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DEVELOPING CORPORATE COMMUNICATIONS:
An Exploratory Study

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DEVELOPING CORPORATE COMMUNICATIONS: An Exploratory Study

Abstract
Purpose - Based on business manager perceptions in large firms, this paper explores the emergence, growth and importance of corporate communications and how it is evolving and creating competitive advantage in Italian firms.

Design/methodology/approach - A qualitative approach is deployed, comprising depth interviews with senior managers from corporations from a broad spectrum of industries including: energy, telecommunications, automotive, transport, retail chain, appliances, technology and engineering, private shipping, government-owned holdings, marketing consultancy, and construction.

Findings - The paper provides insights of corporate communication (corpcom) practices in the sampled companies. The research shows that corpcoms involves a complex range of activities leading to performances managed and implemented under CEO direction.

Practical implications - Corpcoms is perceived as a strategic concept with effective application relative to managing corporate image and reputation. The findings offer insights for communication professionals who deal with corpcoms, branding, and marketing communications.

Originality/value - Corpcoms can be viewed via lens of social actors’ perspectives, i.e. via practitioners – including brand managers and senior executives as they possess practical knowledge of contextual business setting and the managerial capacity to design and implement integrated corporate communications.

Keywords - Corporate communications, integrated communications, communications consultants, marketing communications

Paper type - Research paper
Introduction
A growing number of researchers emphasize the importance of corporate communications (hereafter corpcoms) (Gupta et al., 2008; Karaosmanoglu and Melewar, 2006). Corpcoms is utilized by companies in an attempt to differentiate themselves and their brand in an increasingly competitive world (Dev and Schultz, 2005; Goodman, 2006; Kapferer, 2012). For example, a paper by Invernizzi and Romeniti’s (2009) illustrated that strategic corpcoms had become fundamental in the agendas of business and communication practitioners. Earlier, Van Riel (1995) and Grunig et al. (2002) had focussed upon managing mutually beneficial relationships inside and outside the company as this highlights that a company is a social institution that generates value, in economic and social terms. Cornelissen (2008; 2011) and James and Phillips (2010) indicated that corporate culture can focus on service to different stakeholders as an essential and differentiating organisational characteristic. Previous studies highlighted that companies need to respond to stakeholder expectations and requirements to obtain and maintain competitive advantage (Van Riel and Fombrun, 2007). These views facilitate understanding and renew discussion about the role of corpcoms role in organisational behaviour (Bandsuch et al., 2008; Burchell and Cook, 2008).

Argenti (2006) and Cornelissen (2004) demonstrated that communication has become cogent in practice and its role in the development of corporate strategy (see also Argenti, 2006; Kitchen, 1997). Burchell and Cook (2008) noted that communicating well with stakeholders leads to positive consequences such as decreased conflict and risk reduction as well as a greater proximity to stakeholders. However, despite this emphasis from past research that strategic communication creates commitment and could underpin positive organisational behaviour (Van Riel and Fombrun, 2007), evidence suggests that communication executives need to develop a greater awareness of the nature and strategic role of communication relative to organisational and stakeholder goals (Cornelissen, 2008; Holm, 2006; Van Riel and Fombrun, 2007).

As communication managers are potentially involved in strategic decisions within corporations (Goodman, 2006; Grunig et al., 2002), they understand and adapt what they do to ‘others’ sense of the company. When this happens, it can create bidirectional communication that may lead to dialogic practice in which all parties participate. Over time this underpins sustainable competitive advantage (Stoker and Tusinski, 2006) and lead to a communication-oriented organization (Bowen, 2009; Johansson and Ottestig, 2011). Nonetheless, controversy still surrounds corpcoms with issues as to its ‘newness’ either practically or theoretically, i.e. having always existed, or whether it is merely a managerial fad (Duncan and Everett, 1993; Schultz and Kitchen, 2004).

Based on practice theory (Jarzabkowski, 2005; Schau et al., 2009), this paper explores the emergence, growth and importance of corporate communications; and its implementation and application in Italian firms, an under-researched country in the EU insofar as this subject is concerned. We also consider its implementation and application in selected companies, paying attention to budgetary decisions and decision making processes. In this way - albeit embryonically - integrated communications action can be explored.
FOCUSBING ON CORPORATE COMMUNICATIONS

Conceptualising corpcoms is predicated on considerations that increasing globalisation, changing market environs and media channels impact organisations and *inter alia* up on their imperative to communicate (Duncan and Moriarty, 1998; Kitchen and Eagle, 2002; Schultz, 2004, 2007). Increasing regulation and competitive business settings are also strong pressures for today’s business communicators. Therefore, investigating corpcoms in Italy may offer insights of value in how to deal with challenges or assist in solving problems (Foroudi et al., 2014; 2016).

Since the 1990s, corpcom programmes have become increasingly important due to multiplicity of media channels, fragmented audiences, increasingly diverse stakeholders involved in the firm, and technological developments (Argenti, 2006; He and Mukherjee, 2009; Invernizzi and Romenti, 2013). In analysing these and other factors and their effect on communication, many authors initiated studies which focused upon stakeholder perceptions about the ways a firm may express itself and such communication studies have multiplied ad nauseum (Forman and Argenti, 2005; Foroudi et al., 2016; Schultz and Kitchen, 2004). Unsurprisingly, this resulted in diverse definitions of corporate communications. For example (Van Riel and Fombrun, 2007) proclaimed that corpcoms was:

> “that set of activities involved in managing and orchestrating all internal and external communication aimed at creating favorable starting points with stakeholders on which the company depends. Corporate communication consists of the dissemination of information in [and out with] an organisation, with the common goal of enhancing the organisation’s ability to retain its license to operate”.

Not be outdone, Cornelissen (2008, p. 23) added that

> “corporate communications is a management function that offers a framework and vocabulary for the effective co-ordination of communications with the overall purpose of establishing and maintaining favorable reputations with stakeholder groups upon which the organization is dependent”.

Yet these definitions only provide a limited understanding. For example, corpcoms can influence distinctiveness, in addition to a company’s services and brands, and underpin sponsorship, and other corporate communication activities (Foroudi et al., 2014). Further, corpcoms focuses upon organisational image and reputation (Carreras et al., 2013) and, for this reason, requires an integrated approach using a potentially constrained specialist frame of reference including corporate branding, media relations, issues management, investor relations, public affairs, internal and CEO communication.

Such communications aims to establish and maintain favourable relations with company stakeholders (Kitchen, 1997). The general idea is that corporate success and sustainability may depend significantly upon how the organisation is perceived by stakeholders. Thus, an integrated corpcoms approach aims to fulfil several communication needs, each designed to avoid or minimise reputational damage (Schultz and Kitchen, 2004; Van Riel and Fombrun, 2007).
Starting from these considerations, this paper examines Italian managers understanding of corporate communications. The overarching research question is “whether there is a corporate communications definition established from a practitioners’ point of view?” (RQ1).

In order to understand the main features of corpcoms, both corporate and marketing communications’ must be compared. Corpcoms goals differ in their nature from marketing goals because they serve a broader variety of stakeholder groups (Foroudi et al., 2016). In general, corpcoms – owing to the strategic use of corporate brands - aims to present, augment, improve, or, in some cases, stabilise a company’s overall image and reputation (Melewar and Jenkins, 2002). Moreover, corporate communications goals are designed for the long-term success of a company and may have little to do with shorter-term or annual tactics such as marketing communications (De Pelsmacker et al., 2007; Kitchen and Schultz, 2001; De Roeck et al., 2013). Table 1 demonstrates relationships and arrangements between the two communication typologies.

Please place Table 1 about here
Both typologies are viewed as separate entities. During the 1990s, Markwick and Fill (1997) attempted in a rudimentary manner to integrate marketing, organisational and management communication under the heading of corporate communications. They were not alone in this as earlier for van Riel (1995) marketing communications was a function concerned with promotional mix elements, such as advertising or personal selling, while organisational communication was reified to deal with different stakeholders and, therefore, managed public affairs and public relations, as well as investor relations. Van Riel was both right and wrong in essentially seeking to delimit either communication typology and in seeking to exert corporate control over marketing communications. He omitted to mention that marketing communication budgets – then and now- tend to dwarf the budgets allocated for corporate communication purposes.

Through the same rose-tinted spectacles, Van Riel (1995) also saw management communication as the ‘most important function’ within an organisation because it was apparently in control of planning, control, delegation and coordination of employees and programmes for the entire organisation (Jo and Shim, 2005). Thus, management communication should be able to present the strength of the corporation through planned identity, while also augmenting corporate personality and strategy (Gylling and Lindberg-Repo, 2006; Foroudi et al., 2016; Forman and Argenti, 2005). This element aside, van Riel’s (1995) view of marketing communications countermanded that of other researchers, many of whom stated that marketing was not a merely tactical or promotional function (Kitchen and Schultz, 2003; Schultz, 2004). Marketing communications also serves customers and consumers, thus enabling both short and long term sales, profit and market share objectives without which there would no business to present to stakeholders. Without pressing the issue further, employees from both domains should be able to work together to increase brand loyalty and value (Gylling and Lindberg-Repo, 2006).

Following this, common starting points can act as facilitators in developing corporate identity and image and product/service brands (Foroudi et al., 2016; Schultz, 2007). Therefore, companies could in theory develop a common communication strategy to ensure that all disciplines and communication activities work in harmony and support each other’s functions (Schultz, 2004; Van
Thus, there is a need of some rapprochement between corporate and individual brands and their respective managerial teams. These could be used as a gestation point for corporate and marketing communications (Calder and Malthouse, 2005; Garretson and Scot, 2005).

Table 1 highlights that marketing communications is managed by the marketing department in most companies, whereas corporate communications lies firmly in the CEO’s domain. In consequence, companies ideally need to have a corporate communications strategy that is integrated at all levels; corporate, strategic business unit and brand (Kitchen and Eagle, 2002; Wightman, 1999). In addition, corpcoms could - potentially - be envisaged as a process in coordinating and creating synergy between departments and functional areas (Cornelissen, 2000; 2011; Kitchen and de Pelsmacker, 2004).

Taking these issues into consideration, corpcoms involves features and corporate performance issues that need to be ostensibly managed and implemented by the CEO aided by senior company managers. All these activities and the associated communication strategy can be consolidated into one or few departments thus enabling companies to create and manage the strategic directionality of their communications with various stakeholder groups (Melewar et al., 2016). In all this, corpcoms is a significant function within organization with the same nascent ‘power’ of other functions and evidently can be strategically managed. Therefore, in exploring how large companies in Italy manage corporate communications, we derive two research questions from the literature (R2a) How do Italian large companies manage their corporate communications? and (R2b) Are corporate communications departments (or their equivalents) both organised and effective in our sample firms?

In addition, taking into consideration new trends and future perspectives, it emerges that, in many companies senior communication managers are becoming members of the corporate dominant coalition (Bowen, 2009; Dozier et al., 1995). These positions in an organizational hierarchy allow managers to direct communication following a strategic organisational approach (Berger, 2005). Frequently large companies place such a department at a high vertical organisational level. Indeed Bowen (2009) asserted that, most global corporations have a communication department strictly linked to the CEO and her/his executive team. This means that corpcoms department may advise senior decision-making teams, and that communications management personnel directly report to the CEO as an active part of the dominant coalition. Thus, we investigate large companies that have developed corporate communications whether (RQ3) is the department developing significant interactions at different organisational levels – vertical top-down, bottom-up vertical, or horizontal – an active part of the dominant coalition?, and (RQ4) Taking into account the important role of corpcoms in large companies, to what extent are our sample companies likely to increase investment in corporate communication over the next three years?

Moreover, it is likely that a dominant coalition, including communication managers, will use several communication tactics to communicate with internal and external stakeholder groups, and work with communication consultants (Canato and Giangreco, 2011). Considering that several studies focus on the relationships that large companies have with consultants, and especially, on the approach and conduct of companies toward ‘their’ consultants may also lead to successful relationships (Kitchen
and Schultz, 2001), we also explore (RQ5) What kind of relationship should be developed between the company (dominant coalition) and the consultant(s)?

**RESEARCH METHODS**

The preceding literature review afforded little by way of application for Italian-based firms. Limited studies to date comprise mainly descriptive studies in the domain (Foroudi et al., 2014). This scenario allows justification of an explorative qualitative research design to (Veludo-de-Oliveira et al., 2006) enable provide understanding of the subject. Thus, our primary purpose is to develop preliminary ideas and move toward refined research questions by focusing on ‘what’ or ‘why’ questions (Neuman 2006, p. 33) and we utilize exploratory research to arrive at a set of assumptions on which to base the research design.

Since this research aims to explore the definitions, features, tasks, responsibilities and competencies of corpcoms, a qualitative approach was more appropriate as this method uncovers and explores the way social actors (internal and external communication managers) behave, and why (Collins and Hussey, 2003). Put differently, qualitative methods enable researchers to unpack the processes by which people come to final decisions (White et al., 1999), and provide opportunity for contextual analysis.

Therefore, taking into consideration the research questions and the chosen method, a semi-structured instrument was designed which allowed opportunity for empirical inquiry into this contemporary phenomenon within a live context (Yin, 2009). The further advantage of this approach is that it allows preliminary situational understanding, which enables subsequent findings to contribute to research.

A sample of 194 large Italian companies were contacted by e-mail and telephone and respondent selection made according to revenues achieved in 2015. Moreover, only large companies headquartered in Italy were selected. Companies that belonged to an international corporate group such as P&G, Henkel, etc. were excluded. Like many exploratory studies, companies and interviewees were selected based on a judgment sample criterion (Gopaldas, 2016). Thus, after elimination of firms that did not meet the criteria, and others unwilling to participate, eventually we ended with 15 large companies whose executives participated in the research. Moreover, it has to be highlighted that, the main aim of researchers was to increase understanding of the explored phenomenon rather than obtain a fully representative sample. For this reason, the sample selection was completed at the point of redundancy, that is, at the point when no new information was approaching (Lincoln and Guba, 2000; Patton, 2002).

However, a purposive approach was put into practice to guarantee that the sample contained organizations from a range of different sectors (Gopaldas, 2016). Strauss and Corbin’s (1990) theoretical approach was used in the data analysis, selected given that the data is qualitative in nature. Secondary data was also accessed including information from websites and corporate literature in order to overcome the limitations of interviews. To achieve the research objective, the authors conducted 25 face-to-face semi-structured interviews in 2015 with key informants, marketing and
communication consultants responsible for implementation of the companies’ corporate communication.

Field interviews
Italian businesses that were not SMEs and had 250 or more employees were selected (Loecher, 2000) from a broad spectrum of industries including four energy companies, one telecommunication, one automotive, one transport, a retail chain, a leading appliance company, two technology and engineering companies, a private shipping company, a government-owned holding, a marketing consultancy and a construction company. This cross-section was chosen as the study explores the emergence, growth and importance of corpcoms and how this is evolving and creating competitive advantage. Therefore, the sample is composed by interviewee selections of executives/managers in Italian companies, functional areas/departments and roles/positions with the proviso that all relate to communication.

An interview protocol was designed (Gruber et al., 2008; Gopaldas, 2016) and after a brief introduction to delineate the research focus, each interviewee discussed subjects relative to the research objectives to obtain insights into corpcoms practice. Each interview lasted approximately one hour. All interviews were recorded and transcribed verbatim to ensure reliability (Malhotra and Birks, 2003). Based on the nature of the research topic, where permission was not extended to record, interviews were paused, notes taken and written up immediately afterwards. All back translation was followed from Italian to English by expert translators. An interview guide helped ensured all areas were covered, though interviewees were allowed to move from concept to concept without following the topic order in the guide. Using open-ended questions improved the validity of the collected answers, as is suitable for exploratory studies (Malhotra and Birks, 2003).

In order to structure a comprehensive synthesis of information obtained from the data, NVivo was utilised. This assisted the authors to understand recurrent topics, examine the text, and interrogate the data at different levels and ensure reliability and validity of the research. Using NVivo, the researchers tried to find the research phenomenon inside the data, and indicators of where the phenomenon started and completed (Patton, 2002). Thus, this study is in line with the criteria of trustworthiness for qualitative study by using multiple methods for analysis employed to prove internal validity and credibility, comprehensive description of the research setting, taking into consideration the criteria of external validity and transferability, cases and informants confidentiality protected, and verbatim interview transcription, following objectivity and confirmability principles (Lincoln and Guba, 2000).

RESEARCH FINDINGS
Definition and Features of Corporate Communications
In these two sections, findings (summarized in Table 2) are preceded by background information and, according to Langley (1999), presented with a narrative approach.
Aiming at answering to whether there is a corpcoms definition established from a practitioners’ point of view (RQ1), we commence by exploring the definitions and importance interviewees expressed. An interviewee mentioned that,

“...it seems effective. However, remember that (...) involves both planning and practice. The second part is more difficult than the first. Usually, communication is identified with immaterial and speculative activities. In actuality, the most expensive phase in terms of time and resources is when “words” become practice” (Corporate Communication Manager).

The majority of respondents that the corporate communications definition was aligned with that of Cornelissen (2008) i.e. focussed upon a strategic corpcoms perspective. Thus, Cornelissen’s definition is relevant only if words become facts. In addition, a corporate HRM manager said “we use communication in order to spread information inside and outside the company”. This highlights that corpcoms has to reach (and influence) different audiences (internally and externally). Moreover, another opined that in order to manage this properly, several functions/departments must be involved:

“the definition of CC accords with (...) mine. However, here, several functions/departments manage it” (VP - External Relations and Communication).

On the other hand, two interviewees said that they agreed partially with the definition, while another manager stated that CC is not developed in the company where he works. In particular, an interviewee said,

“...I don’t agree with the second part of the definition i.e. “establishing and maintaining favorable reputations”. Actually, we work in order to reach a coherent management of CC using different integrated channels and the internal communication department” (Internal communication and training manager).

This highlights that the company focuses mainly on internal communication. However, this manager does not think that reputation could be a goal which corpcoms should reach. Besides, this interviewee remarkably stated that there is no space for corpcoms in his company,

“Nowadays, there is no corpcoms department. Such activities are developed with sporadic events that the company decides to promote. External communication is mainly based on advertisements and offers, while internal communications is managed by a specific manager in charge of training staff as well” (Corporate HRM Development Manager).

This perspective takes into consideration primarily the tactical side of communication. In addition, it is linked with discontinuous implementation in order to reach short term aims or follow a trend, and/or may be related to relative unsophistication as to corporate and marketing communication boundaries. However, most interviewees intimated that corpcoms was a necessary asset for large companies and that played an important role in their business. Based on the data, the key elements
associated with the words ‘corporate communications’ in the Italian scenario are illustrated in Figure 1. The selection of elements is based on an association index. In particular, the index was carried out following analysis that allowed understanding of the features of corpcom approaches. Word association analysis of practitioners’ points of view was done to classify main key words about corpcoms and visualise them in a radial diagram (see Figure 1) with the words ‘corporate communications’ in the centre and other words disseminated around, each at a distance proportional to its degree of association. The statistically significant relations between words are, consequently, univocal and mono-directional.

Place Figure 1 About Here

It is useful to consider statements that focus on the importance of corpcoms. For example, a corporate communication manager said,

“Communications is essential for a company that would like to be successful. Our company was among the first in Italy to understand the importance of innovation in putting into practice communication strategies. We love innovation since the company was born in the sixties. In those days, the president hired American firm Booz Allen & Hamilton as their marketing and communication consultant. Our company was the first to hire an American consultant. However, instead of passively accepting a foreign model, we integrated it into our corporate culture and thus we changed how corpcoms is developed in Italy” (Corporate Communication Manager).

This implies that corpcoms not only plays a significant role in the company but that it has done so for decades. It also reveals the ambivalent nature of the relations between marketing and corporate communications. For example, Booz, Allen and Hamilton had at that time very little experience of corpcoms per sé. Another interviewee also mentioned corporate social responsibility, indicating its fundamentality:

“among the principles and values that inspire corporate performances are transparency and fairness. These can be reached giving to stakeholders clear and sustainable communications about strategies, activities, results and decisions. All these actions and relations together create internal and external value, which guarantees trust and credibility, creates profit for the company and helps in changing strategic choices. Due to this, our company was honoured to receive numerous awards for outstanding corporate communications in areas such: good reporting and financial communications, online financial communications, web ranking, corporate governance, and an award for the most innovative intranet in Europe” (CC and External Relations Manager).

About main influences exerted, several interviewees noted that corporate communications is responsible for emphasising corporate values, (of more importance to stakeholders, and latterly upon sustainability). In this respect, a manager said:
“All communication projects start from analysis of the stakeholder system. This helps us to constantly strengthen reputation and focus responsibly on different publics. This is followed by a regular interest in sustainability, a further element that can become the basis for strengthening intangible corporate assets. This is an essential value that helps give more consideration to people, environment, communities, technological innovations and to all employees in the company. The activity dedicated to maintain relationships can be considered strategic. In fact, it represents an added value for us. Creating and sustaining value depends on the quality of stakeholder relationships. For this reason, strategies cannot be developed without strong and open dialogue with all legitimate organisations in contact with the company” (External Relations Manager).

Thus, corpcoms is seen to be both tactical and strategic simultaneously. Taking into consideration all interviewee views, the most meaningful aspect that affects corpcoms – especially, in terms of budget and organization – is company size especially in response to stakeholder issues. For example, an interviewee from an energy company stated:

“the most important thing in a company that influences... is that it is necessary to answer to stakeholder pressure. Once managers use corpcoms then corporate problems [may] become easier to solve. Corpcoms helps underpin relations among different SBUs”.

For the majority of interviewees – corpcoms is influenced by resource and information exchange among different areas of communication and new technologies. So, it can be said that any corpcoms definition established from a corporate perspective should take into consideration all the elements, issues and features highlighted heretofore. Actually, it was found that when comparing the theoretical definitions of corpcoms with those of practitioners, it was noticeable that interviewed managers did not have a holistic definition of the topic and perhaps this is not needed so much in practice, as in the constant welter of academic opinion.

Moreover, in the data analysis on CC definitions and its features, three keywords were extracted from interviews, i.e. stakeholders, image and relations (see Figure 2). Moreover, further important keywords were identified related to the main subject: responsibility, transparency, positive behaviour, staff/employees relations, public relations, marketing and external communications.

**Place Figure 2 About Here**

*Corporate Communications Tasks, Responsibilities, Competencies*

Aiming at finding out how Italian large companies manage their corpcoms (RQ2a) and if corporate communications departments are both organised and effective (RQ2b), this second part of the findings illustrates the main features of the Italian communication unit/function in terms of tasks, responsibilities and competencies. According to interviewees, in each company there is a single organization unit/function (mainly titled the PR department) in charge of managing corpcoms. The business manager responsible for planning is head of the Communication Department or the Public Relations/External relation manager while the business manager responsible for implementation is the communication manager (in other companies the person responsible was external relations
manager - or PR manager, Marketing manager, or Sales manager). The number of employees working in such units is restricted – in no case was there more than fifteen. Departments involved in managing corpcoms usually interact through meetings. Moreover, it seems that the External Relations manager is the person responsible for coordinating activities developed by corporate and the marketing communication department, and he was also charged with directing a permanent cross-functional team coordinating communication activities. An interviewee speaking of activities by cross-functional teams said:

“they manage strategically and tactically national and international communication projects; support media relations; reinforce corporate reputations thanks to strategic and tactical management of CSR projects; manage press releases in Italy and other countries; create communication and PR plans; support event management; media monitoring (press releases, monitor press agencies, online, in TV and on radio); write and review texts and materials for different journals; and measure media results” (Managing Partner).

In terms of the corpcoms department is developing significant interactions at different organisational levels (RQ3), it was noted that relations and coordination among different departments were quite well developed in this sample of companies. However, vertical top-down interaction (from executives to employees) appears dominant in all firms. The approach utilised to arrive at the communications budget in the companies is that of tasks and objectives though this is usually associated with marketing. In terms of investment in communication budgeted for the next three years (RQ4), 50% of the companies stated their budgets would increase by 10% on corpcoms – still however with 90% allocated to marketing, while others were not planning to change their communication budget. Notably, a distinction between corpcoms and marcoms budgets was not specified in any of the sampled companies. The main reason for those increasing budget was to renovate and refresh the corporate image. Thus, as noted earlier, interviewees seem to place more importance on image than upon reputation though this requires further research.

In addition, as regards the relationship between the company and external consultants, according to the majority of interviewed managers, usually external communication agencies are employed to manage advertising plans and website design. This relationship seems to involve long-lasting cooperation; in fact, managers said that they collaborate with external consultants for periods from 5 to 10 years. Moreover, when managers decide to substitute their partners they do it mainly because they need to manage communication in a market divided into geographic areas (regional, national and international). Hence, they usually employ different consultants for different geographical areas. There are many reasons for the employment of communication consultants, such as (i) lack of expertise inside the company, (ii) presence of qualified staff but not expert in the communication department, (iii) efficient contacts with differential media, (iv) worthwhile investment, and (v) development of communication strategy.

However, the main tasks that communications consultants perform are to create logos/trademarks, and develop textual and graphical messages as most interviewees stated. In addition, four managers
said that “the external communication consultants are usually involved in creating a new corporate brand”. Others suggested that:

“it could be useful to hire a consultant to (i) create packaging, (ii) create new product brands, (iii) develop the corporate house style, (iv) recommend investment advertising, sponsorships, sales promotions, or MPR., and (v) recommend which media communication channels are apropos”.

To summarise, the majority of interviewees stated that when an external communication consultant works for a large company, he/she usually receives briefing and guidance direct from the CEO. However, an interviewee from an engineering company suggested that, “communication decisions are taken by the CEO together with the external consultant”. Another manager from a construction company said “communication decisions are exclusively taken by the CEO”. These data allowed a glimpse into the complexities of the relations between a company (dominant coalition) and consultant(s) (RQ5).

DISCUSSION
This paper explores the emergence, growth and importance of corpcoms and how it is evolving and creating competitive advantage via qualitative research into the perceptions of business managers in large Italian based firms. Besides, enhancing previous understanding and contributing to literatures on corporate communications, the study re-defines the concept as (RQ1):

“corporate communications is a management function that effectively and transparently co-ordinates all means of communications in practice, in order to responsibly create and support a positive image with different stakeholders”.

This means, according to the findings, although scholars highlight the fact that the main benefit reached through corpcoms to establish and maintain a favorable reputation with [all] company stakeholders, large Italian companies - in this sample - seem to be interested in creating and supporting a positive corporate image. However, one may well be perceived to lead to the other. Actually, Italian organizations have put significant effort into creating and sustaining corporate image by aligning and managing communication campaigns with different publics. However, they seem to pay more attention to company’s visibility and awareness at the time of this research.

Several interviewees considered image and reputation as overlapping, although authors (Foroudi et al., 2016; Melewar et al., 2016) mentioned that it is important to keep them separate. In fact, they advise that to achieve a strong reputation, companies need a strong image. Nevertheless, interviewees seemed unclear as to whether or not corporate reputation was better than a positive image or vice versa. Image is more variable for the reason that it is built upon beliefs and opinions while corporate reputation, built on values, usually does not vary in the short-term. In addition, reputation is more stable in the presence of negative publicity. This is due to the fact that “it is value-based and not belief-based” thus, “negative information about the company will have a much more difficult time altering the association in memory” (Percy 2008, p. 64). It is likely that image in Italy is preferred to
reputation due to cultural habits and social pressures companies face, especially in the aftershocks of
developed the ways corpcoms is managed.

Considering RQ2 it is clear that there are signals highlighting that a corporate communications
department is assuming greater importance in these Italian companies. Managers were well aware of
the importance of managing corporate communications (RQ2a). In all the sampled firms there is a
single department/function for corpcoms albeit under a different title such as ‘External Relations’ or
‘Public Relations’. This emphasizes that while corpcoms has taken and is considered significant
inside companies, the use of the term “corporate communications” is not fully realisable … despite
academic advocacy! External relations and PR are well-used recognisable labels. However, the
current existent departments – follow the rule of efficacy and efficiency while seeking to create and
support positive corporate image with different publics (RQ2b).

The rise of relevance of this topic via organisational structures is in line with other findings exploring
the role played by the corporate communications officer (CCO). Over the past years, the literature
has highlighted the increasing importance of the CCO in firms, by showing different “predominant
role types” involved into CCO’s main duties and tasks (Invernizzi and Romenti, 2013) and by
investigating the fact that CCO has been progressively taking on a leadership role (Beurer-Züellig et
al., 2009; Holtzhausen and Zerfass, 2011). If the spotlight is on the ‘leader’, the same is happening
also for departments as they are (Simoes et al., 2005), the function that helps companies gain
competitive advantage, integrating communications between internal and external stakeholders.

From the theoretical point of view, in a company that develops an integrated corpcom approach, the
department should develop different significant interactions at different levels within the company -
top-down vertical, bottom-up vertical, and horizontal, as an active part of the dominant coalition. We
find some support for this (RQ3). Results show that inside most of our sampled firms, relations and
coordination among different departments are well developed in Italy.

However, communication managers pay more attention in developing vertical top-down interactions.
This aligns with the fact that large companies often position the communication department at a high
vertical level organizationally. This means that top down vertical interactions are necessary in order
to allow managers that are located in the higher position to direct tasks to other employees. Thus, the
location of the department close to senior management also means that this department often
interacts directly with the CEO as it develops several tasks relevant for senior managers such as (1)
text-based productions; (2) managing content and production of internal and external web sites; (3)
consultation about means and media of communication; (4) coordination of communication projects;
and (5) monitoring communication quality in accordance with Lurati and Eppler (2006); Mahoney
(2011) and Moreno et al. (2010).

In terms of budget, the analysis highlighted that 50% of the sampled firms will increase investment in
communications in the next 3 years (RQ4). However, budget increases average just 3% per year. The
economic crisis is affecting the communication budget according to interviewees. Moreover, the fact
that companies put into practice the task and objective method seems to indicate that managers are
interested in achieving long-term objectives, despite the fact that this method is more often utilised in the marketing communication domain.

The trend in terms of investment in communications is only partially validated by access to a public database with information about advertising and promotional expenditure made since 2009 (see Fondazione Accademia di Comunicazione). These data reveal a substantial decline in advertising and a move to below-the-line promotion and online materials especially in the period from 2012-2015. This leads to less expenditure on corpcoms evidences shifts and changes over time. Information from the public database reveals that, in Italy, most investment is made in advertising (78% of total expenditure goes into above-the-line media) made just by very few companies (less than 2.5% of the total number of existing companies, i.e. 400 organisations).

Moreover, among the circumscribed amount of companies that still invest in traditional communication, the budget set for promotion is more close to “15-50 million Euros” than to “over 50 million Euros”, actually, in 2013, this kind of investment was even more restricted. Bearing in mind RQ5, exploring the relationship between the company (dominant coalition) and external consultants, this tends to be a long term relationship. Such approach creates a collective understanding about corpcoms among communication practitioners – internally and externally. In fact, it allows managers and consultants to take part and institutionalise the processes of integration (see Kitchen and Schultz 2001 for an early slant on this). A question must arise as to the types of skills, qualifications and experiences of the consultants which may stem primarily from marketing.

IMPLICATIONS OF THE STUDY
Insights derived from the study have several implications. This research offers managerial contributions for decision-makers who wish to understand and apply corporate communications from the communication managers’ perspective. In terms of practical implications, this paper offers implications for managers/decision-makers in terms of what should and could shape their approaches to corpcoms management and its key elements (features, tasks, responsibilities, competencies) as a multifaceted issue able to lead to more favorable corporate identity.

The research outcomes may provide actionable guidelines for managers and practitioners. Managers should understand that corpcoms complex as it determines and is determined by multiple factors. It suggests that managers should be cautious about communication using a strategic, long term approach. Corpcoms can be seen as a constructive strategic tool that can be successfully applied to managing corporate image and reputation. Moreover, we suggest that cultural variants – as seen in Italy - can play an important role. We recognize these results cannot be generalized for other markets. However, this study may facilitate other researchers to propose an inclusive instrument appropriate to structure empirical investigation from a cross country context.

This research conducted semi-structured interviews with communication managers to explore interviewees’ experiences and understanding. The research design could be another limitation of this study. Also, the study was restricted to communication managers. However, the research did not consider other members of staff perspective. For example, other managers may not perceive the value of corporate communications. Hence, care should be taken in interpreting these findings.
Moreover, the main limitation of this study is that there is always a concern about the representativeness of the particular data being studied, and thus whether the findings can be generalized to other similar cases. The short answer is no, the data is not representative of all Italian large firms, and generalization is not possible. Nonetheless, the insights are interesting and serve to indicate general themes and issues across the firms sampled.

CONCLUSIONS
This exploratory paper adds a new context to the study of corpcoms. The study explored the emergence, growth and importance of CC within large consumer companies in the Italian context. This objective enabled better understanding the importance that corporate communications has in these companies. Then the paper analysed the implementation and the application within the selected companies of CC, paying attention also to budget decisions and who made these decisions, including external communication consultants. Starting from these premises, it seems that the sampled companies are attempting to follow a new direction in planning and implementing corpcoms, though it may seem like copying activities from elsewhere. Actually, the most interesting change that emerges from the data concerns the role played by corporate communications which is not only considered to be an operational tool, which deals with ‘how’ to communicate, but also as a managerial activity that highlights ‘what’ to communicate. In fact, interviewees described corpcoms as both strategic and tactical at the same time. Moreover, according to the interviewees, the communication activities aim at building corporate image, although there are signs of a new approach to reputation management.

Another positive factor of change is the attention paid to CSR and communication to all stakeholders. Hence, this may show that the direct or indirect impact of corporate communications in Italian firms is gaining ground. However, the most involved departments are still under the heading of PR or External Relations. This means that there is not a full understanding of ‘what’ corporate communications means or indeed ‘who’ should manage it.

Finally, cooperation of company/external consultants seems to be consolidated in these firms over time. In fact, communication activities are carried out, mainly, by external consultants in accordance with instructions from CEOs. With no attempt at decrying consultants work, the evidence of skills, competencies and qualifications must be challengeable and hence further research is necessitated.
REFERENCES


Fig 1: Thematic elements most associated with the word ‘corporate communications’ in the Italian scenario extract from the interviews’ transcript with Nvivo

Source: Authors’ elaboration
Fig 2: Word cloud extract from the interviews’ transcript with Nvivo

Source: Authors’ elaboration
<table>
<thead>
<tr>
<th><strong>Table 1: Comparing Marketing and Corporate Communications</strong></th>
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</thead>
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<td><strong>Focus</strong></td>
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<td><strong>Different features</strong></td>
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<td><strong>Tools</strong></td>
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<td><strong>Management responsibility</strong></td>
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<td><strong>Functional responsibility</strong></td>
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<td><strong>General responsibility</strong></td>
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<td><strong>Disciplinary roots</strong></td>
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<td><strong>Brand gestation</strong></td>
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<td><strong>Stakeholder focus</strong></td>
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<td><strong>Values</strong></td>
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<tr>
<td><strong>Communications domain</strong></td>
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<tr>
<td><strong>Dimensions requiring alignment</strong></td>
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</table>
Table 2: An Overview of Corporate Communications in Italian Firms extract from the interviews’ transcript with Nvivo

<table>
<thead>
<tr>
<th>Focus</th>
<th>Plays an important role in the company’s life and influences corporate performances.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Different features</td>
<td>Helps create and maintain a positive image with stakeholders.</td>
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<td></td>
<td>Consists of strategies and tactics.</td>
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<td></td>
<td>Is important, widespread, shared, necessary, useful, effective, and efficient.</td>
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<td></td>
<td>Its influence generates change, enhancing and strengthening the relations between firm and stakeholders.</td>
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<td></td>
<td>Several impactful factors: corporate dimensions, new technologies, environmental issues, etc.</td>
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<tr>
<td>Tools</td>
<td>Different channels are used in order to integrate departments in a CC perspective: i.e. meetings, conferences, workshops, intranet, etc.</td>
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<td></td>
<td>There is a cross-functional team which helps development</td>
</tr>
<tr>
<td></td>
<td>The main duty of the cross-functional team is to coordinate.</td>
</tr>
<tr>
<td>Management responsibility</td>
<td>CEO.</td>
</tr>
<tr>
<td>Functional responsibility</td>
<td>It is preferable to have a single SBU in charge of managing.</td>
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<tr>
<td></td>
<td>The manager responsible for developing strategically and practically CC is the communication manager.</td>
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<td></td>
<td>The number of employees who work in the communication department varies according to firm size and budget.</td>
</tr>
<tr>
<td>General responsibility</td>
<td>There is a manager in charge of coordinating both departments of marketing and corporate communications.</td>
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<tr>
<td></td>
<td>Consultants: Companies employ different kind of external consultants of communications, who have to develop communication activities.</td>
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<tr>
<td></td>
<td>Companies employ communication consultants if: they don’t have specific competencies, they have skilful members of the staff but they are not experts.</td>
</tr>
<tr>
<td></td>
<td>Communication consultants are employed to: create new logos/brands, develop and manage text and graphical messages.</td>
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<td></td>
<td>Before being able to work in terms of communication, consultants “learn” about companies’ needs.</td>
</tr>
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<td></td>
<td>The CEO gives the main communication guidelines to consultants.</td>
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<tr>
<td></td>
<td>The relationship between consultant and company is usually long term.</td>
</tr>
<tr>
<td>Brand gestation</td>
<td>Medium to long.</td>
</tr>
<tr>
<td>Stakeholder focus</td>
<td>All Stakeholders.</td>
</tr>
<tr>
<td>Dimensions requiring alignment</td>
<td>Brand.</td>
</tr>
<tr>
<td>Budget</td>
<td>In order to set the communication budget, companies follow an inclusive approach.</td>
</tr>
<tr>
<td></td>
<td>Many reasons can push a company to change its mind about the communication budget.</td>
</tr>
<tr>
<td></td>
<td>The communication budget will be marginally increased for half the sampled firms over the next three years.</td>
</tr>
</tbody>
</table>