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Rhetorical Tools for Communicating Strategic Change: Dana's Definitional Statement

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RHETORICAL TOOLS FOR COMMUNICATING STRATEGIC CHANGE: DANA'S DEFINITIONAL STATEMENT

Abstract

What rhetorical tools are critical for managers seeking to communicate strategy? What textual features matter when developing a language of change? To explore these questions we compare Dana Corporation's 1987 strategic definitional statement, *The Philosophy and Policies of Dana*, with its 2004 revision, our framework being Eccles and Nohria's triadic of rhetoric, action, and identity. In a newly competitive environment, Dana evolved from recognition as an exemplary company into reorganization under Chapter 11 of the United States Bankruptcy Code. Concurrently, their 2004 statement marks a significant rhetorical shift. Dana's example suggests the usefulness of thematic rearrangement, language adjustments, and opening sentence subjects to articulate revisions in purpose, values, and behavioral expectations and illustrates the usefulness of Eccles and Nohria's framework for understanding rhetoric as a strategic organizational activity.

Keywords: strategic change, rhetoric, communicating corporate identity

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“[M]anagers live in a rhetorical universe, a universe where language is constantly used not only to communicate but also to *persuade*, and even to *create*,” wrote Eccles and Nohria (1992, p. 9). But the rhetoric of strategic change is complicated. We expect strategic *actions* to be taken—such as changes in incentive systems, outsourcing, and tempering an appetite for acquisition—and we understand somewhat how organizational genre contribute to these, mission and vision statements being obvious examples. Less is known about the nitty-gritty of how rhetorical choices may accompany strategic change however.

This case study identifies areas of rhetorical choice related to shifts in business strategy. It is motivated by two interrelated questions: What rhetorical tools are important for managers seeking to communicate strategy? What textual features matter when developing a language of change?

Our case is Dana Corporation and its *Philosophy and Policies of Dana* (PPD), a strategic definitional document that combines mission (who we are) and vision (what we should become). Dana is pertinent to study strategic rhetoric for several reasons. Recognized as one of the most progressive companies in the parts supplier industry and one of the best companies to work for in the 1980s (Abruzzese, 1987; see also Peters and Waterman, 1984), Dana filed for bankruptcy in 2006 in a new competitive global environment.

Meanwhile, Dana's 1987 PPD underwent a sophisticated transition (See Appendices A and B). Not only did its medium of transmission change—the hard copy flyer that opened to a full-page tiny print document becoming electronically available—but also its content.

From an earlier analysis, which showed a unique use of the pronoun “we” in comparison to other such statements at the time (Rogers & Swales, 1990; Swales & Rogers, 1995), we knew quite a bit about the original PPD including that its language was notable. Our comparison of the old and the new showed that the PPD remained a rich text in its reference to constituent relationships and expectations both inside and outside the firm, key concerns for transitioning.

Dana’s PPD is also relevant here because of its significance for its company. Mission and value statements have become an obligatory part of a company’s portfolio (Mirone, Gauthier, Gilleron, Chenais-Popovics & Campbell, 1997, Farhurst et al, 1997). By articulating the character of the company such statements have been shown to improve decision-making by bringing attention to corporate purpose and changing priorities as the cornerstone of company strategy (Harrison, 1987; Campbell, 1992; n.d.). Such statements have also been disparaged as “managerial sound bytes” (Hrebiniak, 2005, p. 63) or company propaganda rather than taken as serious evidence of things hoped for or expressions of deep change with staying power. But as we shall see, this has not been the case with Dana’s PPD.

To compare Dana’s statements, we conducted two types of analysis. First we used the Ashridge Mission Model (Campbell, 1992) to compare views of purpose, strategy, values, and behavior in the statements. Second, motivated by Eccles and Nohria’s argument that strategy is inherently rhetorical and about “the work of words” (1992, p. 17), we examined the textual features. We found the Ashridge analysis and the closer textual analysis to be complementary, the latter elaborating the former. However, this elaboration also suggests the benefit of Eccles and Nohria’s rhetorical conception of strategic change and the value managers may realize by knowing what textual features matter.

As this is a case study, our analyses are preceded with a review Dana’s history during the period of interest.

DANA CORPORATION 1987 - 2006

Dana Corporation is one of the world’s largest independent parts suppliers operating primarily in Asia Pacific, Europe, South and North America. When the 1987 PPD was introduced Dana was “considered one of the most progressive companies in the parts supplier industry” (Abruzzese, 1987, 7A) and recognized as one of the 100 best companies to work for in America. Although some jobs were outsourced, employees were typically hired from within. Peters and Waterman observed Dana’s orientation toward employees as “bond-deep and embedded in the language itself” in their best-selling book, *In Search of Excellence* (1984, p. 239).

Hierarchical in structure at the time of the 1987 statement, decision-making power rested with the Policy Committee, Dana’s four top executives sitting at Dana Headquarters in

Toledo, Ohio. They were the “keepers of the PPD,” observed Executive Vice President Borge Reimer who likened the statement to their 10 commandments. Still, as evidenced in the PPD of that time, Dana managers of divisions around the world enjoyed a great deal of autonomy, particularly in operations.

In the intervening period between the 1987 PPD and its successor in 2004, Dana grew in both size and reputation the following being just some of the examples.

- 1993, Acquired Reinz Group, a German gasket maker
- 1994, Acquired Sige, an Italian axle maker; Stieberleidelberg, a German industrial components manufacturer; Tece, a Dutch auto parts distributor and Tremec, a Mexican transmission maker
- 1997, Acquired Plumley Companies, a French company, the Sealed Power Division of SPX Corporation (presently known as Perfect Circle), and Clark-Hurth Components
- 1998, Acquired Eaton Corporation’s heavy axle and break business and announced its participation in the largest-ever merger of automotive suppliers by its acquisition of Echlin, and acquired Glacier Vandervell Bearings Group and AE Clevite
- 2003, Expanded into the Czech Republic and announced construction of a new facility that will manufacture automotive heat exchangers and formed a joint-venture company with Dongfeng Motor and assembled commercial-vehicle axles and components in China
- 2004, Increased ownership stake in Nippon Reinz Company, a Japanese auto parts producer

A litany of awards accompanied this growth, for example:

- 1996, Dana Commercial Credit, a wholly owned subsidiary of Dana Corporation won the *Malcolm Baldrige National Quality Award*
- 2000, Spicer Driveshaft Division won the annual *Malcolm Baldrige National Quality Award for Manufacturing*
- 2001, Dana’s Structural Solutions Division and Spicer Driveshaft facility in Thorold, Ontario, Canada won the *National Quality Institute Canada Quality Award of Excellence*. (The award is the U.S. equivalent of the Malcolm Baldrige National Quality Award.)
- 2002, Spicer Driveshaft’s facility in Magog, Quebec, Canada, won the *National Quality Institute Canada Quality Award of Excellence*. Also in 2002, Dana’s Torque Management Mercosur Division, located in Gravatai, Brazil, won Brazil’s 2003 National Quality Award. (The award criterion is based on the U.S. Malcolm Baldrige National Quality Award.)

During this period, Dana leadership remained stable. For example, in February 8, 1999, when the Board of Directors appointed Dana president Joe Magliochetti as CEO, the former long-time CEO, Woody Morcott, continued as Board Chairman. (See Appendix C: Dana Timeline).

PAINFUL YEARS, 2000-2006

Magliochetti, 1999-2004

Joe Magliochetti's timing in taking over the helm could not have been worse however. With a drastic downturn in the heavy truck industry, Dana's profits dropped about 44 percent and share price sank from \$30 to \$15. Magliochetti was forced to launch a restructuring plan. He cut 10,000 jobs, closed 11 facilities, implemented online warehouse distribution, sold some non-core facilities, and reduced capital-spending plans. His restructuring was the largest realignment initiative in Dana's history.

By end of 2003, Dana had closed 39 facilities and reduced their workforce by more than 12,500 people. Then Dana CEO Joe Magliochetti died suddenly, following complications from a medical procedure. It appears that the 2004 PPD is part of his legacy.

Post Magliochetti

After a 6-month search, Dana's Board of Directors appointed former General Motors' veteran Michael Burns as CEO. This was the first time in 50 years that Dana searched for a CEO outside its ranks. All previous CEOs had been Dana employees, each with more than 30 years of service.

With the appointment of Mike Burns came the entry of more external executives, running counter to Dana's long-held tradition of "promotion from within" – something which had been important enough to be spelled out in the 1987 version of the PPD.

The infusion of new blood at the highest level was accompanied by the departure of some senior members of Dana's old guard. The once ruling four-person Policy Committee became the Executive Committee with 14 members including new people who joined Dana in or after 2004.

Company activities around the PPD of 2004 included:

- a shift from growth through acquisition to reductions in businesses, facilities, and people
- a move towards centralization & standardization

- a willingness to hire outsiders rather than promoting from within while attending to suppliers and customers more intensely

These new realities and strategic revisions are evident when comparing Dana's 1987 and 2004 statements. Comparison also suggests rhetorical features managers might work with to orchestrate strategic change. We begin our comparative analysis using the Ashridge Model followed by a closer look at the texts themselves in light of Eccles and Norhia's "triadic relation of rhetoric, action, and identity in managerial practice" (1992, p. x).

THE ASHRIDGE MISSION MODEL

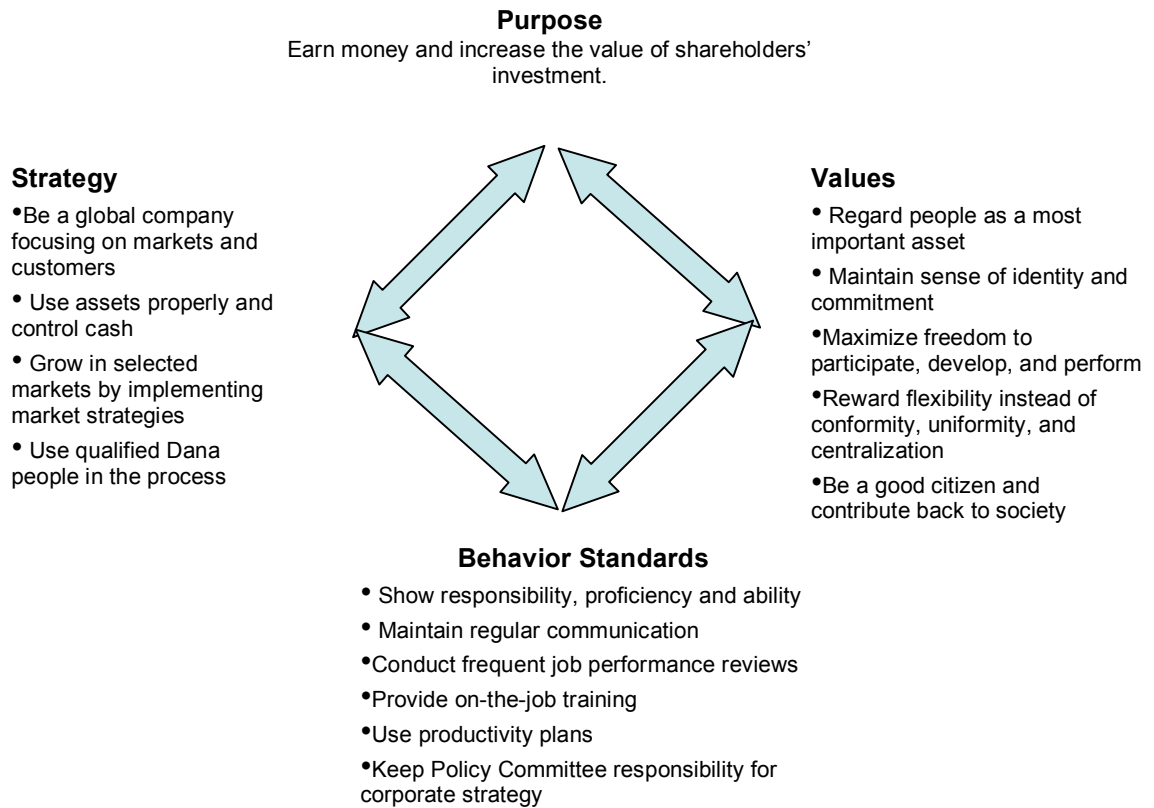
Focusing on the needs of shareholders and stakeholders, the Ashridge Mission Model (Koch, 2006; Campbell and Yeung, 1991; Campbell, 1992) identifies four interactive components to consider when creating a strong organizational mission: Purpose, Strategy, Values, and Behavior Standards. These categories can be used as an organizational template for brainstorming, decision-making, and crafting strategic documents like mission and vision statements (Smith, Heady, Carson, & Carson n.d.; Cole n.d.).

The strength of the Ashridge Model is its recognition of the need for a fit between strategy and values and a link between organizational values and the private values of individuals. Its weakness lies in the collision between idealism and realism: instead of inspiring employees with elevated idealism, talk of mission may breed cynicism and forestall change (Campbell, n.d.).

We appropriated the Ashridge Model for analysis after the fact. What could an Ashridge analysis of existing strategic statements tell us about articulating the strategy and values of a company at various times of its life?

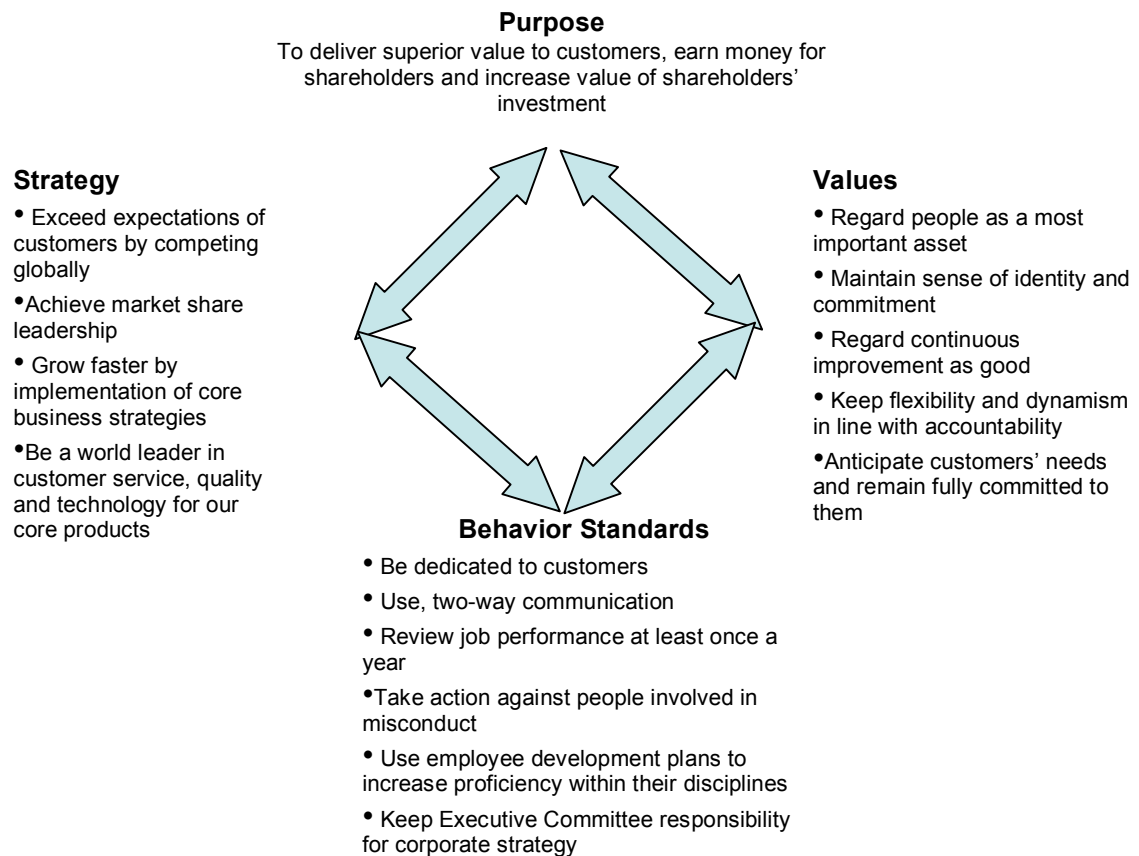
Ashridge Model Analysis

Our analysis of Dana's PPDs using Ashridge involved three stages. First we listed all the statements from each of the PPDs that seemed relevant to each of the four categories. Then we clustered, summarized, and placed these in the model as shown in Figures 1 and 2.



Ashridge Mission Model Applied to PPD 1987

Figure 1



Ashridge Mission Model Applied to PPD 2004

Figure 2

Comparing the models for the 1987 and 2004 PPDs revealed some clear differences in Dana's priorities at the time the statements were written. In 2004, delivering superior value to customers is added to the goal of earning money and increasing shareholder value. What this means becomes clear when we compare Dana's focus in the other four categories.

Look at "Strategy" in Figures 1 and 2, for example. Elements of strategy in the 1987 version were more internally focused emphasizing solid, foundational accounting and developmental care of Dana people. Properly using assets, controlling cash, and growing in "selected markets" were important. By contrast the 2004 version looks outward, expressing urgency to exceed expectations, grown faster, and achieve market share leadership (See Figure 3).

1987

2004

Use assets properly to control cash → Achieve market share leadership

Use qualified Dana people in the process → Be a world leader in customer service

Reward flexibility instead of uniformity → Keep flexibility in line with accountability

Be a good citizen & contribute to society → Be committed to customers & their needs

Provide on-the-job training → Take action against people involved in misconduct

Some Shifts in Emphasis 1987 to 2004

Figure 3

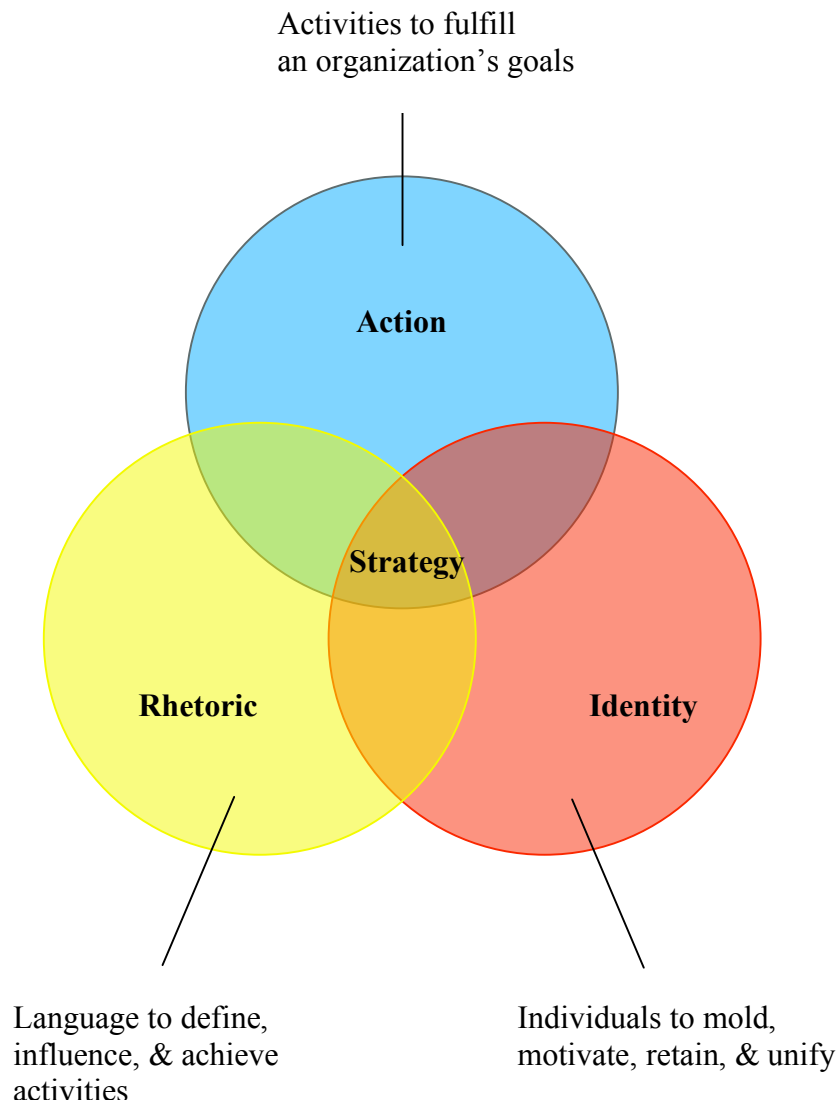
As for “Values,” in 2004 Dana people remain their most important asset and maintaining a sense of identity and commitment has not changed. But the freedom to participate, develop, and perform with rewards for flexible, decentralized work articulated in 1987 becomes a call for continuous improvement and dynamic flexibility with accountability in 2004. This difference continues under “Behavior Standards.” Job performance reviews continue but in 2004 there is attention to taking action against people involved in misconduct where before providing on-the-job training suggests a family rather than litigious environment.

Emphasis on good citizenship and giving back to society is also extended in 2004 with commitment to customers and anticipating their needs. The luxury of giving to society in general is replaced with the reality of competing in a global market where customers have the upper hand.

That such differences emerge suggests the usefulness of the Ashridge Model, its categories providing a framework not only for evaluating existing strategic statements but also for generating them. Useful as it is, the Ashridge Model provides a general perspective; it doesn't identify the specific rhetorical tools used to articulate strategy.

ECCLES AND NOHRIA'S STRATEGIC TRIADIC

In contrast to the Ashridge approach, Eccles and Nohria focused on the rhetoric itself. Their “strategic triadic” has three interdependent components: rhetoric, action, and identity. They regard the intermingling of these as “the true elements of effective management,” (1992, p. 9).



Strategic Triadic: Rhetoric, Action, & Identity

(Created from Eccles & Nohria, 1992)

Figure 3

Oft talked about is strategic *action* or organizational activities including decision-making intended to fulfill an organization's plant closing or openings, out- or in-sourcing, hiring or reducing the workforce, revising performance expectations, etc. *Identity* considers "how identities get built and maintained in organizations, and how the quest for personal identity . . . is an inseparable aspect of everything that occurs within them" (Eccles & Nohria, 1992, p. 12). Who are we as an organization? What is my role? *Rhetoric* is inherently linked to these as Eccles and Nohria argue. Rhetoric "*creates* a common meaning for collective and individual identity" (1992, p. 112, emphasis ours). It can

mold, motivate, unify, and retain individuals, making it possible to achieve organizational goals they contend.

So what exactly is rhetoric? Eccles and Nohria (1992) define *rhetoric* as “how language is used to shape the way people think and act.” It is “the way human beings interact to get things done” (pp. 9 & 10). Rhetoric’s tools include choice of words (subjects, verbs, modifiers), structure, metaphors, and stories that define and influence. Strategic rhetoric they contend is purposeful, as in functioning corporate vision statements. Looking at such statements, as we have done with Dana’s PPDs, is one way to consider the rhetorical features of particular interest when articulating strategic change.

RHETORIC OF ACTION & IDENTITY IN DANA’S PPD

Rhetoric as Action

First we examine *rhetoric as action*. Here the shift in focus is seen in the rearrangement and addition of areas of concern as seen in the PPD’s headings and content modifications.

The 1987 PPD consisted of eight sections. These were reordered and increased to 13 in 2004, as shown in Table 1. In both statements, PEOPLE is the third and longest of all the sections. But in 2004 the elevation of CUSTOMERS and COMMUNICATION from sixth and seventh to second and fourth coupled with the addition of SUPPLIERS bespeaks movement from an internal to an external perspective (Table 1). Or for example, the EARNINGS section of 1987 has no direct reference to customers focusing rather on proper use of assets and control of cash. These are replaced in 2004 with PURPOSE to deliver superior value to customers.

Overall, the 2004 headings in the PPD sound more politically correct than the 1987 version with more prominence given to customers and suppliers. Plus the inclusion of areas of recent public concern such as technology, quality, and citizenship, which is newly coupled with business conduct in 2004, heralds a different era.

Table 1. Sections in the PPDs

1987	2004
1. EARNINGS	1. PURPOSE
2. GROWTH	2. CUSTOMERS
3. PEOPLE	3. PEOPLE
4. PLANNING	4. COMMUNICATION
5. ORGANIZATION	5. PLANNING
6. CUSTOMERS	6. TECHNOLOGY
7. COMMUNICATION	7. GROWTH
8. CITIZENSHIP	8. ORGANIZATION
	9. SUPPLIERS
	10. QUALITY
	11. CITIZENSHIP & BUSINESS CONDUCT
	12. OUR PHILOSOPHY
	13. OUR PURPOSE

Next we turn to the content of these sections: What do we see in the word choices specifically the use of adjectives (telling ‘what kind of’ or ‘how many’), adverbs (telling ‘how,’ ‘when,’ or ‘where’) and verbs? What kind of GROWTH is expected, for example? In 1987 the strategy calls for “*steady* growth” whereas in 2004 “*consistent, profitable* growth” matters, as shown in Table 2 Other telling adjectives are the “our *selected* markets” of 1987 compared to the “*global*” ones in 2004.

Table 2. Comparison of Word Choices in GROWTH Section

1987	2004
... <i>steady</i> growth	... <i>consistent, profitable</i> growth
...growth to <i>protect</i> our assets against inflation	... <i>implementing</i> our core business strategies
...grow in our <i>selected</i> markets	... <i>grow faster</i> than our selected markets
... <i>implementing our market</i> strategies	...introduction of <i>new</i> products and technologies ... <i>maximizing</i> the benefit of strategic acquisitions and <i>innovative</i> partnerships
...our <i>selected</i> markets	...our <i>global</i> markets

Or notice the addition of the adverb “faster” behind the “grow” in 2004 (see the third entry in Table 2). Examples of verbs include *growth to protect* replaced with *implementing strategy* and *implementing our market strategy* revised as *introducing new products and maximizing the benefit of strategic acquisitions* in 2004.

Table 2 also displays a more upbeat and dynamic approach in 2004, with the use of positive adjectives, such as “consistent,” “profitable,” “new,” “innovative,” and “strategic” compared to the more neutral “steady growth” of 1987. Similarly, the verbs used in this section of the PPD of 2004 are also forward-looking and dynamic, as in “will be achieved,” and “maximizing the benefit.”

Originally, CUSTOMERS were to be fully serviced as promised. However, in 2004 employee responsibility for customers intensifies. No longer is it sufficient to *fulfill obligations* and *meet* customer needs. Now Dana people must *exceed* expectations, working *for* customers’ with a *sense of urgency*. Observe Table 3. More than being *leaders* in selected markets who *know* their customers, Dana people in 2004 must *partner* with customers developing *enduring relationships*, the goal being to make their customers successful.

Table 3. Comparison of Content in CUSTOMER Section

1987	2004
Dana is . . .	All Dana People are . .
... focuses on markets and customers	...expected to have a <i>passion for serving and creating value for</i> our customers
...to <i>meet</i> the needs of our customers	...and <i>exceed</i> the expectations of our customers
...dedicated to ... responsibility to be <i>leaders</i> in our <i>selected</i> markets	...dedicated...to being essential <i>partners</i> with our customers
...anticipate our customers’ needs	...anticipate our customers’ needs
...commitment... every effort must be made to <i>fulfill... obligation</i>	...fulfill commitments ...with a <i>sense of urgency</i>
Outsourcing...assures performance to Our customers	
...expected to <i>know our customers</i> and their needs	...expected to <i>develop enduring customer relationships</i> based on trust and collaboration.... ..dedicated to making our customers successful

Meanwhile, in the revised PEOPLE section, employees are told to expect less of Dana while Dana expects more of them. Dedication to “the belief that our people are our most important asset” appears as the first sentence in both statements. Other sentiments also remain intact, such as:

- Dana people will have the “opportunity to develop.”
- Dana people should “move across product, discipline, and organization lines.”
- Supervisors are to review job performance at least once a year
- Dana people should “share in the rewards of productivity gains.”
- Dana people are encouraged to become shareholders.

The fact that attention to Dana people remains in the 2004 version recalls Eccles and Norhia’s notion that “[g]ood strategy is never ahistorical—it is always path-dependent” (1992, p. 102). But by 2004, definition of the managerial role is different; reference to managerial responsibility and authority is gone. Managers are now asked to commit their supervisory reviews to writing, suggesting increased centralization. Dana’s relationship with its people is less paternal and more tenuous. In 2004 it appears that Dana people can be disinherited. Upon leaving, they’re not encouraged to remain close to the company as they were in 1987 (Table 4). In 1987 Dana people had options; in 2004 they get directives. Furthermore, the general goals given in 1987 have been transformed to quantifiable objectives in 2004, as in “Dana is committed to 40 hours of education per person per year.”

The transition from options to directives coincides with organizational change. The ORGANIZATION section asks that individuality and disdain for “company wide procedures” be replaced with “common processes.” “Teamwork” unseats “the entrepreneurial spirit” of 1987.

Table 4. Comparison of Content in PEOPLE Section

1987	2004
<p>...encourage all Dana people within the entire world organization...</p> <p>... people should be involved in setting their own goals...</p> <p>...people should accept only total quality in all tasks they perform.</p>	<p>...environment that values, respects and promotes <i>diversity</i> of people at all levels...</p> <p>... <i>is committed to 40 hours of education per person per year.</i></p>
<p>...all Dana people should identify with the company. <i>This identity should carry on after they have left active employment....</i></p> <p>We believe that wages and benefits are the concern and responsibility of managers.</p> <p>...Management Resource Program... development of qualified Dana people.</p> <p>We encourage income protection health programs and education.</p> <p>...on-the-job training is an effective method of learning.</p> <p><i>A Dana manager must prove proficiency....[and] must prove ability as supervisors to be able to get work done through other people....</i></p>	<p>... professional and personal development of all Dana people.</p> <p>All Dana supervisors must review the job performance of their people...</p> <p>In the final analysis...Dana people should be involved <i>in setting their own goals...</i>and are <i>individually responsible for shaping their future at Dana.</i></p> <p>Dana people are expected to generate <i>at least two ideas per person per month with a goal of 80-percent implementation.</i></p>
<p>We believe in <i>promoting from within....</i> Dana people interested in other positions are encouraged to discuss job opportunities with their supervisors.</p> <p><i>Managers are responsible</i> for the selection, education, and training of all people.</p>	<p>...<i>promotable people</i> should move across product, discipline, organizational, and regional lines.</p> <p>We believe in providing...locally competitive wages and benefits...</p>
<p>...programs to support the Dana Style.</p> <p>... professional and personal development of all Dana people.</p>	<p>...encourage Dana people across the entire global organization to become shareholders and own a part of their company.</p> <p>... all Dana people should identify with the company.</p>

The notion that “[o]rganizational structure must not conflict with doing what is best for all of Dana” remains intact. But in the revised statement it is newly prefaced with “We are one team” as seen in Table 5.

Table 5. Comparison of Content in ORGANIZATION Section

1987	2004
...discourage conformity, uniformity, and centralization.... We do <i>not believe in company wide procedures.</i>	We are one team.... And we believe in common processes ...
... <i>individual maximum freedom</i> to perform and participate. ...stimulate initiative, innovation, and the <i>entrepreneurial spirit</i>encourage creativity, innovation, <i>teamwork</i> , and individual initiative. ...flexible and dynamic, providing our people maximum freedom to perform and participate, while demanding <i>accountability</i> .
... <i>support groups</i> to service specialized needs of <i>the Policy Committee and the world organization</i> at large as requested. ... task forces rather than permanent staff functions.	... <i>support groups</i> that service the needs of <i>the global organization</i> in common processes that leverage...

Individual freedom becomes freedom for “our people . . .to perform and participate” to which “accountability” is now attached.

In summary, we see strategic shifts in the rearrangement, addition, and content of sections: external replaces internal focus, “meeting” needs becomes “exceeding” them, and individuality is replaced with teamwork and centralized control.

Rhetoric as Identity

Second, we turn to *rhetoric as identity* as seen the in the use of opening sentence subjects.

A similarity between the 1987 and 2004 statements is the extensive use of opening subject sentences referring in some way to the company itself, its employees, or various sectors of these employees: e.g. “Dana people,” “Any Dana person,” “All Dana supervisors,” “The Executive Committee,” “The Dana Corporation,” “Dana,” or “We.”

As shown in Table 6, 66% of the opening sentence subjects in the early PPD are “employee denoting.” This goes up to 83% in 2004. The story behind these percentages begins to unfold when we break these “employee denoting” subjects into two groups: (1) “we” subjects (see B1 in Table 6) and (2) “other employee” subjects (see B2).

“We” as Opening Sentence Subject

In the two PPDs, the number of “we” opening subjects is exactly the same, at 50%. In both statements “we” functions to include readers who most likely had little to do with creating policy, while “you” remains absent.

But who is “we”? Both statements include one subject indicating that “we” in many instances is really upper management.

The 1987 version reads:

The Policy Committee is responsible for developing the corporate strategic plan.

The 2004 version reads:

The Executive Committee is responsible for developing the corporate strategic plan.

Substituting “we” in this instance-- “*We* are responsible for developing the corporate strategic plan,” may have falsely represented the point that strategic planning rests with executives at corporate headquarters.

Meanwhile, many uses of “we” very clearly refer to management generally. Consider changing “*We* encourage professional and personal development of *all Dana people*” to “*Management* encourages professional and personal development of *all Dana people*.” Or notice how easily “*We* endorse productivity plans that allow *people* to share in the rewards of productivity gains” can be altered to “*Management* endorses productivity plans that allow *people* to share in the rewards of productivity gains.” In both cases the easy shift to “management” shows that “we” does not mean the employees or the readers.

Table 6. Opening Employee Subjects

Section Headings	A		B		B ₁		B ₂	
	# of Sentences		# of “employee denoting” subjects		“we” subjects		“other employee” subjects	
	87	04	87	04	87	04	87	04
EARNINGS/PURPOSE	2	1	1	0	1	0	0	0
CUSTOMERS	8	7	4	7	3	4	1	3
PEOPLE	24	15	20	15	16	10	4	5
COMMUNICATION	5	4	4	3	2	2	2	1
PLANNING	7	4	3	2	1	1	2	1
TECHNOLOGY	NA	2	NA	2	NA	1	NA	1
GROWTH	2	4	2	2	2	2	0	0
ORGANIZATION	10	6	6	5	6	5	0	0
SUPPLIERS	NA	4	NA	3	NA	1	NA	2
QUALITY	NA	4	NA	4	NA	1	NA	3
CITIZENSHIP	8	9	4	7	2	3	2	4
Totals	66	60	44	50	33	30	11	20
Percentages			66	83	50	50	16	33

Masterfully, in both statements “we” often softens the hierarchical organizational reality, suggesting a cooperative partnership (Rounds, 1987). “We” personalizes management decisions.

Dana does not abandon this in 2004. The inclusive “we” remains, despite downsizing, loss of jobs, uncertainties, and the suggestion that ultimately a Dana person is “on his or her own.” As observed in the earlier PPD, so too in 2004, the extensive use of “we” suggests considerable writer discernment (Rogers & Swales, 1990).

“Other Employee” Subjects

There are differences in the use of “other employee” subjects such as “Dana people” and “Each manager” however. Their use rises from 16% to 33% in the 2004 version. Occurrences of “Dana people” increase in 2004 from two to six. In the newer statement there are also twice as many uses of “Dana” as an adjective as in “Dana people,” “Any Dana person,” and “All Dana supervisors” (Table 7). These “other employee” subjects suggest that the 2004 PPD is more Dana or company oriented; testimony to corporate centralization perhaps.

Table 7: Employee Denoting Phrases as Subjects

	1987	2004
Dana people	02	06
All Dana people	02	02
All managers	01	01
All Dana supervisors	00	01
Any Dana person	00	01
A Dana manager	01	00
Individuals	00	01
The people who know	01	00
These people	01	00
Managers	01	00
Each manager	01	00
Total	10	12

Determiners

Determiners in the subject phrases denoting “other employee” subjects also increase in 2004. It must be noted that both PPDs use “All” as a determiner with equal frequency, as in “All Dana people” and “All managers.” However, the 1987 statement uses more as in “The people,” “These people,” and “Each manager,” whereas the 2004 PPD has more subjects without determiners such as “Individuals,” and “Managers,” communicating less attachment and more detachment perhaps. As Dana centralized, personal identity and security as a “Dana person” seems to have decreased.

For example, both versions of CITIZENSHIP differentiate “The Dana Corporation” and “All Dana people” from those who violate the law or engage in misconduct. But the 1987 version states this passively.

It is expected that no one would willfully violate the law and subject themselves to disciplinary action.

Moreover, the “no one” of 1987 may evoke “no one of us.” This, plus the inclusion of “would willfully,” suggests confidence that Dana employees would not violate the law deliberately.

By contrast, the 2004 version converts to active voice using “individuals” as the sentence subject.

Individuals involved in misconduct will be subject to appropriate disciplinary action.

And why not? Could one say: “Dana people involved in misconduct will be subject to appropriate disciplinary action”? The active “individuals” coupled with the stronger modal “will” (instead of “would” from the earlier version) could have a distancing effect with the expectation of individual responsibility and the threat of disinheritance quite clearly drawn.

Admittedly, dropping of determiners from 2004 PPD and the revision of the “misconduct” sentence above could have been a simple editing attempt to make sentences more concise rather than a deliberate strategic move signaling efforts to create a distancing/detachment effect. We don’t know this without access to its authors.

The Entity “Dana” as an Opening Sentence Subject

Dana is also personified more often in the 2004 document than in 1987. In the latter statement, the corporate entity “Dana” or “The Dana Corporation” comprise the opening subject in seven sentences, while this technique was used in the 1987 PPD only twice.

Table 9. “Dana” as Opening Sentence Subject

	1987	2004
Dana is dedicated		Sentence 9
Dana is committed		S12
Dana expects		S44
Dana vigorously supports		S46
Dana believes		S50
Dana encourages		S51
Dana is a global	S46	
The Dana Corporation	S60	S53

In the revised statement “Dana” figures prominently. In the 2004 statement, Dana is coupled with strong action language, as in “dedicated,” “committed,” and “vigorously supports” (Table 9). Here again the shift toward centralization seems clear.

CONCLUSION

Comparing Dana's 1987 and 2004 strategic definitional statements suggests the potential of the Ashridge Mission Model as an instrument for discussing strategic change, areas of concern being Purpose, Strategy, Values, and Behavior Standards. Using Ashridge, the Dana we see articulated in 1987 is internally focused with an interest in solid, foundational accounting, cash control, and targeting selected markets while expecting employees to grow and show commitment even after leaving the company. Dana in 2004 looks outward with more individual accountability and centralization internally.

But as we have also seen, strategy is *communicated* via rhetorical choices. Taking a cue from Eccles and Nohria (1992) and looking more closely at the textual level, comparison suggests some rhetorical tools managers should consider when communicating change, especially the following:

- Naming and ordering broad areas of managerial concern in strategic statements such as the PPD. In the Dana case, PEOPLE remains a top priority while CUSTOMERS and COMMUNICATION are elevated in 2004. First and foremost, EARNINGS is displaced by a new statement of PURPOSE to deliver superior value to customers.
- Choosing words with care, particularly in selecting adjectives, adverbs, and verbs. For example, 1987 the interest was in *selected* markets; in 2004 it was in *global* markets. In 2004 *meeting* customer needs becomes *exceeding* needs.

Furthermore, the rhetoric of sentence subjects relates to Eccles and Nohria's notion of strategic identity. We see:

- the use of "we" to soften the hierarchical organizational reality while suggesting a cooperative partnership, which remained unchanged in 2004.
- the use of "other employee subjects" such as the increased use of *Dana people* from two to six, a testimony to increased centralization perhaps.
- the use of the company entity as an opening sentence subject. In the latter statement subjects like *The Dana Corporation* and *Dana* more than double, another nod to central control.

We also conclude that differences in the 1987 and 2004 versions of the PPD support Eccles and Nohria's notion that "strategy is a language game" (1992, p. 87).

Although on March 3, 2006, Dana Corporation filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code there is little evidence that Dana has unraveled. Corporate ability to articulate strategic change, as evidenced from this analysis, may be playing a role, although we don't know for sure. When Rogers and

Swales (1990) studied the 1987 version of the PPD, Dana granted the opportunity to meet with members of the Policy Committee who had authored the 1987 statement. Today similar access has been politely denied, meaning that our interpretation cannot be validated from the ground up. However, our Dana contact has affirmed that the company's

... leadership team has changed dramatically, starting with a new chairman and CEO. New leaders have brought different values and goals, and our culture is changing (Hartlage, 2006).

In 1986, then Dana President Gerald B. Mitchell said: "We've worked to develop communication as an art" (Rogers and Swales, 1990, p. 296). Dana's 2004 PPD suggests that this has remained true. As economic forces beyond company control necessitated radical alteration in corporate operations, so does the communication of strategy. As Dana reorganizes under the protection of US bankruptcy law, perhaps it is time for another revision a la Ashridge and Eccles and Nohria?

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APPENDIX A: 1987 STATEMENT



THE PHILOSOPHY AND POLICIES OF DANA

EARNINGS

The purpose of the Dana Corporation is to earn money for its shareholders and to increase the value of their investment. We believe the best way to do this is to earn an acceptable return by properly utilizing our assets and controlling our cash.

GROWTH

We believe in steady growth to protect our assets against inflation.

We will grow in our selected markets by implementing our market strategies.

PEOPLE

We are dedicated to the belief that our people are our most important asset. Wherever possible we encourage all Dana people within the entire world organization to become shareholders or by some other means own a part of their company.

We believe people respond to recognition, freedom to participate, and the opportunity to develop.

We believe that people should be involved in setting their own goals, evaluating their own performance. The people who know best how this should be done are the ones doing it.

We believe that people should accept only total quality in all tasks they perform.

We endorse productivity plans which allow people to share in the rewards of productivity gains.

We believe that all Dana people should identify with the company. This identity should carry on after they have left active employment.

We believe facilities with people who have demonstrated a commitment to Dana will be competitive and thus warrant our support.

We believe that wages and benefits are the concern and responsibility of managers. The Management Resource Program is a worldwide matter – it is a tool that should be used in the development of qualified Dana people. We encourage income protection health programs and education.

We believe that on-the-job training is an effective method of learning. A Dana manager must prove proficiency in at least one line of our company's work – marketing, engineering, manufacturing, financial services, etc. Additionally, these people must prove their ability as supervisors and be able to get work done through other people. We recognize the importance of gaining experience both internationally and domestically.

We believe our people should move across product, discipline, and organization lines. These moves should not conflict with operating efficiency.

We believe in promoting from within. Dana people interested in other positions are encouraged to discuss job opportunities with their supervisors.

Managers are responsible for the selection, education, and training of all people.

All Dana people should have their job performance reviewed at least once a year by their supervisors.

We believe in providing programs to support the Dana Style. We encourage professional and personal development of all Dana people.

PLANNING

We believe in planning at all levels.

The Policy Committee is responsible for developing the corporate strategic plan.

Each operating unit within its regional organization is responsible for a detailed five-year business plan. These business plans must support the corporate strategic plan and market strategies. These plans are reviewed annually.

Commitment is a key element of the Dana Management Style. This commitment and performance will be reviewed on a monthly basis by the appropriate regional operating committee and once on a semi-annual basis during Mid-Year Reviews.

ORGANIZATION

We discourage conformity, uniformity, and centralization.

We believe in a minimum number of management levels. Responsibilities should be pushed as far into the organization as possible.

Organizational structure must not conflict with doing what is best for all of Dana.

We believe in an organizational structure that allows the individual maximum freedom to perform and participate. This will stimulate initiative, innovation, and the entrepreneurial spirit that is the cornerstone of our success.

We believe in small highly effective support groups to service specialized needs of the Policy Committee and the world organization at large as requested. WE believe in task forces rather than permanent staff functions.

We do not believe in company wide procedures. If an organization requires procedures, it is the responsibility of the manager to create them.

CUSTOMERS

Dana is a global company focuses on markets and customers. We compete globally by supplying products and services to meet the needs of our customers in our selected markets.

We are dedicated to the belief that we have a responsibility to be leaders in our selected markets.

We believe it is absolutely necessary to anticipate our customers' needs for products and services of the highest quality. Once a commitment is made to a customer, every effort must be made to fulfill that obligation.

It is highly desirable to outsource a portion of our production needs. Outsourcing increases our competitiveness and protects the stability of employment for our people. It also protects our assets and assures performance to our customers.

Dana People throughout the organization are expected to know our customers and their needs.

COMMUNICATION

We will communicate regularly with shareholders, customers, Dana people, general public, and financial communities.

It is the job of all managers to keep Dana people informed. Each manager must decide on the best method of communication. We believe direct communication with all of our people eliminates the need for a third party involvement. All managers shall periodically inform their people about the performance and plans of their operation.

CITIZENSHIP

The Dana Corporation will be a good citizen worldwide. All Dana people are expected to do business in a professional and ethical manner with integrity.

Laws and regulations have become increasingly complex. The laws of propriety always govern. The General Counsel and each General Manager can give guidance when in doubt about appropriate conduct. It is expected that no one would willfully violate the law and subject themselves to disciplinary action.

We encourage active participation of all our people in community action.

We will support worthwhile community causes consistent with their importance to the good of Dana people in the community.

The Policy Committee
Dana Corporation

Approved by the Board of Directors
Dana Corporation

10/28/87

Rev. 12 1:87

APPENDIX B: 2004 STATEMENT



THE PHILOSOPHY & POLICIES OF DANA

PURPOSE

The purpose of the Dana Corporation is to deliver superior value to our customers, earn money for our shareholders, and increase the value of their investment.

CUSTOMERS

All Dana People are expected to have a passion for serving and creating value for our customers. We compete globally by supplying products and services and exceed the expectations of our customers and the ultimate consumer in everything we do.

We are dedicated to being essential partners with our customers and a world leader in customer service, quality, and technology for each of our core products.

We believe it is absolutely necessary to anticipate our customers' needs for products and services. We fulfill commitments to our customers with a sense of urgency.

Dana people throughout the organization are expected to develop enduring customer relationships based on trust and collaboration. Dana people are dedicated to making our customers successful.

PEOPLE

Dana is dedicated to the belief that our people are our most important asset. We believe people respond to recognition and trust, the freedom to participate, and the opportunity to develop.

We believe that an environment that values, respects, and promotes diversity of people at all levels strengthens our performance.

Dana is committed to 40 hours of education per person per year.

We encourage professional and personal development of all Dana people. All Dana supervisors must review the job performance of their people in writing at least once a year and work with their people to formulate development plans that will increase proficiency in their given disciplines.

In the final analysis, however, Dana people should be involved in setting their own goals, judging their own performance, and are individually responsible for shaping their future at Dana.

Dana people are expected to generate at least two ideas per person per month with a goal of 80-percent implementation.

We endorse productivity plans that allow people to share in the rewards of productivity gains.

We believe promotable people should move across product, discipline, organizational, and regional lines. We recognize the importance of gaining international experience.

We believe in providing all Dana people with locally competitive wages and benefits and in sharing the responsibility for employee well-being with our people.

We believe committed Dana people in facilities aligned with Dana's strategic objectives warrant Dana's support.

We encourage Dana people across the entire global organization to become shareholders and own a part of their company.

We believe that all Dana people should identify with the company.

COMMUNICATION

We will communicate regularly with Dana people, customers, suppliers, partners, shareholders, and the general public.

It is the job of all managers to ensure effective, two-way communication with Dana people. We believe in direct communication and involvement with all of our people. All managers shall regularly inform their people about the performance and plans relating to their operation.

PLANNING

We believe in planning at all levels.

The Executive Committee is responsible for developing the corporate strategic plan.

Each business is responsible for the development and execution of a detailed five-year business plan. These business plans must be directly aligned with the strategic plans of the corporation, its regions and global business units, and will be reviewed annually.

TECHNOLOGY

Dana people will focus on the effective and practical use of both product and information technologies to be the leader in the development of innovative components, systems, services, and processes.

We encourage the proper use of information technology (I.T.) systems as an efficient tool to support fact-based decisions in our business and communication processes.

GROWTH

We believe in consistent, profitable growth. We will grow faster than our selected markets by implementing our core business strategies. Market share leadership will be achieved through the introduction of new products and technologies, and by maximizing the benefit of strategic acquisitions and innovative partnerships. Profitable growth will result in Dana being the market share leader in our core products and our global markets.

ORGANIZATION

We are one team and our organizational structure must never conflict with doing what is best of all of Dana.

We believe in a minimum number of management levels.

Responsibility should be pushed as far into the organization as possible to encourage creativity, innovation, teamwork, and individual initiative.

We believe in an organizational structure that is both flexible and dynamic, providing our people maximum freedom to perform and participate, while demanding accountability.

We believe in highly effective corporate support groups that service the needs of the global organization. And we believe in common processes that leverage the effectiveness of our global organization.

SUPPLIERS

Dana expects total quality and value in the products and services it receives from its suppliers and partners. We also expect our suppliers and partners to share our commitment to ethical business practices.

Recognizing the vital role that innovative and reliable suppliers play in achieving our strategic objectives, Dana vigorously supports supply-chain development initiatives.

Continuous improvement in the abilities of our suppliers and partners is necessary to achieve Dana's performance goals.

QUALITY

We believe Dana people should accept only total quality in everything we do. Dana people achieve excellence through involvement and innovation. Dana believes in fact-based, continuous improvement to ensure our products and services represent the best value available anywhere. Dana encourages people to look across Dana, its competitors, and outside industries to benchmark and execute best practices.

CITIZENSHIP & BUSINESS CONDUCT

The Dana Corporation will be a good global citizen. All Dana people are expected to do business in a professional and ethical manner with honesty and integrity and in compliance with Dana's Standards of Business Conduct.

When in doubt about appropriate conduct, guidance should be sought from the General Counsel and Chief Compliance Officer, or via Dana's Ethics and Compliance Helpline. Any Dana person who becomes aware of an actual or potential violation of the Standards of Business Conduct or other incident of fraud, theft, inaccurate or misleading financial reporting, or other factor that could affect Dana's internal controls must report that matter to the Chief Compliance Officer or the Director of Internal Audit immediately. No adverse action will be taken against any individual raising a concern about business conduct if that concern is raised in good faith. Should a legal or regulatory violation occur, we will voluntarily cooperate with the appropriate authorities. Individuals involved in misconduct will be subject to appropriate disciplinary action.

We encourage the participation of all of our people in community activities.

We will support worthwhile community causes consistent with their importance to the good of Dana people in the community.

OUR PHILOSOPHY

People are our most important asset.

OUR PURPOSE

Deliver superior value to our customers, earn money for our shareholders, and increase the value of their investment.

Approved by the Board of Directors, Dana Corporation

7/7/04

APPENDIX C: DANA TIMELINE 1990 - 2006

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sales (US\$billion)	5	7.6	7.7	11.9	12.5	13.2	12.3	10.3	9.5	7.9	9	8.6	
Staff Strength		45,000	46,000	48,000	79,000	86,000	80,000	75,000	60,000	60,000	45,000	46,000	46,000
Global Presence (Countries)		29	29	30	33	32	32	34	30	30	30	28	28
% share of Global Sales	26%	28%	32%	28%	41%					45%	35%		
CEO	Woody Morcott						Joe Magliochetti				Mike Burns		
Significant Events	Gerry Mitchell retires after 45 years. Woody Morcott named Chairman & introduces "Beyond 2000," a strategy for long-term growth in international.	Acquired 30 companies between 1994 to 1997, all but six outside the U.S. & American companies with extensive international operations. Dana named one of the "Best 100 Growth Companies" by Financial World.	Acquired 12 companies and 30 factories. Ranked 169 on Fortune 500. Dana is the largest U.S.-based independent manufacture of automotive components for the passenger car, truck, and off-highway vehicle markets.	Identified in Better Investing Magazine's Top 100 Stocks List; Dana among top stocks in NAIC Growth Fund Portfolio (Apr 97)	Acquired Echlin Inc., valued at \$3.9 million, the largest transaction in the history of the automotive components industry, becoming one of the world's largest independent companies supplying components to both automotive original equipment manufacturers & aftermarket. Named one of the world's 100 best-managed companies by IndustryWeek magazine. Dana's Board of Directors selected as one of the five best in the United States by Chief Executive magazine	Joe Magliochetti named CEO. Woody Morcott remains as Chairman.	Magliochetti takes over as Chairman; Mrocott retires. Auto Industry dives with economic downturn.	Announced the largest restructuring initiative in its history with plans to reduce global workforce by more than 15%	Reduced workforce by about 10,000 people (13%) from October 2001 through the end of 2002.	Hostile Takeover attempt with plunge in share price. Magliochetti dies suddenly.	Appointed Mike Burns as CEO. Launched Centennial Celebration with "Vision 2010" including a revised PPD. Centralized by leveraging global sourcing, eliminating duplication, driving commonality to achieve economies of scale in purchased goods and services, standardizing operational processes (e.g. information technology), & promoting greater sharing of best practices. Ranked 193 in Fortune 500.	Fortune 500 ranking drops to 201. Eliminated an employee stock purchase plan with a 50 percent match, asked employees to pay more for health-care plans, stopped match for employee long-term savings plans, and suspend wage and salary increases worldwide. Policy Committee apparently replaced by 5-member Executive Committee.	Files for Bankruptcy in March. Executive Committee membership increased to 14.
Share Price (Dec)	21.66	25.72	29.59	44.25	36.76	29.52	15.31	13.88	11.76	18.35	16.23		0.66