ABSTRACT

Title of Dissertation: STRATEGIC DECISION-MAKING. GROUP
                                    BEHAVIOR, AND PUBLIC RELATIONS
                                    STRATEGIES

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As a boundary spanning function in organizations, public relations can
enhance strategic decision-making by introducing relevant information that addresses
decision-making consequences on stakeholders to the process. The premise for the
study was that effective communication that attends to certain communication aspects
of decision-making through organizational strategic decision-making initiatives can
enhance the likelihood of more effective decisions.

The method of investigation was active interviews. This method was
considered most appropriate to acquire an understanding of senior executives'
interpretation and description of four strategic decision-making events that were
conducted in the U.S. Coast Guard during the 1990s.

The results of this study revealed several patterns or themes associated with
more effective strategic decision-making. First, organizations that view decision-
making as more continuous and connected to other important goals find their efforts
to be more effective. Second, transparency is an important quality in strategic

decision-making because it leads to higher levels of trust among participants. Greater participation by stakeholders also enhances the likelihood of more effective decision-making. Robust alternatives resulting from an inquiry-based approach rather than an advocacy-based approach can contribute to more effective decisions. Relationships between organizations and stakeholders that possess higher degrees of trust, familiarity, commitment, loyalty, cooperation, transparency persistence, and dispersed power contribute to more effective decision-making. Finally, organizations that seek to minimize affective conflict and maximize cognitive conflict among all decision-making participants during the process can improve the likelihood of better decision-making.

STRATEGIC DECISION-MAKING. GROUP BEHAVIOR, AND PUBLIC
RELATIONS STRATEGIES

By

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CHAPTER I

Introduction

In many respects, the world is growing smaller. Today, businesses must
develop products, policies, procedures, and processes that deliver products and
services to a market of one as efficiently and effectively as they deliver to a mass
market. For example, the concept of mass customization describes an organization's
ability to produce highly customized products across a wide—and often fickle—
customer base. Customer service representatives that historically served to help
customers determine wants and needs have been replaced by technology that allows
customers to research products, modify them according to personal preferences and
place orders directly to factories. No longer must an individual settle for a mass-
produced product that exists on the store shelf. And, businesses have responded by
improving efficiency. They have reduced the number of available customer service
representatives with customer-driven call centers and inventories of products to those
items that are in transit to the store shelves—just in time inventories. This process
has made businesses much more efficient as they have shed excess infrastructure and
unnecessary inventories. However, it has also made businesses much more
vulnerable to external influences. There are fewer customer service people dealing
with customers and others who have an interest in what the organization is doing, and
information technology has made more and more processes and decisions once
performed behind organizational boundaries increasingly visible to customers,
suppliers, shareholders, and stakeholders.

Technology has accelerated the pace of change complicating organizational

decision-making. Today, people are much more aware of company behavior and

decisions. Because technology has reduced the barriers to entry in the business of

mass communication, people now can determine with relative ease what actions a

company may intend to take and, depending on how well the actions are aligned with

their interests, can seek to prevent or facilitate the organizational actions by making

others around the globe aware of the issue through collective action. Sandler (1992)

observed that the "advances in technology and the growth of population will increase

the importance of collective action in the 1990s and the century to come… As

technology, population growth, and resource needs draw the nations of the world

closer together, the relevance of collective action increases" (pp. 193-200). In short,

companies must communicate faster in a global society with a growing number of

people who are increasingly empowered by information technology. But how do

executives make strategic decisions in a world of increasing transparency?

Lack of timely and accurate information can create significant problems for

organizations as motivations behind decisions and actions are questioned or

challenged outright. More and more, organizations are beginning to understand the

necessity to be open in their culture, architecture, and decisions; however they also

struggle with increased risks as key internal processes are subject to influences or

challenges by competing interests or stakeholders. As companies become

increasingly global, they find the environments increasingly complex.

In examining globalization, Friedman (2000) observed that historically, in

order for people to influence organizations, they were motivated by a common

interest and associated to exert enough power to affect issues and organizational decisions. At a minimum, people were able to create disruptions to otherwise generally accepted practices and processes. Politics and economics were primarily based on local issues and conditions.

For example, an energy developer might expect resistance from a community where a nuclear power plant was to be built. Frequently, these types of concerns are called "not in my backyard" issues because, while people recognize the importance of the issue, they prefer the solution be located somewhere else. This "not in my backyard" issue could be defined geographically and people concerned about the project could be identified. Depending on the degree of formalization among those interested in the issue, the group typically had one or more individuals who served as leaders. From a communication management perspective, the developer could identify and communicate directly with the group in an open forum or through its leadership to address the group's concerns and seek to mitigate the amount of power that could be exerted to influence organizational decisions.

Today, however, Friedman (2000) argued that the democratization of finance, information, and technology has resulted in a world where no one is in charge yet everyone is in charge. No longer can the developer assume that the construction of a nuclear power plant will meet resistance only by the community where the plant is to be constructed. The developer can expect to meet resistance from anti-nuclear protestors, anarchists, or groups from around the world eager to take advantage of the publicity resulting from the issue. This has tremendous implications for the globalization of public relations. A vivid example is provided by Anderson (1992)

who chronicled the failed attempt of a multinational food company that desired to develop part of the rain forest in Belize in order to plant and harvest oranges. The company's failure was the not the result of forces in Belize, but of an activist group, Friends of the Earth, which was based on an entirely different continent.

Power can be exercised through cooperation, compromise, or conflict to influence organizational behavior by local stakeholders who are motivated by common concerns for particular issues as efficiently and effectively as one individual who uses technology to leverage the support of those like-minded people around the world. As the forces of finance, information, and technology have resulted in an increasingly connected world, there has also been a significant increase in fragmentation and conflict.

Following this introduction, I briefly discuss the study's purpose, significance for public relations professionals and scholars, and proposed methodology, including the reasons for selecting the subject and the ethical concerns. I conclude Chapter I by addressing the study's delimitations. Chapter II provides conceptual foundations from the fields of group behavior, decision theory, and public relations theory. Chapter III reviews qualitative methods, including the appropriateness of the interviewing method that will be used for this study and a general framework for analysis. Chapter IV examines results and discusses them in relation to the study's research questions. Chapter V draws connections to the conceptualization for this study and discusses their implications for public relations and the strategic management of organizations. The final chapter also provides recommendations for future research and discusses the study's limitations.

Purpose of Study

The purpose of this study is to explore how senior executives in organizations make strategic decisions and determine what role public relations does or might serve in that process. Specifically, the study will examine group behavior, strategic decision-making, and public relations strategies and how public relations can and should serve as a critical component of the strategic management of organizations. I believe public relations professionals who have an understanding of how strategic decisions are made and can reduce the uncertainty of how relevant groups will respond to those decisions can provide critical information to the strategic management of organizations and enhance the field of public relations as an essential component of the strategic management process.

How do organizations include the interests of these multiple, conflicting, and fragmented stakeholders in their strategic decision-making? Are there strategies that might be employed by executives in the decision-making process to mitigate the risk that conflicting publics will emerge locally or converge from around the world to affect strategic decision-making? And, what can public relations professionals do to reduce the uncertainty that groups will behave in an undesirable manner? The paradoxes of globalization present real challenges for communication managers and the strategic management of organizations.

Significance of Study

Kruckeberg (2000) recognized the significance of globalization on public relations professionals:

At the forefront of those who must understand the societal impact of

communication technology are public relations practitioners; they

must reconcile their organizations' ongoing relationships with a range

of seemingly amorphous publics that are evolving within a global—yet

multicultural and highly diverse—society that shows little inclination

toward becoming a global community. (p. 146)

Amid the backdrop of this increasing complexity and rising potential for

conflict, management is demanding that elements of the organization better

understand the environment. As the cycle times between organizational decisions and

implementation decrease, the pressure for executives to quickly know and understand

more about the environment is particularly obvious for those functions that typically

span organizational boundaries. In fact, new management positions are being

established to respond to the growing complexity of the business environment—chief

information officer and chief knowledge officer, for example (Kulik, 2000). As

executives in organizations search for useful information about the environment upon

which to make better decisions, there are both opportunities and threats for

organizational roles responsible for managing these processes and relationships.

One of these boundary-spanning organizational roles is public relations.

Plowman (1995) observed, "Professionals in public relations have issued call after

call for public relations to make the transition from technical support to strategic

planning and consequently manage the return on investment organizations have made

in public relations" (p. 2). Ironically, Plowman also acknowledged that "the essential

nature of communication in an organization seems to be juxtaposed against the

exclusion of public relations at the policy-making levels of organizations" (p. 4).

Some public relations professionals have responded to calls for the profession to

exercise a more strategic management approach. Jack Bergen (1995), then of General

Electric said he believed "public relations should drive change" (p. 7). I have

witnessed this in my own organization, occasionally resulting in adverse financial and

social consequences for the organization and its stakeholders.

There is increasing academic and professional consensus that public relations

must move beyond a technician-centered practice to a management-centered practice

if the field is going to make meaningful and unique contributions to the strategic

management of organizations. The prevalent paradigm that has emerged from public

relations research reflects a management perspective (Plowman, 1995; Cutlip, Center

and Broom, 1994; J. Grunig, 1992; Lauzen & Dozier, 1992).

The evolution of public relations as a management function separate and

distinct from other disciplines suggests that there is a unique role to be served in the

strategic management process of an organization. From an internal power

perspective, this is important because strategic management represents the process

whereby organizational entities exert their power and influence to provide corporate

vision and to guide long-term corporate decision-making. From an external power

perspective, this is important because strategic management represents the process

whereby an organization seeks to gain a competitive advantage in the environment

(Porter, 1980, 1985).

In order to participate in this organizational process, the public relations

function must be included as part of the internal coalition—"those people charged

with making the decision and taking the actions on a permanent, regular basis"
(Mintzberg, 1983, p. 26). Mintzberg noted that in lieu of the descriptor "internal
coalition", which he used to avoid prejudicing his discussion of which groups had
more power, the term "dominant coalition" could also be found frequently in the
literature. Because power is a significant determinant of control and influence in
organizations, the term "dominant coalition" is a more appropriate descriptor for my
research. The term also acknowledges that there are views that may not necessarily
be represented in the final analysis; however, it does not suggest that the views were
excluded from deliberative processes.

        According to South (1981), one of the primary goals of strategic management
is to develop a competitive advantage for organizations. Because the dominant
coalition represents the internal coalition that makes decisions and directs actions in
an organization, it is critical that public relations professionals gain access to this
group. One way to achieve access to and acceptance by the dominant coalition is to
provide unique contributions and information to the strategic decision-making
process. For example, public relations managers can bring perspectives from groups
perceived to be disenfranchised to the strategic decision-making process. As a
member of the dominant coalition, public relations professionals can help meet the
growing demand for information by organizations.

        Beyond the traditional public relations practice of gaining publicity for clients,
the emerging paradigm of public relations as relationship management has the
potential to further enhance the public relations function in the strategic management
of organizations. The construct of "relationships" is growing in the business world as

"what matters." Executives involved in the boom and bust of the information technology business sector delivered via the Internet are also coming to recognize the strategic importance of relationships (Swisher, 2001).

As a commissioned U.S. Coast Guard officer with more than 21 years of experience, I worked most of my career in communication and strategic management at all levels of the organization—from entry level to the Office of the Commandant, or chief executive. These experiences have been significant factors that influenced my interest in understanding the nexus between communication management and strategic management.

I observed and participated in organizational decisions that affected important stakeholders who held different perspectives on various issues. Many decisions had the potential to simultaneously affect the relationships in opposing ways with multiple stakeholders. Some of these decisions improved the organization's relationships with important stakeholders while other decisions adversely affected the relationships. In addition to the loss of trust with stakeholders that resulted from decisions, there were financial consequences as well. In certain cases, there was significant investment made establishing the apparent optimal business decision only to learn that it was unacceptable to known stakeholders. I often wondered how the executives reached their decisions and what organizational elements and stakeholders were consulted prior to the final determinations. White and Dozier (1992) have suggested that this area serves as "a basis for further research on public relations practitioners and participation in management decision-making" (p. 106).

I also participated in restructuring efforts designed to improve the communication management of the organization. Thus, the underlying perspective guiding much of my professional and academic experience has been a desire to improve the communication management of my organization—the U.S. Coast Guard. This observer-participant role provided me with a unique perspective in organizational decision-making at the executive level. However, it also presents unique challenges that must be acknowledged such as bias and objectivity. These and other methodological concerns will be addressed in Chapter III.

One of the constructs used in the practice of public relations is issues management. Bridges and Nelson (2000), in developing a relational approach to issues management, observed:

> Issues management requires making difficult decisions regarding relationships. Ironically, in the public relations approach to issues management, there has been very little serious attention paid to what is meant by relations, and the attention proposed is generally assumed to be at best communication by the organization's management to various constituent groups accompanied by evaluative research to determine the effects of this outreach. (pp. 105-106)

Issues management is important to this study because of its centrality to why groups form. Issues develop when organizational decisions and activities affect those inside the organization as well as those outside. Issues are often revealed through an environmental monitoring process that public relations professionals employ known as environmental scanning. Although environmental scanning will be discussed in

greater detail in the next chapter, this communication research tactic essentially acts like "radar" that tracks items that will likely result in consequences on groups.

Given the increasing complexity of the environment and the increasing potential for more conflict between organizations and their environment, how do executives in organizations make optimal decisions on issues that affect more than one stakeholder group? How are decisions derived when competing stakeholder interests drive executives to make decisions that may result in excluding the interests of one or more groups? How does group behavior influence decision-making by executives? How is this type of environmental information introduced into the strategic management process? And, what distinct role, if any, does or should public relations perform in the decision-making process at the executive level?

Lapinski (1992) argued that public relations could not "afford to ignore the theories of strategic management" (p. 230). Public relations can and should provide important and unique contributions to the strategic management process.

The central question of how public relations becomes an essential element of the strategic management of organizations is not new. Plowman (1995) pointed this out when he asked, "how does public relations become an essential part of the strategic communication processes of top management" (p. 4).

Wilson (1996) suggested that, at least in the international arena, a strategic management approach to public relations was limited in three ways. First, due to the rationalist and utilitarian approach to the identification of key publics and their immediate affect on organizational goals, information is almost always translated into economic terms. Second, even though strategic issues often may be identified years

in advance, the solutions are most often based on "short-term thinking." Last, decisions are frequently based on a self-interest approach and "less concerned with relationships than profit" (p. 73).

Wilson (1996) observed that "the trends [in society] should have sparked recognition that the truly strategic role of public relations in today's organization and society is not to manipulate the environment with the bottom-line mentality, but rather to build bridges and relationships with publics to create an environment in which the organization thrives over time" (pp. 68-69).

Theory and evidence from the IABC Excellence project support this view (J. Grunig & L. Grunig, 2000). The study established a foundation for public relations to serve as a relevant and necessary part of an organization's strategic management process (p. 303). The study focused on two important questions that sought to answer "how, why and to what extent does communication contribute to the achievement of organizational objectives," and "how must public relations be practiced and the communication function organized for it to contribute the most to organizational effectiveness?" (p. 304). The study's authors concluded that public relations "contributes to strategic management by building relationships with publics that it affects or is affected by—publics that support the mission of the organization or can divert it from its mission" (p. 310). But, beyond building these relationships with affected publics, how else does public relations contribute to strategic management?

Mintzberg (1994) considered strategic management to be a process by which an integrated system of relatively consequential decisions to the organization created results. How are these relatively consequential decisions derived? J. Grunig and L.

Grunig (2000) argued that people do not "make rational decisions in the way that classical economists envisioned" (p. 310). Rather, participants in this process "assert their disciplinary identities" (p. 310). The significance for public relations is that it brings the problems of stakeholder publics into the decision-making process.

What is relatively new is the construct of public relations as relationship management. This idea was first posited by Ferguson (1984) when she argued that the field of public relations should focus on relationships. The proposition that public relations should focus on relationships did not receive serious consideration until the IABC Excellence Project was conducted (Dozier, L. A. Grunig & J. Grunig, 1995, pp. 226-235). However, this construct does have critics. For example, Ehling (1992) observed that the shift toward the conceptualization of public relations as establishing and maintaining relationships "may be far too open-ended to be helpful in giving needed specificity to this kind of end state" (p. 622).

This research seeks to expand the relationship management construct by exploring the role of public relations in the strategic decision-making process that guides the strategic management of organizations. Some executives argue that "communication counselors need to be present when strategic decisions are made—at the moment of influence—in order to shape the process" (Conference Board Report 1240-99-CH, p. 5). This makes sense, providing communication counselors understand and can predict the potential consequence on the relationship with the affected public—and how the affected public will behave to either support or undermine organizational decisions. In particular, how do executives make strategic decisions on consequential issues when there are multiple stakeholder groups that are

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important to the organization? How does or can the public relations function leverage the emerging construct of public relations as relationship management in reducing conflict between organizations and multiple stakeholder groups that often hold opposing positions on mutually relevant issues? In short, how do multiple groups, or publics, with competing interests behave, or collectively act, and how do executives in organizations address the interests of these conflicting publics in their strategic decision-making? Sandler (1992) observed: "An understanding of collective action and its supporting processes and environment will allow policymakers to foster the required preconditions to achieve effective collective action" (p. 200). Chapter II will define and conceptualize a "public" as used in this research. Although a public is a group, a group may not necessarily represent a public.

This study departs from previous studies in several ways. There has been invaluable research by Anderson (1992), L. Grunig (1992), and Lauzen (1995) in understanding the effect of environment on the model of public relations practiced and the potential effect of activism on organizations. Broom (1986), Dozier (1992), and Wright (1995) identified the major roles that practitioners played in organizations and how the organizational placement of the function influenced its practice.

Among his many contributions, J. Grunig may be credited as providing the first systems theory approach to the field and developing a situational theory to help practitioners determine whether a stakeholder public was more likely to communicate with an organization on a particular issue (Grunig & Hunt, 1984). In addition, J. Grunig identified four models of public relations practice and the critical importance of such concepts as symmetry.

Ehling (1983, 1984) introduced the mixed-motive model based on decision theory, game theory, and conflict resolution theory that scholars such as Plowman (1995) and Murphy (1989) have advanced. Vercic and Grunig (1995) examined the origins of public relations theory in economics and strategic management. Cutlip (1994) observed that public relations professionals improved the conduct of organizations they serve by stressing the need to gain public approval.

More recently, Huang (1997) advanced Ferguson's (1984) work by identifying a new measure of public relations effects and rethinking the models of public relations. Huang also introduced important concepts of relationships to public relations research such as trust, control mutuality, relational satisfaction, and relational commitment (p. 4). Huang determined that symmetrical/ethical communication proved to be an effective predictor of trust, control mutuality, satisfaction, and commitment in organization-public relationships (p. 274). In addition, Huang demonstrated that trust was a good predictor of conflict management strategies (p. 273). And, the book edited by Ledingham and Bruning (2000) provided a framework for the current relationship management research by public relations scholars.

However, there has been relatively little public relations research to extend our understanding of how executives make strategic decisions on issues affecting multiple stakeholders with different interests and how group behavior influences that process. Vercic and J. Grunig (1995) identified the "contributions of public relations to management decision-making" as one of the two core theoretical problems in public relations (p. 3). For public relations to make meaningful contributions to

strategic decision-making in organizations there must be a theoretical understanding of how publics might behave when they become aware of organizational issues. This understanding must not only be in relation to the organization, but also in relation to other publics that may behave in a completely different manner motivated by different interests. Cialdini and Trost (1998) observed: "As humans, we are motivated to act in ways that are effective in achieving our goals: We want to make accurate decisions" (p. 155). This requires an understanding of collective action. What factors give rise to collective action? How do individual and group processes influence the behavior of collective action? And, what might executives do in their decision-making to reduce uncertainty and risk associated with collective action motivated by company actions.

Mintzberg (1983) understood the importance of strategic decisions. He argued that "the strategic decisions of large organizations inevitably involve social as well as economic consequences, inextricably intertwined. . . . Every time the large corporation makes an important decision—to introduce a new product line, to locate a plant, to close down a division—it generates all kinds of social consequences" (p. 610). Mintzberg also recognized that there "is always some zone of discretion in strategic decision-making" (p. 611).

Huang (1997) called for "qualitative research to explore a depth of contextual information as the basis for further data interpretation" of her work (p. 278). No substantive public relations research has been published that has advanced or synthesized Ehling's work on decision theory, White and Dozier's work on public relations and management decision-making, and L. Grunig's research on dealing with

activism by interest groups. What activities contribute to the strategic decision-making process and why?

J. Grunig (1996) identified the significance of strategic management to the field when he observed that the findings from the IABC Excellence Study revealed that the "involvement of public relations in strategic management consistently was the best predictor of excellent public relations" (p. 2).

Nutt (2001) argued that more than half of the decisions made by managers are wrong and cited three primary reasons. He noted that a lack of participation in the decision-making process combined with short cuts often made by managers under pressure on improperly framed issues resulted in incorrect decisions (pp. 63 64). The evolving paradigm of public relations as relationship management presents new territory for research and expanding our understanding of how organizations build bridges, maintain relationships and make decisions—all very important concepts to whether organizations thrive or perish.

L. Grunig, J. Grunig and Dozier (2002) noted that "The results of the Excellence Study. . . have highlighted the central importance of participation in strategic decision processes of an organization if a public relations department is to contribute to organizational effectiveness. . . we believe much additional research is needed to develop ways for public relations managers to participate in strategic management…" (p. 548). This study seeks to add to the body of public relations knowledge by exploring this gap particularly as it relates to strategic decision-making.

Several theoretical concepts frame this study. First, organizational and strategic management theories provide a foundation for why organizations form and how they achieve and sustain competitive advantage. In addition, theories of collective action are instrumental to understanding why groups form and how they behave. Second, decision theory places this study in the context of what organizations do to optimize effectiveness. Finally, the excellence theory identifies a framework for public relations to contribute to strategic management theory and organizational excellence.

Procedures

This inquiry seeks to better understand the dynamic of multiple and conflicting publics and strategic decision-making byinterviewing senior Coast Guard officers and executives in organizations who represent the multiple publics who have had to address issues that place them in conflict with not only the organization, but also other publics. Using a qualitative approach, I intend to determine whether there are underlying principles, processes, or best practices that might serve to guide public relations managers by interviewing senior executives involved in strategic decision-making on several important organizational issues that were involved in four separate strategic decision events for the Coast Guard. Each of the four decision events will be examined in relation to how dispersed the power is among the stakeholders in the decision process and how the net result of the decision affected the relationship with the organization—the U.S. Coast Guard. Chapter III will outline the four decision events and how I will approach collecting and analyzing the data.

I propose to explore the behavior of multiple publics, strategies by public

relations managers, and strategic decision-making of senior executives in

organizations by interviewing leaders of various publics involved in a common issue

and senior executives in the Coast Guard responsible for managing the issue. There

are several reasons why I believe interviewing represents the best alternative to reveal

the answers to the research questions posited in Chapter II.

As a research methodology, Marshall and Rossman (1995) noted that

qualitative approaches provide flexibility to acquire data that cannot be obtained from

experiments because of ethical or practical reasons, unknown or ambiguous variables,

and complex processes. H. Rubin and I. Rubin (1995) observed that interviews allow

researchers an opportunity to understand unfamiliar experiences and to reconstruct

events. This approach also requires an understanding of culture, recognition that

interviewers are participants, and an acknowledgement that interviewers give voice to

those interviewed while silencing others. Of significant import is my interest in the

individual's perspective, the ability to connect my research to theory, and the relative

ease and low cost of collecting data.

Because depth and understanding the meaning of concepts, categories, terms,

relationships, and assumptions of people and groups are central to this research, I

believe that active interviews are most appropriate. Active interviews allow for the

development of a common narrative, rich in detail and context. This approach is

articulated more fully in Chapter III.

Delimitations

To some extent, the theoretical concepts framed by this study are found at all levels in organizations. Pearce and Robinson (1982) suggested that strategic management occurs at all levels. Additionally, many decisions are made in organizations everyday at many different levels. White and Dozier (1992) introduced the "key concepts of the dominant coalition, levels of decision-making, and strategic management" to the theory of excellent public relations (p. 91). However, certain decisions must necessarily stand as more important than other decisions because the consequences for the organization are much more significant.

This inquiry will focus on senior executives to understand the theoretical implications for the strategic management of organizations—and for the strategic management of public relations. The study is limited to a purposive sample of senior executives and leaders of groups because of their expertise and experience. Consequently, the results cannot be generalized. However, from a theoretical perspective, the results will provide executives, public relations professionals, and scholars a perspective heretofore not examined in research.

In summary, this study seeks to understand how executives make strategic decisions during four different decision events and how the executives account for the interests of multiple publics in their strategic decision-making by going directly to company leaders and stakeholder publics and interviewing them. The four decision events are contrasted by how dispersed power is perceived to be among stakeholders in the decision-making process and how the relationship was perceived prior to the decision event and following the decision. The results should help communications managers better define their roles in the strategic decision-making process and help

organizations deal more effectively with important groups in a world of increasing

complexity and fragmentation.

CHAPTER II

Conceptualization

Introduction

Understanding the linkage between group behavior and strategic decision-making is fundamental to exploring how public relations might enhance an organization's ability to deal more effectively with its environment, especially one that is becoming more global. When organizations can reduce uncertainty in environments, they improve efficiency—especially in decision-making. For example, knowledge of how groups behave in given situations involving strategic decisions serves to inform organizations during the decision-making process. The following discussion reviews the literature associated with organizational theory and strategic decision-making, strategic management and the social psychology of groups, and public relations theory.

First, a brief overview of what organizations are and what purpose they serve is important to understanding how the decision processes in them might be improved. How do environments affect organizational development and behavior? How does an organization's environment and character influence strategic decision-making by its senior executives? What is the role of power and how do executives define and exercise power in strategic decisions? How do executives make decisions in organizations? What are the strategic decision-making models that have been revealed in the research and how are those models affected by the various inputs to the process?

Second, what is the role of strategic management in organizations? For public relations, it is necessary to understand the critical role that groups serve in enabling or constraining organizations. Specifically, how and why do groups form and what factors influence group behavior in relation to other groups and organizations? To what degree are relationships between groups voluntary? What factors give rise to group activism? And, how does activism affect organizations?

Finally, to what extent, how, and why does public relations participate in strategic decisions? Based on an understanding of group behavior, are there strategies that might be employed by public relations professionals that would enhance strategic decision-making in organizations? This chapter concludes with a brief summary and a review of the significant research questions this inquiry seeks to address.

Organizational Theory

The literature on organizational theory provides a framework for understanding what organizations are and why they develop. Following is a brief discussion of what constitutes organizations and their evolution. There is a review of relevant constructs such as systems theory, environment, power, empowerment, stakeholders, and publics. Finally, I conclude with a discussion of decision theory and its importance for organizations.

Robbins (1990) defined an organization as "a consciously coordinated social entity, with a relatively identifiable boundary, that functions on a relatively continuous basis to achieve a common goal or set of goals" (p. 4). Important to this

definition are the concepts of coordination, social relationships, boundaries, and goals.

Robbins (1990) also noted that "conscious coordination" implied management. This is an important link because Mintzberg (1983) argued that management theorists have evolved from a traditional reliance on classical economic theory [one actor—one goal] to explain the goals of a business or firm to:

> an increasing attention to newer sociological themes [many actors—no goals], from the notion of given organizational goals to that of fluid power in and around the organization with no goals, from an organization devoid of influencers to one in which virtually everyone is an influencer, from the view that the organization as society's instrument to that of it as a political arena (p. 8).

According to Magretta (2002), "Management is the art of performance… management's mission, first and foremost is value creation" (pp. 15-20). "Increasingly, value creation is happening across company borders" (p. 95). Magretta said that "value" not only comes from utility, quality, availability, distribution, and service; but also from less tangible attributes such as image. In fact, she asserted "the more intangible the value appears, the more important it is to recognize that value is defined by customers, one person at a time" (p. 22). An important distinction must be made between "value creation" as defined here and wealth creation—the more traditional framework for assessing company worth. Wealth creation implies enhancing tangible assets that firms use to increase economic power. In contrast, value creation consists of enhancing a broader range of a firm's assets, including

those less tangible, to increase the return on investment for its owners and shareholders.

Organizations are means to ends. Magretta (2002) pointed out that Drucker observed that "Efficiency was necessary but not sufficient…Customers don't buy products …they buy the satisfaction of particular needs" (p. 27).

The idea that customers "buy the satisfaction of needs" is an important point for public relations. Where trust, credibility, and other attributes are important qualities to a particular individual or group as a "need," organizations must attend to these needs to compete successfully. How organizations go about satisfying these needs is often known as strategy. Magretta (2002) noted the primary difficulty in strategy formulation, "what makes strategy especially hard is that no organization acts in a vacuum" (p. 85).

Galford and Drapeau (2003) studied the important role trust plays in organizations:

> As difficult as it is to build and maintain trust within organizations, it's critical… If people trust each other and their leaders, they'll be able to work through disagreements. They'll take smarter risks. They'll work harder, stay with the company longer, contribute better ideas, and dig deeper than anyone has a right to ask. (p. 90).

Galford and Drapeau also noted that the building blocks of trust are "unsurprising" (p. 90). Among others, these building blocks include clear and consistent communication, and being able to address difficult issues. To build trust required ruthlessly attacking the "enemies of trust." These include:

- Inconsistent messages

- Inconsistent standards

- Misplaced benevolence

- False feedback

- Failure to trust others

- Rumors in a vacuum

- Consistent corporate underperformance (pp. 90-94)

Most, if not all, of these issues are incidental to or are part of the domain of communication management.

Today's global economic environment requires that organizations acknowledge the highly interdependent nature of the various relationships involved. Magretta (2002) noted that, "Managing across boundaries, whether these are between the company and its customers, or the customers and its suppliers or business partners, can be as important as managing within one's own company… Determining the relevant outsiders may be management's single most important critical decision" (pp. 34-41).

Successful companies recognize the benefits of bringing suppliers into the process. "The better your suppliers understand what you're trying to accomplish, the more they can tailor their efforts to fit" (Magretta, 2002, p. 103). For public relations professionals, a similar logic can be used with stakeholders.

Having identifiable boundaries suggests that organizations emerge in environments and can be thought of as systems where information and resources are absorbed through some periphery, acted upon, and then returned to the environment

for some organizational benefit. Therefore, systems theory is important to the
formation and survival of organizations.

Systems Theory

Although there are many different ways of looking at organizations, this study
conceptualizes organizations as "input-output transformation systems that depend on
their environment for survival" (Robbins, 1990, p. 10). Katz and Kahn (1967)
suggested this "systems theory" approach possessed utility because it is "basically
concerned with problems of relationships, of structure, and of interdependence rather
than with the constant attributes of objects" (p.18). Further, Katz and Kahn (1967)
advocated that organizations be viewed as open systems. Thus, organizations are
entities that possess boundaries where actors compete internally and externally. The
goal of the competition can vary from the most basic of instincts—to survive, to the
most Machiavellian of instincts—to dominate.

Organizational theorists recognize the open nature and resource dependency
of organizations. Pfeffer and Salancik (1978) observed: "organizations are
inescapably bound up with the conditions of their environment. Indeed, it has been
said that all organizations engage in activities which have as their logical conclusion
adjustment to the environment" (p. 1). Pfeffer and Salancik also argued:

> organizations survive to the extent they are effective. Their
>
> effectiveness derives from the management of demands, particularly
>
> the demands of interest groups upon which the organizations depend
>
> for resources and support… no organization is completely self
>
> contained. (p. 2)

The open nature and resource dependency of organizations demand that this conceptualization is performed as part of an open-system perspective—that is, organizations do not operate independently of their environment.

Robbins (1990) provided a broad overview of the development of organizational theory. Prior to 1960, Robbins observed, "organizational theory was dominated by a closed-system perspective" (pp. 30-31).

Contemporary organizational theorists argue in support of an open-systems perspective. However, in the mid-1970s, theorists recognized that organizations possessed a significant social dimension. Key to current theory is the notion that organizational structure is not the result of a rational process. Rather, organizational structure is "the outcome of political struggles among coalitions within the organization for control" (Robbins, 1990, p. 32). Important for the purposes of this study is Littlejohn's (1983) observation that "a primary aim of GST [general systems theory] is to integrate accumulated knowledge into a clear and realistic framework" (p. 38). In addition, J. Grunig and Hunt (1984) acknowledged the importance of systems theory to public relations theory by formalizing the role of the environment in public relations (L. Grunig & J. Grunig, 1997, p. 6). The struggles that Robbins acknowledged suggest that power is a significant determinant in the development of organizational structure. As a result, power is an important element to understanding organizational structure and behavior.

Mintzberg (1983) argued that there were three means of external influence that differentiated the organization from its environment—social norms, formal constraints, and pressure campaigns. These means of power are exercised by external

coalitions to "control the behavior of a distinct Internal Coalition" (p. 66).

Consequently, it is important to understand the role of power.

Role of Power

Because power is a significant determinant of organizational structure and

behavior, the concept is critical to understanding control of organizations. Mintzberg

(1983) defined power as "the capacity to effect (or affect) organizational outcomes"

(p. 4). According to Mintzberg, power exists both internal and external to

organizations. Power is derived from five general bases:

> Three prime bases of power are control of (1) a resource, (2) a
>
> technical skill, or (3) a body of knowledge, any one critical to the
>
> organization. . . A fourth basis of power stems from legal
>
> prerogatives–exclusive rights or privileges to impose choices. . . The
>
> fifth basis of power derives simply from access to those who can rely
>
> on the other four. (p. 24)
>
> Pfeffer (1981) noted:
>
> Most definitions of power include an element indicating that power is
>
> the capability of one social actor to overcome resistance in achieving a
>
> desired objective or result… Power becomes defined as force, and
>
> more specifically, force sufficient to change the probability of B's
>
> behavior from what it would have been in the absence of the
>
> application of force. (pp. 2-3)
>
> Externally, power exerted by stakeholders influences, and to some extent,

controls organizations; therefore, organizational functions must offer ways to deal

with these controlling forces. Mintzberg (1983) recognized that a primary concern in

control was organizational power. He argued that control was traditionally linked to

ownership. However, more important in his view was "the question of de facto

control: Can the owners in fact control the decisions and actions of the organizations

they own" (p. 34). Mintzberg believed that this was dependent on the influence that

organizational actors exerted in the various organizational processes and proposed the

following: "The more involved the owners, and the more concentrated their

ownership, the greater their power in the External Coalition" (p. 34). This view

resulted in the following matrix (Mintzberg, 1983, p. 34):

	Concentrated Ownership	Dispersed Ownership
Detached Ownership	closely held businesses…	widely held corporations
Involved Ownership	proprietorships, …	cooperatives

Mintzberg (1983) noted that with regard to the ability of owners to

control organizations, it appeared that much of the control had shifted to managers,

with owners becoming little more than providers of capital. Thus, he concluded that

ownership did not necessarily equate to control over organizational behavior (p. 37).

Rather, Mintzberg argued that there were three critical factors that resulted in "power

relationships" for organizations. These included essentiability—or how important the

resource was for the organization; substitutability—or how dependent the

organization is on a particular supplier of a resource; and, concentration—or how

concentrated the suppliers of the resource are (p. 38). Mintzberg also added a fourth

that he classified as "intimacy" and was determined by longevity and intimacy of

relationship between organizations and suppliers. In short, the longer and closer the relationship, the more likely the supplier was to hold greater power in the relationship. This is an especially important observation for public relations, for if public relations managers can establish and maintain important relationships with suppliers, or stakeholders, the managers can facilitate the dispersion of power among interested groups that are important to the organization. How does and can public relations position itself within the organization to bring about such dispersion of power?

Internally, power is necessary to affect an organizational outcome because organizations are systems made up of competing interests in contemporary organizational theory. In order to participate in this process, an organizational function must be represented in the dominant coalition (Mintzberg, 1983; White & Dozier, 1992). But, power as a construct is not independent of the means to exert it. Power must be exercised by actors to exist. Pfeffer (1981) eloquently acknowledged: "The power of organizational actors is fundamentally determined by two things, the importance of what they do in the organization and their skill in doing it" (p. 98).

Coombs (1993) called for a fuller discussion of the importance of power in the public relations philosophical debate. He said that systems theorists such as J. Grunig, and rhetorical theorists such as Heath wrongly dismiss power issues in the organizational-stakeholder relationship. Coombs incorrectly suggested that both paradigms are based upon pluralism, that is "the ideal type of government where all parties have equal access to and equal power in the policy making process," and are, therefore blinded to power based issues (p. 112). Coombs argued for a more complex

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perspective of public relations to account for the important role of "power-related phenomenon" (p. 118).

According to L. Grunig, J. Grunig, and Dozier (2002), Coombs' observation that public relations assumes a pluralistic perspective was accurate for the rhetorical perspective. However, the scholars said that that Coombs was incorrect in universally assuming a pluralistic perspective where a "symmetrical, managerial" model of public relations is concerned (p. 323). Rather,

> Tying all these values together is the value of *collaboration* . . . [public relations professionals] must be able to convince their client organizations and their publics that a symmetrical approach will enhance their self-interest more than an asymmetrical approach and, at the same time, enhance their reputations as ethical, socially responsible organizations. (p. 323).

J. Grunig (1992) recognized the importance of power as central to the Excellence theory (of public relations) when he wrote: "Our theory states that communication programs that are managed strategically help organizations to manage relationships with strategic publics that have the *power* [italics added] to constrain the ability of the organization to achieve its goals" (p. 27). In addition, L. Grunig (1992) considered power in the public relations department and the importance for senior communication managers to participate as a full member of the organization's dominant coalition.

Perhaps as important, if not more, to public relations in the discussion of power is the concept of empowerment. As L. Grunig, J. Grunig and Dozier (2002)

found in their review: "Much of the literature on organizational power has defined the concept in terms of being able to *control the behavior of others* or the ability of those in power to secure their own interests. The thrust of the Excellence theory, however, is the *empowerment* both of public relations and publics affected by organizational decisions" (p. 141). Further:

> People in organizations use power asymmetrically when they try to
>
> control or make others dependent on them… The symmetrical concept
>
> of power, in contrast, can be described as *empowerment*—of
>
> collaborating to increase the power of everyone in the organization to
>
> the benefit of everyone else in the organization. (J. Grunig, 1992a, p.
>
> 564)
>
> According to Pfeffer (1981), power is essentially derived from:
>
> …having something that someone else wants or needs, and being in
>
> control of the performance or resource so that there are few alternative
>
> sources or no alternative sources, for obtaining what is desired… The
>
> relative power of one social actor over another is thus the result of the
>
> net dependence of one on the other. (p. 99)
>
> Pfeffer (1981) also noted that the concentration of power in the decision-

making process resulted in certain consequences. Centralized power results in decisions being made and imposed by a central authority. Dispersed power results in decisions being "worked out through the interplay of various actors with more equal power…" (p. 87). Fundamental to this research is whether decisions made under dispersed power are more effective. How are the relationships with stakeholders

affected with this approach? Finally, what organizational function is responsible for

not necessarily what an organization decides, but how it goes about deciding? Who

should be included in these decision processes?

In an organizational setting, it is important to understand that unless

organizational decisions and actions have consequences on a group, and vice-versa,

there can be no relationship—at least as I am defining it for this research. Therefore,

it is necessary to define those groups for which power can be a determinant to

influencing behavior.

Stakeholders and Publics

According to J. Grunig and Repper (1992), "people are stakeholders because

they are in a category affected by decisions of an organization or their decisions affect

an organization" (p. 125). Many people may be classified as organizational

stakeholders; however, most of them remain passive on issues because of any number

of reasons such as ignorance, ambivalence, or apathy. This definition serves to define

a role for an organizational entity that addresses communication as one of its primary

functions.

L. Grunig (1992) observed that Dewey (1927) provided one of the most

"helpful" explanations of a "public" that J. Grunig (J. Grunig & Hunt, 1984, p. 145)

expanded. L. Grunig noted that Dewey "characterized a public as a group whose

members face similar problems, recognize that the problem exists, and organize to do

something about it" (p. 508). This definition was expanded by J. Grunig to include a

nonpublic—"a group that has no consequences on the organization and vice versa"

(L. Grunig, 1992, p. 508).

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Building on Dewey's definition of a public that included formation around problems affecting it, J. Grunig developed the situational theory of public relations. Publics, in J. Grunig's view, arise around problems that affect them. Publics are important to organizations because of their ability to influence or constrain behavior. Consequently, the value to public relations lies in the function's ability to identify publics, develop a way to deal with the concerns of publics, and measure the results of the effort.

According to J. Grunig and Repper (1992), it is important to understand the difference between publics and stakeholders—terms that are often used interchangeably. Though many people may be classified as stakeholders, "stakeholders who are or become more aware and active can be described as publics" (p. 125).

The first implication of this important distinction for the strategic management of public relations, then, is to identify the organizational stakeholders of organizational decisions. The second implication is the critical importance of public relations to be able to identify the publics within the stakeholder categories who are likely to become more aware and active. In doing so, public relations can develop communications programs at the "stakeholder stage—ideally before conflict has occurred" (p. 127). By establishing this rapport, public relations "helps to develop the stable, long-term relationships that an organization needs to build support from stakeholders and to manage conflict when it occurs" (J. Grunig & Repper, 1992, p. 127).

Once stakeholders are identified, how do executives account for them in strategic decision-making? And, if they ignore them, what are the implications? Are certain approaches to strategic decision-making better than others? To understand the potential opportunities for public relations professionals, it is important to consider what can be learned from the literature on decision theory.

Decision Theory

Garvin and Roberto (2001) suggested, "Decision-making is arguably the most important job of the senior executive and one of the easiest to get wrong" (p. 108). Their research revealed that although leaders are "made or broken by the quality of their decisions…[they] get decision-making all wrong" (p. 108). Why is this, and can public relations managers help senior executives make better decisions? Garvin and Roberto said the primary reason executives make bad decisions is that they treat decision-making as a discrete event where choice takes place at a single moment. What is the relevance to public relations, though?

White and Dozier (1992) noted that "strategic public relations requires practitioner access to decision-making authority in an organization" (p. 91). In trying to determine what role communication managers and public relations practitioners play in strategic decision-making, White and Dozier developed the concept of strategic decision-making for public relations and suggested ways "in which practitioners make useful contributions to decision-making" (pp. 91-92). Building on the efforts of Vari and Vecsenyi (1984), White and Dozier suggested that the following "five distinct participant roles" in the decision-making process were reflected in Broom's early work on public relations roles, which characterized public

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relations practitioners as expert prescribers, problem-solvers, or communication facilitators:

1. Decision Makers: these participants have executive power to define the use of outputs from the phases of the decision-making process.

2. Proposers: participants who only have the power to make recommendations.

3. Experts: participants who primarily supply input to the currently modeled problem structure.

4. Consultants or Decision Analysts: participants who advise on methods of problem representation.

5. Facilitators: participants who do not have the direct role in the decision-making process but who facilitate collaboration of experts and the transmission of results within and between rounds of decision-making. (p. 104)

White and Dozier (1992) also noted: "Subsequent empirical studies indicate, however, that public relations managers (in their day-to-day work) shift easily from expert prescription, process facilitation, and communication facilitation" (p. 104). Thus, there appears to be a logical nexus between decision-making in organizations and the practice of public relations. The challenge, however, is to understand the nature of strategic decision-making in a way that public relations professionals can use to help make organizations more effective in that process.

The following review examines definitions of decisions, characteristics of decisions that distinguish strategic decisions from routine decisions, how executives make these decisions, and some of the dominant models executives use in making strategic decisions. The review concludes with a discussion of one organizational decision-making approach—logical incrementalism—and its implications for communication management in organizational decision-making.

What is a decision? After reviewing the myriad definition of decisions, Miller and Starr (1967) concluded:

> The word 'decision' covers such a multitude of cases that it belongs to the class of omnibus words which semanticists warn us about. There is general dictionary agreement that a decision is a conclusion or termination of a process. However, the end point of one process can also be viewed as the starting point of another… This reflexive property of decisions is not illusory. The organizational question of what triggers decisions is another way of asking: What causes the manager to decide to decide? (pp. 21-22)

In general, decisions can be thought of as part of a continuous process in which information from the environment either enters or is absorbed by the organization and a determination is made to its relevance. The awareness and relevance of the information is then discarded or acted upon by the organization as necessary to produce a response to the input. The cycle repeats itself as necessary until the organization successfully adapts to the input or suffers some consequence.

Thus, at its most fundamental level, an organization is a "communication network" that is "embedded in its environment" (Miller & Starr, 1967, pp. 14-15).

The "decision problem" has been characterized differently according to tradition. For example, philosophers "concerned themselves with the question of what constitutes a 'good' decision" (Miller & Starr, 1967, p. 22). Economists typically frame any discussion of decisions in terms of utility and seek quantitative analysis to conclude whether decisions are optimized. In addition, economists assume decisions are rational. March (1994) defined rationality as "a particular and very familiar class of procedures for making choices" (p. 2). Social scientists, on the other hand, argue that there is reason to believe that individuals do not always act in a way that maximizes utility. In fact, "sociologists have accumulated considerable evidence to demonstrate the enormous influence of social situations, habit, and tradition on the choices and decisions made by individuals" (Miller & Starr, pp. 22-26).

According to March (1994):

Rational theories of choice assume decision processes that are consequential and preference-based. They are consequential in the sense that action depends on anticipations of the future effects of current actions. Alternatives are interpreted in terms of their expected consequences. They are preference-based in the sense that consequences are evaluated in terms of personal preferences. Alternatives are compared in terms of the extent to which their

expected consequences are thought to serve the preferences of the

decision maker. (p. 2)

In March's (1994) view, choice is concerned with four basic questions that include alternatives, expectations, preferences, and decision rules (pp. 2-3). It is important to note that most current theories of choice recognize that rationality is limited, or bounded. March observed that:

Decision makers do not consider all consequences of their alternatives.

They focus on some and not others. Relevant information about

consequences is not sought, and available information is not used.

Instead of having a complete, consistent set of preferences, decision

makers seem to have incomplete and inconsistent goals, not all of

which are considered at the same time. (p. 9)

In addition to the concept of bounded rationality, March (1994) noted that there were also information constraints that pose challenges to decision makers. For example, there are problems of attention. Memory problems and problems of comprehension can interfere with decision processes. And, communication problems limit the ability of decision makers to transmit and receive necessary information (p. 10).

Notwithstanding these social and psychological conceptual problems to the construct known as decisions, Miller and Starr (1967) concluded that there are essentially three aspects of decisions that should be considered in any analysis. First, a decision requires the selection of a strategy to achieve objectives. Second, decisions are made under certain states of nature. Finally, the degree to which

objectives are met will be determined by selection of the most competitive strategy (p. 27). They further suggested several kinds of decision problems that could be categorized in terms of what the decision maker knows and under what condition the decision is being made. Decision-making under certainty means that the decision maker knows with confidence the state of nature—in other words, the outcome is known because all of the factors involved in the decision are known. Decision-making under risk implies that the decision-maker knows the probability of each state of nature; however, there are no guarantees for each course of action under consideration. Decision-making under uncertainty removes probabilities from the process such that the decision maker may know the various states of nature but not the likelihood of occurrence. Thus, the utility of knowing the various states of nature is significantly reduced. The last category is decision-making under conflict where the decision maker is concerned with the opponent rather than a particular state of nature.

Game theory represents an effort to address this state of nature in decision-making (pp. 108-111). According to Plowman (1995), game theory is the "formal study of the rational, consistent expectations that participants can have about each other's choices. The basic premise is that social relationships can be modeled as games of strategy" (p. 68). The outcome of rational decision-making "depends on the choices both [individuals] make. . . . There is no independently best choice that can be made; it depends on what others do" (p. 69). However, there are scholars who question the characterization of decision-making as the result of a rational process (for example, see J. Grunig & L. Grunig, 2000).

According to Robbins (1990), decision-making is traditionally presented as "the making of choices" (p. 108). However, the simple act of making a choice is but one step in a much larger process. Decisions possess dimensions beyond mere resource implications—social and psychological, for example. Depending on the control of the process and the dimensions involved in the decision, the decision can be executed with relative ease. For example, if an individual gathers the necessary information, establishes the criteria under which the choice will be made, analyzes the data, and possesses the authority to make the decision, the process can be controlled from beginning to end. Of course, communicating the choice and implementing the course of action resulting from the decision represents another process entirely and, in certain instances, the resulting actions may be quite different from the original intentions.

Robbins (1990) suggested that such a characterization of decision-making as indicated above was inadequate to represent organizational decision-making. Seldom does one actor control all of these steps in an organization (p. 108). A more realistic model of the organizational decision-making process would reflect the control by multiple actors over different parts of the process.

In constructing a normative theory of public relations management, Ehling (1983) noted:

> Decision theory is even more normative in that it provides both
> measures and criteria (norms) for making decisions under several
> different kinds of information conditions—namely, decision-making
> under certainty (complete information), risk (probabilistic

information), and uncertainty (incomplete or no information). Game

theory, in turn, extends decision theory to strategic situations in which

a decision-maker is viewed as "playing" (making strategic moves)

against another decision-maker. (p. 6).

Ehling (1983) observed that decision theory is essentially about maximizing

expected value (p.7). Although Ehling was correct in his assessment of decision

theory as it might be discussed from an economic perspective related to utility, the

literature reveals other perspectives, such as habits and norms, or philosophical

traditions as discussed earlier, that should not be ignored when studying decisions.

Miller and Starr (1967) noted, "One great strength of decision theory is that the value

of information generated to provide forecasts and support predictions can be

compared to the cost of obtaining it" (p. 30).

Some decisions are necessarily more important than others. The most

important decisions are known as strategic decisions because of five general

characteristics described by Papadakis and Barwise (1998, pp. 1-5). First, strategic

decisions involve committing a significant portion of an organization's resources for

a long time and are difficult to reverse. Second, strategic decisions provide a

connection between deliberate, or planned, and emergent, or unanticipated, strategy.

Third, strategic decisions help organizations adapt and learn. Fourth, strategic

decisions help younger managers develop into seasoned leaders by providing

opportunities to excel. Finally, strategic decisions generally require cross-functional

cooperation because of the substantial commitment of company resources. Likewise,

Harrison and St. John (1994) suggested that strategic decisions are non-programmed

and have few precedents. They generally involve larger portions of the organization and command a larger number of assets such as people, money, and technology. Finally, these decisions are usually made at higher levels in organizations and clearly have long-term implications for the organization.

Because of their ability to significantly affect organizational direction, strategic decisions made at the highest level should be of paramount importance to public relations professionals. Thus, this research focuses on how public relations professionals might enhance the effectiveness of these decisions.

Decision-making models and strategies

Numerous decision-making models are revealed in the literature. For example, Eisenhardt (1998) acknowledged that there are essentially three fundamental paradigms in strategic decision-making theory: bounded rationality, power and politics, and the "garbage can" model. However, she suggested a fourth for consideration that she called "improvisational" (pp. 251-258).

Bounded rationality, as discussed earlier, is the notion that decision-makers are not completely rational. Psychological factors intervene in the decision-making process and may result in choices that appear not entirely rational.

The power and politics paradigm recognizes the many and varied goals that social actors have in organizations. March (1994) characterized these types of decision-making models in one of two ways. One model views decision-making "as based on a power struggle. It asks: Who gets what, when, and how. The second metaphor pictures decision-making as coalition formation. It asks: How are partners found, how are agreements negotiated and enforced?" (pp. 139-140). Theorists of

these models generally distinguish between "single-actor, or individual, decision-making, on the one hand, and multiple-actor, or organizational, decision-making, on the other" (p. 172). March noted that decision-making theories that rely on consistent individual preferences and identities seem inadequate to reflect the complexity of decision-making processes. In his view, theories of individual decision-making do not help researchers to better understand organizational theories of decision-making. Further, March suggested that it is unclear in the literature whether theories of organizational decision-making can help better understand individual decision-making (p. 173).

The "garbage can" model "emphasizes the role of chance in the unfolding of strategic decisions" (Eisenhardt, 1998, p. 253). March (1994) elaborated on this model as a system and recognized the importance of timing in the process: "Thus, the results produced by the system depend on the timing of the various flows and on the structural constraints of the organization" (p. 201). March noted that much of the discussion "of garbage can processes found in the literature on decision-making emphasizes situations in which the access of problems, solutions, and decision makers to choice opportunities are unrestricted…There are probably more situations, however, in which garbage can processes exist but are constrained by social norms, organizational structures, and networks of connections that restrict the process in important ways" (p. 204).

Finally, the improvisational paradigm is best characterized by "organizing in a way such that the actors both adaptively innovate and efficiently execute. In music, this means creating good music in real-time, while adjusting to the shifting musical

interpretations of others" (Eisenhardt, 1998, p. 255). There may be some merit in this

approach when considering Mintzberg's (1994) notion that there are really two types

of organizational strategies—deliberate and emergent. Such a strategic decision-

making process would allow for continuity of regular planning while being receptive

to the dynamics of uncertain environments.

Garvin and Roberto (2001) argued that decision-making is really a process

that unfolds over "weeks, months, or even years; one that's fraught with power plays

and politics and is replete with personal nuances and institutional history; one that's

rife with discussion and debate; and one that requires support at all levels of the

organization when it comes time for execution" (p. 110). They suggested that there

are two fundamental approaches to decision-making by individuals. One approach

could be defined as "advocacy" where decision-making is viewed as a contest

whereby the purpose of communication is persuasion and lobbying, the participant's

role reflects that of a spokesperson, minority views are minimized, and there are

winners and losers. The second approach could be described as inquiry where

decision-making is conceived as collaborative problem solving and the purpose of

discussion is testing and evaluation, participants are viewed as critical thinkers,

minority views are valued, and the outcome is collectively owned (p. 110).

Schwenk (1998) offered a somewhat different approach regarding advocacy

and suggested that the value of diversity, eccentricity, and devil's advocacy was

necessary to effective decision-making in organizations. However, his description of

devil's advocacy mirrors many of the same attributes as Garvin and Roberto's (2001)

construct of "inquiry."

Garvin and Roberto (2001) believed that executives should design and manage decision-making processes that favor the "inquiry" approach in order to make better decisions. Unfortunately, the skills necessary to create such a decision-making process do not come naturally. Participants who approach decisions from an advocacy perspective are generally more passionate about their solutions and seek information consistent with their positions while minimizing information inconsistent with their positions. On the other hand, those who approach decision-making from an inquiry perspective seek to consider a greater variety of options, share information more readily and objectively, and allow others to draw their own conclusions from the information that is presented. The researchers claimed that conflict was a natural part of both processes; however, in inquiry, the disagreements were about ideas and interpretations rather than personalities and "entrenched" positions. To move toward an inquiry-based process, Garvin and Roberto suggested "careful attention to three critical factors, the three 'C's' of effective decision-making: conflict, consideration, and closure" (pp. 110-111).

The first is conflict and may include cognitive or affective conflict. Key to improving decision-makingis increasing cognitive conflict —or the disagreements over the ideas—and decreasing affective conflict—or the disagreements over the emotional aspects of the process. Thus, it is important to attend to how issues are framed and what type of language is being used during the process. Amason (1998) also raised this concern and argued that cognitive conflict generally enhances decision-making while affective conflict usually damages it. The second is consideration—that is, the importance for people to believe that their views have been

included in the decision-making process even though a decision may not be consistent with their position. Finally, closure represents the necessity of timing the decision in such a way that there does not appear to be a rush to judgment or an inability to decide. Early decisions can often be attributed to "groupthink," or the notion that people are reluctant to oppose strong advocates in a group setting. Decisions that take too long can be attributed to "unchecked" advocacy (pp. 111-115).

Though it is difficult to assess the quality of decision-making, Garvin and Roberto (2001) suggested a set of qualities to determine the health of the decision process. First, are there robust alternatives? Second, are assumptions challenged and tested? Third, are the criteria for the decision clear and explicit? This allows for consistent and valid comparison of alternatives. Fourth, are the kinds of questions being asked sufficiently challenging and are the participants actively listening? Finally, is there a perception of fairness among the participants? "In fact, keeping people involved in the process is, in the end, perhaps the most crucial factor in making a decision—and making it stick" (p. 116).

From a symbolic interaction perspective, Faules and Alexander (1978) claimed there were "two prevailing characteristics of decision-making models: (1) a claim of universality or generalizability; and (2) a specific notion of human nature… [however] none of the models can be used in all situations; each is inappropriate in certain communication settings… behavior is situational and calls for different methods of processing decisions" (p. 177).

Faules and Alexander (1978) noted:

During most of this century logical thought has been regarded as the

basis for decision-making…According to Dewey, there are five steps

in the problem-solving process: (i) a felt difficulty; (ii) its location and

definition; (iii) suggestion of a possible solution; (iv) development by

reasoning of the bearings of the suggestion; (v) further observation and

experiment leading to its acceptance or rejection… (p. 178)

Two major problems arise with using such a Dewey-like model in studying

real-life decision-making, though. For example, not all decisions appear to be

rational. This model also presumes the existence of a problem that requires solving

(Faules & Alexander, 1978, p. 178). Many decisions are made without regard to

rationality and many problems never get resolved.

In order for an individual decision-making model to have value, Faules and

Alexander (1978) proposed that it meet the following criteria:

1. It need not be tied to problem solving,

2. It must consider seemingly nonrational behavior,

3. It must demonstrate process,

4. It should be explanatory rather than prescriptive,

5. It must reflect the symbolic interactionist's idea of the mental

     interpretative process. (p. 179)

They noted that Leon Festinger developed a decision-making approach that

satisfied these criteria. Essentially, Festinger posited three phases to an individual's

decision-making based upon the notion that humans were "balance-seeking"

cognitive systems. These included conflict, decision, and dissonance (p. 179).   In the

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first phase, people recognized alternatives and "objectively" considered them. The

second phase consisted of making the choice and becoming committed to it. In the

final phase, people looked for ways to justify a decision to reduce psychological

discomfort and regain "balance" (p. 179).

Klein and Weick (2000) argued that there were essentially three approaches or

strategies to making decisions: the rational-choice approach, the intuitive approach

and the experiential approach. Because decision-making is a skill, one's ability

improves with practice. Understanding these approaches and their respective

strengths and weaknesses can serve to improve a person's proficiency in making

difficult decisions.

The rational-choice approach to decision-making requires the executive to

establish a range of options and determine how well each option achieves the

objectives. This approach is based on the premise that intuition cannot be trusted and

that carefully established options minimize the possibility that an important option

might be overlooked.

This approach encourages decision makers to look for subtleties and consider

different perspectives. It also minimizes the risk inherent in impulsive decisions.

Unfortunately, this approach requires time and deliberation among the various

options. Data may be scarce resulting in gaps critical for analysis. In addition, this

approach requires clear objectives from the beginning—something people may not

have established. However, when confronted with new or unfamiliar situations, the

rational-choice approach may be a preferred strategy.

The intuitive approach relies more on gut feelings and encourages a person to be more open to personal preferences. This approach requires less time and experience. Intuition means relying on experiences without having to analyze all of the available information. According to Klein and Weick (2000): "Studies of brain activity show that people have an awareness of the right answer even before they consciously realize it" (p. 17). Notwithstanding the strengths of this approach, intuition is not always enough, especially where there is no experience.

The experiential approach is the strategy that most people use in coping with time pressure, uncertainty, changing conditions, and vague goals in making high-stakes decisions. This approach is faster than analytic approaches because it "relies on memory and recognition to get an immediate sense of what's happening. It is also richer because it makes fuller use of context, experience, informed intuition, and imagination to flesh out the initial sense" (Klein & Weick, 2000, p. 18).

Klein (2003) noted that not all decisions are created equal. For example, when alternatives have few distinguishing characteristics in terms of their strengths and weaknesses, the situation could be defined as a "zone of indifference" (p. 24). Consequently, there are marginal risks of making one choice over another. Rather than invest a great deal of time, action is the preferred strategy. Other decision situations require much greater deliberative analysis because of their complexity. In these situations, a rational choice approach might be a preferred course to reach a decision. Some decision-makers seek to avoid dismissing options because of sunk costs—or "trying to get some return for resources that have already been spent" (p. 25). Klein suggested that if the option is not viable, dismiss it and move on. In

essence, Klein argued that by "becoming skilled at categorizing decision types, you can save yourself a lot of work and frustration" (p. 25).

Sharfman and Dean (1998) said that managers make strategic decisions the way they do based upon strategic decision-making contexts and processes. Complexity, instability, and competitive threats frame managers' contexts for decision-making. From a process perspective, procedural rationality in decision-making, political behavior in decision-making, and flexibility in strategic choice frame the strategic decision-making process. Though the researchers were unable to demonstrate a correlation between the importance of the decision and rational behavior, they were able to show a correlation between effectiveness of strategic decisions and lack of political behavior, which they attributed to increased interpersonal trust between managers of strategic decisions. In addition, political behavior was inversely related to the importance of the decision. Finally, there appeared to be an inverse relationship between environmental competitiveness and flexibility in strategic choices. Of central importance in their research is the finding that "decision processes do influence strategic decision-making effectiveness" (p. 193).

In their research, Williams and Miller (2002) found that executives typically exhibited behavior associated with one of five decision-making categories: charismatics, thinkers, skeptics, followers, and controllers. Charismatics, who accounted for approximately 25 percent of their sample of nearly 1,700 executives, were easily "intrigued" by new ideas but tended to make decisions based on "balanced information, not just emotions." Thinkers, who made up 11 percent of

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their sample, could be the toughest to persuade but could be influenced by arguments supported by good data. Skeptics, who accounted for 19 percent of their sample, tended to be "highly suspicious of every data point" that challenges their "worldview." Followers, who were most prevalent in their sample—36 percent— tended to make choices based on how they had made choices in the past or based on the decisions of other trusted executives. Lastly, controllers, who accounted for only 9 percent of the executives in their sample, sought only information that was factual and avoided "uncertainty and ambiguity" (pp. 66-67). Their research implies that understanding the decision-making style of an executive might help confidants and advisors better articulate positions in a manner that could be considered in the decision-making process.

Based on his research of 163 decision-making cases of medium and large U.S. organizations that included public, private, and non-profit organizations, Nutt (1998) identified essentially four phases of decision-making: establishing direction, identifying options, evaluation, and implementing decisions (p. 210). Within the first phase of the process, there were four different types of approaches used to provide direction for the decision-making process. These approaches included concept, where an idea is "imposed on the decision-making process;" problem solving, where "problem analysis is used to infer a solution;" objectives, where "objectives are set to guide developmental activities;" and, reframing, where "renorming is used to dramatize the need for action" (p. 212). Of the four approaches to the first phase of the decision-making process, he found that *reframing was the least-used but the most successful*. Nutt (1998) proposed the following when establishing directions:

1. Seek out people with different points of view and ask each to provide a diagnosis.

2. Look for both needs and opportunities that lie behind problem symptoms.

3. Consider problems from several vantage points and reconcile contradictions.

4. Find common themes in problems and use these themes to make a diagnosis.

5. State objectives in performance terms to keep the search process open to new ideas and insights.

6. Ensure that the expectations of improved performance are both understood and attainable.

7. Do not initiate a decision-making process without justifying the need for change.

8. Do not use a solution to justify a need for action. (p. 217)

Regarding the second phase of the decision-making process, Nutt (1998) found three fundamental tactics for identifying options. These included template tactics for which options are drawn from the experience of other similar decision-making situations. Most managers prefer this approach because it is efficient and pragmatic. A second tactic employed search tactics for which "aggressive search" tactics were used to identify the best available options. The final fundamental approach included a design tactic, for which the principle feature was innovation, or

"thinking outside the box." To improve tactics for identifying options, Nutt proposed the following:

1. Develop several options.

2. Acquire ideas from many sources and consider them carefully to explore how plans can be crafted.

3. Build options from the best features of practices that are observed.

4. Allow innovation to take place in at least one option that will be considered.

5. Promote the use of creativity in developing options.

6. Avoid selecting what appears to be a good option early in the process.

7. Avoid stopping the search for options prematurely.

8. Resist benchmarking the practices of a single organization unless the fit is clear.

9. Avoid options that are minor variations of existing practices.

10. Do not expect vendors to tailor their off-the-shelf solutions without incentives and directives to do so. (pp. 220-221)

Nutt (1998) discovered three different tactics for implementing decisions. These tactics included participation tactics, for which key stakeholders were included in the implementation process; persuasion tactics, for which implementation was delegated to an "expert;" and edict tactics, for which directives were issued with little or no consultation. Not surprisingly, edict tactics had the highest failure rates and participation tactics had the highest success rates.

Based on his research of decision implementation, Nutt (1998) proposed the following guidance:

1. Demonstrate the need for and feasibility of making a change.

2. Use participation whenever possible to promote ownership for people affected by the decision.

3. Avoid using an edict until both participation and persuasion have been attempted or ruled out as infeasible.

4. Limit the use of persuasion.

5. Before using an edict check your balance of social credit.

6. Resist quick fixes that minimize the effort needed to carry out the implementation.

7. Consider the political and social factors that keep people from embracing ideas that are in the best interests of the organization. (pp. 224-225)

Because many of the cases he studied revealed high failure rates, Nutt (1998) offered the following tactics that might make or break decisions:

1. Ensure that a responsible leader manages the decision-making process.

2. Search for understanding.

3. Establish directions with intervention and an objective. Intervention establishes the rationale for action.

4. Stress idea creation and implementation. A decision-making process guides thinking about action and taking action.

5. Identify more than one option.

6. Deal with barriers to action. (pp. 226-227)

In short, Nutt (2001) argued that a manager could improve the chances of making better decisions by personally managing decision-making, searching for understanding, establishing the direction with an objective, and managing the social and political forces that can present challenges.

From an organizational perspective, Nutt (2001) also offered some prescriptions for making better decisions. For example, he advised against committing early to ready-made solutions. Second, objectives should be set to overcome a "bias toward action and fear of being indecisive. . . . Objectives liberate people to search widely for solutions and lower the chance for failure, and, therefore, criticism" (pp. 64-65). Finally, intervention is necessary to ensure performance with the decision. By broadening the search for solutions and avoiding becoming defensive, better decisions result.

Papadakis and Barwise (1998a) drew several conclusions about strategic decision-making for executives under the following general groupings: rational planning versus incrementalism and intuition, politics, conflict, techniques for improving strategic debate, participation, and overall strategic decision-making tactics. They said the literature characterizes strategic decision-making as both rational—in its ideal state, as well as "satisficers with bounded rationality" (pp. 268-269). Thus, some degree of rationality and intuition seems to be necessary in the strategic decision-making process. In addition, although organizations seek to

establish strategy in a deliberate fashion, they must be prepared to deal with emergent strategies (Mintzberg, 1994).

Logical incrementalism

Quinn (1980) explained that planning activities in organizations typically:

…become bureaucratized, rigid, and costly paper-shuffling exercises divorced from actual decision processes…the most important strategic decisions seem to be made outside of the formal planning structure…[and] much of the management literature and technique associated with planning has concentrated on developing more sophisticated models of a system that is not working the way the model builders think it is—or should be—operating. (p. ix)

Consequently, Quinn (1980) called for a different paradigm to describe the process of organizational strategy development and decision-making that synthesized "various behavioral, power-dynamic, and formal analytical approaches" (p. 16). Logical incrementalism recognizes that decisions should be made "as late as possible consistent with the information available and needed" (p. 22). In his research, government and activist groups were cited as among the "most important forces causing significant changes in their [organizations] strategic postures" (p. 34). Strategic decisions, in his view, did not result primarily from "power-political interplays" (p. 51). Rather, such decisions also accounted for "timing and sequencing imperatives necessary to create awareness, build comfort levels, develop consensus, and select and train people" (p. 51). Quinn found it "virtually impossible" for one manager to coordinate all the elements that were necessary for strategic decisions.

However, Quinn also found that executives were able to deal with "subsystems" usually led by managers of their respective subsystem (p. 52). In his view, the most effective strategies tended "to emerge step by step from an iterative process…[based on] a series of partial (incremental) commitments rather than through global formulations of total strategies" (p. 58).

According to Quinn (1980), logical incrementalism helps managers "build the seeds of understanding, identity, and commitment into the very processes that create their strategies" (p. 144). Further, Quinn found that the following management processes are most important:

> …sensing needs, amplifying understanding, building awareness, creating credibility, legitimizing viewpoints, generating partial solutions, broadening support, identifying zones of opposition and indifference, changing perceived risks, structuring needs flexibilities, putting forward trial concepts, creating pockets of commitment, eliminating undesired options, crystallizing focus and consensus, managing coalitions, and finally formalizing agreed-upon commitments. (p. 146).

For students and practitioners of public relations, many of these management processes noted by Quinn (1980) are immediately recognizable as important responsibilities of effective communication management in organizations. In addition, many of these responsibilities also constitute much of the public relations' world of work.

Before closing this discussion about organizational decision-making, it is

important to note the work of Allison (1971). Allison's analysis of the Cuban missile

crisis suggested that much could be gained from studying organizational decision-

making through different analytical frameworks. Contrasting different analytical

models, Allison concluded:

> Such variance among interpretations demonstrates each model's
>
> tendency to produce different answers to the same question. …what is
>
> equally striking are the differences in the ways the analysts conceive
>
> of the problem, shape the puzzle, unpack the summary questions, and
>
> pick up pieces of the world in search of an answer. (p. 249)

This observation simply underscores the importance of the organizational actors'

perspectives involved in processes. Like other organizational actors, public relations

brings a different perspective to organizational processes.

What does the literature inform us about the nature of organizations,

environments, power, stakeholders and strategic decision-making? Organizations

operate as systems and may be characterized as "a consciously coordinated social

entity, with a relatively identifiable boundary, that functions on a relatively

continuous basis to achieve a common goal or set of goals" (Robbins, 1990, p. 4).

Systems theory, which is "basically concerned with problems of relationships, of

structure, and of interdependence rather than with the constant attributes of objects,"

suggests that organizations are open to influence by competitive forces in the

environment (Katz & Kahn, 1967, p.18). Organizations are effective to the degree

they can address the various forces in the environment. Organizational goals are

generally influenced by many actors who exert influence through the use of power—often not through rational processes.

Power has been traditionally defined as the force "sufficient to change the probability" of another's behavior (Pfeffer, 1981, pp. 2-3). Power can be concentrated or dispersed in organizations. Dispersed power allows for the interplay of various organizational actors. In addition, when power is more equally distributed, then "participants in the system have little ability or motivation to engage in a contest for control which provokes the visible conflict and political activity" (Pfeffer, 1981, p. 87).

However, L. Grunig et al. (2002) suggested that, at least for public relations, the concept of empowerment was equally important and could be characterized as a collaborative process that benefits everyone in the organization. This approach suggests that power is distributed more equitably under empowerment.

Stakeholders are those people who are or may be affected by organizational decisions and have the potential to become or be made aware of organizational decisions and actions and emerge as publics (J. Grunig & Repper, 1992). In turn, these publics can influence organizations.

Decision-making by executives, though critical to the success of organizations, is arguably not done well. Poor decision-making can be attributed to how decisions are framed, which voices are heard, and whether decisions are viewed as discrete or part of an on-going process. Complicating decisions are issues of rationality, tradition, limited choice, and basic human tendencies to attend to some information while subconsciously avoiding other information in an effort to maintain

cognitive balance. Notwithstanding these challenges, there appear to be some underlying principles that can serve to improve decision-making. In addition, understanding the various phases of decision-making and the tactics and approaches available will help executives make better decisions. Nutt (2001) argued that a manager could improve the chances of making better decisions by by personally managing decision-making, searching for understanding, establishing the direction with an objective, and managing the social and political forces that can present challenges.

In order to understand how these concepts are fundamental to organizational success, it is important to be familiar with the process organizations use to compete in the environment and the environmental forces that seek to constrain that process. Thus, a review of strategic management and collective action is necessary.

Strategic Management and Collective Action

Organizations succeed in their environments, depending on how successfully they strategically manage and compete for information and resources. Miller and Starr (1967) suggested from a biological perspective: "Theories of evolution are applicable to organizations as well as species. Organizations cease to thrive when they find themselves unable to adapt to environmental and competitive changes" (p. 13). They do so through a process known as strategic management.

Following an extensive review of the literature, Bengfort (2000) defined strategic management as "the comprehensive, ongoing process of deciding and implementing the best course of action for meeting the organization's objectives. The process is based on the philosophy that an organization will maximize its

effectiveness by balancing the goals of the organization with influences from its

strategic stakeholders and influences from its external environment" (pp. 30-31).

Bengfort differentiated strategic planning as "a formalized subprocess of strategic

management that follows a prescribed set of procedures within a given time period

for researching and identifying alternatives for strategic choice" (p. 31). This is an

important distinction because strategic management is not the same as strategic

planning. Occasionally, theorists in the literature incorrectly use these terms

interchangeably.

Strategic management developed more than 25 years ago during the 1960s

and 1970s in the midst of enormous economic growth in the United States. However,

based on an analysis by Knights and Morgan (1991), Bengfort (2000) convincingly

argued that "the groundwork for the concept of strategy was laid in the U.S." many

years earlier within the "emerging business school culture of U.S. universities" (p.

18).

Tushman, O'Reilly, and Nadler (1989) said that Porter (1980) noted that

strategic planning fell out of favor almost as rapidly as it came into favor because it

did not contribute to strategic thinking. As competitiveness problems continued

through the 1970s for U. S. firms, strategic management grew in importance.

Strategic management borrows heavily from "all functional disciplines including

finance, marketing, accounting, economics, production, and human resource

management" (Harrison & St. John, 1994, p. 5).

Pearce and Robinson (1982) identified organizational levels that perform

strategic management (pp. 6-7). The corporate or organizational level sets the

direction and mission for the company (also called the macro level). The business or

specialty level deals with market segments (also called the meso level). Finally, the

functional level deals with the management of areas or specific functions. J. Grunig

(1996) noted that:

> Bowman (1990) added a fourth, *institutional*, which involved 'the
>
> issues of how a corporation fit itself into the social environment and
>
> the body politic.' . . . What Bowman called the institutional level
>
> obviously is the substance of public relations and a level at which
>
> theories of strategic management would benefit greatly from the work
>
> of public relations scholars and practitioners. (p. 17)

J. Grunig (1996) argued that scholars of strategic management must pay more

attention to the institutional level. In an open-systems schema, each organizational

level must maintain relationships with its external environment—and do so in

harmony with other levels of the organization; otherwise, organizational decisions at

best are sub-optimized. At worst, they are catastrophic. Lapinski (1992) observed

that strategic management was most effective when practiced at all three levels. He

reasoned,

> (a) top management identifies the corporate mission and social
>
> responsibility at the highest or organizational level; (b) middle and
>
> upper management address groupings of stakeholder concerns at the
>
> flexible specialty level; and (c) all departmental managers gather basic
>
> information and design strategic programs at the functional level. (p.
>
> 51)

Harrison and St. John (1994) argued that the strategic management process must pass through four phases to deal with increasing size, diversity, and environmental complexity:

1. Basic financial planning (internal orientation)

2. Forecast-based planning (external trends)

3. Externally-oriented planning (developing strategies in response to markets)

4. Strategic management (management of resources to sustain the competitive advantage and create the future)

J. Grunig and L. Grunig (2000) suggested: "The value of public relations to strategic management becomes even clearer if we also look at strategic management as the arena in which important organizational problems are identified and decisions are made how to address those problems" (p. 310). But, how do executives make these decisions?

J. Grunig and L. Grunig (2000) noted: "In the decision-making arena, the primary actors do not make rational decisions in the way classical economists envisaged" (p. 310). They argued that the various disciplines in the process "asserted their disciplinary identities" (p. 311).

Tushman et al. (1989) indicated that Porter (1980) noted a number of problems within the field of strategic management. Early strategic management was ineffective because strategy was separated from implementation and it was too infrequent. Rather than be primarily the job of corporate staff, Porter believed that strategic management should become part of the company culture. Gray (1986) noted

that most strategic management functions were not integrated with other control functions, therefore minimizing their value to the planning process. CEOs were reluctant to rely on their strategic managers because the managers lacked the information necessary to perform the job. Others such as Halal (2001) have concluded that management "is really not a very rational affair… I've come to see that organizational change is rarely the result of logic, planning, or even self-interest; it is usually driven by crisis, social convention, external pressures, and other uncontrollable forces, including sheer accidents" (p. 11). J. Grunig and L. Grunig (1997) recognized a fundamental shift in the scholarly literature of strategic management that "originally conceptualized the environment as a constraint on an organization's mission and choices [when] Porter turned the relationship around and conceptualized the environment as a source of competitive advantage" (p. 4). In addition, the field was originally conceived without public relations as part of the process—further limiting its ability to meet expectations. But are many of the forces Halal (2001) noted really beyond the organization's ability to address?

Although I do not discount the important contributions of these disciplines to strategic management, I submit that a critical discipline was missing from the original mix of disciplines that, to date, has prevented strategic management from maximizing its value to organizations. Arguably, the field of public relations had not matured enough to contribute significantly in the early development of strategic management; however, I believe this is no longer the situation. Although I acknowledge the significance of these disciplines to strategic management, my purpose is to define the relevance and importance of communication management to strategic management

through exploring how decisions are made by executives and understanding what role group behavior and relationships play in that process. In doing so, I am confining my research of these concepts to the very top of the organization—what J. Grunig (1996) defined as the macro level.

Role of Strategy

In defining strategic management, Chandler (1962) observed, "Strategy can be defined as the determination of the basic long term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals" (p. 13). Put more simply, Gary (2001) noted that Eisenhardt (2001) suggested that "strategy answers two questions: Where do you want to go? and, How do you want to get there?" (p. 8). Robbins (1990) suggested that while goals refer to ends, "strategy refers to both means and ends" (p. 121).

According to Collins and Montgomery (1995), the field of strategy was shaped around a framework first conceived by Andrews (1971). Andrews defined strategy as the match between what a company can do, as in strengths and weaknesses, and what the environment would allow it to do, as in opportunities and threats. J. Grunig and L. Grunig (1997) noted that "scholars of strategic management originally conceptualized the environment as a constraint on an organization's missions and choices" (p. 4). Few insights were available to organizational managers until Porter published *Competitive Strategy: Techniques for Analyzing Industries and Competitors* in 1980. Porter argued that choosing the right industry and the most competitive position was paramount. Internally focused, Porter concentrated on the

concepts of core competencies and competing capabilities and the manager's ability to "marshal" them (Philbin, 1996).

Knights and Morgan (1991) traced the development of "strategy discourse" as it was used in the military during the early twentieth century and identified the then-apparent futility of trying to control economic forces that were guided by the "hidden hand" of the market (p. 270). They also identified the "unintended effects of strategy wherein it helps to secure the power and the management of identity for managerial (and other) subjects and facilitates the development of a corporate image and rationalizations of success and failure for organizations" (p. 270). And finally, Knights and Morgan noted that the "discourses and practices surrounding strategy have to be seen as social constructs which have the effect of constituting managerial and labour subjectivities that enhance the productive power of organizations through subjectively 'locking' individuals and groups into their tasks and commitments" (p. 270). In their view, treating strategy as a means to an end provides potential for a more critical study of organizations.

According to Andrews (1980), corporate strategy reflects the decision pattern that reveals goals, principal policies, plans, and contributions to shareholders, customers, and communities. Mintzberg (1994) held that few people could claim to "perfectly" realize their strategies, "for, after all, perfect realization implies brilliant foresight, not to mention inflexibility, while no realization implies mindlessness. The real world inevitably involves some thinking ahead of time as well as some adaptation en route" (p. 24). Mintzberg classified these two approaches as intended,

or deliberate, strategy, and emergent strategy. Intended, or deliberate, strategies are either realized or not, with the hope being that the former occurs.

In contrast, Mintzberg argued that the literature did not acknowledge another option—one he called emergent strategy—"where a realized pattern was not expressly intended" (p. 25). The important point Mintzberg sought to establish with emergent strategy was that "big strategies can grow from little ideas (initiatives), and in strange places, not to mention at unexpected times, almost anyone in the organization can prove to be a strategist" (p. 26). To this I would add, depending on how the organization deals with external forces in the environment, anyone outside the organization can be a strategist as well.

Mintzberg also said "to some people, notably Porter (1980, 1985) and his followers, *strategy is position*, namely the determination of particular products in particular markets. To others, however, *strategy is perspective*, namely an organization's way of doing things, in Peter Drucker's phrase, its concept of business" (p. 27). Because public relations acts as an organizational boundary spanner, the profession must bridge both perspectives. Public relations must not only be concerned with what an organization is doing, but with how it goes about doing it. Often times, public relations is rightfully more concerned with strategy as perspective—"how" an organization goes about accomplishing its goals. Regardless of one's position on this issue, and because corporate strategy is fundamental to organizational success, it is imperative to participate in that process.

According to Kaplan and Beinhocker (2003), the real value of strategic planning is not to develop strategic plans, rather it is to "create 'prepared minds'

within their management teams" (p. 71). Because real strategy is "made in real time,"

the objective of strategic planning is to ensure that decision-makers understand the

business, share common facts, and, most importantly, "agree on important

assumptions" (p. 72). Kaplan and Beinhocker's research revealed that more than a

third of an executive's time is invested in strategy. Therefore, this time should be

spent wisely.

     J. Grunig (1992) defined strategy as "an approach, design, scheme, or system"

(p. 123). J. Grunig also noted that the literature on strategic management makes clear

that the concepts of environment and mission are key elements. Therefore, in order

for organizations to deal effectively with these elements, appropriate structures and

processes are necessary. The disciplines mentioned earlier, such as finance and

marketing, do not individually possess the ability to manage an organization

strategically. However, in total, each discipline brings unique and relevant

capabilities to the strategic management process that helps the organization succeed.

     One of Bengfort's (2000) most significant contributions to improving the

practice of public relations stems from his observations of "six principles underlying

most of the emerging thought on strategic management" (p. 41). These include:

1. An increasingly volatile environment is intensifying the need for

    some concept of strategic decision-making.

2. Strategy-making is less formalized and positivistic, and more

    cognizant of political ambiguities, competing interests, and unexpected

    developments.

3. The strategy-making process must be broadened to include new voices and perspectives. Senior management, however, still makes final decisions about strategy.

4. Strategic thinking should challenge assumptions and shake up the thinking of companies and organizations.

5. The strategy-making process is more than determining goals and setting direction; the process itself plays an important role in organizational communication and determining the extent of power held by an organization's constituencies.

6. Globalization and technology will require greater interdependence among companies for them to be successful. Companies must redefine their relationships, even with competitors, and enhance their ability to cooperate and develop alliances. (pp. 41-58)

Bengfort (2000) observed that, traditionally, "strategic management was more about numbers than relationships… [but today] strategic management has evolved to be more about relationships" (p. 136). He observed that public relations departments are only "peripherally involved in the strategic management process, but the potential exists for them to play a more integral role" (p. 136). Prior to Bengfort's findings, Vercic and J. Grunig (1995) perceived a greater role for public relations in the strategic management process as one able to "gain competitive advantage from successful relationships … with other stakeholder publics" (L. Grunig & J. Grunig, 1997, p. 5).

As the field of public relations continues to mature theoretically, I believe the construct of relationships will grow increasingly important. One of the ways for public relations departments to play a more integral role in the strategic management process is to understand the importance of group behavior as exhibited by the organization's stakeholders and how it is accounted for in the decision-making process.

In summary, I believe organizations may be thought of as open systems composed of social actors that compete for control within boundaries that differentiate processes and activities from the environment. Actors compete for control by exercising power both inside as well as outside the organization. Internally, the dominant coalition operates as the group that directs organizational decisions and behavior through a process known as strategic management. Although strategic management can and should be practiced at all levels of organizations, I am primarily concerned with strategic management as it is practiced at the most senior levels of organizations. External forces such as stakeholders and publics can enable or constrain organizational actions. Organizations are successful in their environments to the degree that they are able to adjust to those forces that seek to constrain behavior. Because not all disciplines such as public relations were conceived initially as part of strategic management theory, I believe that it was fundamentally incomplete.

To understand how groups enable or constrain organizations, it is necessary to review how and why groups emerge in environments. This requires knowledge of theories of collective action and the social psychology of groups.

Collective Action

The following reviews the literature of collective action. In particular, it asks what are the major theories of collective action, how and why groups form, and how collective action affects organizations. It is important to understand the social psychology of groups, their norms, and group behavior if organizations are to account for them in their effort to compete successfully in today's environment.

Sandler (1992) observed: "Collective action arises when the efforts of two or more individuals are needed to accomplish an outcome" (p. 1). Theories of collective behavior can be traced historically to several major perspectives (McAdam, McCarthy & Zald, 1988). The *collective behavior* approach, rooted in the Chicago School of Sociology, places a heavy emphasis on the emergent nature of collective phenomena in response to strain. The *mass society* approach arose from assumptions associated with the "cold war" period and existence of totalitarian and authoritarian regimes when the focus was on the "atomized individual." The *relative deprivation* approach ascribes social movements to disadvantageous inequities between groups. The *institutional school* focuses on social movement organizations, when collective action is viewed as a response to external environmental factors that shift over time.

McAdam et al. (1988) noted that these "major perspectives shared two important emphases: They tended to stress micro-level over macro-level processes and to focus most of their attention on the question of movement emergence" (p. 696). For example, in examining what motivates an individual to become involved, McAdam et al. argued that there were cognitive dimensions, affective dimensions, and rational dimensions. Psychological states can serve to motivate participation as

theorized by Rokeach (1969) and Festinger (1957, 1964). Similar theories of

attitudes such as Heider (1946) "locate the roots of participation squarely within the

individual actor… activism grows out of strong attitudinal support for the values and

goals of the movement" (McAdam, et al., p. 706). Finally, many theorists in social

movements argue that individuals determine the *costs* and *benefits* of action within

the bounds of "limited rationality" (p. 707). The problem that results from this

approach is the over-reliance on the individual as the basic unit of analysis and a

"preoccupation with the emergent phase of collective action" (pp. 696-697).

Hardin (1982) concluded that the literature of collective action primarily

addressed groups interested in the "provision of goods." However, Hardin also

observed that there are many collective actions that "have as their best outcomes the

elimination of harm rather than the provision of good or goods." This is an important

point for public relations because, public relations frequently has as its primary

objective the reduction of harm. For example, campaigns designed to reduce drug

use or prevent the spread of Aids are aimed at mitigating harm and reducing risk. In

addition, a group's success is often measured in terms of whether the "good or bad"

that is created arises *internally* or *externally*—"that is, by the members of the group

themselves or by an outside party" (p. 50).

At the other end of the spectrum are studies of collective behavior that also

present theoretical problems. McAdam et al. (1988) observed that macro theories of

collective behavior focus on political or economic conditions and have a "kind of

reactive quality to them" (p. 702). There is an assumption that deprived individuals

would be most likely to join movements; therefore, as the standard of living was

raised for society at the macro level, there would be a decline in the economic motive

for "social movement activity" (p. 702). Neither of these observations appears to be

supported by the research. In fact, "wealthy societies tend to produce the general

conditions that favor the emergence of newly organized collectivities… indirectly

expanding wealth has led to expanding social movement" (p. 702). (See Bonabeau,

2002, for a discussion of the significance of emergent phenomena.)

Hardin (1982) suggested that the study of collective action in a social context

was the result of two major analytical traditions—the theory of public goods and

game theory—and was essentially the "Prisoner's Dilemma writ large" (pp. xiii-16).

Public goods are defined by "jointness of supply" and "impossibility of exclusion."

A *public good* in joint supply is not diminished by its use by others. For instance, an

idea represents a public good where "consumption" is the same for every person. In

addition, "if a good is characterized by the impossibility of exclusion, it is impossible

to prevent relevant people from using it" (p. 17). Sanders (1992) suggested that

pollution removal is a "nonexcludable," or public, good and defined it as "benefits of

a good, available to all once the good is provided… If the benefits of a good can be

withheld costlessly by the owner or provider, then benefits are excludable" (p. 5). In

addition, Sanders also defined "the nonrivaly of benefits" as the second essential

concept necessary to define goods (p. 6). In contrast, a *private good* is characterized

such that total consumption is the sum of individual consumptions (Hardin, 1982, p.

18). Sanders (1992) defined a private good as one that "possesses benefits that are

fully excludable and rival between prospective users. Food, clothing, and paper are

apt examples" (p. 6). Sanders also identified a category of good that "does not

display both excludability (nonexcludability) and rivalry (nonrivaly) in their pure forms," which he called "impurely public" (pp. 6-7). In essence, impurely public goods are those available to all under low use but become partially rival at high levels of use because of "overcrowding" (p. 7).

Hardin (1982) argued that the "greatest strength of game theory is that it makes the strategic aspects of social interactions explicit, even emphatic" (p. 23). For public relations, this recognizes the importance of developing relationships with important groups—a primary responsibility of public relations. In the Prisoner's Dilemma where there are two players, cooperation results in positive payoffs; defections result in negative payoffs; and, where there is both cooperation and defection, the player who cooperates receives a worse negative payoff while the defector receives a greater positive payoff. According to Hardin:

> The appeal of the Prisoner's Dilemma, as with the logic of collective
>
> action, has been its generality and apparent power in representing
>
> manifold social interactions. Indeed, the problem of collective action
>
> and the Prisoner's Dilemma are essentially the same… (p. 24)

McAdam et al. (1988) underscored macro conditions for successful collective action. As *geographic concentration* increases, so does the potential for interaction and the ability to recruit. In addition, the "level of *prior organization* in a given population" also contributes to a predisposition for collective action. Isolated social segments that are not well linked to other parts of society have fewer challenges to loyalties by the group members and the group poses little political or economic threat to the larger population (pp. 703-704). Prior activism increases the likelihood of

future activism for three primary reasons: first, people are experienced and possess the "know-how;" second, people assume "new social roles;" and three, there are "sunk social costs that have been expended in any long-standing line of action" (pp. 708-709). Hardin (1982) suggested that previously organized groups:

> …can occasionally cooperate to promote their interests. However, over the long term, the essential difference between the actions of traditional, organized groups (whose political activity Olson characterized as a by-product) is that the narrowly defined, spontaneous groups commonly require some coordinating event to stimulate group-oriented behavior.
>
> (p. 31)

McAdam et al. (1988) also noted, "companion to the macro question of *movement emergence* is the micro question of *individual recruitment* to activism" (p. 704). Thus, the challenge of micro-macro issues becomes apparent. On the one hand, no social movement will occur without individuals to participate; on the other hand, "a lot of what prompts an individual to get involved is the sense of momentum that an already existing movement is able to communicate" (p. 704).

According to Olson (1971), there is an assumption that individuals with common interests seek to further their own interests by forming groups—especially where economic objectives are concerned. However, Olson said that this assumption is not supported by the research. Although he acknowledged that one purpose of groups is to further the interests of their members, there are a number of forces that facilitate the formation of groups. No forces emerge to motivate individuals to join

groups where the individuals can serve self-interests with the desired results.

Members belonging to groups have both common interests as well as individual

interests. In a competitive economic market, Olson recognized that "while all firms

have a common interest in a higher price, they have antagonistic interests where

output is concerned" (p. 9). In short, there comes a point where firms are willing to

produce a product or deliver a service and charge a certain price to maximize profit;

however, further product production or service delivery or price increases actually

sub-optimize profits. Olson also acknowledged that there are more than economic

forces at work in organizations—emotion or ideology, for example—that drive

purpose. He cited patriotism as "the strongest noneconomic motive for organizational

allegiance in modern times" (pp. 12-13). At the individual level, there is a parallel

logic in that the marginal cost of belonging to a group may exceed the benefit offered

by membership.

Olson (1971) also sought to understand the relationship between group size

and its effectiveness. He observed that the "difficulty in analyzing the relationship

between group size and the behavior of the individual in the group is due partly to the

fact that each individual in a group may place a different value upon the collective

good wanted by his group" (p. 22). Several of his findings are relevant. First, there is

a "systematic tendency for exploitation of the great by the small" (p. 29). Second, in

order for the collective good to be optimized, the marginal costs to each additional

member must be shared in the same proportion as the benefits (pp. 30-31). Finally,

and most important, "the larger the group, the farther it will fall short of providing an

optimal amount of a collective good" (p. 35). Kerr (2001) also considered factors

relevant to creating and sustaining collective action and noted:

> We have learned, for example, that group members are likely to reduce
> their efforts when (a) their individual contributions cannot be
> identified and evaluated as easily in the group context as when they
> work individually, (b) individual group members see their efforts as
> indispensable for group success, or (c) a group member believes that
> working hard would result in "playing the sucker," that is, doing more
> than his or her fair share of the group's work. (p. 352)

It is important to note that Olson's (1971) logic of collective action was not

without criticism. For example, Hardin (1982) argued that it was based on "a strictly

static analysis of the costs and benefits of any collective action uncoupled from other

exchange relationships" (p. 229). Thus, the cases are based on discreteness.

Dynamic and continuous activities in relationships involving collective action are

much more difficult to assess.

Sanders (1992) observed that Olson's (1971) propositions regarding collective

action "rest on a single basic premise: *individual rationality is not sufficient for

collective rationality*" (p. 3). Part of the challenge with logically inferring collective

rationality results from individual rationality results in an implication of

"predictability and efficient outcomes." In fact, Sanders pointed to the Prisoner's

Dilemma as the "often-cited example of collective failure" (p. 4).

Theories of collective action tend to focus on micro-level issues and the

emergence of movement. There are certain conditions that enhance the likelihood of

collective movement in populations, such as geographic concentration and historical experience with activism. There are multiple and, at times, competing motives for collective action by individuals where cost may exceed the benefit of membership. Finally, there appears to be an inverse relationship between group size and optimizing the collective good—to a point. Larger groups tend to sub-optimize benefits more than smaller ones.

Social Psychology of Groups

Once a member joins in collective action, what factors affect the behavior of that individual? Knowledge of how relationships form between individuals is necessary to understand social behavior between groups. Thibaut and Kelley (1986) noted that the "proper starting point for an understanding of social behavior is the analysis of dyadic interdependence." (p. v). Such interdependence results in transactions that affect the "outcomes of interaction—the *rewards* that accrue and the *costs* incurred" (p. v.). Thibaut and Kelley also observed that an individual's *dependence* on the relationship amounted to the other individual's *power* in the relationship. Relationship formation depends on the range of "possible outcomes of interaction; the process of exploring or sampling the possibilities; and, ultimately, whether or not the jointly experienced outcomes are above each member's comparison level of alternatives" (p. 23).

In examining the formation of dyadic relationships, Thibaut and Kelley (1986) noted that irreversible outcomes perceived to be good by the members would enhance the formation of the relationship. However, relationships perceived to be "highly

reversible" depend on each member's perception of "having at least partial control over revocation" (p. 67).

In seeking to better understand what factors affect individual behavior, Thibaut and Kelley (1986) argued that several factors were especially relevant in the early stages of interaction. The first included *strangeness*—or the degree of social familiarity with an individual. For example, initial meetings of strangers "are often characterized by formality and constraint, thus biasing the sampled outcomes" (p. 68-78). The second—*accessibility*—permitted members to "enter tentatively relationships that are potentially unstable, while at the same time furnishing low-cost transition to improved sampling of outcomes in relationships promising stability" (p. 78). The third—*autistic hostility* [or *friendliness*]—describes the inclination for an individual to reduce [or increase] "communication with the person [with] whom he is hostile [or friendly]" (p. 78). These factors tend to bias the sample of outcomes by individuals resulting in the premature rejection or acceptance of a relationship. These factors also serve to reduce the uncertainty in subsequent interactions through the evolution of *norms*

Additional factors influence the perception of behavior by members approaching relationships. These include, but are not limited to, first impressions, the primacy effect, and the halo effect. Briefly, *first impressions* tend to bias evaluations either in favor of or against the initial assessment by an individual (Asch, 1946). The *primacy effect* causes individuals to rely on the most recent information in judging others (Luchins, 1957). Finally, the *halo effect* describes the "tendency for one's general attitude toward a person to influence more specific evaluations of him" (p.

76). (See Heider [1946, 1958] for a more complete discussion of this phenomenon.) These factors also serve to reduce uncertainty in subsequent interactions.

Thibaut and Kelley (1986) defined relationships as *nonvoluntary* when the outcomes by one group were considered "relatively poor" or the group was excluded from alternative relationships where the outcomes were considered "relatively good." As *power* is increased by one group in a nonvoluntary relationship, alternatives are reduced for the other group (p. 186).

Hovland, Janis and Kelley (1953) sought to understand why individuals become motivated to join groups and suggested that membership:

….can involve any one or combination of the following three factors:

1. Positive attractions within the group based on friendship for the other members and the desirability of the status and activities which membership makes possible… 2. Outside threats or deprivations which are avoided by maintaining membership in the group… 3. Restraints which act to keep the person within the group without regard to his desires… Thus, the more strongly the person is motivated to maintain membership in a group, the greater will be his behavioral conformity to its norms, and, at least under some circumstances, the more conforming will be his opinions. (pp. 137-138)

How might these factors be useful in looking at interchange between organizations and groups? In examining the nature of organization-public relationships, Broom, Casey, and Ritchey (2000) suggested that although the explication of organization-public relationship "is not complete," they provided some

tentative conclusions based on their research (p. 17). Relationships can be studied as "phenomena distinct from the perceptions held by parties in the relationships" (p. 17). Formation of relationships follows perceptions and expectations of at least two parties generated by resource dependencies or other necessities. Relationships can be described "at a given point in time" (p. 17). They can lead to enhanced or loss of autonomy, "goal achievement, and structure interdependence in the form of routine and institutionalized behavior" (p. 17). Relationships can be measured by unique properties separate from the participants. Maintaining relationships consists of a "process of mutual adaptation and contingent responses" (p. 18). And, the "absence of a fully explicated conceptual definition of organization-public relationships limits theory building in public relations" (p. 18).

Broom et al. (2000) summarized the definition of an organization-public relationship:

> Organization-public relationships are represented by the patterns of interaction, transaction, exchange, and linkage between an organization and its publics. These relationships have properties that are distinct from the identities, attributes, and perceptions of the individuals and social collectives in the relationships. Though dynamic in nature, organization-public relationships can be described at a single point in time and tracked over time. (p. 18)

Thus, transactions between members possess both rewards and costs. And, a member's dependence on a relationship can be operationalized as the other's power. Irreversible outcomes perceived to be good enhance relationship formation; however,

relationships perceived to be "highly reversible" rely on the perception of the members' ability to revoke their participation.

Several factors that may be characterized as *strangeness*, *accessibility*, and *autistic hostility* or *friendliness* guide behavior during transactions especially in the early stages of relationships. Additional factors such as *first impressions*, the *primacy effect*, and the *halo effect* serve to reduce uncertainty in transactions and guide subsequent behavior during interactions until members acquire enough of a sample to make better judgments about the other member and norms evolve.

Norms and Behavior

How are the preceding constructs important to complex relationships where there are more than two members involved and significantly more uncertainty? Following an interaction between two or more members, behavioral rules evolve among the participants in the interaction that come to be accepted as "norms" in order to introduce "a certain amount of regularity or predictability" into interactions. According to Thibaut and Kelley (1986):

> Norms are viewed as being functionally valuable to social
>
> relationships by reducing the necessity for the exercise of direct,
>
> informal, personal influence. Norms provide a means of controlling
>
> behavior without entailing the costs, uncertainties, resistances,
>
> conflicts, and power losses involved in the unrestrained *ad hoc* use of
>
> interpersonal power. . . . norms deal with such problems as trading,
>
> synchronization, eliminating unsatisfactory behaviors, reducing
>
> differences of opinion, and communicating effectively. . . . norms

provide some sort of satisfactions to the members who adopt them and adhere to them. (pp. 147-148)

Cialdini and Trost (1998) noted that norms are important constructs because they help describe and explain human behavior. There are a number of ways that norms have been conceptualized. For example, cultural norms have been used to explain behaviors that are contrary to a "Western perspective" (p. 151). Other norms develop out of necessity to meet basic needs for group survival. Cialdini and Trost's research is concerned with *social norms*: "Social norms are rules and standards that are understood by members of a group, and that guide and/or constrain social behavior without the force of laws. These norms emerge out of interaction with others…" and can be based on "the expectations of valued others," personal expectations, or "standards that develop out of our observations of others' behavior" (p. 152).

Cialdini and Trost (1998) observed that social norms primarily emerge within social systems from two major perspectives—societal-value and functional. One body of research suggests that norms "are arbitrary rules for behavior that are adopted because they are valued or reinforced by the culture." The other approach suggests that "normative behavior is functional and aids in accomplishing the goals of the group" (p. 152).

The societal-value perspective, influenced by anthropological traditions, suggests that norms are neither inherently good nor valuable; rather their power is generated by cultural reinforcement.

The behaviors then become the preferred responses to particular

situations because of their reward power. The strength of these preferences

will depend on the extent to which (1) there are communication opportunities

between people in the social group that allow them to pass the norm to others,

(2) the group is a cohesive unit and values uniform behavior, and (3) the norm

is important for the group. (Cialdini & Trost, 1998, p. 152)

The functional perspective is grounded in the idea that norms evolve to

promote survival. Cialdini and Trost (1998) argued: "The content of norms is neither

arbitrary nor trivial, since the ability to develop and communicate norms is

evolutionarily adaptive and aids in our survival as a species" (p. 153). Norms help

govern social behavior in various situations that range from complete uncertainty to

complete certainty. For example, descriptive norms help guide behavior and

decision-making: "Descriptive norms are derived from what other people do in any

given situation… We are most likely to use the evidence of others' behavior to decide

the most effective course of action when the situation is novel, ambiguous, or

uncertain" (p. 155). Injunctive norms refer to those behaviors that "are accompanied

by social acceptance or approval by others... They specify what 'should' be done and

therefore the moral rules of the group" (p. 157). Anti-littering has been identified by

some researchers as an injunctive norm of social responsibility (see Stern, Dietz, &

Kalof, 1993). The basic idea of this particular norm as Cialdini and Trost (1998)

noted is "an expectation that people should help those who need help without

expecting or requesting payment" (p. 158). According to Fishbein and Ajzen (1975),

a subjective norm is "the person's perception that most people who are important to

him think he should or should not perform the behavior in question" (p. 302).

However, Ajzen and Fishbein (1970) observed a phenomenon during an experiment

involving the prisoner's dilemma game that suggested subjective norms were more

important under conditions of cooperation than under competitive circumstances.

Norms not only help guide behavior, they also serve useful purposes during

decisions. Clark and Mills (1979, 1993) found that norms help during resource

allocation processes. Two norms suggest that we deal with close friends and

strangers quite differently. The distributive justice norm influences resource

allocation issues in long-term relationships in a *communal* way; distributive justice

norms in short-term relationships suggest that allocations are made in a more

exchange-like fashion. Cialdini and Trost (1998) noted the "two types of

relationships can be distinguished by the level of felt obligation for helping and

repayment" (pp. 159-160). Communal relationships result in a higher degree of "felt

obligation;" in contrast, members in exchange relationships feel less compelled to

return favors or follow through on commitments.

What happens when norms conflict or compete? Cialdini, Reno, and Kallgren

(1990) and Cialdini, Kallgren, and Ren (1991) hypothesized that a norm would not

direct behavior without being made "salient" to the circumstance. According to

Cialdini and Trost (1998):

This series of studies indicates that, at any given time, an individual's

behavior is likely to flow with the norm that is currently focal, even

when other types of norms might be relevant and even contrary in the

situation… it appears that the key to predicting a person's normative

87

behavior is to determine that person's focus of attention within an interconnected and multilevel matrix of norms." (pp. 161-162)

Regardless of the origin of norms, unless they are shared with others and transmitted through generations, they cease to exist: "Norms must be communicated to have any effect on behavior" (Cialdini & Trost, 1998, p. 154). This reference to the critical role of communication is fundamental to public relations. Public relations can serve an instrumental role in this process. Sherif (1936) demonstrated that interaction with others helps people determine reality. This co-construction of reality grows out of the interactions and relationships that are established between people and groups. In fact, internalization of these norms can displace "individual senses" and contribute to perpetuating norms among people and groups—even in the face of contrary positions (p. 154) (See also Festinger, 1957, 1964).

This is not to suggest that social influences wholly govern behavior. Kashima and Lewis (2000), in seeking to understand where behavior comes from in attitude-behavior relations, noted that two major approaches dominated the field. These included a theory of "reasoned action and the other seeking to delineate conditions under which attitudes guide behavior" (pp. 116-117). For the theory of reasoned action, the fundamental argument is that "intention is the central determinant" of behavior (p. 116). Thus, a person's attitude toward performing a particular behavior influences that behavior. The second major approach seeks to find the intervening variable(s) that "moderate attitude-behavior relations." In this approach, "attitude accessibility" acts as moderating variable" between the attitude and the behavior (p.

116). Kashima and Lewis said that the norm concept could "shed some light on the

process of behavior generation" (p. 124):

> Once a norm is activated, it should then activate a cognitive
>
> representation of the behavior with which the norm is concerned. In
>
> the process of behavior generation, then, the activation of a societal
>
> norm may act as a mediating process just like the activation of an
>
> attitude can… recent work in social psychology shows that societal
>
> norms sometimes predict behaviors. (pp. 124-125)

Hardin (1982) also acknowledged the importance of factors that result in the

level of commitment by members to a group. Often, a member's *commitment* to a

group or organization is independent of the goal or value of the group and may

include such variables as social issues or "shared experiences" (p. 32). Therefore, it

is important to recognize that *incentives* to participate in collective actions may differ

substantially among the members. Organizationally, norms tend to cluster and

provide for specialization of functions within groups, which may be defined as roles.

Thus norms, which may be appropriate or applicable to the behavior of several

members of a group, may not be applicable to others depending on the roles that are

served. And, norms become more important as groups increase in size because new

options emerge by which rewards can be raised in relation to costs:

> The group's potential for effective norm sending is increased as good
>
> communication within the group permits more accurate transmission
>
> of the norm. . . . The member's motivation to perform the normative
>
> behavior will be greatly affected by his dependence on the group: to

the degree that the group can give him what he most wants (status, acceptance), he will be likely to conform." (pp. 254-255)

Norms depend largely on consensus among the group's members. In this regard, norms can be likened to goals. However, Thibaut and Kelley (1986) noted that group goals require members to believe that their "outcomes will be improved" by acceptance of the group goal. In addition, the group's social setting can *inhibit* or *stimulate* the processes by which norms, goals and decisions are established:

In reaching decisions, a group may discourage the person from

mentioning an unusual idea, or quickly override him when he does

suggest it, *or* it may insure that every suggestion is heard and

considered. In brief, the social setting may be constrictive and

inhibiting, or it may be provocative and supportive. (p. 271)

Rogers and Skinner (1971) suggested that science increases our ability to control human behavior and that people are "almost always" engaged in efforts to control. One way control is exerted is through the use of and enforcement of norms:

People living together in groups come to control one another with a

technique which is not inappropriately called "ethical." When an

individual behaves in a fashion acceptable to the group, he receives

admiration, approval, affection, and many other reinforcements which

increase the likelihood that he will continue to behave in that fashion.

When his behavior is unacceptable, he is criticized, censured, blamed,

or otherwise punished. In the first case the group calls him "good"; in

the second, "bad"… People behave in ways which as we say, conform

to ethical, governmental, or religious patterns because they are

reinforced for doing so. (pp. 614-636)

There are also some important within-group dynamics that must be

considered—especially where decision-making is concerned. For example, Kaplan

and Wilke (2001) pointed out that "members of problem-solving groups are involved

in a delicate interplay of two motivations: the motivation to produce an optimal group

product (i.e., to be correct) and the motivation to act in unison with the other group

members (i.e., to go along)" (p. 423). Cognitively, members of the group seek to

reach the "best" decision; however, socially, members recognize that decisions must

be generally acceptable to most of the group. Kaplan and Wilke concluded that

antecedent conditions may influence information and normative processes in groups.

For example, the extent of group interaction and group goals may enhance or inhibit

group dynamics. Members who identify with the majority are likely to process

information more broadly and go along with whatever decision appears to be the

consensus of the group. On the other hand, members who identify with minority

positions are likely to process information more deeply and, therefore, may have a

better understanding of the issue and promote "more creative ideas" (pp. 423-424).

Based on the literature, there are several inferences regarding social norms

and group behavior that may be drawn. Norms appear to have their greatest power

and influence during "conditions of uncertainty, when the source is similar to us, or

when we are particularly concerned about establishing or maintaining a relationship

with the source" (Cialdini & Trost, 1998, p. 162). In addition, the most salient norm

is likely to have the greatest influence. How others behave in a group that we desire

to associate with will also influence individual behavior. Norms play a central role in group behavior and, as discussed, offer insight into how groups will act under various conditions of uncertainty and salience. Finally, there are processes within groups that affect how information is processed by members in majority and minority statuses. Understanding group norms and how they influence coalitions and activism can help organizations assess the potential for collective action and consider how these constructs might be better introduced into decision-making.

Coalitions and Activism

In reviewing the literature on coalitions, Stevenson, Pearce, and Porter (1985) observed that the "though the term has appeared rather often in recent articles and books, the literature reveals no systematic approach to how the term is used or should be used or how the concept can be empirically studied in organizations" (p. 256). Stevenson et al. noted that coalitions came to be used in the mid 1980s as a way to explain how individuals sought to influence organizations through collective action. Unlike early organizational theorists who assumed organizational goals were uniformly established and supported, Stevenson et al. credited organizational theorists such as Cyert and March (1963) with being among the first to focus on coalitions.

Coalitions were viewed as having the ability to influence organizational decisions and goal setting making traditional management processes less stable (Stevenson et al. 1985, p. 257). Internally, we have come to recognize the dominant coalition as the group that guides organizational direction and goals. Stevenson et al. credited Pfeffer and Salancik (1978) with recognizing the importance of external

coalitions that "consist of individuals building and mobilizing support among those who already agree on a certain outcome" (p. 260).

Stevenson et al. (1985) defined coalition as "an interacting group of individuals, deliberately constructed, independent of the formal structure, lacking its own internal formal structure, consisting of mutually perceived membership, issue oriented, focused on a goal or goals external to the coalition, and requiring concerted member action" (p. 261). Thus, implicit in this definition are the constructs of communication, informal guides, and salient issues that act as antecedents for collective action. Fundamentally, according to Stevenson et al., coalitions are "alliances of members uniting to achieve a common objective. It is precisely this organized quality—albeit emergent—that makes coalitions so powerful and so potentially threatening to noncoalitional members and to the formal authority system" (p. 267).

Stevenson et al. (1985) made several assertions that they believe enhance the likelihood of coalitional activity. For example, major changes such as in resource allocation increase the likelihood for formation. Characterizing positions unfavorably relative to others enhances the likelihood of coalition formation. Increased member interaction promotes coalition formation. Greater discretion in how members perform their jobs will lead to participation in a coalition. And, prior experience with coalitions increases the likelihood of subsequent coalition activity.

But why should organizations be concerned about coalitional formation and activity? One reason is that coalitions make issues more salient for those who are members as well as nonmembers. In turn, nonmembers or activists might be

motivated to join or form new coalitions in response. Coalitional activities can cause

organizations to react by creating new processes or structures to respond to the

coalition, or by constraining organizational activities. "Potentially, the most serious

of all coalition impacts on organizations would be the alteration of fundamental

organizational goals" (Stevenson et al., 1985, pp. 265-266). Activists who form

coalitions can create significant challenges for organizations because there can be

strength in numbers when groups emerge to oppose organizational initiatives.

Arguably the most prolific scholar of public relations on activism is L. Grunig

(1992a). She defined an activist public as:

> …a group of two or more individuals who organize in order to
>
> influence another public or publics through action that may include
>
> education, compromise, persuasion, pressure tactics, or force…
>
> learning to reconcile the competing forces of activists and the
>
> organizations they pressure is the challenge facing many corporate
>
> communicators today. (pp. 504-505)

Meeting this challenge requires constantly scanning the environment for

issues that relevant publics find salient and addressing them through a process that

public relations professionals recognize as issues management.

After a review of the literature on activism that included Gollner (1984), L.

Grunig (1992a) observed:

> …if external issues continue to impinge upon traditional domains of
>
> management, he argued, organizational leaders must become
>
> knowledgeable about the decision-making processes of those other

organizations and groups that affect them. He concluded that

anticipating and controlling for the consequences of interdependence is

the stuff of modern management and a special onus for the profession

of public relations. (p. 507)

L. Grunig recognized that "public relations practitioners must understand why

individuals join groups or form collectivities" (p. 508).

Recognizing that "special interest groups operating outside the organization

increasingly try to control it," L. Grunig (1992a) argued that it was in the

organization's best interest to address this power-control phenomenon (p. 509). She

distilled several assumptions about activism from the literature. In general, the

assumptions suggest that "activist pressure is an extensive problem for organizations"

and such groups vary widely in terms of size, tactics and effectiveness (p. 513). L.

Grunig noted that public relations practitioners "are integrally involved in dealing

with hostilities between organizations and activist groups" despite the fact that some

organizations seek to ignore the realities (p.513). She found that all of J. Grunig's

(1984) models of public relations existed in organizations that depend on public

relations departments to address activist pressure; however, "the two-way models of

public relations (asymmetrical and symmetrical) are more effective" (p. 514).

Finally, although the two-way asymmetrical model of public relations was most

common "among practitioners engaged in issues management, … the two-way

symmetrical model of public relations is rarest but most effective in dealing with

activist pressure" (pp. 513-514).

Relying on an extensive study of activist groups, L. Grunig (1992a) concluded, "their common thread was their ability to damage organizations with considerably larger reputations and resources" (p. 514). Although she could draw few other conclusions, L. Grunig observed, "two out of every three activists groups were concerned with a single issue" (p. 515). These activist groups tended to leverage the power of the mass media because it conveyed legitimacy. In fact, L. Grunig and J. Grunig (1997) noted, "when activist groups find their target organizations unresponsive, they typically contact the mass media" (p. 4). They also used other tactics ranging from the relatively benign to the extremely violent as a means to achieve their ends. "One particularly interesting finding about activists is that unlike organizational stances, which were constant, their positions shifted" (p. 516). She attributed this behavior to a pattern articulated by Mintzberg (1983), which revealed that "pressure, followed by regulation (if organizations fail to respond to the initial protests), followed by trust (because the organization had been regulated into a less autonomous mode)" (p. 517). There were a number of instances, however, where L. Grunig found that activists grew impatient with regulatory processes and the occasional difficulty in regulatory enforcement and proceeded immediately to direct pressure (p. 517).

The most often cited organizational response to such activist pressure was to gather information about the group. To a much lesser extent, some organizations in her study reached out to activists groups and reached compromise, or actually included them in the decision-making process. L. Grunig (1992a) noted, however,

that it was not feasible to evaluate the effectiveness of any organizational response because so few organizations took any significant action (p. 520).

In seeking to understand the implications from her research, L. Grunig (1992a) noted that "few organizations were successful in their dealings with pressure groups" (p. 525). "Perhaps the most significant finding from L. Grunig's decade-long program of research on activism was the lack of appropriate and effective response on the part of the organizations being pressured" (L. Grunig & J. Grunig, 1997, pp. 15-16). Therefore, our understanding of how public relations professionals should deal with activists groups remains as yet normative in nature. L. Grunig (1992a) developed several propositions:

Proposition 1: Excellent organizations use two-way communication to learn the consequences of what they are doing on all of their relevant publics—not just their owners, their employees, and their associates.

Proposition 2: Excellent organizations use two-way communication to tell the publics what they are doing about any negative consequences.

Proposition 3: Continuous efforts at communication with activists are necessary to contend with their shifting stances.

Proposition 4: An on-going, balanced and proactive program of constituency relations must acknowledge the legitimacy of all constituent groups—regardless of their size.

Proposition 5: Conducting a two-way symmetrical communication program hinges on employing people with the necessary background and education.

Proposition 6: Excellent organizations learn to measure their

effectiveness in terms of more than simplistic, short-term gains or

losses—such as whether a returnable-bottle bill is defeated. (pp. 525-

528)

Based on the literature, several observations can be made about coalitions and

activism. First, certain decisions have the potential to trigger coalitional activity.

These include, but are not limited to, resource allocation, improper framing of

positions, prior experience, and latitude to perform job functions. Coalitions seek to

influence organizational behavior by activities that enhance, though more typically

constrain, organizations. Activists often can influence organizations many times

larger by leveraging the power of the mass media that tends to legitimize their issues.

Activists initially may be willing to deal with organizations; however, when they

grow impatient, activists turn to mass media to apply pressure and expedite

resolution. L. Grunig (1992a) found that most organizational responses to activism

seldom went beyond merely gathering information about the group. Consequently, L.

Grunig found few organizations that were successful in dealing with activists.

What can be learned from the literature on strategic management, collective

action, and activism? Organizations are open systems comprised of social actors that

compete for control within boundaries that differentiate processes and activities from

the environment. Strategic management represents the internal organizational process

whereby these social actors who are members of the dominant coalition compete for

control by exercising power both inside as well as outside the organization. External

forces such as stakeholders and publics can serve to enable or constrain

organizational actions. Organizations are successful in environments only to the degree that they are able to control or influence those forces that seek to constrain their behavior. Because not all disciplines such as public relations were conceived initially as part of strategic management theory, I believe that it was fundamentally incomplete. And, public relations can and should bring environmental information such as the potential for collective action into the strategic management process of the organization.

With respect to collective action, certain conditions enhance the likelihood of collective movement in populations such as geographic concentration and historical experience with activism. Multiple and competing motives and norms are often present in individuals who join coalitions. Finally, larger groups tend to be less effective than smaller ones. Understanding these norms can help managers deal effectively with groups.

Social norms appear to have their greatest power and influence during uncertainty, familiar sources, or when we want to establish relationships. More salient norms are likely to have greater influence, especially on behavior. Norms can affect how information is processed in groups depending on the minority status of subgroups; therefore, it is particularly important to understand the full spectrum of relevant issues in decisions. Understanding these norms can help managers deal effectively with groups.

Finally, certain decisions can result in coalitional activity. Activists frequently seek to influence organizations by leveraging the power of the mass media—especially if the organization is unwilling to deal with them initially.

Organizations seldom deal with activists well; therefore, constructive organizational responses to activism are critical to allow for the largest number of options to be considered on important organizational issues.

Public Relations Theory

The previous discussion examined strategic management and the role that the constructs of collective action, power, and strategy served in enhancing or undermining organizational performance. Attention must now focus on what role public relations can and should play in these various domains with particular emphasis on strategic decision-making. However, it is important to briefly review the current state of public relations practice, theory and research.

Ledingham and Bruning (2000) observed that "public relations is a field more often characterized by what it does than what it is" (p. xi). This has resulted in essentially four schools of thought reflecting major approaches to the practice of public relations—the management approach, the rhetorical approach, the journalistic approach and the integrated marketing communication approach (IMC). Although these approaches are not mutually exclusive, they do possess different sets of assumptions and worldviews of public relations that influence the way the profession is practiced and, therefore, perceived by the larger business community and relevant customers. Each perspective emphasizes different constructs that have been central to the research. My research seeks to advance the argument that public relations is a management function that provides unique and non-redundant contributions to the strategic management of organizations. By better understanding strategic decision-

making theory, public relations professionals can enhance organizational performance.

In general, most public relations scholars identified with the management typology of public relations recognize systems theory as integral to its practice and central to their research. Systems theory is important for several reasons as discussed earlier. Systems theory recognizes that phenomena occur within a defined boundary. It also acknowledges that within this boundary, processes contribute to the improvement, maintenance, or destruction of the system. Further, the system may operate as open or closed to the surrounding environment. Research within this domain examines issues that contribute to efficiency and effectiveness of the system and may be applied or positive—that is, reflective of what is actually occurring or observed—or normative—that is, reflective of what ought to happen. Public relations scholars within the management paradigm have examined research within both domains of positive and normative research. They also share the view that public relations must belong to an open systems approach that seeks to operate in balance with the environment.

Situational theory of publics

J. Grunig (J. Grunig and Hunt, 1984) formulated a theory for public relations that provides an organizational function well positioned to enhance the effectiveness of strategic management. Essentially, the theory explains "when and how people communicate and when communications aimed at people are most likely to be effective" (p. 148). For this study, what is most important about the situational theory is the concept of publics. According to J. Grunig, publics are groups of people that

face a common problem, usually the consequence of an organization on that public, or vice-versa. Further, publics possess certain attributes that demand organizations attend to them.

Three major concepts in the theory categorize people into active or passive publics. As J. Grunig (1996) argued:

> The theory states that publics are more likely to be active when the people who make them up perceive that what an organization does *involves them* (*level of involvement*), that the consequences of what an organization does is a *problem* (*problem recognition*), and that they are *not constrained* from doing something about the problem (*constraint recognition*). (p. 28)

The attributes that emerge to identify publics may be categorized sequentially in a process (J. Grunig and Repper, 1992). Briefly, these stages include a stakeholder stage, in which an organization has a relationship with stakeholders when the behavior of either the organization or the stakeholder results in consequences on the other; the public stage, in which stakeholders become publics upon recognizing the consequences and organize to act; and the issue stage, in which publics organize and create issues for the organization (J. Grunig, 1992, p. 124).

J. Grunig (1996) surmised that "the value of public relations, therefore, is that it brings a different set of problems and possible solutions into the strategic management arena" (p. 16). Specifically, public relations brings concerns and issues of stakeholder publics from the environment into the decision-making arena.

Relevant information made known to decision makers prior to decisions will result in better decisions:

> Public relations will have value in strategic management if it can develop theories that enable the organization to enact those parts of the environment that representatives from other management disciplines are unlikely to recognize, and if it can develop a method that can help strategic decision makers determine which stakeholder publics are 'relatively consequential' to the decisions to use Mintzberg's (1994, p. 27) terms. In short we need theories to identify stakeholders and strategic publics—theories that disciplines other than public relations have not developed. (p. 16)

Models of public relations

J. Grunig's research on models of public relations revealed four ways in which public relations was practiced. Huang (1997) noted that "J. Grunig (1984) used Thayer's (1968) concepts of synchronic and diachronic communication to explain 'why some practitioners engage in informative two-way communication and others in one-way manipulative communication'" (p. 18). J. Grunig characterized synchronic communication as asymmetrical where the objective of the practitioner was to change public behavior. He characterized diachronic communication as symmetrical where the objective of the practitioner was to reach a common acceptable view to everyone involved in the communication process.

From this observation, J. Grunig and Hunt (1984) posited four models based on two variables—direction and purpose—that reflected how public relations was

practiced. Direction referred to the extent the public relations model was based on one-way communication or two-way communication. One-way communication described a simple dissemination process and two-way communication recognized an exchange process. Huang (1997) observed that purpose, on the other hand:

> …characterizes whether the model is asymmetrical or symmetrical. Asymmetrical communication is unbalanced; it leaves the organization the way it is and tries to change only the public. Symmetrical communication, however is balanced; it adjusts the relationship between the organization and public. (pp. 18-19)

First, the publicity model was based on the simple notion that any publicity was good publicity. No publics were identified, no goals were established, and no evaluation occurred. The organization sought to control its environment in this approach. Second, the public information model represented those organizational activities in which practitioners merely disseminate information. Again, little research was involved in the process. However, Huang (1997) noted that the organizational goal of this model was to adapt or cooperate with its environment. Third, the two-way asymmetrical model involved research; however, the research was performed primarily for persuasion goals for the good of the organization. Information was used by organizations to coordinate and direct campaigns to convince publics to think or behave in certain ways. The last approach was the two-way symmetrical model. The primary difference with the two-way asymmetrical approach was the recognition that information can and should flow both to and from the organization to its environment. This model suggested that organizations should

be as susceptible to change as stakeholders. Consequently, this perspective is the best normative model.

The critical link between J. Grunig's situational theory and organizational effectiveness comes from the research on organization theory. L. Grunig, J. Grunig, and Ehling (1992) said that, although the literature and research on organizational effectiveness was broad and contradictory, there was a role for public relations. In reviewing Robbins' (1990) four approaches to organizational effectiveness (goal attainment, systems, strategic constituencies, and competing values), they argued that public relations could contribute valuable information for the strategic constituency approach. Public relations could contribute to organizational effectiveness by identifying the strategic stakeholder groups and determining whether they were active or passive processors of information. Once the strategic stakeholders were known, public relations could develop communication programs with clear, measurable goals.

Conceptually, this study fits in the context of organizational effectiveness and is based on the theory that strategic management helps organizations maintain a competitive advantage by more fully understanding and responding to the environment. Marketing, finance, human resources, and other disciplines traditionally associated with strategic management have each brought unique strengths to the strategic mix. Although each discipline scans the environment for related factors, no one functional area appears to have a view towards how decisions will affect the institutional level (Bowman's [1990] term). Conversely, no one functional area appears responsible for bringing in institutional-level concerns to the strategic decision-making process.

Symmetrical Communication

Huang (1997) observed: "The two-way symmetrical communication model arouses more heated debate than any other concept in the theory of public relations" (p. 4). She noted that "the four public relations models, however, like most other *models* in the literature of social sciences, draw criticism regarding the problems of simplicity and generalizeability" (p. 5). Huang also noted that Leichty and Springston (1993) challenged the simplicity of this approach as being too "one size fits all" because organizations use a "combination of the four models and that the original contingency approach to the models makes them more practical" (see Huang, 1997, p. 21). Murphy (1991) argued that it was difficult to find examples of symmetrical communication.

As a strategy, however, advocates of the two-way symmetrical model argue that it possesses significant utility. Research from the IABC Excellence project support this view (J. Grunig, & L. Grunig, 2000). Before a particular public relations model is employed, professionals use a technique known as environmental scanning that helps them monitor the environment for potential issues that might result in activism.

Environmental Scanning

According to Dozier (1990), environmental scanning is a monitoring technique designed to detect forces in the environment that have the potential to affect "the homeostasis of the system" (p. 5). Having established the open systems nature of organizations, environmental scanning is one of several approaches that

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organizations use to anticipate changes in the environment in advance of organizational decisions or as a consequence of organizational actions.

Dozier and Repper (1992) noted that environmental scanning constitutes part of the problem detection and definition stage for public relations planning. In addition, Dozier and Repper suggested that environmental scanning progresses through three separate phases—"problem detection, exploration, and description" (p. 186). Thus, this initial phase of public relations research serves to frame problems as communication problems from which issues arise and activism results if not managed properly. Used properly by practitioners, environmental scanning can inform the organization of potential opportunities and threats identified in the environment.

Issues Management and Activism

Central to the practice of public relations is the construct of issues management. According to Webster's Dictionary, an issue may be defined as a "matter that is in dispute between two or more parties," or "the point at which an unsettled matter is ready for a decision" (p. 642). Lauzen (1995) argued that "issues management is the process which allows an organization to know, understand, and more effectively interact with their environments" (p. 287). Bridges and Nelson (2000) noted:

> …issues management often begins as reactions to a crisis or an event
> that has thrust its problems into the mass media or onto a legislative
> agenda. . . . The connotation of issues management presumes attempts
> to remove an issue—a potential problem—from the public agenda. (p.
> 95)

Bridges and Nelson (2000) suggested that issues management is an ongoing process of monitoring the environment and making adjustments internally and externally to the organization. The scholars also asserted that effective issues management serves to integrate analyses of public policy issues into strategic planning; monitor standards of organizational performance and understand the opinions and values of publics; develop and implement ethical codes of organizational accountability; assist senior management in decision-making; identify the issues of most strategic value; create multidimensional proactive and reactive response plans; establish grassroots alliances; communicate to key publics; direct communication to mitigate development and effects of undesirable legislation, regulation or litigation; and evaluate the efforts to determine if objectives were achieved (p. 97).

By definition, J. Grunig and Repper (1992) have suggested, publics form around issues. Once issues surface in the mass media and result in polarization of views, McCombs (1977) argued, the ability of organizations and actors to influence the debate is reduced.

Lauzen (1995), in studying the involvement of the public relations manager in the diagnosis of issues (the process decision makers use to understand the environment and events), found a positive correlation between organizational "active sense-making strategies" and the perceived values shared between senior public relations managers and top management. This correlation resulted in more accurate "issue diagnosis and strategic change" (p. 287).

With respect to activism, Pfeffer and Salancik (1978) noted:

Different people, groups, or organizations may have different criteria

for evaluating an organization…[and this] creates problems for the

organization. . . . Faced with conflicting demands, the organization

must decide which groups to attend to and which to ignore. . . .

Organizations could not survive if they were not responsive to the

demands from their environment. (pp. 27-43)

As well as advancing the nature of public relations research from the systems

theory perspective, L. Grunig's research has been invaluable to understanding the role

of the environment in determining the model of public relations that organizations

practiced. L. Grunig (1992) argued that activism "represents a major problem for

organizations" (p. 522). She found that all four models of public relations could be

found in organizations dealing with activists. However, L. Grunig also suggested that

using the two-way symmetrical model of public relations was the most effective way

to deal with activists. She qualified this observation because so few of the subjects in

her research relied on this approach. Her research revealed that to use any other

approach "seemed ineffective" (p. 525). L. Grunig's support for using the two-way

symmetrical approach with activists was not based on positive cases as much as it

was on the failure of any approach to succeed at dealing with these groups.

Public relations scholars identified with the management typology of public

relations recognize systems theory as integral to its practice and central to their

research. Public relations brings unique problems from stakeholder publics as well as

potential solutions to the strategic management process. Research on models of

public relations reveals essentially four models; however, the most effective model

appears to be the symmetrical model, which recognizes that information can and should flow both to and from the organization to its environment. Using J. Grunig's (1992) concept of empowerment, the two-way symmetrical model suggests that organizations should be as susceptible to change as stakeholder publics. Issues management can be used by public relations professionals to monitor the environment to introduce relevant information into the strategic management process. None of these constructs, however, will enhance strategic management unless public relations is included in the dominant coalition.

Summary and Research Questions

The preceding conceptualization characterizes organizations as purposive, open systems designed to achieve goals. Organizational decisions result from the interaction of social actors who exert disciplinary identities and frame environmental issues through processes that often are not rational. Power historically has been defined in terms of control; however, empowerment may actually enable organizations to pursue and attain goals more effectively. The literature on strategic decision-making suggests that many executives make poor choices. Arguably, this happens because of incomplete information, improperly framed information, or natural human tendencies. In addition, the quality of decision-making often depends on whether executives view decisions as discrete or part of a continuum. However, there are models and principles of effective decision-making that can improve the quality of decisions.

Strategic management has emerged as the process in which important activities occur to enhance organizational effectiveness and efficiency. The dominant

coalition leverages the strategic management process to direct organizations and deal with environmental forces. Among these forces are groups or coalitions that seek to influence organizational decisions and behavior.

Public relations scholars increasingly have identified a management paradigm as most relevant for communication managers. Public relations can help reduce uncertainty in the environment by building relationships with key publics and bringing unique problems into the strategic decision-making process.

This research is as much a study about process as it is about effectiveness. Because this research is exploratory in nature, traditional hypotheses are inappropriate. In order to better understand these concepts, I proposed the following research questions:

Research question 1: How do executives view strategic decision-making—as a discrete event or a continuous process and why? What are the implications for the strategic decision-making process?

Research question 2: How do executives characterize the way they make strategic decisions and why? What are the implications for the strategic decision-making process and public relations theory and practice?

Research question 3: How do executives determine who participates in strategic decisions? Does participation in the strategic decision-making process enhance the effectiveness of the decision?

Research question 4: How do relationships affect the inclusion of people and/or groups in strategic decisions and what are the implications for the practice of public relations?

Research question 5: Do certain relationship attributes such as trust, familiarity, power and control influence which people and/or groups are included in strategic decisions?

Research question 6: Why do executives in organizations that are in the midst of strategic decisions that affect multiple groups believe that collective action occurs?

Research question 6a: How do executives become aware of collective action during important organizational decision processes?

Research question 6b: How does group size affect their strategic decision-making?

Research question 7: How do executives assess which issues might generate coalitional activity and what are the implications for public relations theory and practice?

Research question 8: Does coalitional activity or the potential for coalitional activity alter the way executives make strategic decisions?

Research question 9: Which organizational elements, if any, are responsible for establishing relationships with external groups during strategic decisions?

Research question 10: Are relationships with external groups established prior to the determination of a strategic decision-making process and how does this affect the strategic decision-making process?

Research question 11: What role(s) do public relations professionals serve in the strategic decision-making process?

Research question 11a: How do senior executives perceive the role(s) of public relations professionals?

Research question 11b: Is this perception shared with public relations professionals?

Research question 11c: How does this affect the quality of strategic decision-making?

CHAPTER III

Methodology

Introduction

      Choosing an appropriate method of inquiry is fundamental to ensuring that the knowledge gained from scientific research is credible and advances what we know in a disciplined, replicable manner. The following discussion outlines why a qualitative approach was the most suitable research design for this study. Using qualitative analyses of active interviews with current and former senior executives from the U.S. Coast Guard and stakeholder groups who were involved in specific decision events, I explored how strategic decisions were made during these four separate decisions involving multiple stakeholders. More specifically, I focused on how executives perceived the strategic decision-making process; how they determined who should participate in the process; what were some of the attributes of the various relationships among the stakeholders; how they acquired information on the various groups; what was their perception of the distribution of power among the various participants; and what role communication executives played in the strategic decision-making process.

      According to Marshall and Rossman (1995), quantitative methodology, the traditional schema of scientific inquiry, is appropriate when data can be obtained from experiments, the variables are known and unambiguous, and processes are relatively simple. On the other hand, qualitative approaches provide the flexibility to acquire data that cannot be obtained from experiments because of ethical or practical reasons, the variables may be unknown or ambiguous, and processes are complex.

Lincoln and Guba (1985) offered four constructs that help frame assumptions of qualitative research. These include credibility, which attests to how variables are identified and the study is conducted; transferability, which addresses how well the findings can be applied to other contexts, regardless of investigator; dependability, or the way in which researchers account for changing conditions and research design; and confirmability, or the degree to which the findings can be confirmed by other researchers. These constructs—credibility, transferability, dependability and confirmability—can be used to assess the veracity of research.

Miles and Huberman (1994) made several observations on the strengths of qualitative data. First, "they focus on naturally occurring, ordinary events in natural settings, so that we have a strong handle on what 'real life' is like" (p. 10). In other words, data are usually collected in relatively close proximity to the phenomenon under study. Second, the data have the potential to reveal complex constructs because of the "richness and holism" that exists through lived experiences and the various meanings people place on events, processes and structures. Third, qualitative data allow researchers to explore new areas and test hypotheses. Last, they allow researchers to "supplement, validate, explain, illuminate, or reinterpret quantitative data gathered from the same setting" (p. 10). This study sought to understand phenomena revealed in routine organizational processes; therefore, I believe a qualitative approach was most appropriate.

Because this study relied on a qualitative research design, I must touch briefly on the philosophy of qualitative research; criteria for considering an appropriate research design, including general ethical concerns; and several potential qualitative

data collection methods such as interviewing and ethnography, including their strengths and weaknesses. I conclude by articulating the approach that was used in this study and a brief discussion of the four specific decision events that were analyzed. A general description of the specific procedures and analytic techniques is also addressed.

Philosophy of Qualitative Research

Denzin and Lincoln (1994) observed that the field of qualitative research "is defined primarily by a series of essential tensions, contradictions, and hesitations" (p. ix). Plowman (1996) noted that Geertz (1973) argued that the aim of qualitative research was to "enlarge the universe of human discourse through searching for meaning in human existence" (p. 103).

Guba and Lincoln (1994) provided an excellent synopsis of four of the competing paradigms in qualitative research. These paradigms represent the basic worldviews held by researchers. They fundamentally differ on issues of ontology, which addresses the "form and nature of reality;" epistemology, which addresses "the nature of the relationship of between the knower or would-be knower and what can be known;" and methodology, which addresses "how can the inquirer (would-be knower) goes about finding out whatever he or she believes can be known" (p. 108).

Guba and Lincoln (1994) noted that positivism has been the dominant paradigm in the discourse of the physical and social sciences "for some 400 years" (p. 108). Researchers from this persuasion believe in "naïve realism" and in the existence of a "real reality" that can be apprehended (p. 109). Further, they believe that their findings acquired through quantitative experimental and manipulative

approaches and verification of hypotheses reveals findings that are "true" (p. 109).

The aim of their research is to explain, predict and control (p. 112).

According to Guba and Lincoln (1994), postpositivists ascribe to critical

realism where reality is real but only "imperfectly and probabilistically

apprehendable" (p. 109). Inquirers rely on modified experimental or manipulative

and critical multiplism approaches to falsify hypotheses that result in findings that are

probably true. Postpositivists may rely on qualitative approaches to scientific inquiry.

Like positivists, they aim to explain, predict, and control.

Guba and Lincoln (1994) also noted that critical theorists believe in historical

realism in which reality is "shaped by social, political, cultural, economic, ethnic, and

gender values" (p. 109). In addition, the scholars said that critical theorists rely on

dialogic or dialectical approaches that reveal "value-mediated findings" (p. 109).

Their purpose is to critique and transform through restitution and emancipation.

Constructivists argue that realities are relative and locally constructed. They

rely on hermeneutical or dialectical approaches to reveal "created findings" (Guba &

Lincoln, 1994, p. 109). They seek to understand and reconstruct reality.

Plowman (1996) observed: "Qualitative research is holistic in that it looks at

people and settings as part of a larger picture. Researchers strive to understand

people from their own frames of reference and value all perspectives of a given

situation. This type of research has the ability to use the participants' own language

and symbols in context of the whole picture, not as separate variables" (p. 106).

Because the aim of this inquiry was to explore how executives made strategic decisions under different conditions of power dispersion on issues affecting multiple stakeholders, several considerations were important. First, the phenomenon of strategic decision-making occurs in natural settings. Second, strategic decisions have social dimensions and are subject to the strengths and weaknesses of the human condition. Third, most organizations have executives who must make strategic decisions on a routine basis. Finally, some executives are better at strategic decision-making than others. Therefore, I believe that a research methodology designed to better understand strategic decision-making clearly fell within the scope of the qualitative tradition. This research sought to explore the phenomenon of strategic decision-making within larger contexts and to explain how public relations might contribute to enhancing this process. In addition, the research design reflected my postpositivist perspective—that is, I believe reality is only imperfectly apprehendable.

Considerations in Research Design

Selecting the appropriate method is a function of what researchers hope to learn. In this study, it was particularly important to understand constructs and contexts as understood by the participants. Plowman (1996) identified two screening criteria that guide selecting the appropriate method: "(1) the complexity and depth of the topic and (2) feedback, meaning the importance of speaking individually to participants" (p. 112).

Marshall and Rossman (1994) argued that research strategy is inextricably linked to the purpose of the study. Where the purpose of the research is exploratory: "to investigate little understood phenomena, to identify/discover important variables,

[or] to generate hypotheses for further research," then a case study or field study is an appropriate strategy and participant observation and interviewing are important data collection techniques (p. 41). Furthermore, qualitative studies allow researchers to stress "the importance of context, setting, and participants' frames of reference" (p. 44).

Discussing research settings, populations and phenomena, Marshall and Rossman (1994) suggested: "The ideal site is where (1) entry is possible; (2) there is a high probability that a rich mix of the processes, people, programs, interactions, and structures of interest are present; (3) the researcher is likely to be able to build trusting relations with the participants in the study; and (4) data quality and credibility of the study are reasonably assured" (p. 51).

My research sought to understand how executives made strategic decisions under different conditions of perceived power dispersion. Thus, entry into existing organizational processes was necessary to explore both the complexity and richness of the various phenomena in play. In addition, it was necessary to establish trust and credibility with the executives I interviewed in order to acquire and collect data for analysis. As a member of the Coast Guard, I possessed the knowledge, familiarity and ability to gain access to the research setting. However, these strengths also possessed ethical concerns that are addressed at the end of this chapter.

There are general ethical prescriptions in the literature when dealing with human subjects. Locke, Spirduso, and Silverman (1993) offered the following prescriptions when dealing with human subjects. In general, participants should be informed of what is being investigated, their role, and the demands on them that will

be required. Participants should understand what protocols are in place to protect

confidentiality. They should be offered a document for their signature that confirms

their consent without unnecessary influence and the opportunity to ask questions.

This "contract" should outline procedures and the potential risks and/or benefits from

participating in the research, including the right to withdraw their consent during any

point in the inquiry without reprisal. Finally, participants should know to whom

questions or concerns should be directed and offered the opportunity to receive study

results, as appropriate (p. 31). These participant concerns were addressed and are in

included in appendixes A and C.

Having discussed some of the fundamental issues with respect to the

philosophy of qualitative research and established general criteria for the

methodological approach, the following discussion considered several types of

interviews and other methodological approaches that could have been used to collect

the data for this research.

Interviews

Interviews represented one of several approaches to collecting qualitative data

that could have been used for this study. H. Rubin and I. Rubin (1995) noted that

qualitative interviews allow researchers to understand experiences and reconstruct

events that are unfamiliar. They also argued that interviews require an understanding

of culture, recognition that interviewers were participants, and an acknowledgement

that interviewers give voice to those interviewed.

Plowman (1995) offered a practical decision matrix that captured the

advantages of interviewing in relation to other qualitative methods. In short, he

argued that interviewing offered an individual perspective, could be theory driven and triangulated, and performed with limited time and funds. In addition, interviewing allowed the timely collection of large amounts of data that could be validated. Denzin and Lincoln (1994) argued that triangulation was important especially to qualitative methodology because the validity of qualitative research might be challenged because of the constructivist nature of the data collection methods.

There are disadvantages of interviewing as well, according to Marshall and Rossman (1995). Data might be misunderstood or misinterpreted, results might be difficult to replicate, and data validity rests heavily on the participant's truthfulness.

The purpose of the following discussion is to define and describe several types of interviews that were considered for this research. In addition, consideration was given to the ethical implications of each type of interview. I conclude with a summary discussion of the interviewing method I used, how I identified study participants, and which four decision events were used for this study. I conclude with a review of the procedures and ethical concerns.

Long interview

Long interviews possess unique characteristics that help the researcher understand and determine meaning as understood by participants. This requires the researcher to invest adequate time in interviewing so that the phenomenon of interest will emerge through the analysis phase of a study. Long interviews require extensive, thoughtful preparation to avoid amassing unnecessary data while acquiring critical data that will reveal answers to the questions sought by the researcher. Thorough preparation also provides the best return of valuable information while minimizing

the time required of participants. Critically important to long interviews are issues of culture and, as McCracken (1988) observed, shared meaning. The goal of long interviews is to understand the phenomenon as the participant understands it.

Unlike unstructured ethnographic interviews, long interviews provide focus for the researcher. Because confidentiality is associated with this methodology, researchers gain access to important issues that full disclosure or identification of participants would likely inhibit. Although long interviews provide structure, they allow for the emergence of variables and concepts that may not be known to the researcher at the beginning of the inquiry. Additionally, research may be conducted within a much shorter time frame than traditional ethnographic research requires. Though no specified time lengths for long interviews are mandated, the information gleaned from the literature review indicates that up to eight hours may be needed to collect the necessary data. Such length in interviews may require that several interviews be scheduled. By allowing time between interviews, the researcher can review the data and follow up to clarify ambiguities. Hon (1997) observed that the goal is to understand the meaning of concepts, categories, terms, relationships, and assumptions as the respondent understands them in his or her view and experience in the world.

Researchers who use long interviews to acquire data are interested in depth rather than breadth. Whether this is accomplished in two hours or eight hours depends on the researchers' ability to accurately reflect the phenomenon as determined by participants. The resulting shared meaning allows researchers to

determine the presence of cultural patterns, categories, characteristics, or assumptions.

Several ethical implications are associated with long interviews. Researchers are commonly understood to be instruments of data collection and analyses in qualitative research. McCracken (1988) identified a number of important issues that must be considered. Researchers working in their own culture must be vigilant to the very real problem of seeing familiar data in unfamiliar ways. By allowing participants to answer questions and prompting them to use their own terms, researchers reduce the potential for interpretation that frequently occurs with active listening. Active listening encourages researchers to repeat back words and phrases to discover hidden meanings of language.

A healthy distance must be maintained between researchers and subjects. Like researchers who must see the familiar in unfamiliar ways, so must participants. Researchers must help participants to distance themselves from the familiar to articulate what lies beneath the surface of a belief or behavior. Such self-reflection possesses significant ethical implications. For example, emotional harm might result when participants are asked to reflect on uncomfortable issues relevant to the research. Another legitimate reason that necessitates distance between researchers and participants is the nature of researchers' roles. Arguably, one of the differences between voyeur and scientist lies in intent. It is important to understand that professional curiosity to fully understand phenomena motivates scientists.

Confidentiality of participants must be protected to allow for as complete disclosure as possible. Researchers must be clear about the risks of interviews as well

as the benefits. For some participants, questions may evoke surprise, embarrassment, or anger; for others, questions may possess a cathartic quality or intellectual dimension. Above all, researchers must first do no harm.

During interviews, researchers must listen carefully for clues that require further probing. McCracken (1988) identified some of these potential issues as topic avoidance, distortion, misunderstanding, and even incomprehension. He also suggested several technical considerations such as tape recording, transcription, and use of the computer to aid in the collection and analysis of the data.

In-depth interview

Marshall and Rossman (1995) suggested that in-depth interviews are conversations designed to explore general topics to discover meaning from the participant's perspective. In doing so, researchers should consider the responses as framed by participants. Although Marshall and Rossman made no distinction between depth and long interviews, McCracken (1988) considered depth interviews to be primarily concerned with participants' affective attributes where long interviews were more focused on shared categories and assumptions.

As noted previously with all interviews, depth interviews also possess the ability to acquire a significant amount of data quickly. Researchers can seek clarification during the interview and uncover the significance people place on events and experiences in everyday life. Cooperation of participants is necessary for researchers to acquire the appropriate data. Interviewers must also possess fine listening skills that permit them to interact, frame, and diplomatically probe participants. In the end, researchers should evoke the necessary data that frequently

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lie beneath the surface of routine responses. Fontana and Frey (1994) pointed out the importance of never taking anything for granted in interviews.

Ethical implications of depth interviews are similar to those already discussed. In addition, Fontana and Frey (1994) noted that traditional concerns focus on informed consent, privacy, and protection from harm. Although Wolcott (1995) disagreed, Miles and Huberman (1994) argued that interviews must necessarily violate the trust and privacy of respondents. Use of technology must be disclosed initially so participants are informed about the use of recording devices. As long as participants understand and consent to the terms set forth in research protocols and researchers remain within the established ground rules, the risk of violating agreements is minimized.

Elite interview

Elite interviews recognize the position or experience participants possess that warrant special treatment or consideration. They differ from other types of interviews in several ways. Dexter (1970) suggested participants' elite status qualified them to define the situation of interest. Two characteristics are common with elites: participation and time. As a result, interviewees are encouraged to structure the account of the situation. Finally, interviewees are left to describe what they perceive as relevant. Unlike focused interviewing where researchers define the area of interest, ask the questions, and seek answers within a set of boundaries, elite interviewers frequently desire that participants teach them what the problem is, what questions should be answered, and what the situation demands.

In addition to the special status of elites, data must be examined differently. Dexter (1970) observed that surveys deal with deviation statistically. Frequently, the goal is to understand the norm, the typical response. However, with elite respondents who are better informed, deviations may necessitate a revision or extension, or a new paradigm. Hirsch (1995) reinforced the observation that disparities in information and perception often exist between upper and lower levels in organizations. Thus, responses from elite interviewees must be framed properly to understand the value of their observations and contributions.

Useem (1995) favored interviewing chief executive officers because of the insight they offer into a company's culture, organization, and activity. In addition to understanding more about executives, researchers also gain executives' perspectives on their firm and the world at large. Useem observed in his research that elites tend to see both the small picture as well as the concerns of the larger business community.

Because of the difficulty in reaching executives, Useem (1995) provided an array of considerations from his experience when trying to gain access to senior executives. One recommendation was to identify someone of import to the executive to act as a door opener. On the other hand, not all researchers appear to agree on whether access is a problem. Ostrander (1995) argued that the problems of gaining access and establishing rapport with elites have been overstated.

Once researchers gain access, Hirsch (1995) suggested, it is imperative to prepare well for the interview—relying simply on stret smarts can result in wasting the researchers' efforts and, more importantly, elites' time. Ostrander (1995)

observed that elites are used to being in charge and having others defer to them. This notion must be carefully, but tactfully, challenged.

Because of the deference that elites may be accustomed to, skepticism must be part of the interviewer's questioning. Useem (1995) recognized that some managers know how they do something but not why. Therefore, researchers must guard against assimilation into the culture to the point that objectivity is lost. Paradigms must be challenged and confirmed throughout the process. In addition to organizational issues, Useem noted that perceptions of events and phenomena are socially constructed to some degree. For example, chief executive officers frequently travel in circles of similar status. Thus, these elites often possess their own sense of reinforcing culture.

Useem (1995) provided practical advice for consideration in using elite interviews as a research approach. First, reaching top management may require direct contact. Second, flexibility is critical because of the demands placed on elites. Third, several research approaches may be necessary to obtain the information desired. Fourth, the researcher must remain disciplined and focused to the research at hand because interviews with elites frequently result in more research possibilities. Finally, the researcher must record those additional possibilities that often provide a framework for further study.

Active interview

Holstein and Gubrium (1995) argued that knowledge is created by the action necessary to acquire it. In contrast to the traditional role of passive interviewers who merely record information, active interviews recognize the constructionist process of

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producing meaning. One of the primary objectives of active interviews is to draw out and make visible the linkages and horizons participants use to define and organize subjective meanings. Holstein and Gubrium noted that the goal is to arrive at common narrative ground in the face of contextual issues and complicated matters.

Active interviews assume that there is a mental model of the subject or phenomenon that lies beneath the responses of persons being interviewed. The challenge for researchers is to adequately represent the phenomenon that the interviewee may be revealing, which may require several interviews and collaborative interpretation to capture the information. Based on this assumption, several items are of concern. One of the greatest challenges to this approach is for researchers to create an environment that is conducive to open and undistorted communication. Rapport between researchers and participants is critical to the success of this approach. Interviewees must be competent about the subject of the research in order for the information to be of value. Because participants continually revise and modify answers, the truth-value of responses must be measured not against some objective answer as in the traditional "vessel of answers" approach, but by the enduring local conditions that evolve. Introductions to the interview must be carefully prepared and delivered to avoid predisposing participants to a set of desired responses. In addition, culture and ethnographic considerations are important to framing questions. Researchers must necessarily and continually challenge themselves through self-analysis to guard against bias.

Active interviews allow for researchers to explore ill defined and marginally developed concepts. With the focus on linkages and horizons, researchers can seek

out the model behind the vessel to better understand a phenomenon. This approach has the potential to produce a large quantity of data. In addition, this type of research can be done with little expense. Active interviews deny the philosophical notion of objectivity. Though some might view this as a weakness, many argue this approach strikes closer to the truth than traditional interviewing.

One of the most important ethical considerations in using the active interview is selection of participants. By conceiving of people in particular ways, researchers give voice to some while silencing others. Thus, understanding the culture and knowing the terrain is tremendously valuable. Like other approaches, similar issues of disclosure and confidentiality are important as well. Maintaining professional relationships with participants serves several purposes. It keeps clear the line between interviewers and interviewees. This approach also avoids placing either participant in an advantageous position.

Summary of Research Schema

Given what the literature has revealed about the various types of interviews, the following matrix was established which helped guide the selection of the active interview as the appropriate methodology.

Table 3.1

Decision Matrix for Qualitative Methodological Approach

Method	Individual Perspective	Limited Time and Money	Theory Driven	Triangulated	Access	Researcher Knowledge
Long Interview	X		x	x	x	
Elite Interview	X		x	x		
In-depth Interview	X		x	x	x	X
Active Interview	X	x	x	x	x	X

      Active interviews rely on researcher knowledge to help acquire the data from participants. Because I had some knowledge of each of the decision events, it served to help me ask the right questions and acquire the right data. In addition, this approach could be accomplished with limited funds and triangulated with documents obtained from the various offices involved with the decision events. Although this approach denied the philosophical notion of objectivity, I believed it offered a way to get at some notion of reality.

The following discussion briefly and generally describes the four strategic decision events in the Coast Guard that were used to generate lists of participants who were interviewed. In addition to the interviews, archival data in the form of studies, reports and analyses were examined to corroborate timelines, information, and decisions associated with each event.

Decision event number one: The Coast Guard's Integrated Deepwater System Recapitalization Program (short title: Deepwater). In 1993, the Coast Guard conducted an analysis of its aging fleet of ships and determined that more than two-thirds of these resources would reach the end of their service life within 15 years. To place the aging resource issue in context, the Coast Guard's fleet of ships was the third oldest of the world's 39 similar naval fleets. This presented a real concern for the organization's leadership because the Coast Guard represents the primary at-sea law enforcement agency for the federal government. In short, if there is a law that must be enforced on federal waters, the Coast Guard is the agency responsible for enforcing it. The myriad regulations range from fiscal and immigration laws to sanitation and customs laws. Many federal agencies rely on the Coast Guard to act as the enforcement arm for the rules and regulations that are promulgated. At the same time, the Coast Guard is also recognized in federal statute as one of the five armed services. The service must bridge the gap and balance its responsibilities between its constabulary duties in enforcing laws and its military duties in securing America from threats to national security.

Understanding that federal bureaucracies seldom act absent a crisis, the strategic decision in this event was how to proceed with a necessary major recapitalization that would require significant investment by the Administration over more than 15 years into the future. Traditionally, major acquisition programs in the federal government purchase a single type of asset or service; however, this initiative required replacing all deepwater assets in an integrated way. Although the Coast Guard recognized the looming challenge, many in the Administration opposed the acquisition because of the affect it would have on the President's spending priorities.

In order to identify the key participants in this decision, archival data in records both online and in the Program Executive Officer (PEO) files were reviewed. Because this acquisition was such a large project, I interviewed the top executives inside the organization that had primary roles in the decision process. I also interviewed a senior executive in the Department of Defense, an important stakeholder group, which did not view this initiative as necessarily a good thing. In addition to reviewing archival data to establish potential interviewees, I also acquired recommendations from those interviewed.

Decision event number two: The Coast Guard Search and Rescue Station Realignment Initiative (short title: Station Realignment). In the early 1990s, the Coast Guard was directed by the Administration to reduce its budget by 12 percent. As the organization studied ways to reduce its outlays, it discovered a workforce/workload imbalance in its search and rescue stations that are designed to rescue mariners in distress and enforce safety regulations on the water. As part of its workforce reduction, the organization sought to redistribute its workforce to better

balance the workload. Consequently, some of these search and rescue stations would be closed so that personnel could be released from the payroll and others reassigned to better manage the workload.

Search and rescue stations are considered to be as relevant and important as fire houses by the communities in which they are located in much the same way that communities rely on their fire houses to respond, seaside communities rely on Coast Guard stations to respond when their residents get into trouble on the water. I interviewed senior executives inside the organization who worked on the study. The strategic decision in this event was which search and rescue stations should be closed and, more importantly, how that decision would be made.

Decision event number three: The Coast Guard Vessel Documentation Consolidation Initiative (short title: Vessel Documentation Consolidation). As one of its many responsibilities, the Coast Guard is required by the United States Code to document vessels of certain dimensions that are used for certain purposes. Much like a registration is required for automobiles that travel on highways, vessels that travel on domestic waters and whose owners seek the protection of U. S. laws are required to be documented by the Coast Guard.

To accomplish this responsibility, the Coast Guard had vessel documentation offices across the country in major metropolitan areas adjacent to seaports. This made sense because this was where the customers resided. However, advances in technology created an opportunity to streamline this process resulting in cost savings and arguably better service to the customers. I interviewed senior executives within the organization as well as stakeholders outside the organization who participated in

this event. The strategic decision was how to go about consolidating offices in a manner that was supported by customers and politicians whose districts would lose federal employees and perceived federal services to constituents.

Decision event number four: The Coast Guard Civilian Personnel Organizational Realignment (short title: Civilian Personnel Realignment). In the early 1990s, budgetary pressures from Congress required that the Coast Guard consider numerous cost saving initiatives. With approximately 7,000 civilian employees in the organization of 40,000 people, one of the initiatives was to reduce the necessary administrative infrastructure to support those employees. This issue had been studied numerous times over the years as a way to save money. I interviewed senior executives from inside the organization who participated in the restructuring study. The strategic decision was how to achieve savings in the civilian personnel structure of the Coast Guard.

Selection of Participants

Participant selection was done through a purposive sample and limited to senior executives of the U.S. Coast Guard responsible for strategic decisions as well as leaders of stakeholder groups who were responsible for promoting or discouraging collective action outside the organization. They were not selected on the basis of age, sex, race, ethnic origin, religion, or socio-economic conditions. Identification of the participants resulted from discussions with participants already known to be involved in the issues by the researcher and those identified in record archive materials that were reviewed for each of the decision events.

Initially, a core group of eight executives known to be involved with each of the four decision events were identified. Letters were mailed to each of the participants soliciting their participation. During follow up discussions to coordinate the interviews and during each of the interviews, participants were asked to identify additional executives who participated in the strategic decision-making event. This approach yielded 15 other executives who were sent letters inviting their participation. Only two of the additional prospective participants were not interviewed. One executive declined to be interviewed because he did not believe he had much insight to offer. The other executive was unresponsive to my requests.

Of the 21 executives who were interviewed, 14 were internal to the Coast Guard and seven were external to the Coast Guard for each of the four decision events. Seven executives were interviewed who participated in decision event one. Two of these participants were external to the Coast Guard. Four executives were interviewed for decision event two, one who was external to the Coast Guard's decision process. There were five executives interviewed who participated in decision event three, two who were external to the Coast Guard. Lastly, five executives were interviewed for decision event four, two who were external to the Coast Guard's decision-making process.

Document summary forms were used for archival data that were reviewed during this research. The document summary forms were used to capture the importance of the document to the particular decision event, a brief summary of the contents, and connection to a participant who is identified from the material (see Miles & Huberman, 1994, pp. 54-55).

An active, face-to-face interview was conducted with those participants whose role was determined to be instrumental in the particular decision event. When a face-to-face interview was impractical because of scheduling, access, or costs, a telephone interview was conducted. This only happened on two occasions when respondents resided in California and schedules were too problematic to facilitate a face-to-face meeting. Participants were contacted initially via letter or e-mail, which explained the nature of the research and why I sought their participation. Only one prospective participant declined to participate. All participants were advised of not only the voluntary nature of the interview but also their option to suspend their participation at any point during the process. All participants signed documentation acknowledging their consent and rights. Twenty-one senior executives in total participated in the interviews.

Procedures

Participation consisted of responding to face-to-face active interviews, with the exception of two interviews that had to be completed by telephone. The initial interviews, which began in early August 2003 and concluded in May 2004, varied in length between an hour and half to two hours and a half. This length of time has been determined by researchers to be sufficient when interviewing senior managers (Agar, 1994). Nearly all interviews required subsequent discussions with the participants to acquire additional information or clarification of comments made during the initial interviews to help me better understand the data provided. Subsequent interviewing required an additional 15 to 20 minutes on average and most follow up questions

were answered by telephone. Thus, the data yielded collaborative interpretations of the themes and patterns that emerged from the interviews.

All of the interviews were conducted at mutually agreed upon locations and times in the case of face-to-face interviews and during mutually agreed upon times for the two telephonic interviews. Although an interview protocol was approved by the Human Subjects Review Board, University of Maryland, and followed in each case (see Appendix B), the interviews were only marginally structured and many of the questions were open-end, which allowed for the participants to deviate from the original questions and discuss areas they thought relevant to the strategic decision-making event. All participants permitted me to tape record the interviews, and each interview was personally transcribed. All digital files of the initial interviews were retained in an electronic format. After I completed transcribing the interviews and made notes in the margins where I needed clarification, I e-mailed the transcript to each participant and asked for clarification or elaboration through additional meetings, written responses, or follow-up phone calls.

Contact summaries were used for each participant. The contact summary form was designed to be simple and capture information that described when the interview was conducted, how the interview was conducted, how long the interview took, where the interview was conducted, general observations about major themes, key responses generated by the interview protocol, and unresolved questions that required additional inquiry (see Miles and Huberman, 1994, pp. 51-54). The contact summaries were used to capture relevant and significant data from the interview field notes and were instrumental in coding the data. Following the interviews,

participants were contacted for clarification of issues that were unclear in the field notes through e-mails or follow-up phone calls.

Participants were provided a brief summary of the research in letters requesting their participation (Appendix A), an outline of questions for the interview (Appendix B), and informed consent forms (Appendix C). The interview questions were developed to probe areas dealing with participation in the strategic decision-making process. These included the role and expertise of participants and whether they were identified to participate in the process or initiated action to be included. Questions also probed the actual decision-making process and whether participants perceived it as continuous or discrete, whether power was perceived as highly concentrated or more dispersed among the participants, how participants became aware of the event, and the role communication managers played in these strategic decision-making events. I pretested the interview with a small sample of associates to clarify questions that might arise from the interview protocol before proceeding full scale with the research. Based on the pretest, necessary adjustments were made with the interview protocol. The informed consent form contained information about the project, the investigator, the participants' rights, and contact information for the researcher. Participants were informed that their participation was strictly voluntary, and they signed and return the informed consent forms to the investigator prior to the interviews.

In addition to interviewing, I collected or reviewed in excess of 50 documents that were relevant to substantiate, amplify, or refute information gleaned from the interviews. This allowed for triangulation of the data.

Ethical Considerations

There are several general ethical issues that are of concern in qualitative research and are relevant to this study because the researcher is an "instrument" of data collection. Being part of the study is fundamental to qualitative research designs—especially when data collection techniques such as interviews are being used. Marshall and Rossman (1994) categorized these issues as either technical— "ones that address entry and efficiency in terms of role"—or interpersonal—"ones that capture the ethical and personal dilemmas that arise" (pp. 59-60). Technical concerns include "participantness…revealedness…intensiveness and extensiveness…" and whether the focus of the study is "specific or diffuse" (pp. 60-61). These concerns consider how researchers gain access to the research site and participate in activities that are part of the phenomenon being studied, to what extent the participants are aware of the study, how much time researchers spend in the setting, and the specificity of the study's focus. According to Marshall and Rossman, interpersonal issues that arise arguably:

> …depend primarily on the interpersonal skills of the researcher. In general texts this is often couched as building trust, maintaining good relations, respecting the norms of reciprocity, and sensitively considering ethical issues. These entail an awareness of the politics of organizations, as well as sensitivity to human interaction. (pp. 64-65)

With respect to the technical ethical issues, I was very explicit with participants in the description of my role as a researcher because of my affiliation with the Coast Guard. Although it was important to disclose my status as a member

of the Coast Guard, it was equally critical that none of the participants sought to use my role as a researcher to leverage their respective positions in the strategic decision-making process for their respective decision events. The four decision events were historical; therefore, there was minimal risk that participants would seek to use my research to influence past decisions. From an interpersonal ethical perspective, it was necessary that I protect the data acquired from the participants during the interview process. Confidentiality was provided to all participants.

These decision events posed few ethical concerns because most of the interview participants had moved to different assignments within the Coast Guard, retired from the Coast Guard, or were external to the organization. Notwithstanding the benefits of historical context, there remained some interpersonal ethical concerns because some of the data gathered might, if mishandled, reflect adversely on some of the key participants because they continue to serve in the Coast Guard. From a technical ethical perspective, although I was serving as the Chief of Coast Guard Media Relations during the time some of these decision events transpired, my role was simply to disseminate the information that was given to me by my superiors; I had no direct role in the actual strategic decision-making process.

This project presented minimal risks to participants. The potential risks and benefits were explained to all interview participants prior to their participation in the project. There was no foreseeable harm to participants. Standard methods to protect privacy were adhered to. The identities of the participants and their affiliations were protected and remain confidential

Benefits of participation included a greater understanding of how strategic decisions were made in this organization and how they might enhance future strategic decision-making.

Analytical Techniques and Approach

Huberman and Miles (1994) argued that qualitative data analysis should be as easy to replicate as quantitative data analysis. Citing the difficulty in using original field notes to arrive at similar conclusions, they suggested an interactive model for data analysis. This model called for three subprocesses of data analysis: data reduction, data display, and conclusion drawing or verification.

In Miles and Huberman's (1994) view, data reduction subprocesses actually commence before data are collected. Data collection may come from a variety of sources such as interviews, documents, field notes from observations, and surveys. By considering how data are to be reduced, the researcher is guided toward certain types of data collection methods. Marshall and Rossman (1995) made a similar observation about the critical link between data collection and data analysis. They noted that Schatzman and Strauss (1973) recognized this relationship when they argued that because qualitative data are complex, researchers must analyze as data are collected and adjust collection strategies toward those data most critical to understanding the phenomenon of interest.

Miles and Huberman (1994) suggested numerous analytical techniques. As discussed earlier, contact summary sheets, which represent a one-page synopsis of questions that researchers use to develop summaries of field contacts, were used for this research. In addition, document summary forms were used to help clarify and

understand the importance of documents collected during fieldwork. Although contact summary sheets and document summary forms were used, they were not coded. However, the interview transcripts were coded for retrieval and analysis. Codes represent meaning of the actual words and can be descriptive, interpretive, or patterned. In this study, I sought to understand whether there were patterns that revealed themselves through the interviews and documents. Clear operational definitions are imperative for codes to reduce ambiguity and inconsistency and to facilitate analysis. Coding schemes actually represent what Miles and Huberman referred to as a conceptual web.

Miles and Huberman (1994) noted that reflective remarks represent what researchers think about as they record raw field notes. Such reflections might include new hypotheses, questioning existing data, or elaboration of prior information thought to be irrelevant and included in parentheses. Marginal remarks, on the other hand, are included in margins and help clarify and add meaning to field notes. In addition, colleagues and critics can provide marginal remarks to help researchers examine alternative explanations.

Pattern coding was used in this research to help group emergent or inferential themes. Pattern coding reduced large amounts of data into smaller units, facilitated analysis during collection, and assisted in clarifying the conceptual map. According to Miles and Huberman (1994), pattern codes typically focus around themes, causes, personal relationships, and theoretical constructs.

Marshall and Rossman (1995) argued that analysis is complete only after critical categories are defined and relationships of categories are established. They

observed that five modes govern analytic procedures. These include organizing data; establishing categories, themes, or patterns; testing hypotheses against the data; considering alternative paradigms; and writing the report.

Miles and Huberman (1994), in positing the second subprocess of data display, made clear the centrality of this concept to identifying the linkages and patterns that emerge from the data. Data displays that are focused, co-located, and complete allow users to draw conclusions. These data displays represent the distillation of raw data and, if done adequately, improve confidence in the findings through various levels of abstraction. For example, Miles and Huberman offered contact summary forms and reports of case analysis meetings as examples to consider for data displays.

Data displays can take two general formats: matrices that have defined cells and networks that have links between the various nodes. Data entries can take many forms depending on what researchers are trying to understand. Examples include text, quotes, and ratings. Miles and Huberman (1994) said it is important to note that "the creation and use of displays is not separate from analysis, it is part of the analysis" (p. 11). Data displays help validate qualitative analyses because they provide the framework from which conclusions may be drawn.

As discussed in Chapter II, this research was primarily designed to understand the relationship between power and the effectiveness of particular decision events and what role communication management might or should play in the strategic decision-making process. Consequently, the analysis concentrated on the relationship of defined cells such as those noted in table 3.2.

Table 3.2

Perceived Effectiveness of Decision

		More	Less
Perceived Power Dispersion	High		
	Low		

Miles and Huberman (1994) offered some "rules of thumb" for such matrix displays. For example, for this research, the partitions are based on observations about decision events as perceived by participants and are more descriptive in nature than explanatory. Miles and Huberman also noted that ordering, sequencing and categorization were also considerations (p. 240). Of critical import, Miles and Huberman noted that "the conclusions drawn from a matrix can never be better than the quality of the data entered"(p. 241).

Data Analysis

There were essential two steps to the data analysis that were based on the analytic techniques of Huberman and Miles (1994), Miles and Huberman (1994) and Marshall and Rossman (1995). Following the collection of the data, the first step in the data analysis process consisted of data reduction. This process consisted of transcribing the interviews, recording and reviewing field notes, and clarifying the data by conducting additional interviews with the participants. As indicated, each interview was digitally and audio recorded and personally transcribed. Personally transcribing the interviews allowed me to remain close to the data and compare the

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audio with field notes to underscore areas perceived to have special relevance to the participants, which I inferred from emphasis made during the interviews.

The annotated transcriptions with marginal notes and questions were provided to each of the participants for clarification during subsequent interviews. The revised transcriptions with clarifying comments were then compiled for the second phase of the data analysis—interpretation analysis.

The interpretive analysis, which was the second step of the analysis, had several components. First, edited transcriptions based upon active interviews with senior executives were examined. As indicated, notes were made in the margins where I had questions about comments made by participants that required clarification. These questions were answered during subsequent discussions with the participants. So, the interpretation of the meaning of various phenomena was more collaborative than a product of my own attribution of meaning.

The edited transcripts were then used as the basis for contact summary sheets, which facilitated identifying relevant issues, common patterns or similar themes or categories. I initially examined the data in each decision event to develop the recurrent themes, patterns, and categories.

The analysis of each of the four decision events was then compared with each analysis of the other decision events to determine if there were areas of similarity or consistency in the themes, patterns and categories. To support the participants' comments and patterns, I sought confirming, as well as disconfirming or conflicting, information in the numerous documents that I was either allowed to review on site or were provided to me. By looking for disconfirming or conflicting information, I

considered the potential for other explanations. By using an interactive model of data display, which included tables of "cut and pasted" lists and two-by-two matrices, I established loosely-connected relationships among the various themes, patterns, and categories.

CHAPTER IV

Results

This research was exploratory and sought to better understand strategic

decision-making and how public relations might contribute to enhancing this process

in one organization, the U.S. Coast Guard. Active interviews with senior executives

of the organization and external stakeholders involved in each of the four decision

events provided me the opportunity to acquire rich narratives of the various strategic

decision-making processes. In addition, document reviews and analyses allowed for

the confirmation and corroboration of data to establish claims and assertions made by

the participants.

Each research question presented a unique set of circumstances and challenges

about how best to visually display the themes and patterns that emerged from the

analyses. Therefore, the results are presented through the use of a combination of

matrix displays of categories with themes and patterns supported by comments made

by the participants when I believed they were appropriate and interpretive narratives

that captured the essence of the common themes and patterns that emerged from the

data.

As a brief review, the research examined strategic decision-making processes

that involved four decision events that occurred in the U.S. Coast Guard. Two of

these decision events were believed by the researcher to result in greater success than

the others. Although numerous criteria could be use to establish what is meant by

"greater success," the central metric that was used in this study to assess whether the

decision event was more successful boiled down to whether the organization was able

to accomplish what it initially set out to accomplish. The notion of more effective versus less effective was discussed with a subset of the participants who were familiar with all four decision events. The four participants with whom I discussed or exchanged correspondence on the issue of effectiveness suggested that all of the decision events were good ideas; however, two of the events appeared to be "plagued by poor implementation." The outcome of two of the decision events were considered less effective not because they were bad business decisions but because the process that was followed to achieve the outcome appeared to be flawed. Because this research is a study of process as well as outcome, this is an important distinction. How might a different process have yielded a different outcome? For example, decision events one (Deepwater) and three (Vessel Documentation Consolidation) were perceived by the participants who were familiar with all four events as more effective not only because they appeared to achieve their objectives but also because they appeared to follow different paths during the implementation. These were the same two events I had judged previously to be most effective. Therefore, one of the primary objectives of the research was to understand these differences and determine what the implications might be for strategic decision-making and public relations theory and practice.

As a review, decision event number one was the Coast Guard Integrated Deepwater System Recapitalization Program (Deepwater). Today, the organization is implementing the results of this strategic decision and building a new fleet of ships, planes, communications capabilities and sensors.

Decision event number two was the Coast Guard Search and Rescue Station Realignment Initiative (Station Realignment). The organization was able to implement only minor portions of this strategic decision. The primary goal, which was to close underused search and rescue stations in order to redistribute resources, was not achieved. Although a limited number of resources were redistributed throughout the search and rescue station community, the decision did not meet organizational objectives because no units were closed.

Decision event number three was the Coast Guard Vessel Documentation Consolidation Initiative (Vessel Documentation Consolidation). This strategic decision was highly successful. Today, there is one consolidated center that services clients all over the United States. Not only did the organization gain significant efficiencies, it also provides better service to its customers, an assessment that comes from those who use the organization's Vessel Documentation Office's services.

Decision event number four was the Coast Guard Civilian Personnel Organization Realignment (Civilian Personnel Realignment). This strategic decision has been largely reversed following its initial implementation. The primary goal, which was to streamline the organization's civilian personnel system to reduce costs and provide better service, failed to achieve its objective and cost the organization more money in the final analysis. The results of the initiative alienated personnel and created problems where none had existed in managing civilian personnel in the organization.

Why was the organization successful in only two of these strategic decision events? Were there common themes, patterns, or attributes that contributed to the

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success of these events? And, especially important for the purposes of this research,
might the communication management function of the organization have served a
role that would have improved the likelihood that the organization might have
achieved its objective in all four of the important initiatives?

Research question 1: How do executives view strategic decision-making—as a
discrete event or a continuous process and why? What are the implications for the
strategic decision-making process?

The first research question sought to better understand how executives who
had participated in these four decision events perceived their particular strategic
decision-making process and whether this seemed to correlate with how effective the
decision was perceived to be in the end. Additionally, I wanted to understand how
the participants' viewed the various "drivers" which caused the strategic decision-
making event to occur, and whether there appeared to be a pattern among the decision
events.

Several themes and patterns emerged on the question of how executives
viewed their respective strategic decision-making process. These included the
observation that decisions viewed as discrete appeared to be less effective than
strategic decisions thought to be continuous by the participants (Table 4.1). In
addition, strategic decisions that tended to be influenced by external drivers appeared
to be more effective. Finally, strategic decisions that did not possess clarity of
purpose and were not communicated in a manner understood by those participating in
a decision process, appeared to be less effective.

Table 4.1

Decision Event Effectiveness versus Decision-making Perspective

	Discrete	Continuous
Decision Effectiveness		
More		1, 3
Less	2, 4	

Participants involved in decision events two (Station Realignment) and four (Civilian Personnel Realignment) were much more likely to characterize the strategic decision-making event as discrete. An executive involved with decision event two said: "This was an internally-generated initiative and was not influenced by groups outside the Coast Guard… It was actually isolated." On the other hand, another participant involved with decision event number four remarked:

> The driver was external…the goal was a 50 percent reduction. Rather
>
> than wait for a solution to be imposed on us, we decided to take
>
> matters into our own hands at the direction of the Commandant and try
>
> and achieve these reductions...I think we viewed it more discretely.

In this instance, although the participant viewed the pressure on the organization as external, he characterized the actual decision-making process as discrete, or isolated, with little or no connection to other organizational initiatives.

Participants of decision events one (Deepwater) and three Vessel Documentation Consolidation), on the other hand, were more likely to view the process as more continuous, or connected to other strategic initiatives by the organization. Although executives generally characterized decision event one as

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more discrete, they recognized the importance of connections to longer term initiatives as reflected in the following comment:

> Unlike the Department of Defense where they have consistently a fairly stable acquisition budget, the Coast Guard acquisition cycle is discrete. …Unfortunately, I think the Coast Guard still believes that this process is a discrete one that is stretched over 20 years. The danger that the Coast Guard faces, especially if we accelerate this project will be that we will face block obsolescence again.

Therefore, I interpreted the participant's observation as understanding the importance of this particular strategic decision as being more continuous than discrete. And, in the case of decision event three, several participants noted that this process of consolidating documentation offices was merely a continuation of prior consolidations designed to improve customer service while reducing costs. Participants of decision event three viewed their process as evolutionary and connected with other previous organizational initiatives.

This notion of prior experience and connectedness is important for two reasons. First, the literature on the social psychology of groups and activism reveals that prior experience with activism can enhance the likelihood of group activity during strategic decision-making processes (Stevenson, et al., 1985). Second, public relations professional should account for the likelihood of activism during strategic decision-making processes by understanding whether stakeholders have prior experience that might increase or discourage group activity and, more importantly,

whether executives involved in a strategic decision-making initiative view the process as discrete or continuous (L. Grunig & J. Grunig, 1997).

Externally-driven strategic decisions appeared to have been more successful than those that were self-generated. Forces applied from outside the organization by various stakeholders and customers involved in the process actually appeared to help facilitate a more effective decision. For example, an executive involved with decision event number three (Vessel Documentation Consolidation) observed:

> The major driver was that the statute required within a certain time to provide a consolidated record of all vessels of the United States. The only way that this could be accomplished was to somehow consolidate all of the offices. Each of the vessel documentation offices operated independently and under the cognizance of their respective marine safety offices.

Another participant noted that customers were frustrated because of the lack of consistency and demanded the organization improve its processes:

> I had one attorney in San Francisco who called me very supportive of our effort because she was tired of having to consult people for the secret forms in the bottom right hand drawer to get documentation for her vessels.

Of particular interest was the perceived "lack of clarity" by the participants in the stated purposes for decision event numbers two (Station Realignment) and four (Civilian Personnel Realignment). Noted one participant involved in decision event number two: "It kind of evolved. We knew we didn't have enough billets [positions]

in the field to do the job." Another participant from decision event number four remarked:

> The Coast Guard was looking for a cheaper way to do things, not necessarily a more efficient way to do things. This was in stark contrast to how the initiative was initially framed—we knew this was about a smaller Coast Guard, but we also believed it was about a better Coast Guard… In the earlier study, we had strong leadership and a lot of clarity…we started out one way and ended another…It was bait and switch.

In this study, the executives involved in the decision events believed to be more effective viewed their strategic decision-making process as more continuous and connected to other critical, longer-term organizational initiatives. In addition, these events were also perceived to possess more significant external drivers and had greater clarity of purpose.

Research question 2: How do executives characterize the way they make strategic decisions and why? What are the implications for the strategic decision-making process and public relations theory and practice?

The second research question was designed to clarify how the participants characterized the way decisions were made. Were there particular qualities of the strategic decision-making process that the participants perceived as instrumental in the outcomes of their efforts?

Although several patterns emerged from the research in response to this question about how executives characterized the way they made strategic decisions,

one particular quality stood out among all four decision events and addressed whether

the process was perceived by the participants as more or less transparent with all of

the stakeholders. Other recurring themes included issues concerning public

disclosure, assumptions, and timing.

Transparency was a common theme for the decision events that were

perceived to be more effective (Table 4.2). Participants recalled the processes as

considerably more open. Regarding decision event one (Deepwater), for example:

> The mission analysis war room, as we called it, was open for anyone
>
> to come in and out of. This war room was free for people to come in
>
> and see what was going on; they were also encouraged to make
>
> comments. This was fascinating and relatively unprecedented that
>
> people could come in and look around and provide comment on such a
>
> major project.

Table 4.2

Perceived Decision Effectiveness versus Transparency of Process

	More Transparent	Less Transparent
Decision Effectiveness		
More	1, 3	
Less		2, 4

In decision event three (Vessel Documentation Consolidation), a participant noted:

> [Executive] actually recruited people and solicited others to participate
>
> in the process. So, people either volunteered or they were identified
>
> by their units as having something to add to this process…we did take

a lot of input from our customers…we conducted numerous public

meetings…

In contrast, executives involved in decision events two (Station Realignment)

and four (Civilian Personnel Realignment) shared the observation that they were

constrained from being more public about the process—at least until the initial

positions had been established. For example:

The team worked on this project exclusively at the time and came up

with a product. At that point, the product had to be marketed and

distributed among other offices in the [Headquarters] building and

field units for comment and input…Once we went public, it was a

fairly open process.

This approach was markedly different from the process followed in decision events

one (Deepwater) and three (Vessel Documentation Consolidation) where there was

active engagement and encouragement to be part of the strategic decision-making

process early on. Participants of decision events two (Station Realignment) and four

(Civilian Personnel Realignment) thought they had been "fairly open;" however, this

characterization was more legitimate after the decision had already been

accomplished and the organization had entered an implementation phase of the

strategic decision-making process. In short, stakeholders involved in decision events

two (Station Realignment) and four (Civilian Personnel Realignment) had little or no

say in that actual decision process. This finding supports L. Grunig's (1992a)

proposition that suggests that excellent organizations should use two-way

communication to inform and remain informed about external stakeholders' positions and activities.

Public disclosure of positions not well supported early on in the strategic decision-making process made it difficult for the participants in decision events two (Station Realignment) and four (Civilian Personnel Realignment) to follow through and deliver more effective decisions. Noting that "our early numbers became etched in stone," one participant observed: "Once someone says it, it becomes hard to change especially if you're talking about money." In decision event four (Civilian Personnel Realignment), when the executive was asked about estimated savings from streamlining the civilian personnel system, he noted:

> [Participant] told me that he was not going to hold me to any hard numbers. Therefore, I gave him some cost savings based on no hard analysis…What was really upsetting to me was that I found out that [participant] used those numbers as hard numbers. Those numbers found their way into the Coast Guard budget in terms of savings.

This particular reflection highlights two critical attributes of decision-making. The first deals with trust, which was undermined in this decision-making event. The second attribute addresses public disclosure of positions not well supported by staff work. Executives in strategic decision-making processes should first do their homework to ensure that commitments offered in negotiations can be honored; however, trust is also a critical component that must be carefully protected to ensure organizations openly discuss robust alternatives.

Assumptions are part of every decision-making process; however, in decision events two (Station Realignment) and four (Civilian Personnel Realignment), they proved to be fatal. In decision event two, one participant observed that the public affairs function was not included in the process because:

> …we were doing a scientific analysis, not a political one.
> Understanding politics [would be] involved, we wanted to have a
> righteous list to give to General Accounting Office (GAO) that was
> defensible. We felt like we could show them the rigorous analysis,
> show them the numbers, and keep the Commandant off of [the
> investigative news program] "60 Minutes."

This participant's perspective of public affairs as merely an organizational function designed to provide a political overlay to keep the chief executive officer out of trouble in the news simplifies the potential contribution of public relations to the strategic decision-making process. According to Nutt (2001), organizations can improve decision-making by better managing not only the business case requirements for the decision but also the social and political forces that are inevitably part of every decision-making event.

According to an executive involved with decision event four (Civilian Personnel Realignment):

> One of the assumptions underpinning the consolidation was that we
> would be heavily invested in technology and could therefore improve
> service and reduce outyear costs…This assumption that we would be
> heavily invested in technology did not happen.

Decision events two (Station Realignment) and four (Civilian Personnel Realignment) were significantly undermined by faulty assumptions. In philosophical terms, the issue of assumptions deals directly with epistemology. How organizations know what they know can enhance decision-making, or doom it to failure. In decision event two, the participants completely ignored the political and social forces involved in the decision event until after the decision was made and the organization was moving toward implementation. Participants seemed to believe that the decision would be able to stand on its sound business merits and would withstand the scrutiny of Congress and the affected stakeholders. Effective Public relations professionals are trained to identify and understand how stakeholders view issues and events that will affect them. Including this type of information can reduce uncertainty in the strategic decision-making process.

Decision event four (Civilian Personnel Realignment) was based heavily upon the assumption that technology would allow employees to communicate with important elements of the organization rather than walking down the hall and interacting personally with staffs. The participants completely ignored the "human element" of the communication process. This was especially true for the civilian personnel program, which was established to support employees of the organization. Losing the human touch when the customers—in this case, the organization's employees—were unable to accomplish the same work that consisted of sharing very personal information by leveraging technology, which was assumed to be in place, demonstrated a lack of understanding by the participants of a key component of the strategic decision-making process.

The last recurring theme that emerged from the data addressed timing issues associated with strategic decision-making processes. This was most evident in interviews with participants associated with decision event four (Civilian Personnel Realignment):

There were a lot of reasons it failed…Another problem was timing. There is an old saying that you don't reorganize the firehouse in the middle of a fire. In the midst of streamlining the entire Coast Guard, we streamlined civilian personnel, which was going to be needed to support the larger streamlining initiative. We reorganized in the middle of a fire.

Another participant echoed these sentiments:

…we recommended not to reorganize the civilian personnel system in the middle of reorganizing the Coast Guard because these are the people, expertise and processes that were critically needed to carry out the overall Coast Guard with regard to civilians.

Transparency of the strategic decision-making process was perceived to be an important attribute of decision events one (Deepwater) and three (Vessel Documentaion Consolidation), and less relevant in decision events two (Station Realignment) and four (Civilian Personnel Realignment). Public disclosure of early positions in strategic decisions seemed to unnecessarily constrain the options for participants of decision events two and four. In addition, had assumptions proved accurate for decision events two and four, the decisions might have been more effective. Finally, timing may be an important consideration in a strategic decision-

making process. The decision to "reorganize the firehouse in the middle of a fire," as one participant noted, resulted in the unintended consequence of undermining the necessary support systems to execute other strategic decisions.

Research question 3: How do executives determine who participates in strategic decisions? Does participation in the strategic decision-making process enhance the effectiveness of the decision?

The third research question was primarily concerned with better understanding how executives determined who did, or should have, participated in the strategic decision-making process. By contrasting the four decision events against who participated in the process and whether the outcome was perceived as more or less effective, I wanted to determine if there were consistent patterns among or between the four decision events.

Executives who were involved in the decision events that were perceived to be more effective appeared to have a much broader list of stakeholders who were included in the strategic decision-making process (Table 4.3). For example, a participant from decision event one (Deepwater) noted that "We identified key figures…to help co-opt their support. … As far as the working group was concerned, we had members from every group who could conceivably benefit." Another participant involved in this process indicated that "There was actually a marketing and communications group that was created as part of the strategy…the Coast Guard leadership came out with a long list of key groups."

Table 4.3

Participants of Strategic Decision-making Process

Decision Event	1	2	3	4
Participant Category				
Process Leaders/Owners	X	X	X	X
Program Specialists	X	X	X	X
Stakeholders	X		X	
Customers	X		X	
General Public	X		X	

Similar patterns were noted by participants involved in decision event three

(Vessel Documentation Consolidation). Said one executive: "[participant] actually

recruited people and solicited others to participate in the process…we did take a lot of

input from our customers…"

On the other hand, participants who were involved in decision events two

(Station Realignment) and four (Civilian Personnel Realignment) seemed to exclude

anyone from participating who was not directly in charge of an overarching strategic

decision-making process at the headquarters level. When asked whether there was

any thought given to including individuals or groups from outside the program or

study team, the participants generally observed:

> …no, it was pretty much a programs issue, [or]… In the early going, it
>
> was primarily headquarters…I do not think we involved anyone below
>
> the district level, [or]…each personnel officer from the five personnel

centers across the country were charged with assembling information

and feedback on various options that were being

considered…Customers had the least opportunity for feedback.

Thus, decision events one (Deepwater) and three (Vessel Documentation

Consolidation) appeared to have been much more inclusive of external stakeholders

in the strategic decision-making approach, which appeared to enhance the outcome of

the process.

Research question 4: How do relationships affect the inclusion of people and/or

groups in strategic decisions and what are the implications for the practice of public

relations?

The question of how relationships affected the inclusion of people or groups

was designed to understand how this social phenomenon influenced the strategic

decision-making process. The data indicated that I had to consider the participants'

responses based on whether the information was relevant to groups inside the

organization or external to the organization. Therefore, I reduced the data to identify

whether the participants' responses were directed at internal or external groups. The

research question also sought to identify whether the participants perceived particular

relationship qualities as important. The primary qualities that emerged from the

interviews included cooperation, loyalty, trust, and commitment. Finally, I wanted to

know whether the participants characterized the various attributes of the relationships

as relatively strong or weak.

In general, the recurring themes of cooperation, loyalty, trust and commitment

were perceived as relatively strong by the participants of decision events one and

three. In contrast, participants of decision events two and four perceived these

qualities as relatively weak (Table 4.4).

Table 4.4

Perceived Strengths of Relationship Attributes with Internal and External

Groups

	Decision Event	1	2	3	4
Perceived Relationships	Internal	S	W	S	W
	External	S	S	S	S
Perceived Cooperation	Internal	S	W	S	S
	External	S	W	S	S
Perceived Loyalty	Internal	S	W	S	S
	External	S	S	S	S
Perceived Trust	Internal	S	W	S	S
	External	S	S	S	S
Perceived Commitment	Internal	W	W	S	S
	External	S	S	S	S

S = Strong   W = Weak

In speaking about one of the external groups important to the Coast Guard, a

participant who was external to the Coast Guard and serving with the Navy involved

with decision event one (Deepwater) noted:

My perception was that parts of the Navy [an important stakeholder]

were a little bit worried of the potential negative consequences this

might have on their own acquisition abilities. By and large, however, I

think they saw the wisdom of this approach.

The same participant observed that an important stakeholder group to the Coast

Guard was perceived to be willing to assume some degree of risk in supporting the

Integrated Deepwater System acquisition in spite of the potential negative

consequences, which demonstrated considerable commitment and cooperation to the

relationship. In fact, according to documents provided by the Coast Guard, the Navy

financed a study external to the Coast Guard that supported the organization's efforts

to recapitalize its assets.

Another respondent spoke of a pointed exchange between two top executives

who were internal to the organization and involved in the same strategic decision

event:

[Executive] sent in a strong response to the 1995 Deepwater Mission

Analysis draft report. Some of the Headquarters staff were taken

aback by his strong criticism of this draft report—that it contained no

memorable theme about the Coast Guard's role in maritime security,

that the force planning process was in a death spiral with no

identifiable process, that it focused upon past performance and past

missions and not future demands and future missions, and national

defense missions were exceedingly poorly defined. His points were

correct.

This particular passage revealed how confident the participants internal to the

organization felt about voicing their opposition to some of the options being

discussed. The passage also suggested a high degree of confidence by the participant that the criticisms would not be held against him. Thus, there was significant commitment, loyalty and trust perceived by the executives who participated in this strategic decision-making process.

Participants involved in decision event three (Vessel Documentation Consolidation) acknowledged that: "Personal relationships were very strong… That made us keep New Orleans open." Such strong relationships in this process actually hindered the final outcome because the organization was precluded from closing one of its regional offices, which was a stated objective of the Vessel Documentation Consolidation initiative. On balance, however, the organization was able to close every other documentation office and eventually closed the New Orleans office when customers realized that they were getting much better service under the streamlined and consolidated approach.

The data regarding decision events two (Station Realignment) and four (Civilian Personnel Realignment) revealed different perspectives on the issue of how relationships affected the inclusion of people and groups in the strategic decision-making process. One participant involved in decision event two made the following observation:

> The relationship between headquarters and the field units deteriorated as we reached the decision point. Especially, among those units that were going to lose positions. You just can't make people happy when you take something away. I think we tried to bend over backwards to make them happy but it did not work.

Another participant, who was external to the Coast Guard's decision-making process, in this same decision event noted that:

I don't think any initiative with substance doesn't have someone who doesn't try and influence the outcome….Generally, my observation is that we react instinctively in defensive behaviors. Eventually, most of us come around to rational decisions slowly, and sometimes painfully.

Similar themes emerged in the data provided by participants of decision event four (Civilian Personnel Realignment). Because there seemed to be less trust in the relationships, participants were less likely to recall much commitment, cooperation, or loyalty in the strategic decision-making process. As indicated earlier, one executive noted:

[Executive] told me that he was not going to hold me to any hard numbers. Therefore, I gave him some costs savings based on no hard analysis. The estimate that I gave him based on some general numbers … were not even close to accurate. What was really upsetting to me was that I found out that [executive] used those numbers as hard numbers. Those numbers found their way into the Coast Guard budget in terms of savings. We started off behind the power curve in that we were forced to drive towards a number. …There was another dimension to this thing that made it extremely difficult. That was the office of personnel leadership at the time… Our relationship got so bad that anything I suggested, he automatically seemed to dismiss. That certainly didn't help.

Another participant I interviewed had a very interesting comment regarding the organization's leadership and the strategic decision-making process. In an earlier conversation between the participant and a flag officer, the participant relayed this exchange:

I remember asking him a question, like: "Did you use flag conferences to discuss these major change efforts?" The officer cut me off and said: "Wait a minute, commander, I never felt like I was part of senior leadership. I always felt like we were simply going through the motions at these meetings." I think his perceptions were that the real decisions were being made following the flag conferences, when the three-star and higher admirals met during SAG [strategic advisory group] meetings. I found this fascinating. Here I thought, a flag officer was part of the senior leadership of our organization and you guys vote on these various options that had strategic implications for the organization and you do not even feel like you're part of senior leadership.

Thus, what appeared to emerge from the data was the notion that relationships characterized as having stronger cooperation, commitment, loyalty, and trust resulted in being included and consulted and, consequently, yielded a more effective strategic decision-making process. One participant made the following observation in reference to comparing decision events two (Station Realignment) and three (Vessel Documentation Consolidation): "Personal relationships were very strong in some of

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these areas… There was really no difference in the merits of each case. So, we lost

that battle with the small boat stations."

Research question 5: Do certain relationship attributes such as trust, familiarity,

power and control, influence which people and/or groups are included in strategic

decisions?

The fifth research question sought to determine if certain attributes, as defined

by the participants, contributed to the perceived effectiveness of the strategic

decision-making process by including or excluding various individuals or groups.

The participants identified the attributes of trust, familiarity, commitment, loyalty,

cooperation, transparency, persistence, and power as most relevant in their respective

decision events. Relationship attributes were generally characterized remarkably

differently among the four strategic decision-making events. However, there

emerged a consistent pattern in two of the decision events considered to be more

effective in contrast to the two decision events that were considered less effective

(Tables 4.5 and 4.6).

Table 4.5

Perceived Strength of Relationship Attributes

Decision Event:	1	2	3	4

Perceived Relationship Attributes

	1	2	3	4
Trust	H	L	H	L
Familiarity	H	L	H	L
Commitment	H	L	H	L
Loyalty	H	L	H	L
Cooperation	H	L	H	L
Transparency	H	L	H	L
Persistence	H	L	H	L

H = High   L = Low

Table 4.6

Perceived Power Dispersion

Decision Event:	1	2	3	4

Perceived Relationship Attributes

	1	2	3	4
Power	D	C	D	C

D = Dispersed   C = Concentrated

In decision event one (Deepwater), a participant observed:

The relationship between [Coast Guard] Headquarters and [Coast

Guard] Atlantic Area was very, very contentious.… I remember

having arguments with [executive], because he felt we should be

consulting with futurists; we should be doing a lot of different things,

and he was right, but we didn't have the budget or people. … That

said, they kept pushing us to do some other things they wanted and in

the end, it made the project better.

The interesting point about this comment is that, in spite of a "contentious"

relationship, the participants believed that the strategic decision-making process

possessed a higher degree of cooperation and trust. This represented a classic

example of what Garvino and Roberto (2001) described as the first "C" of the three

critical "C's" of decision-making—conflict, consideration, and closure. Through the

focus on cognitive conflict rather than affective conflict, the participants were able to

improve the decision-making process, or at least enhance its health. Although there

was significant and critical feedback, individuals and groups were not excluded from

the process.

Another participant who was external to the Coast Guard during decision

event one (Deepwater) and familiar with the relationship between the top two

executives in the Coast Guard and the Navy said they "could not have been closer on

this issue." A senior executive involved with decision event one, remarking on his

initial, but early "rocky" relationship with a fellow executive indicated that:

[Executive] and I had it out one time very early in my tenure here. We

closed the door, aired our differences and committed to working

together when the door opened again. Following the meeting, we

developed a terrific working relationship. In fact, at times, we found

ourselves shifting roles between the acquisition and sponsor.

This narrative served as another example of the participants' focus on cognitive conflict, which provides for healthier decision-making processes.

Another executive, who participated in the first decision event (Deepwater), identified "persistence" as one of the most important attributes of his relationships with key stakeholders. In addressing the attribute of transparency, an executive who was outside the organization from one of the Coast Guard's stakeholder groups and who was involved with decision event three (Vessel Documentation Consolidation), remarked:

> Yes, a small group of us that attended felt that it was a very open meeting, and we had opportunity to comment. In fact, after the meeting, we went out to dinner with [executive], where we had a further opportunity to discuss the initiative. Actually, as I continued to talk to him, I still had my doubts. I could not imagine how this was going to work. By the end of the conversation we began talking about documentation services and setting up a professional organization of professionals like myself. [Executive] was very encouraging about this initiative. We also had a mutual friend who was an attorney with us at dinner and we all came out of that thinking this was the right time to develop a professional organization or association.

Another executive who participated in decision event three (Vessel Documentation Consolidation) underscored the importance of familiarity with stakeholders as well as the issues:

I think we knew our stakeholders well enough and my experience as a

field person helped me assess the problem areas. I had been one of the

most vocal opponents of consolidation back in 1983. I routinely

consulted with local congressional staffers during that effort. So,

because of my experience, I knew not only where the opposition

would come but what it would look like.

Thus, what emerged from the participants' observations of decision events

one (Deepwater) and three (Vessel Documentation Consolidation) indicated relatively

strong perceptions of familiarity, trust, persistence, commitment, loyalty, and sense of

shared power. The concept of power appeared to be more defined by the participants

in decision events one and three as having their contributions considered rather than

the traditional perspective of power as a control mechanism. These findings were in

contrast to the perceptions of the participants from decision events two (Station

Realignment) and four (Civilian Personnel Realignment). For example, when asked

about the perceived power distribution, a participant who was external to the strategic

decision-making process and involved in decision event two noted that "the people in

the programs staff" held most of the power in the strategic decision-making process.

Without these people supporting the organizational initiative, the process possessed

little chance of success. There was a clear attempt by those who participated in

decision event two to control the information flow and outcome of the decision.

In addition, participants of decision event two (Station Realignment) noted:

At the [Coast Guard] district level it [the relationship] was

accommodating and supportive; however, at the [Coast Guard] unit

level it was not. It is hard for people at the local level to see what our

[Headquarters] perspective is. At times, there were numerous

questions from the field about our data; however, we resolved them,

when they came in. They did not always agree with it, but they

understood it. [So, in your view, the more transparency you provided

to the process, the less conflict you experienced?] Yes. In hindsight, I

don't think we went out with information early enough and far enough

down the organization.

With regard to familiarity, participants interpreted the question as referencing

both familiarity with stakeholders and issues. For example, an executive who was

involved in decision event four (Civilian Personnel Realignment) noted that

"[executive] and subsequent commanding officers found themselves spending an

inordinate amount of time in civilian personnel matters for which they had no

experience or training. This really became a drain for the commanding officers."

One participant from decision event four (Civilian Personnel Realignment)

relayed a vivid example that demonstrated the lack of trust in this particular decision-

making process.

I recall being summoned to a meeting with the Chief of Staff and there

was a small group assembled. The Chief of Staff said: "I am

concerned about what the streamlining team is doing. I am the Chief

of Staff and they work for me, and I'm not fully aware of what they are

doing so I want you collectively to review their work and provide

recommendations and thoughts on the streamlining team's

recommendations." I thought holy smokes! This is kind of odd. At that point, we began to go over to the streamlining team and have them brief us on what they were doing. That was not a comfortable situation. These folks felt like they had done a lot of work, and who the heck now was this group of five or six people who were reviewing their work.

Participants in the four decision events seemed to perceive the relationship attributes quite differently as they recounted their experiences. However, it was apparent that the two decision events, which were believed to be more effective (one (Deepwater) and three (Vessel Documentation Consolidation)), shared one set of common qualities and the two decision events, which were believed to be less effective (two (Station Realignment) and four (Civilian Personnel Realignment)), shared different qualities. The more effective decision events seemed to possess higher degrees of trust, familiarity, commitment, loyalty, cooperation, transparency, persistence, and dispersed power.

Research question 6: Why do executives in organizations that are in the midst of strategic decisions that affect multiple groups believe that collective action occurs?

The next research question was designed to establish why the executives believed collective action resulted in each of their decision events and whether there appeared to be any pattern among the decision events. I established the characterization of strong/weak, or win/lose based on interpretive analyses of the participants' responses. For example, a participant from decision event one (Deepwater) observed that "when the Coast Guard gets new money, someone else in

the government bureaucracy loses it. Thus, education loses money or some other

social program," which I interpreted to represent a win/lose approach to decision-

making.

In general, there appeared to be similar patterns associated with

communications, transparency, empathy, politics, and honesty among the four

decision events (Table 4.7). Decision events one and three appeared to reflect a

stronger approach to communications, transparency, and empathy, while decision

events two and four appeared to be perceived as having stronger associations with

politics and weaker associations with honesty.

Table 4.7

Strength of Collection Action Attributes

Decision Event	1	2	3	4
Collective Action Attributes				
Win(W)/Lose(L) Approach	W	S	W	S
Communications	S	W	S	W
Transparency	S	W	S	W
Empathy	W	W	S	W
Emotion	W	S	S	S
Politics	W	S	W	S
Honesty	S	W	S	W

S = Strong   W = Weak

For example, a participant associated with decision event two (Station Realignment), when asked about why collective action occurred during the process, noted:

> Leadership and better communication [was the problem]. Simple as
> that. First and foremost, we have to tell the people affected what we
> plan to do, why we plan to do it, and give then our expectations on
> how they can help us achieve that goal. We did a poor job of that
> internally and externally.

The executive concluded that had there been more proactive communication, there likely would have been less collective action surrounding this particular decision event.

In contrast to the poor communication associated with decision event two, a participant from decision event three (Vessel Documentation Consolidation) indicated that:

> We told folks in the field that we planned to do this but we couldn't
> give them any details or confirmation until the Commandant had made
> a decision. I promised my employees that I would never lie to them. I
> told them that there might be things I could not discuss. I told them
> that I might not be able to tell them yet; however, I promised them that
> I would never lie to them. We kept them informed throughout the
> entire process as soon as we knew when the dates were set. One of the
> things that I was determined to avoid was how we conducted the
> consolidation back in 1983. They were done very badly in 1983.

Although there had been rumors for a long time, we learned third hand

through the news. The newspaper called the unit and wanted to know

what my reaction was to the fact that my office was going to be closed.

It had been released to the news media on a Thursday. I tried to call

Washington, DC, on Friday morning, which is when I learned of the

decision; however, they were on a four-day workweek and I had to

wait until the following Monday before I could speak with someone.

So I had to sit through the weekend wondering whether the news was

accurate. It was just a terrible way to do business. Every effort was

made here to keep the employees informed.

This passage demonstrated remarkable clarity and purpose by the executive to

ensure that communication was strong, clear, and honest during the decision-making

process. His experience with a prior similar decision resulted in his commitment to

avoid mistakes of the past.

Regarding the issue of empathy, a participant of decision event three (Vessel

Documentation Consolidation), who was an external stakeholder to the organization,

remarked:

Those people worked very, very hard getting this thing off the ground.

[And, how did you know they worked very hard?] Because I was told,

and in personal conversations with them. Our association also had a

meeting at the National Vessel Documentation Center soon after this

initiative was completed. We had opportunity to talk to them, while

we were there. We got to go into the center and listen to their

experiences. They showed us different areas of the center. Looking at

the piles and piles of boxes that they still had to go through, gave us a

sense of what they had already accomplished and what they had yet to

do. The amount of work they have to do is incomprehensible.

These observations were rich with detail and helped an external stakeholder to

the strategic decision making process who had a vested interest in the outcome more

fully understand the nature of the challenges that had to be addressed at the end of the

decision. Empathy appeared to be an important factor in reducing resistance to the

initiative.

And, another participant who was external to the Coast Guard and familiar

with the politics of decision events two (Station Realignment) and three (Vessel

Documentation Consolidation) noted:

There was very little difference between this [decision event three] and

the small boat station effort [decision event two]. You're taking away

something from the local-area. The issue becomes what's the cost.

This is something that the Coast Guard might slowly be starting to

learn. Just because you have a great idea, and it's the right thing to do,

and you're going to save a lot of money and you're going to be more

efficient and have better service, it doesn't mean it's going to pass

muster. The right arguments were made in both initiatives. One made

it and one didn't. It all came down to how strong are the politics of it.

Although the participant suggested that politics was a determining factor, empathy

also appeared to play a significant role. In decision event two, there was no attempt

to establish empathic stakeholders by including them in the decision-making process. On the other hand, participants of decision event three made a concerted effort to generate empathy and then solicit stakeholder input on how to resolve the challenges that the strategic decision-making event was designed to address.

Interviews with the participants revealed similar patterns associated with communication, transparency, empathy, politics, and honesty among the four decision events. There appeared to be fewer issues associated with collective action in decision events one (Deepwater) and three (Vessel Documentation Consolidation). Arguably, the participants' approach to these events to the decision-making process demonstrated a stronger commitment to communication, transparency, and empathy. Participants associated wih decision events two (Station Realignment) and four (Civilian Personnel Realignment) relayed stronger associations with the politics of decision-making and weaker associations with honesty.

Research question 6a: How do executives become aware of collective action during important organizational decision processes?

In examining the data collected for consideration of how executives became aware of collective action during strategic decision-making processes, there did not appear to be any consistent themes or similar patterns among the four decision events that helped executives become aware of collective action during strategic decision-making.

No particular organizational function was identified by any of the participants as having the responsibility to monitor the environment for collective action, or the potential for collective action. However, there was more general awareness by the

participants among decision events one (Deepwater) and three (Vessel

Documentation Consolidation) regarding how the organization's stakeholders

perceived the issues associated with the decision event. Arguably, the decision

processes for these two events were much more transparent and there appeared to be

greater inclusion of stakeholders in the decision. Therefore, one could conclude that

the participants in these two events were monitoring the environment and bringing

this information into the organization's decision process so that other participants

would be aware of the issues.

Participants of decision events two (Station Realignment) and four (Civilian

Personnel Realignment) indicated that awareness about the potential for collective

action was much more constrained because there was tighter control on the flow of

information and much stricter control on who participated in the strategic decision-

making process.

For example, when a participant involved in decision event two was asked

about consulting with external groups, he responded that "this was another big regret.

Most of the effort and energy was focused internally, because it had to be sold there

first before going outside." Another participant noted that:

> The people in the field figured out what was going on after all these
>
> requests for information. They put two and two together. They
>
> figured out what was going on and, guess what? They spun up the
>
> [Coast Guard] auxiliaries, who mentioned it to their congressmen. All
>
> of a sudden, they started asking questions. In my view, it was pay now
>
> or pay later… After the third or fourth data call, we began to get more

resistance. I will never forget having a conversation with a [Coast

Guard] district office and saying, "You have to get a handle on

lieutenant so-and-so and remind him who he works for—that is the

Commandant. The Commandant wants to do this and you boys best

get on the right side of the fence."

Another participant involved with decision event four revealed:

The [executive] and civilian personnel leadership tried to keep our

workforce informed. However, that was a problematic area. The

[executive] had a total freeze on information going out to our

workforce. I don't believe that worked very well. [Executive] was

concerned about plans being disclosed that were not going to be

implemented. As a result, I don't believe as much information went

out to our workforce as should have gone out to them.

Another participant of decision event four observed: "I do not think we did a

good enough job of reaching out to those people who were still in the organization."

Although there was no organizational function responsible for making

executives of strategic decision-making processes aware of collective action during

the four decision events, participants of decision events one (Deepwater) and three

(Vessel Documentation Consolidation) appeared to have a better understanding of

their environment with respect to collective action. This was likely the result of the

fact that participants said they thought there was greater transparency and

communication with stakeholders during the decision-making process. The

restrictive communication approach experienced by executives of decision events two

(Station Realignment) and four (Civilian Personnel Realignment) resulted in undermining the organization's ability to better monitor the environment and consider the desires of the various stakeholders who had interests in the outcome of the decision.

Research question 6b: How does group size affect their strategic decision-making?

The next research question was designed to understand the effect of size of a coalition group on the strategic decision-making process. It became clear through the interviews, however, that few participants recalled specific information regarding the sizes of the various groups with whom they interacted during the decision event. This proved problematic in the data collection process. However, several other dimensions other than size did emerge as influential for the participants I interviewed.

The executives from the four decision events were unable to recall whether group size had any effect on their strategic decision-making. However, several participants recalled other key variables that appeared to contribute to the degree of activism that was experienced during the decision events. For example, a participant involved with decision event two (Station Realignment) recalled:

The key variables were community emotion [and] degree of activism. Some communities were more rational; others were more emotional. A lot of it had to do with the elected officials involved. A lot of it had to do with how local Coast Guard people were interacting with the community. And, there were instances where the local Coast Guard was not aligned with what we were trying to accomplish [at Headquarters]. In other words, local Coast Guard people in some

communities were inciting to riot rather than towing the company line. Station [name] was probably the worst outreach effort. This unit was running less than 100 hours of total search and rescue on an annual basis. The issue there was that the local Coast Guard people were so integrated into the community. They were EMS [emergency medical services]; they were the volunteer firefighters; they were paychecks in a small community, where the small number of Coast Guard people made a huge difference in the community. There were clearly some expectation management issues there.

Another participant involved in the same decision event observed:

As I recollect, there were snipers, who were disbursed all over the place. Nothing appeared to be organized. And, we were able to deal with the snipers as they cropped up. The organized groups were the elected representatives. It did not appear to me that they even had to organize.

Regrettably, I was unable to establish any useful patterns or themes regarding group size that might be of value to advancing our understanding of how group size influences the strategic decision-making of executives. The literature informs us that larger groups have a more difficult time motivating their members. However, how this influences decision-making remains unanswered. The other dimensions that addressed emotion and activism by participants were isolated to data collected about decision event two (Station Realignment).

Research question 7: How do executives assess which issues might generate coalitional activity and what are the implications for public relations theory and practice?

The seventh research question was aimed at seeking to understand how executives monitored the environment—especially regarding those issues that might incite coalitional activity. For public relations, this is arguably an important role that is played in organizations. Environmental scanning serves to warn organizations what is coming at them so they can be prepared to respond.

This question sought to determine how executives in each of the four strategic decision events monitored their environment. Specifically, I wanted to understand how they assessed which issues might have the capacity to generate coalitional activity and whether there was any specific organizational function responsible for monitoring and analyzing the environment.

Executives conducted numerous activities that could be classified as environmental scanning; however, there was little rhyme or reason to their methodology. The environmental scanning generally occurred during benchmarking activities, or when information was acquired by some organizational function that raised the issue as a potential problem. For example, an executive associated with decision event one (Deepwater) noted: "We went out to a lot of organizations, primarily to conduct research about how the process should run. We did not do much priming of the pump." Thus, at least for this decision event, the executive did not believe there was much engagement with stakeholders prior to the strategic decision-making process other than to conduct a comparative analysis.

Another executive associated with decision event two (Station Realignemnt) appeared to be very concerned with the political dynamics of the strategic decision-making process: "I think leadership's take given the political environment was that we had to find the least politically charged way to fix the problem." And, a different participant observed:

Other than the localities where we were going to take people away, the majority of people were against it. Surprisingly, a couple of congressmen who were having stations closed in their District were for the effort. Outside of that there weren't many others who supported our efforts.

An executive associated with decision event three (Vessel Documentation Consolidation) acknowledged a constraint, which precluded federal agencies from conducting outreach until "the president's budget is announced. For me, I had to identify which politicians we needed to get on our side."

An executive involved in decision event four (Civilian Personnel Realignment) raised an interesting but unrelated point regarding those who participated in these types of decision processes. He stated:

People who often participate in these types of things feel entitled, because of the enormous amount of work. Although most people may agree to do these types of projects without expecting anything in return, there must be a little what's in it for me in the back of their minds.

His observation revealed that people who participate in decision-making processes often feel they are owed something for their efforts. The motivation for people or groups to participate can become clouded by individual or group desires that may not be aligned with the actual goal of the strategic-making effort.

And, another participant involved in this strategic decision-making process noted:

> If time and resources were not an issue, I would have advocated
>
> getting our customers involved. The Commands [Coast Guard units]
>
> obviously wanted to retain their civilian personnel functions. My own
>
> personal view is that if you want to improve customer support, you
>
> need to be close to the customer. We did just the opposite.

Although there were numerous activities that appeared to be consistent with environmental scanning techniques used by public relations practitioners, no clear pattern emerged among or between the four decision events. However, there did seem to be recognition by the participants that this was an important organizational activity even though no specific function appeared to be primarily responsible for monitoring the environment and evaluating whether organizational actions might generate coalitional activity.

Research question 8: Does coalitional activity or the potential for coalitional activity alter the way executives make strategic decisions?

The eighth research question was designed to determine whether actual or potential coalitional activity influenced how executives made decisions. For example, in decision event two (Station Realignment), there was resistance by local

communities to closing Coast Guard units. How did this affect the behavior of the decision process for those executives involved?

There did appear to be some distinct differences, which resulted in similar communication patterns between executives who were involved in decision events one (Deepwater) and three (Vessel Documentation Consolidation), and executives who participated in decision events two (Station Realignment) and four (Civilian Personnel Realignment).

For instance, participants in decision events one and three tended to describe the process as far more open and transparent, while participants of decision events two and four acknowledged concerted efforts by executives to conceal information until it was absolutely necessary to share. Even though the organization assumed there might be resistance from a key stakeholder group—namely the Department of Defense (DoD)—participants still engaged key personnel in DoD because, as one executive said, "we also knew that we needed DoD on the sidelines." This reflected an overt attempt to influence the behavior of a key stakeholder group by sharing information. Participants of decision events one and three were much more likely to engage all of the affected stakeholders associated with the decision event before the final decisions were made. For example, a participant involved in decision event three said: "We held over our public meeting for a second session to allow people to vent." Again, this was a clear example of the participants seeking to better understand the concerns of their stakeholders. Even an executive involved the decision event two (Station Realignment) acknowledged:

You have to be proactive. If you want to close a small boat unit, the only way I have found that works is the way that I did it in [location]. Before we did anything, we went out and greased the skids. We spoke with the local congressmen. We briefed town councils. We got their buy-in. I am not naïve as to think that we would have been successful across-the-board; however, we were unable to even close one.

On the other hand, participants of decision events two (Station Realignment) and four (Civilian Personnel Realignment) consistently observed that there was concern by the organization that releasing information too soon would significantly inhibit the decision-making process, thereby constraining the organization from deciding and acting as it desired.

Clear communication patterns emerged that suggested executives associated with decision events one (Deepwater) and three (Vessel Documentation Consolidation) understood the value of considering the concerns of stakeholders. Unfortunately, in hindsight, I do not believe the respondents' answers yielded much insight in answering the question. This is more likely a problem with how the question was stated. For example, a decision that may affect no one other than the person making the decision would not require information from external sources. However, an executive who must make a strategic decision that affects large numbers of stakeholders may or may not consider their concerns. The challenge is in acquiring data that illuminates a psychological process on an individual level. I do not believe I was able to adequately draw any conclusions from the responses provided by the participants.

Research question 9: Which organizational elements, if any, are responsible for establishing relationships with external groups during strategic decisions?

Research question nine was intended to establish whether a particular organizational function in the Coast Guard was perceived to be in charge of, or responsible for, establishing relationships with external groups prior to or during strategic decision-making initiatives where the groups had an interest in the outcome.

This question presumed that external stakeholders were identified prior to the decision-making process by the organization; therefore, where there was little or no outreach during the strategic decision-making process, participants were unable to identify specific examples where an organizational element engaged stakeholders.

In general, participants of all of the decision events observed that the unit responsible for the decision outcome was also responsible for identifying and engaging, where appropriate, various stakeholders. There were remarkable differences in how the participants engaged stakeholders, which appeared to be related to the knowledge or understanding of both decision-making processes and communication processes.

For example, participants of decision events one (Deepwater) and three (Vessel Documentation Consolidation) noted that they had to both identify and reach out to all stakeholders who had an interest in the outcome. More importantly, these executives understood the importance of developing communication programs and conducting outreach activities that effectively informed stakeholders of the issues in the decision but also gathered information and feedback from the stakeholders, which was then considered in the decision-making process. A participant of decision event

two (Station Realignment) understood the importance of establishing relationships and effectively communicating with stakeholders but, in hindsight, he acknowledged that they had failed to incorporate these important attributes during the original process in which he was involved. According to the participant:

I certainly would have involved people at the unit level. I would have provided a better way to provide comprehensive data to everyone. If we had given everyone all the data then they could have compared it. [What were their biggest objections?] They did not agree with some of our logic regarding coverage of areas. We didn't communicate very well.

Another participant of this same decision event (two) noted that although there was "a community outreach plan conducted," it was performed after the decision had already been made by the organization. This resulted in legislation that today "requires us to conduct outreach efforts in any future station closing initiatives." Interestingly, the same participant noted: "We did have members of the local communities protesting against our actions." When asked whether the organization ever sought to identify and engage leaders of the resistance, he responded: "No, because this simply wasn't a very big issue." This observation demonstrated a clear lack of awareness and understanding of the emotion and perceived importance by affected stakeholders in the outcome of the decision event. In hindsight, he indicated that he would have taken it much more seriously.

Although there was no specific Coast Guard organizational function identified as responsible for establishing relationships with external groups prior to or during

strategic decision-making events, participants clearly articulated the need for such a role. For decision events one (Deepwater) and three (Vessel Documentation Consolidation), executives appeared to possess a better understanding of both communication processes and decision-making. For example, they developed strategic communication plans that identified key stakeholders and appropriate engagement activities. During the decision-making process itself, these executives sought to reduce affective conflict while attending to cognitive conflict. Even executives of decision event two (Station Realignment) acknowledged the importance of establishing pre-need relationships. The key proposition that arises out of this data is that organizations whose public relations professional understands these concepts and builds them into the key strategic decision-making processes make better decisions.

Research question 10: Are relationships with external groups established prior to the determination of a strategic decision-making process and how does this affect the strategic decision-making process?

The preceding research question was designed to determine whether the organizational function of public relations served as the lead in establishing relationships with key stakeholders prior to the start of a strategic decision-making process. Reasearch question ten focused on the proactive nature of the decision-making process by seeking to better understand whether stakeholders were engaged by the Coast Guard prior to the start of the decision-making process.

There were clear differences among the four decision events with regard to this issue. Participants of decision events one (Deepwater) and three (Vessel

Documentation Consolidation) were able to recall examples where stakeholder relationships were established prior to the decision-making process. On the other hand, participants of decision events two (Station Realignment) and four (Civilian Personnel Realignment) were unable to provide examples that would indicate relationships had been established prior to the decision-making process.

A participant of decision event one (Deepwater) remembered reaching out to the Navy and actually establishing an agreement that articulated where the organization's initiative would be viewed as complimentary. [When large acquisitions, such as ships, are made by the Federal government, agencies and departments that have similar equipment often view the acquisitions as threats to their budgets. This is especially true between the U.S. Navy and the U.S. Coast Guard.] This agreement was called the "National Fleet Concept," which essentially stated that the United States should develop and fund only one fleet of naval vessels. In addition, the organization reached out to the Office of Management and Budget (OMB) and the Department of Transportation (DOT) in an effort to bring their concerns into the decision-making process. In the early phase of decision event one, the Commandant of the Coast Guard enjoyed a very strong relationship with the Chief of Naval Operations. According to an executive who was serving with the Navy and external to the Coast Guard but familiar with this relationship, he characterized it as "very close." This is a very important point because it underscored the fact that the Commandant understood the value of reaching out early and establishing solid working relationships with key stakeholders. Although an argument could be made that the relationship between the Coast Guard and the Navy

had always been close, it grew significantly closer under this particular Commandant during a time when the organization really needed the Navy to support a key strategic decision.

Participants of decision event three (Vessel Documentation Consolidation) were very aggressive in engaging their stakeholders. The executives sought participation from internal and external stakeholders as well. As one participant noted earlier, a completely new association was established to help bring industry issues of concern to the organization for consideration.

In rather stark contrast, executives involved in decision events two (Station Realignment) and four (Civilian Personnel Realignment) remembered very little activity in establishing relationships prior to the decision-making process. Outreach efforts that were identified by the participants revealed that they occurred during the implementation phase following the actual decision. The following observation was representative of what executives associated with decision two recalled:

> Yes, we did a lot of flying around the country doing public meetings
> with communities. Of course this was already after they were pissed
> off. So, we did it after the fact instead of before the fact. The public
> meetings were damage control. And, they were very contentious.
> [And your assertion is that had we engaged the communities before,
> rather than after it would've had a higher probability of success?] It is
> easier to sell than it is to defend.

Although this participant did not engage stakeholders prior to the process, he acknowledged this was a critical error that resulted in undermining the outcome of the effort.

The executives, who participated in decision events one (Deepwater) and three (Vessel Documentation Consolidation), established pre-need relationships with stakeholders who had a vested interest in the outcome of the decision event. More importantly, the participants conducted numerous outreach efforts to understand what was important to the affected groups and sought to address those issues through the process as examplified by the National Fleet Concept policy agreement signed by the Coast Guard and the Navy. In decision event three, the participants went so far as to help establish an association that would serve an advocacy role for the various stakeholders. On the other hand, participants of decision events two and four avoided establishing relationships until the decision had already been determined and then sought to establish buy-in from the various stakeholders. Ultimately, stakeholders of decision events two and four were unwilling to support the organizational initiative because of the perceived lack of consultation and consideration by the organization.

The final group of research questions sought to better understand what role the public relations professionals served in the strategic decision-making process. To a large degree, the responses to these questions had to be framed in normative terms because public relations, or public affairs as it is recognized in the Coast Guard, appeared to serve marginal roles in the four decision events.

Research question 11: What role(s) do public relations professionals serve in the strategic decision-making process?

The role of public relations professionals in these four decision events appeared to be a function of how the organization viewed public affairs. The reality is that public relations as an organizational function served little or no significant role in these four strategic decision events. Therefore, I had to examine more deeply whether communication activities were conducted by the participants themselves. In short, none of the participants perceived the contribution of public relations as particularly important; however, when I examined the communication activities that were conducted in each of the events, there were common patterns that which emerged between decision events one and three and between decision events two and four that informed this research.

Most of participants acknowledged that public affairs was not part of the strategic decision-making process. In one instance, a participant in decision event one (Deepwater) noted that: "I don't think we had good representation from the front office [Commandant], or the public affairs staff." Another executive from decision event two observed: "…there was no one from public affairs as part of the study team." And, another executive who was involved with decision event four noted: "I do not recall much involvement by the public affairs people…" A participant from decision event four suggested:

> Public affairs might have been involved in some of the
> implementation. The organization was more concerned about
> congressional affairs than they were public affairs. For example, they
> commissioned a flag level study team to analyze the political
> landscape. The study team took care of all marketing and

communication material. I guess public affairs should have been

involved.

There was significant consistency among all of the participants in their

responses to their recollection of any public relations professionals being involved in

the decision-making process. Those few participants who did recall the involvement

of public relations professionals generally said the involvement was limited to the

implementation phase of the decision-making process.

However, when I questioned the participants regarding the communication

activities that were conducted during their respective strategic decision-making

process, some interesting patterns emerged between decision events one (Deepwater)

and three (Vessel Documentation Consolidation) about activities that many public

relations professionals perform as part of their responsibilities for clients. For

example, participants of both of these decision events identified communication

efforts to reach out to various stakeholders who had a vested interest in the outcomes.

They engaged the stakeholders in open and honest discussion and thoughtfully

considered the concerns and contributions provided by the groups. For example,

participants of decision event one (Deepwater) made specific attempts to speak with

members of the U.S. Navy, the Department of Transportation, and the Office of

Management and Budget—prior to making any decisions. Executives interviewed for

decision event three (Vessel Documentation Consolidation) recalled extraordinary

efforts to gather and consider the many fears expressed by stakeholders who were

concerned about the organization's efforts to consolidate vessel documentation

offices. They conducted numerous public meetings to record the concerns of their

affected publics. One participant commented that: "There seemed like thousands of people who were involved in making it happen."

Thus, what can be interpreted from the participants' responses to this question is more a reflection of how they viewed public relations as part of the strategic decision-making process for the organization. In short, they thought little of the function. On the other hand, when participants of decision events one and three were asked about the various communication activities that they conducted that, in hindsight, they attributed to the success of their efforts; they appeared to have an intuitive sense of what they needed to do: monitor the environment, proactively engage and establish relationships with key stakeholders, give voice to the affected stakeholders in the decision process, and frame strategic issues that are important for the organization as well as stakeholders.

Research question 11a: How do senior executives perceive the role(s) of public relations professionals?

Most participants interviewed had neutral answers to the question that sought to better understand what role public relations professionals played in each of the decision events. However, the participants discussed various activities that helped me interpret how they perceived the role of communications in the strategic decision-making process. From this perspective, I could then draw parallels to public relations roles, which have been established in the literature. In particular, most participants shared observations that allowed me to classify their perspectives of communication's role in the decision event similar to the typology established by White and Dozier (1992).

Participants of decision event one (Deepwater) perceived the role of public

affairs or communication managers as experts, consultants, or facilitators. None of

the participants viewed the communications staff as decision makers. For example,

one participant noted that [executive] had "the insight to recognize it was important to

raise the visibility, even if it was at the displeasure of some internal parts of the

organization, so that the program could get a fair hearing in the public." This

comment acknowledged the critical role public affairs people could serve to help

frame the problem, which I interpreted to mean that they served as experts "who

primarily supply input to the currently modeled problem structure" (White & Dozier,

1992, p. 104). Another participant from this same decision event observed that:

> In the beginning, there was a lot of education and salesmanship that
>
> was necessary. It was a new way of thinking. Trying to break that
>
> paradigm of how we bought ships required a great deal of education.
>
> We had to get others that were involved in this process to divest
>
> themselves of the old way of thinking that we would always use a
>
> certain product to deliver a certain service.

I interpreted this observation to suggest that the communications personnel served as

facilitators because the participant perceived the role as one that did not have a direct

decision-making role; however, communication was perceived to assist in facilitating

a paradigm shift.

Finally, some participants of decision event one perceived the role of public

affairs as consultants who simply advised on how to get information out to the

various stakeholders. For example, one participant commented:

We also initiated the annual panel presentation by Coast Guard

admirals at the U.S. Navy League's Sea-Air-Space Symposium,

beginning in June 1999. We had numerous professional articles

published in *Armed Forces Journal International*, *Sea Power*,

Comparative Strategy, *The National Journal*, *National Interest*, *EEZ*

Technology, *Defense News*, and the U.S. Naval Institute's

Proceedings.

These comments reflected a consultant perspective whose job it was to best represent

the problem.

Participants of decision event two (Station Realignment) generally believed

that the role of communicators was to serve as "proposers" who only had the "power

to make recommendations" (White & Dozier, 1992, p. 104). In an especially frank

disclosure, an executive indicated:

I have a very strong opinion why I think this effort failed. It is

because, while we were very well along in this process and had the

list, we developed the algorithm, we developed the unit change guide,

which was a mandate by GAO that required us the next time we were

going to close a unit that we had to follow. The process was

defensible. The Commandant said, thank you guys for all of your hard

work, and then turned to everyone in the room and said, "this

information stays in this room, if this information gets out I will have a

special wind sock [a wind direction detection device] in Kodiak

[Alaska] that I will assign you to watch and report back daily on which

way the wind was blowing" or words to that effect. What that meant

was do not do any congressional outreach, do not do any public affairs,

I will sell this when the time comes.

The participant clearly took exception to the direction from the Commandant

regarding how he believed he should be communicating with stakeholders. He felt

that "it would have been good to have a strategy meeting and have all the interested

stakeholders including public affairs included." However, this recommendation was

ignored.

In contrast, participants of decision event three (Vessel Documentation

Consolidation) viewed communication as central to their strategic decision-making

process. Following was atypical characterization of the process:

We held conference calls with all of our offices and employees and

included Coast Guard employees that worked in Martinsburg, and it

provided a forum to allow employees to talk to each other… So, we

had people who lived at the new location, who could speak to the

concerns of the people we were planning to move there. Once you've

been there yourself, you are a little more sensitive to some of these

issues… Those who did put roots down in the community were very

satisfied.

Participants of decision event four (Civilian Personnel Realignment) were

extremely ambivalent about the role of communication and could recall few details

about its contribution in the strategic decision-making process. For example, when

one participant was asked about the role of public affairs, he stated (again):

No, not to my knowledge. Public affairs might have been involved in

some of the implementation. The organization was more concerned

about congressional affairs, and they were public affairs. For example,

they commissioned a flag level study team to analyze the political

landscape. The study team took care of all marketing and

communication material. I guess public affairs should have been

involved.

Interestingly, another participant from decision event four, when pressed about what

she thought should have happened regarding communication, said:

My thought is that even if you don't like it or don't agree with it, you at

least knock down rumors and give people information. People will

still be anxious, but I think they will respect the fact that you are trying

to communicate with them.

Research question 11b: Is this perception shared with public relations professionals?

Because there was so little involvement by public relations professionals in

these four decision events, little data emerged that could help me understand whether

those in the public affairs community shared similar perceptions about the role of the

function in strategic decision-making processes. However, those public affairs

personnel who were aware of these decision events and were interviewed

acknowledged several key roles that public relations serves for organizations. For

example, they recognized that one of the biggest challenges was "to get those people

to understand that there was a crisis situation looming just around the corner" in the

case of the decision event one. Thus, there was an awareness role that public affairs

served. In addition, the same participant perceived a rhetorical "sales role," when he observed that "the challenge was to be able to sell it to the Department [of Transportation] in order to proceed down the acquisition process."

There also was recognition that public relations played a "strategic role," even though there were no public relations professionals assigned to the process. Another participant of the decision event one (Deepwater) observed they had "developed a strategic communications plan to inform policy-makers whose decisions affected the Coast Guard." Inherent in this statement is the understanding that there was critical research and environmental monitoring necessary to track the various issues and inform important policy-makers about actions and decisions that would affect issues relevant to the organization.

Active engagement with key stakeholders was another activity that a participant argued was an important part of the process. He observed:

> I would have engaged think tanks, like Rand Corporation and CNA [Center for Naval Analyses] to build us future scenarios in regard to future maritime challenges and threats. We needed to answer the question more fully, what does the nation want us or require us to do…I also would've built a very strong communications team for ourselves *and others (external supporters)* to communicate the need for Deepwater.

An executive who was involved in decision event three (Vessel Documentation Consolidation), although not a public affairs professional, noted:

… we published the notice in the Federal Register. We then held

public meetings. We held them at every location where there was a

vessel documentation office. We invited the affected public. We

explained what we wanted to do. And, we got their buy-in to some

extent. One of our biggest critics was from the Long Beach area. So, I

went to lunch with the attorney who was representing the various

interests. Out of lunch grew a professional network of people who

acted as intermediaries in the documentation process. Out of this

discussion grew the American Vessel Documentation Association.

This was the first industry group of its kind. They became quite

active. In fact, on May 3 of this year they're having their biennial

meeting at [the Vessel Document Office]. I carried my discussions on

to every subsequent location and was greeted with resounding support

for the initiative.

Even though this participant was not a public relations professional, he saw the need

to conduct various communication activities arguably within the domain of public

relations.

There appeared to be a much greater awareness of the need for

communication activities and involvement by the participants involved in decision

events one and three. This is important because both of these decision events

appeared to be more effective in the end.

Research question 11c: How does this affect the quality of strategic decision-

making?

For the four decision events analyzed, there appeared to be a consistent pattern that emerged between the two decision events considered more effective (one and three) and the two decision events considered less effective (two and four) (Table 4.8).

Table 4.8

Communication Activities in Relation to the Perceived Decision Quality

Decision Event	1	2	3	4
Perceived Quality of strategic decision-making				
More Transparent Communication Activities	X		X	
Fewer Transparent Communication Activities		X		X

There was consistency of responses among the participants when asked about how communication activities affected the quality of the strategic decision-making process. In general, the participants of the decision events in which communication activities were exercised more frequently and earlier in the process seemed to assess the outcome more favorably and as effective. These turned out to be decision events one (Deepwater) and three (Vessel Documentation Consolidation).

Even in decision events two (Station Realignment) and four (Civilian Personnel Realignment), which were assessed by the participants as less effective, the responses by the executives suggest that if they could do the process over again, they would pursue much more aggressive communication strategies. Their interest was

driven largely by a concern as expressed in the following comment by a participant of decision event two:

> There was some thought that it we released information too soon it would be shot down. And so it would never make it in the budget process. [So, you believe that was a strategy?] Yes, it was a strategy to manage the external release [of information] carefully. With any type of policy change that affects people, there will be people who will try and undermine it because they don't like this or that. In this case, we were trying to close some stations and some of our people did not like that. A few tried to undermine our efforts.

> Another participant from decision event two echoed his concern:

> I do not believe we had the [communication] plans enough ahead of time to explain the data. From the data analysis side, it just appeared as our plans weren't as well formed as they should've been for the subsequent rollout and marketing. Neither our business plan nor the marketing plan which would normally follow was well thought out. I do not believe it was laid out as well as it could have been.

> An executive who participated in decision event four (Civilian Personnel

Realignment) shared her desire to be more open with all of the stakeholders, which was in contrast to what actually occurred during the decision-making process: "In my opinion, employees should have information early and often even if decisions are not imminent or final. I told my folks what was going on every week."

An executive involved in decision event three (Vessel Documentation Consolidation), which was considered very effective by the participants, responded to a question regarding what would he have done differently a second time around by saying he would have "asked for more help…I would look for people to help me with the communications work."

CHAPTER V

Conclusions and Implications

The purpose of this study was to explore how senior executives in an organization made strategic decisions and determine what implications emerged for public relations theory and practice in that process. I examined four different strategic decision-making events by the U.S. Coast Guard to determine if there were common themes, patterns, or strategies that emerged during the deconstruction process as I interviewed senior executives and reviewed relevant documents pertaining to each of the four decision events. I suggested that by examining strategic decision-making processes, group behavior, and communication strategies, I could better understand how public relations might make important contributions to the strategic management of organizations. Further, I suggested that public relations professionals who understood how strategic decisions were made and could reduce the uncertainty of how relevant groups would respond to those decisions would contribute critical information to the strategic management of organizations and, consequently, enhance the field of public relations as an essential component of the strategic management process.

This chapter first presents the summary of the results followed by conclusions from major findings of the study. The findings are compared and contrasted with the research questions to determine the implications from this study for the theory and practice of public relations, and the strategic decision-making practice and theory of organizations. The chapter concludes with a discussion of recommendations for further research and limitations.

In general, some of the insights gained from this research reinforce existing theory for public relations and strategic decision-making. For example, decisions that are framed as part of larger, continuous processes and possess external drivers tend to get implemented. For public relations professionals, establishing pre-need relationships with stakeholders and enhancing certain attributes such as trust, familiarity, commitment, loyalty, cooperation, persistence, and dispersed power can help organizations be more effective. In addition, understanding historical precedent with collective action and environmental scanning can alert organizations to the potential for environmental factors that may be problems. And creating conditions that promote cognitive conflict and reduce affective conflict can improve strategic decision-making.

More importantly, however, there are some revelations that emerge from this analysis. This study revealed that there was no one in charge of the strategic decision-making process for these four decision events for the organization. Establishing rules, identifying participants, challenging assumptions, and developing norms and qualities can improve the process and foster better strategic decision-making for organizations and are fertile opportunities for public relations theory and practice. Public relations professionals who possess a theoretical understanding of decision theory and practice can facilitate better decision-making by organizations. In addition, there are "non-communication" executives who have an intuitive understanding of how to create the conditions for more effective strategic decision-making in organizations through effective communication. Public relations professionals should identify these individuals and leverage their intuitive

understanding of public relations to advocate the inclusion of certain attributes in strategic decision-making initiatives.

Summary of Results

For this study, there were a number of patterns and themes that emerged among the decision events that were deemed to have more effective outcomes because they were implemented. The following summarizes those patterns and themes to frame the discussion of how public relations can contribute to more effective strategic decision-making in organizations.

Participants who tended to view their respective decision-making as more continuous and connected to other important organizational goals found their efforts to be more effective. Although not clear from the data, executives who perceived the drivers of organizational change as external also found their efforts to be more effective. Arguably, this dimension may be related to their efforts in soliciting the concerns of stakeholders and including them in the decision-making process. Participants who described their efforts as having clear goals also reported more favorable decision-making results.

Transparency was an important quality of the more effective decision events. This led to a higher degree of perceived trust among the participants and stakeholders. In addition, decision events that engaged and included all stakeholders who had an interest in the outcome of the process appeared to produce more favorable results for the organization. In contrast, executives who described information sharing as constrained found more activism and lower perceived trust by participants and stakeholders. However, early public disclosure of organizational positions

undermined efforts to establish robust alternatives and resulted in stakeholders taking advocacy approaches to decision-making rather than inquiry approaches. Two additional important issues that were raised by the executives concerned assumptions and timing. Assumptions in two of the decision events contributed significantly to the failure of the organization to accomplish its strategic objectives. It is important to "know what you know" and more important to "know what you do not know." Timing may be critical because of a decision's relationship to other organizational objectives. One executive aptly stated: "You don't reorganize the firehouse in the middle of a fire."

Identification and engagement of all stakeholders who have vested interests in the outcome of strategic decision-making events is critical. Although this is not necessarily a new concept, there did not appear to be any particular organizational function responsible for this key requirement of a strategic decision-making process.

Relationships can facilitate, or inhibit, a strategic decision-making process, depending on how the relationships are established and nurtured. Establishing pre-need relationships with stakeholders appears to improve decision-making when their contributions are relevant and important to the outcome. Strong relationships can enhance cooperation, commitment, loyalty, and trust, which are critical attributes to improved decision-making.

Relationship attributes and patterns emerged that suggest that higher degrees of trust, familiarity, commitment, loyalty, cooperation, transparency, persistence, and dispersed power among stakeholders contribute to more effective decision-making. These qualities must be carefully developed well before a decision process

commences; otherwise, organizational attempts to establish relationships with stakeholders will be perceived as disingenuous and asymmetrical.

Executives who understand the environment and monitor issues that can generate coalitional activity serve an early warning function for organizations. The real challenge is whether the executives approach this activity cross-programmatically. Often, executives will be intimately familiar with hot button issues within their respective programs. However, because organizational decisions tend to be connected and continuous, executives with a limited worldview are subject to making decisions that have unintended consequences for the organization and can result in collective action.

Focusing on cognitive conflict while minimizing affective conflict can enhance decision-making. Reducing emotion can enhance effective decision-making. And, understanding whether stakeholders or communities have a history of activism can help organizations determine the likelihood of coalitional activity.

In order to motivate stakeholders to participate in decision-making processes, organizations must consider that the participants bring an expectation to the process that there is something in it for them. Alignment of organizational goals and stakeholder goals is critical to a constructive decision-making process. Collective activism, or the potential for collective activism and coalitional activity, should strengthen the requirement for communication activities between organizations and stakeholders.

Finally, consolidating the organizational responsibilities to identify and engage key stakeholders within a function designed to monitor the environment may

contribute to more effective decision-making. An organizational function that possesses cross-programmatic responsibilities led by an executive with a larger worldview is more likely to anticipate potential coalitional activity.

Conclusions from Major Findings

Strategic decision-making in organizations, when perceived by participants and stakeholders as part of larger organizational goals that are clear tends to be assessed as more effective by those who participate in the process. Strategic decision-making viewed as a continuous, iterative process results in an incremental approach, which allows managers opportunities to "build the seeds of understanding, identity, and commitment into the very processes that create their strategies" (Quinn, 1980, p. 144). This incremental approach to strategic decision-making at the meta-level helps organizations make better decisions.

For public relations professionals, this notion of a discrete versus continuous strategic decision-making approach is important for two reasons. First, public relations professionals can assess the likelihood of coalitional activity by knowing whether there is a history of group activity associated with a particular issue and assessing the level of understanding that relevant stakeholders possess regarding the issues involved in the decision. Second, by understanding whether the strategic decision-making process is considered discrete or continuous, communication managers can help redirect or frame the discussions in a broader context of other organizational efforts.

Communication managers should understand that externally-driven strategic decisions may have a higher chance for success because of the outside forces being

applied to an organization. On the other hand, internally motivated strategic decisions that require external support may be more difficult to achieve because of the significant investment of time and resources necessary to identify, include, and educate the various stakeholders who should be included in the strategic decision-making process. In this study, the externally-driven issues appeared to have been more successful than those that were generated by the organization. Forces applied from outside the organization by various stakeholders and customers involved in the process actually appeared to help facilitate a more effective decision.

The observation drawn from this study that externally-driven change appears more successful than internally-driven change offers both benefits and risks for organizations during strategic decision-making processes. For example, should an organization seek change that affects stakeholders, it could initiate and frame communication programs that raise awareness of the issue in such a manner that external groups demand change. The challenge that arises is the issue of power and control. The resulting change may not necessarily reflect the desires of the organization. The paradox of power is that the more that is shared, the more that appears to be gained. As L. Grunig, J. Grunig and D. Dozier (2002) have found in their research, for public relations professionals, this may be appropriately described as "empowerment" (p. 141). As organizations "empower" their stakeholders, the stakeholders perceive a vested interest in the outcome of organizational action and are willing to facilitate goal attainment or resolution of conflict.

Strategic decision-making processes that are perceived to be more transparent by stakeholders appear to stand a better chance of being implemented by

organizations. This places a burden on organizations to communicate frequently and openly with all affected groups about issues. Additionally, this observation supports L. Grunig's (1992a) proposition that suggests excellent organizations use two-way communication to inform and remain informed about external stakeholders' positions and activities. Executives who choose to withhold information from stakeholders during strategic decision-making initiatives risk undermining the entire process—especially if the information is leaked or is made public without first being shared with relevant stakeholders. Transparency builds trust and integrity for organizations—two very important factors in strategic decision-making processes.

Assumptions are part of every decision process; however, they should be made with due diligence and validation. In this study, unsubstantiated assumptions proved to be problematic and were made because the executives involved in the strategic decision-making process did not want to reveal information for fear of losing control of the decision-making process. Rather than communicating, they made assumptions about positions that, in the end, proved detrimental to the final decision. For example, recall that during the civilian personnel realignment initiative, technology was assumed to be able to take the place of supervisors walking down the hall and speaking with the civilian personnel staff about human resource issues. This was a flawed assumption about human behavior and preferences in the final analysis. Another example emerged when one of the executives commented that, in their efforts to close Coast Guard stations, they viewed the analysis as a "scientific" one rather than a "political" one. The consequence of this assumption was that politics undermined the decision. Had the "political" assumption been validated early on in

the process, there might have been a more effective decision outcome. This appeared to be a classic example of executives exerting disciplinary identities during the decision-making initiative.

Public relations professionals can facilitate better decision-making by challenging assumptions that can be verified through communications and research. Although this may present risk in a strategic decision-making process, the results from this study suggest there is greater risk in faulty assumptions than in communicating with all stakeholders about issues.

Organizations should be cautious about taking public positions early in strategic decision-making processes until relevant stakeholder concerns and contributions are considered. Expressing organizational positions without having at least considered the concerns of stakeholders potentially creates an adversarial relationship once a decision is reached. This study revealed instances where early engagement of stakeholders in strategic decision-making processes, even in cases where the stakeholders disagreed with the ultimate decision, proved to be a good communication strategy. It also reaffirmed Nutt's (2001) observation that organizations can improve decision-making by better managing not only the business case requirements for the decision but also the social and political forces that are inevitably part of every decision-making event. Although the stakeholders might have disagreed with the outcome, they at least believed they had an opportunity to participate in the process and did not actively undermine the results of the decision. For communication managers, the ability to motivate organizations' executives and stakeholders to commit to strategic decision-making processes that are perceived as

transparent and committed to inquiry and understanding rather than advocacy can facilitate more effective decision-making.

Time is an important element of strategic decision-making processes and should be considered in relation to other organizational initiatives that may be in progress. Change creates stress for organizations. Timing organizational change that results from strategic decisions can either facilitate implementation or undermine it. Time is also an important consideration for information sharing with stakeholders. Technology has made information ubiquitous. The ability to acquire information from publicly available sources, critical stakeholders, or disgruntled employees underscores the importance of sharing information with key stakeholders in a timely manner. For public relations professionals, this requires early engagement of stakeholders. Stakeholders who acquire their information from credible sources are less likely to seek information from other opinion leaders. In turn, this builds trust and integrity for the organization.

Strategic decision-making benefits when more stakeholders participate in the process. Therefore, public relations professionals should advocate that organizational decision processes include as many stakeholders as possible to mitigate the risk that a relevant group's interests will be excluded during deliberations. The two decision events in this study in which the organization sought to expand participation in the decision process rather than restrict participation were considered to have resulted in more effective outcomes.

The lesson for public relations is that early and comprehensive identification of stakeholders is only the initial step in helping organizations make better decisions.

The second and equally important part of the process is managing the decision-making process so that those who have a vested interest in the outcome have a say in the process. Public relations managers may find themselves at odds with other organizational elements as they give voice to affected stakeholders whose opinions may not be welcomed by the organization's leadership. However, by including the concerns and opinions of all stakeholders—those who have the means to engage organizations as well as those who may not have the means to express their concerns, the decision process will be perceived as more ethical and having attended to all stakeholders, and not just to a few special interests.

The importance of relationships to the practice of public relations has grown stronger through the research. The challenge for researchers has been, and continues to be, to determine how organizations measure relationships. Although this research does little to advance our understanding of how relationships are measured between organizations and stakeholders, there were numerous relational qualities that emerged from this study that reinforce existing research on relationships.

Four qualities of relationships were articulated in interviews as relatively stronger in the two decision events that were considered to be more effective by the participants. These included the elements of cooperation, loyalty, trust, and commitment. Some of the reasons for their importance suggest that participants were willing to take greater risks in voicing alternative perspectives, which allowed for more robust discussion and analysis, the organization being willing to compromise on certain issues deemed important to stakeholders, the participants and the organization experiencing empathy for alternative perspectives and developing a deeper

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understanding for why stakeholders established certain positions, and participants being confident that when conflict developed during the strategic decision-making event that commitment to the process was greater than commitment to the position. In essence, there appeared to be greater awareness and understanding of the issues and respect for alternatives in the more effective decision events.

Public relations professionals who invest in developing solid relationships with organizational stakeholders where there is stronger cooperation, commitment, loyalty, and trust enhance the strategic decision-making process. These attributes imply a greater long term commitment to maintaining and/or enhancing the relationship rather than acting in a manner that might undermine the relationship. Communication activities that contribute to improving these attributes serve an important function in strategic decision-making efforts.

This study suggests that more effective strategic decision-making processes may be characterized as possessing higher perceptions of trust, familiarity, commitment, loyalty, cooperation, transparency, and persistence. In addition, those processes that appear to have greater dispersion of power among the various stakeholders appear to have a higher probability of success.

Public relations can contribute to more effective strategic decision-making by conducting communication activities that enhance these strategic decision-making process attributes. For example, establishing "pre-need" relationships with stakeholders well before an organization pursues a strategic decision-making initiative results in a stronger sense of commitment to the relationship because there is no predetermined agenda for establishing the relationship beyond the

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acknowledgement that organizational behavior may affect the stakeholders at some point. More importantly, communication activities that result in empowering stakeholders, or dispersing power, can contribute to more effective decision-making by organizations.

Participants' reasoning for collective action in this study appeared to be a reflection of how the organization approached various stakeholders in each of the decision events. The decision events that were characterized as having stronger perceptions of commitment to communication, transparency, empathy, and honesty appeared to have resulted in more effective decisions. On the other hand, the decision events that were characterized as having stronger perceptions of emotion and politics as part of the process appeared to have resulted in less effective decisions. Additionally, the decision events that were perceived to reflect more of a win/lose approach also appeared to result in less effective decisions. This observation regarding win/lose approaches to decision-making is consistent with the research (see Fisher and Ury, 1981).

The implications for public relations suggest that communication managers should advocate strong communication programs that strive to frame issues associated with strategic decisions as transparently as possible with a view toward developing empathy in stakeholders as well as the organization. At the same time, communication managers should conduct communication activities that have as their goal managing the politics of decision processes. This requires a commitment to revealing hidden agendas and reinforcing honesty as a key quality during strategic decision-making processes.

This research suggests that organizations seek early warning information that might help them anticipate collective action and reduce uncertainty in their environments. Although no particular function was identified as having this responsibility in this study, the participants of the decision events conducted activities that the public relations profession has identified as environmental scanning. The decision events that were characterized by the participants as having stronger communication efforts appeared to possess better awareness of the potential for collective action.

Public relations professionals who not only aggressively monitor the environment for issues but also understand how various stakeholders perceive the issues—and will react—can serve a critically important role in strategic decision-making. This requires early engagement of stakeholders and frequent interaction with strong communication efforts to ensure that stakeholders are aware of organizational actions and potential actions, as well as a solid understanding of the issues and concerns that are important to affected stakeholders.

This study reinforces the importance of environmental scanning for public relations. Although the public affairs function was not perceived by the participants as the organizational function that performed this activity, it was clear by their responses that this was considered an important responsibility that should reside somewhere in organizations. This perception regarding public relations as an important organizational function was more likely the result of how the organization viewed the role of public affairs rather than the participants' objections to placing this responsibility in the function. Arguably, this responsibility should be located in a

function that is part of the dominant coalition where it can contribute critical information used to frame strategic decision-making initiatives. Existing research in public relations suggests that environmental scanning is and should be the purview of communication departments (see Lauzen, 1995; Lauzen & Dozier, 1992).

Information sharing can serve to "empower" stakeholders during strategic decision-making initiatives. Stakeholders who perceive themselves as empowered and having been heard in the process will be more likely to support the outcome. On the other hand, when information is tightly controlled and participation in strategic decision-making initiatives is restricted, there is greater potential for collective action that does not support an effective strategic decision-making process.

Two other relevant factors emerged in this study as an indicator for the potential for collective action. The degree of perceived community emotion about a particular issue can serve to facilitate interest for collective action—especially if the community does not perceive that its concerns are being heard or considered by an organization. In addition, a community with a history of collective action is more likely to resort to collective action. This observation is also consistent with earlier findings on collective action (see McAdam, McCarthy & Zald, 1988). Therefore, organizations should assess and understand the "relative temperature" that communities have for issues that might be affected in strategic decision-making initiatives. Being aware of historical experience with collective action can serve as an early warning indicator for organizations. Both of these factors are of concern for public relations. Knowledge of these two factors can help communication managers alert organizations to the increased potential for coalitional activity. Armed with this

knowledge, public relations professionals can and should develop communication programs that mitigate the risk for collective action.

The implications for public relations professionals who must monitor the environment for potential coalitional activity suggests that as stakeholders or communities are determined by the organization to have prior experience with coalitional activity and are assessed to perceive a stronger degree of emotion for certain issues, more aggressive communication programs are necessary during strategic decision-making initiatives. This finding is also consistent with the Excellence theory and J. Grunig's situational theory of publics.

Implications for Public Relations Theory and Practice

As a profession and field of academic research, public relations has emerged as an interdisciplinary organizational function that makes organizations more effective. The research demonstrates that public relations, which is based on a set of core principles such as the Excellence Theory establishes, can help organizations reduce or contain costs, or advance organizational initiatives by using two-way symmetrical communication. This study contributes to public relations theory by identifying an important responsibility in the strategic decision-making process that can facilitate more effective decision-making by organizations. Effective communication that attends to certain aspects of decision-making through an organizational strategic decision-making initiative can enhance the likelihood of more effective decisions.

The first implication of this study contributes to public relations theory: Public relations can and should play an integral role in strategic decision-making. The

boundary-spanning nature of the function, combined with the interdisciplinary focus of public relations activities helps organizations anticipate unintended consequences of strategic decision-making initiatives. Public relations, by its nature as a boundary spanner, constantly interacts with the organization's environment. Consequently, the function should be able to assess how different parts of the environment will react to organizational decisions and actions.

The second implication suggests that public relations managers should strive to frame strategic decision-making as a continuous, iterative process because this allows the function to acquire important information from stakeholders and introduce the information to the strategic decision-making process. And, assuming that the organization is conducting communication in a two-way symmetrical fashion, it also allows stakeholders an opportunity to better understand organizational intentions and preferences. Consequently, there is better opportunity to create win/win opportunities.

The third implication is that strategic decision-making initiatives that are exclusively internally-generated and driven by organizations may result in a less effective decision. On the other hand, strategic decision-making initiatives by organizations that have an external component may result in a more effective process because of the perceived transparency of the process by stakeholders. In short, stakeholders in the two decision events in the study that assessed the process as more transparent and willing to at least consider their concerns stood a much better chance of being implemented. The attributes of strategic decision-making processes can affect their outcome. For example, those organizational decisions that are perceived

by participants to be collaborative engender a greater degree of support for the outcome—whether or not they agree with the end result.

The fourth implication for public relations is that communication managers should test assumptions to discern their validity during strategic decision-making processes. This requires a significant investment in establishing pre-need relationships with stakeholders who have interests in the outcome well before the decision process is initiated.

The fifth implication concerns the ability of public relations to counsel organizations on environmental factors or conditions that might influence the timing of a strategic decision-making initiative. Environmental scanning can reveal political, social, legal, or other considerations that may affect the timing of an important initiative, thereby contributing to the success or failure of the effort.

The sixth implication addresses the absolute critical need for organizations to identify early the stakeholders with whom the organization depends so that it can establish, maintain, and enhance a relationship well before important organizational initiatives are started. As a result, organizations can solicit participation from the stakeholders in various decision-making processes without agendas or motivations being challenged. Establishing pre-need relationships builds trust and integrity for organizations. It also facilitates more effective decision-making.

The seventh implication for the practices of public relations and strategic decison-making concerns the importance of understanding historical context and behavior of stakeholders on whom the organization must rely. Research suggests that groups who have experience with coalitional activity are more likely to resort to such

behavior—especially if they do not believe their concerns are being considered. Additionally, public relations professionals who can frame organizational initiatives through their communication programs to minimize the chance for affective conflict and maximize the opportunity for cognitive conflict can facilitate more effective strategic decision-making.

The eighth implication concerns public relationship education. Because strategic decision-making is so important to organizations, public relations educators should strive to include business courses that address strategic management in public relations curricula and requirements. This serves two important functions. First, students of public relations will learn the lexicon and principles of business. Second, business school students will understand the critical role that the public relations can serve in helping organizations make better decisions.

The last implication concerns the lack of public relations involvement in strategic decision-making processes in the U.S. Coast Guard. The Coast Guard has made significant investments in formally training some of its junior officers at the graduate level in public relations. Yearly, at least two people with approximately four to seven years of general Coast Guard experience attend graduate programs in public relations or a related discipline.

In the late 1990s, the Coast Guard reorganized the public affairs function and the congressional relations function under one organizational element reporting to a single Flag officer. [Flag officers and Senior Executive Service personnel serve as the Coast Guard's leaders and are responsible for guiding the strategic direction of the organization.] This reorganization was the result of a two-year study that

benchmarked "excellent" public relations programs and was designed to better integrate and coordinate public affairs initiatives and congressional relations activities.

Part of the reason that the Coast Guard continues to place little emphasis on public affairs has to do with the seniority of Coast Guard officers who have been trained in public relations. The Coast Guard did not begin to invest seriously in professional public relations education for its officers until the late 1980s. And, only recently has the Coast Guard selected a senior officer with graduate training in public relations to the rank of rear admiral.

Historically, the Coast Guard assigned general duty officers to public affairs positions. This reflected the organizational view that anyone could perform the duties and carry out the activities typically associated with public relations. As officers have promoted through the ranks, the organization gradually has matured in its view of the importance of public relations. Some of the resistance to including public relations professionals in strategic decision-making processes is simply cultural. Because public relations was not part of the dominant coalition, the function is viewed skeptically.

Because the Coast Guard's interaction with multiple stakeholders has risen dramatically following the terrorist attacks of September 11, 2001, Coast Guard commanders are increasingly demanding that public relations-trained officers serve as members of their senior advisory teams. Much like an organization's general counsel and finance director are viewed as essential, Coast Guard operators gradually are

recognizing that public affairs professionals are necessary to accomplishing the organization's mission.

In some respects, external events have forced Coast Guard leadership to acknowledge the important role that communication plays in accomplishing its mission. However, this recognition has been one of necessity during crises rather than the result of strategic insight. To facilitate and accelerate public relations' integration into strategic decision-making, communication managers must demonstrate more clearly how communication contributes to the bottom line.

In the public sector, metrics must be developed that demonstrate how the function helps the organization achieve its objectives. In the private sector, there is the added burden usually associated with effective program management. How are the dollars invested in the communication program either creating value for the organization or reducing risks? As public relations professionals develop and refine their ability to tie their communication activities to measurable results, organizations will place increasingly greater emphasis on their participation in strategic decision-making.

The Coast Guard could enhance its return on investment and improve its decision-making by including these professionals in all strategic decision-making, not just when a crisis emerges. In addition, this research suggests that non-public relations people can be effective in introducing effective communication processes that improve strategic decision-making. To maximize its investment, the Coast Guard should institutionalize a formal training requirement for all Coast Guard officers who are selected to lead units in communication management.

Recommendations for Further Research

This study was exploratory in nature and sought to establish relationships between public relations and more effective strategic decision-making. Because there has been little research in this particular area for public relations, the normative constructs identified in this study should be investigated in other organizations to determine if they were unique to the organization and groups studied in this research.

Other research designs that help confirm the veracity of the propositions would contribute significantly to whether these are valid or simply unique to two strategic decision-making initiatives pursued by the Coast Guard. Additional exploratory research would also reveal whether the constructs that emerged in this study are also present in other organizations.

Finally, additional research is necessary to understand and to explicate more fully the role of non-public relations people who perform public relations activities in organizations. In this study, non-public relations executives who conducted excellent communication activities were instrumental in the two decision events that were more effective. Understanding why these executives conducted these communication activities might help inform the research.

Limitations of the Study

This research explored constructs that emerged during strategic decision-making in the context of four different strategic decision-making initiatives for one organization. This research intentionally sacrificed breadth for depth. Therefore, the first limitation of this study deals with the issue of numbers.

Rather than interviewing a large number of participants, the study was designed to understand concepts that emerged through the eyes of senior executives who were involved in each of these strategic decision-making events. The experience and understanding acquired by senior executives affords them much greater insight into complex organizational challenges and processes. Multiple interviews with these individuals helped me capture the essence of their interpretations about what happened in their respective experiences. However, only seven of the 21 executives interviewed were external to the four decision events. Therefore, the views expressed by the executives represented a narrow slice of a larger population of potential participants who could have been interviewed. In addition, the core participants were known by the researcher to have been involved in each of the decision events. Subsequent participants were identified by asking the core group to suggest other executives who participated in the respective decision events. The problem with this approach is that it unintentionally may have given voice to certain perspectives and biased the results while inadvertently silencing other perspectives.

The second limitation that can affect a study's findings deals with the issue of validity. However, by granting confidentiality to the participants of the study, I believe that the information that they shared was reliable. Triangulating participants' observations and statements with document analyses allowed me to confirm their representations and interpretations of the facts. In addition, by personally recording and transcribing all of the interviews, I remained "close" to the data. And by confirming information in follow-on discussions with the participants, the interpretations were more collaborative.

The third limitation of the study concerns external generalizability and transferability. Because the study focused on four decision events in one organization, its conclusions and implications are unique to the Coast Guard. Additional research should aid in understanding whether the results can be replicated in other organizations thereby enhancing transferability as well as generalizability. Thus, both the generalizability and transferability of the results from this research remain an open issue.

The fourth limitation of this study reflects the limited sample of participants. This was a purposive sample of senior executives who were involved in four different strategic decision-making events of one organization. Although this was a limitation, it could be considered a strength because I was able to interview senior participants who possess greater insight and provide richer detail about how these decision events transpired.

The fifth limitation was funding. I was unable to interview one executive in-person because she lived in California. Therefore, I had to conduct several phone interviews. Communication processes are complex and being able to observe her reactions to questions would have provided better context.

An additional but important limitation of this study concerns the limited number of public relations professionals who were interviewed. This appeared to be a reflection of the organization's general perception of the public affairs function because communication responsibilities were considered to be within the purview of the program managers.

Appendix A

Name
Address

Dear Madam/Sir:

I respectfully request to interview you as part of my doctoral research that seeks to better understand the relationship between collective action, strategic decision-making and communication management. Because of your role in an historical major Coast Guard initiative, [insert the Coast Guard's Integrated Deepwater System Recaptilization; Coast Guard Search and Rescue Station Realignment; Coast Guard Vessel Documentation Consolidation; or Coast Guard Civilian Personnel Reorganization], I believe your insights are critical to understanding how organizations make important decisions and how executives account for the perspectives of the various groups that each had or have a stake in the outcome of particular decisions.

This interview is an important and necessary part of a research project that will help me fulfill the requirements for a doctoral degree in the Department of Communication at the University of Maryland. Professor James Grunig is the advisor for this research.

The interview, which can be scheduled at your convenience, should take approximately 2 hours. Though the interview may be conducted over the telephone, I would prefer to interview you in person. In addition, I would like the opportunity for a follow-up discussion to clarify any questions I may have regarding your responses. This will help me insure that the data is accurately captured for further analysis.

This project is not being funded and is being used solely for academic research. Your participation and responses will remain strictly confidential. If desired, I would be happy to provide you a copy of the results of my research. You can advise me when we meet.

If you have any questions, you may contact me as follows:

(202) 267-2665 (office)
(703) 450-3983 (home)
pat_philbin@yahoo.com (personal e-mail) or jphilbin@comdt.uscg.mil (office e-mail)

You may also contact my advisor, Dr. James Grunig, as follows:

(301) 405-6525 (office)
jg68@umail.umd.edu (office e-mail)

Thank you very much for your cooperation and participation. I look forward to speaking with you.

Very respectfully,

John P. Philbin
Candidate for Doctoral Degree
Department of Communication
University of Maryland

Appendix B

Initial questions for the interview are generic in nature and designed to generate a comfortable atmosphere with participants. The goal is to establish a relationship with participants so that they provide honest answers. In addition, a review of the consent agreement and options to terminate the interview or refuse to answer questions will also be discussed with participants. The questions are designed to explore the participants' knowledge and views on collective action, strategic decision-making and the various roles that senior executives play in the decision-making process.

General questions: Participant identification, role and experience

1. Please identify the position that you held during the decision event (e.g., Coast Guard's Integrated Deepwater System Acquisition decision process; Coast Guard's Search and Rescue Station Realignment decision process; Coast Guard Vessel Documentation Consolidation decision process; or Coast Guard Civilian Personnel Organizational Realignment decision process).
2. If you were an external stakeholder to the Coast Guard for this decision event, please explain your position and role.
3. How long did you hold this position relative to the commencement of the decision process and the actual final decision being made?
4. Why were you in this organizational position that caused you to be involved with the decision event and did you possess any special qualifications to hold this position?

   RQ1 and RQ2 questions: The strategic decision-making process (discrete versus continuous)

5. From your perspective, please explain why this particular decision event was initiated by the Coast Guard?
6. Did you perceive this decision event to be part of a larger organizational initiative and why or why not?
7. Were the forces involved in the decision event internal or external to the Coast Guard?
8. Can you please explain how you perceived the decision process unfold?

   RQ3 and RQ4 questions: Participation and power/empowerment

9. Who were the primary participants in the decision event and why did they participate?
10. For groups who were involved in the decision event, do you know about how many members were in the group?
11. Who determined which individuals or groups participated in the decision process and why were these individuals or groups included?

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RQ5 and RQ6 questions: Relationships and power distribution

12. How would you describe the relationships between the key players in the decision process?
13. What were the most important attributes of the relationships?
14. How would you characterize the relationships and dynamics between the key groups who were involved in the decision event?
15. What were the most important attributes of the relationships?
16. Were any individuals or groups excluded in the decision–making process and, if so, why?
17. Do you think this affected the outcome of the decision and how so?
18. How would you characterize the distribution of power among the various participants in the decision event and why?
19. In your view, how would assess the effectiveness of the final decision and why?

RQ7 and RQ8 questions: Stakeholder awareness, group behavior and issues management

20. Were you aware of which individuals or groups had an interest in the outcome of the decision? If so, how did you know?
21. Were you aware or anticipate that individuals or groups who had an interest in the outcome of the decision might seek others with similar views and act collectively to influence the outcome?
22. Was there an unanticipated effort by groups to influence the decision that caught you unaware? If so, should you have known about these individuals or groups and, if so, which organizational element should have informed you and others in the decision-making process?
23. When you were aware of collective action to influence the decision, do you think the size of the group affected the way you thought about the group's interests in the decision event?

RQ9, RQ10 and RQ11 questions: Role of public relations and relationship management

24. In your view, which organizational element(s) or function(s) was responsible for establishing relationships in this decision event?
25. Was a distinction made between internal and external relationships?
26. Were public affairs personnel included in the decision-making process?
27. How would you characterize the role of public affairs during the decision event? If the function was included, what did its personnel do during the decision event?

INFORMED CONSENT FORM

Title	Group behavior, strategic decision-making and public relations strategies
Statement of Age of Participant (parental consent needed for minors)	I state that I am 18 years of age or older, in good physical health, and wish to participate in a program of research being conducted by James Grunig, Ph.D. and John P. Philbin, Doctoral Candidate in the Department of Communication at the University of Maryland College Park, Maryland 20742-7635.
Purpose	The purpose of the research is to explore the relationship between group behavior, strategic decision-making and public relations strategies.
Procedures	The procedures involve one interview of approximately 1-2 hours with the possibility of a follow-up interview to clarify data obtained in the interview. Questions that may arise from the researcher's field notes may be provided following the interview to insure that responses accurately reflect the intentions of the participant. I understand my participation will require approximately 3 total hours.
Confidentiality	All information collected in the study is confidential, and my name will not be identified at any time. The data I provide will be grouped with data others provide for reporting and presentation.
Risks	I understand that there are no foreseeable personal risks associated with my participation.
Benefits	I understand that the experiment is not designed to help me personally, but that the investigator hopes to learn more about personal characteristics and how people respond to narrative passages.
Freedom to withdraw and ability to ask questions	I understand that I am free to ask questions and/or to withdraw from participation at any time without penalty.
Principal Investigator	James Grunig, Ph.D. Department of Communication 2112 Skinner Building University of Maryland, College Park, MD 20742-7635

Phone: 301.405.6525; E-mail: jg68@umail.umd.edu

| Obtaining a copy of the research results | I understand that I may obtain a copy of the results of this research after December 2003 by contacting Mr. John P. Philbin at 12659 Terrymill Drive, Herndon, VA 20170. |

Printed Name of Participant_____

Signature of Participant_____

Date_____

<Last revision by HSRC 8/5/02>

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