Public Relations and the Strategic Use of Transparency

Consistency, Hypocrisy and Corporate Change

Abstract
This paper extends the interest of public relations scholars in exploring the conditions for balanced communications between organizations and their stakeholders. To this end, we investigate the concept of transparency. More specifically, we challenge the strategic role and institutionalization of transparency in the context of contemporary corporate communications programs. By providing a subtle and nuanced view of transparency, the paper explains how a more sophisticated perspective on transparency can contribute to the vision of public relations as an essential driver towards a better society.

In spite of considerable developments over the past century, the field of public relations continues to struggle with the issue of its proper position in the world. What is its role in the pursuit of a good or “full functioning” society? How can public relations add value to a global community? What are, in other words, its points of legitimacy in a world of growing complexity and interdependency (e.g. Heath, 2006)? These are complicated issues and public relations should not be blamed for failing to resolve them fully. The ongoing questioning, which has become part of the field’s self-reflective institutionalization, holds some important merits in itself (cf. Holmström’s, 2005). While the discipline continues to have a widely acknowledged image problem (Callison, 2001; Edwards, 2006; Hutton, 1999; Newsom, Ramsey & Carrell, 1993), the quest for an ethical public relations-paradigm has been shaping the field for several decades (Grunig & Hunt, 1984; Grunig, 1993; Grunig, 2000; see also, Bowen, 2005; David, 2004; Edgett, 2002; Kent & Taylor, 2002; Woodward, 2000) to the effect that it is now considered central to the field’s self-understanding (Seib & Fitzpatrick, 1995; Starck & Kruckeberg, 2003). Consequently, public relations has the potential to become a key driver towards a better society. The aim of this paper is to add new dimensions to our understanding of that
challenge and how it can be met in a society focused on increased information about organizations and their activities.

A recurrent theme in writings on public relations’ contribution to a better society is the concept of “enlightened choice” (Heath, 2006, p. 108): the notion that public relations can and should participate in an ongoing provision of knowledge and insight and thus help citizens, consumers and other stakeholders make decisions that are in the interest of the common good (e.g., Gallhofer, Haslam & Roper, 2005; Heath, 2006; Motion & Weaver, 2005). Public relations, in these writings, is charged with the obligation of securing a steady flow of information about all matters of societal relevance concerning corporations and social institutions. In such perspectives, a crucial dimension of a good and just society is the availability of information, availability that limits opaqueness and complexity and thus helps reduce the potential for power abuse, fraud, corruption, and other types of corporate or institutional evil. Committing itself to support and facilitate the provision and circulation of information in order to build or rebuild trust and healthy stakeholder relationships, public relations places itself in the business of transparency (Jahansoozi, 2006). While transparency is a general managerial concern, holding promises of operational efficiency and control (e.g., Berggren & Bernshteyn, 2007), it has a special place in the context of contemporary public relations where transparency is often regarded as a precondition for trust, collaboration, dialogue, insight, accountability, rationality, and freedom (Kent & Taylor, 2002).

In the public relations literature, these issues have typically been phrased in terms of communication symmetry. With their model of excellent public relations, James Grunig and his colleagues have consistently argued that collaboration, trust and accountability are based on genuine dialogue, negotiation and two-way relationships in which all parties are able to bring their interests and viewpoints to the table (e.g., Grunig, 1992; 2001). The model, thus, is essentially egalitarian, seeking to avoid the power relations that often shape debates and disputes between corporations and their stake-
holders. Still, the model has frequently been challenged from the epistemological, ontological and geographical margins of the literature (e.g., Brown, 2006; Holtzhausen, 2000; Holtzhausen, 2002; Holtzhausen & Voto, 2002; Holtzhausen, Petersen & Tindall, 2003; McKie & Munshi, 2005; Wehmeier, 2006). While some writers, for example, question the possibility for real power balance between two parties (e.g., Leitch & Neilson, 2001), others argue that the model promotes a “procedural correctness” that does not in itself guarantee that the decisions made in so-called two-way symmetrical forums are legitimate and socially or environmentally acceptable (Leeper, 2001; see also, Cheney & Christensen, 2001b). Some critics even claim that the concept of symmetrical communication reflects a process of compromise designed to deflect criticism and uphold power relations rather than fostering open, collaborative negotiation (Roper, 2005a). In spite of these limitations and critiques, symmetry in communications continues to be a significant ideal in both theory and practice. Stacks and Watson (2007), for example, regard symmetry as a prerequisite for building relationships and ensuring a balanced flow of communication among all parties. And Heath (2007) refers to symmetry as a work in progress that combines the logics of systems (seeking balance), rhetoric (doing so in discourse) and evaluating the quality of the exchange (social exchange theory). These writings suggest that although full symmetry may be difficult to achieve and perhaps not even sufficient as a basis for a well-functioning dialogue, the quest for such a dialogue and a continuous exploration of its pitfalls and limitations is a worthy pursuit for public relations.

This paper extends the interest in exploring the conditions for balanced communication between organizations and their stakeholders. To this end, we investigate the concept of transparency – a concept closely related to symmetry to which it adds meaning and content. Without some transparency, symmetry is pure form: balanced communication exchanges without insight or intelligibility. And without symmetry, transparency breeds power imbalances that potentially reduce collaboration and trust. First, we outline the role and institutionalization of organizational transparency.
Drawing on Heald (2006a), we unfold the concept by discussing different types of transparency and their limitations in the context of corporate communications. In particular, we discuss transparency in the light of recent attempts to manage and control information and communication flows in response to increasing stakeholder pressure on organizations, as reflected in the concept of integrated communications. We argue that these developments result in a gap between the call for transparency on one hand, and the desire for consistency in corporate messages on the other. Extending these arguments, we explore and challenge the conventional assumption that differences between corporate words and corporate actions should at all time be avoided and eliminated. Such differences, we argue, are essential dimensions of social and organizational change. Thus, we advance Heath’s (2001) “rhetorical enactment rationale for public relations” according to which symmetry is a dialogical and dynamic process where ideas, opinions and truths are constantly negotiated and contested through an open and creative articulation of differences. To stimulate such interaction, public relations need a more subtle and nuanced understanding of transparency that implies more tolerance for inconsistencies and differences in corporate communications.

The discourse and institutionalization of organizational transparency

Transparency has become a prominent value and a powerful signifier in today’s organizational world. While internal and external stakeholders expect to have unrestricted access to corporate information, legal restrictions force organizations to disclose information about their actions and plans, including the publication of annual reports (Riel, 2000). Business practices, for example, are inspected by media and business analysts (Deephouse, 2000) and organizations are increasingly held accountable for their strategic choices. In addition, investment policies of pension funds are regularly scrutinized by investors and other citizens. At the same time, organizations are expected to contribute to transparency themselves by sharing relevant information with their surroundings – a trend driven by the
new communication technologies, especially the Internet. Given these trends combined with a growing pressure from interest groups, media, legislators, business analysts and other inquisitive stakeholders, it is not surprising to find that contemporary organizations feel more vulnerable and exposed than ever before (Backer, 2001). Yet, this feeling does not necessarily imply that organizations are more transparent than they used to be.

Although organizational transparency has achieved renewed significance in today’s world, neither the term nor the principles behind this movement are, as Hood (2006) pointed out, particularly new. In fact, Hood found important precursors to contemporary notions of transparency in legal doctrines of ancient China, in classical Greek ideas about stable laws, in the work of Adam Smith and his notion of non-discretionary rules of taxation, in the moral commentaries of Jean-Jacques Rousseau and his equation of opaqueness with evil, in the arguments of Immanuel Kant against secret treaties, in the candor and openness of reformed Christianity as opposed to the secrecy of Roman Catholic convention, in the town meeting of local governance, in statutory rights of access to government records, in the philosophy of surveillance by Jeremy Bentham and later Michel Foucault, and in feminist ethics of the 1960s and 1970s. Across these different ideas and practices, we find the conviction that openness and clarity – in the form of fixed, non-arbitrary and predictable rules, candor and frankness in the organization of social affairs, and the application of rational and scientific principles in the investigation and analysis of the social world – is essential to secure an efficient, moral and just society. To a large degree, this conviction still shapes the policies of contemporary, democratic societies.

During the last decade, the notion of organizational transparency has attracted increased managerial and public attention. While transparency is regarded as indispensable for accountability, it is gradually becoming a conscious strategy by corporations and institutions in their pursuit of respectability and social accreditation (e.g., Drucker & Humpert, 2007). Thus we find that contemporary
organizations not only describe their communication environment in terms of transparency but also prescribe transparency in communications as the proper managerial response. Transparency is not only a pervasive business jargon, it has also become a powerful dimension of business practice, institutionalized for example in anti-corruption organizations like Transparency International. Thus, we tend to concur with Hood (2006) who claimed that the notion of transparency has attained “quasi-religious significance” (p.3) in today’s society where debates over corporate governance and organizational design are increasingly shaped by references to openness and transparency as the ultimate goal of modern management.

Still, as Hood pointed out, like other semi-religious terms, “transparency is more often preached than practiced, more often invoked than defined …” (p. 3). To move beyond conventional perspectives, we take a closer look at transparency and its different meanings.

**Unfolding the notion of transparency and its developments**

A common sense understanding of transparency implies that everything is plainly revealed to us because we are able to see through the obstacles and clutter in our way. In a more concrete sense, something is transparent when it is capable of transmitting light so that objects, images or behaviors can be seen as if there were no intervening material. Transparency, thus, invokes notions like clarity, lucidity and translucency. A window, for example, is transparent, although it maintains an obvious distinction between inside and outside and thus some protection against exterior intrusion. With its big windows, the Dutch townhouse, for example, signals to passers-by that its dwellers have nothing to hide and live in accordance with social (Calvinist) norms and values. So, while transparency also implies some sort of openness, these terms are not completely synonymous. As we shall see below, transparency invokes a level of ethics beyond openness that takes the receiver end of the communication process into proper consideration.
In the context of modern organizations, transparency usually suggests openness and permeability – not only to light, but also to information, arguments and ideas. Contemporary organizations, thus, are expected to be open in the sense of making available all sorts of information about their operations and decisions. Still, information availability and exchange may not constitute real transparency. While openness is a precondition for transparency, it is insufficient in itself to ensure the type of clarity and insight associated with the notion of transparency (Christensen, 2002). An organization may, for example, be very open about its decisions and documents without this openness transforming into intelligibility in the eyes of external audiences. As Heald (2006a) pointed out, openness only develops into transparency if relevant audiences are able to make sense out of the information thus made available: “transparency extends beyond openness to embrace simplicity and comprehensibility” (p. 26). Consequently, we cannot take for granted that sheer availability of information produce more sophisticated insight about an organization. While openness, as Heald emphasizes, may be a feature of an organization, transparency entails a capability among receivers to actually process and handle the information available. And, as we know this is often not the case. As Nobel Prize winner Herbert Simon and others has made clear, our ability to handle information is limited by our information processing capacity (Simon, 1997). Even if we imagine for a moment that the external audience had unlimited access to information about organizations, their images of the organizations in question would still be limited by their ability to process information – an ability shaped by their insight, time, and experience. Adding to this our propensity to reduce the complexity of new information to familiar schemes of interpretation (Manning, 1986), it would be a mistake to assume that information availability and corporate openness necessarily make organizations more transparent to their surroundings (see also, Feldman & March, 1981).

Heald (2006a) contributed to a more sophisticated notion of transparency through an interesting discussion of its possible directions and varieties. His distinction between transparency upwards,
transparency downwards, transparency outwards and transparency inwards allow us to discuss in
more detail the different types of organizational processes that underlie the managerial ideal of “trans-
parency.” Transparency upwards means that a superior or principal can observe the behavior of his or
her subordinates or agents. Conversely, transparency downwards implies that subordinates – or those
being ruled – can observe the behavior of their rulers. The latter type of transparency is sometimes
referred to as “accountability” although this term most often extends beyond organizational
boundaries. In addition to these types of vertical transparency, Heald described two types of
horizontal transparency: transparency outwards when organizational members can observe events and
developments outside the organization, and transparency inwards when people outside the organ-
ization can observe what is going on inside its formal boundaries. For logical consistency, we
suggest a minor adjustment of Heald’s two latter terms. While transparency outwards, in our discus-
sion below, means that external audiences can observe what is going on inside the organization,
transparency inwards refers to situations where organizational members can observe developments in
the organization’s environment. With this adjustment, the descriptors more accurately reflect the
direction of information, as illustrated by the arrows in figure 1 below:

Figure 1: Organizational transparency directions
In contemporary discourse on organizational transparency, the term is typically used exclusively in its second and forth senses – downwards and outwards – as referring to instances where management is visible to internal and external audiences. Interestingly, however, attempts to cope with these two types of transparency organizations tend to intensify the other two types – upwards and inwards. The organizational and social implications of this propensity will be addressed later.

In addition to transparency directions, Heald illustrated how the focus of transparency varies too. Transparency, for example, may pertain to discrete organizational events or results as opposed to organizational processes. Whereas the former are often measurable, the latter – which includes both procedural and operational components – may not be. In the ideal world, we might expect organizations to practice both types of transparency. Yet, event transparency and process transparency are not equally easy and cost-free to generate and maintain. As Heald pointed out, process transparency may in fact be damaging to efficiency and effectiveness. Another relevant distinction concerns the difference between transparency in retrospect and transparency in real time. Again, the organizational practices and resources involved differ considerably across these types. Whereas transparency in retrospect allow organizations to “oscillate” between periods of production and periods of reporting, transparency in real time involves continuous types of reporting or accountability that leaves out the possibility for the organization to focus exclusively on its productive activities. Finally, Heald emphasized the distinction between nominal and effective transparency. When transparency is merely a name or a label, we have a case of “transparency illusion (see also Drucker & Gumpert, 2007).” Effective transparency implies that receivers not only have formal access to information but are able to process, digest and use it. The notion of transparency, thus, is far more complex than conventional, common-sense understandings seem to indicate.

Limitations to organizational transparency
Some may justly claim that there are no valid arguments in a Western democracy for the opposite of transparency: secrecy and obfuscation (e.g., Welch and Rotberg; 2006). Yet, as we have already indicated, it may be rather difficult to achieve and sustain transparency in the context of an organization. For starters, organizations may not want transparency at all – even when they officially celebrate it. Branding, for example, can be thought of as an avoidance strategy designed to reduce effective transparency. Although contemporary organizations claim to embark on corporate branding programs in order to “sell” the organization behind the product, the general goal of branding is to add intangible dimensions to the product that obscure the process behind and the fact that products and processes are increasingly similar (Christensen, Morsing & Cheney, 2008). Another type of avoidance strategy is undercover communication, which refer to covert campaigns by which organizations seek to influence (potential) consumers and other stakeholders. Although consumers are the primary target group of most covert campaigns – hence the more common term, undercover or stealth marketing – undercover communication involves as much public relations practices as advertising and marketing practices (Langer, 2003; Kaikati & Kaikati, 2004). Such campaigns have played a prominent role in the history of public relations: For instance, in 1929, Edward Bernays thrilled his tobacco client by staging a march of cigarette-puffing debutants at New York’s annual Easter Parade. Of course, Bernays did not reveal his tobacco client, but launched the march as part of the women rights and liberation movement: women smoking cigarettes in public was thus framed and perceived as an expression of equality of males and females. Today, undercover communication has experienced a revival. The application of new media channels in commercial communication – among these interpersonal brand pushing channels – and the purposeful blurring of boundaries towards other social discourses and domains such as news, education and health information in order to promote product and corporate brands has lead to a situation where many organizations seek to conceal their sender identity and/or the commercial interests behind. Pre-fabricated covert video news releases, for instance, seek to
promote product and corporate brands by diffusing information into the media’s news flow. Obviously, such attempts are criticized for their ethical stance (Langer, 2006). Still, undercover communication will probably continue as strategic attempts to avoid organizational transparency.

In addition to such avoidance strategies, the ideal of transparency is challenged by other social interests and concerns. Since information has a tendency to centralize power, limits on transparency may afford individuals some autonomy and protection against the intrusion of the political system or the media. Simultaneously, community and peaceful co-existence is often based on some level of ignorance. This is true not only for social systems founded on religious myths and principles, although such communities are especially vulnerable to increases in transparency. Ignorance may also be essential in a modern society where lack of transparency can help avoiding suspicion or jealousy (over, for example, unequal rewards) breaking into open conflict. Conflict resolution in times of war often involves sending differentiated messages to different parties – a strategy that can only work if transparency is limited (Heald, 2006b; cf. Cheney, 1991). Likewise, bargaining games often involve some level of dissimulation.

Tom McManus, by some described as a “guru” of transparency, has listed some of the difficulties associated with transparency (Lazarus & McManus, 2006, pp. 924-935):

- “Openness and access to information is important, but so is privacy.
- The free flow of information is great, but security is a necessity.
- The right to own some information and restrict its distribution is a critical part of our system of commerce.
- The word ‘truth’ is not part of the definition [of transparency, the authors] because truth implies objectivity but is so fundamentally subjective. Stakeholders are absolute experts on their perspective, but not on what is ‘true’.
- Candor can be insulting and demeaning and may be beside the point in negotiation.”
Hood (2006) referred to such difficulties as “rival doctrines,” that is, competitive forces or concerns that challenge the ideal of organizational transparency. Freedom of information laws, thus, are often counteracted by privacy laws, bureaucracy or doctrines of commercial confidentiality (see also, Heald, 2006b; Roberts, 2006). Outsourcing and privatization of functions previously carried out by public organizations, for example, potentially obscure the nature of these functions when transferred to the realm of a private enterprise. Similarly, the recent fight against terrorism has invoked notions of state security that increasingly oppose principles of transparency. And while technological advances have gradually limited the possibilities of managing different stakeholders through the use of multiple lines of communication, such differentiation in information flows may still be essential in order to uphold effectiveness and trust: too much transparency may encourage conformity to expectations or increase the propensity to deceive or “massage the truth” (O’Neill, cited in Heald, 2006b, p. 62).

Given the need to retain some level of secrecy, upheld for example through gatekeeping and filtering, it is tempting to suggest, along with Drucker and Gumpert (2007), that full organizational transparency is an illusion:

“Transparency, the opposite of opacity, is a worthy, but unobtainable ideal in the social relationships of people, the workplace, and between governments and the governed. […] The illusion of transparency is fostered by an ever-growing environment of informational access often bleeding into the realm of overload and message saturation. […] The illusion of transparency is fostered by an ever-growing presence of press coverage of the governors, institutions and business coupled with more sophisticated use of media technologies to make these organizations appear more accessible and open” (Drucker & Gumpert, 2007, pp.493ff).
Even when some transparency is achieved, it is often one-sided or asymmetrical. Whereas Heald (2006a) mentioned examples of asymmetrical transparency between states and citizens (for example, in the former Deutsche Demokratische Republik), O’Neill (2006) discussed the tendency to impose transparency requirements on government or business organizations without enforcing similar requirements on the people and institutions that criticize them, e.g. journalists, media or interest groups. Such asymmetry, according to O’Neill produces suspicion and distrust: “This allows people who do not face the disciplines of transparency in their own working lives or institutions to criticize others for failing to meet standards which they need not and do not meet – sometimes, no doubt, with misplaced and unattractive self-righteousness” (pp. 80f). O’Neill’s objective is not to suggest that such asymmetries can be fully avoided, but to identify and discuss sources of distrust and suspicion in cases where rules for transparency are in fact implemented. Transparency requirements, according to O’Neill, are insufficient because they rarely take the needs and capabilities of their audiences into proper consideration. Consequently, transparency requirements tend to produce information without reception and openness without trust. In this situation, which corresponds to Heald’s (2006a) notion of “nominal transparency” (see above), transparency is ritualized and decoupled from processes of communication and may, in contrast to professed intentions, produce confusion, prejudices and misleading beliefs.

Although it is generally considered a prerequisite for well-managed organizations to handle transparency strategically (e.g., Fombrun & Rindova, 2000; see also, van Riel, 2000), it may well be argued that attempts to master transparency as a managerial competence is the major reason why organizational transparency has become decoupled from processes of real communication. Organizations carefully select, simplify and summarize data. They selectively disclose or leak information, for example through “competitive signalling” (Heil & Robertsen, 1991, p. 403). And they shrewdly manage the timing of disclosure, often with the intention of deflecting critique or handling potential
issues. Obviously, individual organizations do not control such processes fully themselves. Their attempts to manage levels and types of openness, however, imply that transparency is continuously staged, often through interorganizational enactments. While Rindova (2001) coined the notion of “polished transparency” to refer to forms of marketing aesthetics used to appeal to certain educated and inquisitive stakeholders, Baudrillard (1988, pp. 29ff) talked about “rituals of transparency” through which we simulate that our desire for information leads to more knowledge. This, he claimed, is hardly the case. When, for example, information about the side-effects of a particular drug is disclosed, the purpose of transparency is not to inform or assist the public but to protect the producers from blame and litigation. O’Neill (2006) talked about “defensive risk management” when transparency is reduced to strategic information disclosures designed to limit or transfer organizational liability and thus, in practice, avoid communication between organizations and their surroundings. Thus, from being an external condition to which organizations must adapt, transparency has gradually become an explicit strategy that prescribes transparency in all corporate communications. Such strategies may well be regarded as necessary in complex and critical environments. Yet, the process of taking charge of the information process allows organizations to establish a buffer between themselves and inquisitive stakeholders. Proactivity and (tacit) agreements between organizations as to what types of information to disclose help reinforce this buffer at the same time as transparency is promoted as an important managerial issue (Christensen, 2002).

The question of who benefits from organizational transparency, thus, is slightly more complex than we tend to assume. While foresighted and proactive organizations are able to turn external demands for information and transparency into strategic advantages, the type of information supplied and the form in which it is presented may only benefit insiders and experts who are familiar with the terminology used and, thus, able to unpack and digest it fully (O’Neill, 2006). Our ideals about organizational transparency therefore need to be qualified by the conditions under which transparency
is evoked and enacted. At least we need to acknowledge, as Hood (2006) reminded us, that the town-meeting vision of transparency based on a direct and face-to-face type of interpersonal responsibility – a vision that underlies most celebrations of organizational transparency – is essentially in tension with the accounting vision of transparency that addresses primarily experts (regulators, auditors, financial markets, etc.) who are able to understand the often arcane bookkeeping rules and specialist terms associated with bureaucratic reporting practices.

To complicate matters, organizational transparency presumes a high degree of self-transparency (self-insight, self-knowledge) on the part of the organization. Without extensive insight into own processes and practices, organizations cannot be expected to contribute much to transparency themselves beyond some minimal information disclosures required by agreements or law (Christensen, 2002). Although modernity has been shaped by the ideal of absolute self-transparency, self-transparency is – epistemologically and practically speaking – an unattainable goal (Vattimo, 1992). Societies and organizations are not transparent to themselves and even when leaders and managers claim to have the grand vision, such vision is only a partial – although often relatively powerful and privileged – account of reality (Andersen, 2003; Christensen et al., 2008). The limited and strategic versions of organizational transparency discussed above, thus, are not necessarily a product of conscious managerial attempts to withhold information and reduce transparency. Lack of transparency may occasionally be due to lack of organizational self-insight.

These limitations and paradoxes of transparency constitute a number of challenges for the self-understanding and practice of public relations: It is not just the task of public relations to provide information about the organization to stakeholders, but also to protect the organizational privacy and to ensure control about which information circulates about the organization. It is certainly the task of public relations to enhance trust in the organization by providing trustworthy information, but this does not mean that public relations presents the truth about an organization, as truth is always
rhetorically negotiated (Heath, 2001). While public relations cannot provide full symmetrical transparency to all stakeholders, it has to take account of the situational interests, openness and reception of particular stakeholders, as well as their different and varying information needs. Moreover – and as transparency requires a high degree of self-insight – one of the major tasks of public relations is to contribute to increased organizational and societal self-knowledge. But even if and when public relations masters all these tasks, it is still challenged by the general quest for transparency. Its responses to this quest may lead to a reduction of transparency. In the next section, we elaborate on this point through a discussion of current trends in corporate communication.

**Transparency and the Organization of Consistency**

In spite of the practical and philosophical difficulties of producing and managing organizational transparency, contemporary organizations are deeply engaged in reorganizing themselves to adapt to the growing demand for information and stakeholder insight. In this process, discipline in the release of information plays a crucial role. And while there are several good reasons why organizations should avoid unauthorized disclosure of information (Heald, 2006b), discipline in its current form runs the risk of producing a new type of opacity.

Across sectors, a common reaction to transparency claims is a conspicuous professionalization of information and communication management (Kjær & Langer, 2005). Faced with pressures for more transparency, contemporary organizations intensify their endeavors to manage and control all information flows (Roberts, 2006). Managers of public and private sector organizations, thus, increasingly emphasize the need for messages to be mutually aligned and consistent. While transparency is seen as a general condition of contemporary markets, organizations regard consistency as necessary organizational response: to adapt to increased transparency, organizations pursue consistency in everything they say and do (Christensen et al., 2008).
Although the ideal of consistency is shaping most managerial disciplines today, the field of integrated communications provides the most formalized vision of consistency in corporate messages. Christensen, Fırat & Torp (2008) defined integrated communications as the notion and the practice of aligning symbols, messages, procedures and behaviours in order for an organisation to communicate with clarity, consistency and continuity within and across formal organisational boundaries. The general rationale behind integrated communications is the conviction that increased complexity in today’s market, due to message clutter, media fragmentation, globalization and critical stakeholders, makes it indispensable for organizations to align and manage corporate messages consistently across different media and different audiences (e.g., Schultz, 1996; Schultz & Kitchen, 2000; see also, Aberg, 1990). While the philosophy behind integrated communications has an immediate common-sense appeal – what, after all, is the alternative? – it is often criticized for its prescriptive bias and its lack of practical implementation (e.g., Pettegrew, 2000; Smith, 1996).

Still, it has achieved a tremendous impact on how organizations perceive, approach and talk about their communications (Cornelissen, 2001). In fact, the vision of integrated communications has significant organizing properties (Cooren, 1999). With its persistent call for alignment and consistency – a call justified by ideals of clarity and transparency – the notion of integrated communications has produced a growing intolerance among managers towards differences and discrepancies in corporate communication. Differences, for example, between and among individual messages, between ideals and practices, between words and action, between the talk of managers and the talk of employees, etc. are increasingly regarded as unacceptable by organizations and their different audiences. This intolerance is exacerbated by inquisitive media, journalists and interest groups on the search for inconsistencies in the messages and practices of, especially, large corporations and powerful politicians (Carroll & Mc Combs, 2003; DeLorme & Fedler, 2003; Kjær & Langer, 2005; Meijer & Kleinnijenhuis, 2006). And, since critical stakeholders often justify their existence trying to spot
and publicize such inconsistencies, we are facing a communication environment in which managers and politicians feel a growing need to eliminate, reduce or deny anything that can be regarded as departures from integrated and consistent behaviors. Given the power and impact of critical stakeholders, such efforts are understandable. Widely announced inconsistencies in corporate communications can be damaging to corporate reputations (Hutton et al., 2001).

Ironically, however, such professionalization of corporate communication may result in less transparency – or at least in a different type of transparency – than initially hoped for. This is true for a number of reasons. Externally, because most audiences lack the resources and expert knowledge needed to match corporate initiatives in the area of professional information management (Heald, 2006a). Internally, because organizations use transparency claims to discipline organizational voices. In their attempts to align all corporate messages, organizations have a tendency to regulate and control all communications, including both formal and informal dimensions of organizational life (Christensen, Torp & Firat, 2005). Thus, contemporary organizations set out to discipline not only official messages like corporate design and promotions, but also the values, ideas and aspirations of their members (Christensen et al., 2008; see also Kunda, 1992). In a practical manner of speaking, such regulation implies, as Heald (2006a) pointed out, a suppression of unofficial communication channels and attempts to prevent information “percolating the ‘sides’ of organizations” (p. 38). In many types of organizations, thus, we see an increase in workplace surveillance in the name of security and consistency. And often the surveillance is subtle and unobtrusive: “…while the illusion of transparency is cultivated, the traces of surveillance and observation are obliterated” (Drucker & Gumpert, 2007, p.496). Members of political parties, for example, are expected to articulate only the official voice of the party, and corporations often limit the voice to an official spokesperson, especially in times of crisis. The pursuit of consistency in corporate communications may, as a paradoxical consequence, prevent relevant information about corporate practices becoming accessible to the.
general public. In the name of openness, thus, organizations produce new types of closure. Simultaneously, the direction of transparency is altered dramatically. As a reaction to increased downwards and outwards transparency, that is, instances where organizations are increasingly observable by internal and external audiences, management responds with strategies for more upwards and inwards transparency. One type of organizational transparency, in other words, is replaced by another. Figure 2 illustrates such transformations in organizational transparency caused by organizational attempts to manage and regulate all communication flows.

Figure 2: Transformations in organizational transparency

While upwards transparency is achieved through the application of rules and surveillance systems designed to make sure that all internal and external messages conform to corporate standards, inwards transparency is manifested in the increased use of image analyses and institutionalized reputation programs that monitor and manage how the organization is perceived in its surroundings (Campell, Herman & Noble, 2006; Yang, 2007; Hatch & Schultz, 1997). Transparency, thus, has developed into what Foucault called a “disciplinary technology,” a sophisticated version of earlier types of organizational surveillance (Heald, 2006a). In the name of legitimate external demands for more information and insight, contemporary organizations implement a host of disciplinary systems.
that formalize their accountability and simulate openness toward their surroundings. As it appears, accountability in this context refers less to the ability of organizations to answer questions and explain their decisions and behaviors to the general public than to their skillfulness at producing formalized and authorized accounts that succumb to official rules for openness and responsibility. Transparency, in other words, has become an account technology designed to discipline internal audiences and keep external audiences at bay (cf. Motion & Leitch, 2002).

In addition to its potential reduction of organizational flexibility, as discussed by Christensen, et al., (2008), such disciplining of corporate communication practices produce a gap between the desire for consistency in corporate messages on the one hand and the call for transparency on the other. Although many organizations, including governments, are far more transparent than they used to be, this trend coexist, as Heald (2006a) pointed out, with an increased pressure on politicians, managers and even lay organizational members to be disciplined or to speak with one voice. Effective transparency (in the sense discussed above), thus, is seriously challenged by the increased discipline of corporate communications. We cannot blame organizations for trying to professionalize their communication practices. However, when such professionalization implies tighter control of all communication flows, presumably in the hope of avoiding inconsistencies and differences, we run the risk of reducing clarity and insight. We can only hope to approach some level of effective transparency if we acknowledge the significance and formative power of differences and discrepancies in organizational communication.

**Differences, Hypocrisy and the Potential for Corporate Change**

Standard responses to transparency claims build on the assumption that differences and inconsistencies in corporate communications are problematic and should be avoided or eliminated. Differences and inconsistencies are disapproved because they are regarded as sources of hypocrisy. Yet,
such differences and inconsistencies are inevitable in processes of human communication and organizing. Firstly, differences are a fundamental dimension of language: The signifier is not the signified. Although some words bear a more “natural” or inevitable relation to the world than others (for example, onomatopoeia), language is mostly symbolic, that is, based on convention (Peirce, 1985; see also, Campbell, Herman & Noble, 2006). Just as the word “rose” in the English language refers to love only through conventional association, notions like “corporate social responsibility,” “sustainability” or “credibility” have come to imply certain organizational activities (and exclude others) only through customary practices. And, as we know, such practices develop over time. Like other symbolic terms, they are essentially ambiguous and thus open for alternative interpretations (Morsing & Langer, 2006). Consequently, they are bound to be contested and renegotiated on a continual basis. And in such processes, differences between language, objects and behaviors are both essential and inevitable.

Secondly, organizations produce differences and inconsistencies in their daily practices – even when they do not intend to do so. If all organizational stakeholders (including shareholders and customers) were articulating the same expectations, it would be relatively easy for organizations to reduce differences and come across as consistent (Brunsson, 2003). This, however, is rarely the case. In complex environments, organizations face many different stakeholders that express divergent and, often, conflicting goals and demands. While some stakeholders, for example, expect inexpensive automobiles, others call for solutions that reduce the emission of carbon dioxides. In the process of adapting to such differences in their environments, organizations unavoidably generate inconsistencies between their words and their actions, at least temporarily. Organizations, in other words, cannot avoid some level of hypocrisy. Without justifying deception and dishonesty, Brunsson (2003) argued that hypocrisy may be a transitory solution under conditions of complexity (see also, Brunsson, 1989; March, 1988). Trying to maneuver in a world of conflicting and incompatible
demands and goals, organizations need to compensate action in one direction with talk and decisions in the opposite. While such practice of splitting words and action is usually regarded as insincere, cynical and unethical, Brunsson’s analysis of public sector organizations in Sweden illustrate that hypocrisy not only is inescapable to language, but integral to organizing.

In spite of these conditions, organizations and their managers are increasingly expected to “walk their talk”; that is, to practice what they preach. As a general rule, the “walk-the-talk” recipe provides, as Weick (1995) pointed out, a sensible buffer against the evils of hypocrisy. In this perspective, the philosophy behind integrated communications makes perfect sense: organizations need to integrate all communications in order to protect themselves against charges of hypocrisy. However, based on his notion that people and organizations act in order to think (see also, Weick, 1979), Weick argued that the type consistency prescribed by the walk-the-talk imperative seriously limits the possibility of discovering new solutions or ideas for which the previous words are inadequate. To fully benefit from the creative power of language use, organizations should not construe and implement the walk-the-talk imperative too tightly. Talk is action too and organizations learn from the ways they describe themselves and their surroundings – even when those descriptions are not fully accurate. If society only allows people and organizations to articulate and claim ideals, values and intentions which they already practice, the creative and transformative power of language is left unused.

In line with this perspective, March (1988) recommended a relatively unrestricted articulation of corporate ideals. Like Brunsson, March does not condone hypocrisy as a strategy, but sees it as an inevitable byproduct of all organizing – not at least in situations where organizations try to improve their practices. A bad person with good intentions, March argued, can be a person who experiments with the possibilities of becoming a good person. Consequently, it would be more rational to make room for such experiments than to rejects them. These observations speak in favor of more tolerance when observing and evaluating corporate communications. Such tolerance allows organizations to
discover new solutions that benefit not only themselves but also their surroundings. Understandably, such tolerance is difficult to achieve today, in an era shaped by extreme cases of organizational fraud. In the aftermath of the “corporate meltdown” it is not surprising to find a widespread skepticism toward corporate messages and intensified calls for corporate transparency and consistency. In the context of financial deception, as we saw in the Enron scandal, the insistence on increased transparency and consistency makes perfect sense.

In the broader scheme of things, however, such calls ignore the fact that organizations change – and potentially improve – through communication. Scholars of communication have usually no trouble agreeing that communication is consequential, that it *does* things. And most would probably concur that this is true for *organizational* communication as well. Some will even argue that organizations *emerge* in communication; that communication, rather than being something superficial, distinct and separate from organizational practice, is the “essential modality,” as Taylor and van Every (2000) put it, of organizational life. Speech is action, just as our acts simultaneously speak. Accordingly, it is not possible to distinguish sharply between what an organization says and what it does. While this is certainly not to suggest a simple one-to-one correspondence between words and action, it is a reminder that communication has “organizing properties” (Cooren, 1999) that inevitably shape and generate organizational reality (see also, Fairhurst & Putnam, 2004). Interestingly, however, when it comes to issues of, for example, corporate social responsibility, many of us tend to focus and insist on the *differences* between what organizations say and what they do. Some may even claim that the relationship between words and actions in this area is one of pretense or deceit (e.g., Peterson & Norton, 2007). And while it is not difficult to find examples of such behaviors, the potential for instigating organizational changes through new types of communication should not be underestimated.
An in-depth study of the Royal Dutch/Shell Group has lead Livesey and Graham (2007) to argue that the talk of large corporations has the potential to transform the perceptions and the practices of social actors, including the organizations themselves. More specifically, their study illustrates how eco-talk emerged in the organization and how this talk gradually became a creative force in shaping the corporation’s renewed identity. Instead of seeing eco-talk and corporate initiatives in the area of sustainable development as many critics would do, that is, as autonomized communication or “cheap” public relations maneuvers, the study by Livesey and Graham focuses on the performative, pragmatic dimensions of language and communication: “Corporate eco-talk participates in (re)creating the firm and (re)constructing its relationship to nature, while opening up novel possibilities of understanding and action at the societal level.” Based on a thorough examination of select texts by Shell and its critics, Livesey and Graham illustrated the transformation of Shell’s identity toward more sustainable practices. Simultaneously, they show how its new eco-talk at once reflected and shaped the understandings of environmental responsibility in society at large.

Other companies use the language of corporate social responsibility to spur corporate change and impel corporate action. For example, sportswear manufacturer Nike, once heavily criticized for using sweatshop children labor in Asia, now engages in the Nike Village Development Project. While its past makes it difficult for Nike to come across as sincere, the transformative potential of such initiatives should not be underestimated. That is, while companies like Nike do not become socially responsible simply by talking about it, their initiatives within that arena have reorganizing potential beyond the labels of “false advertising” (DeTienne & Lewis, 2005) or “greenwash” (Hamann & Kapelus, 2004). Although we should continue to be critical of what organizations say or do, we should simultaneously allow them to experiment with the ways they communicate. Such latitude not only allows them to find new solutions for themselves and their own organizational practices, but also
– as Livesey and Graham suggest – help society at large discover new ideals, goals and productive discourses on responsibility and sustainability.

If the picture of how communication potentially shapes and transforms corporate behavior has any relevance beyond the case of Shell, the questions should be: How much latitude are we willing to grant organizations in experimenting with new ways of talking about their ideas, values and plans? Can we allow them to articulate values they are not presently able to live up to? Or should we insist that their words always reflect their deeds? Rather than taking the conventional modernist approach where the task of the critic is to *unmask* and expose differences between what organizations say and do, we suggest taking a closer look at the *transformative potential of such differences*. Used with caution, differences can help stimulate and generate change in the interest of society. Such an approach is in line with the notion of auto-communication. Auto-communication takes place whenever people or organizations communicate with themselves through external media (Broms & Gahmberg, 1983; Christensen, 1994; 1997). By lending status and authority to self-messages, the external medium binds and commits the sender to do something about the proclaimed ideas, values or plans. The external medium, in other words, is a “mirror” in which the sender sees and evaluates itself in the eyes of the generalized Other (Christensen et al., 2008). Self-evaluations are important sources of identity developments (Cooley, 1983; Mead, 1934). In such processes, accuracy and consistency are not the primary drivers. Just like the messages we deliberately convey about ourselves to significant others, corporate messages (advertising, corporate values, mission statements, etc.) are not perfect mirrors of reality. Rather, they are about the hopes, dreams and visions of corporate actors. Interestingly, we tend to grant more leeway to some types of corporate communications than to others. Advertising, for example, has generally become accepted as a genre of communication with only marginal overlap with the reality it refers to. This attitude contrasts sharply to the expectations we have regarding statements about corporate social responsibility.
Having stressed the significance of differences and the limitations of conventional approaches to transparency, the central question, of course, is how big differences are we willing to accept in corporate communications and corporate behavior. How much inconsistency can we tolerate? What are the limits to hypocrisy? How can we rearticulate the standard of consistency in ways that do not preclude real transparency? And what is the role of public relations in this process?

**Conclusion: Challenges to Public Relations**

Believing that public relations’ essential role is a provider of information about corporate matters, we have unpacked the notion of organizational transparency to explore its different meanings, directions and implications for contemporary organizations and society. Although transparency is essential in generating trust, collaboration, dialogue, and accountability, its institutional forms tend to produce organizational closure rather than openness, control rather than insight, discipline rather than autonomy and freedom. With the current emphasis on consistency and alignment in all corporate communications – an emphasis often produced by a certain type of critique by journalists and media – such paradoxical and counter-productive consequences of transparency are bound to increase. Taking our point of departure in the organizing power of language, we call instead for more openness and curiosity toward, if not acceptance of, differences and discrepancies between corporate words and action. Our point is certainly not to justify corporate pretense and deceit, but to allow organizations to explore – through communication – their possibilities for change and improvements.

The role of public relations in this process is to throw light on differences and discrepancies rather than hiding them, denying them or smoothing them out. Instead of contributing to illusions of full agreement, openness and transparency between corporations and society, public relations can play an essential role in pointing out and clarifying important differences and inconsistencies in society. Although we frequently come across differences and inconsistencies in corporate messages and
behaviors that we find troublesome, such differences and inconsistencies may appear more understandable if they are explained and illuminated rather than toned down. Differences can be used as levers to mobilize internal and external audiences. Furthermore, they can be used to investigate limits and possibilities and to proactively creative better organizations. Therein lies a significant potential for change: in the open and creative articulation of differences. PR’s role in facilitating such open and creative articulation is crucial. Rather than pressing organizations toward compromise and thus minimize, silence or deny differences and inconsistencies, we suggest that organizations are urged and stimulated to use differences and inconsistencies proactively and creatively to highlight and debate their potentials for change and improvements (cf. Heath, 2001). Such approach implies a far more sophisticated approach to transparency. In contrast to the current business environment, where external transparency claims are transformed into disciplinary practices that potentially reduce transparency, we need to create conditions for another type of corporate transparency that allow them to share their limitations far more openly with their surroundings. Such transparency has both internal and external dimensions. Internally, it allows employees to openly address differences and inconsistencies instead of adapting their perceptions and utterances to the official corporate story. This way, they can potentially contribute far more actively to organizational change. Externally, it allows and commits organizations to admit differences between stakeholders and their own perceptions.

Instead of insisting on agreement and consensus, as some renditions of the two-way symmetrical model tends to do (Grunig, 1993; Burkart, 2007), our notion of transparency implies that organizations make differences visible and clearly acknowledge their own stand on the issue. Interestingly, such an approach is far more ethically sound as it forces organizations to explain and justify their viewpoints and decisions more actively than when they aim for agreement and compromise. In fact, it is possible to argue that such an approach would have generated a better solution in the well-known Brent Spar case. By giving in to the pressure by Greenpeace and not dumping the former oil buoy
Brent Spar in the North Sea, Royal Dutch Shell chose an approach of responsiveness rather than responsibility (Cheney & Christensen, 2001a). By contrast, an approach of responsibility would have implied a focus on facts and a persistent insistence on keeping the debate about the alternative – scraping the buoy on land – alive. Such an approach, which acknowledges and accepts differences and disagreements, is not only more responsible, it also has the potential to generate more trust in the long run.

Such an approach implies a new professional role for the practitioner. Holtzhausen and Voto (2002) describe the public relations professional as an organizational activist, who is engaged in situational ethical decision making, has a desire for change, uses biopower to resist dominant power and who is concerned with employee representation and the practice of disagreement and dissymmetry – thus confirming the emancipatory potential of public relations that challenges the managerial approach to the profession (see also, Berger, 2005). In this vision, practitioners should not regard themselves as part of a dominant coalition, but as organizational activists, who represent and illuminate stakeholder interests vis-à-vis management. In addition to the activist role, the practitioner could play the role of a “court jester” granted with the privilege of airing conflicting opinions and concerns without being punished. A jester’s licence would be of great advantage to the profession, as well as to organizations and society. It would enable public relations to facilitate and professionalize public debate and awareness in the sense of learning to listen to, understand and incorporate multiple perspectives and nuances without downplaying or rejecting vital differences in perceptions. In this vision, it is not public relations’ role to foster consensus and shared meaning but to illuminate fundamental differences in stakeholder perceptions and viewpoints. Such a role may well be regarded as a constructive step toward fostering community at a more sophisticated level; a community founded on a thorough understanding of the arguments that can be made against us (Heath, 2007). Finally, practitioners can be thought of as navigators that help organizations and society in gaining
self-insight and knowledge. In all these roles, the mission of public relations is to educate both the corporation and society to deliver and expect more elaborate and complex accounts of issues and decisional situations.

To stay vibrant, public relations needs as a minimum to avoid becoming an account technology, that is, a technology that reduces transparency to formalized systems of accountability which big and powerful corporations can easily learn to master to their own advantage. Real and effective transparency involves keeping essential differences and discrepancies alive and visible for everybody to see. In this game, the focus on consistency is probably a bigger problem than hypocrisy. The insistence on consistency forces organizations to tighten their control measures, which potentially reduces real transparency. By allowing organizations to talk more freely about their ideals and good intentions without constantly reminding them that their behavior leaves much to be desired, we stand a better chance of discovering new modes of organizing that benefit society as a whole. Obviously, corporate ideals, initiatives and claims need to be treated with caution. While a more sophisticated notion of transparency may teach us to tolerate some forms of emerging hypocrisy, we still need to condemn it when it is deliberate. If transparency is less one-sided (that is, more symmetric) there would probably be more tolerance for, or understanding of, inconsistency and differences in corporate communication – and thus offer greater potential for social learning. Practitioners in their roles as reflective organizational activists, court jesters and navigators might well focus on developing such symmetric transparency as part of reflective communication management in future public relations (cf. van Ruler and Verčič, 2005).
References


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