ROLE OF CRISIS COMMUNICATION IN MANAGING STAKEHOLDERS' PERCEPTIONS IN CORPORATE ORGANISATIONS IN KENYA: THE CASE OF KENYA TEA DEVELOPMENT AGENCY

BENUEL NYAKUNDI BOSIRE

K50/70086/2013

A research project submitted in partial fulfilment of the requirements for the award of the degree of Master of Arts Degree in Communication Studies (Public Relations) at the University of Nairobi

November, 2019

DECLARATION

This project is my original work, and it has not been presented at any learning institution for consideration in the award of any degree or diploma. Where text, data (including spoken words), graphics, pictures or tables have been borrowed from other sources, including the internet, these are fully acknowledged and referenced using the current APA system and in accordance with anti-plagiarism rules.

Signed……………………………………………. Date……………………………

Benuel Nyakundi Bosire

K50/70086/2013

Supervisor's Declaration

This research project has been submitted for examination with my approval as supervisor.

Signed…………………………………. Date ……………………….

Dr. Silas Odongo Oriaso

University of Nairobi

ACKNOWLEDGEMENT

I would like to thank Mr Albert Otochi, KTDA Sales and Marketing General Manager, for making it possible for me to get permission to carry out this study at KTDA and among its affiliate smallholder tea farmers. Secondly, my gratitude goes to Ms. Hellen Chepkwony, a colleague at work, who took her time to review my questionnaires before I carried out the pilot study.

Much appreciation goes to my wife, Mrs Gladuel Nyambinya, who helped me to type part of this project and for her insights especially on literature review. Thank you, my love. I would not forget the help I received from my three children: Jeremy Nyaachi, Gillian Kemunto and Faith Moraa, who spent part of their holiday, helping me to arrange and label questionnaires.

I recognise and appreciate the work of Mr Barton Poulson of Lynda.com, whose video tutorials "SPSS Statistics Essential Training" I watched over and over, to learn the ins and outs of the IBM SPSS analytical programme. Those are great videos. My gratitude goes to my supervisor, Dr. Silas Odongo Oriaso, for being patient with me throughout the project and for his input and guidance throughout this study. Thank you Dr. Oriaso. Finally, I want to thank the smallholder tea farmers and KTDA staff who participated in this study. May God bless you.

DEDICATION

I dedicate this project to my family for being supportive throughout the entire study period. Many thanks go to my lovely wife, Gladuel Kerebi Nyambinya, for perpetually encouraging me even when things seemed bleak and not to move. My heartfelt appreciations go to my children - my son Jeremy Nyaachi and my two lovely daughters, Gillian Kemunto and Faith Moraa - for always finding new ways of making my life more interesting.

ABSTRACT

The aim of this study was to examine the relationship between crisis communication and stakeholders' perception in corporate organisation with Kenya Tea Development Agency as a case study. It investigated the communication approaches used by Kenya Tea Development Agency corporate affairs team to manage the perceptions of smallholder tea farmers towards the agency in 2014 when tea revenues dropped. The study evaluated the appropriateness of communication tactics used during the crisis and examined the effects of crisis communication on the behaviours of tea farmers. It also investigated the different dimensions of perceptions during the crisis. The study was guided by the stakeholder theory and the co-orientation model that were used to explain, predict, and understand the relationship between crisis communications and farmers' perception. The study employed a mixed-methods approach of both quantitative and qualitative. It sampled 400 tea farmers from a population of 600,000 smallholder tea farmers spread across the 16 tea growing counties in Kenya. The research sites included Kisii, Muranga, Kirinyaga and Embu counties. The findings showed that the agency failed to communicate to farmers with speed, allowing the media to disseminate messages first, in a distorted, erroneous way. This heightened the crisis and injured the reputation of the agency, damaging its relationship and goodwill with tea farmers. The study also found out that during the pre-crisis and post-crisis stages, the agency did little to engage tea farmers. The agency only became active during the crisis itself when it employed several communication tactics to relay profit warning messages to tea farmers. Even then, most of the channels of communications used were one-way: from the agency to tea farmers. The study further found out that some tea farmers already had major negative perceptions – emanating from past unresolved issues – before the crisis erupted. The study also found that there are two types of perceptions: micro and macro. These two categories of perceptions, however, call for further investigations to examine how they are formed and how they affect the relationship between organisations and their stakeholders. The study concluded that Kenya Tea Development Agency should have been more strategic in its communication during the 2014 crisis to influence farmers' perception and consequently their behaviours. That way, the agency could have come out of the crisis with few damages and not a total harm. To reduce reputational damages while influencing the perceptions of stakeholders, the agency should have acted with speed using appropriate communication channels - paid, earned, shared or owned - at all the stages of the crisis: pre-crisis, crisis response and post-crisis. Also, the agency should have constantly engaged tea farmers to build goodwill and foster a mutual relationship. The study recommended that the agency's corporate affairs team should frequently communicate with tea farmers, using appropriate channels, throughout any crisis to foster a good working relationship and to safeguard the tea industry that is the mainstay of Kenya's economy. The agency, and in deed other organisations, must also strive to build its relationship with the media by prioritising their requests and organising regular briefs. Admittedly, the media has no equal and is the reporter of the high court of public opinion.

TABLE OF CONTENT

LIST OF FIGURES

LIST OF TABLES

LIST OF ACRONYMS AND ABBREVIATIONS

CEO	-	Chief Executive Officer
CMP	-	Crisis Management Plan
FGDs	-	Focus Group Discussions
FM	-	Frequency Modulation
FY	-	Financial Year
GDP	-	Gross Domestic Product
KTDA	-	Kenya Tea Development Agency (Management Services) Limited
KPC	-	Kenya Pipeline Company
KRA	-	Kenya Revenue Authority
KUSSTO	-	Kenya Union of Small Scale Tea Owners
PF1	-	Pekoe Fanning 1
PR	-	Public Relations
SCDA	-	Special Crops Development Authority
SMS	-	Short Message System
TV	-	Television
TWA	-	Trans World Airlines
UK	-	United Kingdom
US	-	United States
U.A.E	-	The United Arab Emirates
UoN	-	University of Nairobi

CHAPTER ONE

INTRODUCTION

1.0: Overview

This chapter introduces the study by providing the background information, research problem, research questions, general objective, specific objectives, study rationale or justification, the significance of the study, scope and limitation of the study, and operational definition of terms. The study focuses on the role of crisis communication in managing stakeholders' perception in corporate organisations, with a specific reference to the Kenya Tea Development Agency (KTDA).

1.1: Background to the study

The role of public relations (PR) especially crisis communication in organisations cannot be over-emphasised. Crisis communication has been in existence since ancient times, although the "practice has been identified for less than 25 years" (Fearn-Banks, 2007). Some scholars have pointed out that crises are occurring with greater frequency today and causing great harm than they did decades ago (Sellnow and Seeger 2013). Sellnow and Seeger (2013) argue that when a crisis occurs, it causes great harm, ruining the organisation's image in the eyes of its stakeholders.

Oftentimes, crises are sudden and thus unpredictable. However, how an organisation communicates during a crisis often make or destroy it (Anthonissen, 2008). Poor handling of a crisis, where communication is a major component, injures the reputation of an organisation, impacting its overall performance. On the contrary, good handling of a crisis can quickly reshape an organisation, turning threats into opportunities. Therefore, during a crisis, a communication plan is an indispensable asset to help in managing stakeholders' perception, thereby protecting the reputation and the survival of an organisation.

Over the years, Kenya has witnessed a series of crises, big and small, natural and man-made, operational and reputational. Prominent among them is the Kenya Pipeline Company (KPC) fire tragedy of September 12, 2011 that left 120 people death in Nairobi's Mukuru-Sinai slum and about 116 hospitalised (Huho et al., 2016). This tragedy occurred when a fuel tank gasket leaked approximately 19 million cubic meters of petrol into a drain that flowed burning fire through the slum. The tragedy was widely reported by the media, and it greatly damaged the reputation of KPC because the company remained silent throughout the crisis.

Globally, a number of organisations have suffered the brunt of crises including BP Deepwater Horizon oil spill in Mexico in 2010, infant formula milk and Nestle in the 1970s, Starbucks tax avoidance in the UK in 2010, Tesco supermarket stores and the horsemeat crisis of 2013, Unilever and the Marine Stewardship Council in 1990s, the McDonald's and healthy food heightened by 'Super-Size Me' documentary of 2004, the terrorist bombing of Pan Am plane in Scotland in 1988 killing 259 people, and Anvil Mining Company civil unrest in Kilwa, DRC in 2004. Some of these organisations have handled the crisis poorly, while others have handled it pretty well – reacting “swiftly, making a full public apology, offering full unconditional compensation and promising action to affect real change” (Griffin, 8).

During organisational crisis, the media plays a critical role. Coombs and Holladay (2012) observe that if the media reports a crisis more quickly than does an organisation, which is often the case, PR managers will be forced to manage the crisis in the frame set by the media. By their very nature, media outlets frame information based on their judgement of new values. An organisation may find that the news media ignored what it believed to be positive accomplishments and focused instead on how the corporation is “not doing enough” (117). Therefore, organisations must participate in this framing process, by shaping the agenda, because failure to do so may let others provide information that may frame how stakeholders will perceive a given crisis.

During a crisis, communicating to stakeholders quickly and openly, and taking charge of the situation, can help shape perceptions and behaviours towards an organisation, especially one that has developed some level of trust among stakeholders. Undoubtedly, perceptions influence behaviour and consequently stakeholders’ actions. According to the Hovland model of persuasion, a behaviour is a sum of several messaging processes: attention, comprehension, learning, acceptance and retention (Perloff, 2010).

This study examines the role of crisis communication in managing farmers' perceptions and consequently their behaviours towards KTDA. Historically, KTDA was established in 1964 after taking over the functions of the Special Crops Development Authority (SCDA) which had been created in 1960 by the white settlers to assist smallholder tea growers in the processing and marketing of their product (http://www.ktdateas.com/index.php/about-us/our-background.html). At the time, the organisation was called Kenya Tea Development Authority and was owned by the government until 30th June 2000, when it was privatised and rebranded as Kenya Tea Development Agency Limited. Since then, the company has largely remained a private entity owned by 54 corporate shareholders, which are tea-producing factory companies under KTDA. The main function of the agency is to provide effective management services to the tea sector for production, processing and marketing of high-end teas for the gain of shareholders and stakeholders. The companies serve about 600,000 smallholder tea growers cultivating approximately 130,000 hectares of tea spread across 16 tea-growing counties of Kenya namely Kirinyaga, Embu, Kiambu, Nyeri, Murang'a, Tharaka-Nithi, Meru, Bomet, Kericho, Nakuru, Nyamira, Kisii, Nandi, Vihiga, Kakamega and Trans-Nzoia. (Kenya Tea Development Agency [KTDA], 2014:6).

The study is grounded on internal and external issues, at KTDA, that built up to become a real crisis. Traditionally, KTDA manufactures black tea and sells it at the Mombasa Tea Auction on behalf of tea farmers. After sales, the tea is exported to foreign markets such as Egypt, UK, Pakistan, Afghanistan, Sudan, Russia, U.A.E and Yemen among others. Like other agricultural commodities, the volumes of tea purchased is usually driven by natural forces of demand and supply, with prices rising when there is a stronger demand and falling when there is a weaker demand (https://www.eatta.com/the-auction-cycle). Traditionally, the annual tea earnings for the smallholder tea farmers under KTDA has been on the rise since the year 2000, with 2013 registering the highest tea earnings of Sh51.3 billion in the history of the smallholder tea subsector in Kenya (see figure 1.1). However, in 2014, tea earnings dropped sharply to unprecedented lows of Sh35.5 billion. This became an operational and reputational issue that marked the onset of the crisis.

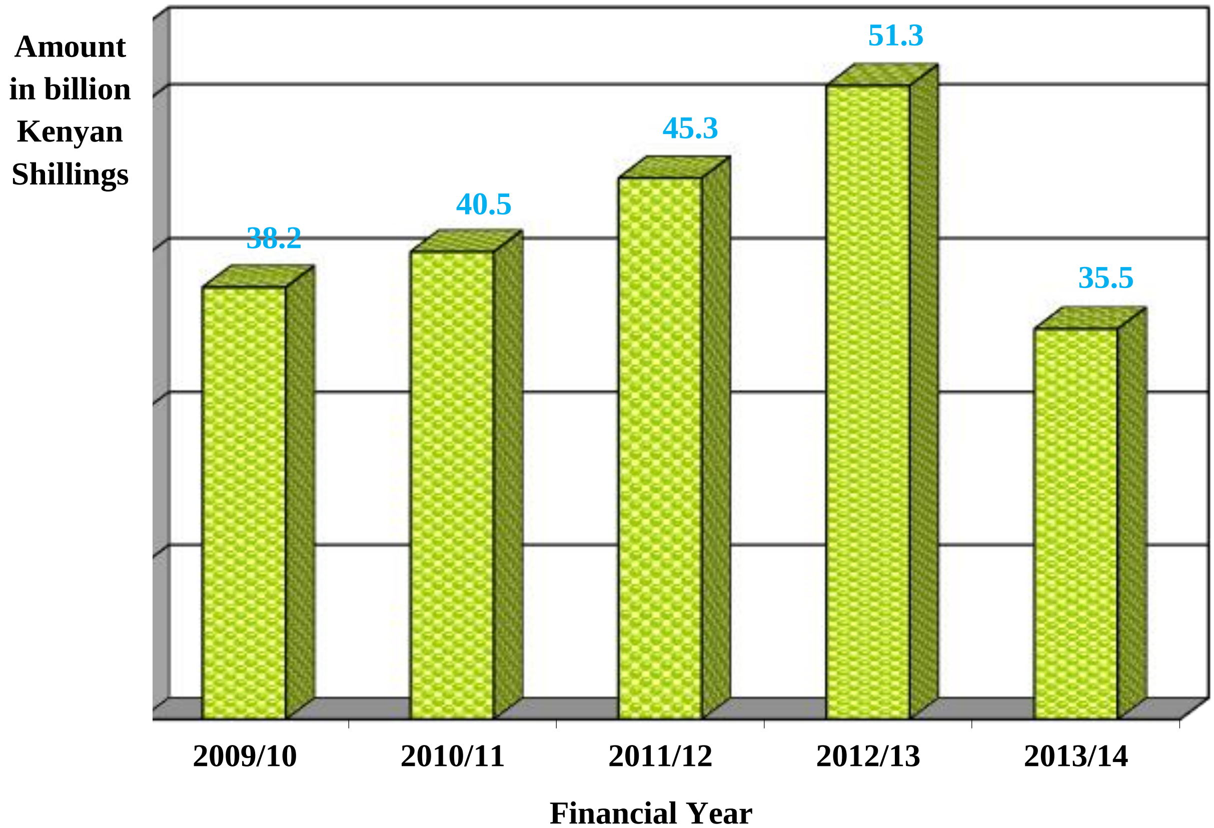

Figure 1.1 Amounts in billions paid to smallholder tea farmers between 2009/10 Financial Year and 2013/14 (Source: KTDA)

In June 2014, two and half months before KTDA announced the 2013/14 Financial Year tea earnings, a Nation Media Group reporter wrote an article headlined, "Revealed: How tea agency colludes with brokers to con small farmers," and published it in the Daily Nation newspaper of Sunday, June 29, 2014. The article, among others, reported that KTDA was colluding with tea brokers at the Mombasa Tea Auction to fix tea prices, to manipulate the price of the highest grade: Pekoe Fanning 1 (PF1), to make direct sales outside the auction, and to be involved in unorthodox and poor trade practices. (https://www.nation.co.ke/business/Mombasa-Tea-Auction-Price-Fixing-Industry-Report/996-2364962-37fb0bz/index.html).

This news report was picked by local FM radio stations and re-disseminated, in local languages, to the smallholder tea farmers and general public. Consequently, a lobby group called Kenya Union of Small Scale Tea Owners (KUSSTO), politicians and tea farmers who received the news began accusing KTDA of underhand deals and embezzling tea proceeds for the smallholder farmers. As Fearn-Banks (2007) notes, a crisis can assume different forms: a strike, boycott, product tampering, and loss among others. At the peak of the crisis, in September 2014, farmers boycotted plucking tea while some key tea buyers shunned KTDA teas on the supposed unethical practices. KTDA's reputation was at stake as business operations and relationship with stakeholders, especially the smallholder tea farmers, almost halted. The unstable situation threatened KTDA strategic objectives and existence. This study, conducted between September 2015 to December 2015, details how KTDA used crisis communications to manage farmers perceptions and consequently their behaviours.

1.2: Problem statement

Numerous researchers have studied crisis communication, its impact on organisational reputation and consequently, on business operations. Sellnow and Seeger (2013) note that as society gets to be more complicated, more crisis will happen, and this complexity has stimulated scholarly debates in PR, particularly crisis communication. A crisis builds or destroys an organisation, making stakeholders either accommodative or hostile, depending on how crisis communication is executed. Bruning and Ledingham (1999:158) argue that there has been a move 'away from the influencing public opinion towards a focus on building and maintaining the relationship between the organisation and the public'. Coombs (2004) agrees that current perception can dictate how one reacts towards a current crisis. He says, "If a person spills red wine on your new carpet and you believe the cause was personal, you are likely to be angry with that person and behave toward him or her differently in the future" (267).

Despite the abundant knowledge available in crisis communication, little study has been done on how communications affect stakeholders' perceptions and consequently their behaviours towards organisations during a crisis. Freeman (1984:13) argues that while business has always had to contend with its stakeholders, "current perceptions of its pervasive influence require a closer examination." A similar study by Coombs (2004) entitled "Impact of Past Crises on Current Crisis Communication: Insights from Situational Crisis Communication Theory" reveals the important effect of crisis on organisational reputation in victim and accident crises. The results from the study showed a direct, negative relationship between crisis and organisational reputation owing to negative perception. Further, Griffin (2017) argues that perception is often discussed within an organisation – even at senior levels – in a conversational rather than scientific way. In that regard, contemporary researchers are urging scholars to explore this area of research.

The crisis at KTDA in 2014 was caused by internal issue that morphed into an external issue. It was about poor business performance that called into question the organisation's governance, strategy, values and purpose. Before the crisis erupted and before KTDA declared its 2014 performance, a whistleblower reporter alleged in her story that KTDA was colluding with brokers to con the smallholder tea farmers – a reason why tea farmers would receive low earnings that year. In deed that year, as reported in the news story, KTDA declared low tea earnings and farmers received relatively low tea earnings. Tea farmers, supported by lobby groups and politicians, protested the low payments and took action by boycotting tea plucking, with some farmers burning houses belonging to tea factory directors. This almost paralysed the operations of KTDA as the internal issue of performance had turned external and developed into a full-blown crisis. The study investigated how KTDA handled the crisis and how it dealt with perceptions of tea farmers in 2014.

1.3: General objective of the study

The purpose of this study was to examine the role of crisis communication in managing stakeholders' perception in corporate organisations in Kenya.

1.3.1: Specific objectives of the study

i. To analyse the relationship between crisis communication and perceptions of KTDA tea farmers during a crisis.
ii. To evaluate the appropriateness of communication tactics used by KTDA to manage the perceptions of tea farmers during a crisis.
iii. To examine the effects of crisis communication on the behaviours of tea farmers towards KTDA during a crisis.
iv. To investigate whether perceptions of KTDA tea farmers has different dimensions during a crisis.

1.4: Research questions

The study sought to answer the following research questions:

1. What is the relationship between crisis communication and the perceptions of tea farmers during a crisis at KTDA?
2. How effective were the communication tactics used by KTDA to manage the perceptions of tea farmers during a crisis?
3. What are the effects of crisis communication on the behaviours of tea farmers towards KTDA during a crisis?
4. Do stakeholder perceptions have different dimensions during a crisis?

1.5: Justification of the study

The study will be valuable to the stakeholders in the tea sector in Kenya, particularly to PR practitioners who are tasked with the responsibility of establishing a mutually beneficial relationship between tea farmers and KTDA. This is important because crises are inevitable in organisations and oftentimes lead to reputational damages if handled improperly. The study focused on tea because it is the mainstay of Kenya's economy and directly supporting about 600,000 smallholder tea farmers under KTDA. In 2014, the crop earned the country Sh101 billion, according to data from Tea Directorate, out of which the smallholder tea subsector contributed about 50 percent.

The findings from this study, if adopted, will enrich the communication efforts of KTDA corporate affairs department while enabling policy makers to draft policies that build consensus and enhance earnings from the smallholder tea subsector. The adaption of the recommendations of this study will also ensure a mutually benefiting relationship between KTDA and the tea farmers, and thus encouraging each party to produce high quality tea for which Kenya is known.

1.6: Significance of the study

The findings from this study will help KTDA corporate affairs department to fully understand the relationship between crisis communication and the perceptions of tea farmers so that a proper communication strategy is used during a crisis. The study findings will also help KTDA to understand that perception has different dimensions, both macro and micro, and these drive behaviours change during a crisis. Therefore, the deployment of proper communication tactics during a crisis is paramount. The study also contributes to scholarship by plugging the gaps that exist in crisis communication and stakeholder perceptions.

1.7: Assumptions of the study

i. The study was done with the assumption that effective crisis communication execution achieves favourable stakeholder perceptions.
ii. The negative media stories triggered the 2014 crisis.

1.8: Scope and limitations of the study

The study focused on the performance crisis at KTDA in 2014 and was conducted in four counties namely Kisii, Muranga, Kirinyaga and Embu where tea is grown in Kenya. These counties were drawn as samples, and therefore, the findings and recommendations of this research will apply to 600,000 smallholder tea farmers spread across 16 counties in the country.

1.9: Operational definitions

- *Audience:* This comprise the primary groups or individuals that an organisation wants to receive its communications.
- *Channel:* The methods and media used by an organisation to communicate and interact with its stakeholders.
- *Crisis:* A situation of great difficulty or danger to the organisation, possibly threatening its existence and continuity, and that requires decisive change.
- *Crisis Communication:* This is the dialogue between the organisation and its public before, during, and after a negative occurrence for mutual understanding.
- *Demand:* The quantity of products or services that customers want at a particular point in time.
- *Dividends:* The portion of a firm’s profits that is paid out each period to the shareholders.
- *GDP (Gross Domestic Product):* The total market value of all final goods and services produced by factors of production within a country during a given period.

- *Corporate Image:* How an organisation is perceived, based on particular messages and at a particular point in time; the set of meanings inferred by an individual in response to one or more signals from or about an organisation at a particular point in time.
- *Hotspot counties:* The counties selected as research sites in the study. The counties were selected based on internal reporting, media coverage of the business performance issue, the views of politicians and opinion leaders.
- *Market:* A group for whom a product or service is or may be in demand (and for whom an organisation creates and maintains products and service offerings).
- *Perception:* This is the way a corporation is received and evaluated, therefore judged, by an individual or group.
- *Privatisation:* The sale of a business or industry that was owned and managed by the government.
- *Public Relations:* The function or activity that aims to establish and protect the reputation of a company or brand, and to create mutual understanding between the organisation and the segments of the public with whom it needs to communicate.
- *Public:* People who mobilise themselves against the organisation based on some common issue or concern to them.
- *Corporate Reputation:* An individual's total representation of past images of an organisation (induced through communication or past experiences) established over a period of time.
- *Stakeholder:* Any group or individual that can affect or is affected by the achievement of the organisation's objectives.
- *Strategies:* How an organisation can achieve its set objectives.
- *Subsidiary:* A company that is owned by a larger company.
- *Supply:* The quantity of products or services supplied to the market for sale at a particular point in time.
- *Tactic:* Specific action to support communication strategies and objectives that target a particular audience.

CHAPTER TWO

LITERATURE REVIEW

2.0: Overview

This chapter analyses relevant literature in crisis communication and organisational perceptions among key stakeholders. It covers the general literature, empirical literature, research gaps, theoretical framework and conceptual model. It details the academic works that have been examined in crisis communication and perception, presenting different perspectives.

2.1: Understanding crisis communication in organisations

Several communication scholars have defined what constitutes a crisis, oftentimes agreeing on the concept, but sometimes, disagreeing. Evidently, crises have occurred in the past, are occurring today and will occur in future. In the recent past, organisations have witnessed different forms of crises: disasters in the transport sector, natural disasters, terror attacks, deadly protests and strikes, fires among others. For example, on June 2016, “a gunman opened fire at a gay nightclub called Pulse, one of the biggest nightclubs in Orlando” killing forty- nine people (Brataas, 2018:70). In March 24th 2015, “a passenger plane German wings 4U 9525 land crashed into the mountainside at Massif des Trois- Eveches in the French Alps and killed 150 people on board” (5). On December 26th 2004, an earthquake measuring 9.3 on the Richter scale triggered an enormous sea wave that struck the coast of Thailand, Sri Lanka, India and ten of other countries, killing more than 230,000 people, including 33 Americans, 151 British, 543 Swedes and 84 Norwegians (Brataas, 2018).

During a crisis, the media and other channels of communication play an important role. Seeger, Sellnow and Ulmer (2003) point out that a crisis is usually a sudden, non-routine event that creates a degree of unsureness or is perceived a threat to the objectives of an organisation. Without doubt, a crisis disrupts business operations, threating to bring down an organisation to its knees. Sellnow and Seeger (2013:4) describe a crisis as “a function of perceptions based on a violation of some firmly held expectation” by organisational stakeholders. It is perception that fuels a crisis, whether man-made or natural.

Several documented case studies have shown that a crisis can impact an organisation negatively. Fearn-Banks (2007) contends that a crisis is a significant incident that has the potential of an adverse outcome and can affect an organisation, its stakeholders, products, services, or brand. The occurrence of a crisis disrupts normal business operations and can sometimes undermine the existence of the organisation. Fearn-Banks (2007) notes that a crisis can assume different forms: a strike, fire, earthquake, terrorism, boycott and product tampering, loss among others. A crisis can affect any type of entity - a multinational corporation, a one-person business, or even an individual.

Seeger, Sellnow and Ulmer (2003) identify several causes of a crisis such as flawed decision-making, blunders, accidents and unanticipated events. The scholars categorise the causes of a crisis into four major groups: normal failure and interactive complexity; failures in warnings; faulty risk perception; foresight and breakdowns in vigilance.

Griffin (2017) classifies potential crises as being caused by issues emanating from four major areas. One, external issues often associated with a policy or political issues or societal 'outrage' such as policy issues, allegations, political controversies or societal outrage. Two, internal issues linked to organisation performance such as malpractice, poor practice (perceived or real) and strategic failure. Three, external incidents associated with sudden and extreme incidents which are not the mistakes of the organisation such as cyber-attacks, terrorism, health scares, natural disasters or political unrest. Four, internal incidents perceived to be in the direct control of an organisation such as industrial accidents, system failures, transport accidents among others.

Without doubt, communication plays an integral role during a crisis because it enables stakeholders to understand what is going on, hence avoiding speculation which is often inaccurate and oftentimes associated with human errors. Fearn-Banks (2007:7) argues that "crisis communication initiates dialogue between a company and its stakeholders before, during, and after the crisis." During a crisis, many organisations execute communication strategies and tactics aimed at protecting the image of the organisation, triggered by an antagonistic perception of the stakeholders. In the face of this, crisis communications can help alleviate or divert a crisis, but can also bring, to an organisation, a more positive credit than before the crisis.

As already pointed out elsewhere in this study, a crisis is never anticipated by key stakeholders, despite the usual early warning signs and clues. The development of a crisis is mostly associated with ignored warnings, wrong communication about a perceived threat and sometimes failed interpretations of issues (Seeger, Sellnow & Ulmer, 2003). According to Seeger, Sellnow and Ulmer, crises are usually accompanied by a sense of being blindsided and of having no warning, but in retrospect, almost all crises are accompanied by signs, although often subtle. And these signs can be used by the communications team to adequately prepare how they can communicate during a crisis period.

Heath (1994:259) argues that crisis communication should be handled in a manner that external audiences' confidence is won ethically. That way, an organisation has a high potential of redeeming itself after the crisis. Given the potential of any crisis ruining the reputation of any organisation, crisis communication should be understood as an ongoing process of creating shared meaning among different stakeholders and communities for preparing, reducing or responding to threats or harm (Sellnow & Seeger 2003:13).

2.2: Crisis communication and stakeholders' perceptions

The reputation of an organisation is created by cumulative levels of stakeholders' perception, and it is the most valuable asset for a corporate (Hannington 2004:27). Strong reputations are built over time by doing the 'right things right' in the organisation and taking appropriate credit for achievements. Favourable reputation enables organisations to achieve their objectives such as generating higher profits, attracting and retaining the best employees, finding reliable business partners and seizing the loyalty of customers. It is a critical factor on how well an organisation wades through a crisis (Hannington, 2004).

Griffin (2014) argues that failure to manage a crisis can have serious reputational consequences because the perception is inevitably created that the organisation is or was not being entirely open and honest about its performance and failings. A Greek philosopher Epictetus said, 'perceptions are truths because people believe them'. If somebody believes something – even if it is something that facts and science show to be irrational – it is a truth to them (193). During a crisis, communication to stakeholders must start immediately, to establish the organisation as one that is open and willing to engage. Even crises that emanate from an issue that has been rumbling for some time will have new content to communicate. If an organisation does not initiate communicating during a crisis, others people will. A news story, for instance, will not wait until the organisation, at the middle of the crisis, has had enough time to organise itself internally and formulate that first response. The media will contact industry experts, eyewitnesses, commentators or other journalists to talk around a subject and happily fill the gaps, whether they are familiar with known facts or not. Speculation will pile up and start circulating about what might be happening in the organisation and what could have caused it. Whenever there is a vacuum of information from the organisation at the centre of the crisis, wrong signals are sent to the stakeholders, creating a perception of mistrust and potentially pushing probing journalists into hostility.

The rhetorical approaches to public relations (Toth & Heath 1992; Heath 2001; Porter 2010) address the function of persuasion in communication drawing on the works of Aristotle. In their views, the communicator utilises words and, and sometimes, symbols to influence the perceptions of stakeholders. Curtin and Gaither (2005) view persuasion as an ingredient of a ‘circuit of culture’ that sees communication as a fluid process of constructing meaning in a social context (109). The threat posed by a crisis can be assessed by stakeholder perceptions of the extent to which an organisation is responsible for the crisis.

Tench and Yeomans (2017:352) argue that “perceptions of crisis responsibility are critical to crisis communication. Crisis response strategies [such as denial] can be used to shape those perceptions. Denial strategies argue that there is no crisis (crucial in the case of a rumour) or that the organisation is uninvolved in a crisis.” Of course, other strategies like diminish, that seek to reduce the perceptions of crisis responsibility, can be employed. However, if stakeholders perceive an organisation to be highly responsible for a crisis, and if that perception is accurate, then applying denial and diminish strategies would be inappropriate. Instead, rebuild strategies like compensation and apology would need to be applied.

2.3: Communication tactics during a crisis

Ray (1999) asserts that crisis communication is essential in influencing public perception of an organisation. For this reason, a comprehensive communication strategy or plan is a necessary tool for any organisation. Every company should have an up-to-date crisis communication plan, regardless of the sector in which it operates in, the type of activity it is involved in or the size of the company (Anthonissen, 2008). On July 6, 2013, a train carrying 72 tank cars loaded with crude oil derailed in Lac-Mégantic, Quebec, causing a series of explosions that left 47 people dead. “The communication efforts by the rail company and the behaviour of the CEO were heavily criticised by locals, the media and PR consultants and have become a textbook example of how not to do crisis communication” (Brataas, 2018:8). The rail company did not have any crisis communication plan and did not communicate in time. Timely communication and the choice of words used are indispensable for protecting an organisation’s reputation. For effective crisis communication, the tactics and strategies deployed should be congruent with situations and audiences (Ray, 1999). In other words, in designing crisis communication objectives, managers should determine what will work and not in some situation and with specific audiences.

Coombs has pointed out a bunch of response strategies that can repair an organisation’s image in times of crisis, which may be internal or external. He asserts that:

> The best way to protect the organisation image is by modifying public perception itself. The suffering, distance and non-existence strategies attempt to influence attributions [the] publics makeover organisational responsibility for a crisis…Distance strategies highlight either the unintentional (excuses) or the external locus (justification) dimensions of a crisis. The suffering strategy defines the crisis as external and uncontrollable, attributions that reflect a lack of company responsibility for a crisis. The ingratiation and mortification strategies attempt to offset negative crisis attributions with positive impressions of the organisation. Mortification acts to build positive by addressing the crisis in some manner. The organisation accepts its responsibility to some degree and takes measures to atone for the crisis. These actions should create positive impressions of the organisation. Ingratiation strategy merely offers positive actions taken by the organisation as counterbalances to the crisis attributions. However, the positive effects of ingratiation are unrelated to the crisis itself (Coombs, 1995: 453-454).

The objective of crisis communication is “to create a single voice that achieves credibility and timely response” (Heath 1994:262). Thus, organisations caught in a crisis must impart a well-controlled, consistent and believable message to their key stakeholders. These messages should be audience-centred and guide the response of stakeholders, including their impressions of the organisation. While the crisis brews, organisations must be conscious of stakeholder opinions and the issues associated with the crisis. It is important to identify and execute appropriate communication responses while frequently monitoring and evaluating the emotional levels of stakeholders and their perceptions of the organisations (Ray, 1999).

2.4: Crisis communication and the media

The media is an important component in corporate crisis communication. Fink (1986) argues that before establishing goodwill and relations with the media, organisations should first carry out its crisis communication successfully. Generally, it becomes easier for an organisation to carry out communication when it has a good media relations before a crisis erupts. Successful crisis communication requires a full understanding of the organisation's stakeholders and the different dimensions of the crisis (Ray, 1999). Sometimes, crisis communication researchers and practitioners focus mostly on the short-term objectives of resolving a crisis with as little damage to the organisation as possible. However, investigations of crisis communication processes using long time approach may reveal a broader function of communication and public relations (Seeger, Sellnow & Ulmer, 2003).

Undoubtedly, the media plays an indispensable role in crisis communication as information-seekers trying to understand the events at hand. Meier (2011:11) argues that this role is growing because "the media are the reporters of the high court of public opinion," and the role "has been amplified in our wired, connected world, where we, the news consumers, are more and more active in the news process." The media is considered the 'gatekeeper' between organisations and the public. How crisis spokespersons respond to inquiries from the media has a far reaching effect on how a crisis is viewed by the public. Olsson (2010:98) explains that PR professional facing crises must "comprehend the event in accordance with the audience's understanding of it" if they are to uphold authenticity in the eyes of the public.

Often, media prioritises coverage of some crisis events, amplifying the public perception of the significance attached to the prioritised events; thus, public responses are influenced by exposure and risk perception from the media (Renn, Burns, Siovic, Kasperson & Kasperson, 1992). Accordingly, there is a need for the official speaker to understand how best to work with reporters because the media has the potential to move beyond "environmental surveillance" to assist organisations in the recovery and "community building" processes about the crisis (Walters, Wilkins, & Walters, 1989). Despite this significant reality, some spokesperson have a tendency to avoid or dread interacting with the media. Others offer their organisation limited exposure to the media hoping that the status quo will remain. Ironically, when organisations offer limited information to reporters or editors, they often draw more attention to the crisis itself. Indeed, organisations need to forge a strong alliance with the media even long before a crisis erupts (Seeger, 2006). Otherwise, the media will set an agenda for itself and frame an issue in whatever way that befits its audiences. Simply put, the media has no match in quickly disseminating information to the masses during a crisis.

The theories of mass communication can help one to understand how the media works, the role of the mass media in public agenda setting and media framing. The two prominent theories that can be considered are agenda-setting, by McCombs and Shaw (1972), and media framing theory by Entman. On agenda setting, Cohen (1963) summarised the concept; the media content does not successfully tell audiences what to think but it can be strikingly successful in telling the audiences what to think about. Other times, the media frames an agenda, culling selective pieces of perceived reality and manufacturing a discourse that highlights relationships among them to promote an interpretation to select particular aspects of a perceived reality, making them more prominent in a communicating context (Entman, 1993). Entman suggests that a full-frame defines a problem, suggests who is causing the problem, highlights the values being compromised by the cause of the problem and suggests actions that would be taken to resolve or lessen the problem (Entman, 2007).

Smith (2005) notes that practitioners can acquire a lot of knowledge about crisis communication by examining classic cases: the Nestle boycott in the late 1970s, Tylenol sabotage and Exxon oil spill in the 1980s, Dow-Corning’s breast-implant imbroglio in the 1990s, and many others, perhaps, lesser-known crisis cases dealing with misappropriation (United Way of America), consumer fraud (such as Sears Auto Centres), product tampering like the case of Pepsi syringe hoax, product credibility for instance Intel Pentium, customer injury and employee behaviour. Much can be learned from thousands of more crises dealing with employee communication, community relations, investor relations and so on from around the world.

2.5: Crisis communication and messaging

Anthonissen (2008) argues that a crisis communication plan for organisations must be based on articulate and precise messages that target the divergent needs and interests of various stakeholders. Such clear messaging ensures an organisation responds appropriately, maintaining stakeholder confidence and minimising damage. Ray (1999) suggests that crisis management teams can cluster appropriate themes and prepare messages, in advance, which can be readily produced shall a crisis occur. According to Ray, messages may be communicated to the stakeholders through press releases, press conferences, speeches or even interviews. If the image of an organisation is a primary concern, crisis communicators must painstakingly identify all possible approaches and consider how such messages can influence the perceptions of the organisation (Ray 1999). On his part, Cornelissen (2004) argues that in whichever the situation, crisis communicators should understand that organisations must have some degree of tenability for messages to be listened to by stakeholders. The absence of such credibility will likely intensify the crisis. By humming consistent messages, and by having all communications ‘sing from the same hymn sheet’, an organisation is more likely to be viewed favourably by key audiences.

Therefore, PR practitioners should identify themes and organise messages in advance according to their order of importance and their target publics. By so doing, an organisation can purpose to meet the challenge, rather than be taken by surprise during a crisis (Newsom & Turk, 2004). Practitioners agree that an organisation in a crisis must disseminate a unified voice to avoid contradicting messages, what Pinsdorf (1999:80) calls “hydra-headed” messages, creating uncertainty and further denting the image of an organisation. Thus, a consistent message is critical during a crisis, and this is achieved by an organisation having one spokesperson for the media, the employees and the stakeholders (Coombs & Holladay, 2010).

Smith (2005) argues that human beings are not mere thinking gadget; they heavily rely on emotions, and effective communicators must take this into account when designing their messages. A useful part of PR strategy is to link communication message to stakeholder’s emotional appeal. Usually, the power, frequency and seriousness of the message and the credibility of the source play a key role in determining a response, including the chances of issuing a wider, more general alert messages. It is not the spokespeople alone who decide what is to be said. The PR professionals must play a central role in the creation of what is to be said. Spokespersons are only the ‘mouth piece’ of the organisation, conveying what has been agreed upon. Ideally, spokesperson should be professional, presentable and trained on how to be in front of cameras and the media. Often it has been found that Chief Executive Officers (CEOs) are hesitant to give up this position to others, who are smarter than themselves. If CEOs are not the right person to pass key messages to the publics, then that job should go to someone else who is better suited (Anthonissen, 2008).

Oftentimes, when an organisation is threatened, the CEO finds it safer to keep quiet, casting his or her head downwards. In many organisations, CEOs and other top executives are can-do types, who believe that they are undefeatable. Unless they are facing a distinct and unstoppable catastrophe, their first instinct is to underestimate the magnitude of the crisis, overestimating their ability to fix it. That point where CEO denial and the shareholder distress meet can be hazardous. But the feedback gained after a crisis can create “a new self-image, where organisational members perhaps see themselves operating in a new environment” (Garner, 2006:381). Most importantly, PR practitioner should take note of the four PR models of communication as posited by Grunig and Hunt, which are press agentry, public information, two-way symmetric and two-way asymmetric (Grunig & Hunt, 1984). Drawing from systems theory, Grunig and Hunt’s four models are based on their understanding of organisational and management practice. Based on this, modern PR practitioners prefer the two-way symmetrical approach, which is sometimes difficult to achieve.

By putting together Grunig and Hunt’s original intentions for their models of communication, especially the two-way symmetrical, it is clear that at its core was the assumption that “excellent public relations is based on the worldview that public relations is symmetrical, idealistic in its social role, and managerial,” (Grunig & White in Grunig et al., 1992:56). Even as these scholars examine the models, others focus on the speed of communication. Anthonissen (2008) argues that crisis communication is by its nature more antagonistic, more inquisitive, faster-paced and less foreseeable. Thus, PR practitioners must act with speed to safeguard the image of the organisation in the eyes of the stakeholders.

2.6: Effects of crisis communication on stakeholders' behaviours

A crisis may affect what external stakeholders do, as well as what they think during and after a crisis. Regulators, politicians, the media, customers and others may change their behaviour, depending on how they evaluate an organisation's sincerity and openness in its communication. This sincerely and openness must be communicated quickly and with the right tone. The Chartered Institute of Public Relations (CIPR) views PR as "the discipline which looks after the reputation of organisations in order to earn understanding and support and influence public views and behaviours" (Tench & Yeomans, 2017:117).

American scholar Harold Laswell examined communication from world view of behavioural psychological theory, drawing heavily from the Nazi Germany case study. Laswell's communication model largely asked the following questions about a communication process: 'Who? Says what? In which channel? To whom? With what effect?' (Laswell 1948:37). This way of analysing messages enables one to understand the effects of communication. Shannon and Weaver (1969) added to Laswell's theory and developed the so-called Linear Model of Communication drawing from the Information Theory that equally takes considers the effects of the communication process. And Grunig and Hunt (1984) third model – the two-way asymmetric – seeks to use persuasion to foster behavioural change.

However, social exchange theorists like John Thibaut and Harold Kelley think people can only change behaviour based on costs and rewards/benefits. If their theory is applied to public relations, it can be concluded that people will behave in certain ways according to the perceived benefits that will accrue from the engagement. For example, if a researcher wants people to participate in his survey, he must make the survey interesting, offer at least to give the respondents the results of the survey, make the survey worth the effort by emphasising benefits of participation (Lattimore et al., 2009). In a nutshell, social exchange theory sees individuals as rational beings who act in accordance with the system of cost and benefit in their social interactions and exchanges. Secondly, these social interactions are centred on maximising gains from these social relationships and ensuring maximum personal gain to satisfy basic human needs (Chibucos et al., 2005).

On the contrary, social learning theory predicts behaviour by examining the way people process information including those of mass media, and personal contacts, information and knowledge shared from peers. Bandura (1977) argues that people learn behaviours by looking at what other people do, and therefore, people will always repeat behaviours that are either appealing or rewarding. Psychologists have investigated several theories that may explain why some people are easier to persuade than others and the internal mechanism on how persuasion occurs. Some aspects of personality like self-esteem and attitudes counts greatly during persuasion. Others such as internal structures of individual personality, including attitudes and behaviour also count (Griffin, 2014).

2.7: Theoretical framework

This study utilised an eclectic approach to theoretical framework building. The role of theory in this study was to explain, predict and understand the relationship between crisis communications and stakeholder perception in any organisational set up especially before, during and after a crisis. The theories were also used to provide a basis for supporting what constitutes an effective crisis communication package implementation. This study used two theoretical frameworks, and they include co-orientation model and stakeholder theory.

2.7.1: Stakeholders theory

This theory was advanced by Edward Freeman in 1984 and argues that stakeholders of any organisation play an important role in its success. Freeman defines a stakeholder as any group or individual who can affect, or is affected by the achievement of an organisation's goal (Freeman, 1984). For organisations, stakeholders constitute several individuals or groups such as employees, suppliers, customers, stockholders, financiers, environmentalists and many more.

Research by Bonnafous-Boucher and Rendtorff (2016:41) support Freeman's stakeholder theory, arguing that an organisation is a kind that "collectively share one or more common interests and engaged in shared activities." It is thus "a coalition of groups with variable interests which elaborates objectives by means of negotiation". The theory embraces the concept of stakeholder management that demands organisations to manage relationships with stakeholders in an action-oriented manner. The theory can be a useful concept of enabling organisations to adjust their operations and act to align themselves with their external environments. Freeman likens an organisation to a wheel with spokes, "where each segment represents the stakes or the interests of stakeholders" (Bonnafous-Boucher & Rendtorff, 2016:29).

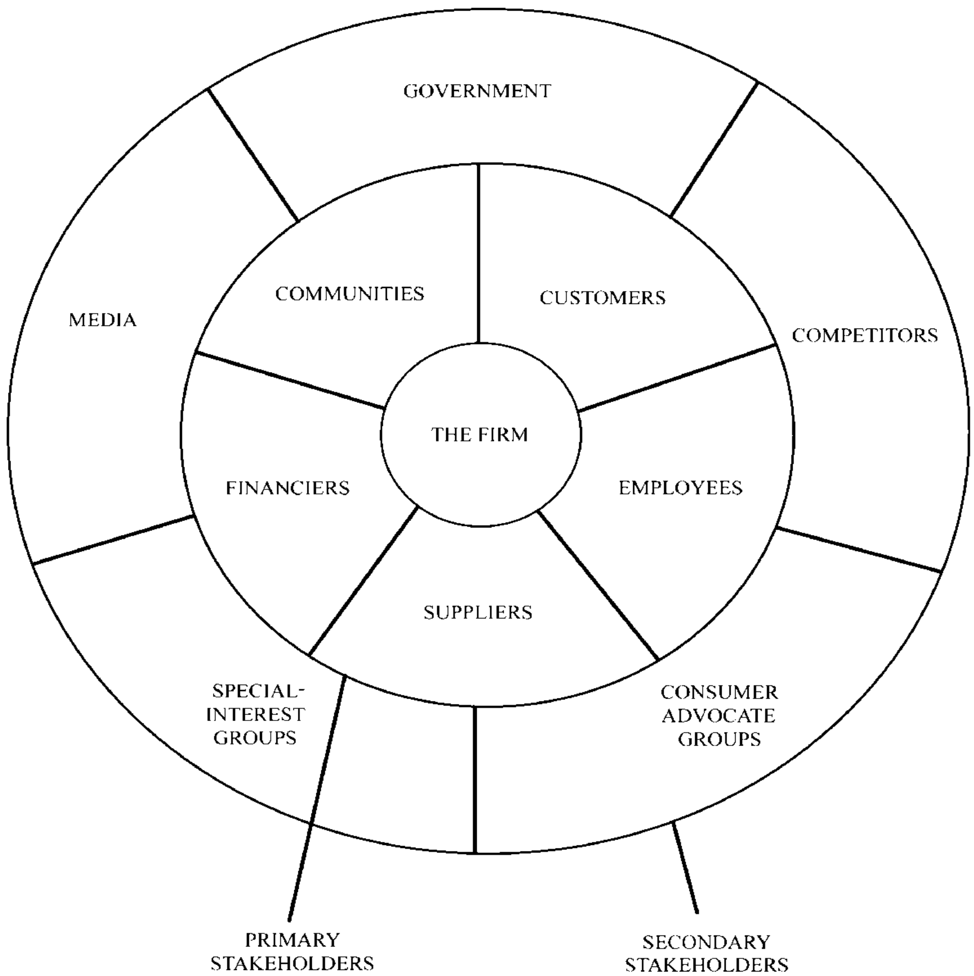

Figure 2.1. The stakeholder wheel showing interest groups for organisations (1984–2007) Source: R. Edward Freeman, Jeffrey S. Harrison, and Andrew C. Wicks, Managing for Stakeholders: Survival, Reputation, and Success (2016), New Haven: Yale University Press.

Freeman further argues that those organisations that routinely take groups and their stakes into account and which implement a set of transactions to balance their interest have a "high stakeholder management capabilities and are likely to achieve their organisational goals" (Freeman, 1984:53). He further suggests that "the more organisations begin to think about how to improve their services to stakeholders, the more they will be able to thrive and prosper with time" (80). Like a wheel with spokes, KTDA has several stakeholders namely the smallholder tea farmers, tea buyers, suppliers, financiers, regulators, lobby groups, employees, competitors, the government among others. On that ground, Freeman proposes multi-level performance criteria for organisation management that presuppose a long term plan (Freeman et al., 2010). Freeman, Harrison, Hicks, Parmar and Colle (2010:9-10) equally note that stakeholder theory values the business of managing a business effectively, where 'effective' is seen as "create as much value as possible." The smallholder tea farmers, thus, expected KTDA to create more value for their produce.

The stakeholder theory is contemporary as it echoes the idea that people need jointly to seek and create meaning within organisations (Freeman et al., 2010). The model seeks to solve the value creation question by asking "how we can re-define, re-describe, or re-interpret stakeholder interests so that we can figure out ways to satisfy both or to create more value for both" (Freeman et al., 2010:15-16). Freeman draws a clear line between "real" strategic issues and social responsibility issues, and between significant and insignificant stakeholders (Freeman et al. 2010:58). Accordingly, the stakeholder approach requires communication professionals to build and keep relationships with key stakeholders by addressing the interests of stakeholders.

The theory is ideal in showing the relationship between the smallholder tea farmers and KTDA; how tea farmers affect the operations of KTDA and how they are affected by the operations of KTDA in return. Further, the stakeholder theory helps is understanding how KTDA manages its relationship with tea farmers in a way that is mutually beneficial, providing insights on how KTDA reacted to the behaviours of tea farmers during the crisis. The theory is appropriate in explaining how KTDA and tea farmers create value for each other so that both are satisfied. Given the above, there is a need to study the role of crisis communication in managing stakeholders' perceptions to identify the knowledge gap that exists.

2.7.2: Co-orientation model

The co-orientation model is captured in figure 2.2.

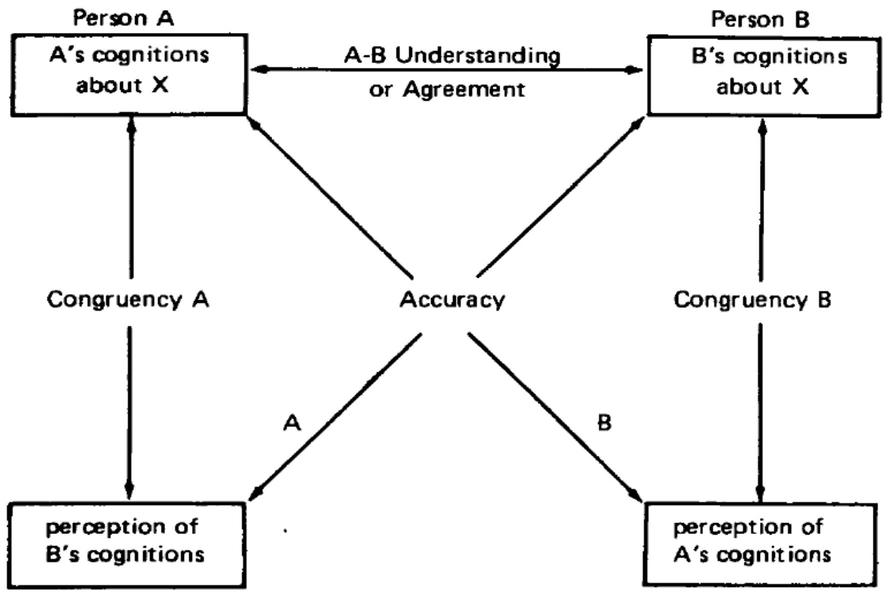

Figure 2.2. The Co-orientation model of communication. Source: McLeod, J. M. & Chaffee, S. H. (1973).

Developed by Jack M. McLeod and Steven H. Chaffee in 1973, the co-orientation model provides a framework for recognising the relationships between groups in a communications process (Cutlip, Center, & Broom, 2006). The model builds on the concept presented by Newcomb (1953) model of A-B-X paradigm. Reinforcing this model, Senge (1990:131) illustrates the issue of mental models and recognises that for any communications process to be effective, these models must be "oriented" properly towards each other. If individuals do not share common vision and common "mental models" about business realities in which they operate in, empowering people will only heighten organisational stress and the load of management to keep coherence and future direction. For instance, two people with different mental models will observe the same event from different angles and describe it differently, because they have looked at different details or attributes of the event. Thus, mental models shape our perceptions of organisations (Senge, 1990). The model is instrumental in explaining the perceptions of tea farmers and KTDA towards each other during the crisis.

A mental model, Senge (1990) posits, is basically a personal theory of how things work and comprise the perceived most important factors combined together to produce a way for interpreting inputs. Mental models are individualistic, although they can be shared “like in the case of organisations and special interest groups” (Senge, 1990). In the very same spirit, Golan and Yang (2015) further notes that the co-orientation model examines the agreement, accuracy of perceiving agreement or disagreement, shared agreement or shared disagreement, and understanding.

Co-orientation also affects how groups behave toward one another, and this is usually based on the perceptions they have of another (Grunig, 1992). The co-orientation model, thus, shows the importance of the mental model concept and how frames can be used to explain relationships between different publics. The model is appropriate in illustrating the perceptions of tea farmers towards KTDA and KTDA towards the tea farmers. For communication processes to be effective, the two groups must be oriented towards each other and have a common vision about the tea business. The co-orientation model is, thus, crucial in examining the perceptions of KTDA and that of tea farmers during the 2014 crisis.

2.8: Conclusion

This chapter has explored various components of crisis communication and perceptions of stakeholders towards organisations. The relationship between communication tactics and perceptions has been explored and the effects of communication on stakeholders’ behaviours examined. Two critical theoretical models, stakeholder theory and co-orientation, have been discussed, including their roles in enhancing strategic management for organisations. Without doubt, if organisations consider the stakes of their stakeholders, then an equilibrium of harmony is created to boost business growth and the interests of stakeholders.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0: Overview

This chapter presents the research methodology used in the study. It explores research design, study site, target population, research approach, data collection techniques, research tools, data analysis and presentation techniques, testing validity and reliability of instruments. The chapter starts by highlighting the research approaches, research design used and the target population of the study. It then examines sample and sampling procedures, data collection methods and finally methods of data analysis and presentation.

3.1: Research design

A research design outlines what the activities of investigator in his study from writing the research questions and operational implications to the final analysis and presentation of data (Kerlinger, 1986). According to Thyer, a research design is a detailed plan of how a research study is to be executed. It includes selecting a sample of interest to study, collecting data to answer the research questions, and analysing the data collected (Thyer, 1993). The selection of a research design is usually determined by its effectiveness in carrying out a full investigation of a research question (Hancock & Algozzine, 2006). This study relied on descriptive design to understand the role of communication in managing stakeholder perceptions during a crisis. The communication approach chosen was relevant because there was a need to describe how KTDA communicated during the 2014 crisis.

3.2: Research approach

The study employs both qualitative and quantitative approaches. Hancock and Algozzine (2006) point out that quantitative researchers use digits, in the form of statistics, to explain phenomena, while qualitative researchers use words to describe paradigms in research settings. To provide a holistic view of what is under a study, Punch (2012) argues that the two approaches, qualitative and quantitative, ought to be used as they complement each other in social research. According to Punch, while qualitative approach gives background information and the context of the study, quantitative approach plugs the gaps that could exist thus exploring the research questions fully.

3.3: Research method

The study used KTDA as case study to examine the role of crisis communication in managing stakeholders' perception in corporate organisations. Case study method was appropriate because it investigates a contemporary occurrence within a real-life situation. The case study approach was used because it presents an opportunity for in-depth analysis of the problem under investigation. It also allows various research techniques to be used, focusing on one particular case, to stiffen the credibility of results.

3.4: Research site

The study was conducted among tea farmers from 4 tea growing counties in Kenya. These counties were Kisii, Muranga, Kirinyaga and Embu. Respondents were picked from 18 tea factories and 37 electoral areas in the four counties. In Kisii county, 5 tea factories and 10 electoral areas were selected; in Muranga, 5 tea factories and 10 electoral areas were selected; in Kirinyaga, 5 tea factories and 10 electoral areas were selected; and in Embu, 3 factories and 7 electoral areas were selected. The counties and tea factories were selected through purposive sampling, while the electoral areas and tea farmers were selected through simple random sampling using Microsoft Excel function – randbetween.

3.5: Target population

Baxter and Babbie (2010) define a study population as the total number of elements from which a sample is drawn. Statistically, an element is a unit in which information is collected and it also provides the basis of analysis (Baxter & Babbie, 2010). Typically, the units of analysis in this study were the smallholder tea farmers and KTDA officials. The sample frame comprised about 600,000 smallholder tea farmers, under KTDA, who come from 16 tea-growing counties. The study was conducted between September 2015 and December 2015 in the 18 tea factories in the four countries. Respondents were communicated to directly by the researcher, and later by KTDA tea factory officials, and asked to congregate at respective buying centres on a date when surveys and FGDs were to be held. On the material day, the researcher met the respondents at the tea buying centres of the 37 electoral areas selected where he asked them to fill questionnaires and later conducted focus group discussions. In total, there were 37 groups, each comprising 9 to 11 respondents.

3.6: Sample size and sampling procedure

A good sample study enables a researcher to make an inference, to accurately estimate the thoughts, attitudes and behaviours of the larger population (Punch 2005). This study applied the systematic random sampling technique to select 400 tea farmers from farmers' registers from the 18 tea factories identified. The buying centre numbers, unique to every farmers, were arranged on a Microsoft Excel spreadsheet and using randbetween Excel function, 400 tea farmers were randomly and automatically selected. The farmers were then followed for study in their respective counties.

The study also used purposive sampling technique to select four counties (Kisii, Kirinyaga, Embu and Muranga) and 20 KTDA informants. Purposive sampling enables one "to use [their] judgement to select cases that will best enable [them] to answer…research question(s)" (Saunders, Lewis & Thornhill, 2007:230). The 20 KTDA informants who participated in the study comprised 16 KTDA officials each from the 16 counties, one official from the marketing department, one from operations and two from the communications affairs department.

Using simple random sampling, 400 tea farmers were selected as sample and were followed for data collection. The sample size was gotten from the sample frame using the Yamane formula (1967). The formula provides a simple way of calculating a sample size.

$$n = \frac{N}{1 + N(e)^2}$$

From the formula, n is the sample size; N the population size, and e the level of precision. The target was to achieve a 100 percent confidence level and 0.5 maximum variability in the population. When this formula was applied to a sample frame of 600, 000 tea farmers, 400 elements were obtained. See calculation:

$$n = \frac{N}{1 + N(e)^2} = \frac{600,0000}{1 + 600,000\,(.05)^2} = 399.73 = \text{approx. 400 tea farmers}$$

3.7: Data collection methods and tools

The study employed a survey, focus group discussions (FGDs) and interviews methods to collect data from participants using questionnaires, focus groups guide and interview schedules, respectively.

3.7.1: Surveys and questionnaires

Questionnaires were prepared, printed and distributed the 400 sampled tea farmers, in the four counties (Kisii, Muranga, Kirinyaga and Embu), to fill at the tea buying centres where the respondent met the researcher for focus group discussions. The researcher asked to meet the farmers at the tea buying centres, by calling them on mobile phones, with the help of KTDA factory officials. The questionnaires had both close ended and open-ended questions, with most of the questions being close ended. The questionnaires were designed in a way that they started with the easiest questions to the most difficult, bearing the checklists and rating scale types. All the questionnaires were filled, with the help of KTDA Field Services Coordinators who would, where necessary, rephrased questions, to the respondents, in local languages or helped the respondents to fill the questionnaires.

3.7.2: Focus group discussions

At the tea buying centres, the researcher and the farmers discussed how KTDA communicated during the crisis, how farmers perceived these communications, how they reacted towards KTDA, among other communication issues. These discussions were guided by a focus group question guide that had been prepared in advance (see appendix III). During discussions, questions were asked about farmers' perceptions, attitudes, beliefs and opinions regarding KTDA, its operations and its communication during the 2014 crisis. Farmers account and experiences were documented and recorded for transcription, later. The focus groups comprised 9-11 farmers. The farmers were randomly selected using a computer application – Microsoft Excel.

3.7.3: Interviews

The four key informants based in Nairobi were reached through appointments and interviewed to give their perspectives on how the crisis was handled. The interview was face-to-face. The interviews were more structured wherein a standard set of questions were asked. In some instance, further probing was done to collect rich and informative data. The four key informants were part of the Adhoc Stakeholder Communication Committee Crisis Committee that KTDA had formed to manage the crisis. They included an official from the marketing department, another one from operations and two from the corporate affairs department at KTDA Head Office, Nairobi. Table 3.1 shows the sample group, number of participants and research tools used.

Table 3.1: Number of respondents in the study.

Strata	No. of respondents	Tools used in data collection
Smallholder tea farmers	400	FGDs and questionnaires
KTDA officials	20	Questionnaires and interviews
Total Sample Size	**420**	
Total Study Population	**600,000**	

3.8: Data analysis and presentation techniques

Berg (2001) points out that data analysis and presentation depends on the methods used to collect data and the data sets collected. In this study, qualitative data was collected using FGDs and interview guides, while quantitative data was collected using questionnaires. The quantitative data was processed and analysed using both descriptive and inferential statistics, and presented using tables, charts and graphs, while qualitative data was analysed using thematic analysis and presented in narrative reports or direct quotation.

3.9: Testing reliability and validity of data collecting instruments

A pilot study was conducted to test the reliability and validity of data collecting instruments of the study. Guided questionnaires were administered to farmers in Gikoe electoral area of Gatunguru tea factory in Muranga County to check for validity of the responses. The same exercise was applied to a few informants at KTDA head office. The aim of the pilot study was to evaluate the effectiveness of the set questions and to help estimate how long the study would take, including the best time of the day to conduct the study.

3.10: Ethical considerations

Throughout the research, ethical issues were taken into consideration, including confidentiality. Academically, it is unethical to draw information from respondents without their knowledge, willingness and informed consent (Bailey 1978). Accordingly, before data was collected from tea farmers and informants, their consent was sought. The researcher also secured appropriate permission from KTDA (see appendix V) and the UoN to collect data for the study after the proposal passed the first defence. The UoN certificate of field work is attached in appendix VI. After completion, the research project was subjected to the second and final defence by a panel of experts - the teaching fraternity - from the School of Journalism and passed with a few corrections that have since been fixed. See certificate of correction in appendix VII. The final completed research project was run through the plagiarism test and passed, attaining a similarity index of 14% below the recommended 15% plagiarism index. The certificate of originality is attached in appendix VIII.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.0: Overview

This study aimed to examine the role of crisis communication in managing stakeholders' perception during a crisis with reference to Kenya Tea Development Agency as a case study. The study was guided by four specific objectives namely: to analyse the relationship between crisis communication and stakeholders' perceptions during a crisis; to evaluate the appropriateness of communication tactics used by KTDA to manage the crisis; to examine the effects of crisis communication on stakeholders' behaviours towards an organisation; and to investigate the different dimensions of stakeholders' perception during a crisis.

4.1: Response rate

The study achieved about 100 per cent return rate made possible through the KTDA officials who helped the researcher to reach selected participants. To contact the farmers, the researcher visited the four counties, considered hotspots of the crisis, and got in touch with the farmers. The hotspot counties were selected based on internal reporting, media coverage of the business performance, the views of politicians and opinion leaders. The researcher's call to meet tea farmers was reinforced by KTDA factory officials who helped in mobilising the farmers. The meeting point was the buying centres (tea collection points) where the farmers and the researcher would gather to discuss how KTDA communicated during the crisis, how they perceived these communications, how they reacted towards KTDA, among other communication issues. During these meetings, essentially FGDs, questions were asked about farmers' perceptions, attitudes, beliefs and opinions regarding KTDA, its operations and its communication during the 2014 crisis. The selection of the counties and factories was based on purposive sampling, while the selection of electoral areas and tea farmers was based on simple random sampling. Table 4.1 shows factories and the electoral areas where farmers FGDs were held and questionnaires filled.

Table 4.1: Counties, tea factories and electoral areas where sampled farmers came from. (Source: KTDA 2014)

No.	Counties	Tea Factories	Electoral Areas
1	Kisii	Nyankoba	Moturumesi and Magombo
		Tombe	Zone 1 and Zone 4
		Gianchore	Mabundu and Timi
		Ogembo	Machoge Chache and Magena
		Nyansiongo	West Mugirango and Nyansiongo
2	Muranga	Makomboki	Kanderendu and Gatiaini
		Kanyenyaini	Kiruri and Rwathia
		Githambo	Kahatia and Murarandia
		Gatunguru	Gikoe and Kayu
		Kiru	Mioro and Kiambuthia
3	Kirinyaga	Ndima	Chehe and Central Kiine
		Thumaitha	Ngariama East and Guama
		Kimunye	Njuku and Central
		Mununga	Mukure South and Mukure North
		Kangaita	Kariko South and Kabare
4	Embu	Rukuriri	Kanja South, Mukuuri and Mbuinjeru South
		Mungania	Kirangano and Kianjokoma
		Kathangariri	Kathangariri and Mbuvori

During data collection period, four senior officials out of the seven, who had been appointed to the Adhoc Stakeholder Communication Committee Crisis Committee, were interviewed as key informants. They included an official from the marketing department, another one from operations and two from the corporate affairs department at KTDA Head Office, Nairobi. The 16 other KTDA officials, largely drawn from the 67 tea-processing factories spread across the 16 tea growing counties, were interviewed on phone. The four key informants based in Nairobi were reached through appointments and interviewed to give their perspectives on how the crisis was handled. Undoubtedly, the respondents provided a good mix of cadres which represented KTDA as an organisation. Table 4.2 shows the counties where the 16 other KTDA informants were drawn from.

Table 4.2: Counties and tea factories where informants were drawn from. (Source: KTDA 2014)

No.	County	Tea Factory
1	Kiambu	Kambaa
2	Muranga	Makomboki
3	Muranga	Kiru
4	Nyeri	Chinga
5	Kirinyaga	Kangaita
6	Embu	Kathangariri
7	Tharaka-Nithi	Weru
8	Meru	Imenti
9	Kericho	Litein
10	Bomet	Kapkoros
11	Nakuru	Olenguruone
12	Kisii	Nyankoba
13	Nyamira	Kebirigo
14	Nandi	Chebut
15	Kakamega	Mudete
16	Trans-Nzoia	Kapsara

The 400 tea farmers were sampled from a population of 600,000 smallholder tea farmers spread across the 16 tea growing counties in Kenya. Figure 4.1 shows the distribution of farmers across the 16 tea growing counties in Kenya.

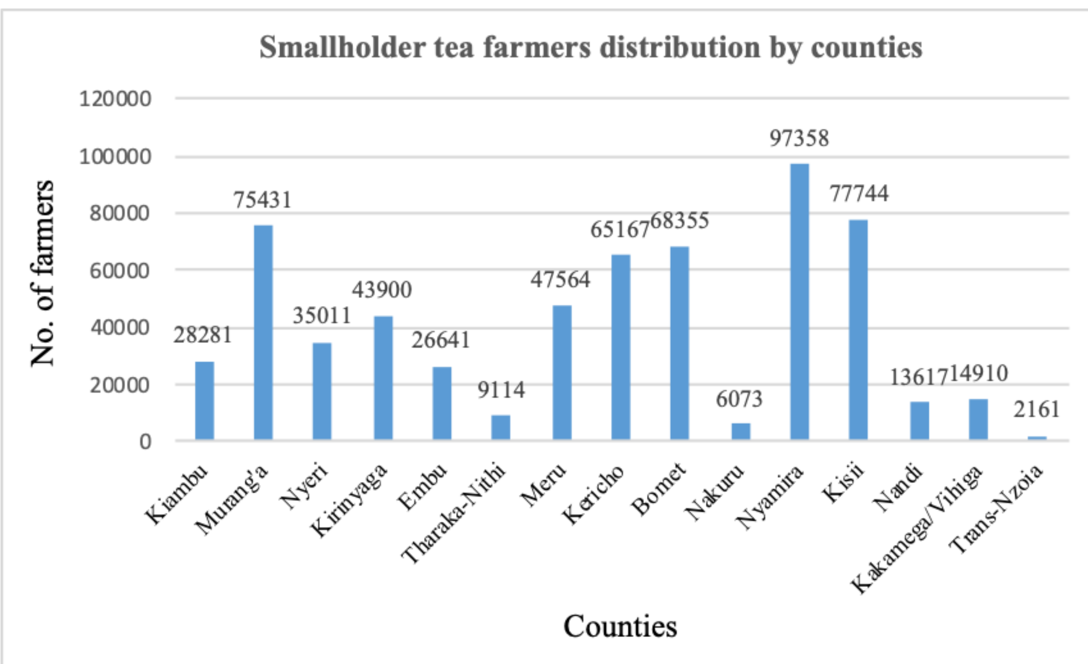

Figure 4.1: Number of smallholder tea farmers per county. (Source: KTDA 2014)

4.1.1: Distribution of tea farmers by gender

The study sampled 400 participants comprising 175 males and 225 females from four tea-growing counties: Kisii, Muranga, Kirinyaga and Embu. These counties were hotspots of the crisis that was characterised by boycotts on tea plucking and burning houses belonging to factory directors. The total distribution of male to female, in the selected counties, was 43.75 percent to 56.25 percent, respectively. The distribution of gender was an important factor in ascertaining the gender disparity in tea farming, a major economic activity in the country. Table 4.3 shows the distribution of gender amongst tea farmers.

Table 4.3: Gender distribution amongst tea farmers in sample. (Source: KTDA)

	Gender	Frequency	Percent	Cumulative Percent
Valid	Female	225	56.25	**56.25**
	Male	175	43.75	**100.0**
	Total	**400**	**100.0**	

From KTDA statistics, in 2014, Kisii County had 77,744 tea farmers, Muranga County 75,431, Kirinyaga County 43,900 and Embu County 26,641. See chart.

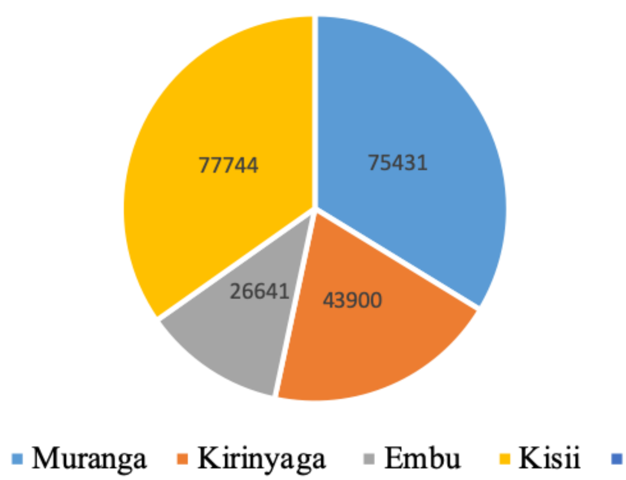

Figure 4.2: Crisis hotspot counties. (Source: KTDA)

The tea farmers who participated in this study were selected from a KTDA farmers' register. Table 4.4 shows the distribution of the respondents in the four selected counties.

Table 4.4: Counties where the respondents come from. (Source: KTDA)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Kisii	87	21.8	21.8	21.8
	Muranga	92	23.0	23.0	44.8
	Kirinyaga	109	27.3	27.3	72.0
	Embu	112	28.0	28.0	100.0
	Total	**400**	**100.0**	**100.0**	

4.1.2: Distribution of respondents based on age

The study sought to investigate the age distribution of research participants to understand how this affected their involvement with tea farming.

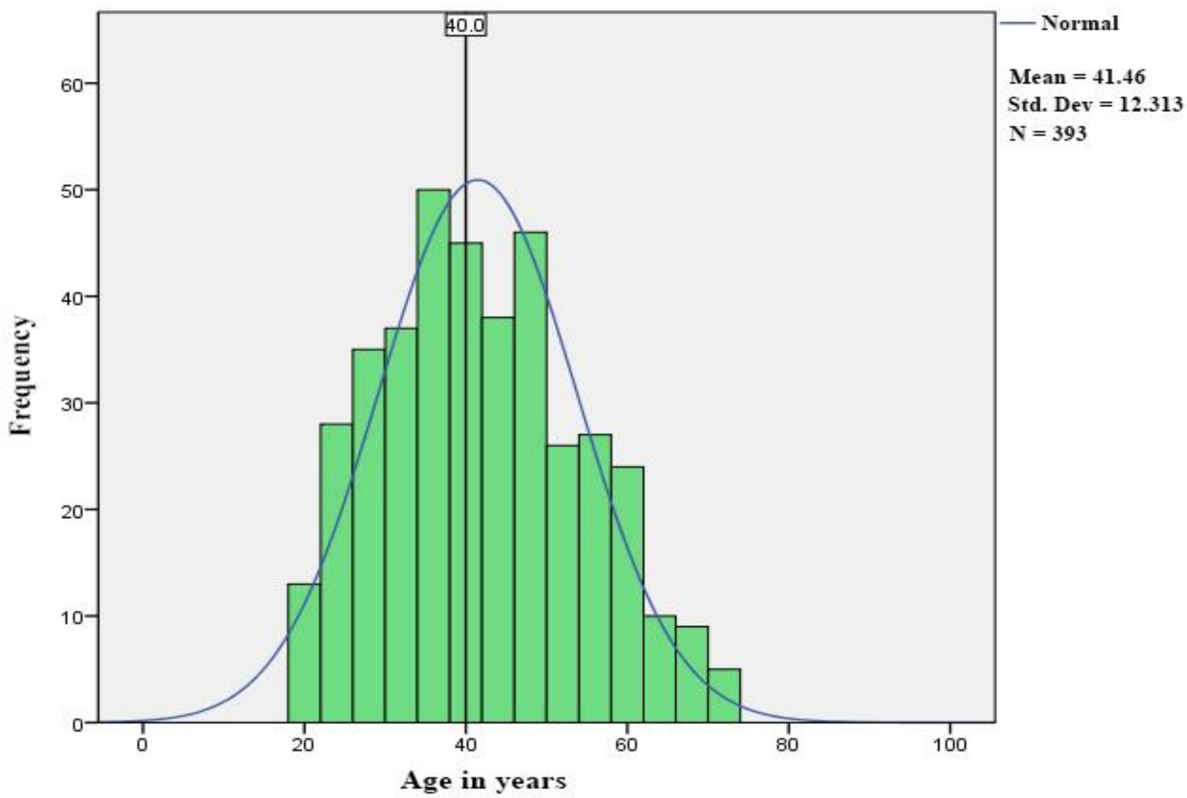

Figure 4.3 Age distribution of tea farmers. (Source: Field data)

Age is an important indicator of the working population. The study found out that 1.5 percent of the farmers, directly involved with tea farming, were aged over 70 years while 13.25 percent were 18 years old. The mean age for tea farmers was 41.5 years, with most of them aged between 35 to 48 years.

4.2: Communication tactics used by KTDA during the crisis

The study sought to investigate the communication tactics that KTDA used to engage tea farmers during the 2014 crisis. The analysis of communication instruments was useful in understanding how KTDA handled the crisis. Smith (2005) observes that communication tactics are the visible elements of a communications plan. They include what people do in the execution of a communications plan and can carry a huge price tag during a communications process. The findings revealed that KTDA used many tactics during the crisis. Prominent among them were print and electronic media, both controlled and uncontrolled. Equally, face-to-face communication and barazas were used to engage the tea farmers. Although newspapers were used most of the times, these were read by the elites and the working class. And farmers would receive newspaper messages, as second-hand or distorted, from these elites and working class. According to Katz and Lazarsfeld (1955), when the mass media communicates with publics, it emphasises the role of influencers who convey information from mass media to the wider public. Undoubtedly, influencers can distort messages to glorify their egos and for this reason, while the focus of these messages was on tea farmers, they were also focused on other stakeholders. Internally, KTDA made efforts to communicate with its staff. According to Miriam, an informant at the head office, KTDA held face-to-face communication at the climax of the crisis. Such an interactive session was an effective and a powerful way of engaging internal stakeholders. But, the only flip side was that this kind of meeting was only held once, as Miriam intimated. Smith (2005) argues that face-to-face communication may reach a few people, but it has a stronger effect on its audiences than any other form of communication. The following section explores the media channels that KTDA used during the crisis

4.2.1: Media channels that KTDA used in 2014

The study showed that farmers received information from KTDA through earned, paid and owned media: radios, newspapers, adverts, television sets (TVs), newsletters, barazas and posters. Face-to-face communication was also used. Table 4.5 shows a summary of the channels of communication that KTDA used during the crisis.

Table 4.5: Channels of communication used by KTDA. (Source: field data)

Media in crisis	Frequency	Percent
Newspapers	77	19.25
Adverts	29	7.25
Radios	117	29.25
TVs	62	15.5
Newsletters	39	9.75
KTDA barazas	48	12.0
Posters	21	5.25
Never heard	7	1.75
Total	**400**	**100.0**

The study found out that 29.25 percent of tea farmers received the news about expected low tea earnings through radio announcements, 19.25 percent through newspapers, 15.5 percent through TV, 12 percent through barazas, 9.75 through newsletters, 5.25 through posters and 1.75 never heard any news. The study further revealed that radio was the most preferred media channel in the rural areas. This means that KTDA needed have used more radio communications than any other channels. The newspaper also had some penetration especially to the elites and educated. As a result, most farmers got the information disseminated through the newspapers from others – their children or neighbours. Undoubtedly, the study revealed that KTDA should have mostly relied on the radio channel, particularly vernacular radio stations, to disseminate key messages.

According to Hughs (2011:65), radio is a widely used and consumed media for farmers in Africa. Some of the radio stations that KTDA used include Kameme FM (Central), Kass FM (North Rift), Egesa (Kisii), Chamgei (Kericho), Muuga (Meru), Wimwaro (Embu), Mulembe (Western) and Inooro (Central). Radio, as a channel of communication, was quite effective in disseminating key messages to the farmers. However, a key informant, Miriam, at the KTDA corporate affairs department said, during an interview, that the radio discussions were only between KTDA representatives and the radio presenters. Farmers were not able to call the studio to ask questions or seek clarifications on what was being discussed. The radio airtime was paid for. One of the respondents, a 32 years old man, from Kirinyaga county, said that,

> *"Radio was an effective channel of delivering key messages, but we weren't able to call the studio to ask questions because telephone lines were closed. During the discussion, representatives would only talk about KTDA milestones and blame overproduction for low tea prices. I don't think anyone believed their narratives." [Kamau, Kirinyaga]*.

The newspapers were equally used as press releases could be easily drafted and filed to the newsrooms for publication. The newspapers that were used include Daily Nation, Business Daily, The Standard, People Daily and The Star, although The Standard and Daily Nation were mostly preferred. These newspapers would carry stories of low tea earnings to the masses. KTDA also used its owned media, a publication called Chai newsletter that was primarily targeting tea farmers. The newsletter carried stories of low tea earnings. Although it was an effective tool for managing the crisis, the release of the publication was not timely, according to Caroline, a key informant at KTDA. The newsletter, with a print run of 150,000 copies, was released in December 2014 during the post-crisis period. Stories that featured in the publication include, "Tea farmers earn Sh35.5 billion in bonuses for the year 2013-2014", "Stakeholders table plans to cushion farmers," among others. Caroline of KTDA Corporate Affairs department, however, intimated that the reach of the bulletin was questionable. She said that some of the Factory Unit Managers received the copies and kept them, never to distribute them onwards to the farmers.

> *"We have been sending copies of* Chai newsletter *to the tea factories for onward distribution to buying centres, which form key convergence points for farmers. However, we have discovered that some of the bulletins do not reach the tea farmers because they are not distributed. A few of our Factory Unit Managers would receive copies of the bulletin and just kept them in the stores. I think these managers need to be sensitised about the importance of the bulletin. But over and above, the number of copies printed was less than the number of farmers who supply green leaf to KTDA managed tea factories. During the crisis, we printed about 150, 000 copies, far less than 600,000 the number of tea farmers who supply green leaf to KTDA managed tea factories. This means that not every*

> *farmer received the copy and that a copy was supposed to be shared among four tea farmers, which was not possible." [Caroline, Nairobi]*.

Additionally, some farmers, during FGDs, expressed dissatisfaction with the newsletter stories that was primarily written in the English language as they found difficulties in reading them. One farmer, Kinuthia, from Muranga County posed that, "why doesn't KTDA write the stories in Swahili so that we can read the copies? Some of us do not understand English and have to rely either on our children or neighbours for interpretation".

Zonal and tea buying centre meetings were also used and were very effective. During the meetings, farmers would ask questions on key issues and were responded to by KTDA representatives at the county level. Willis (2012) asserts that rather than broadcasting messages to target audiences through the mass media, the focus of communication activity should be on face-to-face communication, dialogue and joint problem-solving. A 56 years old respondent from Embu, a school accountant who has educated all his children using tea proceeds, said that

> *"We liked the barazas because representatives of KTDA explained to us about demand and supply and how they affect tea prices. They also provided answers to other issues that were raised. That was very nice and I think it is the way to go." [Eluid, Embu]*.

The posters, whose messages reached about 5.25 percent of tea farmers, explained how tea market worked, providing finer details on the expected low tea earnings and how the tea market works. The posters were prominently displayed at the buying centres for farmers to read.

4.2.2: Critiques of the communications tactics used

During the pre-crisis stage, KTDA kept quiet over the billowing crisis. This silence was perceived, by stakeholders especially the media, to mean guilt, and a Nation Media Group reporter escalated the issue-led crisis by writing a full-page story, reporting that KTDA was colluding with brokers at the Mombasa Tea Auction to fleece tea farmers. The article was published on June 29th, 2014 by Daily Nation newspaper and was immediately picked up by local media FM stations and re-broadcasted to the tea farming communities in different versions. This heightened the crisis.

According to Smith (2005), strategic inaction or silence may work in certain instances, but not when the crisis has already started smouldering. He says that can only work when stakeholders believe that an organisation is remaining silent because it has "higher intentions such as compassion for victims, respect for privacy or other noble considerations, or simply because it is working on the problem and refuses to be side-tracked into talking much about it" (113). For KTDA to have properly managed the crisis, it should have come out first, before the media, to explain its narrative - the low performance. But in this case, the media went ahead of KTDA and hit first. This is typical of reporters across the globe. Their work is to get a story that will be of great interest to their readers, and perhaps sell more newspaper copies. It does not matter whether or not a reporter is knowledgeable about an issue they are covering.

During the pre-crisis stage, KTDA ought to have engaged the media more than it did. In an interview conducted in November 2015, an informant Peter who works at Head Office said that

> *"KTDA needed to have done more than it did in handling the crisis. It ought to have organised more media visits to the tea processing factories, to the Mombasa Tea Auction so that the media talks to the industry players before the crisis gathered speed. But it didn't. It just kept silence until the media caught up with it unawares."[Peter, Nairobi].*

He added that,

> *"Organising a press conference during the pre-crisis stage could also have been ideal to send key messages to the farmers via the media. But that did not happen. KTDA did not want to be associated with bad news, anyway and top managers were media-shy. Optionally, KTDA should have organised activities like sporting events in tea growing countries to disseminate key messages to farmers than allowing the media to drive the agenda."[Peter, Nairobi].*

Another KTDA informant, Miriam (37 years old), said, in November 2015, that

> *"Internally, it was crucial that the top managers meet the staff once during the pre-crisis stage, once during the crisis stage and once during the post-crisis stage to diffuse the spread of rumours and innuendos. But management met the staff once, during the peak of the crisis."[Miriam, Nairobi].*

It is worth noting that most of the channels of communications used by KTDA during the 2014 crisis promoted the one-way communication model. Even the radio channel that was used and expected to be a two-way communication, during live interviews, was only one-way: from KTDA representatives to the farmers. As a result, the farmers had no opportunity to engage KTDA representatives or seek clarity. Indeed, the closing of telephone lines aggrieved the farmers. Modern PR practitioners champion for the use of Grunig and Hunt (1984) two-way asymmetrical and two-way symmetrical models of communication as they are perceived to be honest and transparent.

4.3: Source of earning for tea farmers and the role of communication

According to the Kenya Bureau of Statistics, tea is the largest foreign exchange earner in the country after foreign remittance. In 2012/2013 financial year, the tea industry earned the country over Ksh.110 billion in foreign exchange, out of which the smallholders contributed about 60% (i.e. Ksh.69 billion). During the year, the industry pumped about 4% of GDP to the economy, with smallholders contributing more than half of this. The study revealed that about 81.5% of the farmers depended on tea as their main source of earnings. The remaining 17.3% cited other enterprises, such as livestock, as their source of earnings. Thus, to guard the reputation of the tea sub-sector, which is the backbone of the economy, proper communication was key to sustain the mutual relationship between KTDA and the smallholder tea farmers. Table 4.6 shows farmers' main source of income.

Table 4.6: Main source of income for tea farmers. (Source: field data)

		Frequency	**Percent**
Valid	Tea farming	326	81.5
	Others	69	17.25
	Total	395	98.75
Missing	System	5	1.25
Total		**400**	**100.0**

4.3.1: Crisis communications and stakeholder behaviours

From this study, 75 percent of the respondents said KTDA paid very low tea earnings in 2014. And indeed a key informant, Caroline, said that KTDA earnings for farmers dropped to Ksh35.5 billion in 2014/15 FY from Sh51.3 billion paid out in 2013/14 FY. This represented a 30.8 percent drop. In a press release circulated to the newsrooms and published in the dailies, KTDA said the drop in earnings was due to oversupply of tea in the global market, leading to fluctuating tea prices. Some of the farmers were so annoyed with KTDA that they uprooted their tea bushes and replaced them with other crops.

In Central Kenya, where the crisis was so intense, several farmers replaced tea with macadamia and other subsistence crops. According to a key informant, Caroline,

> *"The favourable weather conditions experienced in 2013 through 2014 led to a bumper crop triggering a significant reduction in tea prices. During the FY, over 1.1 billion kilograms of green leaf was produced, translating to 256 million kilograms of made tea." [Miriam, Nairobi]*.

The study showed that tea farmers complained about low tea earning blaming it on misappropriation and corruption by KTDA officials. Table 4.7 shows farmers' ratings of 2014 tea earnings.

Table 4.7: Farmers ratings of 2014 tea earnings. (Source: field data)

		Frequency	Percent
Valid	Very low	300	75.0
	Low	71	17.75
	Average	24	6.0
	Total	395	98.75
Missing	System	5	1.25
	Total	**400**	**100.0**

4.3.2: Election of tea factory company directors

The study showed that farmers viewed the election of tea factory directors as flawed and marred with corruption. They felt KTDA was not addressing this issue. Some 54 percent of tea farmers strongly believed that KTDA rigged company elections to have preferred candidates win. 23 percent somewhat believed KTDA rigged directors elections, 15.5 percent neither agreed nor disagreed, 5 percent somewhat disagreed and 2 percent disagreed.

Majority of the farmers perceived KTDA as an impediment to free and fair elections and, thus, did not trust it. When asked what informed their perception, the majority of the farmers said that KTDA secretly sponsored certain radio programmes to popularise its preferred candidates ahead of the elections. Maina, a respondent from Muranga, said that "KTDA corrupts the election system. The agency sponsor a preferred candidate during campaigns and make sure he wins." But as tipped by KTDA a key informant, Miriam, candidates got radio airtime on their own without KTDA involvement. As a practice in media, reporters usually identify conflict during campaigns and requests those involved for an interview. The candidates see this as an opportunity to publicise their manifesto/agenda, and so they quickly take up the chance.

Table 4.8: Farmers' view of KTDA transparency in election of directors. (Source: field data)

Responses on elections		Frequency	Percent
	Strongly disagree	8	2.0
	Somewhat disagree	20	5.0
	Neither agree nor disagree	62	15.5
	Somewhat agree	92	23.0
	Strongly agree	216	54.0
	Total	398	99.5
Missing	System	2	0.5
Total		**400**	**100.0**

KTDA key informant, Peter, said that elections were usually fair and fair and done as per the elections procedures.

"Every year, elections of directors are carried out in 108 electoral areas of the 54 tea factory companies, with shareholders from each factory required to elect two of six directors who are usually on rotation."[Peter, Nairobi].

Peter said during an interview. He added that tea farmers usually elect one-third of factory directors on rotation and who are subject to the nomination process according to Company Act.

The election of directors is one of the issues that KTDA had not addressed before the 2014 crisis. And during the crisis, the majority of farmers already had unsolved issues with KTDA. Therefore, it was difficult for them to forgive the agency during the crisis. The study showed that though the election of directors is conducted by weighed shares, the process has never been properly communicated. A key informant, Peter, said there was a need for civic education to be conducted so that farmers can fully understand, appreciate and support the process. The civic education can be reinforced through radio campaigns, barazas and roadshows in the tea-growing zones. He said that farmers' discontentment with the election process and other unresolved issues escalated the crisis.

Migosi, a respondent from Kisii, said that

"KTDA is not sincere. Why is it that a candidate would be voted by only a bunch of farmers and win the elections, while our preferred candidate - voted by the majority - would lose. KTDA must explain this to us. We have severally asked officials from head office to come and address this issue, but they have refused. They just sit in those big offices and eat our money. Tell them we don't want to vote by shares; we want to vote by the one-man-one-vote system, just the way cooperative societies operate, for transparency and fairness. Voting by shares is just a way of letting those with money to corrupt the system through the Power of Attorney."[Mogosi, Kisii].

4.4: Crisis strategies used to communicate with stakeholders

The communication strategy adopted by any organisation during a crisis determines whether the organisation comes out of it harmed or unharmed. During the study, some 65% of the respondents pointed out that KTDA employed a reactive communication strategy to communicate with tea farmers and 35 percent said that the agency used a pro-active strategy. Smith (2005:100) notes that "when accusations or other criticisms have been made, an organisation is thrown into are active mode." Reactive communication strategy is not good for organisations because it seems to place organisations on the defensive edge. Consequently, Smith (2005:82) advises that organisations should employ proactive strategies because "they are implemented according to the planning of the organisation, rather than because of a need to respond to outside pressure and expectations from publics". Table 4.9 shows the strategies used by KTDA during the 2014 crisis.

Table 4.9: Communication strategies used by KTDA during the crisis. (Source: field data)

Type of strategy	Frequency	Percent	Valid Percent
Pro-active	7	35.0	35.0
Reactive	13	65.0	65.0
Total	**20**	**100.0**	**100.0**

The proactive strategy involves continuous engagement of the media to disseminate messages to stakeholders. The strategy offers an organisation an opportunity to initiate communication programs under a timeline that seems to best suit the organisation's interests. On the contrary, a reactive strategy forces an organisation to always be on its toes, responding to issues brought out to the public by the media. In the case of KTDA, a key informant, Miriam, said that the Stakeholder Communication Committee Crisis Committee only met at the peak of the crisis, when there was already strikes, boycotts and burning of directors' houses. The informant further said that the communications affairs department lacked a comprehensive communication strategy to manage the crisis.

> *"During the pre-crisis period, KTDA adopted a reactive strategy by responding to media allegations and seeking corrections in the newspapers when it was reported in unfavourable ways. Sometimes, KTDA right-of-reply was not published immediately and other times it would not be published at all because, probably, the media didn't believe to be true the narrative the agency was advancing." [Miriam, Nairobi].*

She added that

> *"The Agency only began being proactive during the crisis, in August 2014, when it dispatched representatives to radio stations to talk about tea issues, including the expected low earnings. But then, these engagements did not go beyond*

September 17th, 2014 when the Agency announced the second payment earnings, popularly known as the bonus, for tea farmers."[Miriam, Nairobi].

The Daily Nation story of June 29th, 2014 titled "Revealed: How tea agency colludes with brokers to con small farmers" somehow sparked off the crisis. The story reported that KTDA manipulated tea prices at the Mombasa Tea Auction to deny smallholder their rightful earnings. Referring to a Tea Directorate report titled "The Tea Industry Status Report May 2014", the reporter pointed out that low prices at the auction were precipitated by some unorthodox practices by the agency and cartels which controls the teas dealt at the auction. The writer further cited that price controls were done in collusion with major tea brokers, warehouses and traders. The story was picked up by local FM radio stations and re-disseminated to tea farmers, marking the onset of the crisis.

Tench and Yeomans (2017) suggest that to be effective in crisis communication, PR practitioners must be strategic. Information for a particular stakeholder must be determined to establish the best way to deliver it at every stage of a crisis. Coombs (2015) identifies a crisis as having the following stage: 1). Pre-crisis: when actions are taken before a crisis occurs. At this stage, signals are detected by searching for prodromes that a crisis may erupt. At the same time, prevention is done by taking initiatives to mitigate the probability of a crisis while preparing to handle it. 2). Crisis event: a spark off event shows a crisis has started. At this stage, the crisis is recognised by defining the situation as a crisis and then efforts are made to contain the crisis by using words and actions to manage the crisis. 3). Post-crisis: at this stage, learning and follow-ups and healing are made.

Putting Coombs stages of crisis evolution into perspective, the pre-crisis stage at KTDA was between February and May 2014, the crisis, between June and September and post-crisis, between October and December 2014. Tench and Yeomans (2017) argue that PR practitioners need to collect information, process it into knowledge and share it with their stakeholders during a crisis. The scholars argue that experts need to proactively scan the external environment, so they analyse issues arising and help organisation in determining the most appropriate strategies to pursue concerning specific issues. Tench and Yeomans (2017) point out that issues can be identified from what is being said in industry and political meetings, industry association conferences, industry publications, trade publications, customer surveys, business allies, websites from opposing organisations, experts' analysis and feedback from own staff who handle external people.

4.4.1: Crisis communication plan

A crisis should be handled in a manner that external audiences' confidence is won ethically. To achieve this, a crisis communication plan is an indispensable tool as it provides a road map in every stage of crisis development. Usually, crisis preparedness entails a crisis management plan (CMP), a crisis team and training.

According to Tench and Yeomans (2017), CMP is a guide for managing a crisis and it is not a step-by-step formula. It provides a systematic approach to crisis management that saves time during a crisis. Each crisis is a little different from the other so the PR practitioners must adapt the CMP to the current situation. From the study, 45 percent of those interviewed said that KTDA did not have a crisis communication plan and that KTDA handled issues based on the heat of the moment. Smith (2005:1) notes that the role of "strategic communication planning calls for four particular skills: (1) understanding research and planning, (2) knowing how to make strategic choices, (3) making selections from an expanding inventory of tactical choices and (4) completing the process by evaluating program effectiveness."

This is true because planning calls for identifying the strategy to be adapted and the tactics to be used during a crisis. The choice of the tactics is guided by the situation, the magnitude of the issues and the timings. Table 4.10 shows informants' awareness of the existence of the KTDA crisis communication plan.

Table 4.10: Awareness of the crisis communication plan. (Source: field data)

		Frequency	Percent	Cumulative Percent
Valid	Yes	4	20.0	20.0
	No	9	45.0	65.0
	I don't know	7	35.0	100.0
	Total	**20**	**100.0**	

A respondent, Miriam, from the corporate affairs department intimated that there was a crisis communication plan, but it was not detailed; it was a kind of a communication schedule laden with communication tactics focused on managing the crisis. While KTDA had planned communications activities during the pre-crisis, the crisis itself and the post-crisis period, the communication activities for pre and post-crisis were never approved by KTDA management. One of the key informants, Miriam, said the failure to approve these communication activities was attributed to fear of failure, a culture that was deeply entrenched in the organisation. As it were, an organisation's culture comprise shared symbols, each with a unique meaning. Clifford Geertz, Michael Pacanowsky and Nick O'Donnell-Trujillo in their theory of organisational culture assert that organisational rites of passage are examples of organisational culture. Geertz posits that people are like animals "suspended in webs of significance" (5). He further argues that people spin webs themselves. Pacanowsky and O'Donnell-Trujillo (1982) comment on Geertz's metaphor is very interesting. The two theorists posit that:

> The web not only exists, [but] it is [also] spun. It is spun when people go about the business of construing their world as sensible — that is, when they communicate. When they talk, write a play, sing, dance, fake an illness, they are communicating, and they are constructing their culture. The web is the residue of the communication process (147).

With its organisational culture, KTDA hoped that the crisis would somehow disappear soon enough. But it did not. Instead, it gained momentum. At its peak, campaigns on radio, barazas, newspapers and posters were intensified, with the hope that these communication activities would diffuse the crisis. During the post-crisis period, only newsletters, as a channel, were used, but this was not enough to address lingering psychological wounds that had been created by the crisis. Notably, during the pre-crisis stage, KTDA formed a crisis management team to manage the crisis. The team comprised seven members from public relations, legal, operations and marketing. The crisis management team, however, did not perform any training on how to handle the crisis using the CMP. Tench and Yeomans (2017) assert that without training, an organisation has no idea if its CMP or crisis team is any good.

4.5: KTDA perception of tea farmers and vice versa

Perception is a concept, a construct. The concept of perception is a construct created from people's conception of it and the conceptions of all those who have ever used the term. According to Baxter and Babbie (2010), a conceptualisation is a process through which individuals specify what they mean when they use particular terms. The scholars conclude that if anything exists, it can be measured. So, if perception exists, it can be measured.

In measuring perception, FGDs and survey methods were used. The study found out that KTDA had a certain degree of perception towards the farmers and farmers had a certain degree of perception towards KTDA as well. The two perceptions were different. The study showed that 55 percent of the KTDA officials perceived tea farmers to be friendly towards KTDA, while 25 and 20 percent perceived the farmers to be indifferent and hostile respectively. Farmers' hostility towards KTDA, according to a key informant, Caroline, was a result of past unresolved issues such as delays in leaf collection, the election of factory directors, fertiliser scheme and the difference in payment rates per kilo of green leaf amongst different regions. Table 4.11 shows how KTDA officials perceived tea farmers.

Table 4.11: Perception of KTDA towards tea farmers. (Source: field data)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Friendly	11	55.0	55.0	55.0
	Indifferent	5	25.0	25.0	80.0
	Hostile	4	20.0	20.0	100.0
	Total	**20**	**100.0**	**100.0**	

Equally, the study showed that the farmers had certain perceptions towards KTDA and these were measured in two folds: first, in June 2014 during the pre-crisis period and, then, in December 2014 during the post-crisis period. As can be seen in table 4.12, in June 2014, 81 percent of tea farmers generally had negative perception and deep resentments towards KTDA. Some 1.5 percent were indifferent towards KTDA while 17.5 percent had a positive perception. The percentage of those farmers who had negative perception was more than 4 times higher the percent of those who had positive perception. This was because those with negative perception believed the narrative already set, by the media, in the public domain - that KTDA was embezzling tea earnings in collaboration with tea brokers who would fix tea prices at the Mombasa Tea Auction. But besides the alleged corruption deals, farmers also had other unsolved issues with KTDA. These included why some tea factories received higher payment rates per kilo of green leaf than others, their plea to have the second payment (bonus) spread throughout the year (instead of keeping it in the bank for a whole year) and the abolition of voting by shares in directors' election. Those who had positive perception towards KTDA, representing 17.5 percent, said they understood about tea market dynamics - about the natural forces supply and demand and their relationship with prices. Table 4.12 shows farmers' perception of KTDA as at June 2014.

Table 4.12: Perception of farmers towards KTDA as at June 2014. (Source: field data)

Perception towards KTDA in June 2014		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly negative	104	26.0	26.0	26.0
	negative	220	55.0	55.0	81.0
	neither negative nor positive	6	1.5	1.5	82.5
	positive	48	12.0	12.0	94.5
	strongly positive	22	5.5	5.5	100.0
	Total	**400**	**100.0**	**100.0**	

The study showed that, by December 2014, the level of perception had somehow shifted from negative to positive owing to the communication activities carried out by KTDA. According to the study, positive perception had risen to a cumulative of 56.8 percent up from 17.5 percent in June 2014, while negative perception had shrunk by almost half to a cumulative of 42 percent from 81 percent in June 2014. Table 4.13 shows how farmers perceived KTDA as of December 2014.

Table 4.13: Perception of farmers towards KTDA as of December 2014. (Source: field data)

Farmers' perception towards KTDA in December 2014		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly negative	54	13.5	13.5	13.5
	negative	114	28.5	28.5	42.0
	neither negative nor positive	5	1.3	1.3	43.3
	positive	154	38.5	38.5	81.8
	strongly positive	73	18.3	18.3	100.0
	Total	**400**	**100.0**	**100.0**	

The study also sought to find out farmers overall satisfaction with KTDA communication during the 2014 crisis. The findings from the study showed that 66 percent of tea farmers were satisfied with the way KTDA engaged them during the crisis, 19 percent were neutral and 15 percent were unsatisfied. A retired high school teacher, Omwenga, in Kisii county said in October 2015 that

> *"KTDA failed to communicate before the crisis erupted. The Agency just kept quiet and continued with its business as usual. It did not care about our feelings and frustrations. But, during the crisis itself, the agency tried to communicate to us through radio and face-to-face meetings. One mistake that KTDA made was to communicate to us through the newspapers. How many of farmers can afford or access newspapers?"[Omwenga, Kisii]*

Table 4.14: Farmers satisfaction with KTDA overall communication during the crisis. (Source: field data)

Satisfaction levels		Frequency	Percent
Valid	very unsatisfied	16	4.0
	somewhat unsatisfied	44	11.0
	neutral	76	19.0
	somewhat satisfied	240	60.0
	very satisfied	24	6.0
	Total	**400**	**100.0**

While KTDA may have achieved some consideration perception changes as a result of communication during the 2014 crisis, tea farmers wanted to see improvements in their company performance for better returns on investment. Tench and Yeomans (2017) note that media coverage can create awareness of an issue; but awareness alone cannot inevitably lead to attitude or behaviour change.

4.5.1: Correlation between crisis communication and stakeholder perception

One of the research questions that the study sought to answer was "is there a relationship between crisis communication and the perceptions of tea farmers during a crisis at KTDA?" To answer this question, the study considered two continuous variables: crisis communication and perceptions of tea farmers. The study used Pearson's correlation coefficient to measures the statistical relationship or association between the two variables. Pearson's correlation coefficient is an efficient test method because it uses the method of covariance and presents information on the strength of the relationship and the direction of the relationship. The correlation was conducted based on the two variables, and the results were tabulated in table 4.15.

Table 4.15: Correlation between crisis communication and stakeholders' perceptions.

		Satisfaction on overall communication during the 2014 crisis	Perception levels as at December 2014
Satisfaction on overall communication during the 2014 crisis	Pearson Correlation	1	.837**
	Sig. (2-tailed)		.000
	N	400	400
Perception levels in December 2014	Pearson Correlation	.837**	1
	Sig. (2-tailed)	.000	
	N	400	400

**. Correlation is significant at the 0.01 level (2-tailed).

The statistical analysis confirmed that there was a highly significant correlation between crisis communications and stakeholders' perception. Higher levels of crisis communications are associated with higher levels of positive perceptions. From the table above, the significance level was .000 which was less than .05, meaning the correlation was significant. N was the number of cases which was 400. The positive .837 correlation means there was a positive correlation between the two variables – crisis communication and the perceptions of tea farmers. The Pearson Correlations (r) indicated a strong positive correlation between crisis communication (M = 3.53, SD = 0.912) and farmers' perception (M=3.20, SD = 1.381) as r was closer to 1. The statistics indicates that with the right communication targeting the right audience and done on time, positive perceptions would increase, building the image and reputation of an organisation.

Table 4.16: Mean and standard deviation of overall communication and perception levels.

	Mean	**Std. Deviation**	**N**
Satisfaction on overall communication during the crisis	3.53	.912	400
Perception levels in December 2014	3.20	1.381	400

With proper communications, the stakeholders' perception is capable of morphing from one state to another. According to Smith (2005), stakeholders undergo four stages of opinion or behaviour change: awareness, acceptance, showing interest and changing opinion or behaviour. The author argues that during the awareness stage, the focus should be on information, providing the cognitive or thinking component of the message. The acceptance stage deals with the feeling part of the message - how people respond emotionally to messages received. Once the stakeholders have accepted the current situation, they change their opinions or behaviours. During this process, stakeholders may acquire new behaviours or change existing ones, positively or negatively.

4.6: Dimensions of stakeholders' perceptions during a crisis

Drawing mainly on theories of economics to understand communication concepts, perception can be categorised into micro and macro. According to Dutta (2006:8), the term 'micro' and 'macro' was coined by Prof. Ragnar Frisch of Oslo University during the 1920s. The word micro means small, while macro means large (92). The study found out that before the crisis, tea farmers generally had immense negative perceptions towards KTDA, meaning they had macro perceptions (negative) towards KTDA. But after the crisis, their negative perceptions had changed, becoming less intense (micro). Therefore, micro perception, in this case, can be viewed as being negative or positive and being low in intensity or magnitude. Similarly, macro perception can be viewed as being negative or positive and being high in intensity or magnitude. The study showed that perceptions are emotional rather than rational.

4.7: Communication challenges faced by KTDA

The study revealed that KTDA faced a dozen communication challenges before, during and after the crisis. Senior managers, at the pre-crisis stage, feared to appear before the press to explain why tea earnings were expected to be comparatively lower during the year. One of the key informants, Miriam, attributed this behaviour to the fear of failure, of managers not wanting to be perceived as non-performers in the eyes of the public. Miriam added that

> *"At the early stages of the crisis, the decision-makers were not willing to publicly announce to the stakeholders about the impending low tea earnings. Their unwillingness rendered ineffective the advice of PR practitioners who had coaxed the management to announce the unpleasant news to the stakeholders and elaborately explain the reasons behind it."[Miriam, Nairobi]*.

At the time, the corporate affairs department was understaffed and headed by the General Manager, Sales and Marketing department in an acting capacity. The Head of Corporate Communications had earlier on resigned. So, implementing crisis communications programs was somehow strenuous as the acting marketer did not fully understand the working of communications during the crisis. This was evident when the marketer would, in consultation with senior managers, draw a parallel communications programs bypassing key PR practitioners at the department. This resulted in non-impactful communication because the channels of communication used did not yield desired results among the target publics. A key informant, Caroline, at the corporate affairs department said that

> *"KTDA's communication during the pre-crisis stage would have been more effective if the agency consistently used radio as channels of communication. However, the agency mostly used newspaper to disseminate key messages to farmers."[Caroline, Nairobi]*.

KTDA did not respond immediately to allegations in the media. Sometimes, it took more than three days, sometimes four to respond to news stories considered inaccurate and biased. Other times, the agency did not respond to negative stories at all but retreated into silence. There were delays in response because position statements/right-of-reply had to be approved at different hierarchical levels: first at the corporate affairs department, then at the senior management level. If the top manager was not in the office, the response would lie on his desk until he returned to approve the copy. This delayed the communication process, considering that speed is key during a crisis. Additionally, KTDA social media pages were not well managed, at the time of the crisis, because they did not have a dedicated staff to respond to queries from stakeholders, including tea farmers. Considering that KTDA had seven subsidiary companies and managed 67 tea factories, many issues were raised that needed immediate response. These issues were not quickly addressed due to slow internal approval processes.

While there was a crisis communications plan to guide communication efforts, it was not comprehensive enough to sustain the pre-crisis and post-crisis stages. The plan focused mainly on the crisis itself and ignored the pre-crisis and post-crisis stages. Besides, inadequate true dialogue with tea farmers was another challenge. Apart from face-to-face meetings that were held at the tea buying centres across tea-growing zones, all other forms of communication were mostly one-way. This included the paid-for radio interviews whose call-in lines were not opened for stakeholders to engage KTDA representatives.

Budget constraints presented yet another challenge. The budget allocated to the corporate affairs department was not enough to run communications campaigns and other alternative forms of direct communications like SMS messages to the farmers. Also, some employees of KTDA, including factory directors, were not good ambassadors as they spoke ill of the organisation whenever they engaged with stakeholders, heightening the crisis. In November 2015 during an interview in Nairobi, one of the KTDA key informants, Caroline, said that

> *"Some of our staff spoke badly of the company when they met the farmers. The directors were not exceptions. They sided with the farmers for fear of losing in the coming elections if they appear to be supporting KTDA."[Caroline, Nairobi].*

Welch and Jackson (2007) note that employees are the key features of internal relationship building and these need to be engaged throughout time, whether there is a crisis or not. Such an engagement turns employees into being good ambassadors.

Further, the relation between KTDA and the media was hostile. The hostility came about in two folds: first, there were discontented employees who fed the media with information and, two, KTDA management put reporters on hold for too long whenever they were seeking information. According to Holtz (2002), “the role of the PR practitioners is to help and support reporters and editors do their jobs” (157). But that particular help did not come quickly from KTDA, so the media filled the gaps. Moreover, pressure groups, like KUSSTO, were vocal in building their narrative about KTDA. Combined with political interests in some of the tea-growing counties, managing the crisis was somehow difficult because farmers had already been brainwashed by politicians and pressure groups who were accusing KTDA of corruption and malpractices. That notwithstanding, there was already some degree of negative perceptions about KTDA amongst stakeholders, and these emanated from past unresolved issues like the election of directors among others.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0: Overview

This chapter provides a summary, conclusions and recommendations of the study - the role of crisis communication in managing stakeholders' perceptions in corporate organisations in Kenya. The study investigated the relationship between crisis communication and stakeholders' perceptions during a crisis, the effectiveness of communication tactics used by the PR team, the effects of crisis communication on stakeholders' behaviours and the different dimensions of stakeholders' perception during a crisis experienced by KTDA in 2014.

5.1: Summary of findings

In any crisis whether triggered by human beings or nature, communicating with speed and accuracy, while using appropriate communication tools, is paramount. The study found out that KTDA failed to communicate to farmers quickly during the 2014 crisis, allowing the media to disseminate messages first, in a distorted erroneous way. This heightened the crisis and injured the reputation of KTDA, damaging its relationship and goodwill with tea farmers.

The study further found out that organisations have direct effects on their key stakeholders who have a stake in it. Organisations are usually judged on what they say and what they do in the court of public opinion. The study revealed that 81.5% of the tea farmers relied on tea as their main source of earnings. Therefore, KTDA business performance had a direct impact on the livelihoods of tea farmers. In 2014, when tea earnings plummeted by 30 percent to an all-time low of Sh35.5 billion, the economic and social lifestyle of tea farmers was equally affected.

The crisis erupted from an internal issues related to business performance and spilled out to key stakeholders – the tea farmers, becoming an external issue. Fuelled by the media and pressure groups, farmers accused KTDA of misappropriating their tea earnings and of colluding with cartels to fix prices of tea at the Mombasa auction. Consequently, the majority of tea farmers boycotted plucking tea for days, with a few, burning up houses belonging to factory directors.

KTDA blamed the low earnings on an oversupply of tea in the global markets such as China, India and Sri Lanka, but farmers did not believe the narrative that was being advanced. As a result, KTDA suffered both reputational and operational damages associated with the crisis.

With proper handling of the crisis, KTDA could have waded through successfully. But it did not. During the pre-crisis and post-crisis stages, KTDA did little to engage tea farmers. The agency only became active during the crisis itself when it employed several communication tactics to relay profit warning messages to tea farmers. The study showed that KTDA employed a reactive communication strategy throughout the crisis. KTDA only reacted when there was bad news in the press particularly during the pre-crisis stage. Sometimes, KTDA would go into silence after a bad news story has appeared in the press. Part of this was attributed to the unwillingness, by a section of senior managers, to face the media and partly due to slow approval processes to media requests. Besides that, the relationship between KTDA and some of the media outfits was hostile. Some of the reporters, according to Miriam - a KTDA informant, believed that the agency was colluding with tea brokers at the Mombasa Tea Auction to fleece tea farmers.

At the peak of the crisis, KTDA went public to explain to the stakeholders why tea farmers were to earn less income. The agency engaged several communication channels mostly radios, newspapers, TVs and adverts to disseminate key messages. Despite the move, the channels of communications used provided a one-way communication - from KTDA to tea farmers. James Grunig notes that for effective communication to take place between organisations and stakeholders, two-way communication is paramount. This type of communication builds confidence and mends relationships with key publics. “We have discovered…that relationships are more central to excellence in public relations and that the relationships are built on trust, commitment and a sense of loyalty” (Grunig & Grunig, 2011:42).

The only two-way communication channel used was face to face communication, but its usage was minimal. This form of communication was conducted by regional and factory unit managers who had been tasked with the duty of disseminating information to farmers. And indeed, most of the farmers who participated in the study preferred face-to-face communication over other forms.

The study further revealed that stakeholders' perception has different dimensions during and after a crisis. Avraham (2017) cites that people construct perceptions according to the data they receive from various direct and indirect sources. The study found out that tea farmers had minor negative perceptions about KTDA after the crisis but had major negative perceptions before the crisis. Some of the issues that had made farmers to harbour these negative perceptions, even before the crisis erupted, included delays in green leaf collection, the election system of tea factory directors, huge disparity in payment between counties, and investment projects like mini hydro-power projects that consumed part of their earnings and which farmers partly blamed for their financial woes and predicaments. The study showed that perceptions can be categorised into two broad categories: micro perceptions and macro perceptions. The micro perceptions are those that are minor and acquired over a short period, while macro perceptions are major and acquired over a long period. Farmers with micro perception took a short period to forgive KTDA, while those with macro perception took longer periods. These two categories of perceptions, however, call for further investigation in future studies.

5.2: Conclusions

This study explored the communication strategies and tactics that KTDA used, in engaging tea farmers, during the 2014 crisis. It also analysed the relationship between crisis communication and the perceptions of tea farmers. The study found out that there was a relationship between crisis communication and the perceptions of tea farmers during a crisis. If PR practitioners at the corporate affairs department could have used appropriate strategies and tactics before, during and after the crisis, KTDA could have most likely come out of the crisis with minimal reputation damages. But this was not the case. The study showed that tea farmers had unresolved issues with KTDA, and so the agency was not in good books, at least, in the eyes of the tea farmers. Organisations that are always perceived to be honest in what they do get slight injuries to their reputation during a crisis. Additionally, the study found out that KTDA did not use proper communication strategies and tactics during a crisis. The agency should have pro-active crisis response strategies such as denial, bolstering, scapegoating and diminish. Besides, KTDA selection of communication tactics should have been guided by the media consumption patterns of tea farmers, their demographics and psychographics. Evidently, what an organisation says and do during a crisis affects the behaviours of stakeholders. In this regard, KTDA should have come out genuinely, before the media fill information gaps, to explain to tea farmers the reasons behind poor business performance to win their confidence. But then KTDA kept silent during the pre-crisis and post-crisis stages. Consequently, farmers created negative perceptions about KTDA and became reluctant in supporting KTDA. The study found out that these perceptions are classified into two: micro and macro, with micro being minor perceptions and macro, major.

The study also found out that KTDA should have intensified the use of radio and face-to-face, as communication tactics, to manage the perceptions and behaviours of tea farmers. Failure by KTDA to communicate with speed during the early stages of the crisis was also cited as having aggravated the crisis. Sellnow and Seenger note that “failure to respond quickly and decisively at the early stages in a crisis…may result in the extension of subsequent crisis stages” (2013:28). Generally, organisations must research their audiences well and learn how they consume media. That way, they are able to properly use appropriate media channels, like paid, earned, shared and owned, to engage stakeholders. These media integrate for a complete communications program (Dietrich, 2014).

The study further pointed out that KTDA did not have a proper crisis communication plan, even after anticipating the crisis. At the peak of the crisis, the agency formed a crisis communication committee to oversee the execution of communication programs during the crisis. Lack of a proper crisis communication plan before the crisis left KTDA at the defensive end, adapting reactive communication strategy all through. Undoubtedly, a communication plan/strategy is an indispensable tool for managing a crisis, especially when there are prodromes that a crisis is just about to occur.

But more than that, cultivating a good relationship with the media or being open with the media can help organisations, in times of crisis, to disseminate key messages to stakeholders. All the time, organisations must strive to gain favourable coverage because the media is an influential channel to reach groups “on whom its success or failure depends” (Cutlip et al., 2006:5). Organisations can achieve such a harmonious relationship with the media by having regular briefs and organising media days when press members are invited to learn more about the organisation. Invariably, delays or failure to respond to allegations in the media oftentimes heightens the perceptions of the stakeholders, who may conclude that the organisation has something it is hiding up its sleeves. Consequently, the media may go to the public first and sets its agenda. When this happens, organisations find it difficult to reverse the damage already done by the media as the crisis rages on.

The study found out that KTDA was slow in responding to queries from the media and this sluggishness strained the relationship between KTDA and the media. Additionally, KTDA failed to brief the media regularly and delayed to respond to media allegations letting tea farmers and the general public to think that the agency was hiding something. To salvage itself, KTDA should have responded fast to allegations, and should not have allowed the media to set its own agenda in the first place. At the same time, KTDA received pressure from lobby groups such as KUSSTO that escalated the issue to politicians, lawmakers, state agencies and other key institutions, demanding for policy changes at KTDA to safeguard the smallholder tea farmers. With KUSSTO, politicians and the media humming the same tune, the farmers had to believe what was being circulated in the public domain. This heightened the crisis.

5.3: Recommendations

Tea is the mainstay of Kenya's economy and is a leading foreign exchange earner. In 2014, the crop earned the country Sh101 billion, according to data from Tea Directorate. The smallholder tea sub sector directly supports about 600,000 farmers and indirectly, tens of millions of other people in rural areas. According to a study of the tea sector in Kenya, the tea industry employs 3 million people, directly and indirectly, translating to about [12.6 per cent of the population, going per the 2009 census] (Khrc.or.ke, 2019). Therefore, practitioners must communicates and engages tea farmers properly to protect and build the tea industry that supports the economy and tens of hundreds of households in the country. This can be done by developing and implementing robust communication strategies, cultivating a good relationship with the media, leveraging on right communication channels and resolving emerging issues.

A crisis communication plan/strategy is a crucial road map that all organisation should have. The plan guides on communication activities to be executed at every stage of a crisis. KTDA corporate affairs team must ensure that the company frequently communicates with tea farmers throughout a crisis to foster a good working relationship. Therefore, KTDA and in deed other organisations, must communicate with speed during any crisis using appropriate controlled and uncontrolled media to alleviate anxieties and negative perceptions.

Establishing a good media relationship is key to successfully managing a crisis because organisations can use the media as a carrier of messages to the target publics. Therefore, organisations must invest time and resources in building media relationships. Such efforts come handy during a crisis. KTDA should invest time and resource to building a good relationship with the media by being open, prioritising media requests and organising regular briefs. The choice of the channels of communication to use during a crisis must be dictated by demographics and psychographic characteristics of the target publics or stakeholders. A good channel choice would ensure that the target publics receive key messages to create an awareness or clarify an issue, change perceptions and ultimately behaviour towards an organisation. This can be achieved by analysing media consumption patterns of the target publics. But more importantly, adopting a two-way communication model, in whichever selected communication channel, can offer meaningful engagements with stakeholders and help alleviate the crisis. Such an approach would help restore stakeholders' confidence and goodwill. Therefore, KTDA should analyse the media consumption patterns of tea farmers and choose the right channel. Channels such as local FM radio stations and SMSs need to be leveraged more during a crisis. Additionally, KTDA should invest in customer care centre that handles issues brought to it by farmers through telephone inquiries, SMSs, email, social media platforms among others. That way, KTDA is able to win the confidence of tea farmers during any future crisis.

KTDA also should solve issues as they emerge to create trust amongst tea farmers such that even if a crisis erupts, KTDA is able to bank on the goodwill it has created with tea farmers to successfully wade through the crisis. Also, KTDA must listen to the concerns of tea farmers and take actions to address them to earn farmers trust. For instance, if farmers want to full monthly payments for their green leaf deliveries, then KTDA should address that instead of keeping part of their money in the bank for a whole year. Such a move will go a long way in building a strong relationship with tea farmers.

Finally, KTDA should always team up with other tea producers in the industry during the pre-crisis stage to cushion itself from blame during a crisis if a crisis is industry-wide. This will ensure all tea producers speak the same language during a crisis. These recommendations can be applied in managing future crisis at KTDA or any other organisations.

REFERENCES

Anthonissen, P. F. (2008). *Crisis communication practical PR strategies for reputation management and company survival*. London: Kogan Page.

Avraham, E. (2017). Changing the Conversation: How Developing Countries Handle the International Media during Disasters, Conflicts, and Tourism Crises. *Journal of Information Policy*, 7, 275.

Bailey, K. (1978). *Methods of social research*. New York: Free Press.

Bandura, A. (1977). *Social learning theory*. Englewood Cliffs, NJ: Prentice Hall.

Baxter, L. A., & Babbie, E. R. (2010). *The basics of communication research*. Boston, MA; Wadsworth/Cengage Learning.

Berg, B. L. (2001). *Qualitative research methods for the social sciences (4th ed.)*. Boston: Allyn and Bacon.

Bonnafous-Boucher, M., Rendtorff, J. D., & Lavin, M. (2016). *Stakeholder theory: A model for strategic management*. United States: Bookmasters.

Brataas, K. (2018). *Crisis communication case studies and lessons learned from international disasters*. New York: Routledge.

Bruning, S. D., & Ledingham, J. A. (1999). Relationships between organizations and publics: Development of a multi-dimensional organization-public relationship scale, *Public Relations Review*, 25 (2), 157–170.

Chibucos, T. R., Leite, R. W., & Weis, D. L. (2005). *Readings in family theory*. Thousand Oaks, CA: Sage Publications.

Cohen, B. (1963). *The Press and Foreign Policy*. Princeton, Princeton University Press.

Coombs, W. T. (2004). Impact of Past Crises on Current Crisis Communication: Insights From Situational Crisis Communication Theory. *Journal of Business Communication*, 41(3), 265–289.

Coombs, W. T. (1995). Choosing the Right Words. Management Communication Quarterly, 8(4), 447–476.

Coombs, W., & Holladay, J. (2010). *The handbook of crisis communication*. Chichester, U.K.: Wiley-Blackwell.

Coombs, W. T., & Holladay, S. J. (2012). *Managing corporate social responsibility: a communication approach*. Malden, MA: Wiley-Blackwell.

Coombs, W.T. (2015). *Ongoing Crisis Communication: Planning, Managing, and Responding (4th ed)*. Los Angeles: SAGE Publications, Incorporated.

Cornelissen, J. (2004). *Corporate communications: theory and practice*. London: SAGE Publications.

Cutlip, S., Center, A., & Broom, G. (2006). *Effective public relations (9th ed.).* Englewood Cliffs, N.J.: Prentice-Hall.

Dietrich, G. (2014). *Spin sucks communication and reputation management in the digital age.* Indianapolis: Que Publishing.

Dutta, S. (2006). *Introductory Economics (Micro and Macro): For Class Xii.* New Delhi: New Age International Pvt. Ltd., Publishers.

Entman, R. M. (1993). Framing: Toward Clarification of a Fractured Paradigm. *Journal of Communication, 43*(4), 51–58.

Entman, R. M. (2007). Framing Bias: Media in the Distribution of Power. *Journal of Communication, 57*(1), 163–173.

Fearn-Banks, K. (2007). *Crisis communications: a casebook approach (3rd ed.).* New Jersey: Routledge Taylor & Francis Group.

Fink, S. (1986). *Crisis management: planning for the inevitable*. New York, NY: American Management Association.

Freeman, R. E. m.fl., Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & Colle, S. D. (2010). *Stakeholder Theory: the State of the Art*. Cambridge: Cambridge University Press.

Garner, J. T. (2006). Masters of the Universe? Resource Dependency and Interorganizational Power Relationships at NASA. *Journal of Applied Communication Research, 34*(4), 368–385.

Geertz, C. (1973). *The interpretation of cultures: selected essays*. New York: Basic Books.

Golan, G. J. (2015). *International public relations and public diplomacy: communication and engagement*. New York: Peter Lang Publishing.

Griffin, A. (2014). *Crisis, issues and reputation management: a handbook for pr and communications professionals*. London: Kogan Page.

Grunig, J. E. (1992). *Excellence in public relations and communication management*. Hillsdale, NJ: Lawrence Erlbaum.

Grunig, J. E., & Hunt, T. (1984). *Managing public relations*. New York: Holt, Rinehart and Winston.

Grunig, J. & White, J. (1992). *The effect of worldviews on public relations theory and practice*. Hillsdale, NJ: L. Erlbaum Associates.

Grunig, J. E., & Grunig, L. A. (2011). Public relations excellence 2010. *Journal of Professional Communication, 1*(1):41-54. Retrieved from https://www.researchgate.net/publication/254626778, 1December 2016.

Hancock, D. R., & Algozzine, R. (2006). *Doing case study research: a practical guide for beginning researchers*. New York: Teachers College Press.

Hannington, T. (2004). *How to Measure and Manage Your Corporate Reputation*. Aldershot, England: Gower.

Heath, R. L. (1994). *Management of corporate communication: from interpersonal contacts to external affairs*. Hillsdale, N.J., New Jersey: Erlbaum.

Holtz, S. (2002). *Public relations on the Net: winning strategies to inform and influence the media, the investment community, the government, the public, and more! (2nd ed.).* New York, NY: AMACOM.

Huho, Julius & N Mashara, Janet & Musyimi, Peter. (2016). Profiling disasters in Kenya and their causes. *Academic Research International*. 7, 10-11.

Khrc.or.ke. (2019). [online] Available at: https://www.khrc.or.ke/publications/39-a-comparative-study-of-the-tea-sector-in-kenya-a-case-study-of-large-scale-tea-estates-1/file.html [Accessed 2 Nov. 2019].

Ktda. (n.d.). Kenya Tea Development Agency Holdings Ltd -. Retrieved August 8, 2018, from http://www.ktdateas.com/index.php/about-us/our-background.html.

Kenya Tea Development Agency. (2014). *Strategic plan: 2014/15 – 2018/19*. Nairobi, Kenya. Strategy & Planning department.

Kerlinger, F. (1986). Foundations of behavioural research (3rd ed.). New York: Holt, Rinehart and Winston.

Kerlinger, F. and Lee, H. (2000). *Foundations of behavioural research*. Belmont (Calif.): Wadworth.

Lattimore, D. O. Baskin, S.T. Heiman and E.L. Toth (2009). *Public Relations: The profession and the practice,* (*3rd ed.)*. New York: McGraw-Hill.

Lasswell, H.D. (1948). 'The structure and function of communication in society' in The Communication of Ideas. L. Bryson (ed.). New York, NY: Harper.

Lasswell, H. D. (1948). *The structure and function of communication in society in the communication of ideas.* L. Bryson (ed.). New York, NY: Harper

McCombs, M. E., & Shaw, D. L. (1972). The Agenda-Setting Function of Mass Media. *Public Opinion Quarterly*, *36*(2), 176.

McLeod, J. and Chaffee, S. (1973). Interpersonal Approaches to Communication Research. *American Behavioral Scientist, 16*(4), pp.469-499.

Meier, J. (2011). *Four Stages Of Highly Effective Crisis Management: how to manage the media in the digital age.* Boca Raton, FL, Florida: CRC Press.

Newcomb, T. M. (1953). An approach to the study of communicative acts. *Psychological Review, 60*(6), 393-404.

Newsom, D., Turk, J. V. S., & Kruckeberg, D. (2004). *This is Pr: the realities of public relations (8th ed.)*. Belmont, CA: Wadsworth Cengage Learning.

Olsson, E.-K. (2010). Defining Crisis News Events. *Nordicom Review, 31*(1), 87–101.

Pacanowsky, M. E., & O'Donnell-Trujillo, N. (1982). Communication and organizational cultures. *Western Journal of Speech Communication*, 46, 115–130.

Perloff, R. M. (2010). *The dynamics of persuasion communication and attitudes in the 21st century.* New York: Routledge.

Pinsdorf, M. K. (1999). *Communicating when your company is under siege: surviving public crisis (3rd ed.).* New York: Fordham University Press.

Punch, K. F. (2012). *Introduction to social research quantitative and qualitative approaches.* Los Angeles, CA: Sage Publications.

Ray, S. J. (1999). *Strategic communication in crisis management: lessons from the airline industry.* Westport, CT: Quorum Books.

Renn, O., Burns, W., Siovic, P., Kasperson, J., & Kasperson, R. (1992). *The Social amplification of risk: theoretical foundations and empirical applications (4th ed., Vol. 48).* New Yolk: Clark University.

Sambu, Z. (2014, June 28). Report reveals how KTDA, brokers collude to con small tea. Retrieved August 7, 2018, from https://www.nation.co.ke/business/Mombasa-Tea-Auction-Price-Fixing-Industry-Report/996-2364962-37fb0bz/index.html.

Saunders, M., Lewis, P., & Thornhill, A. (2007). *Research methods for business students*. Harlow: Pearson Education.

Seeger, M. W. (2006). Best Practices in Crisis Communication: An Expert Panel Process. *Journal of Applied Communication Research*, *34*(3), 232–244.

Seeger, M. W., Sellnow, T. L., & Ulmer, R. R. (2003). *Communication and organizational crisis*. Weasport, CT: Praeger.

Sellnow, T. L., & Seeger, M. W. (2013). *Theorizing crisis communication*. Chichester, West Sussex: Wiley-Blackwell.

Senge, P. M. (1990). *The fifth discipline: the art and practice of the learning organization*. New York, NY: Doubleday/Currency.

Sessional Paper No. 2 (1999). *The Liberalization and Restructuring of the Tea. Government of Kenya:* Nairobi.

Shannon, C., & Weaver, W. (1969). *The mathematical theory of communication*. Urbana: University of Illinois Press.

Smith, R. D. (2005). *Instructors manual to accompany Strategic planning for public relations*. Mahwah, NJ: Lawrence Erlbaum Associates.

Tench, R., & Yeomans, L. (2017). *Exploring public relations: global strategic communication.* Harlow, Essex; New York: Pearson.

User, S.(n.d.). EATTA Tea Auction Guide. Retrieved August 7, 2018, from https://www.eatta.com/the-auction-cycle.

Walters, L. M., Wilkins, L., & Walters, T. (1989). *Bad tidings: communication and catastrophe*. Hillsdale, NJ: Lawrence Erlbaum Associates.

Welch, M., & Jackson, P. R. (2007). Rethinking internal communication: a stakeholder approach. *Corporate Communications: An International Journal, 12*(2), 177–198.

Willis, P. (2012). Engaging communities: Ostroms economic commons, social capital and public relations. *Public Relations Review, 38*(1), 116–122.

Yamane, T. (1967). *Statistics: an introductory analysis (2nd ed.).* New York: Harper & Row.

APPENDIX I

QUESTIONNAIRES FOR KEY INFORMANTS AT KTDA

I am a student of University of Nairobi carrying out a communication research on the role of crisis communication in managing stakeholders'' perception.

I am currently collecting data/information from KTDA for the study. The data collection exercise has been fully approved by KTDA. I pledge that the data/information you volunteer to give will be treated with great confidence and will only be used for the purposes of this study; your comments will only be given as aggregates.

You are encouraged to complete this questionnaire as the findings from the study will be shared with KTDA for future improvement of crisis communication. However, shall you want to withdraw from participating in the survey midway, you are free to do so.

The questionnaire takes about an estimated 10 minutes or less to fill. Instructions for filling are provided in every question.

Please answer all the questions

SECTION 1:

1. What is your gender? (*tick the appropriate box*)
    a. Male ☐
    b. Female ☐

2. Which department do you work in? (*tick the appropriate box*)
    a. Corporate Affairs ☐
    b. Marketing ☐
    c. Factory Accounts ☐
    d. Operations ☐

e. Others ☐

3. How long have you worked with KTDA? (*tick the appropriate box*)

    a. Less than 1 year ☐
    b. 1 to less than 3 years ☐
    c. 3 to less than 5 years ☐
    d. 5 to less than 10 years ☐
    e. 10 years or more ☐

4. What position do you hold in KTDA? (*tick the appropriate box*)

    a. Director ☐
    b. Manager ☐
    c. Officer ☐
    d. Executive ☐
    e. Coordinator ☐
    f. Others ☐

5. How committed is KTDA in production, processing and marketing of teas for the benefit of the tea farmers? (*tick the appropriate box*)

Not committed										100% Committed
0	1	2	3	4	5	6	7	8	9	10

6. Does KTDA has a crisis communication plan? (*tick the appropriate box*)

    a. Yes ☐
    b. No ☐
    c. I do not know ☐

7. a). Did KTDA communicate to tea farmers during the 2013/14 Financial Year about the low tea prices? (*tick the appropriate box*)
    a. Yes ☐
    b. No ☐

   b). If yes in 7a above, how satisfied were you with the reasons KTDA gave for low tea prices? (*tick the appropriate box*)
    a. Very satisfied ☐
    b. Somewhat satisfied ☐
    c. Neither satisfied nor dissatisfied ☐
    d. Somewhat dissatisfied ☐
    e. Very dissatisfied ☐

8. a). Did KTDA communicate to tea farmers at the end of the 2013/14 Financial Year on how much farmers would earn from tea? (*tick the appropriate box*)
    a. Yes ☐
    b. No ☐

   b). If yes in 8a above, how satisfied were you with the reasons KTDA gave for low earnings? (*tick the appropriate box*)
    a. Very satisfied ☐
    b. Somewhat satisfied ☐
    c. Neither satisfied nor dissatisfied ☐
    d. Somewhat dissatisfied ☐
    e. Very dissatisfied ☐

9. What do you think is the general perception of tea farmers towards KTDA for the past one year? (*tick the appropriate box*)

a. Very friendly ☐
b. Friendly ☐
c. Indifferent ☐
d. Hostile ☐
e. Very hostile ☐

10. Based on what you have seen, heard, and experienced, please rank the following channels of communication according to how frequent they were used in 2014 when tea earnings dropped. Note that “1” stands for “never used”, “2” for “rarely used” and so on.

Please place a tick mark (√) in the appropriate column. Remember, only one tick is allowed per channel.

	Never used	**Rarely used**	**Sometimes used**	**Always used**	**I don’t know**
Channels	**1**	**2**	**3**	**4**	**5**
Newspapers					
Adverts					
Radios					
TV stations					
Social media					
Internet					
Intranet					
Newsletters					
Posters					
Flyers					
Memos					
Emails					
SMS					
Face to face					

11. How would you rate the relationship between KTDA and the 600,000 smallholder tea farmers that it serves? (*tick the appropriate box*)

    a. Very unsatisfied ☐
    b. Somewhat unsatisfied ☐
    c. Neutral ☐
    d. Somewhat satisfied ☐
    e. Very satisfied ☐

12. How satisfied are you with how Corporate Affairs Department handled communication on low tea prices and earnings for farmers in 2014? (*tick the appropriate box*)

    a. Very unsatisfied ☐
    b. Somewhat unsatisfied ☐
    c. Neutral ☐
    d. Somewhat satisfied ☐
    e. Very satisfied ☐

13. What was the nature of KTDA's communication in 2014? (*circle where appropriate*)

    a. Pro-active (communicates continuously even when there was no bad news in media)
    b. Reactive (communicates only when there was bad news in the media)
    c. Silence (no communication whether there was bad news in the media or not)

14. According to the following scale, to what extend do you agree or disagree with the following statements? (*tick the appropriate box for each statement*).

Scale ->>	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
KTDA treats its staff with respect					
KTDA frequently keeps staff informed of its activities					
KTDA is responsive to the needs of tea farmers					
KTDA is efficient in green leaf collection					
KTDA listens to farmers complains and addresses them					
Farmers are satisfied with earnings they receive from KTDA					
KTDA manufactures high quality teas					
KTDA exploits tea farmers financially					
Tea farmers prefer selling their green leaf to ‘hawkers’ because they receive cash for their produce					

SECTION 2:

1. In 2014 Financial Year, smallholder tea farmers in most of the tea growing zones protested and boycotted plucking tea leaves. What were the main causes of their protest?

   ----

2. How did KTDA handle these protests and boycotts?

   ----

3. What channels of communication did KTDA use to communicate key messages to the aggrieved tea farmers?

   ----

4. How better could have KTDA communicated to tea farmers in 2014?

----

5. a). Besides the 2014 boycott, do farmers ever complain about KTDA?
    a. Yes
    b. No

    b). If yes above, what are the most common type of complaints tea farmers have against KTDA?

----

6. a). Do you think the farmers' complaints are genuine?
    a. Yes
    b. No

    b). If no above, please give more details.

----

7. a). What are the major challenges confronting KTDA today?

----

b). How is KTDA addressing the challenges indicated above?

----

8. Any other comments/suggestions/opinions?

APPENDIX II

QUESTIONNAIRES FOR TEA FARMERS

I am a student pursuing a Master of Arts in Communication Studies at the University of Nairobi and currently collecting data/information from KTDA for the study. The data collection exercise has been fully approved by KTDA. I pledge that the data/information you volunteer to give will be treated with great confidence and will only be used for the purposes of this study; your comments will only be given as aggregates.

You are encouraged to complete this questionnaire as the findings from the study will be shared with KTDA for future improvement of crisis communication. However, shall you want to withdraw from participating in the survey midway, you are free to do so. Filling this questionnaire may take a maximum of six minutes or less. Instructions on how to fill questions are provided at the event of every question.

Please answer all the questions.

----

1. What is your age? *(tick where appropriate).* 18-35 years ☐ 36-55 years ☐ Above 55 years ☐
2. What is your gender? Male ☐ Female ☐
3. Are you a tea farmer? Yes ☐ No ☐
4. Which County do you come from?
   a. Kisii ☐
   b. Muranga ☐
   c. Kirinyaga ☐
   d. Embu ☐
5. What is your main source of income?

a. Tea farming ☐
b. Others ☐

6. How would you rate the tea earnings you received this year compared to last year's?

a. Very low ☐
b. Low ☐
c. Average ☐
d. High ☐
e. Very high ☐

7. a). Did KTDA communicate to you about expected tea earnings during the year?

a. Yes ☐
b. No ☐

b). If yes above, how often did KTDA use the following channels of communication? *Please place a tick mark (√) in the appropriate column. Remember, only one tick is allowed per channel.*

Channels	**Often**	**Sometimes**	**Rarely**	**Never**	**I don't know**
Newspapers					
Newspaper adverts					
Radios					
TV stations					
Social media					
Internet					
Newsletters					
Face to face					

c). Out of the channels that KTDA used to disseminate information, which one did you prefer most? (*tick (√) where appropriate).*

Channels	**Channels of communication preferred**
Newspapers	
Newspaper adverts	
Radios	
TV stations	
Social media	
Internet	
Newsletters	
Face to face	
Others	

8. How satisfied are with the speed in which KTDA respond to issues or concerns raised by tea farmers? *(tick where appropriate).*
    a. Very unsatisfied ☐
    b. Somewhat unsatisfied ☐
    c. Neutral ☐
    d. Somewhat satisfied ☐
    e. Very satisfied ☐
9. How satisfied are you with this year's tea earning? (*tick the appropriate box*)
    a. Very unsatisfied ☐
    b. Somewhat unsatisfied ☐
    c. Neutral ☐
    d. Somewhat satisfied ☐
    e. Very satisfied ☐

10. To what extend do you agree or disagree with the following statements? (*tick where appropriate*).

Statements	**Strongly Disagree**	**Somewhat Disagree**	**Neither Agree nor Disagree**	**Somewhat Agree**	**Strongly Agree**
Tea prices at the global market were low due to overproduction					
Factory directors manage tea affairs properly					
KTDA offered better tea prices than its competitors					
KTDA officials are not corrupt					
KTDA misappropriate earnings for tea farmers					
The cost of processing tea is high					
KTDA should improve leaf collection services					
KTDA rigs elections to allow certain director candidates to win					
The tea earnings I receive every month enable me to meet basic needs					

11. How would you rate your satisfaction on KTDA’s overall communication about expected low tea earnings during the year? (Consider the speed of communication, channels of communication and key messages communicated).

a. Very unsatisfied ☐
b. Somewhat unsatisfied ☐
c. Neutral ☐
d. Somewhat satisfied ☐
e. Very satisfied ☐

12. How would you rate your perception towards KTDA from the statements in the table?

	Strongly Positive	Positive	Neither negative nor positive	Negative	Strongly negative
My perception towards KTDA in **June 2014**					
My perception towards KTDA in **December 2014**					

APPENDIX III

GUIDE TO FGDS AND INTERVIEWS

1. What is your main source of income?
2. Were you happy with last year's tea earnings? Why?
3. How would you rate the tea earnings you received last year compared to 2013 earnings?
4. What channels of communication did KTDA use to communicate to you about low tea earnings?
5. Out of the channels that KTDA used to disseminate information, which one did you prefer most? Why?
6. Where you satisfied with the speed in which KTDA respond to issues or concerns raised by tea farmers? If no, why?
7. What was your other sources of news/information from KTDA?
8. Where you satisfied with KTDA's overall communication about expected low tea earnings during the year?
9. What were the main issues in the tea business that KTDA failed to address?
10. What is your views about the election of factory directors?
11. KTDA keeps your earnings in the bank for a whole year and pay you bonus at the end of the year. What is your take on that?
12. Tea factory companies vote by share during the election of tea factory directors. Are you happy with that?
13. Tea factories in West of Rift Valley pay their farmers less compared to those in the East. Are you okay with that arrangement?
14. What is your perception of KTDA?
15. What is your relationship with KTDA? Is it friendly or hostile?
16. What areas do you think KTDA should improve on? Why?
17. What are some of the challenges that you are facing in the tea business?
18. How can you help KTDA mitigate the challenges?
19. Any other comments?

INTERVIEW GUIDE FOR KTDA KEY INFORMANTS

1. Which department do you work in? What position do you hold in KTDA? How long have you worked in KTDA?
2. How committed is KTDA in helping tea farmers to produce, process and market their teas? Please explain. Does KTDA has a crisis communication plan?
3. How did KTDA communicate to tea farmers during the 2013/14 financial year when tea earnings came down? What channels of communications were used? How effective were these channels of communication?
4. How satisfied were you with the reasons that KTDA gave for low tea prices?
5. What do you think is the general perception of tea farmers towards KTDA for the past one year?
6. What channels of communication did KTDA use to communicate key messages to the aggrieved tea farmers?
7. Based on your experience, what would you say was the frequency of the channels of communication used by KTDA to engage tea farmers during the pre-crisis, crisis and post-crisis stage?
8. What would you say is the relationship between KTDA and the 600,000 smallholder tea farmers that it serves? What about last year, what was the relationship like?
9. How satisfied are you with how Corporate Affairs Department handled the crisis?
10. What strategies did KTDA use during the crisis?
11. Do you think these strategies were appropriate? Explain.
12. Smallholder tea farmers in most of the tea growing zones protested and boycotted plucking tea leaves. What were the main causes of their protest? How did KTDA handle these protests and boycotts?
13. How better, do you think, could have KTDA communicated to tea farmers in 2014?
14. Besides the 2014 boycott, do farmers ever complain about KTDA? Why?
15. Do you think the farmers' complaints are genuine? Please explain further.
16. What are the major challenges confronting KTDA today? How is KTDA addressing the challenges indicated above? Any other comments/suggestions/opinions?

APPENDIX IV

NEWSPAPER REPORTS

Daily Nation newspaper of April 13th, 2014

Tea farming at the crossroads

Falling prices likely to affect country's export earnings

BY ZEDDY SAMBU
@zeddysambu
zsambu@ke.nationmedia.com

Tea has for a long time been a major foreign exchange earner for the country and is ranked third behind tourism and horticulture.

Tea farmers have been a happy lot and over the years have enjoyed timely payments and super bonuses.

But now they are at the crossroads. Increased production coupled with slow sales because of political volatility in key traditional markets have resulted in a slump.

With tea prices dropping by \$1.05 in the last 10 months – or about Sh22 for a kilogramme of green leaf – the final bonus will definitely be lower than last year's.

Already, small-scale tea farmers did not get their mini-bonus this year because of reduced earnings, and there is little hope of prices recovering anytime soon.

The management of the crop through the Kenya Tea Development Agency, long seen as a success model, is now being questioned over its ability to break into new markets to ensure sustained high earnings for the farmer.

JARED NYATAYA | NATION

Workers at the Nandi Tea Estate in Nandi Hills receive tea leaves at their factory last week.

Political instability

Factors compounding the sector's dwindling fortunes include political instability in key markets like Egypt, Sudan, Pakistan, Iran, and Afghanistan, volatile exchange rates and high energy costs.

Prices have gone down by 30 per cent since last July, and the situation may worsen if the current glut persists in the global market.

The agency markets tea for an estimated 565,000 small-scale tea farmers and controls more than Sh61.4 billion annually.

So why has KTDA failed to adopt a long-term strategy for the industry to remain sustainable and arrest declining prices? Why has the farmers' body failed to intervene to cushion farmers from further losses that may culminate in neglecting or uprooting tea bushes to plant other crops with a more reliable source of income?

It is such questions and frustrations that drove farmers to uproot tea bushes after low earnings in the 2008/09 season. This would prove to be a big blow to the economy as it would result in reduced foreign exchange earnings.

And while the market for good tea is still there, and growing, KTDA has been slow to source new markets, relying instead on a handful of traditional markets that buy tea in bulk.

Today, 75 per cent of Kenya tea is exported to five buyers, and while production has continued to grow, volumes exported to Pakistan, Egypt, UK, Afghanistan and Sudan have remained the same.

"It is a leadership problem. Why did they not invest in new markets?" said Kenya Union of Small-Scale Tea Owners (Kusstoa) chairman Joel Chepkwony.

According to him, the KTDA takes the bigger share of earnings of up to 51 per cent while the shareholders (farmers) are left to share the remaining 49 per cent.

Mr Chepkwony said tea farmers in the Rift Valley had threatened to ditch KTDA in favour of direct processing at county established processors.

"The mini-bonus is not there. Farmers are hurting because they don't have information on the goings on at the KTDA head office," said Mr Allan Njoroge, the Kusstoa national treasurer.

Mr Chepkwony is now threatening to mobilise farmers to sell their tea elsewhere if KTDA fails to pay them an interim or mini-bonus next month.

Interim bonus

"We expect to get an interim bonus in May because the first half of the year performed well. We can also sell our tea to multinationals. They pay better, between Sh25-Sh27 per kilogramme of tea. Why should we be forced to wait for one year, yet our money is not earning an interest?

"We want county governments to take over management of our tea. We are in a liberalised market and have lobbied both the governors for Bomet and Kericho to build more factories to process the surplus leaves," Mr Chepkwony said in a telephone interview.

A trader at the Mombasa-based Global Tea and Commodities Ltd, Mr Peter Kimanga said growing exports of value-added tea is the best way to get new markets for Kenya's tea.

Besides failing to get their bonus, small-scale farmers have had to bear high operational costs to keep factories running. These costs — especially salaries for a bloated work force — erode their earnings.

KTDA has three levels of management in its Nairobi office, regional offices and at the factory level, all supported by the farmer.

Agriculture Secretary Felix Koskei said they will investigate circumstances that led to the over-supply of green tea, leading to a glut.

Industry experts say the fees charged to farmers and the investment decisions KTDA makes need to be examined to determine whether the farmer is getting value for his produce.

For example, in December 2012, KTDA bought 15 per cent (or 42.7 million shares), making the farmers' body the second largest shareholder in Family Bank after the Muya family that has a combined stake of more than 30 per cent. The agency operates a microfinance company (Greenland Fedha), an insurance firm (Majani Insurance Brokers), packaging business (Ketepa) as well as warehousing services.

"What then is the direct support offered by KTDA that justifies the management fee of 2.5per cent of total tea proceeds from the smallholder tea subsector? KTDA only assists the farmer in sourcing fertiliser in bulk, spreading the cost across the year is not a benefit to the farmers. But KTDA holds farmers earning for close to year before the same reflects in their account," said an industry paper seen by the *Sunday Nation*.

But KTDA sees it differently.

"Market rates for management services are in the range of six per cent or more. Surplus revenues generated after paying off associated costs for example staff salaries and rent contribute to the dividends paid to the farmers at the end of the year," said Benson Ngari, KTDA's Finance and Strategy director.

"Proceeds from tea sales are paid to farmers monthly for all tea deliveries for the preceding month. Annually, accounts for each factory company are done and any surplus income is paid to the farmers," said Mr Ngari in an email response to the Sunday Nation.

"The subsidiaries are in line with KTDA's strategy of revenue diversification. The subsidiaries are managed as profit centers to ensure they perform well and the profits thereby generated contribute to the dividends farmers are paid each year," he added.

EARNINGS

Levy that made Kenya tea expensive

In February 2012, the government introduced a one per cent levy on tea exports to fund the Tea Research Foundation of Kenya and other TBK programmes.

Known as the ad valorem levy, it is charged on packaged tea sold to international buyers.

For instance, if tea is bought at the Mombasa auction at a price of say \$4.00, this tea will attract an ad valorem levy of one per cent or four cents. The levy replaces a manufacturing cess, which was charged at Sh46 cents per kilo of tea.

According to growers, the levy makes local tea uncompetitive compared to teas from other East African countries that is also sold at Mombasa

The Mombasa auction centre provides an international platform for tea trading in the world with two auctions a week.

Tea Board of Kenya has in the past defended the new levy which it says it will be used for research, market development as well as value addition to make local tea fetch higher prices.

Daily Nation newspaper of June 29th, 2014

DAMNING VERDICT | KTDA complicit in unethical trading practices, including price manipulation

Revealed: How tea agency colludes with brokers to con small farmers

Scheming between different players gives the impression of over-supply to keep prices suppressed

BY ZEDDY SAMBU
@zeddysambu
zsambu@ke.nationmedia.com

Prices at the Mombasa Tea Auction are manipulated to deny small-scale farmers their deserved earnings.

This negates the proposition that the six-year record lows are driven by market forces, a new report says.

The Tea Industry Status Report May 2014, prepared by the industry regulator, Tea Board of Kenya, accuses the Kenya Tea Development Agency and others, of manipulating the price of the highest tea grade, PF1, which is mainly produced by small-scale farmers.

The grade has consistently sold at low prices or at the same price with inferior grades at the weekly auction.

The report also blames direct sales outside auction venues to some big marketers which create a huge price difference while giving the impression that there is excess tea in the market.

"The current low prices at the auction are precipitated by some unorthodox practices by the agency, which controls over 65 per cent of the tea dealt in at the auction. This is done in collusion with major brokers, warehouses and traders. The perpetrators continually divert attention from the real issues by citing the *ad-valorem* levy," the report says.

The *ad-valorem* levy is a tax charged and collected by the Tea Board, at one per cent of the export cost, for research, marketing and infrastructure.

Price manipulation is said to have been rampant during March and April 2014. Smallholder farmers are normally paid the hammer price, with zero benefits from this venture. Prices have continued to decline, not because of poor quality but owing to poor trade practices.

Tea auctioned on March 1, 2014 and exported on March 31 lost \$0.63 (Sh54) since it was offered at \$2.72 (Sh233) against an auction price of \$2.09 (Sh180). This is equivalent to Sh54.18 a kilo of made tea (four kilos of green leaf), which translates to Sh14 per kilo of green leaf. The loss suffered by the farmer in the process is enough to pay a first payment, popularly known as a "mini bonus".

"There is evidence that KTDA, at times, sells tea to Chai Trading at a lower price than the offered price. For example, where the offered price is \$2.61 (Sh224), the auction price is much lower at \$2.05 (Sh176) per kilo, yet destination of the market is not indicated," the report says.

"Trends indicate evidence of manipulation. For instance, tea that was auctioned on September 12, 2013 is exported five months later on February 7, 2014. Where it would have attracted Sh224 per kilo, it gets auctioned at Sh176."

Selling tea outside auction venues to some big marketers is also a common practice by the KTDA's Chai Trading subsidiary. Known as the post-auction/private sale of withdrawn teas, some organised private arrangements are made to buy high quality teas at below auction prices. Chai also buys teas directly from factories at lower prices than the auction prices, and imports cheap, low quality teas from Asia which it blends with the Kenyan teas to re-export as Kenyan brands. This, in itself, reduces the overall commodity price, creates a huge price difference and implies that there is excess tea in the market.

"This has seen traders/brokers refrain from quoting during auctions on Tuesdays, but make private arrangements to buy high quality teas afterwards at below auction prices.

PF1 grades are also deliberately disadvantaged by the buying be-

CONTINUED ON PAGE 43

PHOEBE OKALL | NATION

Top: From left: KTDA chair Peter Kanyago, chair of the Finance and Strategy Committee Jephther Nyaga and managing director Lerionka Tiampati Inset: Kenya Union of Small Scale Tea Farmers national vice chair Dismas Mbaria (left) and Mudete branch chairman John Keya.

"There is evidence of manipulation, usually done in collusion with brokers, traders and warehouses"

— **Report**

Ways to revive tea fortunes outlined

BY ZEDDY SAMBU

A new report has proposed a forensic audit into the tea trade in a bid to revive its dwindling fortunes.

The report also recommends that tea trading be automated "to ensure transparency and competitiveness."

It also suggests that the Mombasa auction be transformed into a modern tea trading centre offering instruments such as electronic trade, futures and options and contracting, among others.

An e-auction platform would facilitate faster generation of pre-auction, auction and post-auction documentation and information and ensure better prices for farmers who would rely less on middlemen.

Dampened prices

"Electronic auction has the potential to revolutionise tea auctions, if implemented well, as it would ensure transparent price discovery, speed, client coverage and competiveness," says the report.

Policymakers say market forces "among other reasons" have dampened prices, and want action taken on those responsible along the value chain.

Last year, tea earned Sh114 billion in total foreign exchange and about Sh13 billion in local earnings .

However, prices have over the past year depreciated to below \$2 (Sh172) a kilo, levels last seen in 2008.

Sharp decline

Tea prices are at a six-year low, and there are no indications for improvement, prompting a raft of actions to tame a sharp price decline and salvage the industry that is Kenya's top forex earner.

"We believe there are other reasons suchs as governance," said Agriculture Cabinet secretary Felix Koskei and pledged a review of "certain" taxes that are seen to hurt the industry.

"Although some taxes are national, given the impact of the tea sector in respect to foreign exchange, there is need for review of the taxes and levies," the report concludes.

APPENDIX V

PERMISSION FROM KTDA APPROVING DATA COLLECTION

KENYA TEA DEVELOPMENT AGENCY

INTER-OFFICE MEMORANDUM

TO: G.M – SALES & MARKETING
FROM: CORPORATE AFFAIRS OFFICER
DATE: 25TH SEPTEMBER, 2015

RE: PERMISSION TO COLLECT DATA FROM CORPORATE AFFAIRS DEPARTMENT AND SMALLHOLDER TEA FARMERS FOR RESEARCH

I am undertaking a Research Project entitled – The Role of Crisis Communication in Managing Stakeholders' Perception in Organizations: A Case Study of Kenya Tea Development Agency Holdings (KTDA - H) – that will lead to a Masters of Arts Degree in Communication Studies at the University of Nairobi.

I am expected to collect information, through the administration of questionnaires that will enable me to complete the research project, whose findings I will share with KTDA to improve future communication with our stakeholders.

I therefore seek your permission to undertake this exercise that will lead to my graduation in December, 2015.

Prepared by:

Corporate Affairs Officer:
(Benuel Nyakundi Bosire)

Approved by:

GM Sales & Marketing:

KENYA TEA DEVELOPMENT AGENCY LTD.
P. O. Box 30213 - 00100,
NAIROBI, G.P.O. (KENYA)

1

APPENDIX VI

PERMISSION FROM UoN TO COLLECT DATA FOR THE STUDY

UNIVERSITY OF NAIROBI
COLLEGE OF HUMANITIES & SOCIAL SCIENCES
SCHOOL OF JOURNALISM & MASS COMMUNICATION

Telegram: Journalism Varsity Nairobi
Telephone: 254-02-334244, 332986, 226451 Ext. 28080, 28061
Director's Office: 254-02-229168 (Direct Line)
Telex: 22095 Fax: 254-02-229168
Email: director-soj@uonbi.ac.ke

P.O. Box 30197
Nairobi.
Kenya

OUR REF:
YOUR REF:

DATE: May 5, 2015

TO WHOM IT MAY CONCERN

RE: BOSIRE, Benuel Nyakundi- K50/70086/2013

This is to confirm that the above named is a bona fide student of the University of Nairobi's School of Journalism and Mass Communication registered for Master of Arts degree in Communication Studies.

Mr. Benuel has completed his course work and is currently going to collect data for his research project leading to a Master of Arts Degree in Communication Studies.

Any assistance accorded to him will be highly appreciated.

05 MAY 2015

Ndung'u wa Munywe
Assistant Registrar
School of Journalism & Mass Communication

NwM/dm

APPENDIX VII

CERTIFICATE OF CORRECTIONS

UNIVERSITY OF NAIROBI
COLLEGE OF HUMANITIES & SOCIAL SCIENCES
SCHOOL OF JOURNALISM & MASS COMMUNICATION

Telegram: Journalism Varsity Nairobi
Telephone: 254-02-3318262, Ext. 28080, 28061
Director's Office: +254-204913208 (Direct Line)
Telex: 22095 Fax: 254-02-245566
Email: director-soj@uonbi.ac.ke

P.O. Box 30197-00100
Nairobi, GPO
Kenya

REF: CERTIFICATE OF CORRECTIONS

This is to certify that all corrections proposed at the Board of Examiners meeting held on 25/10/2019 in respect of M.A/PhD. Project/Thesis defence have been effected to my/our satisfaction and the project/thesis can be allowed to proceed for binding.

Reg. No: K50/70086/2013

Name: BENUEL NYAKUNDI BOSIRE

Title: THE ROLE OF CRISIS COMMUNICATION IN MANAGING STAKEHOLDERS' PERCEPTION IN CORPORATE ORGANIZATIONS IN KENYA: THE CASE OF KENYA TEA DEVELOPMENT AGENCY.

Dr. S Omas		20/11/2019
SUPERVISOR	SIGNATURE	DATE
Dr Samuel Siringi		25/11/2019
ASSOCIATE DIRECTOR	SIGNATURE	DATE
Prof. Ndeti Ndati		25.11.2019
DIRECTOR	SIGNATURE/STAMP	DATE

DIRECTOR
25 NOV 2019
NAIROBI
SCHOOL OF JOURNALISM & MASS COMMUNICATION

APPENDIX VIII

CERTIFICATE OF ORIGINALITY

Turnitin Originality Report

- Processed on: 19-Nov-2019 08:06 EAT
- ID: 1216914156
- Word Count: 19023
- Submitted: 1

The Role of Crisis Communication in Managing ... By Banuel Bosire K50/70086/13

Similarity Index

14%

Similarity by Source

Internet Sources:
8%
Publications:
2%
Student Papers:
12%

exclude quoted exclude bibliography excluding matches < 5 words mode:

quickview (classic) report Change mode print refresh download

1% match (Internet from 12-Sep-2019)
https://www.mobt3ath.com/uplode/book/book-51837.pdf

1% match (Internet from 05-Nov-2019)
https://epdf.pub/strategic-planning-for-public-relations29927.html

1% match (student papers from 09-May-2012)
Submitted to University of Birmingham on 2012-05-09

<1% match (Internet from 10-Jul-2019)
https://quizlet.com/177846573/cornellisen_corporate-comm-5e-flash-cards/

<1% match (Internet from 21-May-2010)
http://simoncollister.typepad.com

<1% match (Internet from 29-Apr-2019)

19-11-2019

UNIVERSITY OF NAIROBI
DIRECTOR
25 NOV 2019
SCHOOL OF JOURNALISM & MASS COMMUNICATION

25.11.2019