Rethinking internal communication: a stakeholder approach

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Abstract
Purpose – Effective internal communication is crucial for successful organisations as it affects the ability of strategic managers to engage employees and achieve objectives. This paper aims to help organisations improve internal communication by proposing theory with the potential to improve practice.
Design/methodology/approach – This paper identifies gaps in the academic literature and addresses calls for discussion and definition of internal communication, for theory on its mandates, scope and focus and to counteract the tendency to treat employees as a uni-dimensional “single public”. To address these gaps, internal communication is defined and positioned within the corporate communication school of thought.
Findings – The paper proposes an Internal Communication Matrix which could be used to supplement other forms of internal situational analysis and as an analytical tool which may be applied to the strategic analysis, planning and evaluation of internal communication.
Practical implications – Strategic communication practitioners are offered a fresh perspective from which to consider internal communication. The Internal Communication Matrix proposed here could be used to supplement other forms of internal situational analysis and as an analytical tool which may be applied to the strategic analysis, planning and evaluation of internal communication. The internal corporate communication concept offers a lens through which communicators can consider communication strategy and tactics.
Originality/value – This paper’s theoretical contribution is significant as it addresses gaps in the literature on internal communication. It does this by conceptualising a multidimensional stakeholder approach summarised in the Internal Communication Matrix. This approach is significant since it broadens previous approaches. The paper introduces the concept of internal corporate communication and argues that it should be a key focus for corporate communication theory and practice as it concerns all employees.
Keywords Communication, Stakeholder analysis, Corporate communications, Public relations, Employee relations
Paper type Research paper

Introduction
Practitioners see internal communication as an important, challenging area (Robertson, 2004, p. 17; FitzPatrick, 2004, p. 19) which affects the ability of organisations to engage employees (Kress, 2005, p. 30), and business writers see it as a core process for organisations (Quirke, 2000, p. 21):
In the information age an organization’s assets include the knowledge and interrelationships of its people. Its business is to take the input of information, using the creative and intellectual assets of its people to process it in order to produce value. Internal communication is the core process by which business can create this value (Quirke, 2000, p. 21).

Internal communication happens constantly within organisations and includes informal chat on the “grapevine” as well as managed communication. This paper looks at managed communication and attempts to develop theory to assist in the management of internal communication. Despite its importance to practice, there are considerable gaps in internal communication theory and theorists have called for research on its mandates, scope and focus (Forman and Argenti, 2005, p. 257). Poor internal communication is a major concern for organisations since it results in workplace inefficiency (Profile, 2006, p. 4). To offer strategic communication managers a fresh perspective from which to consider internal communication management, this paper will discuss gaps in the literature, review the few existing definitions and offer a fresh approach.

Scholarship emphasises the need to be aware of alternative keywords associated with a research area (Hart, 1998, p. 6, 2001, p. 23). The term internal communication is used throughout this paper because it is preferred by corporate communication theorists (Van Riel, 1995, p. 13; Forman and Argenti, 2005). However, alternatives are used in the literature, sometimes interchangeably, including: internal relations (Grunig and Hunt, 1984, p. 240) employee communication (Argenti, 1996, p. 94; Smidts et al., 2001, p. 1051) internal communications (Cornelissen, 2004, p. 189) employee relations (Grunig and Hunt, 1984, p. 240; Argenti, 1996, p. 94; Quirke, 2000, p. 198) internal public relations (Jefkins, 1988, p. 287; Wright, 1995, p. 182) and staff communication (Stone, 1995, p. 115).

Grunig et al. (1992, p. 557) provide a review of internal communication research and conclude: “In spite of all of this research, however, we emerge from this section with little theoretical understanding of how internal communication makes organizations more effective.” While they propose symmetrical communication as a way to improve effectiveness and achieve excellence, gaps in the literature on internal communication continue to be highlighted. Argenti (1996, p. 94) argues: “... no other corporate communication subfunction offers more of an opportunity for genuinely sought-after research than employee communication.” Similarly, management scholars Smidts et al. (2001, p. 1051) suggest that internal communication is a “rather neglected” management instrument and Kitchen and Daly (2002, p. 49) call for definition and discussion of internal communication. In a recent text on public relations, Yeomans (2006, p. 337) observes that: “Very little attention is paid to internal communication by public relations scholars yet it is viewed as part of an organisation’s strategic communication function.”

Given the need for definition and discussion of internal communication established above, existing definitions will be discussed next. Argenti (1996, p. 94) refers to a paucity of definitions of internal communication and notes that literature reviewers “turn up the same few articles over and over again.” Since, there are few definitions it is not surprising that over the past decade or so, a number of writers have cited the same passage from Frank and Brownell (1989) as a definition of internal communication (Van Riel, 1995, p. 13; Smidts et al., 2001, p. 1052; Dolphin, 2005, p. 172). The passage these authors cite as a definition of internal or employee communication reads:
“the communications transactions between individuals and/or groups at various levels and in different areas of specialisation that are intended to design and redesign organisations, to implement designs, and to co-ordinate day-to-day activities” (Frank and Brownell, 1989, pp. 5-6). Van Riel refers to this definition to describe internal communication as an element of organisational communication, within his model of overall integrated corporate communication, shown in Figure 1. Likewise, Dolphin (2005, p. 172) refers to the definition and explores internal communication in the context of the corporate communication function. Smidts et al. (2001, p. 1053) interpret it as employee communication and apply it to their consideration of employee communication with supervisors and colleagues.

However, the Frank and Brownell (1989) definition used by these three sources actually refers to organisational communication as a field of study and practice, not internal communication or employee communication as a part of integrated corporate communication. However, as noted above, their definition continues to be used as a definition of “internal communication”. An unhelpful “continuous loop” seems to have occurred here with writers starved of alternatives referring to a dated and transactional definition of organisational communication to define internal communication. Thus, a number of theoretical questions ensue. Is Frank and Brownell’s (1989) definition of organisational communication appropriate for internal communication today? Are internal communication and organisational communication simply the same thing? If they are different, how might “internal communication” be defined, where might it be positioned, who might be involved and what might be its purpose? To address these questions, it is necessary to:

Figure 1. Internal communication positioned within van Riel’s (1995) integrated corporate communication model
A better understanding of these issues is vital if theorists hope to assist practitioners to improve internal communication and contribute to improved employee engagement and workplace efficiency.

**Positioning internal communication**

The organisational communication field of study looks at communication and organisational behaviour and is described in various ways. It is concerned with the symbolic use of language, how organisations function, and what their goals are (Mumby and Stohl, 1996, pp. 53-4). The discipline of organisational communication focuses on the context of organisations and their communication processes (Miller, 1999, p. 1). It can be seen as both “a way to describe and explain organisations” and an approach to “communication as a phenomenon” in organisations (Deetz, 2001, p. 5). Organisational communication scholars argue that all communication is part of an integrated whole. On the one hand, Cheney and Christensen (2001, p. 231) argue that internal and external communication no longer exist as separate fields since they have been superseded by the notion of fuzzy organisational boundaries. On the other hand, they use the term “external organisational communication” for clarity and then go on to define it as “public relations, marketing and issues management”. They define internal communication as “employee relations, statements of mission and organizational development” (Cheney and Christensen, 2001, p. 231). These authors give a strong caution against the use of the internal/external communication labels without the benefit of reflection on the linkages between them and the resultant fuzzy organisational boundaries. This is useful as it reminds managers and theorists that internal communication becomes external as soon as the e-mail is forwarded to the media or the newsletter is taken home. Likewise, the CEO’s performance on local TV may be viewed by external and internal stakeholders. Furthermore, individuals may have dual stakeholder roles of, for example, internal employee and external shareholder and/or customer.

So, the field of organisational communication is concerned with communication as a phenomenon. Additionally, in the years since 1989, understanding of the field of organisational communication has shifted to one of integrated external and internal communication with blurred boundaries between the two (Cheney and Christensen, 2001, p. 231). While there is recognition that internal communication has an identity, it is seen as being integrated with external communication. Given this, Frank and Brownell’s (1989) definition of organisational communication (as a whole) cannot be appropriate for internal communication (as part of the whole). Therefore, the unhelpful continuous loop identified earlier needs to be addressed.

Corporate communication theorists also classify communication elements, including internal communication, while simultaneously recognizing that these form part of an integrated whole (Van Riel, 1995, p. 13; Argenti, 1996, p. 94; and see Varey, 2002, pp. 129-33 for an account of the development of the corporate communication school.
of thought). However, there are differences in views of the concept within this school of thought. Argenti (1996, p. 77) sees corporate communication as a development of strategic corporate public relations concerned with: “image and identity, corporate advertising, media relations, financial communications, employee relations, community relations and corporate philanthropy, government relations and crisis communications.” This differs from van Riel’s (1995, p. 26) view (Figure 1) since he defines the field of corporate communication as:

... an instrument of management by means of which all consciously used forms of internal and external communication are harmonised as effectively and efficiently as possible, so as to create a favourable basis for relationships with groups upon which the company is dependant.

Van Riel’s (1995, p. 13) approach describes the common starting points for communications activity as strategy, image and identity and identifies three types of corporate communication: management, organisational and marketing. In this view, management communication relates to communication concerning access to resources, including human resources. Marketing communication is described as advertising, direct mail, personal selling and sponsorship. Significantly, van Reil does not include public relations in “marketing communications” as marketing scholars are apt to do (Fill, 1999). Internal communication is seen as one of seven facets of organisational communication along with public relations, public affairs, environmental communication, investor relations, labour market communications (recruitment) and corporate advertising. These facets could arguably be better termed strategic public relations with the “public relations” facet changed to media relations, to distinguish it from the organisational communication school’s perspective outlined above.

This review of the fields of study results in a perspective on organisational communication as concerned with communication in the abstract as a communication phenomenon, while corporate communication is seen as being concerned with communication as an instrument of management. This paper is aligned with the latter perspective as it is motivated (Lewin, 1945, p. 129) by a concern to contribute theory which may be of practical use. So, this paper sees internal communication positioned within the strategic public relations (adapted from van Riel) element of corporate communication. This adaptation is included in Figure 2 which shows van Riel’s (1995) model, overlaid with a trapezoid indicating Argenti’s (1996) view. Both these authors position internal communication as an element of strategic public relations. The problem with this view is that internal communication occurs in management and marketing communication areas of the model as well as the strategic public relations area. This suggests an apparent inconsistency with the model. To resolve this, the nature of internal communication will be considered next. Definitions will be considered, a new approach offered, and internal corporate communication will be proposed as a way to conceptualise the internal communication aspect of strategic public relations (“ICC” in Figure 2).

**Review of definitions**

To consider the nature of internal communication, existing definitions of the term will be reviewed. Scholes (1997, p. xviii) takes a stakeholder perspective (for a review of literature on the stakeholder concept see Cornelissen, 2004, pp. 56-92) and defines...
internal communication as: “The professional management of interactions between all those with an interest or ‘a stake’ in a particular organisation.” This is useful because it suggests a strategic approach and focuses on the participants or stakeholders in internal communication. Unfortunately, Scholes’s definition does not distinguish between different types of interests or stakes. Additionally, the phrase all of those could equally be applied to external as well as internal stakeholders. Nevertheless, Scholes’s notion of internal communication as a professional process is useful since it signals the role of internal communication in the strategic management of organisations. Additionally, the focus on interactions in Scholes’s definition is useful. However, since the outcome of interaction is relationship, it is necessary to include the term relationship in any definition of internal communication. This is supported by van Riel’s viewpoint referred to above as it emphasises the relationship management role of internal communication.

Cheney and Christensen’s (2001) definition, mentioned above, relates to employee relations, mission statements and organisational development. These suggest three levels of internal communication: day-to-day management (employee relations), strategic (mission) and project management (organisational development). Likewise, Kalla (2005, p. 304) highlights the multi-disciplinary interest in internal communication and defines “integrated internal communications” as “all formal and informal communication taking place internally at all levels of an organisation.” Kalla sees the concept as drawing from the four broad communications domains outlined and debated in a special edition of Management Communication Quarterly (Miller, 1996, pp. 3-4): business communication (Reinsch, 1996), management communication (Smeltzer, 1996), corporate communication (Argenti, 1996) and organisational communication (Mumby and Stohl, 1996).

Cornelissen’s (2004, p. 189) glossary definition of internal communications takes a simple tactical perspective, focusing on methods: “all methods (internal newsletter, intranet) used by a firm to communicate with its employees.” This focus on tactics
lacks a sense of internal communication as part of strategic management. However, it
does highlight the need to consider the media and by implication, message content
involved in internal communication.

Drawing from the above discussion, an initial definition can be constructed. Internal
communication is understood here as the strategic management of interactions and
relationships between stakeholders at all levels within organisations. On the one hand,
this definition is a useful contribution and an attempt to address gaps in the literature,
including previous definitions with a transactional focus. On the other hand, it does not
go far enough. Recent calls for further research on internal communication include an
appeal to consider its “mandates and scope . . . [and] whether companies can focus on
all employees” (Forman and Argenti, 2005, p. 262). Gaps in theory are highlighted by
criticism directed at public relations writing on internal communication because
“employees are too often treated as a single public” (L’Etang, 2005, p. 522). This paper
responds to these calls by broadening the definition begun at the start of this
paragraph. It does this by offering an approach to internal communication which
differentiates stakeholder groups while simultaneously providing a means to focus on
all employees. Thus, it provides a stakeholder approach to internal communication and
the next section develops this approach.

**A stakeholder approach to internal communication**

If internal communication is the strategic management of interactions and
relationships between stakeholders at all levels within organisations, these
stakeholders need to be identified. This may seem an obvious step and it has been
suggested in the past (Bernstein, 1984, p. 97) but L’Etang (2005, p. 522) criticises the
continuing tendency for internal communication writers to treat employees as a single
entity. L’Etang uses the term public, but stakeholder is preferred here as it reflects
Freeman’s (1984) stakeholder approach (see Grunig and Repper, 1992, p. 125; Cozier
and Witmer, 2001, p. 617 for discussion of the terms stakeholders and publics).

Freeman’s (1984, p. 25) stakeholder approach defines stakeholders as: “any group or
individual who can affect or is affected by the achievement of the firm’s objectives.”
Freeman (1984, p. 216) struggled with the use of the term internal stakeholder. He
initially rejected its use because he felt it was opposed to his externally focused
stakeholder approach to strategic management. The stakeholder approach calls for
organisations to become more responsive to forces in their external environment by
engaging in situational analysis and widening their understanding of their external
stakeholders. Freeman (1984, pp. 216-19) notes that he eventually accepted the
legitimacy of the term internal stakeholder after research with managers demonstrated
that they identified with the concept of internal stakeholder groups. In a cautionary
note, Freeman (1984, p. 218) emphasises the need for organisations to keep an external
focus: “internal stakeholders must be seen as the conduit through which managers
reach other external stakeholders.” Freeman’s research identified a range of internal
stakeholders including line management (boss and boss’s boss), team members, and
other internal groups (related departments, subsidiary managers). In later work,
Freeman (1999, p. 233) calls for more theory on: “different but useful ways to
understand organizations in stakeholder terms” and endorses Jones’s (1995, p. 408)
work on instrumental stakeholder theory which identifies employee stakeholder
groups and subgroups. The stakeholder approach emphasises ethical management
behaviours (Jones, 1995, p. 420; Freeman, 1999, p. 234). Moreover, ethical business practices such as the Potter Box approach (McElreath, 1996; Parsons, 2004) emphasise the need to identify and prioritise stakeholders.

Differentiating internal stakeholder groups could be approached from a number of directions such as segmentation by demographics or by occupational classification systems (e.g. the UK Standard Occupation Classification system available at: www.statistics.gov.uk). Organisations in different sectors will have different employee groupings depending on their particular purpose. For example, in UK higher education the following staff groupings are commonly identified: manual and ancillary, academic support, administrative, academic, and research. Alternatively, structural levels could be used to identify broad organisation stakeholder groups echoing the levels derived from Cheney and Christensen’s (2001) work mentioned earlier. The levels are: strategic management, day-to-day management, team and project management. Stakeholder theory encourages managers to consider different groups with different stakes in an organisation. Applying this to internal communication results in the identification of participants representing different stakeholder groups at different levels in organisations:

- all employees;
- strategic management: the dominant coalition, top management or strategic managers (CEOs, senior management teams);
- day-to-day management: supervisors, middle managers or line-managers (directors, heads of departments, team leaders, division leaders, the CEO as line manager);
- work teams (departments, divisions); and
- project teams (internal communication review group, company-wide e-mail implementation group).

Taken together, stakeholder group, organisational level and participants suggest a series of interrelated dimensions of internal communication. This leads to a refinement of the initial definition proposed earlier with a view of internal communication as the strategic management of interactions and relationships between stakeholders within organisations across a number of interrelated dimensions including; internal line manager communication, internal team peer communication, internal project peer communication and internal corporate communication. These four interrelated elements of internal communication can be considered dimensions of internal communication. When this typology of internal communication is applied to aspects of internal communication management, a matrix results (Table I).

Aspects of internal communication management include participation in communication, its direction and the content of communication. The direction of internal communication flow between participants has received attention in previous literature (White and Mazur, 1995, p. 172; Stauss and Hoffmann, 2000, p. 145) with the key issue being the dominance of internal communication media classified as one-way or asymmetrical (Grunig and Hunt, 1984, p. 22), vertical or downward (Clampitt, 2000, p. 51) at the expense of media classified as excellent (Grunig et al., 2002, p. 487), two-way symmetrical (Grunig and Hunt, 1984, p. 22), lateral or horizontal (Clampitt, 2000, p. 51) or upward communication (Tourish and Hargie, 2004, p. 189). Content is
understood to refer to what is communicated, the message material. Smidts et al. (2001, p. 1052) distinguish the content of messages as an important dimension. These authors describe content of employee communication as information about: employees’ roles, organisational issues (goals, objectives, new developments, activities and achievements) and personal contributions. The internal communication matrix includes examples of the content of internal communication associated with each dimension. The content suggestions indicate principal content while recognising the interconnected nature of subject matter. This view of internal communication leads to distinctions based on: who communicates, to whom, in what way, with what content, and leads to the question, for what purpose?

The four dimensions of internal communication will be considered in turn. First, line management occurs at every level within organisations since senior managers answer to the chief executive officer as line manager. Line management communication relates to matters concerning employee roles and the impact of their personal communication. This type of internal communication involves methods such as target-setting discussions and appraisal meetings. It relates to day-to-day management activities like access to resources, financial management and human resource management (Van Riel, 1995, pp. 8-14). Line management or superior-subordinate communication has been extensively researched by previous authors (Grunig et al., 1992, p. 541).

Second, team level internal communication may involve employees and managers in a team situation and as such can be considered as peer-to-peer or employee-to-employee communication in a group setting. Internal team peer level communication content includes team task discussions. Third, project level internal communication may involve colleagues working on particular projects. Communication revolves around project issues and is predominately two-way. Participants include employees and managers as project members and thus involves peer or employee-to-employee communication. The aims of this type of internal communication centre on delivering specified project or team goals and communication in networks and small groups have been extensively researched (Grunig et al., 1992, p. 540).

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Level</th>
<th>Direction</th>
<th>Participants</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Internal line management communication</td>
<td>Line managers/supervisors</td>
<td>Predominantly two-way</td>
<td>Line managers-employees</td>
<td>Employees’ roles Personal impact, e.g. appraisal discussions, team briefings</td>
</tr>
<tr>
<td>2. Internal team peer communication</td>
<td>Team colleagues</td>
<td>Two-way</td>
<td>Employee-employee</td>
<td>Team information, e.g. team task discussions</td>
</tr>
<tr>
<td>3. Internal project peer communication</td>
<td>Project group colleagues</td>
<td>Two-way</td>
<td>Employee-employee</td>
<td>Project information, e.g. project issues</td>
</tr>
<tr>
<td>4. Internal corporate communication</td>
<td>Strategic managers/top management</td>
<td>Predominantly one-way</td>
<td>Strategic managers-all employees</td>
<td>Organisational/corporate issues, e.g. goals, objectives, new developments, activities and achievements</td>
</tr>
</tbody>
</table>

Table I. Internal communication matrix
literature on line management, team and project internal communication it is not an area for development in this paper.

**Internal corporate communication**
The fourth dimension of internal communication is important as it focuses on communication with all employees and thus addresses the vacuum highlighted by Forman and Argenti (2005, p. 262). Academics (Saks, 2006, p. 615) and practitioners (Kress, 2005, p. 30) emphasise the role of clear, consistent and continuous communication in building employee engagement. This suggests that internal corporate communication managers can contribute to engaging employees throughout the organisation. The internal corporate communication dimension is defined as communication between an organisation's strategic managers and its internal stakeholders, designed to promote commitment to the organisation, a sense of belonging to it, awareness of its changing environment and understanding of its evolving aims. The concept is shown in Figure 3 and each element is discussed in the following sections.

**Managers and messages**
The four arrows emitting from the strategic management centre circle in Figure 3 represent corporate messages and the arrow tips represent the goals of internal corporate communication. The dotted circle represents all employees in the organisation. While the concept of internal corporate communication is useful because it considers communication with all employees, it may be criticised because the direction of the messages from strategic management to all employees is
predominately one-way. The influential excellence study research stream identifies
dialogue or symmetrical two-way communication as important to successful internal
communication (Grunig and Hunt, 1984, p. 245; Grunig et al., 1992, p. 557, 2002, p. 487;
Dozier et al., 1995, p. 229). This school of thought (Grunig et al., 2002, p. 15) defines
two-way symmetrical communication as a model of public relations which: “attempts
to balance the interests of the organization and its publics, is based on research, and
uses communication to manage conflict with strategic publics ... Symmetrical
practitioners, therefore, have mixed motives (they are loyal both to their employees and
to the [other] publics of their organizations).”

While the excellence study researchers see two-way symmetrical communication as
ideal, and note that a symmetrical system of internal communication is one of 17
characteristics of excellent organisations, it would be unrealistic to suggest that
internal corporate communication can be conducted principally as face-to-face
dialogue. Except in very small organisations, it is a practical impossibility for senior
managers to meet and discuss strategy with all employees. One-way communication
from strategic managers to all employees is both unavoidable and necessary and is
represented by the four one-way arrows in Figure 3. One-way communication is
appropriate in circumstances where message consistency is important and in this case,
mediated means of communication are a necessary strategic choice. Mediated
communication involves the use of some sort of communication media (external news
release, corporate television advertisement, corporate web site, internal newsletter).
Internal mediated communication can be considered symmetrical: “if its content meets
the employees’ need to know rather than the management’s need to tell” (Grunig et al.,
2002, p. 487). If organisations have symmetrical line-management, team and project
internal communication, and senior managers encourage upward critical
communication (Tourish and Robson, 2006, p. 711) from these sources, they could
have an idea of what employees want to know. So internal corporate communication
would be underpinned with two-way symmetrical communication to provide
opportunities for dialogue (indicated by the four double-headed arrows in Figure 3).
Research into employee preferences for channel and content of internal corporate
communication is required to ensure it meets employees’ needs.

Mediated communication can involve controlled or uncontrolled media. In their
seminal work, Grunig and Hunt (1984, p. 456) note that senior management can send
key internal messages to all employees using controlled media. This is important for
the dimension of internal corporate communication as the communication content
cannot be filtered by gatekeepers in the way “uncontrolled” line-management
messages can be. The content of controlled media is entirely in the control of the
organisation as corporate communicators decide on the content, format and mode of
delivery. Controlled media such as internal newsletters, newspapers, video
presentations and podcasts allow senior management to control message content,
format and channel. By contrast, uncontrolled media messages are filtered by
gatekeepers so that senior managers have less control over message content, format
and channel. External examples of filtering include print and broadcast media where
journalists and editors are the gatekeepers. Internally line-management may filter or
distort strategic messages with their own opinion or interpretation. Recipients of
corporate media may of course, filter the information themselves, in the same way they
can tune in or out of a team briefing meeting. However, senior management have
access to a range of media or channels which can carry controlled content and this represents an important strategic resource. This resource can be deployed by means of push media (Ranchhod et al., 2002, p. 10) (e.g. electronic or print newsletters) or pull media (corporate web site, podcast of the CEO’s annual address to staff). Employee preferences for types of communication media for different dimensions of internal communication require further study to ensure they meet employee needs. Similarly, employee preferences for the amount of information they want on a variety of topics require further study to ensure internal corporate communication meets employee needs since there is a danger that internal corporate communication might be seen as contributing to information overload.

Traditionally, authors have seen mediated communication sources such as written publications as the least preferred method of internal communication (Wright, 1995, p. 183) and face-to-face communication as the most preferred. However, this view has been challenged in the past in the context of management communication (Lengel and Daft, 1988, p. 225) and merits further examination in the context of internal corporate communication. This is particularly important given the increasing proportions of new employee roles, such as the knowledge worker role, in the workforce (Quirke, 2000, p. 95; Sparrow and Cooper, 2003, p. 11). Such changes in the role of employees raises questions for internal communication such as to what extent knowledge workers may have different internal communication preferences (for content, amount, and method) in comparison to other types of workers.

Goals of internal corporate communication
The goals of internal corporate communication are indicated in the four arrow heads in Figure 3. They include:

- contributing to internal relationships characterised by employee commitment;
- promoting a positive sense of belonging in employees;
- developing their awareness of environmental change; and
- developing their understanding of the need for the organisation to evolve its aims in response to, or in anticipation of, environmental change.

These interrelated aims and the literature reviewed to develop them are considered next.

First, research on commitment and communication focuses on day-to-day management communication (Meyer and Allen, 1997; De Ridder, 2004), merger situations (Dackert et al., 2003), and ethical workplace practices (Jackson, 2004). Commitment research is applied here to the concept of internal corporate communication. Meyer and Allen (1997, pp. 11-13) identified three types of workplace commitment. In their view, affective commitment relates to emotional attachment with the organisation. Affectively committed employees are in the organisation because they want to be there. Continuance commitment relates to the costs of leaving the organisation, these employees are there because they need to be there. Normative commitment relates to a feeling of obligation to the organisation, these employees are there because they feel they ought to be. So commitment can be thought of as the type or degree of loyalty to the organisation. Commitment is described as a positive attitude among employees and is defined in terms of individual
identification and involvement with an organisation (De Ridder, 2004, p. 21). De Ridder argues that commitment can be positively impacted by quality task communication, represented by line-management, team and project communication in the Internal Communication Matrix (Table I), and by non-task related communication. Non-task communication equates to internal corporate communication in the matrix since it deals with De Ridder’s (2004, p. 28) concern with: “explaining [corporate] goals and being open about problems.”

Second, internal corporate communication has a part to play in developing a sense of belonging among employees. This sense of belonging can be considered in Cornelissen’s (2004, p. 68) words as: “a ‘we’ feeling … allowing people to identify with their organizations.” Maslow’s (1943) well-known theory of human motivation which places belongingness in the middle of five sets of motivators has been criticised because it lacks a sound empirical base (Myers, 2005, pp. 14-15). However, the need to belong has been confirmed by Baumeister and Leary’s (1995, p. 522) work which suggests that people are strongly motivated by a need for belongingness. This social need exists in all social situations including the workplace. Communal identities in the workplace may exist at corporate and subgroup levels. The Bristol School of Social Psychologists developed social identity theory (Tajfel and Turner, 1979; Tajfel and Turner, 1986; Hogg and Abrams, 1988; Hogg and Terry, 2000) which argues that people self-categorise or identify with certain ingroups to gain self-esteem, and self-enhance by comparing their ingroup with less favourably perceived outgroups. Smidts et al. (2001, p. 1052) suggest that internal communication affects the degree of identification employees feel with their organisation and their attitude to supporting the organisation. Thus, social group memberships affect employee self-concepts. So, an employee might see themselves as a team player in their organisation (self-categorisation) and a team player in their well respected organisation (self-enhancement). A sense of belonging to the organisation and a positive social identity result.

Identification is also seen as a persuasive strategy organisations use to influence internal stakeholder relationships by emphasising shared beliefs and values which meet individual needs for belonging (Cheney, 1983, p. 150). Cheney’s work applied Burke’s rhetoric of identification to internal communication by studying employee publications. So, internal corporate communication has a role to play in identification, and as such has an ethical responsibility. Any persuasive strategy is open to the charge of manipulation. Early public relations writer Bernays (1955, p. 46) considers persuasion as the engineering of consent to achieve organisational objectives and discusses the importance of internal communication with “labor”. Moloney (2000, p. 4) writing from a critical perspective, raises the use of internal communication as propaganda, with employers attempting to manipulate employees. So internal corporate communication can be used on the one hand as a way to develop positive internal stakeholder relationships, and on the other hand as a means for those in power to manipulate and control internal stakeholders. The ethical intent of the communication is at the core of this. Therefore, it needs to be emphasised that the concept of internal corporate communication as outlined here has an ethical dimension. It represents Heath’s (2001, p. 36) revision of Roman scholar of rhetoric Quintilian’s maxim: the good organisation communicating well.
Third, awareness of environmental change and fourth, understanding of how it impacts on evolving organisational aims are important goals of internal corporate communication. Previous research has argued that excellent organisations are characterised by symmetrical two-way communication but that one-way communication can be considered symmetrical in essence:

... mediated communication can be symmetrical as long as it addresses the needs of employees to make sense of how they fit into the organization, to communicate openly with top management about plans and policies, and to understand the activities of the organization in the outside environment (Grunig et al., 1992, p. 569).

However, to be truly symmetrical, it would seem necessary for organisations to go further than explaining their activities in the external environment. They need to communicate opportunities and challenges in the external environment so that employees have a clearer understanding of ongoing changes in the organisation’s environment.

Internal communication takes place in the context of organisational environments that are dynamic in nature, are subject to change and can be analysed at three environmental levels: macro, micro and internal (Palmer and Hartley, 2002, pp. 7-29). Since, organisations are operating within a dynamic environment, and commentators see the rate of change as “considerable” over the past two decades (Cornelissen, 2004, p. 42) internal corporate communication must be designed to develop awareness of changes in the organisation’s environment. Changes in the macro, micro and internal environment result in the need for change in the organisation. Instead of employees being left with no option but to think, “Oh no, here we go, the top brass have changed their minds again,” effective internal corporate communication should enable understanding of the relationship between ongoing changes in the environment and the consequent requirement to review strategic direction. Thus, employees develop understanding of the evolving aims of the organisation. Building employee understanding of strategic direction contributes to developing commitment (Foreman, 1997, p. 24; Asif and Sargent, 2000, p. 300; De Ridder, 2004, p. 20).

The four goals of internal corporate communication are interrelated. De Ridder (2004, p. 20) argues that good quality, effective task communication is crucial to creating commitment while good quality non-task communication is vital to creating trust. Literature on the role of trust in internal communication has been subject to recent in-depth review by Sparrow and Cooper (2003, pp. 2-3, 99, 103) who emphasise its role as a dimension in the social climate of organisations, highlight the role of trust as a precursor to commitment, and note that low levels of trust are associated with poor communication. This could imply that quality communication creates trust, that trust is an aspect of social climate and that consequently, communication creates climate. On the other hand, it could imply that trust creates quality communication. Either way, non-task internal corporate communication would seem to have a role to play in developing employee commitment and trust. It could be argued that communication leads to trust and understanding of strategic direction. If internal stakeholders do not understand their organisation’s strategic direction, they cannot be committed to it and may be reluctant to trust it or their senior managers. Taken together, the four goals equate to an overall objective of engaging employees with their jobs and their organisations.
Context of internal communication: external and internal environment
The concept of internal corporate communication (Figure 3) takes a stakeholder theory approach. It needs to be understood as being positioned within an environment that is shared with the all the dimensions of internal communication outlined in the Internal Communication Matrix. This context represents the atmosphere, social or communication climate within the organisation and the external environment. The nature of the external environment will therefore be considered next, followed by consideration of the internal environment and communication climate.

Freeman (1984) emphasises the need for internal stakeholders to be considered in the context of their external environment. The external environment consists of macro-environment forces (political, economic, social, technological, environment and legal) which affect all organisations in a particular sector. Micro-environment forces (customers, suppliers, intermediaries, competitors) which are closer to the organisation have a particular impact upon it (Ginter and Duncan, 1990; Johnson and Scholes, 1999; Palmer and Hartley, 2002).

The internal environment involves the organisation’s structure, processes, culture and subcultures, organisation behaviour such as management and leadership style, employee relations and internal communication (Schein, 1984; Handy, 1985; Palmer and Hartley, 2002). Organisational culture is represented by symbols, heroes, rituals, values and practices (Hofstede et al., 1990, p. 313) or a cultural web surrounding the organisation’s paradigm constructed of stories, symbols, power, organisation, controls, rituals and routines (Johnson and Scholes, 1999, p. 73). Organisational culture is defined by Schein (1984, p. 262) as:

... the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.

Puchan et al. (1997, p. 79) summarise views of organisational culture as Dawson’s “shared values and beliefs” Hofstede’s “collective programming of the mind” and Bower’s “the way we do things here.”

The internal environment generates the atmosphere or climate in which communication occurs (Anderson and West, 1998; Smidts et al., 2001; Chen and Lin, 2004; Dackert et al., 2003). Influences such as culture, attitude to conflict management and communication systems affect the nature or quality of the communication climate (Handy, 1985, pp. 186, 222). Climate is influenced by psychological (individual level) and organisational (shared psychological) contracts (Rousseau, 1995; Smidts et al., 2001, p. 1052). Climate could be described as the dynamic environment in which communication takes place. Grunig et al. (1992, p. 551) define it as “employee perceptions of what an organization is like.” Smidts et al. (2001, p. 1053) discuss the quality of communication climate and argue that positive communication climates increase employee identification with the organisation. These authors distinguish levels in the communication climate including top (or strategic) management, supervisors (line management) and colleagues (peers). These communication levels (top-management, supervisor and colleague) link to the corporate, line management, and team or project communication elements in the Internal Communication Matrix (Table I) and represent distinct groups of internal stakeholders. It follows that,
different perceived communication climates may exist within the same organisation for the four internal communication dimensions proposed here.

So, internal communication takes place in a communication climate influenced by corporate culture. At the same time, internal communication influences corporate culture since it represents the culture. Internal line management communication sets out controls and routines (performance and appraisal meetings). Internal team and group communication passes on stories and rituals (how past projects were implemented, regular meetings, whether people routinely e-mail a colleague in the next office rather than call into talk to them). Internal corporate communication channels, like newsletters or podcasts, portray culture by communicating corporate stories (how we influenced government policy) celebrating heroes (an award winning employee) and facilitating rituals (get your tickets for our company’s 40th anniversary party). In the same vein, they may provide cultural cues in photographs (managers in suits portraying a formal dress code, casual trousers and knitted tops portraying an informal dress code).

The position of internal corporate communication within overall internal communication is shown in Figure 4. All the types of communication represented in this diagram are interrelated. Internal stakeholders are party to external communication and vice versa (Morsing, 2006). However, separating out types and dimensions of communication as discussed in this paper is necessary to enable in-depth analysis. Such analysis is necessary if managers are to tackle the challenges of achieving effective communication and engaging employees in the workplace.

Conclusions
The paper concludes with a summary of the concepts proposed and their theoretical implications, an overview of potential management implications and suggestions for further research.

Figure 4.
The position of internal corporate communication within integrated corporate communication

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This paper makes a conceptual contribution to internal communication theory. It reflects on the nature, scope and focus of internal communication. It considers the relationship of internal communication to the corporate communication school of thought (Figures 1 and 2) and breaks the definition loop identified earlier to define it as the strategic management of interactions and relationships between stakeholders within organisations across a number of interrelated dimensions including, internal line manager communication, internal team peer communication, internal project peer communication and internal corporate communication. It takes a stakeholder approach to broaden the internal communication concept as summarised in the Internal Communication Matrix (Table I). This multi-dimensional approach is significant since it broadens previous approaches. It proposes the concept of internal corporate communication (Figure 3), sets out its goals and context, and emphasises its interconnectedness with the internal and external environments. Finally, the paper highlights the interrelationships between all forms of internal and external communication (Figure 4). This theoretical contribution is significant as it addresses calls for discussion and definition of internal communication (Kitchen and Daly, 2002, p. 49), for theory on its mandates, scope and focus (Forman and Argenti, 2005, p. 257) and to counteract the tendency to treat employees as “a single public” (L’Etang, 2005, p. 522). It does this by conceptualising a multidimensional stakeholder approach to internal communication.

The Internal Communication Matrix provides a typology of internal communication. The matrix may be useful to academics and practitioners as an analytical tool with which to classify and examine internal communication. This may help in both the evaluation of internal communication, its strategic planning and in internal situational analysis. This tool may be of use when planning internal communication strategies as it prompts managers to think about different internal stakeholder groups in relation to four dimensions of internal communication. For example, managers with a strategic objective of increasing all employees’ awareness of the need to improve safety (perhaps prompted by new external regulations) may use internal corporate communication to communicate safety policy by means of articles in employee newsletters and e-zines. Additionally, they may use internal line management communication to include safety information in a core brief for dissemination by team leaders in team briefings, with time for team discussion (team peer communication). Additionally, they may ask project groups to consider safety issues at future project meetings (project peer communication). In this way, all four dimensions are systematically considered and effectively utilised in strategic internal communication.

Corporate communication managers may find the internal corporate communication concept useful when communicating with all employees. It is defined as communication between an organisation’s strategic managers and its internal stakeholders, designed to promote commitment to the organisation, a sense of belonging to it, awareness of its changing environment and understanding of its evolving aims. This concept may help them to focus on the goals of promoting positive commitment and a sense of belonging. The concept entails responsibility to consider the organisation’s internal and external environments and to communicate ethically. If corporate communication managers are to achieve awareness of changing environmental influences and understanding of consequent changes to
organisational aims, they need to be able to evaluate the results of internal and external situational analysis. This has consequences for the education of corporate communicators.

The internal communication stakeholder approach offers managers and researchers a useful way to analyse communication audit and internal communication satisfaction survey findings, thus contributing to internal situational analysis. Instead of collecting data from a uni-dimensional internal communication perspective, they could usefully explore data on the four dimensions of internal communication. For example, an organisation may find that there is a high degree of satisfaction with internal corporate communication and peer project internal communication, but less satisfaction with line management internal communication and this would be a useful area for further research. This has implications concerning the design of internal communication research instruments. Additionally, managers need empirical work to help inform internal corporate communication strategy with insights about internal stakeholders’ needs and preferences for communication content and media.

The ideas represented by the Internal Communication Matrix and the concept of internal corporate communication presented here are theoretical and require empirical exploration. Both communication and management are vital to all aspects of organisations and the strength of the corporate communication movement is that it emphasises the interrelatedness of communication within and outside organisations. It reminds theorists and practitioners of the need to think in terms of integrated communication. At the same time, the Matrix highlights the need to identify the dimensions being integrated. Internal corporate communication holds particular promise as a focus for corporate communication research.

Communication models and theory may represent useful ways of depicting communication, but they can seldom capture the complexity of reality. Nonetheless, Lewin’s (1945, p. 129) maxim “nothing is as practical as a good theory” holds true in the field of corporate communication. It follows that corporate communication scholars should strive to develop theory with useful practical implications. So, this paper attempts to help organisations improve internal communication by proposing theory that might improve internal communication practice and assist strategic managers to engage employees.

Note
1. Corporate: It is worth noting that some writers use the term “corporate” exclusively in relation to for-profit business, while others see it as applicable to all organisations. Here it is used in a similar way to Varey and White (2000, p. 10) and van Riel (1995, p. 26) to signify the organisational body or whole social entity and is thus seen as applicable to any organisation, including not-for-profit organisation communication.

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**Further reading**


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