STRATEGIC COMMUNICATION IN AN ORGANIZATION

(The Case Study of New Kenya Corporative Creameries).

BY

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DECLARATION

I declare that this is my original work and has not been presented to any other University for examination purposes.

Sign Bate 8 12.08

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This Research Project has been submitted for Examination with my approval as the

University Supervisor.

Mr. Peter Oriare

University Supervisor.

DEDICATION

I wholeheartedly dedicate this work to my friend and husband, Kennedy for encouraging and fully supporting me during my time of study, may God bless you –always.

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ABSTRACT

The study's aim was to gather evidence that the use of strategic corporate communication and public relations can play a big role in the restructuring and transformation of an organization, in this case New Kenya Corporative Creameries.

A sample population of 35 staff members was drawn randomly from every department at the NKCC Headquarters.

The study confirmed that the use of strategic communication contributed to a great extent to the success of NKCC.

NKCC successful endeavored in image buildings, increased visibly, and took part in sponsorships of sports and atheletes for example the just ended Beijing Olympics of 2008.

The major challenges found at the NKCC was in the internal communication, most of the employees felt that there was need to improve and have a culture change.

Which eventually became the given study recommendations.

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CHAPTER ONE

1.1 INTRODUCTION

THE ROLE OF STRATEGIC COMMUNICATION IN AN ORGANIZATION

Strategic communication is 'People centered'. It's the process of providing information with the aim of achieving a shared meaning based on organizational values and principles such as trust, honesty, timeliness and empathy.

The fundamental purpose of strategic communication in an organization is to enable and energize employees to carry out its strategic intent. It provides the capability to rapidly Identify, send, receive and understand strategic information that is credible, sensible and relevant.

A lot of emphasis is placed on the development of strategic and organizational plans and reviews in order to guide decision makers and users of information on how to accomplish its goals.

Planning strategically entails plans for a long-term nature and delves into decisions that once taken are difficult to reverse. These decisions also act as a guide to the day to day operations and interactions with the organizations publics. (Sagimo 2002).

The success of an organization highly depends on its internal and external communication. A shared meaning and positive common culture is integral in the internal workforce whereas the external publics need to be well informed, and an acceptable service delivered across the board.

Communications office is integral in every organization. This is where strategic communication policies are planned using proper tools. A communication professional should be in the inner circle of management impacting on decision making.

1.2 Public Relations Explained

Public Relations consist of all communication with all the people with whom an organization has contact. The purpose is to establish a two way communication to resolve conflict by seeking common ground or area of mutual interest and to establish understanding based on truth, knowledge and full information (black 2002). This a vital function of organizational management.

It's important to note that PR is inter-twined in strategic communication, corporate and organizational communication for they all generally refer to internal and external communication of an organization.

Every communication decision would affect the organization positively or negatively. There's need to acquire strategic Public Relations management skills such as planning, budgeting, direction and evaluation of all PR programs, in order to achieve desirable results. The Public relations function is enormous and it includes writing, editing, media relations, record management, counseling, event organization, speaking, contact, training and production. (Cutlip, Centre and Broom 1998).

The PR professional establishes and maintains correct corporate image of the organization, while monitoring public opinion and advising management accordingly, so the proper positioning of PR at the top level of management, is mandatory.

There is much truth in the statement that an organization is only as good as its communication, it's on this backdrop that the new Kenya cooperative creameries restructuring and reforming process is going on, coupled with other areas of the economic recovery strategy of the government, and it goes without saying that Communication is the core vehicle of all reforms.

Caricatured communication strategy is needed in all the areas of change including corporate governance, corporate culture and image, cost reduction, quality service, improvement of Marketing, staffing amongst others.

Corporate strategic communication and public relations is of great importance for growth and sustainability of any organization.

1.3 HISTORY OF NKCC

After a thorough research and self examination NKCC has developed a corporate communication strategy to improve its image which has been confused with its predecessor KCC or KCC 2000 Ltd. The corporate affairs manager of NKCC has been using a communication action plan, to grow in reputation and build a strong relationship with its publics.

The history of New Kenya Corporative Creameries dates back to 22nd August 1925 when Kenya Co-operative Creameries Ltd (KCC) was incorporated as a limited liability company. The principal business of KCC was buying, processing and selling dairy products both in the domestic market and export market. The company started with only one factory in Naivasha but today has eleven (11) dairy processing factories and eleven (11) cooling plants, Growth was mainly achieved during the period 1966 to 1988. As at that time there was a lot of technical, technological and financial assistance from DANIDA.

Besides the factory that was set up at Miritini to serve the coastal region, the rest of KCC factories and cooling plants exist in the medium and high potential parts of Kenya, where over 70% of the population lives and where poverty is prevalent. By 1987/88, KCC was Selling one million liters per day, it had purchases from dairy farmers reaching a peak of two million liters per day.

By 1992, the dairy industry was liberalized and other private processors came in, for example Brookside, Tuzo, and Githunguri Diaries and others. KCC was unable to reengineer, Restructure operations or even reduce high operating fixed costs. There were serious delays in payments to farmers and suppliers. KCC was now faced with very serious working capital constraints. The company resulted to huge borrowing to settle outstanding creditor payments and finance purchase of milk from dairy farmers.

In an attempt to address lost market share KCC become a 'Buyer of last resort 'in the industry. This resulted to KCC being flooded with milk it could not process and sell to consumers. Much of the milk had to be converted to powder and stored. The powder could be reconstituted into liquid milk when needed; this proved very costly and further strained the company's resources.

Over time, stocks of powder became unmanageable, tying further the much needed capital.

Moreover, milk purchases were debt managed thus profit margins shrank. KCC could not meet its commitments as and when they fell due.

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In August 1999, the debenture holders, Kenya Commercial Bank (KCB) placed KCC under receivership and Price water house Coopers were appointed as receiver managers. In August 2000, KCC 2000 was formed and acquired the company through bids invited by the receiver manager. KCC 2000 Ltd was paid Ksh.547, 028, 870/= and NKCC became a fully owned government State Corporation under the Ministry of Co-operative Development and marketing.

The new Kenya Co-operative Creameries was registered on 25th June 2003 as a limited liability co-operative as a result of a government initiate, and as part of the country's economic recovery strategy. (www.newkcc.co.ke).

After the NEW KCC buy-back process, there was need to rehabilitate company facilities processing factories and cooling plants because they had been out of service for quite some time.

The company used around Ksh.3 billion to re-open eleven cooling stations, eleven factories and twelve sales depots all by use of borrowed funds and ploughed back profits.

On the 19th November 2004 NKCC LTD was incorporated under the companies Act with 100% government of Kenya shareholding to take over business from KCC cooperative society.

New KCC has greatly contributed in building infrastructure and has enhanced economic well-being to rural communities, More than 1.5 Million people are provided with a livelihood either directly or indirectly.

In 1925 NKCC was only processing butter, but to date a wide range of products are made, they include fresh milk, butter, cheese, flavored long life milk, fermented milk, yoghurt, ghee and powdered milk, all which have branded names.

New KCC has developed export channels to the COMESA and East Africa region. The monthly milk intake has growth by over 38% since 2003. Farmers pay has improved from sh.6 per liters to sh.20 in 2007.

Farmer support initiatives have been put in place, whereby field service officers give farmers quality services. These support schemes have boosted milk production.

In the year 2006-2007 the company achieved a record profit before tax of Ksh.384 Million against the previous Year's 349.8 million. This is a 65% growth, a marked improvement from the ashes the company picked itself from in 2004 with a net loss of Ksh.8million. In the NKCC year 2006/07 annual report, the chairman was quoted as saying 'the company Achieved another record profit during the year.... And maintained a health cash flow

Position.' Another notable comment would be... "My board continues to pay attention to

Corporate strategic responsibility, with a view of enhancing partnership between the company, host communities and general public. Our Corporate Social Responsibility activities focused primarily on the less fortunate in the society, sports, organized youth affairs and environmental improvement. We were the proud official sponsors of the Athletics Kenya team that was ranked 2nd best in the world in Osaka Japan." (Annual Report 2006/7).

The successful story of the NKCC has been noted and its brand names which attained international super brand status in 2006/2007. These products are seen in more and more places unlike earlier on, hence a sure recipe to study on the success of government initiatives, corporate governance and strategic communication.

Many a time we see paid media adverts of brand names like Shakalaka, Shake six pack milk, KCC Gold Crown, Premium, Long life milk, KCC Pasteurized butter, Safari land powdered milk, and KCC Gouda cheese all Communicating new products and brand names. A web site www.newkcc.co.ke has been launched. Vital information is available here.

Other ailing government agencies and institutions like KPCU-Kenya planters Corporative union (Which suffers from' Poor governance, in-fighting by management, Mass resignation of managers as stated by Honorable Joseph Nyaga Minister Cooperation) can borrow a leaf from NKCC.

1.4 STATEMENT OF THE PROBLEM

In order for an organization to attain its goals, effective communication both internally and externally needs to be a priority. Therefore, the New Kenya Cooperative Creameries has tried to embrace various forms of communication strategies on its road to recovery. These include: Use of E-mail as an official communication, using the NKCC website, Sponsorships and embracing Corporate Social Responsibility strategies like giving food and money to the needy.

The NKCC had been dogged by poor management, low profitability, poor image, stiff competition amongst other problems; this was made worse when the market was liberalized in 1999 and farmers were free to take their milk else-where to other dairies and milk hawkers.

The brand names at NKCC and its services had lost trust in the market, the facilities had been run-down and it is under this scenario that the NKCC took over the organization.

The communication strategies employed for both the Internal and External publics might have had a big role to play in the revival of NKCC.

An Example of an organization that has benefited in the use of Strategic Corporate Communication is The Kenya Commercial Bank which had been ailing and was unprofitable but they used corporate communication interventions and saw the Bank raise its corporate visibility and image, needless to say that its profits soared from 150 million to 750 million between 2002 and 2005. Gikonyo (2005).

The rejuvenation of NKCC within a period of five years into a more profitable organization needs and calls for a scholarly inquiry.

1.5 HYPOTHESIS OF THE STUDY

The success that NKCC has achieved in recent years is attributable to a great extend to the effective utilization of strategic communication and Public Relations in the re-structuring programs.

1.6 GOAL OF THE STUDY

The Main objective of the study is to investigate the role played by strategic communication in NKCC revival and structuring.

1.7 OBJECTIVES OF THE STUDY

- 1. To find out the strategic communication used by NKCC.
- 2. To identify the challenges faced by NKCCs communication strategies.
- To examine the role that effective communication strategies have played in NKCC"S successful performance.
- 4. To develop recommendations for effective communication strategies in an organization.

1.8 RESEARCH QUESTIONS

- i) What corporate communication strategies did NKCC use?
- ii) How effective were they?
- iii) What do the experiences of NKCC inform us about effective communication strategies in an organization?

1.9 THEORETICAL ASSUMPTIONS.

The study assumes that the NKCC revival was mostly the result of the renewed corporate communications strategies. The chosen theory that will be used is The Learning Theory: specifically, the Social learning Theory by Bandura (1977).

1.10 RATIONALE OF THE STUDY.

The study's aim is to investigate strategic communications and PR used by NKCC to reestablish and reinstate successfully both its image and profits. The study is currently important because it can help revive several other government institutions that went down in the 1990s for example Kenya Meat Commission, Kenya railways, Nyayo tea Estates, Nyayo Buses, Kenya Bus Services, Kenya Planters Corporative Union and many others, they can all borrow a leaf from NKCC.

The inquiry aims to study the government initiatives to revive corporations and seek to find out if strategic communication has contributed to the transformation of the NKCC.

1.11 LIMITATIONS OF THE STUDY

Time to carry out the study was a stumbling block since the exercise is to be carried out at a time when the researcher must continue with everyday duties at the place of work.

- Funds were another limitation that has to be highlighted hence limiting the study to Nairobi area only.
- The area of study has not been exhaustively researched on hence access to relevant material was difficult.

1.12 DEFINATION OF KEY TERMINOLOGIES

Strategy

A strategy is the directive and scope of an organization over the long term which achieves advantage for the organization. There is configuration of resources within the changing environment and fulfilling of stakeholders expectation

Corporate

It describes a business or commercial venture or that which belongs to a corporate or group.

Corporate image

A collective image that represents an organization, usually, through colors, branding, uniforms, slogans and others.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

Strategic communication provides an umbrella that enables organizations to integrate their disparate messaging efforts. It allows creation and distribution of messages that while different in style and purpose, they have an inner coherence; it prevents contradictory and confusing messaging to different groups across all media plat forms.

While originating as a military term used in combat, logistics and military business, Strategic communication has branched out into the corporate world in relating to communicating with a clear purpose or message.

Strategic communication principles and techniques are a new way for organizations to respond to changed business landscape that results from networked communication environment. Back in the days, organizations could segment publics and audiences and target unique messages to each one, today all potential publics and audiences can access information about the organization. Consumers see information targeted to investors, partners and others; almost everyone can see almost everything -and all organizations are striving to communicate strategically today.

2.2 Research and strategic communication

Strategic communication is typically supported by a detailed research plan. Jefkin(1992) states that research is about problem solving. On the other hand Drew(1980) defines research as a 'systematic method of inquiry for generating new knowledge, asking questions, highlighting new experiences, solving problems and understanding current situations'.

Research is important to organizations in order for them to understand their current strategic communications performance and to gain a realistic sense, of what is possible in terms of developing their communication function. Strategic communications research is one tool that can help meet this need.

Research defines objectives, audiences, measures current attitudes and makes recommendations on ways which an organization can improve. Final messages are tested. The early research that shapes the message and points to areas in which organization can straighten its performance is called formative evaluation.

After implementation of the communication program a summative evaluation takes place. This research answers the question did the program reach its goals? What effects did the campaign have? What remains to be done? Where does the organization stand currently?

An organization can engage external communications or evaluation experts to audit its communication strategy or on the other hand research can also be performed internally, by the corporate communications department. Research in strategy communication is highly essential to the overall success of the organization. Robinson (1960) and Cutlip (1985) all agree and emphasize on the circular process of Communication to solving problem these are:

1) Identification of the problem 1

This is done after a thorough research on the current stride of affairs. What are the goals of the organization?

• What are the problems that need to be solved?

ii) Planning and programming

Here, a strategy is decided, a long term plan is put in place and it is broken down to short term plans called tactics. Tactics direct the general program on what is to be done on day to day basis. Objectives are also set up on this stage. A tactical plan prepares an implementation plan, giving a time schedule and resources to be used.

iii) Implementation

This is the execution of the program; the details need to be carefully followed.

iv) Evaluation of the program

The effectiveness of the program is evaluated. Feed back is obtained and recommendations are made.

So this explains the undeniable importance of research in successful strategic communication programs for an organization. Sagimo(2002) and Seital(1987) all crown it by saying research is a highly effective tool for convincing management that corporate communications has an important role to play in achieving objectives, effectiveness and profits. The practioners come up with concrete solutions to existing problems.

The NKCC has put in place a communication work plan to effectively address and execute on all identified key areas of the communications strategy. 'In the communication plan the task is described, objectives are set, a deadline is set, the impact, resources and person in charge are all laid down in writing'- corporate affairs manager NKCC.

2.3 Strategies in organizational communication

All organizations have needed to freshly embrace suitable strategies in communicating both to their internal and external publics.

An organization should have a vision statement which should be distinct, from the overall, mission statement, NKCC vision statement is *life's goodness everyday*. Its mission statement is to be the preferred Dairy Company of International standing providing high quality products. An integrated communication should be used through out the organization and all staff members should have knowledge and /or participate in communication efforts.

2.4 Communication to internal publics

Internal publics are those groups an organization communicates to within the organization; they include associate companies, candidate employees, existing employees, management, new employees, overseas associates, shareholders and even trade unions Jefkin (1980). The following are the methods used:

A) Written communication

They include letters, notices, internal publications like employees handbook, Annual Report and the main functions of these publications are to:

- > Inform in a personalized new manner- The information is accurate and important.
- > The written information also acts as reference material to the people concerned.

They give the vision- mission statement, the core values of the organizations and Other guidelines.

B) Electronic communication

The computers and internet has brought with it a variety of communication ways which include:

E-Mail

This can be used to improve communication between management, employees and Other stakeholders. There's need for training in the use of the internet.

Internet

A network system is created in the organization to better co-ordinate information and resources to reduce overlaps, unnecessary paperwork, inefficient communication or miscommunication. All the information should be obtained from one central point.

Video house journals

They are produced in the organization and can be shown in the organization or outside.

Audio/visual tapes or Cds

Information is recorded for listening by the internal publics while at home or in the office.

Electronic newspaper

This can be used to communicate to staff by transmitting information and news to their Personal computers.

Telephone and mobile phones.

Through the use of the telephone and mobile phones, good relations are fostered in the organization and an open -door management technique is used, here communication flows upwards, downwards and sideways. Phones are important in crisis times and in other forms of organizational procedures like press conferences, events and others.

The mobile phones feature of text messaging has also played a major role in internal communication by creating personalized messages, clarification and understanding between the stakeholders and potential employees, many a time potential employees are also interviewed through the phones.

C). Face to face communication

Meetings

These are very important in an organization. They unite staff and other internal publics. They create good management -employee relations, quality standards depend on face to face communication in an organization. Ideas are given and shared in a meeting and this brings about a teambuilding effect Cutlip (1985).

Employee motivation

This communicates to the employee that the management values the employee.. This is done by giving employees promotions, increment in salaries, certificate of good performance, team building outings to places like national parks, coastal areas and other regions of interest. Other staff events include Dinners, parties, sports day, where family and friends are invited, and all these help to cement good relations.

D. Emergency communications

It's essential to create an efficient and consistent action plan for staff during times of crisis in the workplace. The plan should be distributed to all employees and regular meetings held on how to respond in crisis situations. This should be given high priority to avoid embarrassment, panic and poor Public relations. Snitch comb (2004).

2.5 Communication to external publics

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Websites

This is put into place and it becomes a twenty four hour resource centre. Information is posted and reviewed frequently, this information should be accurate and with a quick response when inquires are made.

Corporate identity

Items should be branded with company vision, logo, and colour as needed. Also develop a package of templates for letter heads, press releases, business cards, memos, envelops and other common forms. The company's branding solution should be reviewed and refined.

Communication office

The office could be a PR office or corporate affairs office. Here media contact is done; the corporate affairs personnel should be well-versed in communication issues and the media. This office should be the focal point for all communications, with a representation in each department.

Publication and information updates.

This can be in form of magazines, brochures, booklets, forms, Actual reports and also Having a column or supplying material to one of the local daily newspapers.

Corporate social responsibility

Corporations are getting closer and closer to the communities and they give back to the community through various programs for example, a company like Safaricom has many programmes going on, like feeding the poor, building schools, bridges, hospitals and many others.

Exhibitions and conferences

These are used to inform and to create publicity. While on the other hand they add Knowledge and understanding about the company at hand.

Sponsorships

This is providing financial support for worthy subject, cause or individuals. Sponsorship is Given to sporting events, educational ventures and other needy institutions.

News media

The information can be put in the print or other visual media agents, these include radio and Television, daily newspapers and magazines, bill boards and many others.

2.6 Corporate communication strategy used by NKCC

The New Kenya Corporative Creameries was determined to pick up the pieces and improve on areas of communication. A thorough research was done on how to approach the area of communication and by so doing, a strategy way put in place and written in a twenty two page document. It highlighted all areas and how they could be improved. A work plan was also put in place, the tactics to be used were laid down, tasks were allocated to various people and the time span was decided, and so were the resources to be used.

Improving corporate image

A corporate affairs office was put up with ten employees to man the office, the head of the department is a Corporate Affairs Manager, and she is assisted by other members of her department.

The NKCC established a customer contact centre to deal with enquires and give appropriate help to clients and all publics.

A vision and mission statement was constructed as well as creating publicity for the products of the organization; refurbishment of offices is still ongoing.

INTERNAL COMMUNICATION STRATEGIES

(i). Corporate sponsored newsletters.

This is used to inform employees of the NKCCs policies, plans and activities.

(ii). Notices

These are placed on the notice boards which are situated strategically within the NKCC facilities .Important information is placed here.

(iii). E-mail

This is used as an official communication channel.

(iv). Telephones

They are used for consultation and quick meetings that require no face to face contact. Consultation with stakeholders is also done sometimes on phone.

(v). NKCC website

This is used as an information resource centre for both members of staff and other external users. The address is nkcc.co.ke; it is functional and it gives lots of information on company history, profile, vision/mission statements, and much more.

(vi). Meeting

Regular meetings are held amongst staff, and management holds monthly meetings.

Operations meetings are held weekly while quarterly staff briefings are done involving management, the managing director and all staff. The NKCC Board of Directors meets at least once in a year.

(vii). Employee relations

Employees are trained and inducted; the vision and mission statements are explained to them in order for them to be good ambassadors of the company. Culture change initiatives are done using social events, for example company sports day, and Open days. Employees are involved in community relations, for example visiting Mama Ngina children's home. Hence they feel part and parcel of the organization.

A job evaluation has also been commissioned to harmonize NKCC employment terms with the rest of the market: this was stated by Francis Mwangi Managing director of NKCC.

EXTERNAL COMMUNICATION SYSTEMS

The company uses the electronic and print media to communicate to external publics. The Managing Director or company chairman also does quarterly media briefings.

Paid up media advertisements

Using print and media advertisements, products are made known; to the public these products include fresh KCC milk, butter, ghee, powdered milk, and others.

Farmer's field day

This is an annual event for farmers to interact with NKCC staff members.

Exhibitors and trade fairs

NKCC participates in exhibition and trade fairs like the 2006, 2007 Nairobi International Trade Fair, the Minister of Livestock and Fisheries paid a visit to NKCC stand. Brochures on products were given to the public. NKCC also took part in the annual Ushirika day for co-operative societies.

Sponsorships

This is done through the community social responsibility program in order to attain public confidence and gain favor in the company policy and programmes. NKCC is the official sponsor of athletes Kenya which was ranked second in the world in Osaka-Japan.

The company also co-sponsored The Rugby Super-series tournament in March 2006 whereby NKCCs shake buffaloes took part.

Website

As earlier mentioned this is open to all its publics. Www .newkcc. co.ke.

Branding

Billboards, banners, vehicles and other branded merchandise all communicate to publics.

The employees have branded shirts which are worn on Fridays, it is a dress down day, and they also wear them during company functions. All this creates publicity and enhancement of the company's image.

Corporate Social Responsibility. (CRS)

This is an area that NKCC has consciously and purposefully taken interest. It's one of the eleven core values that the organization embraces. The company donated milk to Mary Immaculate Rehabilitation Centre, then the company staff also visited the children from Mama Ngina Kenyatta Children's home, they donated milk and milk products. Nyumba ya Wazee has also benefited from these donations and visits.

During the world environment day the deputy provincial commissioner of Nairobi also received NKCC products.

NKCC participates annually in the Dairy Month which is an initiative of the Kenya Dairy Board. The forum is created to bring together all stake-holders in the Dairy industry. This dairy month is usually is June.

2.7 THEORETICAL FRAMEWORK

In order to understand why people behave the way they do there is need to base study on theory and models of behavioral change. Theories serve as a basis for implementing and evaluation. Valente(2001).

Learning theory

It is defined as a relatively inherent permanent change in knowledge or behavior resulting from experience. Various scholars have advanced different theories on how people learn; this study will use the social learning theory by Bandura (1977).

Social learning theory

This maintains that people learn new behaviors either by modeling the behavior of others or by direct experience Bandura(1977). An example of how this theory applies is acknowledged by Taheri - Kennedy et al (2004) who says that those who are in a vehicle travelling with others who wear seat belts, use their seat belts too. Those who travel with people who don't were seat belts, don't wear seat belts either. In a survey done on 256 middle school students Page (1986) showed that those who reported having seen their parents use seat belts were significantly more likely to wear theirs. This emphasis that positive modeling can bring about positive behavior and vice versa.

As earlier mentioned organizations don't exist alone but are integrated in the society, hence they interact with the other members of the environment and model each others behavior, for example in branding, corporate social responsibility, publicity and other areas.

They all learn from one another and the success of one organization can act as a model for others too.

CHAPTER THREE RESEARCH METHODOLOGY

3.1 LOCATION OF THE STUDY

The study was carried out at the head office of New Kenya Corporative Creameries which is at Creamery House Dakar Road, Industrial Area, Nairobi, Kenya. The choice of the head office in Nairobi was due to the fact that all departments were represented here and the head office houses majority of the NKCC staff.

3.2 RESEARCH DESIGN

The research Design for this project was a case study. A systematic sampling method was used to collect the data which was put into four stratified groups, according to job designations; this was to enable easier analysis of the data.

Questionnaires with both open and close ended items were administered to collect the data.

The data was then presented, analyzed and recommendations of findings were made.

3.3 SAMPLE POPULATION

This study identified 40 respondents who represented the sample used from the total population of 700 workers. The operational level staff were more than the rest hence they had a higher representation.

3.4 DISTRIBUTION AND SAMPLE OF STAFF.

Name of department	Total number	Sample
1. Human Resource	70	5,
2. Corporate Affairs	38	3
3. Sales and distribution	150	6
4. Engineering	33	3
5. Marketing	72	5
6. Production	180	6
7. Quality Assurance	47	3
8. Finance	42	3
9. Audit	37	3
10. Company secretariat	31	3
	700	40

3.5 SAMPLE FRAME TABLE

The sampling frame was deduced from the above data. The sampling frame was divided according to the job designations opposition (strata) as answered in the questionnaire, four main groups were identified.

3.6 SAMPLING FRAME TABLE.

Level in department	Number	Percentage
Management	5	12.5
Supervisory	7	17.5
Operational	21	52.5
Sub-ordinate	7	17.5
Total	40	100%

3.7 SAMPLING TECHNIQUES.

To obtain the required sample from the population of the study, a simple random was taken.

The samples were then stratified on the basis of the job designation and their department to ensure that all departments were represented.

The four strata that were formed were management, supervisory, operational and sub-ordinate; all totaled to 40 in number as shown in the above table.

3.8 DATA COLLECTION.

The questionnaires were distributed the respondents on a specified date with the help of two NKCC employees of the corporate communication department. The questionnaires were then collected immediately after being filled and they were put together for analysis. The corporate affairs manager was also interview on two occasions using first a structured interview and a telephone interview on the second occasion.

CHAPTER FOUR RESULTS AND FINDINGS

4.1 INTRODUCTION

In this chapter the result of the research are presented and all responses in the questionnaire are analyzed. The results are then expressed in percentages and plotted in Charts, graphs and tables.

4.1.2 RESPONSE RATE

Out of the 40 respondents targeted for the study, 35 members of NKCC staff returned the questionnaire duly completed. The 35 responses reflect an 88% of the sampled population.

Demographic and Personal Particulars

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4.1.3 Department

Name of department	Frequency	%
Human Resource	3	9
Corporate Affairs	5	14
Sales and Distribution	6	17
Engineering	3	9
Marketing	4	11
Production	3	9
Quality Assurance	3	9
Finance	3	9
Audit	3	9
Company Secretariat	2	5
Total	35	100

The table 4.1.3 above shows the departments the respondent's work. Every department is represented in the sample population.

4.1.4 DESIGNATION

Designations	Male	Female	Frequency	%
Managers	2	1	3	9
Supervisory	3	4	7	20
Operational	8	10	18	51
Sub-ordinate	4	3	7	20
Total	17	18	35	100

According to table 4.1.4 on job designations, 9% were managers 51% were from the operational staff; while 20% were in the supervisory position, last but not least were the subordinate staff with a 20% representation.

It's important to note that a corporate communication manager is amongst the management team, so she is well placed to advice the company on communication strategies.

4.1.5 GENDER DISTRIBUTION.

In figure 4.1.5 below it shows that the male respondents in the study were 49% while the female respondents were 51%.

: "	FREQUENCY	PERCENTAGE
MEN	17	49
WOMEN	18	51
TOTAL	t35	100

4.1.6 AGE DISTRIBUTION

Age	Frequency	Percentage	
18-24 25-40	1	3	
25-40	30	86	
41-50	4	11	
51-+	-	-	
	35	100	

Table 4.1.6 Shows that 86% of the respondents were between the ages of 25-40. Only 11% were between age 41-50. One respondent was less than 24 years while none was over 51 years.

4.1.7 EDUCATION

Education Level	Frequency	Percentage	
Primary	-	-	
Secondary	2	6	-
College Diploma	6	17	
University	28	77	
Total	35	100	

According to table 4.1.7 above there was no respondent of primary level education. 6% had attained secondary level while 17% were college diploma level. The remaining 77% were all University graduates.

4.1.8 LENGTH OF SERVICE NKCC

Length of service	Frequency	1%	
0-2 years	30	86	
3-5	5	14	
6-10	-	-	
11-15	-	-	
1 5 years and over	-	-	
total	35	100	

Table 4.1.8 shows that there were no respondents who had worked for over 6 years.86% of the respondents had worked for 0-2 years while 14% had worked for 3-5 years at NKCC. This can be attributed to the fact that NKCC came into being in 2006 and most of the new employees were young. The older employees of former KCC were not absorbed.

PART TWO
ROLE OF STRATEGIC COMMUNICATION IN THE SUCCESSFUL
TRANSFORMATION OF NKCC.

	Strategy	Male	Female	Frequency	%
1	Advertisement of products	10	12	26	74
2	Communication to external publics	15	13	28	80
3	Community relations	11	17	28	80
4	Sponsorships	14	15	29	83
5	Internal communication	7	9	15	42
6	Social responsibility	15	15	30	86
7	Exhibitions	15	12	27	77
8	Improving of corporate image	13	12	25	71

In table 4.2 above the respondents believed strategic communication had played a great role in the successful transformation of NKCC. Advertisement of products got 74% success; exhibitions got 77% while improvement of corporate image got a 71% rating. The areas that had an 80% and above included communication to external publics and community relations which got 80% each, sponsorships got 83% rating while social responsibility got an 86% rate.

The area that got the lowest ranking was the internal communication strategy which has 42% rating. The internal communication entails all communication done mostly to employees from management. There was a general feeling that a lot of emphasis had been given to the external communication with less emphasis on the internal communication. Employees felt that a more effective method of communication was needed.

4.4 THE EFFECTIVENESS AND NON EFFECTIVENESS OF THE FOLLOWING STRATEGIES.

Communication strategy	Effective		Not effective		Not sure	
	F	%	F	%	F	%
Reputation Management	34	97	1	3	-	-
Employee Relations	3	9	32	91		-
Social Responsibility	31	89	4	11	-	-
Publicity	30	85	5	14	-	-
Community Relations	28	80	5	14	2	6
Crisis Communication	4	11	26	74	5	14

In the above table 4.4, 97% felt that reputation was effectively managed at NKCC. Social responsibility, publicity and community relations were all well rated with over 80% effectiveness. Employee relations had only 9% stating that it was effective. A majority 91% felt it was not effective. Crisis management was also poorly rated with 74% of the respondents rating it as not effective.

One of the notable comments by the employees on their view was that the employees were never informed of most corporate issues; they got to hear of events after they have taken place. This highlights the poor rating towards employee relationship.

Crisis management is a critical area of communication which needs planning, examples of crisis situations are a fire in the office, a plane crash for an airline company, a faulty product, media highlight on a corruption case of top officials and other crisis situations. There is need for a crisis team to be in place to deal with any forthcoming issues.

4.5 IMPROVEMENT OF MUTUAL UNDERSTANDING BETWEEN NKCC AND ITS PUBLICS.

Response	Frequency	%	1-11-1
Strongly agree	3	9	
Agree	22	63	
Not sure	10	28	
Disagree	-	-	
Total	35	100	

63% of the respondents in table 4.5 agreed that the communication strategies used at NKCC improved relations between NKCC and its publics 9% strongly agreed while 28% were not sure. No respondent disagreed.

Again in this question the employee wrote footnotes to the effect that external publics were given and a lot of attention unlike the internal publics who got less comparatively. While at the NKCC Headquarters', reception place, the NKCC staff is very warm and friendly to the company visitors and suppliers. They are prompt in response to enquiries; this is one contributor to the success in external public relationships.

4.6 IMPROVEMENT OF NKCC IMAGE.

Response.	Frequency	%	
Very well	5	14.28	
Well	18	51	
Very bad	w	-	
Not sure	12	34.28	

According to table 4.6, 14% of the respondents felt that NKCC image had greatly improved while 51% felt it was well improved. A paltry 34% were not sure whether there was an improvement.

These responses are arrived at, after NKCCs image was being confused with its predecessors KCC 2000. The company has been going to great lengths to improve its image, and the formerly run down headquarters has been refurbished to a new modern look.

4.7 CHALLENGES FACING CORPORATE COMMUNICATION AT THE NKCC.

	Challenge	f	%
Internal	Lack of funds	10	29
	Lack of training	9	26
	Poor communication	15	46
External	Negative altitude	3	9
	Confused image	18	51
	Competition	17	49
	Others	6	17

The internal challenges that were highlighted in table 4.7 included poor communications with 46% of respondents. External challenges were mainly due to a confused image with 51% responses.

The internal challenges facing NKCC were minimal, lack of funds and training were lowly rated, with over 70% not deeming them as major challenges.

Poor communication internally was once again highlighted with a 46% rating externally negative attitude was not a major problem, again the confusing of image of NKCC with that of its predecessor by some external publics was rated 51% which was an improvement. Competition by other creameries got 49% score.

Other challenges cited included slow responsiveness to changing consumer needs and wants others felt old practices need to be shelved and new ways of doing things embraced, an example of change was in the use of ICT's.

Another response was that more information needed to go out on what NKCC stood for.

The corporate communication action plan has included an action to take in order to enhance a positive visibility of the company and to organize ways of improving the internal communication to a better and friendlier work place.

4.8 INTERPERSONAL RELATIONS WITHIN THE NKCC.

Response.	Frequency	%	
Sound	3	9	
Cold	32	91	
Not sure	1 -	-	
Total	35	100	

According to table 4.8, 91% of the above population regarded the interpersonal relations within the NKCC cold, the remaining 9% thought it sound.

These feelings were also highlighted by the corporate manager during the interview whereby she quoted that the current corporate culture needed to be changed and a warmer and friendly environment cultivated. It was noted that most of the employees that were absorbed back from KCC had an attitude of belonging and knowledge more than the newly absorbed employees; so due to this, there was a stand-off between the

two sets of employees and this in turn created the cold interpersonal relationships within the employees.

4.9 FUTURE OF NKCC

Response	Frequency	%	
Very bright	3	9	
Bright	30	85	
Dull	-	-	
Not sure	2	6	
Total	35	100	

In table 4.9 there were 85% of the respondents who felt that the future of new NKCC was bright, while 9% felt it was very bright 6% were not sure of what the future held for NKCC.

Notable comments by those who felt the future was bright said that this would highly depend in the implementation of all the recommendations giving on furthering the restructuring progress and steering success to higher heights.

CHAPTER FIVE

DISCUSSIONS

5.1 INTRODUCTION.

In this chapter the findings are discussed. Conclusions are drawn from the findings and then appropriate recommendations are made on how strategic communication and public relations can be used effectively in organizations.

5.2 DISCUSSIONS

The findings of the study were in line with the hypothesis that the NKCC used various forms of strategic communication and PR practice to re-invent the organization that was previously called KCC 2000 Ltd 94% of the sample population agreed that strategic communication had played a role in the transformation of the NKCC, to add on to that the 94% still felt that the strategies used were effective.

The study had three objectives; the first one was to find out the strategic corporate communication designs used by NKCC in its turnaround. In this research question several designs were identified and they included exhibitions, sponsorships, use of ICTs, social responsibility endeavors amongst others, Its important to note that several sports sponsorships by NKCC were identified. They included Athletes Kenya Beijing Olympic Games Kenyan Rugby, amongst many others. There were also many social responsibility undertakings for example giving food to the needy and also giving bursaries to needy students. Most of these strategies were well rated. External communication was well done and visibility was increased for NKCC.

The second objective was to identify the communication strategies that had proved effective and those that have proved ineffective. This was also one of the research questions, it was noted that exhibitions, sponsorships and advertisement greatly contributed to the improvement of the visibility of NKCC, product publicity was also enhanced by the several bill boards with NKCC products, all placed at strategic places within major towns and cities. This is a very effective way to reach potential consumers.

The third objective was to find out the role that effective communication strategies have players in NKCCs successful performance. It was noted that communication was used as a vehicle to move NKCC from the dire straits it was in, to the new KCC that many people now know of, the products are back in the market and are being advertised and made more visible to the community through social responsibility endeavour, many individuals and society at large are also benefiting from the sponsorships and exhibitions hence the corporate communication strategies used by New Kenya corporate creameries had a very big role to play in its restructuring.

Employee relations and crisis management was poorly rated and this highlighted the fact that external communication was given more attention with less emphasis on internal communication.

It was evident that understanding between NKCC and its external publics was mutual and favorable 51% of the respondents stated that the image of NKCC was improving.

In an organization, sound interpersonal relation is very important for the smooth running and profitability thereof, but in NKCC 91% felt that interpersonal relationships at NKCC were cold. This is detrimental to the organization and indicates a weakness in the organization's internal communication.

The respondents felt that NKCC had come a long way and it had a bright future ahead, especially if it embraced professionalism and implemented laid down recommendations.

All in all, the company has tried to embrace professionalism when handling its issues. It was also mentioned that government interference had greatly reduced over time, especially in areas of recruiting employees; this was countered by giving recruitment duties to external agencies. There is a strategic plan for a five year period that was put in place and its use has greatly given the company mileage in all its operations, including communications.

CHAPTER SIX

RECOMMENDATIONS AND CONCLUSIONS.

6.1 RECOMENDATIONS.

Communication in an organization is the core vehicle which moves the organization from one point to another. This can be either positively or negatively, it's notable that NKCC has a laid down communication strategy in form of a 'communication plan'. This is commendable.

However a lot of emphasis has been given to external communication strategies. This is understandable and a lot of effectiveness has been seen. Needless to say it's of great importance to ensure that both the external and internal communication of an organization is sound and effective.

The main challenge at NKCC is found in internal communication strategies and more specifically the employee relations. (Jefkins 1998) Management needs to recognize the value and importance of employee communication. (Jefkins 1998), this is done through the use of a range of media and techniques like notice boards, ICTs, written communication and others.

The following tasks and objectives are also highlighted by Jefkins (1998) for the Betterment of employee relations.

- (i) Face to face and open-door communication policy.
- (ii) Explaining company policy to employee and how management is managing.
- (iii) Explaining annual reports and accounts.
- (iv) Explaining new technology, endeavors, safety procedures, news, management Structure or change,
- (v) It's important to have feedback and result; the employee opinions should be Sought.

Good employee relations increase productivity, motivation and job satisfaction. The voice of the employee is needed and it should be heeded.

Sound interpersonal relationship within the organization can be enhanced through group tasks within and out of office, group tasks within and out of office include, retreating for team building, expeditions, and sports day for the company, family fun day and others. All this and others help the staff to bond and create a sense of oneness and belonging.

6.2 RECOMMENDATIONS FOR THEORY.

It was confirmed that the learning theory which assumes that people learn from one another's behaviors agrees with the ongoing at NKCC. Most of its communication strategies are similar to many organizations in the business world e.g. Sponsorships, social responsibility endeavors, exhibitions amongst others. Social learning can be at individual level or a social level; this is through modeling of others behavior for the betterment of the individual or organization.

6.3 RECOMMENDATIONS FOR RESEARCH.

Arising from this study, it would be of great importance to find out more deeply the internal communication strategies and constraints, and then make adequate recommendations for NKCC.

6.4 CONCLUSIONS.

The findings of the study indicated that strategic corporate communication and public relations at NKCC was embraced and successfully aided to a great extend the restructuring and re-engineering of the previously ailing organization.

There was a work plan by the communication department on the strategies they would use in corporate communication. Several key areas were well handled for example in sponsorships, social responsibility, external public relations and others. The external communication strategies were successfully implemented and the visibility of the organization was improved.

Internal communication strategies were ineffective and there was need to be reevaluated and improved for the smooth-running and profitability of NKCC. These experiences at NKCC tell us that it's paramount to have a shared meaning and positive common culture in the internal workforce.

It can be confidently stated that the NKCC had put down communication strategies that played a great role in the restructuring of the organization. Coupled with other strategies for development, the company managed to move from one level of growth to a higher one.

The corporate communication strategies employed brought success to the organization and a turnaround from the past experiences, the success story of NKCC can be used to improve and resurrect other ailing organizations that are no longer performing.

Though there is need for the New Kenya Corporative Creameries to improve its employee relations.

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APPENDICES

QUESTIONAIRE FOR NKCC STAFF.

INSTRUCTIONS

Please spare a few minutes to complete the questionnaire below.

Kindly tick or answer all the questions

Do not write your name

Any information you give will be held in confidence and used only for Academic purpose.

Thank you for agreeing to be part of this study.

PART ONE

1.	Name of your department
2.	Rank/designation
3.	Gender

- 4. age-group (a) 18-24 years
 - (b) 25-40 years
 - (c) 41-50 years
 - (d) 51 years and above
- 5. Which is the highest level of education attained?
 - a) Primary
 - b) Secondary
 - c) College Diploma
 - d) University
- 6. Length of service at the NKCC
 - a) 0-2 years
 - b) 3-5 years
 - c) 6-10 years
 - d) 11-15 years
 - e) 15 years and over

PART TWO

Ω I	JEST		ONE
w		w	UNE

Do you think strategic corporate communication has played any role in the successfu
transformation of NKCC?
a) Yes
b) No
QUESTION TWO
In your view is corporate communication effective at the NKCC?
a) Yes
h) No

OUESTION THREE

In your view are the following communication strategies effective or not effective at the NKCC.

	Effective	Not effective	Not sure
a) Reputation management			*
b) Employee Relations .	-		
c) Social responsibility	-	no	-
d) Publicity			-
e) Community relations			-
f) Emergency/Crisis communication			

QUESTION FOUR

Do you strongly agree, or agree or not sure or disagree with the statement that the corporate communication. Strategies used by NKCC have improved and promoted the companies mutual understanding between NKCC and its publics.

- a) Strongly agree
- b) Agree
- c) Not sure
- d) Disagree

QUESTION FIVE

In your opinion how has the current corporate communications and PR practice improved the image of the NKCC?

- a) Very well
- b) Slightly well
- c) Very bad
- d) Not sure

QUESTION SIX

What are the	challenges	facing	corporate	communication	and PR	practice	at the
NKCC							

Interna

- (i) Lack of funds
- (ii) Lack of training
- (iii) Poor communication

(iv'	١.	Oth	ier.	 										

External

- (i) Negative attitude
- (ii) Poor Image/confused image
- (iii) Competition
- (iv) Other.....

QUESTION SEVEN

In your opinion how would you regard the inter-personal relationships within the NKCC?

- 1. Sound
 - 2. Cold
 - 3. Not sure

QUESTION EIGHT

In your view what do you think is the future of NKCC?

- a). Very bright
- b) dull/bleak
- c. Bright
- d). Not sure

BARBARA NTHOKI UNIVERSITY OF NAIROBI P.O.BOX 30197-00100 NAIROBI

Dear Respondent,

RE: QUESTIONNAIRE ON STRATEGIC COMMUNICATION IN AN ORGANIZATION (the case study of New KCC)

I am a student of the University of Nairobi pursuing a masters of Arts degree in communication studies. I am undertaking a research project on the *strategic* communication in the successful turnaround of an organization.

New KCC has been undergoing positive changes of which I would like to study the extent, contribution and challenges of strategic communication.

Your answers will be treated with utmost confidentiality and will not be used in any other way except for academic purposes.

Thanking you in advance.

Yours Faithfully

Barbara Nthoki