

**THE ROLE OF CORPORATE COMMUNICATION POLICIES IN ENHANCING
STAKEHOLDER RELATIONS: THE CASE OF THE KENYA PORTS AUTHORITY
(KPA)**

BY

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DECLARATION

This study is my original work and has not been submitted to any other university for examination

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Date *17th November 2011*

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This Research paper has been submitted with my approval as the university supervisor.

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Date *28/11/2011*

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DEDICATION

This research project is dedicated to my loving husband David Gicheru Wamae for his financial and emotional support, his encouragement when the going got tough and for his positive words when I felt like giving up. To my beautiful daughter Alessa Mumbi Wamae , my family and friends.

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ACRONYMNS

KPA-Kenya Ports Authority

KEBS-Kenya Bureau of Standards

MOT-Ministry of Transport

KIFWA-Kenya Freight Forwarders Association

MOLD-Ministry of Livestock Development

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ABSTRACT

As in any relationship, communication is key to a strong business relationship. This can be the relationship between business and customer, or, equally as important, the internal relationships among different employees within the company. The importance of keeping the lines of communication with one's business partner cannot be overemphasized. A relationship can only survive if the parties involved maintain an open line of communication. This concept becomes even more relevant when the partnership entails an international agreement where the enhanced distance between the partners will exacerbate the need to keep in touch. The line of communications needs to be a two way process and should flow back and forth. Many joint ventures have collapsed or have gradually fallen apart needlessly due to a lack of communication between the parties involved. International agreements are especially prone to dissolution when the partners fail to maintain a respectable level of contact.

This study sought to find out whether KPA's communication policy is effective in coordinating communication with stakeholders (internal and external) and whether relationships are being built which are beneficial to the authority and how they affect business facilitation and trade. The study also sought to find out whether there is a deliberate effort to continuously communicate with stakeholders, whether the current communication satisfies the desires of all players and the type of channels used and whether they are effective in communicating with stakeholders

To achieve these objectives, this study used interviews to source information from senior officials in selected firms especially in the logistics, marketing, import, export and shipping departments who interact with the Port.

The study reveals that communication in KPA is not done in a transparent manner and KPA seems not to be making any efforts to communicate with its stakeholders in between meetings. There is a general dissatisfaction in the channels used by KPA to communicate with the stakeholders, according to the findings, the parastatal uses the Print media websites, circulars and press briefings to communicate with the stakeholders. This according to majority of the respondents is not reliable. Respondents felt KPA should use electronic mail to reach stakeholders quickly when disseminating information. Moreover, KPA is not proactive in her

communication with her stakeholders especially when there is a crisis. This is risky since, the crisis could be so overwhelming for KPA to deal with. The findings of this study will go along way in addressing the problems with communication in KPA which will help improve its effectiveness in communicating with stakeholders

The study concludes that majority of the firms and other stakeholders know their rights and obligations as partners of KPA. However the researcher established from the respondents awareness of their rights and obligations was as a result of their own initiatives and not because KPA communicated the information to them. The study revealed that KPA's mode of communicating its vision mision and core values is not satisfactory. The findings of this study highlight poor communication of KPA with stakeholders which could be affecting the smooth operations of the corporation.

The study concludes that KPA's communication in addressing problems and grievances is to moderate extent. This is reflected by the delays in responding to problems since according to the study, KPA does not respond to problems quickly. Hence, presenting a need to restructure the communication policy.

The findings revealed that KPA needs to restructure its communication policy

CHAPTER ONE

INTRODUCTION

1.0 Background of the study

Corporate communication refers to the methods that a company uses to communicate with its customers, stakeholders and employees. Essentially, a company's reputation is made or broken through the messages that are disseminated, deliberately or otherwise, to these parties. When it comes to corporate communication, the change lies in the fact that the messages between companies, their staff and their clients are no longer moving in one direction. What remains is for those companies to find a way to make sure that the traffic coming in and out of that doorway is not damaging to them – difficult when there are so many available channels of communication to monitor. Monitoring is not enough though. The potential problems need to be pre-empted and the best way to do this is to have in place a modernized corporate communications policy that takes into account the evolving nature of communication mediums. This study intends to establish the role of corporate communication policy in enhancing stakeholders' relations.

1.1 Kenya Ports Authority

It is estimated that over 80% of the world's sea trade is seaborne and is carried out through ports of call for ships. In this regard, Kenya's international trade is channeled through its port of Mombasa. This port is managed by the Kenya Ports Authority, a government state corporation established by an Act of Parliament. As an international entity, the port is a melting pot for several players who must in one way or other interact with Kenya Ports Authority on a daily, monthly, quarterly or annual basis. The players can be from Kenya, land locked countries or overseas. Uppermost in the minds of these players is complete mutual understanding that will fulfill each and everyone's business satisfaction. A key factor of this satisfaction is human interaction and understanding. Every player, although an independent entity, wishes that the other player also does their part. So and in a way each player can be seen to be a stakeholder in the manner in which the port operates or handles cargo. Consequently, the port's stakeholders can be named as exporters, importers, truck owners, transporters, railway service providers, producers and consumers government agencies to mention just a few. On its part as the manager of the port, KPA sees its role in this stakeholder scenario, as the body central to coordinated

activities of the others. As coordinator KPA has come up with a forum where all the stakeholders come and vent out their wishes and needs, share ideas and suggestions. The main reason for the forum was to have a common view for growth of parties' productivity and higher earnings for each stakeholder through discussions.

1.1.2 Concept of Communication

Communication is not just an act it is a process. The process of communication includes transmission of information, ideas, emotions, skills, knowledge by using symbols, words, pictures, figures, graphs or illustrations. The act of communication is referred to as 'transmission'. It is the process of transmission that is generally termed as communication. Communication in its simplest sense involves two or more persons who come together to share, to dialogue and to commune. Communication is thus not so much an act or even a process but rather social and cultural 'togetherness'. Communication can be with oneself, god, and nature and with the people in our environment. According to Denis McQuail, communication is a process, which increases commonality - but also requires elements of commonality for it to occur at all. A common language, for instance, does not necessarily bring people together. There are other factors too at play such as a shared culture and a common interest, which bring about a sense of commonality and more significantly, a sense of community. Denis McQuail sees 'human communication' in linear terms as the sending of meaningful messages from one person to another. These messages could be oral or written. Communication is important both for an individual and also for the society. A person's need for communication is as strong and as basic as the need to eat, sleep and love. Communication is the requirement of social existence and a resource in order to engage in the sharing of experiences, through 'symbol mediated interaction'.

1.1.3 Organizational Communication

Karl Weick (1979) describes organizational communication as the process by which organizations collect and manage the information they receive. Communication plays a big role inside the organization since it's the key for the organization to be able to make sense of it. Organizational Communication theorists often see organizations as living systems. It is because as living systems engage in activities to function and exist they must have procedures for dealing with all the information that they need to send and receive in order to attain their goals. Much like system, organizations are made of persons and teams that are interrelated. They depend on

each other to complete their objectives and endeavors. For organizations to survive, they must keep constant communication in and out of their borders (Weick, 1979).

1.1.4 Corporate Communication

Corporate Communications refers to the set of activities involved in managing and orchestrating all internal and external communications aimed at creating favorable starting points with stakeholders on whom the company depends (Riel and Fombrun, 2007). It has also been defined as 'the process through which stakeholders perceive that the organization's image and reputation are formed (Balmer and Gray, 2003). Corporate communication may be defined as strategic integrated communication related to the task of coordinating internal and external communication from a strategic to an operational level with the aim of building and maintaining an organization's relationship with its stakeholders. Stakeholders, identity, reputation and strategic management are the cornerstones of corporate communication (Cornelissen, 2004). Corporate Communication is important to give a favorable corporate reputation. There is evidence to support the notion that a favorable corporate reputation gives an organization a competitive advantage (Greyser, 1996; Maathuis, 1993). Corporate communication consists of the dissemination of information by using a variety of channels, the internet being one of the key strategic functional areas to the corporate communications professionals (Goodman, 2006).

A company or a corporate is not isolated from the public and so is answerable to them because they form a part of the social system. It is necessary to respond to the demands of all groups with legitimate stakes in the organization, e.g. employees, consumers, future job candidates, media, NGOs, etc. (Vallentin 2003). The reputation of an organization is dependent on what the stakeholders think about the organization. Thus reputation of an organization is proportional to its ability to reduce the gaps between what stakeholders think of the organization (image) and its actual behavior (culture) and aspirations (vision) formalized through its self-presentation in the internal and external environment. The concept of Corporate Communication could be seen as an integrative communication structure linking stakeholders to the organization. How an organization communicates with its stakeholders (employees and customers) brings its value to life. Corporate communications is about managing perceptions and ensuring effective and timely dissemination of information and a smooth relationship with all stakeholders.

1.1.5 Stakeholder Relations

Companies have long understood that they ignore the interests of their customers, employees or pressure groups at their peril. In that sense good stakeholder relationships are essential and companies are learning that whatever maybe the intellectual arguments over accountability, in practice their license to operate depends on sustaining their reputations with their stakeholders as trustworthy businesses. Businesses know that such trust has to be earned through being transparent and through effective communication. Stakeholder relationships are intangible assets and there is a significant body of opinion that identifies intangible assets as a major driver in the global economy, corporate survival and success. Business stakeholder relationships have value and are assets accruing to corporations. The British secretary of state for trade and industry, Patricia Hewitt MP (Hewitt 2004) put the value of stakeholders into play when she called for corporations to have successful relationships with a wide range of stakeholders because they are important assets, crucial to stable long-term performance and shareholder value. Without effective relationships all other corporate assets are at risk. Sources of capital, raw materials and services, valuable intellectual assets and the processes throughout the value chain are completely dependent on relationships between people within companies and their counterparts without.

In recent years, stakeholder theory has developed a focus on the importance of engaging stakeholders in long term value creation (Maignan *et al* 2003) . This is a process whose perspective focuses on developing a long-term mutual relationship rather than simply focusing on immediate profit. This does not imply that profit and economic survival are unimportant but that the process argument is that in order to profit and survive, companies need to engage frequently with a variety of stakeholders upon whom dependence is vital. Thus emphasis moved from a focus on stakeholders being managed by companies to a focus on the interaction that companies have with their stakeholders based on a relational view.

1.2 Problem Statement

As in any relationship, communication is key to a strong business relationship. This can be the relationship between business and customer, or, equally as important, the internal relationships among different employees within the company. The importance of keeping the lines of communication with one's business partner cannot be overemphasized. A relationship can only

survive if the parties involved maintain a line of communications. This concept becomes even more relevant when the partnership entails an international agreement where the enhanced distance between the partners will exacerbate the need to keep in touch. The line of communications needs to be a two way process and should flow back and forth. Many joint ventures have collapsed or gradually fell apart needlessly due to a lack of communication between the parties involved. International agreements are especially prone to dissolution when the partners fail to maintain a respectable level of contact.

KPA has a communication policy whose one objective among others is to facilitate continuous dialogue with all publics with the aim of running the port smoothly while taking care of every player's needs. Despite this being in place, there are often incidences where wrangles occur between KPA and its stakeholders both internal and external which have affected the smooth operations and ultimately affecting trade. In addition KPA holds meetings once a month, quarterly and annually where stakeholders meet and discuss all operational issues however there has never been a deliberate effort to give priority to communication in between these meetings. This creates gaps given the fact that the port operates 24hours, 7days a week, 365 days a year. This should not happen as communication should be continuous. Since communication is two way and feedback is expected, a mechanism therefore needs to be in place as a monitoring feedback effort as far as all players are concerned. This will help identify loop holes which can be addressed to avoid the wrangles that have been witnessed in KPA. Can KPA therefore use communication as a tool to enhance stakeholder relations?

1.3 Research Objectives

The primary objective of this research is to discover how communication is used to enhance stakeholder relations in KPA. The researchers intention is to find out whether KPA's communication policy is effective in coordinating communication with stakeholders (internal and external) and whether relationships are being built which are beneficial to the authority and how they affect business facilitation and trade:

As such the specific objectives are;

- The study aims to find out whether KPA's Communication Policy is effective in dealing with stakeholder relations
- The research aims to find out whether there a deliberate effort to continuously communicate with stakeholders to ensure smooth business operations
- Since KPA tries to maintain dialogue with its publics is there a mechanism in place to recognize and diagnose communication related problems?
- The study seeks to find out whether the current communication satisfies the desires of all players or whether there are gaps or problems which make it difficult to communicate
- The paper seeks to find out the channels KPA uses to communicate with its publics and whether they are effective in solving issues as they arise

1.4 Hypothesis

Frequent and continuous communication between KPA and its stakeholders can help recognize and diagnose communication related problems thus minimizing potential problems and wrangles and improve profits and trade facilitation

1.5 Justification of the Study

This research is aimed at providing insights into how communication is used as a tool in enhancing stakeholder relations and how this affects business facilitation and trade and hopes to reveal how effective KPA's communication is policy is in enhancing stakeholder relations.

Another aspect that is expected to surface is how KPA perceives communication with stakeholders and whether priority is given to communicating with them effectively and will also reveal how stakeholders feel towards KPA's current communication practice are as a result and how KPA handles problems that arise in or during trade facilitation

1.6 Scope of Research

This research will focus mainly on KPA and all other stakeholders who relate with it. These include importers, exporters, shipping lines and agents, clearing and forwarding agents as well as governments' bodies such as KRA, KEBS, PORT HEALTH, MOT, MOLD, KIFWA etc. The researcher will conduct interviews with senior executives in the respective organizations and conduct surveys

1.7 Limitations of the Study

The researcher anticipates that there will be some challenges in getting all the respondents respond to the questionnaires. Usually when questionnaires are sent through the electronic mail not all of them will be sent back.

The research also anticipates that it may be difficult to get some of the senior people who will be identified for interviews

CHAPTER TWO

LITERATURE REVIEW

2.0 Stakeholder Relationships

Stakeholders are individuals or groups who have an interest or some aspect of rights or ownership can contribute in the form of knowledge or support or can impact or be impacted by an organization its work or outcomes, (Bourne 2005; Walker, Bourne and Rowlinson, 2008). Stakeholder relations have long been recognized as a central part of an organization's effectiveness. Stakeholders play important roles as advocates, sponsors, partners and agents of change. Success in managing stakeholder relationships is achieved through a long-term commitment to a structured process focused on, identifying stakeholders, understanding their expectations, managing those expectations, monitoring the effectiveness of stakeholder engagement activities, continuous review of the stakeholder community. Creating a stakeholder-aware culture in an organization requires a structured approach, skillful management and time. As a continuous improvement process, stakeholder management requires understanding and support, or awareness, from everyone in the organization ranging from the CEO to the short-term.

For organizations to build strong relations with stakeholders they should ensure to build trust with the stakeholders, pay attention to the needs of the stakeholders, remain committed to the stakeholders as well as satisfy the stakeholders' needs

Freeman (1984) framed and demarcated stakeholders as elements of corporate strategic planning, he most importantly demonstrated the urgency of stakeholders for the mission and purpose of a company and in doing so also, also suggested the positive financial implications of better relationships with stakeholders. In recent years, stakeholder's theory has developed a focus on the importance of engaging stakeholders in long-term value creation (Andriof et al. 2002). This is a process whose perspective focuses on developing long term mutual relationship rather than simply focusing on immediate profit and economic survival. This does not imply that profit and economic survival are unimportant, but the process argument is that in order to profit and survive

companies need to engage frequently with a variety of stakeholders upon whom dependence is vital. The emphasis is moved from focus on stakeholders being managed by companies to a focus on the interaction that companies have with their stakeholders based on a relational and process-oriented view (Andriof & Waddock 2002: 19) This implies an increased interest in understanding how managers can manage not the stakeholders themselves but relationships with stakeholders.

Stakeholder relationships have been suggested a source of competitive advantage (Post et al. 2002) as those companies with strong relations to other organizations, institutions and partners are in a better position to develop relational rents through relation-specific assets, knowledge-sharing routines, complementary resource endowments and effective governance (Dyer & Singh 1998).

The stakeholder relationship is assumed to consist of interactive mutually engaged and responsive relationships that establish the very context of doing modern business and create the groundwork for transparency and accountability (Andriof *et al.* 2002: 9). This brings the notion of participation, dialogue and involvement to the center of stakeholder theory, with a clear inspiration from democratic ideals. While dialogue is the tool, agreement and consensus are most often regarded as the solution on which to base further decisions.

Johnson-Cramer *et al.* 2003:149) argues that the essence of stakeholder dialogue is the co-creation of shared understanding by company and stakeholder.

Ford (1980) suggests that companies pursue relationships with other companies to obtain the benefits associated with reducing costs or increasing revenues. By entering into relationships, organizations hope to gain stakeholder satisfaction and loyalty while stakeholders look for quality (Evans & Laskin, 1994)

2.1 Concept of Stakeholder Relations and Management

Stakeholder theory (Donaldson & Preston 1995; Evans & Freeman 1988; Freeman, 1984) and empirical research (Clarkson 1995) indicate that companies do explicitly manage their relationships with different stakeholder groups. Donaldson & Preston (1995) point out that

although this is descriptively true, companies appear to manage stakeholders for both instrumental (i.e., performance based) reasons and, at the core, normative reasons. Building on the work of others, Clarkson (1995) defines primary stakeholders as those “without whose continuing participation, the corporation cannot survive as a going concern,” suggesting that these relationships are characterized by mutual interdependence. He includes here shareholders or owners, employees, customers, and suppliers, as well as government and communities. The “web of life” view (Capra 1995) envisions corporations as fundamentally relational, that is, as a “system of primary stakeholder groups, a complex set of relationships between and among interest groups with different rights, objectives, expectations and responsibilities” (Clarkson, 1995: 107).

Ford (1980) suggests that companies pursue relationships with other companies to obtain the benefits associated with reducing their costs or increasing their revenues. By entering into relationships, organizations hope to gain stakeholder satisfaction and loyalty while stakeholders look for quality (Evans & Laskin, 1994). There may be negative implications associated with pursuing relationships as well. Stakeholders may forego better exchange alternatives in the future because of their commitment and loyalty to a particular organization (Han, Wilson, & Dant 1993). They may not be willing to give up the benefits associated with the relationship even if they could reduce operating costs by dealing with another organization. Also, if an exchange partners represents a major portion of the other’s business, there may be a risk of overdependence due to a lack of diversification (Han, Wilson, & Dant, 1993).

2.2.1 Strategic Communication in Stakeholder Management

Strategic communications is the proactive, targeted development and delivery of key messages and the engagement of key stakeholders at the right time, in the right manner, with the right responsiveness to achieve business objectives.

Frank Farel, founder of the Communication Network defines strategic communications as being a process guided by the relentless pursuit of answers to deceptively simple questions as opposed to just being a set of tools.

Stakeholder Management theory means that companies are opening up their environment. This theory maintains that recent social and economic changes have compelled corporations to adjust to public expectations. As Ulrich states “free” enterprise may be ‘private’ in a legal sense as far as property rights are concerned. This leads to growing public exposure of private business. For this reason, managers embrace other factors in addition to economic or financial ones when they consider their decisions. Hence from strategic management based on profitability, production and resources, we now find as (Post, Preston and Sachs) point out management practices that take into account the demands and needs of other groups such as investors, customers. Consequently not only are relations with customers, employees considered strategic but also those with other stakeholders like the community, government institutions and non-government organizations. All these stakeholders have a crucial influence over business development: “Corporate leaders have long understood the value of listening and responding to the concerns of their constituents and of the general public in order to take advantage of new opportunities and to anticipate and deal with problems before they become critical”

As several authors have stated openness to stakeholders leads to an organizational learning process that consequently allows a competitive advantage to be attained. Undoubtedly such circumstances have led to companies being considered social actors and explain why corporate social responsibility principles have been integrated into management practices and have become a primary issue on the mind of the political and corporation’s agenda. Within this context the management of relationships with stakeholders would appear to be a significant element in future business development and from a communication point of view these relationships should be guided by principles of reciprocity, dialogue and mutual understanding. This is how Grunig and Hunt define their two – way symmetrical model.

This conception of communication management is consonant with stakeholder management theory. It implies taking principles and consequences of dialogue on board: commitment by both the organization and the stakeholders to listen and respond. As has been proposed by several public relations theory authors communication management means having an organizational communication model guided by principles of open dialogue with publics which seeks mutual understanding.

This approach to the management of stakeholder relationships however does not solely center on procedural questions of communication but also obliges the organization to modify its behavior if necessary. In brief dialogue leads in a way to the adoption or integration of public demands into a company's strategic design. From this perspective strategic communication leads to change and is the driving force behind innovation. One noteworthy aspect of corporate communication academic literature considers communication as a strategic management tool. First it provides executives with crucial, enlightening information about the environment allowing them to formulate better decisions. Secondly and consequently integrated communication activity strategically designed and taking into consideration different public's communication and information demands would seem to be necessary.

2.2.2 Benefits of Developing Productive Relationships with Stakeholders

A lot has been written by writers about the benefits or merits of developing effective relationships with stakeholders but as Cole (2003) points out, 'If it is so easy why do we have so many problems, some writers have posited that the problem may be in the different expectations that different stakeholders may have i.e. internal stakeholders may have different expectations as those of external stakeholders.

Despite difficulties like these, establishing sound relationships with colleagues and stakeholders is said by Cole and others such as Mullins and Handy to bring benefits because it helps in improving the flow of communication, it assists both the internal and external stakeholders understand their different views and appreciate them and each other and can help in eliminating communication bottlenecks as they interact together while conducting business. According to Cole(2003) some of these benefits include easy access to information , improved productivity due to sharing of information through dialogue, improvement in decision making , improved service provision and ensures there is less resistance to change.(Cole, 2003)

The importance of stakeholder relationships has and continues to play a vital role within the corporate arena. An organizations' reputation is derived from how stakeholders perceive the organization, its communication and behavior within the marketplace. Stakeholders are the people behind an organization's reputation and the representatives of the image of the

organization.

The reputation of a company is vitally important for a number of reasons; not least because employees of all levels are ambassadors of the organization. Employees can influence the reputation of the company by communicating positive or negative messages to other people, both inside and outside the organization. As a result, it is crucial to ensure that the reputation of the company is nurtured at all times.(Cole,2003)

The dynamics of stakeholder relationships should never be undermined. Building collaborative stakeholder relationships should be embedded within all communication strategies. This will enable fostering of stakeholder relationships, building and leveraging of long-term investment relationships, which in turn may pave growth opportunities for an organization within the marketplace.

As a company's reputation takes years and dedication to build, strong relations with stakeholders need to be fostered and maintained to avoid the devastating results of reputational damage which, once lost, can take from nine months to five years to rebuild. It is important for organizations to know who the organizations influences and impacts on. Establishment and differentiation of stakeholders and key stakeholders enables adequate preparation for any issues within the organization.

There are specific times in the development of any business when good stakeholder relationships become even more critical in determining the reputation of an organization. To minimize damage to an organizations' reputation, especially in crisis communication or change management instances, communication with all stakeholders becomes even more vital. In order to be effective, communication needs to be proactive, open two-way and, most importantly, credible to show that you are on top of your game. Communication will be defective only if stakeholders perceive it to have integrity and integrity is the cornerstone of a good reputation. The process of stakeholder relationship-building should be an ongoing one, to be seen as an opportunity for management to recognize that the relationship between individuals and the organizations is sacrosanct and powerful.

Stakeholders are an organizations' best word-of-mouth marketing. As an enemy, they can destroy you and your brand. For brand purposes of growth and brand prosperity, it is always important to effectively manage the relationship and interface between an organization and its stakeholders.

2.3 Principles of effective communication. How to apply them to communicate effectively with Stakeholders

The simplest way of showing how communication is done can be illustrated below

Sender ->Message -> Encoder -> Decoder ->Receiver ->Feedback

In this illustration, the sender has to ensure that the message is received and understood correctly. It is the senders' responsibility to obtain feedback. This feedback shows whether the information was received and understood correctly. Likewise when communicating with stakeholders one has to ensure that the message is received and understood.

Handy (1981) suggests that to make communication effective the following should be implemented. Use more than one form of network. There may be both formal and informal networks, for example, which you can use to communicate with colleagues and stakeholders. A conversation in passing may be an example of an informal network, while an official meeting may be an instance of a formal network. Handy suggests using the 'informal' to prepare the ground or underline the formal. Encourage communication to be two-way. This means allowing the receiver to intervene to check understanding. Keep the linkages as few as is practically possible — the greater the number of people in the chain, the greater the likelihood of distortion.

The hierarchical structure is particularly prone to distortion. This suggests that wherever possible you should try to communicate directly with colleagues and stakeholders when you wish to get a message to them. This may encourage them to communicate directly with you when this is required. Keep the information as short as possible while retaining the full sense of the message. Keep the messages simple and clear to avoid overload.

According to Handi (1991), there are many different ways of communicating with colleagues and stakeholders. One can use verbal systems, e.g. face-to face, telephone or broadcast. We can make use of handwritten or electronic (e.g. e-mail) methods or we can use recorded systems like

voice-mail. Increasingly electronic methods are used. It is important to choose the method which is most suited to the message you wish to send and the recipient, whether it is a colleague or a stakeholder.

According to Handi (1991), when communicating with stakeholders both internal and external, one should ensure that the information is of good quality this means that the information should be clearly presented in a way that the recipient can understand, it should be relevant to the recipient, it should be accurate and timely i.e. it reaches the recipient when they need it, the information should be as complete as possible and it should be communicated in a format that is suitable.

The above list means that the factors you should take into account when providing information to colleagues and stakeholders are: the way in which the information is presented, the method of communication the accuracy and detail of the information when the recipient requires it, the benefits of providing the information the costs of obtaining the information.

2.4 Effective Communication When Consulting With Stakeholders

According to Mullins (1998) Consulting with stakeholders enhances and improves relations with them. Consultation means discussing with others about what action to take in particular circumstances. It means finding out their views and opinions before deciding what to do.

, consultation tends to be most effective when the decision maker does pay attention to the views which have been expressed during consultation. In fact, it is pretty clear that in today's fast changing situation managers who are not constantly consulting colleagues and stakeholders are in grave danger of failing to achieve organizational objectives.

If managers are to consult effectively they must follow the principles of good communication. This is because consultation requires that colleagues and stakeholders are given a chance to express their views as fully as they wish. Consultation can make use of both informal and formal methods of communication. It is through effective communication that effective consulting can take place. It improves performance — information from colleagues and stakeholders may help managers to improve efficiency or output. It increases cooperation — consulting with colleagues and stakeholders can help managers build networks and build relationships with others, as well

as leading to an increased understanding among all concerned of what needs to be achieved. Those who are consulted and have their views taken into consideration tend to adopt a more positive attitude towards the organization—conversely, they may adopt a negative attitude if their views are ignored and they feel that any consultation was pointless.

Risk assessment of any decision is enhanced — consultation with colleagues and stakeholders can help managers to identify possible risks which could occur. Different needs of colleagues and stakeholders can be dealt with in an open fashion — consultation can help to promote an exchange of views so that all who may be affected by a managerial action are fully aware of what was involved in making it. Consultation can help managers to identify the priorities which colleagues and stakeholders have — this can benefit managers as it can highlight the factors which are likely to be most important to colleagues and stakeholders and to which managers should pay most attention

Consultation may be a means of providing feedback to managers on the effectiveness of working relationships with colleagues and stakeholders and can help managers to identify the expectations which colleagues and stakeholders have — this can help managers to recognize situations where expectations may not be met; managers may also be able to use consultation to influence expectations so that colleagues and stakeholders adopt a realistic approach to what can be achieved.

The final bullet raises another aspect of consultation. Most writers will agree that It is not always possible to make decisions which are equally acceptable to all who may be affected by them. There will be occasions therefore where, after consultation with colleagues and/or stakeholders, managers have to take a decision which does not fit in with the views of some of those consulted or which fails to match their expectations. The advantage of consultation is that the manager will be aware that some colleagues or stakeholders may be upset by the decision. It is possible in these circumstances to explain to those involved why their views have not been followed or their expectations have not been met. In this way managers can show that even though the decision has gone against what some of those consulted may have wished, the views of colleagues and stakeholders were considered. Effective consultation, therefore, requires that managers take into

account the views of colleagues and stakeholders wherever possible and that they should also be seen to be taking them into account

2.5 Mechanism to Identify or Diagnose Communication Related Problems

Disagreements between individuals are as natural as breathing. It is not inevitable but it is likely that at some stage in your work as a manager you will have a disagreement with a colleague or with a stakeholder. There are other possible sources of disagreements which you may have with colleagues or stakeholders i.e. Perception — people see the same things differently. This may be the result of differences in understanding. Limited resources — most resources are limited and there is competition for them.

Departmentalization and specialization — this can lead to conflicts of interest but it can also cause managers to turn inwards and neglect the views of others which can make cooperation difficult and disagreement more likely. One aspect of this is people can feel threatened when their territory is invaded. In-equitable treatment — where one party perceives that another is being treated more favorably than they are. Individual differences — attitudes, personality and even factors such as age can lead to disagreements.

People may actively dislike one another also. They may bear grudges (real or imagined) or there may be a lack of trust. It is usually quite straightforward to identify a disagreement since it manifests itself clearly in particular actions of colleagues or stakeholders. However, sometimes colleagues or stakeholders may harbor hidden resentment so that the disagreement does not come out into the open. For this reason, it is important that as a management is aware of the reasons for disagreement and are on the lookout for situations where one could arise.

There are several strategies management can use to diagnose conflict and one of them is communication. This involves building rapport and talking the situation through with all the stakeholders to arrest the situation. The key to managing through these complex areas is information. Managers must develop information systems which allow them to provide information to colleagues and stakeholders which is accurate and up-to-date and available at a suitable time. Like consultation, providing information is a critical part of building effective working relationships with colleagues and stakeholders. Effective working relationships are the

key to identifying and managing expectations. Good working relationships based on transparency and openness mean that all concerned are aware of what others expect and, equally importantly, what others can reasonably deliver. This makes it much easier to match expectations to reality to what can be achieved, which is the key to managing expectations.

2.6 Research Gap

Several research works have been undertaken to identify the stakeholders and patterns of relationships, the benefits of good stakeholder relations, effective communication when consulting with various stakeholders as well as the management of stakeholder's relations. Many writers have shown the different ways organizations can communicate with their stakeholders and a lot of emphasis has been placed on good communication. Not much has been written on how to diagnose communication related problems and the mechanisms in place to ensure problems are detected before they actually happen. If that were the case why then are organizations experiencing challenges when dealing with stakeholders. Why it is that KPA with a communication policy which is presumed to be working effectively seems to be having difficulties dealing with stakeholders going by what has been witnessed in the media in the recent past. Why are there wrangles experienced within the organization itself? This paper hopes to fill the existing gap by carrying out an investigation into how effective the communication policy is and its role in stakeholder relations

2.7 Theoretical Framework

The naive notion that communication is merely the transmission of information perpetuates managerialism and the corporate colonization of everyday life, language is the principal medium through which social reality is produced and reproduced. Managers can further a company or organizations health and democratic values by coordinating stakeholder participation in corporate decisions (Griffin 1999)

This research emphasizes on the need for corporations to involve stakeholders in their decisions. This will ensure that the organization is seen as being mindful of their stakeholders input

This study is guided by the Critical Theory of Communication in Organizations by Stanley Deetz and it emphasizes the involvement and participation of stakeholders in corporate decisions.

In this study Communication with stakeholders is ideal in light of the theory of communication in Organizations which centers on the involvement and participation of stakeholders in management or the corporate decision making process which should be adopted by organizations

Stanley Deetz is a theorist who uses critical communication theory to balance corporate and human interests. His work is based on the premise that corporations are political as well as economic institutions. He believes that critical communication theory can be used to diagnose distorted corporate decision making and that workplaces can be made more productive and democratic through communication reforms.

His theory is based on six key tenets which are corporate colonization of everyday life, Information vs. Communication, Strategy-overt managerial control, Consent-covert control without objection, Involvement-free expression of ideas and Participation-stakeholder democracy in action

- Corporate colonization of everyday life : Deetz views multinational corporations as the dominant force in society.He believes that corporate control has sharply diminished the quality of life for most citizens.He scrutinizes the structure of the corporate world. His theory of communication is 'critical' because he questions the primacy of corporate prosperity.
- Information vs. Communication: A difference that makes a difference: Deetz's communication model emphasizes language's role in shaping social reality.He considers communication to be the ongoing social construction of meaning, but he emphasizes the issue of power runs through all language and communication.

Strategy-overt managerial control_ Managerialism values control above all else,The desire for control can even exceed the desire for corporate performance,The quest for control is evident in the corporation aversion to public conflict, Strategic control does not benefit the corporation, and it alienates employees and causes rebellion.Because of these drawbacks, most managers prefer to maintain control through voluntary consent.

- Consent-covert control without objection :Consent is the variety of situations and processes in which someone actively, though unknowingly, accomplishes the interests of others in the faulty attempt to fulfill his or her interests.Consent is developed through managerial control of elements of corporate culture, workplace, language, information, forms, symbols, rituals and stories._The force of organizational practice is strongest when it is unrecognized or associated with common sense
- Involvement-free expression of ideas:Through open discussion, employees air their grievances, state their desires, and recommend improvements.But free expression is not the same as having a 'voice' in corporate decisions, and knowledge of this difference creates worker cynicism. i.e committees
- Participation-stakeholder democracy in action : Meaningful democratic participation creates better citizens and social choices while providing economic benefits.Deetz advocates open negotiations of power.According to him,there are six classes of stakeholders, each with unique needs i.e.investors, workers,consumers, suppliers,host communities and the greater society and the world community.Some stakeholders have taken greater risks and made longer-term investments than have stockholders and top-level managers.Managers should mediate, rather than persuade, coordinating the conflicting interests of all parties

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was used for this study. The methods and techniques used to generate information which formed the basis of analysis on the role of communication in enhancing Stakeholder Relations. The chapter aimed at discussing the research design, its characteristics and why it was preferred over other research designs. It also provided information on the population of the study, some background and key characteristics of the organization which were to be studied. The chapter examined the sample frame and sample selection. It also provided information on data collection method and the data collection instrument that were used in the case study. The chapter also looked at the research procedure including the pretesting and administration of the questionnaire. Finally, the chapter presents the data analysis method to be used and how the statistics generated from the study were analyzed.

3.2 Site Description

This study was carried out at branch offices of all the randomly selected firms in Nairobi the capital city of Kenya. Only one of the selected firms was based in Mombasa. The reason for the selection of these firms in Nairobi was due to time and financial constraints. Most of the firms selected were based at the heart of Nairobi's business hub industrial area with a few being located at the city center and on the outskirts of Nairobi which made it less costly to visit since the researcher used interviews as one of the research instruments. The firms selected were expected to give insight to the study question due to their daily interaction with the Port of Mombasa. From the firms selected, the researcher interviewed senior staff in the logistics, marketing, import, export and shipping departments who interacts with the Port and were therefore better placed to give detailed information which could aid in answering the research question.

3.3 Data Sources and Data Collection Methods

The mixed method approach was preferred because the research had several objectives. Some of these objectives were better assessed using qualitative methods while others could better be assessed using quantitative methods (Mugenda & Mugenda 2003 pg. 156). In addition both methods supplemented each other in that qualitative methods provided the in-depth explanations

while quantitative methods provided the hard data needed to meet required objectives so as to test the hypothesis. Also since both methods have some bias, using both types of research could help avoid such biases in that each method could be used to check the other i.e. the findings derived from one approach validated the other (Mugenda & Mugenda 2003 pg. 156)

3.3.1 Qualitative Research

According to Mugenda & Mugenda 2003 pg. 155, “qualitative research includes designs, techniques and measures that do not produce discrete numerical data. More often the data are in form of words rather than numbers” Both forms of information were combined to give an in-depth or greater understanding of the research problem. The Peninsular Research & Development unit explains that ‘Qualitative research has its roots in social science and is more concerned with understanding why people behave the way they do: their knowledge, attitudes, beliefs, perceptions and fears’. The Qualitative method was chosen to facilitate the systematic collection and analysis of more subjective and narrative material. Qualitative research is concerned with the exploration of aspects that are difficult to quantify (Brink 1996 pg. 119). Qualitative research has significant characteristics that distinguish it from quantitative research.

Qualitative research is committed to discovery through many ways of knowing, it is committed to the participants views therefore using the language of participants to describe the aspects under study, it allows for extensive searching of documents and articles of importance to understand the context of what is under study as well as acknowledging the researchers participation in the research thus the researcher may be used as a data collection instrument. The researcher in this study was guided by the mentioned attributes. The researcher used qualitative method because it had some strength e.g. It allows for collection of more in-depth information (Kothari 2003 pg. 3), It permits research to go beyond the statistical results usually reported in quantitative research (Mugenda & Mugenda 2003 pg. 155), Human phenomena that cannot be investigated by direct observation such as attitudes and other emotions are best studied using this method (Mugenda & Mugenda 2003 pg. 156, Human behavior is best explained using qualitative research (Mugenda & Mugenda 2003 pg. 156), Obtaining a more realistic feel of the world that cannot be experienced in the numerical data and statistical analysis used in quantitative research; Flexible ways to perform data collection, subsequent analysis, and interpretation of collected information; Provide a holistic view of the phenomena under investigation (Bogdan & Taylor,

1975; Patton, 1980); Ability to interact with the research subjects in their own language and on their own terms (Kirk & Miller, 1986); Descriptive capability based on primary and unstructured data;

Using the qualitative research gave the researcher an opportunity to interact with many of the research subjects in their own environment i.e. their offices. The researcher was thus able to collect more information than anticipated or expected since the data collected was in a flexible and non- structured way which allowed the subjects to share information freely.

3.3.2 Quantitative Method

Another method that the researcher used was the Quantitative Research method. Quantitative research includes designs, techniques and measures that produce direct numerical or quantifiable data. If a research yields quantifiable data, then it is a quantitative study (Mugenda & Mugenda 2003 pg. 156). According to Ngechu 2003 pg. 49, quantitative methods provide numbers and statistics. Quantitative methods are used to collect data from large samples of population, in laboratory experiments. They are mostly used in basic research, to generate new discoveries, knowledge and theories. They are favored by academics because they provide testable and empirical data. The use of quantitative method permitted the researcher to collect data from the respondents in the numerical format, exercise objective judgment, and achieve a high level of reliability and accuracy.

3.3.3 Sampling Design

The study employed purposive sampling as a strategy for selecting the participants for the research. Purposive sampling is a sampling technique that allows a researcher to use cases that have the required information with respect to the objectives of the research (Mugenda & Mugenda 2003 pg. 50). Cases or subjects were handpicked because they were informative/they possessed the required characteristics (Mugenda & Mugenda 2003 pg. 50). The researcher therefore obtained feedback from nine different participant groups shown in the appendix. The purpose of including nine participant groups was to better understand whether there were any differences in perceptions regarding the role of KPAs communication strategy plays in stakeholder relations. The participant groups were clearing and forwarding agents; shipping

Lines and Shipping agents; government bodies; transporters; manufacturers; importers and exporters; ambassadors and diplomatic representatives; members of KPA staff and the national single window secretariat. The researcher presented 10 questionnaires to each stratum. Therefore the total number of questionnaire was 90.

Table 3. 1: Sample size and Composition

Clearing and Forwarding agents	10
Shipping Lines and Shipping agents	10
Government bodies i.e. KRA, KEBS, PORT HEALTH, KEPHIS, KMA, KRC, Ministries (Transport & Trade)	10
Transporters	10
Manufacturers (KAM)	10
Importers and Exporters	10
Ambassadors & diplomatic Representatives	10
Members of KPA staff	10
National Single Window Secretariat	10
Total	90

3.4 Methods of Data Collection

The research used different methods and tools for data collection bearing in mind that there were two types of data i.e. primary data and secondary data. Primary data is data which is collected afresh and for the first time, and thus happens to be original in character. This research used Questionnaires and interviews were used as a main instrument of collecting data .Secondary data are those which have already been collected by someone else and which have already been passed through the statistical process (Kothari 2003: 94).The secondary data was collected through analyzing documents related to communication and stakeholder relations as well as sources from reviewed journals from the internet

There are several methods of collecting primary data particularly in surveys and descriptive researches. These include observation method, interview method, through questionnaires and other methods which include depth interviews (Kothari 2003: 94). The research mainly concentrated on the use of questionnaires and interviews as the key research instruments.

3.4.1 Questionnaires

Questionnaires are commonly used to obtain important information about the population. Each item in the questionnaire was developed to address a specific objective, research question or hypothesis of the study (Mugenda & Mugenda 2003 pg. 71). A questionnaire consists of a number of questions printed or typed in a definite order on a form or set of forms (Kothari 2003 pg. 100). The researcher disseminated the questionnaires to the clearing and forwarding agents as well as some Government bodies. Due to advancement of information technology, the researcher disseminated some of the questionnaires to respondents through the internet. Some of the clearing & forwarding agents sampled for the research received the questionnaires through their electronic mail addresses. However some questionnaires were hand delivered. The questionnaires sent with a covering letter which explained exhaustively the purpose, importance and significance of the study. The letter included a brief assurance of confidentiality and anonymity as well as specific deadline dates by which the completed questionnaires are to be returned.

The researcher used two types of questionnaires i.e. structured and un-structured Structures questionnaires. The structured questionnaire had a list of all possible alternatives from which the respondents selected the answer that best described the situation. Closed ended questions were preferred because they were easier to administer and analyze. Un- structured questionnaires carried questions which gave the respondent the freedom of response. These were ideal because they allowed greater depth in response and the respondent could give an insight into his or her feelings and thoughts.

3.4.2 Interviews

An interview is an oral administration of a questionnaire. They are face to face encounters (Mugenda & Mugenda 2003 pg. 83). The research used open - ended or unstructured interviews.

Here the researcher carried in-depth interviews with selected subjects in order to get their insight into their perception, ideas, and feelings about the way KPA communicates with its stakeholders and to find out whether it was satisfying their needs. The researcher also used the Key informant open –ended structures interview method with specific individual subjects or respondents

The researcher used this method with chosen key individual informants because of their experience in the shipping and maritime industry. Among the key informants identified were; the Ambassador, Heads of Government bodies as well as the chairman of the KMA and KSC (Kenya Shippers Council)

3.5 Data Processing, Analysis and Presentation

The data collected in this research was checked for errors or omissions so as to correct them. The researcher then assigned numbers to the answers so that responses could be put in into a limited number of categories. This process is referred to as coding. Coding is necessary for efficient analysis and through it the several replies may be reduced to a small number of classes which contain the critical information required for analysis (Kothari 2003:123)

Data analysis consists of two categories; descriptive and inferential statistics. The researcher used descriptive samples which consisted of measures of central tendency like mean, median and mode. This method was ideal since descriptions could be derived from responses to items in the questionnaires and interviews. Here the responses were put in categories and the percentages of the responses for each category of response were calculated. These calculations were then used to make statements about the results and to assist in making conclusions. This method of analysis is known as taxonomic analysis. Taxonomy is the science which deals with the study of identifying, grouping, and naming organisms according to their established natural relationship. Almost anything i.e. animate objects, inanimate objects, places, concepts, events, properties, and relationships may be classified according to some taxonomic scheme or categories

After analysis, the outcome of the results was presented in diagrams and tables for ease of interpretation.

3.6 Ethical Considerations

The respondent's information was dealt with in a confidential manner and their consent sought before revealing any information. The identity of the respondents was also protected.

CHAPTER FOUR

DISCUSSION AND PRESENTATION OF THE FINDINGS

4.1 Introduction

This study sought to establish how communication is used to enhance stakeholder relations in KPA. The researcher's intention was to find out whether KPA's communication policy is effective in coordinating communication with stakeholders (internal and external) and whether through dialogue relationships can be built which are beneficial to the authority and how they affect business facilitation and trade. This chapter presents and describes the findings and analysis of data. Various tables and diagrams were used to present the findings of the study.

4.2 Socio-Demographic information of respondents

4.2.1 Gender

The respondents were requested to indicate their gender. The findings are shown in figure 4.1.

Figure 4. 1 Gender of respondents

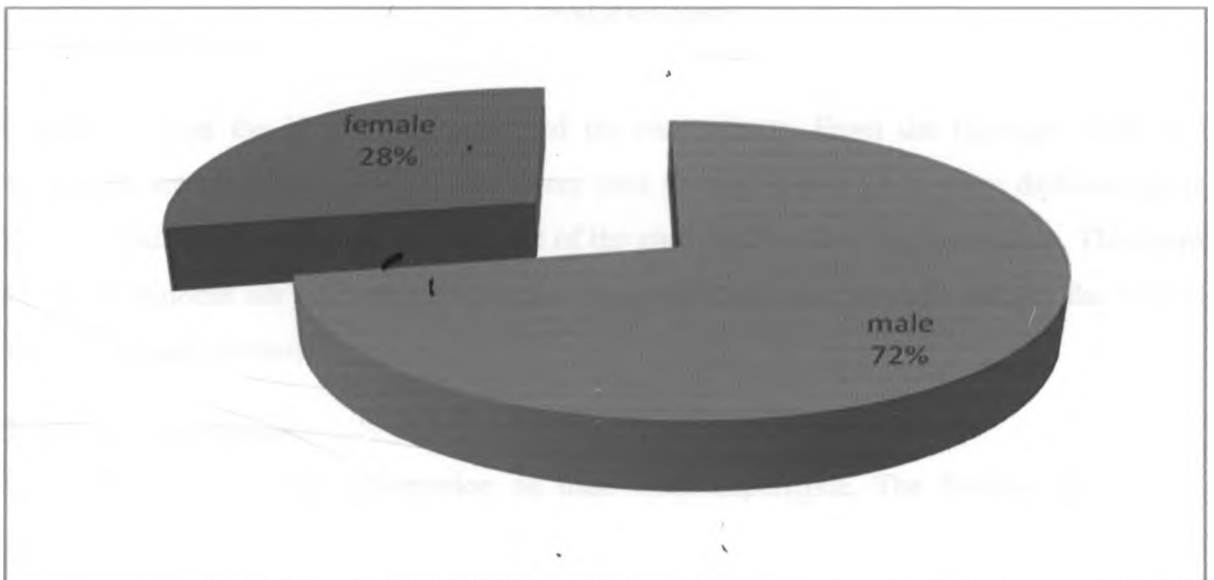


Figure 4.1 shows the gender of the respondents who took part in this study. From the findings in figure 4.1 majority of the respondents were males (72%). Female respondents accounted for 28%

of those who participate in the study. This information is important to illustrate the various views and perceptions on different gender groups.

4.2.2 Educational Level of Respondents

The researcher requested respondents to provide information on their level of education. The results are as shown in figure 4.2.

Figure 4. 2 Level of education

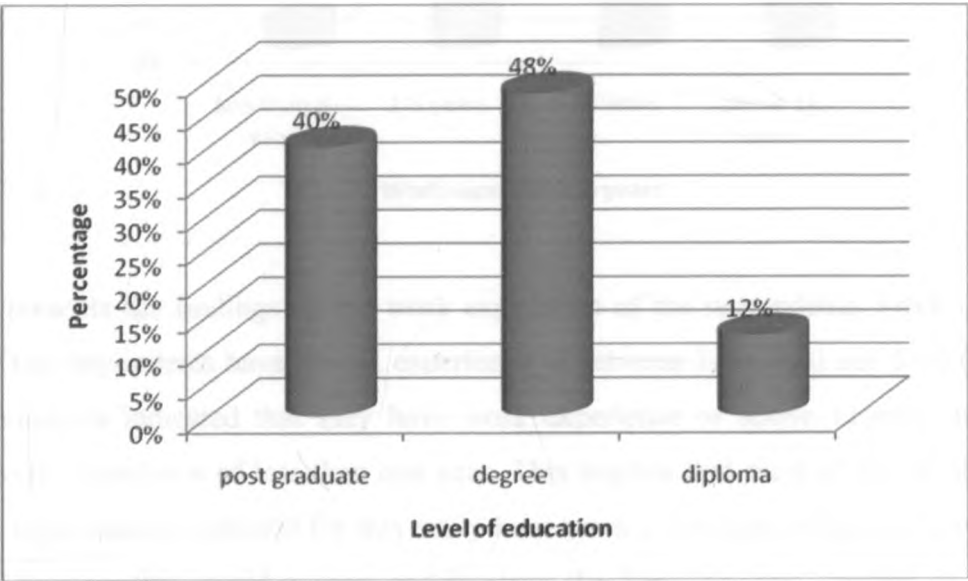


Figure 4.2 shows the level of education of the respondents. From the findings, most of the respondents are graduates (48%). 40% were post graduates and 12 % were diploma holders. From the findings we can deduce that most of the participants were degree holders. This implies that the respondents are well educated hence can understand and correctly answer the questions raised in the questionnaire.

4.2.3 Work experience

The respondents provided information on their work experience. The findings are shown in figure 4.3.

Figure 4. 3 Work experience

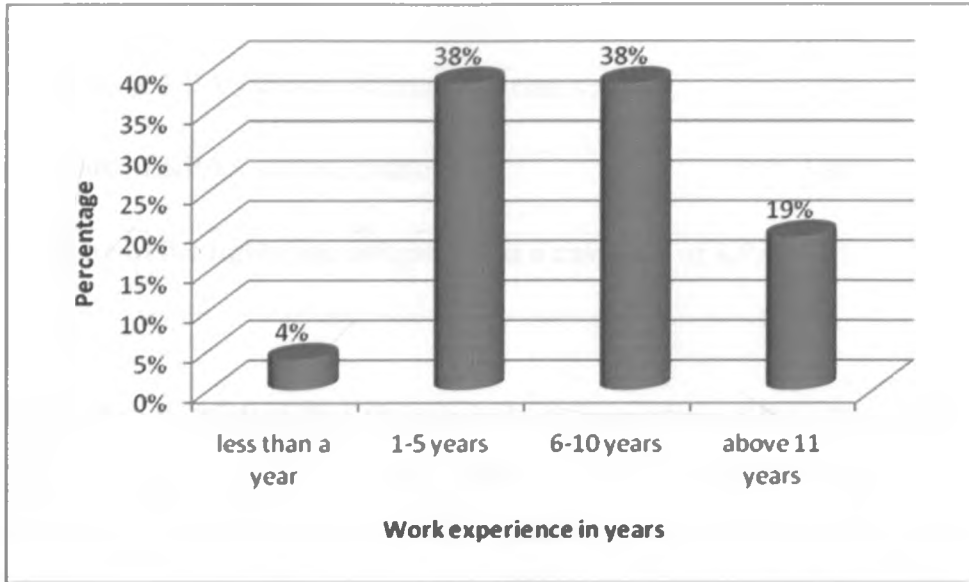


Figure 4.3 presents the findings on the work experience of the respondents. From the findings majority of the respondents have a work experience of between 1-5 (38%) and 6-10 (38%). 19% of the respondents indicated that they have work experience of above 11 years but only 4% indicated work experience of less than one year. This implies that most of the employees in in the various organisations selected for this study have work experience of between one year and ten years. Therefore this would suggest and illustrate the frequency and duration of interaction with KPA thus giving a clear indication of the respondents perception before the communication policy was put in place , during and after .

4.3 Knowledge about Kenya Ports Authority

The researcher also needed to enquire from the respondents whether they were familiar with the vision, mision and core values, the services charter and the rights and obligations of the KPA customers. The details are shown in table 4.1.

Table 4. 1: Respondents' General knowledge about Kenya Ports Authority

	Yes(%)	No (%)
Are you aware of KPA's vision, mission and core values?	54	46
Are you aware of KPA's service charter?	80	20
Are you aware of the rights and obligations as a customer of KPA?	81	19

Table 4.1 shows the information that the respondents have about KPA. The findings indicates that majority of the respondents (54%), were aware of the vision mision and Core values of the KPA while the rest 46% of them were not. 80% of the respondents approved their knowledge on KPA's charter while the rest were not aware of the charter. Majority of the customers (81%), know their rights and obligations as customers of KPA while 19% of them were not.

4.4 Distribution of respondents by Satisfaction With KPA's communication of its Vision, Mission And Core Values

The respondents were requested to provide information on the extent of their satisfaction with KPA's way of communication vision, mission and core values. The findings are shown in figure 4.4.

Figure 4. 4 Distribution of respondents by Satisfaction with the vision, mission and core values of KPA

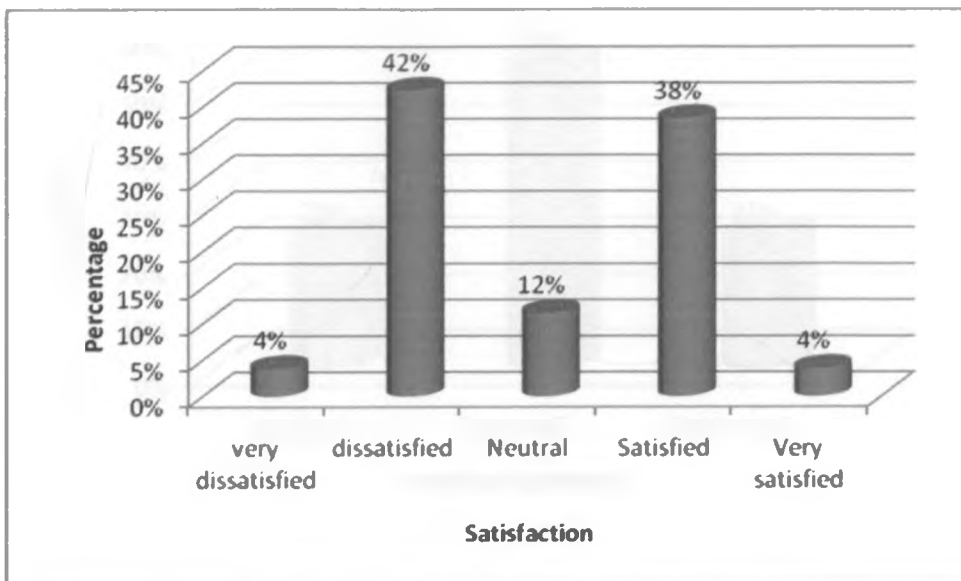
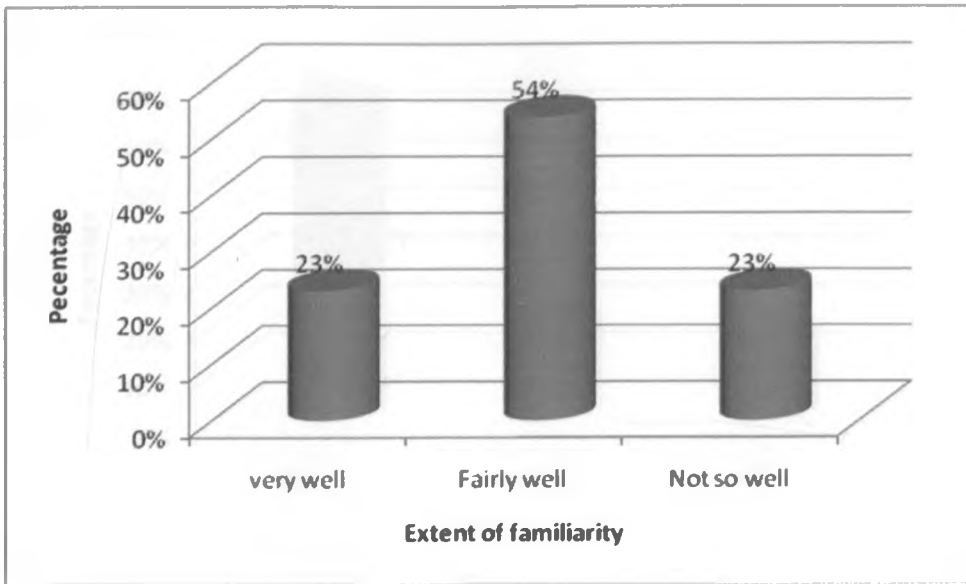


Figure 4.4 shows the extent of satisfaction of the respondents with the way KPA communicates its vision, mission and core values to the customers. The researcher required to know the extent of satisfaction using the scale of five. From the findings, (42%) of the respondents were dissatisfied with the way KPA has or has not communicated its core values to the customers. However, 38% of the respondents were satisfied with the mode of communication of the core values to the customers at KPA. Only .12% were neutral in their comment but 4% of them were very dissatisfied and the rest of the respondents indicated that they were very satisfied with the communication. We can therefore, deduce that most of the respondents are dissatisfied with the the way core values are conveyed to the c ustomers at KPA.

4.5 Familiarity with the services offered by KPA

The respondents provided information on their knowledge of the services offered at KPA. The findings are shown in figure 4.6.

Figure 4. 5 Familiarity with the services offered by KPA



From the findings shown in figure 4.6, majority (54%) of the respondents fairly know the services offered by the KPA. 23% of the respondents know very well about the services offered by the parastatal. Only 23% of them are clearly informed about the available services offered by KPA. The findings imply that, respondents are aware of the services offered by KPA although the researcher established from the respondents that the majority who were aware of the services offered know of them through their own initiatives and not through KPA communicating the information to them.

4.6 Frequency of interaction with KPA

The respondents were requested to provide information on how often they interacted with KPA. The findings are shown in figure 4.7.

Figure 4. 6 Frequency of interaction with KPA

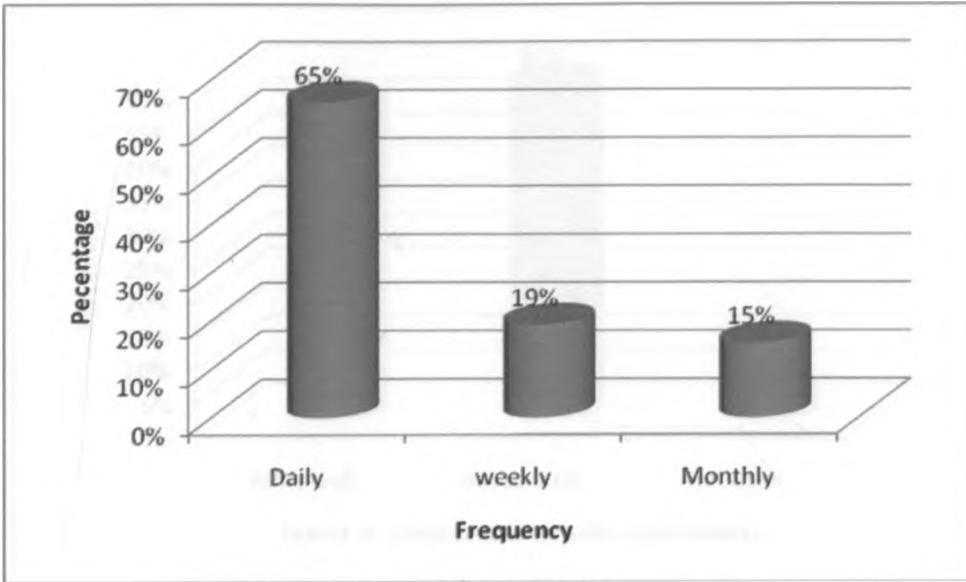


Figure 4.7 shows that majority (65%) of the respondents interact with KPA on daily basis. 19% of the respondents interact with the KPA on weekly basis. Those that interact with the KPA on monthly basis are indicated by 15%. The result therefore imply that there is a high frequency of interaction between stakeholders and KPA although a bigger percentage interact daily with KPA.

4.7 How well KPA communicates with the stakeholders

The respondents provided information on how KPA communicates with them as stakeholders. The findings are shown in figure 4.8.

Figure 4. 7 How well KPA communicates with stakeholders

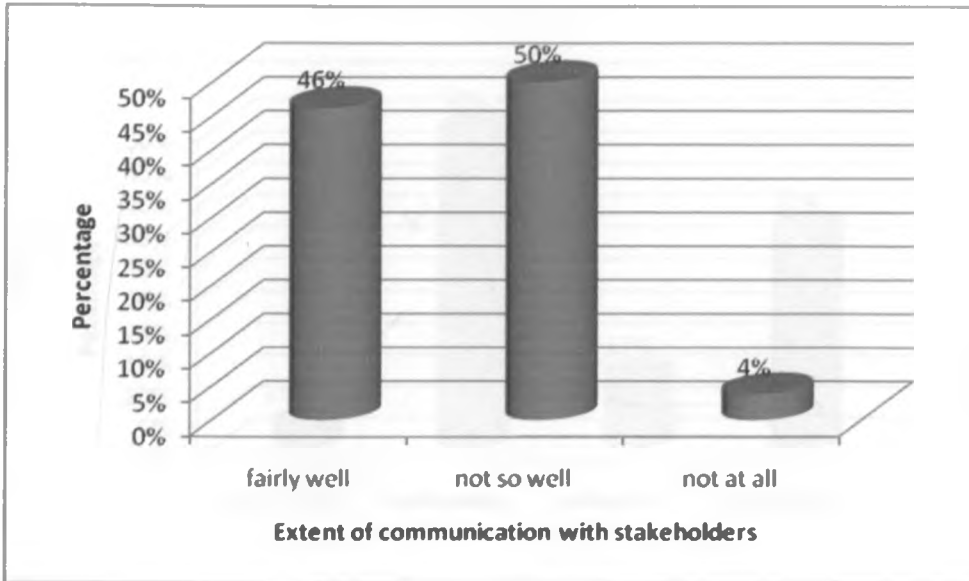


Figure 4.8 shows that majority of the respondents (50%) perceives KPA's communication with stakeholders as being not so well. 46% of the respondents rated the KPA communication with stakeholders as fairly well. 4% of the respondents indicated that their communication with the organization is not available at all.

4.8 Effectiveness of KPA communication policy in addressing the Stakeholders' problems

The respondents were requested to provide information on effectiveness of KPA communication policy in addressing their problems. The findings are shown in figure 4.9.

Figure 4. 8 Effectiveness of KPA communication policy in addressing stakeholders' problems

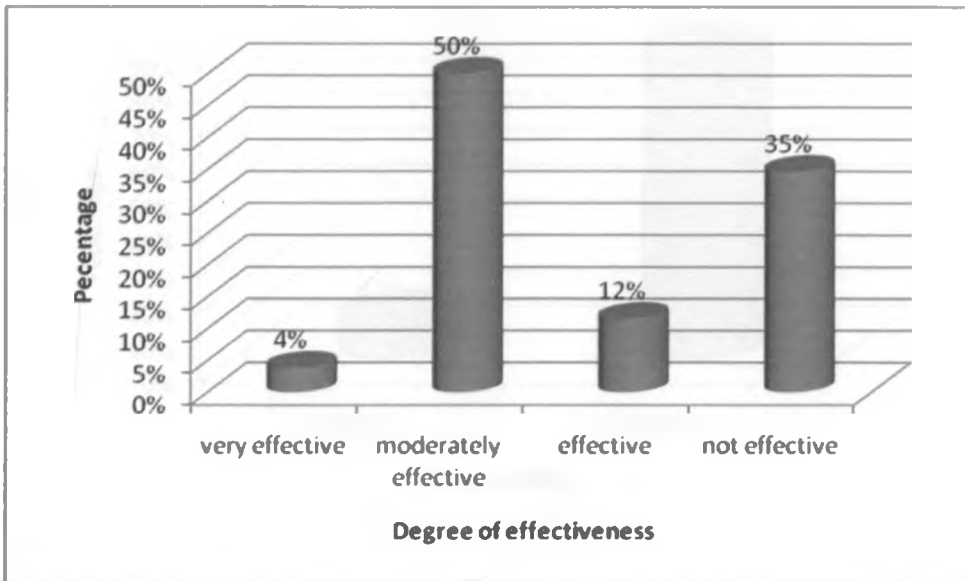
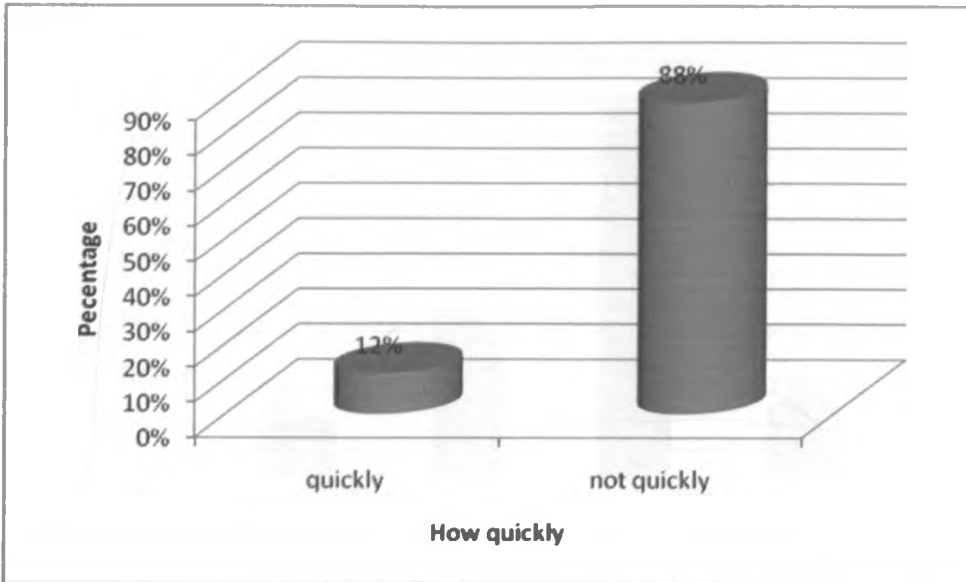


Figure 4.9 shows the degree of effectiveness of KPA's communication policy in addressing stakeholders' problems and grievances. From the findings, majority of the respondents (50%) rated this as moderate extent. 35% of the respondents termed the communication policy as not effective. Its effectiveness rate is at 12% but 4% of the respondents veiwed it a very effective. The findings shows that majority of the respondents'perceived the communication policy as being moderately effective in addressing their problems and grievances.

The study also needed to know about the period that would be taken to address any grievances or problems presented to the KPA management. The findings are shown in figure 4.10.

Figure 4. 9 Response to the Stakeholders' problems in KPA



From the findings shown in figure 4.10, 88% of the respondents feel that KPA does not respond to problems quickly. This indicates that the KPA communication policy does not allow quick responses to the problems experienced by the stakeholders.

4.11 Extent of effectiveness of KPA's communication with stakeholders

The respondents provided information on the extent of effectiveness of KPA's communication policy with stakeholders. The findings are shown in figure 4.11.

Figure 4. 10 Effectiveness of the KPA Communication Policy in responding to the stakeholders issues

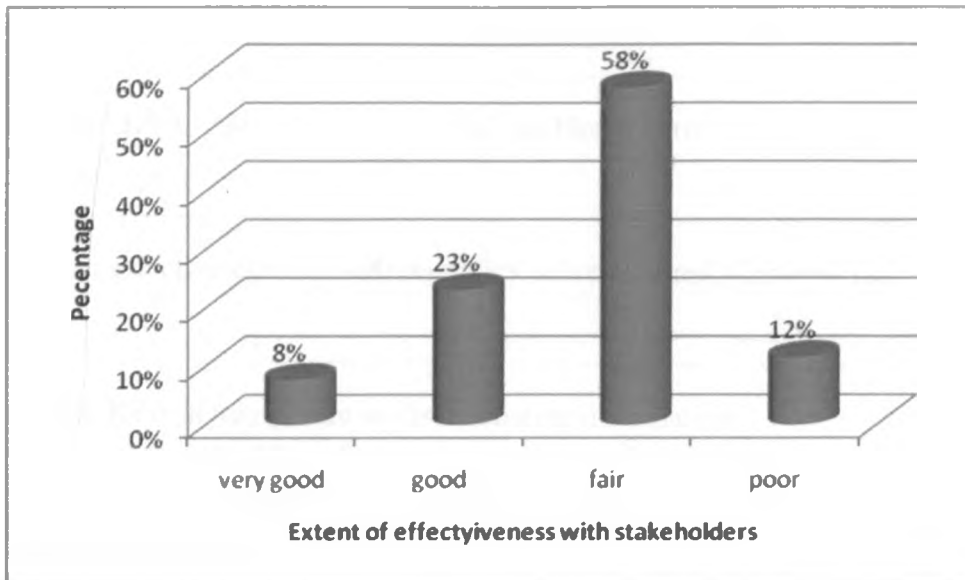


Figure 4.11 shows the extent to which KPA's communication policy is effective in handling the stakeholders issues. From the findings, majority (58%) of the respondents perceive KPA's communication with stakeholders as fair. 23% felt that it was good. From these findings we can deduce that KPA's communication with stakeholders is fairly done.

4.12 Communication and feedback

The researcher needed to gather the views from the respondents about some issues related to the communication policy. The respondents were required to give their opinion by indicating either yes or no to the statements provided. The responses were as tabulated in table 4.2.

Table 4.1 2 Communication and feedback

	YES	NO
Do you feel that KPA can solve its internal problems through effective communication?	96%	4%
Do you think that effective communication policy solve external problems in KPA?	100%	0%
Do you agree that KPA is transparent in disseminating information?	9%	91%
Does KPA make deliberate efforts to communicate in between meetings?	25%	75%
Are you satisfied with the KPA communication?	28%	72%
Are there mechanisms in place to recognize and diagnose communication related problems in KPA?	22%	78%

From the findings, majority of the respondents think that KPA can solve its internal problems through effective communication (96%). 100% of the respondents perceive communication as a remedy to KPA's internal problems. The findings, indicate that communication in KPA is not transparent (91%). Majority of respondents (75%) disagree that KPA makes efforts to communicate in between the meetings that are held monthly, quarterly and annually. The results also show that majority of the respondents are dissatisfied with KPA's communication. The findings implies that KPA has no mechanism in place to recognize and diagnose communication related problems (78%).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This study was motivated by the need to determine the nature of KPA's communication policy and to determine how effective it is in addressing stakeholder related challenges. This chapter has discussions, conclusions, suggestions for further studies and recommendations. The study achieved a 67% response rate.

5.2 Demographic information

Majority of participants of this study were males (72%). The study noted that most of the respondents had reached university level of education (48%). 40% of the respondents were post graduates. This implies that most of the respondents who interact with in KPA have reached university level of education. On the issue of their work experience, the study found that majority of the respondents had a work experience of between 1-10 years.

5.3 Discussions

The study noted that majority of KPA's customers and employees know the parastatals vision, mission and core values (54%). A great number of the employees also know and are aware of the KPA's service charter (80%). This shows that most of the employees and customers are aware of the duties and responsibilities of KPA as a government corporation. According to the findings, majority of the customers (81%) know their rights and obligations as customers of KPA. However, the communication of the core values, vision and mission of KPA are not satisfactory communicated according to most of the stakeholders.

The study noted that most of the stakeholders and employees at KPA work in shipping section and businesses. 27% were in clearing and forwarding section. Hence, most of the work is done at shipping, clearing and forwarding sections respectively. The study noted that, majority (54%) of the respondents fairly know the services offered by the parastatal. 23% of the respondents know well the services offered by the parastatal. The findings implies that, employees know the services offered by KPA fairly well. According to the findings, most of the companies interact with KPA daily (65%). The findings implies that KPA does not communicate with its stakeholders so well

(50%). This in turn means that the communication of KPA is not done well and could be affecting the smooth operation with other stakeholders.

The study found that KPA's communication is effective to a moderate extent (50%) in addressing problems or grievances. While 35% of the respondents felt that KPA was not effective in addressing problems and grievances at KPA. This lead to unneccessary delays in responding to problems at KPA or with stakeholders/customers. According to the study KPA does not respond to problems quickly (88%). This is reflected in the KPA communication with its partners and other stakeholders which was rated as being fairly done (58%).

The study noted that KPA can solve its internal problems through effective communication. This can be done by having forums where management can inform staff on plans of the management, especially on those which affect them directly. This enhances transparency and understanding between the management and the staff. The findings of the study, indicated that effective communication could solve external problems with stakeholders by either engaging them and incorporating their views in decision making, and listening to their complaints and taking remedial action. The study findings revealed that there was no transparency in communication though it is important in bulding customers confidence. The study has found that KPA does not make considerable efforts to communicate with stakeholders in between the meetings.

The study also revealed that KPA uses Print media, websites, official circulars and press briefings. However, majority of the respondents were dissatisfied with KPA's channels and modes of communication. The study noted that KPA had no mechanism in place to recorgnize and diagnose communication related problems.

5.4 Conclusion of the study

The study concludes that majority of the firms and other stakeholders are aware of their rights as partners of KPA. The study revealed that KPA mode of communicating its vision mision and core values is not satisfactory. The findings of this study highlight poor communication of KPA with stakeholders. Which could be affecting the smooth operations of the corporation.

The study concludes that KPA's communication in addressing problems and grievances is to moderate extent. This is reflected by delays in responding to problems since according to the

study, KPA does not respond to problems quickly. Hence, presenting a need to restructure the communication policies.

The study revealed that respondents felt that KPA could use other methods of communicating with stakeholders i.e. through electronic mail which ensures that any information being disseminated reaches the stakeholders quickly. Respondents felt that the current communication through Print media was impersonal and does not enhance the relationship between KPA and its stakeholders.

The study also revealed that respondents would prefer to have frequent meetings, more forums and seminars to discuss new developments, address operational issues that crop up. The forums, seminars and workshops would provide an opportunity for stakeholders to engage with KPA to

5.5 Recommendations of the study

The study found that vision, mission and core values are not communicated satisfactorily to the stakeholders and any new developments or changes in operations are not communicated to stakeholders receive the information quickly. It is therefore recommended that the mode of communicating be reviewed so as to be more efficient and timely. This can be done by frequently using emails as this is a quicker way of ensuring information is received by stakeholders

The study has revealed that effectiveness of KPA in addressing problems and grievances is slow. This leads to undue delays in responding to problems quickly. Therefore, it recommended that the communication policies and procedures be restructured such that they be more responsive to sensitive issues.

The study has found that communication between the KPA and the stakeholders is not good. Therefore, it is recommended that a general digitalised communication be adopted to enhance corporation and response to the matters affecting the stakeholders.

All stakeholders should be provided with a chance to air out their views and recommendations. This will increase the general understanding and cohesion of the staff, management and other stakeholders.

KPA to hold more forums, seminar and workshops to engage with stakeholders to ensure efficient running of business

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APPENDIX: I QUESTIONNAIRE

QUESTIONNAIRE

My name is Evelyn Mwawasi Wamae a student at Nairobi University undertaking a Master's Degree. I am carrying out a research project on the Role of Corporate Communication Policies in Enhancing Stakeholders Relations: A Study of Kenya Ports Authority Communication Policy. The Purpose of the study is to find out how communication is used to enhance stakeholder relations in Kenya Ports Authority. I request you to participate by completing this questionnaire. This Questionnaire has four sections and is designed to take about 20 minutes to complete. Please note the information you provide will be treated as Confidential.

SECTION A: General Information

1. Name of
Department:.....
.....
2. Gender :
Male [] Female []
3. Designation:
.....
.....
4. Level of Education
 - i. Post Graduate []
 - ii. Degree []
 - iii. Diploma []
 - iv. Certificate []
 - v. Any other (specify) []
5. Work experience in your current Work Place
 - i. Less than a year []
 - ii. 1 - 5yrs. []

iii. 6 – 10 yrs. []

iv. 11 – Above []

SECTION B: INFORMATION ABOUT KENYA PORTS AUTHORITY

1. Are you aware of KPA's vision, mission and Core Values?

i. Yes []

ii. No []

2. Are you aware of KPA's Service Charter?

i. Yes []

ii. No []

3. Are you aware of your rights and obligations as a customer of KPA

i. Yes []

ii. No []

4. To what extent are you satisfied with the way the Vision, Mission and core values have been communicated to its customers?

i. I am very dissatisfied []

ii. I am Dissatisfied []

iii. I am Neutral []

iv. I am satisfied []

v. I am very satisfied []

SECTION C: CUSTOMER SATISFACTION

1. Which is your business type?

i. Shipping/Agent []

ii. Clearing & Forwarding []

iii. Government Body []

iv. Manufacturing []

v. Imports/ Exports []

2. Are you familiar with the services offered by KPA?

i. Very well []

- ii. Fairly Well []
- iii. Not so Well []
- iv. Not at All []

3. How often does your Company interact with KPA?

- i. Daily []
- ii. Weekly []
- iii. Monthly []
- iv. Quarterly []

4. In your view how well does KPA communicate with its stakeholders?

- i. Very well []
- ii. Fairly Well []
- iii. Not so well []
- iv. Not at all []

5. How effective is KPAs' communication policy in addressing problems or grievances?

- i. Very effective []
- ii. Moderately []
- iii. Effective []
- iv. Not effective []

6. How quickly are problems addressed?

- i. Very quickly []
- ii. Quickly []
- iii. No quickly []
- iv. Not at all []

7. How would you rate KPAs' effectiveness in communication with stakeholders?

- i. Excellent []
- ii. Very Good []
- iii. Good []
- iv. Fair []
- v. Poor []

SECTION D; COMMUNICATION AND FEEDBACK

1. Do you think KPA can solve some of its internal problems through effective communication?

Yes [] No []

Please explain your answer.....
.....
.....

2. In your view do you think that KPA can solve some of the problems it faces with external Stakeholders through communication?

Yes [] No []

Please explain your answer
.....
.....
.....
.....

3. In your view is KPA transparent in disseminating information?

Yes [] No []

Please explain your answer
.....
.....
.....
.....
.....
.....

4. KPA holds monthly stakeholders meetings. Do you think KPA makes deliberate efforts to communicate in between these meetings to ensure smooth business operations

Yes [] No []

5. What channels does KPA use to communicate with stakeholders.....

.....
.....
.....

6. As a stakeholder, are you happy with way KPA communicates with you?

Yes [] No []

Please explain your answer

.....
.....
.....

7. In your view do you find KPA proactive or reactive in their communication when there is a crisis

Proactive [] Reactive []

Please explain your

answer.....

8. What are some of the strategies you think KPA should employ to ensure they facilitate dialogue with all its publics?

.....
.....
.....
.....
.....

9. Does KPA have a mechanism in place to recognize and diagnose communication related problems?

Yes [] No []

Please explain your

answer.....
.....
.....
.....