding strategy of the Defense organisation. With regard to corporate communication, it was very recently decided to move towards a more endorsed branding strategy. The choice of an endorsed branding strategy does, however, hold consequences, not least for the Defense organisation's recruitment campaigns.

STUDY QUESTIONS AND STUDY SET-UP

The necessity of reaching a clear (external) positioning of the Defense organisation and its elements, the tangible tension between the desired identity and the felt identity, as well as the realisation that the Defense organisation has an insufficient overview of the consequences linked to its choice for a more endorsed strategy, are all reasons to subject the Defense organisation's branding strategy to a closer investigation.
The study question of this thesis is, then, as follows:

> STUDY QUESTION:
>
> *Which branding strategy is best suited to the Defense organisation and what are the implications of this branding strategy for the Defense organisation?*

This thesis examines the subject from various angles in order to answer the study question. Those angles are: identity, the inside-out perspective and the outside-in perspective.

The following diagram illustrates the approach:
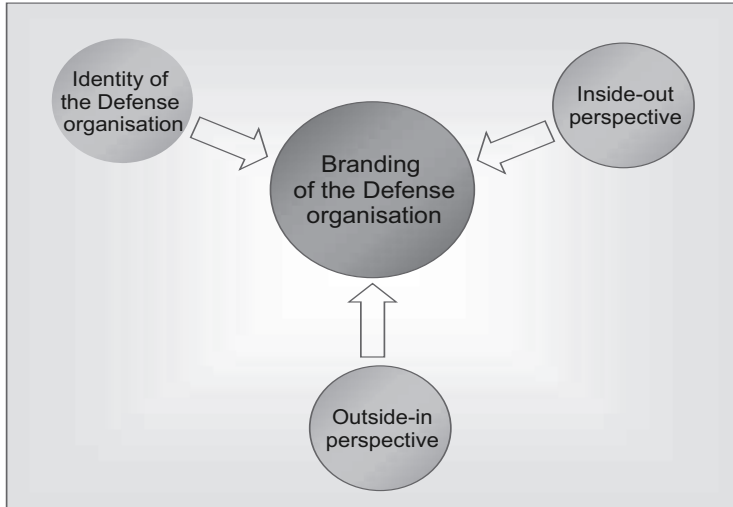
Figure 0.1 Diagram of the study set-up

Identity

For an organisation to position and profile itself successfully, it is important to know what it stands for, what its identity is. In this thesis, the Projected Identity (what does the organisation communicate?), the Preferred Identity (what does the organisation want?) and the Perceived Identity (how do employees view the organisation?) of the Defense organisation have all been studied with the objective of creating a clear overview to be used as a point of departure for selecting a branding strategy. This part of the study is based on Balmer's AC2ID model (2002).

Inside-out perspective

Every organisation is structured in its own unique way, with its own strategy, work methods, culture and environment. These all have influence on the selected branding strategy. The structure of the Defense organisation will be outlined from the inside: how does the Defense organisation view its strategy, organisation (work method), drivers and environment of the Defense organisation and its Services (inside)? And which branding strategy will this result in (out)? These questions will be answered by following the SIDOC model (see figure 0.2).
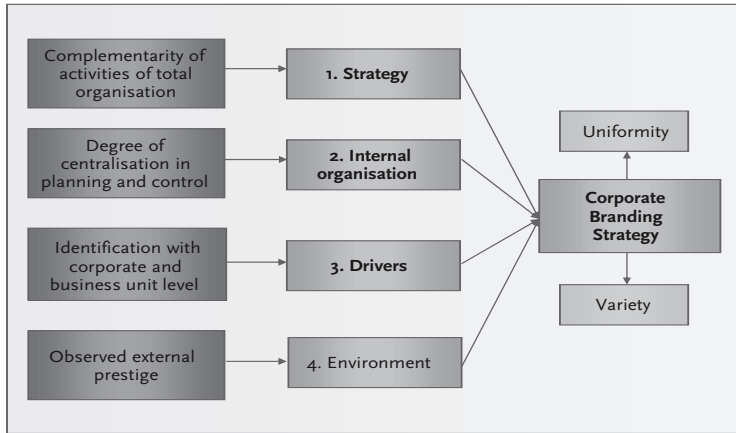
Figure 0.2 SIDOC model (Van Riel, 1994)

Outside-in perspective

In order to reach the correct decision with regard to the Defense organisation's Corporate Branding Strategy, it is also important to know how external stakeholders view the organisation (outside-in perspective). In other words, what is the image of the Defense organisation and its Services? How strong are the various Defense brands? Is it seen as a single organisation or as different entities and what are the external stakeholders' associations with the Defense organisation and its Services?

To answer these questions, research was carried out into how the two most relevant stakeholders, i.e. the general public and the recruitment target group, view the different Defense brands: the Royal Netherlands Navy, the Royal Netherlands Army, the Royal Netherlands Air Force, the Royal Netherlands Marechaussee and the Defense organisation.

The questions were partly answered by existing research, partly by research initiated for this thesis, which was carried out over the past few months (see figure 0.3).
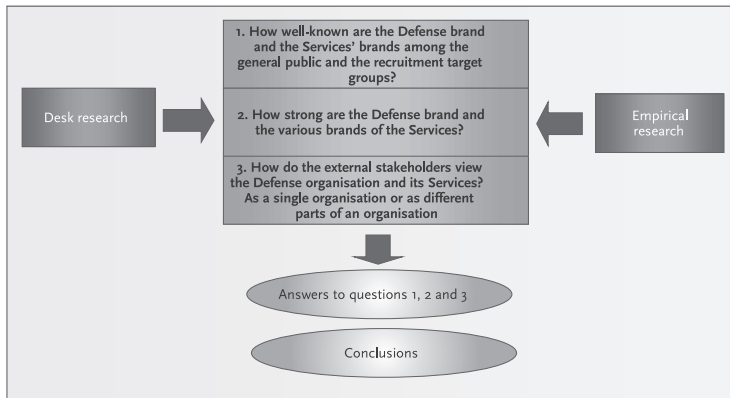
Figure 0.3 Study of the Outside-in perspective

WHICH BRANDING STRATEGY IS BEST SUITED TO THE DEFENSE ORGANISATION?

The most important findings leading to the answers to the question "which branding strategy is best suited to Defense organisation?" are to be found in this paragraph.

Inside-out

The Defense organisation functions as one entity under the orders of and is centrally accountable to the political leadership. In this, unity is a keyword. The activities of the Defense elements (business units) are complementary to the Defense organisation as a whole; there is a strong centralisation within the organisation and the core competence (achieving peace and security) is only created collectively and not by a separate Defense element. Unity, complementarity and centralisation are of major importance for establishing a strong corporate brand.

Outside-in

All of the Defense organisation's brands (including the 'Defense' brand) are well-known to external stakeholders: the majority of the general public and the recruitment group (80% to 100%) are acquainted with the five different brands.

The reputation of the Defense organisation as a whole and that of the separate Defense elements is good: appreciation of the various brands in terms of figures (from 1 to 10) lies between 6.9 and 7.2. These figures are not particularly high in comparison with well-known commercial corporate brands, but can be called respectable if interpreted

in the context that the Defense organisation is not a commercial company supplying products to a large market but a governmental body with its 'market', in the shape of military operations abroad, outside the Netherlands.

The depth of association of the Defense brands is also high, in view of the fact that, as already mentioned, the Defense organisation and its Services do not deliver their services directly to the general public of the Netherlands. The Dutch public has therefore little or no experience of these services and can therefore not form an opinion based on its own experience of these services. Despite this, the Dutch public does indeed have an opinion about the Defense organisation and its Services: all respondents (both the general public as well as the recruitment target group) have, for the main part, either realistic or positive associations. The low number of negative associations is remarkable. I would, on the basis of this information, call the reputation of the Defense organisation and its Services good.

The reputation of the five brands is good and reasonably in line (in view of the positive and realistic associations) with what the Defense organisation wishes to project to the outside world. The same can be said for the endorser, the 'Defense' brand.

CONCLUSION

On the basis of the results of the inside-out and outside-in perspectives, an endorsed branding strategy is best-suited to the Defense organisation.

DEGREE OF ENDORSEMENT

The subsequent question is: to what degree should the endorsement of 'Defense' be implemented? Before answering this question, I would first like to consider the spill-over effect.

Spill-over effect

The research results from the empirical research show that more than half of the general public and the recruitment target group view the various Defense elements as separate entities. The majority of the respondents know the 'Defense' brand. The Services' brands are, however, more well-known than the 'Defense' brand. The Services' brands also evoke more desirable and less undesirable associations than the 'Defense' brand. The 'Royal Netherlands Navy' and 'Royal Netherlands Army' brands are especially well-known and strong. It can be concluded from this information that the 'Defense' brand has no spill-over effect (added value) to its Services.

Although there is no spill-over effect from 'Defense' to the Services' brands, it is possible to let the spill-over effect take place in the opposite direction, i.e. by charging the 'Defense' brand on the back of the Services' brands. The spill-over effect then takes place from the brands of the Services to the brand of 'Defense'.

The 'Defense' brand's name and reputation are sufficiently strong to function as a corporate brand. 'Defense' will become, as it were, an umbrella brand with the various Services' brands positioned under it. The 'Defense' brand will be clearly visible and present, and will indicate cohesion and the Defense organisation as 'a single entity'. At the same time, it will leave space for the Services' brands to retain the strong reputations that they have already built up. The 'Defense' brand will subsequently make use of the strong reputations of its Services` brands positioned under it.

Endorsement scenarios

To what degree should the endorsement of 'Defense' be carried through? There are a number of scenarios to be considered. These scenarios are explained below.
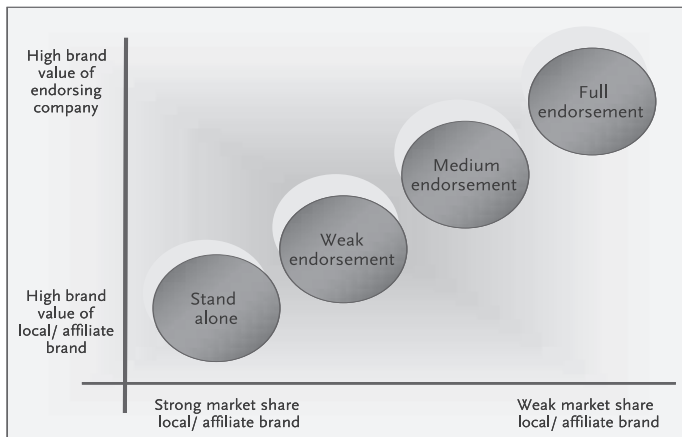
Figure 0.4 Overview of the levels of corporate branding (Van Riel, 2003)

Scenario 1 Weak endorsement through themed messaging
In the weak endorsement scenario, the Defense organisation will make use of themed messaging. These are core messages, defined and orchestrated by the central organisation, with a certain bandwidth which allows the Services' brands to profile their own identities and strengths, in relation to the core messages. These themed messages are then projected through the various modes of communication towards the internal and external stakeholders. The core messages will reinforce each other and the interrelatedness will be clearly visible for the various stakeholders.

This would mean that the Defense organisation will strive for synergy in the Services` recruitment campaigns, which are now of a partly competitive nature. Core messages will be aligned with one another. The message will show the individual identity of the specific Service, but with reference to the interrelatedness of the Services and to the bigger 'Defense' picture.

Implicit endorsement is present in themed messaging. There is, as yet, no strong visualisation of the Defense brand in communications.

Scenario 2 Medium endorsement through the co-projection of the 'Defense' brand
Collectivity in the projection to the outside world in the form of visually harmonised modes of communication, in addition to the implicit endorsement of themed messaging, is characteristic of this scenario. The strength of the Services' brands are used to 'charge' the 'Defense' brand (spill-over effect from the Services' brands). The 'Defense' brand is subsequently used to emphasise cohesion and the larger whole.

With regard to the Services' recruitment campaigns, this would mean that the projections of the campaigns would be harmonised (in the shape of a uniform campaign format or 'house style') with the 'Defense' brand receiving explicit and meaningful exposure. The objective of this alignment is to emphasise the interrelations between the Services and the Defense organisation. The 'Defense' brand can profit from the strong reputation of the Services' brands (spill-over effect).

Scenario 3 Full endorsement through uniformity
The key words in this scenario are uniform core messages and uniform projection. This scenario is characterised by uniform and centrally-directed communications and a rigidly implemented uniform house style, which includes vehicles and uniforms. In this scenario, there is no distinction between and room for the Services' own brands. The 'Defense' brand only is utilised.

This may seem to be carrying the principle too far, but, in practice, it is fairly commonplace. Examples of the 'full endorsement' principle are Shell, Philips, but also TNT, the Dutch post office formerly known as TPG, where the past few years have seen a growth towards a uniform method of communication (themed messaging) and projection (external communications) as well as in other, broader areas (uniforms, vehicles, postboxes).

CONCLUSION

There is a limit to the endorsement of 'Defense': the Services have long histories with strong identities. These histories, as well as books and films about war, enemies and heroes, evoke various characteristics of identity. In the last ten years, the Services` labour market campaigns have built up strong brands. These reputations, associations and identities are not easily built. This demands, time, investment and authenticity.

The value of the Services could be transferred and assigned to the 'Defense' brand by making large investments and by launching major publicity campaigns. An extremely high degree of endorsement would, in my estimation, require such a degree of investment that it would lead to imbalance in the costs-benefits ratio. In addition, the authenticity of the Services cannot be transferred one-to-one to another brand. Space, i.e. bandwidth is required in order to retain the individual character of the Services' identities, built up through the ages, and to subsequently transfer the strong reputations of these brands to the 'Defense' brand.

> *A medium degree of endorsement would benefit the Defense organisation, using themed messaging and the co-projection of the 'Defense' brand. The 'Defense' brand would be used as the 'umbrella brand'.*

WHAT ARE THE IMPLICATIONS OF AN ENDORSED BRANDING STRATEGY?

There are a number of implications connected to the implementation of a medium endorsed branding strategy. These are explained below.

Projected Identity

An important consequence is that the Projected Identity will shift from a branded to a medium endorsed Projected Identity.
In a number of cases, medium endorsement is already taking place, for example, in the communications with external stakeholders (such as the media, parliament and the trade unions), via press releases, letters to parliament, progress reports and speeches. These types of communication are centrally managed by 'Defense'. Within this framework, the Service brands have a certain amount of space. The projected cohesion and unity is, however, high.
In other areas, the endorsed branding strategy must be incorporated in a robust manner, for example, in communications towards the general public and the labour market. Until now, these types of communication have been branded, the most visible examples being the Services' branded internet sites and recruitment campaigns.

The brands of the Defense organisation have a good reputation. In general, it is better to exercise caution when changing or building brands. The Defense organisation will benefit from a gradual introduction of endorsement, beginning with the introduction of themed messaging (scenario 1).

Endorsement can subsequently be expanded to medium endorsement by the co-projection of the 'Defense' brand (scenario 2). The 'Defense' brand will be strengthened by positioning it next to the strong Services' brands. It will, as it were, be 'charged' by the reputation and values of the Services (spill-over effect).

Perceived Identity

Investments in the Perceived Identity, i.e. what the organisation's employees experience and project, must be made simultaneously with the adaptions to the Projected Identity.

The Defense employees' degree of identification with both the corporate (ministry) and the business unit levels (the Services) is high, although slightly skewed towards the business unit level. In addition, the Services do not always recognise the added value of increased endorsement.

The nature of Preferred Identity, its use and necessity, will all have to be explained to Defense employees. This is meant to lead to a stronger identification with the Defense organisation as a whole, in addition to identification with the Service he or she is employed by. This change will require commitment from employees.

Preferred Identity

There is a great deal of discrepancy between the Projected, Perceived and Preferred (Desired) Identities. This discrepancy between the various types of identities may lead to inconsistent messages, which is not desirable for the coherence and, in consequence, the reputation of the Defense organisation.
For an increased branding strategy to be a success, investments will have to be made in the organisation's types of identity and in the employees' identification with the organisation. The starting point must be the alignment of the types of identity and for the investments in the Projected and Perceived Identities to lead to the Preferred Identity.

Other implications

A medium endorsed branding strategy may have major consequences for activities that are being carried out outside the endorsement framework. An example of one such activity is the recruitment effort:

- Medium endorsement enables more efficient use of resources and personnel. A recruitment office will, in that case, no longer recruit for the army only, but also for the air force, navy and marechaussee (military police). The Services will no longer have separate stands at recruitment events (competition among the services) but make a collective arrangement.
- Savings in the overheads can be made by joining the various recruitment communication departments together.
- Medium endorsement can lead to efficiency in the area of the procurement and management of media areas.
- A medium endorsed labour market campaign entails the development of a new creative concept, which defines the new Preferred Identity characteristics. Initially, this will lead to additional costs, but is expected to eventually lead to long-term savings.

IN CONCLUSION

In the preceding paragraphs, the study question was answered. The strength of branding the Defense organisation lies in making the connection between the various disciplines of the Services visible.

It is now time to make this connection explicit. This can be achieved by illustrating both the collectivity and the interdependence. The specific expertises of the Services must – albeit within the aforementioned collectivity – be assigned a place within the endorsed Corporate Branding Strategy.

The ongoing military operations show that the Services are, in practice, already working together on a daily basis to achieve peace and security. It is essential that servicemen and women recognise each other's professionalism, each other's actions and think from a common denominator. In other words, 'connected thinking' is required.

A successfully implemented endorsed Corporate Branding Strategy will be based on 'connected thinking', a term which has therefore been incorporated into the title of this thesis: 'Connected Thinking, the Corporate Branding Strategy of the Ministry of Defense'.

Chris Roelen

Seek first to understand, then to be understood

An exploratory study on senior executives' vision on internal communication and corporate change

Chris Roelen (1973) is CEO and owner of Lionfish, a Netherlands based bureau for corporate communication that is specialised in internal communication and corporate change. Since the start of Lionfish in 2000, Chris is actively involved in consultancy and management assignments for both profit and not for profit organisations. Some of his clients are Shell, AEGON, Akzo Nobel, Dutch ministry of Finance, Dutch ministry of Education, Culture and Science, and the VSBfonds. After finishing High School in 1990 Chris went to the Erasmus University Rotterdam to study economics.
In his six years at the Erasmus University, he developed a professional framework to work on issues like organisational performance and development, corporate culture, market analysis and general economic development. Following a one year sabbatical for backpacking throughout South East Asia, Chris graduated for his masters in 1998. As the first step of his career he then joined Ormit for a two-year management development program. At the end of this period Chris decided to set up Lionfish as a bureau for corporate communication. In 2005 Chris returned to the Erasmus University Rotterdam, only this time to do the Executive International Master of Corporate Communication Program. During the first classes it felt like a home coming experience. Together with all members of the teaching staff and the students that participated in the program Chris was able to further expand his knowledge and expertise regarding the young and dynamic profession of corporate communication. Besides his professional challenges, Chris likes to travel the world with his girlfriend Stéphanie to visit places that offer great diving experiences or other kinds of natural treasures and beauty. Chris and Stéphanie currently live in Zoetermeer, in the western part of the Netherlands.

1 · INTRODUCTION

In today's world, constant economic developments have a strong effect on corporate practices. This turbulent corporate environment causes companies to adjust their vision, strategy and operations on a regular base. Further internationalisation, new economic landscapes, the transformation to become more service-oriented, the digital revolution and the need for both transparency and governance are just a few examples of causes that lead to unambiguous corporate change.

Understanding corporate change in all its different aspects is the first step in managing it. In order to do so many scientists, researchers and consultants have studied the principles of corporate change. For an overview of its wide implications see Caluwé and Vermaak (2006). One subject related to corporate change, which has a growing interest of both the scientific as well as the corporate world, is internal communication. Helms (1990) claimed that "communication is a key element in any developmental or behavioural change, and the more organisations understand the communication demands, the more effective such transactions will be".

Various contributions on internal communication and corporate change have enriched our understanding of the subject (Nobel, 1999; Farmer, Slater and Wright, 1998; Pain, 1993). However, what appears to be unavailable is a clear understanding of how those responsible for internal communication and corporate change (senior Corporate Communication and HR executives) think and feel about the subject.

Therefore the objective of this research project is to increase the knowledge and understanding of internal communication and corporate change by studying the vision that senior HR and Corporate Communication executives have on the subject.

The relevance for this research project is threefold. First the subject of internal communication is becoming more and more important for both CEO's and those executives who are responsible for corporate communication (Van der Jagt, 2005; Forman and Argenti, 2006). Second, although the first illustrates the importance of the subject, most of the literature regarding internal communication and corporate change is still rather superficial or fractural (Lewis, 2006; Larkin and Larkin's, 1997). However, it appears there are no widely used standards or well tested theories regarding how to deploy internal communication with respect to realising corporate change. Studying the vision of those responsible for internal communication and corporate change practices should help to improve our understanding of the subject and can therefore be seen as the second reason for doing this study project.

The third and final reason is more indirect and focussed on all who are involved in the subject of internal communication and corporate change. By being able to better understand how senior executives think and feel about internal communication and corporate change, scientists, researchers, consultants and corporate professionals have the opportunity to expand their knowledge regarding the subject. This should enable them to further improve their theories and practices and bring the overall level of professionalism to a higher level. Or as Stephen Covey (1989) has said: 'Seek first to understand, then to be understood'.

2 · LITERATURE AND KEY TOPICS

The main objective of this research project is to study the vision of senior Corporate Communication and HR executives regarding internal communication and corporate change.
The key topics of this research project are the following:

2.1 · Corporate change

For many years, the subject of corporate change has received much interest from both scientist as well as practicians. Already in the first half of the 20-th century the Austrian economist Schumpeter (1934) made clear that 'creative destruction' and finding new combinations is the key element of entrepreneurship. Schumpeter clearly illustrates that 'change' is at the core of each corporation and therefore requires management's full attention.

Besides the theoretical economic vision of Schumpeter, the literature concerning corporate change can be divided into several categories. First, there is group of authors who study corporate change as a phenomenon. Authors like Lewin (1961), Zwart (1993) or Lievegoed (1975) all try to understand how the dynamics surrounding change within organisations actually work and were they come from.

The second group of authors involved in corporate change, also called the 'corporate doctors', propose all sorts of suggestions or remedies to improve corporate practices. Parallel to the rise of modern management this group started with Weber's Bureaucratic Management (1947), Taylor's Scientific Management (1947) and Fayol's Administrative Management (1949). Recent contributions are Peter's and Waterman's In Search of Excellence (1982), Kaplan's and Norton's Balanced Scorecard (1992) and Collins' From Good to Great (2001).

The third and final group of authors involved in corporate change is more concerned with how corporate change actually takes place within organisations. They are more process-oriented and less interested in what the change actually consists of. Some examples are Caluwe and Vermaak (2006), Lewis (2000) and Noble (1999).

As a result of the studied corporate change literature, this research project considers corporate change to be planned corporate change. In line with Zwart (1993) planned change is seen as a conscious, deliberate and collaborative effort, based on a purposeful decision to effect improvements in a social system which is achieved with the help of professional guidance. As a consequence of the above, unplanned change and how organisations deal with it is not part of this research project.

2.2 - Internal communication

Studying the literature regarding internal communication shows that in the last years the topic is gaining more and more attention from researchers and practitioners. Throughout the 80's and 90's of the last century, the main focus was on trying to define internal communication and how it should be positioned within an organisation; see for example Grunig (1992), D'Aprix (1982), Argenti (1998), Van Riel (2003).

Besides positioning and defining internal communication, the available literature shows several issues regarding internal communication that receive more and more attention. The first topic is Strategic Business Alignment (SBA), ('The Influence of Employee Communication on Strategic Business Alignment', Van Riel, Berens and Dijkstra, 2005). The second issue involves internal communication and corporate change. Literature consists of a number of interesting ways on how to approach the subject. Authors like Dutton and Dukerich (1994) consider changing employees' identification with a company's corporate identity to be the main focus of their research. At the same time, Hardaker and Fill (2005) approach the subject from a corporate branding perspective.

As the above two perspectives come from a specific background (corporate identity and corporate branding), literature also provides information about internal communication and corporate change itself. Examples are Noble's (1999) contributions regarding the Implementation Network including its special interest in communication during each stage of implementation, Lewis' (2006) study regarding advice on communicating during organisational change (based on analysing bestseller management books on corporate change) and Koeleman's (2000) internal communication strategies based on different views as how to see and deal with corporate change.

In the case of studying the vision of senior executives regarding internal communication and corporate change, little is known. On a more general level Van der Jagt (2005) analysed CEO's vision regarding corporate communication and reputation management, whereas Argenti (1998) and Forman and Argenti (2006) have interviewed senior managers in order to find out and describe how those responsible for corporate communication think and feel about, amongst others, internal communication. Dortok (2006) investigated a managerial look on internal communication, but only to learn more about how corporate reputation, corporate communication and internal communication interact towards each other.

2.3 - SENIOR EXECUTIVE'S VISION

The main focus of this research project is on exploring vision. For the purpose of this study a vision is defined as someone's overall evaluation (think and feel) of a certain topic. This implies one person can have more than one vision. For someone to make such an overall evaluation of a certain topic and have a vision about it, it is required that the person has knowledge about and experience with the topic involved. If not, someone can have an opinion about a certain topic, but this doesn't imply that it is a vision.

In line with the above definition and the fact that this research project is about internal communication and corporate change, it seems logical to focus on the vision of senior HR and Corporate Communication executives. In most cases internal communication is part of the Corporate Communication function (Argenti, 1998; Grunig, 1992), while at the same time the HR function is highly involved in realising corporate change (Forman and Argenti, 2006; Douglas, Martin and Krapels, 2006). Since both functions are familiar with the subject, this implies that both types of managers should have knowledge and experience with the subject.

3 - RESEARCH METHODOLOGY

As described in the introduction, the main objective of this research project is to gain and spread knowledge and insights about internal communication and corporate change. By doing this, all involved in this young and dynamic discipline can benefit and as a consequence improve their level of expertise and professionalism.

The most important characteristic of this research project is its exploratory character. Only little is known and this study tries to provide the first insights, so that hopefully others can continue to find out more detailed information regarding internal communication and corporate change. This first but modest exploration can therefore benefit the most from a predominantly qualitative research approach.

Based on the available literature and theoretical insights, semi structured interviews were held with a selective group of respondents. As a deductive type of research these interviews were used to provide information about the vision of the senior executives. Consequently, after finishing the interviews the next step was to formulate general opinions and exceptions regarding the theoretical insights that formed the starting point for the interviews.

In order to study the actual vision of senior executives twenty senior HR and Corporate Communication executives are interviewed. All interview candidates have a strong and leading senior executive position in either nationally or internationally operating Dutch companies. The companies involved vary in size, both financially and in their number of employees. The following senior executives were willing to participate in this research project.

Name	Company	Function
Nana van der Aa	TNT express	Communications executive
Marianne de Bie	Schiphol Group	Head of Internal Communication
David Brilleslijper	Delta Lloyd Group	Director of Corporate Communications
Hans Cornuit	Stork	Corporate Director HR
Lysbet Donders	ProRail	Director HR
Bert Groothand	SNS Bank	Head of Internal and External Communications
Herman Kievits	Shell Nederland	Manager External Affairs
Dick Kors	Stork	Director of Corporate Communications & Investor relations
John McLaren	Akzo Nobel	Director of Corporate Communications
Peter van Minderhout	TNT Group	Director Social Responsibility
Wim Mul	Schiphol Group	Director HRM
Elliott Nelson	Akzo Nobel	Head of Global Talent Management & Leadership Development
Ralph Otte	ASML	Sr. Director HR&O Europe
Angelique Paulussen	ASML	Vice President Communications
Jules Prast	Philips	Executive Vice President Corporate Communications
Jan Schaapsmeerders	Shell Nederland	Director HR
Ben Sinnige	Delta Lloyd Group	Director Group HRM
Ward Snijders	ING	Head of Internal and External Communications
Joop Vedder	Pon Holding	Director HR
Marion Wetzels	ProRail	Corporate Change manager

There are some aspects that may pose limitations on the conclusions that are originating from this research project. The most important limitation has to do with the limited number of interviews (n=20) that were conducted. Secondly, although the

companies visited differ significantly in history, size, business model and (international) market conditions, they can't be seen as a representative selection of Dutch companies. However, since the main objective of this research project is to raise the level of understanding about internal communication and corporate change, these limitations don't pose a serious treat towards the exploratory character of this study project.

4 - INTERVIEW RESULTS

As an exploratory study, the interview results form the backbone on which overall conclusions can be drawn. In order to explain and understand the senior executive's vision, this vision was discussed by using several variables that together form the vision of the senior executives with respect to internal communication and corporate change. These variables are importance, relevance, influence, main objectives, responsibility, key issues, decision making, planning, tools and instruments, effectiveness, results, measurement, critical success factors, personal notes and further professional challenges.

Besides these other topics that were discussed are:
- successful examples of internal communication and corporate change
- the main corporate ambitions and the accompanying corporate change initiatives
- the role of the senior executives with regard to realising corporate change initiatives
- the reporting line of the senior executives involved
- the most important methods of internal communication
- the objectives of internal communication within the company
- the involvement of HR with internal communication and corporate change
- the cooperation between internal communication and HR

The interview results consists of a large collection of numbers and figures, opinions, quotes, interpretations and beliefs about the senior executives' vision on internal communication and corporate change. Since it is impossible to present all the information in this summary, only several wonderfully interesting quotes are presented. The quotes presented below were given as examples of successful internal communication of corporate change practices. Their diversity and variety provides the stepping stone for the overall outcome of the interviews and the conclusions of this research project that are presented in the next section.

Examples of successful internal communication of corporate change:

"As a listed company the decision to sell a large division that holds tens of thousands of people is a major operation. You have to make the decision with only a few people involved, because as soon as the story goes around you have to open up to the outside world. We made an information package for all different stakeholders and published it in nine different languages on our internal web. It included customer information, internal communication (background, objectives and next steps), employees' council communication, 'HR packages and specific management instructions for town hall meetings and using Power Point presentations. In the next days we organised follow-up meetings and two days later we flew in all those executives that were important for this operation. We discussed their experiences so far and asked them how we could support them and which additional help they could use in their process of gaining their employees' buy-in. This was highly appreciated and they were very much aware of our support role."

"Internal communication is getting to the people before the newspaper; giving them all the information and making them part of the process. And do it early."

"For one of my projects I involved someone from our communication department but it seemed that what we were doing was too complicated. The communication department quite often doesn't know what we are doing in our core business, while actually they should. The texts they deliver to me often are besides what it is really about."

"So it means that you think it over very well, especially concerning the 'who', 'what', 'how' and 'when' questions which you have to realise in a consistent and professional way."

"The diagnosis of the actual problem that was behind the corporate change itself was very good because they listened well to the people, especially those at the lower regions, who had a problem in the old situation. Our operators were very cheerful when the change had been realised."

"What works very well is 'reward and recognition'. We put people in the picture when they perform something outstanding on top of the usual standards. People react very positively on this, it works, it's effective and our employees enjoy it. The last successful event was to invite all employees and their families for an entire day in the Efteling. It gave a tremendous boost, particularly in the departments with a high work pressure. The timing was good because our people were confronted with a lot of changes and it seems like we have gained a lot of energy ever since."

"Everyone knows about this program. It was a brand-kind of program, everyone knows what it means. It was successful because it is so universally accepted (around 90%)."

"We no longer see internal communication as generating output. For example, there has been an article in the company magazine so the employee could have known it. We now apply the idea that employee engagement and involvement ought to be the result of internal communication."

"We challenged our board of executives by telling them "if you really have some guts, we will now break with the past and no longer say this is the management agenda and let's use our communication management system to publish it in all our internal magazines. Instead let's have a dialogue and talk about this with a few thousand colleagues around the world." This is an example of successful internal communication intervention because you recognize your employees as a group of people with whom you explore and develop your corporate future. Until that moment I would like to characterise our internal communication as much more mechanic, much more one-way traffic.

When you do all this you get a more participative style. We are still figuring out how it really works. It is very forceful and direct. Our organisation has to change from a technology driven focus to a more market and customer oriented focus. In this voyage of discovery we do thousands of new discoveries. People who always thought that they were in the centre of the universe now find out there is a new centre with new stars.

For managers this leads to huge challenges because the insights that follow the issues and opinions that employees come up with don't fit well into the traditional concept of the vertical business lines in our current business model. You could say that as a company we are importing and internalising the ongoing debates that take place in the outside world. It is as if you are organising your own internal opinion debate. Management finds it hard to deal with this, it is different from the traditional 'we decide and inform you'."

"For this answer I go back to the nineties. At that time we had a fundamental corporate change / organisational development program called 'vision 2000'. We were in a very traditional sector and our company had just finished our transition from a civil partnership to a NV. Our CEO at that time had the guts and vision to do things differently. This is a good example of how you can change an organisation by the optimal and revolutionary use of all kinds of communication activities, including the organisation of communication itself. We organised a group of one hundred people, nicely spread over age, discipline and experience, who were given time to work on the case to 'create our company in the year 2000'.

What is special in this case is that our board of directors at that time knew nothing more than the fact that they started an adventurous trip. They dared to go all the way and knew that their main job was to ask questions and not to give answers. This has been very special.

The traditional leadership reaction is to give answers but in this case they didn't and from a very early stage they were open about it. In this example communication is to inform, to facilitate a dialogue, to get the right external expertise etcetera. You ought to let many things go."

"We were involved from day one, from changing the strategy until the final implementation. It went even further, it was not only about the process but also about the strategy itself. This clearly illustrates that if you want to have good internal communication regarding corporate change you should also have a sound corporate and organisational background."

"Everybody (internal and external) was very enthusiastic. It was explained in a very clear and logical way. Internally it had no threats and it contained all kinds of sexy elements like innovation and future. The story and the vision of the future were interesting."

5 · CONCLUSION

At the surface everything seems normal. All executives think that internal communication is
important, that management communication is most influential and that having metrics is essential for successful internal communication practices. However, under the surface the interview results show that there are different visions on internal communication and corporate change.

5.1 · MAIN CONCLUSION(S)

These differences are explained because there are different ideas and opinions about the contents (what is it about?) and role of internal communication and corporate change. As a consequence, the different visions on daily practices and future challenges of internal communication and corporate change that can be identified, seem to merely reflect these two dimensions (content and role).

What is internal communication and corporate change about?

The first way to explain the differences is to focus on the content of internal communication and corporate change. It appears that the senior executives have different visions on what internal communication of corporate change actually is about. The first group focuses on the holistic organisational context and has a strong interest in change management and strategy management. The second group focuses itself primarily on topics related to the profession of internal communication. Adding up to all this is the discussion about management communication. As one of the most important elements of internal communication, the difficulty of handling management communication further complicates the overall picture as to what internal communication is about and what not.

What is the role of internal communication of corporate change?

A second general pattern that can be found to understand the different visions is about the role of internal communication regarding corporate change. There are different visions about this role perception, including the required skills and expertise for each role. In the interviews it became clear there is a difference between a supportive role and an impact role. The first is about organising internal communication based on a given business case. An example can be implementing a new working method or aligning and engaging the top 2,500 following a renewed strategy. The second role is about trying to influence the actual business case itself. Think about facilitating an active internal dialogue about the future direction of the company or trying to strengthen employees' identification with the company.

What are the daily practices of internal communication and corporate change?

The third general pattern, that explains why there are different visions, is clustered around the daily practices of internal communication and corporate change. Several interesting remarks can be made. The first conclusion is that there appears to be little standardisation. The diversity in visions regarding content and role seems to be translated in diversity of daily practices. For instance this applies to the decision making processes which seems to vary from decision making by the CEO to decision making by the internal communication team or by a specific project or program. It seems that high importance, broad scope and broad impact result in decision making at a higher level.
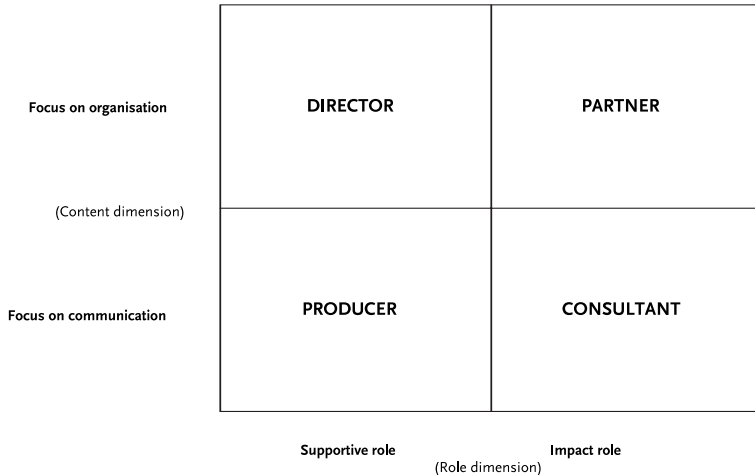
What are the future challenges?

The final way to explain and understand the different visions is to look at the future challengesof internal communication and corporate change. Again there appears to be a generalpattern. For instance in order to boost the level of professionalism it is suggested to changethe current operational role to a consultancy role and to get better knowledge of the businessand corporate context in which internal communication takes place. Or in other words to thinkless in terms of instruments and products and more in terms like change tactics. This exampleclearly underwrites the different visions on the contents and roles of internal communication.

As a result of the example given, it can be concluded that most senior executives see the current situation of internal communication and corporate change as predominantly communication oriented in which it has a supportive role.

It has appeared there are two obvious dimensions that help explain and understand why there are different visions on internal communication and corporate change. The first dimension is about the contents of internal communication and corporate change. There appears to be a distinction between a focus on the holistic organisation context and a focus on the profession of communication. The second dimension is about the role perception of internal communication and corporate change. According to this dimension there is a difference between a focus on a 'supportive' role and a focus on an 'impact' role.

To further increase our understanding of the different visions these two dimensions can be combined. This results in a two quadrant system in which four typologies of internal communication and corporate change are explained by the two dimensions.

Focus on organisation	DIRECTOR	PARTNER
(Content dimension)		
Focus on communication	PRODUCER	CONSULTANT

Supportive role   Impact role
(Role dimension)

Model 1. Internal Communication Typology Matrix

The Internal Communication Typology Matrix is set up to help explain why there are different visions on internal communication and corporate change. The two axes of the Typology Matrix are formed by the two main dimensions (content and role). Four typologies each describe a certain vision on what internal communication and corporate change is, both for its contents and for its role. This means the differences between the typologies are not about good or bad, or better or worse. Instead, the four typologies are about how different visions can coexist next to each other. To decide which typology is most suitable for a certain situation the conditions which are required for each typology must be understood.

Producer typology

The first typology that is described is called the producer. The producer typology is based on the vision that internal communication of corporate change is primarily concerned with the production of communication products in order to get the message out. Think for example about producing an internal communication program to support the introduction of a new pension plan.

The conditions that must be in place to make this typology suitable are rather instrumental. They demand that HR is capable of delivering a well defined corporate change, including clear objectives and a good implementation plan. For Corporate Communication this typology means it needs to have the right capacity and skills to produce internal communication programs. The involvement of top management is not a very necessary condition for this typology.

Consultant typology

The consultant typology is best understood from the expert perspective. The consultant related vision on internal communication and corporate change is focussed on being an expert in specific communication topics in which internal communication plays a major role. Think about the expert role of internal communication regarding employees' identification with the organisation, internal branding or the quality of management communication.

The first condition for the consultant typology to be successful is that the Corporate Communication department provides all the internal communication knowledge that is required in order to be an expert. Secondly, it demands that the internal communication specialists involved have the skills and expertise of a consultant. The third condition presumes that CEO and executive board involvement must be at least moderate. The final condition is that HR must be open and willing to acknowledge that in order to be successful in topics like identification and corporate culture it must cooperate with others.

Director typology

The main focus of the director typology is on the organisational context in which a given corporate change has to be implemented. According to this vision internal communication must be an integral part of implementing a certain corporate change or strategy. This means that internal communication plays an active role in change management, strategy implementation and engaging and aligning management and employees.

The first condition that must be in place for the director typology is that Corporate Communication departments should have a broad scope concerning how internal communication can contribute to realising corporate change (not just about making communication products but also the skills and expertise for change management and strategy implementation). This means that HR, or other owners of the change, should be open to such an involvement. HR must also be able to direct the overall implementation successfully. For top management the condition is to decide how to implement a certain corporate change or strategy and then to monitor its successful execution. However, also during the change process their active involvement remains one of the most important critical success factors.

Partner typology

The partner typology is built on the vision that internal communication is one of the partners of the CEO and executive board in the process of strategy formulation. This vision on internal communication focuses on working together with other disciplines like HR, Strategy and IT, in order to create breakthroughs in the process of strategy formulation. An example can be to organise virtual internal debates about the future strategy of the organisation between top management and employees throughout the entire organisation. As a partner it is not just about making such a dialogue happen, but also about organising the entire follow up of such a dialogue, including all the unexpected.

The most important condition for the partner typology is cooperation between all parties involved. Especially the central position of the CEO and executive board are crucial. It is not just about their active involvement, but also about their attitude and style towards the contribution of internal communication in the process of strategy formulation. Corporate Communication should build its contributions on the results of its internal communication metrics and must have the skills and experience to work with top management and the other disciplines. Just like Corporate Communication, HR (and the other disciplines) must also have a clear contribution and the accompanying expertise.

5.3 – Suggestions for further research

This exploratory qualitative study may lay the groundwork for follow-up research along three dimensions. First, the different visions on internal communication and corporate change could be analysed in greater detail and for a larger group of companies. This type of mostly quantitative research should result in improved knowledge of the actual visions, but also about how they are distributed over a large group of companies.

Second, further research can help understand how the explaining variables actually influence the outcome of a certain vision. As a consequence this also helps to better understand which variables have the strongest influence on visions regarding internal communication and corporate change.

Finally, it would be interesting to find out if it is possible to set up a typology matrix for another Corporate Communication discipline such as Corporate Branding or Investor

6 – CLOSING REMARKS

The research project started with the objective to increase our understanding of internal communication and corporate change so that the level of professionalism of this young and dynamic discipline could be further improved. The outcome of this project holds valuable information about how senior executives think and feel about internal communication and corporate change. The main conclusion is that there are different visions on the subject and that it is interesting to find out where the different visions are coming from.

To better understand the different visions, and their relation to each other, the different visions were analysed and several general patterns were found. Based on these results the Internal Communication Typology Matrix was set up. The framework of the Internal Communication Typology Matrix recognizes four typologies of internal communication and holds the opportunity to structure thoughts and ideas, which helps to avoid misunderstandings.

Another closing remark that is typical for this research project is the need to improve the quality of communication about internal communication. Both in the desk research of available literature as well as in the interview phase, a standard vocabulary, with shared meaning, of internal communication appeared to be missing. This is probably one of the reasons why there is a lot of misunderstanding and lost opportunities.

Last, but definitely not least, are all senior executives with whom I had the pleasure, and of course the privilege, to have really good interviews. Their openness, trust and inspiration are a symbol of our shared willingness to improve future internal communication practices.

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Aglaé Weijers

Health-care Consumer centralized communications for a better reflection on reputation

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She is fluent in English, Dutch and French and obtained different professional qualifications in Corporate Communications, PA and History.**

Aglaé graduated from the Hogeschool van Utrecht in

1999, where she obtained a bachelor's degree in History. During her study she was active as a historical guide of Utrecht. She guided groups of 20 – 30 persons through the historical city of Utrecht. Before she went to Utrecht for her study she studied French and Civilisation at the Alliance Française in Paris for one year.

Following her study she started her professional career at Glaser Public Affairs in The Hague as a PA consultant/lobbyist. In this role she was responsible for

research, political analyses, monitoring and political lobby within the Dutch parliament. She served several clients in the field of health care and the publishing industry.

In the year 2000 she started for a broader communications agency: Bennis Porter Novelli (BPN). She still was mainly active in the field of PA but broadened her scope with corporate communications. At BPN she was responsible for the development of strategic communications / PA plans.

In this role she mainly supported: the health care industry, branch organizations, the pharmaceutical industry, and the broadcasting industry.

In her current position as Public Affairs Manager of Bristol-Myers Squibb she is responsible for the development and implementation of strategic corporate communications/-PA plans in favour of products and pharmaceutical industry related issues. She manages the corporate communications of the company in combination with lobby activities towards the government.

She is responsible for coalition building with patient advocacy groups, branch organizations, and medical professional organizations. Parallel to PA she is responsible for the implementation of a pro-active or reactive media policy. She is also the spokeswoman of B-MS the Netherlands.

Just before her professional career started, she worked for the Public Information office of the European Parliament in The Hague for six months. She both worked in Straatsburg and Brussels. During her career Aglaé obtained several professional

qualifications in the field of consultancy and communications. During 2001 - 2002 she successfully obtained the diploma of Senior Communication Officer (SRM Institute). In 2007 she hopes to obtain the degree of Master in Corporate Communication of the Erasmus University in Rotterdam, Rotterdam School of Management.

As hobby she likes skiing, cooking, photography and reading. In her private situation she lives together with Otto Beerentsen in The Hague.

M A N A G E M E N T   S U M M A R Y

Background

The reason for conducting this research has to do with the fact that the pharmaceutical industry is often subject of negative media attention and suffers from a negative Undoubtedly, corporate reputation is a highly valued corporate asset, but also manage.

The pharmaceutical industry is a very complex and vulnerable industry, because ethics, legislation and the fact that it takes decades and hundreds millions of develop one single innovative drug. Due to mergers, acquisitions, globalization industry is becoming even more complex. Multinational drug companies are under scrutiny on a broad range of issues from prices, profits and performance, to research development deliverables, access and side-effects of drugs and outcomes of research. In the most general sense, a pharmaceutical company has to produce and equipment that extend and enhance human lives. But, most of the companies also listed on the stock exchange and thus motivated by and responsible for profit. It is essential that the industry maintains to do serious investments in R& produce life-saving drugs. However the general public blames the pharmaceutical industry for making large profits and aggressive commercial activities, which perception result in healthcare budgetary problems. The sensitive border of ethical commercial aspects on one hand and the non-profit healthcare market ingredients the other hand makes it difficult to manage reputation and maintain credibility. Because of these circumstances it might be helpful to have a stronger corporate reputation on which a company can fall back.

For this reason I found it interesting to investigate how Bristol-Myers Squibb (improve its reputation in the complex field of the healthcare-industry and its diversified stakeholders.

Research questions & set-up

This thesis applies to the Dutch/EU legal system were no direct-to consumer (DTCA) is allowed, I wanted to investigate whether a more standardized way corporate communications will influence positively the reputation of B-MS. By a broader form of corporate communications focused on a broader target audience the healthcare consumer, parallel to the traditional marketing communication focused on the physician (the prescriber).
Within this thesis I have called this form a *Healthcare Consumer Based Communications Model* (HCBCM). From a Bristol-Myers Squibb perspective imply that it should increase its corporate communications towards patient organizations, the broader public, policymakers/politicians and healthcare insurers.

The traditional influencing model:

The traditional marketing communication is focused on product branding at physician level (conventional stakeholder).

The possible future influencing model (HCBCM):

Is it worthwhile to implement a broader communications model to our non-conventional stakeholders parallel to the traditional product branding? In that case, a possible health care consumer based communications model looks the following:

Research questions:

Assuming that this form is possible within the given European legal framework, the most important (sub) questions are the following:
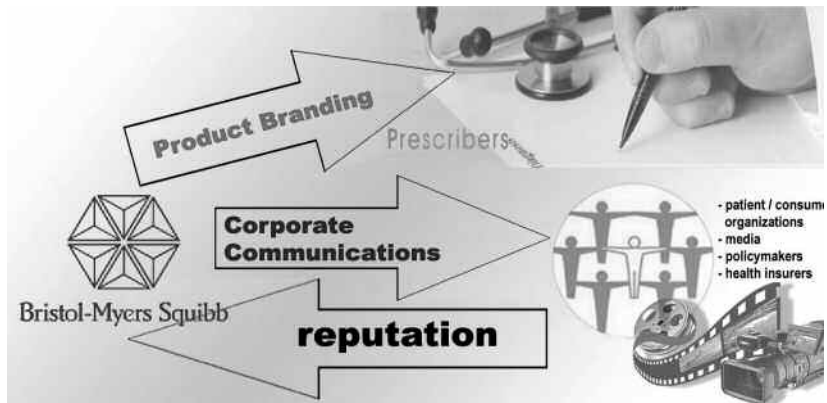
Main research question: To what extent will a healthcare consumer based communications model will have a positive effect on the overall reputation of B-MS?

SUB QUESTIONS:

1. Because innovation is one of the crucial elements for reputation, I will investigate what the role of innovation is within the pharmaceutical industry. Is innovation healthcare-consumer driven or physician driven?

2. What is Reputation Management within the pharmaceutical industry?

3. To what extent is a healthcare-consumer based communications model attractive in a corporation like B-MS where the target audience is not directly the consumer?

THE RESEARCH

To find the answers to the main research question I conducted a literature study on what innovation means within the pharmaceutical industry and what the most important factors are that influence the corporate reputation of a pharmaceutical company. I compared US research data with EU data of image surveys that have been done among doctors. The most important outcome of this research was that different stakeholders of the pharmaceutical industry are influenced by external developments that clearly influence their attitude towards a company. In the US image survey among doctors we saw that the most important factors that influence the corporate image of a pharmaceutical company are (1) strong R&D, (2) sensitivity to price concerns and (3) credibility of the overall company.

The European research clearly showed a different picture of attributes that influence the corporate image of a pharmaceutical company. The top three of the European physicians of attributes is the following:
1. drug effectiveness;
2. cost effectiveness;
3. sales force effectiveness.

The doctors within the EU are clearly influenced by also outside political developments, like governmental regulations and cost containment measures in general. They esteem the drug effectiveness and the cost effectiveness as the most important attributes of building the industry's image. This has very much to do with the different healthcare- and budgetary systems the physicians have to deal with within the EU and again the fact that DTCA is not allowed in the EU.

For this thesis it was interesting to see if these attributes were also the same for B-MS' stakeholders in the Netherlands. These outcomes would be vital in answering the main

research question and what B-MS would need and where it should focus on in HCBCM.

Therefore I conducted my own empirical review among B-MS stakeholders to see what would be appreciated and how B-MS is perceived and how it could improve its reputation. I have used the RepTrak® model of the Reputation Institute (RI) to measure B-MS' reputation among key-stakeholders and used a quantitative research to measure the broader public through a public survey among 426 respondents.

RepTrak® research

The Corporate Reputation of a company concerns the external perceptions of stakeholders and can be (qualitatively) measured. To understand better the underlying attributes that build a corporate reputation, the Reputation Institute developed the RepTrak Scorecard (2006). This is a very useful tool to analyze systematically the company's reputation and to gain insight in which specific driver has the most impact on the company's reputation. This tool provides the means to establish what the perception is of several stakeholder segments. In the end the overall score is very valuable to compare with the main competitors.

The structure of the RepTrak® tool allows us to let multiple stakeholder groups give a rating on a 1-100 point scale on the following drivers of corporate reputation:

1. Performance (profitable / high performing / strong growth prospects)
2. Products & Services (high quality / Value for money / stands behind / meets customer needs)
3. Leadership (well organized / appealing leader / excellent management / clear vision for its future)
4. Citizenship (environmentally responsible / support good causes / positive influence on society)
5. Governance (open & transparent / behaves ethically / fair in the way it does business)
6. Workplace (rewards employees fairly / concerned about employee well-being / offers equal opportunities)
7. Innovation (innovative / first to market / adapts quickly to change)

During this research I have been interviewing mainly patient organizations and governmental- and umbrella organizations. These organizations represent an important stakeholder group for B-MS. I interviewed a great variety of organizations: smaller and bigger patient advocacy groups, patient/family organizations who strive for better care for totally different disease areas. Together these groups represent a huge patient / consumer group. Besides the patient/consumer angle in this research, the umbrella organizations of hospitals (Nederlandse Vereniging voor Ziekenhuizen, NVZ), the health authority for fair competition (Nederlandse Zorgautoriteit) and the

governmental advisory board of pharmaceuticals in the Netherlands (College voor Zorgverzekeringen, CVZ) were interviewed as well. The following table shows the scores on the RepTrak® drivers of reputation. These are the outcomes of the in-depth interviews. The scores in percentages are the following:

RepTrak®drivers	I agree	I disagree	I don't know
Performance	100%	0%	0%
Products & services	100%	0%	0%
Leadership	20%	10%	70%
Citizenship	40%	40%	20%
Governance	50%	40%	10%
Workplace	0%	0%	100%
Innovation	90%	10%	0%

TNS NIPO survey

Furthermore TNS NIPO (public poll research institute) conducted especially for this thesis a survey amongst the broader Dutch public (n=426, May 2007). The public opinion has been asked to react upon different propositions about the pharmaceutical industry in general. The people were asked to give their opinion on a scale of 'I totally agree – I totally disagree, or no opinion' on different topics regarding the reputation of the pharmaceutical industry.

The research group is representative and is a good reflection of society. The interviewees were young, old, male, female, higher or lower educated people. The tenor of the propositions was the following:

1. It will reflect positively on its reputation if a pharmaceutical company shows actively that she develops innovative drugs for certain disease areas.
2. I agree that pharmaceutical companies –just like any other company- are allowed to make promotion at consumer level for their drugs.
3. The pharmaceutical industry contributes a great deal to the national healthcare.
4. Medicines save costs in healthcare.
5. The pharmaceutical industry is an attractive industry to work for.
6. The pharmaceutical industry is profit driven.
7. It is right that the pharmaceutical industry is not allowed to provide any information about their drugs towards consumers.
8. The information of the pharmaceutical industry about their products is reliable.

Results TNS NIPO

Proposition 1: 79% of the respondents totally agree.

Proposition 2: here the respondents have mixed feelings. 44% agree and 47% disagree with this proposition.

Proposition 3: 84% of the respondents agree with the fact that the pharmaceutical industry contributes a great deal to the national health care.

Proposition 4: 62% of the respondents agree wit the fact that pharmaceuticals save costs in other sections of the healthcare.

Proposition 5: 62% of the respondents doesn't have an opinion about whether the industry is an attractive industry to work for.

Proposition 6: 74% of the respondents agree with the idea that the industry is profit driven, although 52% say that the pharmaceutical industry is a reliable industry. **Proposition 7:** 65% of the respondents disagree with the idea that the pharmaceutical industry is not allowed to provide any information about their products. 23% does not have an opinion about this.

Proposition 8: 61% of the respondents think that the information coming from the pharmaceutical industry about their products is reliable.

The overall results of TNS NIPO are more positive and the broader public seems to be less differentiated than the special interest groups who were willing to participate with the in depth interviews. The difference in perception of the attributes that build the reputation could be explained by special interest versus general interest. The representatives of the patient / consumer and umbrella organizations have a special interest within the pharmaceutical industry and know the branch very well. In general these representatives (the interviewees) are emotionally involved and have an incentive to solve a personal (patients want to be cured and seek for a solution) or a business problem from a patient advocacy perspective. As described earlier they have an interest in health and are willing to advocate / lobby for their supporters. The general public knows fewer details about the industry and is less differentiated than the special interest groups.

Main conclusions

Within the US it is much easier to implement a HCBCM, because the rules and regulations with regard to advertising and promotion of drugs are less tight. The pharmaceutical companies are allowed to advertise their products. Therefore it might be less complex to build a strong corporate brand in combination with product branding.

Within the European Union it is much more complex to build a fruitful health care consumer based communication model. The channels through which B-MS is allowed to communicate and the permitted content is much more limited if we compare this to the US. It is a given fact that B-MS and also other pharmaceutical companies have to comply with European advertising and promotion rules.

At special interest group- level (patient / consumer / governmental umbrella organizations), it became clear that these groups are very much affected by the ability to innovate as a company and the products and services that follows from research and development. Furthermore the reputation drivers Citizenship and Governance are perceived as important for enhancing the reputation of the pharmaceutical industry amongst these stakeholder groups. Improving transparency and ethical behaviour is seen as key for improving the reputation. The stakeholder groups that have been interviewed have a differentiated view on the pharmaceutical industry and B-MS. They know the industry well and have a certain interest in diseases and are eager to know how they could optimize their (personal) situation. They are always seeking for solutions towards their problems and therefore are also more critical and differentiated towards the reputation of the industry.

If we compare this to the general public, their view/opinion is less differentiated compared to the special interest groups. The overall results of the TNS NIPO survey were far more positive than the outcomes of the qualitative interviews with the special interest groups.

Not only innovation is vital to the B-MS reputation, but also performance, products/services, governance and citizenship. Performance was perceived as a negative one. Improving the overall transparency in the way B-MS conducts its business and communicate about it to our stakeholder groups would reflect positively on the company's reputation.

We saw in this research that there is a clear difference in appreciation of the different RepTrak® Drivers. This underscores that Reputation drivers are not to be generalized among different stakeholder groups. Like said they have different opinions, perceptions and value the reputation drivers differently because of their personal interest. Within a more focused HCBCM B-MS should take this into account.

In my opinion it is attractive for a company like B-MS and it will certainly reflect positively on our reputation. It is clear that there is an unfulfilled need amongst certain stakeholder groups (the special interest groups) and this gap of information might be easily filled, if we do this properly within the given DTCA-guidelines and our B-MS ethical code of conduct. These groups will certainly benefit from information on

innovation, products and services and therefore appreciate that B-MS supplies this kind of information. If B-MS takes this opportunity and fulfils this unmet need, this will certainly reflect positively on B-MS's reputation and will also influence the other interest groups like governmental officials, health insurers, politicians and specialist journalists. These stakeholders are an important hinge point to the main public and are key influencers of the public opinion.
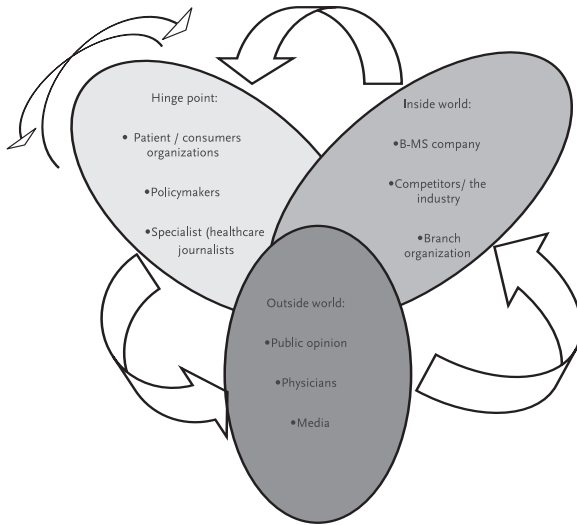
The outcomes of the TNS NIPO Farmabarometer confirmed that I do not think it is worthwhile to invest on a broader scale than our non-conventional stakeholders. The Farmabarometer clearly showed that it is not really worthwhile investing in corporate branding, when a company is not allowed to advertise directly to consumers. Corporatebranding does not make sense when "the baby" (product brand) is not shown to the public. In my opinion the broader public is less interesting for B-MS. Therefore B-MS should focus on a more targeted and differentiated form of corporate communications.

RECOMMENDATIONS

What should Bristol-Myers Squibb do to enhance its reputation amongst their stakeholders?

In my opinion stakeholders-dialogue could play an important role in this. B-MS should focus on maintaining or establishing the confidence of stakeholders in the company's innovations, products and services. B-MS will increasingly have to provide information on company policy related to the identified reputation drivers and the considerations that play a role and the consequences for the various stakeholders who have a certain interest. Providing transparency in the way B-MS conduct its business with these stakeholders groups is a key factor in obtaining trust and, with that, the license to cooperate with certain parties e.g. the special interest groups. Strong reputations develop when companies are transparent in the way they conduct their business1.

I would suggest the following model to introduce a more structured and focused HCBCM within B-MS:

Hinge point:
• Patient / consumers organizations
• Policymakers
• Specialist (healthcare journalists

Inside world:
• B-MS company
• Competitors/ the industry
• Branch organization

Outside world:
• Public opinion
• Physicians
• Media

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1 C. Fombrun & van Riel, Fame & Fortune, 2004

The above given model illustrates three different worlds, three different target audiences. The first is the inside world, by which I mean B-MS itself, the pharmaceutical industry, competitors and its branch organization. The branch and its competitors are likely to strive for the same goal: improve our overall reputation.

The second is the outside world, by which the branch is "attacked", because of a negative public opinion, negative press that is being fed by certain stakeholder groups who are not well informed about the industries' policies, products, services and innovations. The behaviours and the negative publicity still feeds a negative self image and sometimes the pharmaceutical industry suffers from what I call in Dutch the "Kalimero-effect". This behaviour will not enhance our reputation and needs to be changed as well. We need to improve our self confidence, because the products we sell are beautiful.

The special interest groups are very important as a hinge point between the inside world and the outside world. These stakeholders play an important role to educate the outside world. In my opinion B-MS should focus their overall corporate

communications on creating a critical mass so that the hinge point can fluently bend between the inside and the outside world. In the end the stakeholders play a crucial role in educating the outside world.

The education of stakeholder groups should be done through tailor-made corporate communications that meet the stakeholders' expectations. Clear differentiated messages on different topics (related to the RepTrak® drivers) that will meet the unfulfilled information gap of stakeholders. The bases of these messages should be that B-MS has one single corporate story that communicates the essence of the company towards all the stakeholders.

To be more specific I would suggest that B-MS implements the following ideas on how the company should act and what it could communicate towards the specific target audiences:

- "Honour the B-MS stakeholders". B-MS stakeholders expect well-differentiated information on products and services, innovations and governance. We saw clearly that the appreciation of the reputation drivers differ among stakeholder groups and therefore can not be generalized among them. For this particular reason, I think that B-MS should focus on the expectations of their stakeholders and relate the messaging / information to it.
- Build one single B-MS corporate story that is clear to both internal and external stakeholders. The mission of B-MS is 'to extend and enhance human life', this a natural starting point for a great corporate story to communicate the essence of the company to all stakeholders. It helps to strengthen the bonds that bind employees to the company, and positions the company against rivals.
- Stakeholders dialogue; get clearance about different interests and identify actively common goals with stakeholder groups. Where is the pain and where can we optimize the situation? Look at common goals and strive together for it with stakeholders. Make tensions between the pharmaceutical industry and B-MS stakeholders clear and show B-MS vulnerability;
- Create a strong identification with the several diseases where B-MS is active in and communicate about the broader activities that are implemented in this field. E.g. the active role B-MS plays in close co-operation with patient advocacy groups and healthcare specialists to improve the healthcare infrastructure around hepatitis B, HIV/AIDS or oncology;
- The information about CSR activities would be appreciated, but only when it is localised and communicated in a modest and focused way on certain target audiences. When it is focused on certain interest groups it could increase the involvement with B-MS;

- Standardized feedback loupe on the key messages towards International Corporate & Business communications. How are corporate materials perceived and appreciated or not. This feedback loupe could be done through a standardized survey for all countries in Europe and the US that measures the communication efforts and how it reflects on B-MS' reputation;
- Corporate Communications should be consolidated in one discipline.

There is a whole world to win in organising B-MS' corporate communications. The one single corporate story idea could help B-MS' local affiliates in driving a consistent way of corporate communications within a more targeted and differentiated HCBCM. In my opinion there is a need for specified information in the way B-MS conduct its business in general. If the information is targeted and specified to the need of the nonconventional stakeholders it could really improve the B-MS reputation. Segmentation and differentiation of key messages, related to the reputation drivers, could help B-MS in building a stronger HCBCM towards specific target audiences who are really important for enhancing the reputation.