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Good and Evil in the Chairmen’s ‘Boiler Plate’: An Analysis of Corporate Visions of the 1970s

Julie E. Kendall

Abstract

Boiler plates, the chairman’s message that begins each corporation’s annual report, provide a reflection of the self-image of American big business. This paper uses the method of dramatism for discovering and interpreting corporate dramas inherent in the language of the boiler plates of the Dow Jones Industrials. The U.S. economy of the 1970s provides the dramatic setting, with the company as hero, the government as villain and public interest groups as minor players. The overriding corporate drama can be traced to the archetypal drama of pure competition. Understanding corporate dramas allows us to see how companies create a shared rhetorical vision to unify their shareholders with management and employees, label actions as good or evil, and influence the public by putting forward a positive corporate self-image.

Introduction

America’s large corporations are frequently characterized as profit-mongering, ubiquitous and uncaring by large sections of the American public (Efron 1979). In the rhetoric of these groups, big business is bad. They may argue for it to be regulated by pitting business against government, by breaking it up or by halting its growth.

In response to these groups, American big business seems determined to prove (rhetorically anyway) that it is not solely concerned with profit-making, but that the welfare of people and communities with which it comes in contact are also prime concerns. American business portrays itself as unduly constrained as it struggles to meet public and governmental demands, while still making a profit.

Large corporations employ millions of people in the United States, and also retain millions of stockholders. Undeniably, one motivation of the corporations and their shareholders is to maximize the return on their investment, but what other motives and values are appealing to shareholders? What attracts them to, and keeps them unified in, a social enterprise with ‘their’ corporation?

Rhetorical dramas are created by both American big business and public groups in attempts to forge social reality for their adherents. These pro-
vide rich, untapped sources of rhetorical strategies which are used to further the dialectic of private vs. public concern.

One forum where shareholders, employees, management and legislators are regularly addressed is the annual financial or corporate report. This paper uses dramatistic analysis to interpret the language of the chairman's message in annual corporate reports in order to document and understand the dramas played out annually on their pages. Some argue that corporate reports are obviously self-serving. Organizations quite openly use them to paper over problems and create a deceptively smooth façade. That is true, but it is not all. What is the public image corporations seek to impress upon us?

It is important to study boiler plates of annual reports precisely because it is communication over which organizations exert complete control. It is the embodiment of the organization's ideal. Studying boiler plates allows us to see organizations in what they consider to be their most impressive light. What is said and what is left unsaid, what is touted and what is ignored can all be answered when we examine the rhetoric of corporate reports. One researcher in corporate policy wrote, 'The examination of the annual report should be included in a study of corporate discretionary performance, since it is one of the few pieces of publicly available reporting on the companies' activities' (Labatt 1991: 176). Jarvenpaa and Ives (1990) used content analysis to study the chairman's boiler plates for the years 1972-1987 in order to gain insights into the strategic use of information systems. Fiol (1989) did a semiotic analysis of chairmen's boiler plates in order to understand which firms have a propensity for joint ventures. Bettman and Weitz (1983) studied specific instances of causal reasoning in corporate reports from 1972 and 1974 in order to better grasp patterns of attributions in explaining corporate performance.

Researchers examining the messages in the chairmen's boiler plate can rightly ask many questions as the corporation seizes centre-stage. What is brought to light under this carefully contrived staging? How does the corporation unite followers, warn opponents, harmonize with the environment, thwart competitors and justify its actions — and to what end? In what way are they hoping to influence us? Within the annual reports they are able to counter or transcend all the uncontrollable communication from others who tarnish their image within the course of a year.

Justification

In spite of the fact that corporations increase yearly in size and influence, there is a dearth of rhetorical analysis of organizational communication of any kind. This study attempts to begin rectifying this neglect. Brown and Crable (1973) point to the increasing involvement of corporations in shaping American life. They identify major rhetorical dramas of...
corporations as they attempt to refute or reverse charges of environmental pollution through mass-media advertising. This paper examines rhetorical messages of corporations in which the corporate voice narrates the entire drama and the audience is composed of those who may eventually show an interest in the organization for some reason. Corporate information officers in charge of writing and circulating annual reports can list many different groups among their audiences, in addition to shareholders. They aim annual reports at a broad target that includes current and prospective employees; financial analysts, suppliers and anyone who might be involved in a past or upcoming merger or acquisition. Some even say that anyone who visits their business receives a report.

By the same token, information and corporate officers view the annual report as having purposes going well beyond merely fulfilling the reporting requirement set up by the SEC. By their own avowal, those who foot the bill for the reports expect them to serve multiple functions. Their stated purposes for annual reports include: recruiting employees, raising the morale of employees, increasing the visibility of their sales force, improving community relations, increasing corporate identification and marketing, promoting geographical regions and lobbying for both economic and political causes. The extensive audiences and diverse purpose anticipated for the annual report are also reflected in the fact that corporations routinely print two to three times as many reports as they have shareholders, at a cost to the corporation of $1.50-$2.50 per copy, just for designing and printing (Alsop 1978).

In this paper, I use dramatism (based on Bormann’s work, 1972) as a critical method to examine multiple levels of the drama serving to unify the corporation and its many constituents in a shared rhetorical vision. Insights are offered into the motives and values of corporations as revealed by the ‘corporate voice’ expressed in the annual report. This is useful from a purely innovative standpoint — few studies to date have examined corporate reports for answers to these types of questions. This study allows us to break away from the erroneous assumption that corporate dramas only play out economic themes, and instead involve the reader in analysing the multiple rhetorical visions of corporations within their own contexts.

It is then possible to examine how those rhetorical visions function to keep American big business and its constituents united as a social enterprise amidst harsh criticism of the corporations as a social entity. Additionally, I speculate on the archetypal origins of corporate dramas and their potential impact on the society at large.

The Dramatistic Perspective

The last 30 years or so have experienced an ever-expanding use of dramatism as a social science method. Many researchers have embraced
dramatism as a way to understand, interpret, predict and even change modern social interactions. While the use of dramatism has blossomed, its definition and practices have also.

A lively debate continues as to whether dramatism discovers a metaphor for life or whether life is actually played out in a dramatic manner. There is ample research that points to the usefulness of taking up any number of dramatistic perspectives as legitimate and meaningful methods (Combs and Mansfield 1976; Mangham and Overington 1987).

Kenneth Burke (1969a,b, 1984) (and see also Southwell 1978) is perhaps the scholar most closely identified with the method of ‘dramatism’, and since he developed a dramatistic pentad (act, scene, agent, agency and purpose) many successful rhetorical critiques have been accomplished using his method. Klumpp and Hollihan (1979) used Burke’s pentad to study the moral significance of public demands for the resignation of Secretary of Agriculture Earl Butz because of a racist remark. Thus relieved, the public felt no need to address the real problem of its own, private, racist language. Cheney (1983) used Burke’s work on identification to understand how internal communication fosters employee identification with the organization.

Departing from rhetorical criticism as an end in itself, Mangham (1978) drew on Burke and others to map out a practical application of dramatism for use in organizational interventions. Mangham and Overington (1983) acknowledge their debt to Burke and extend Burke’s dramatistic perspective, arguing that the dramatistic metaphor is a means to demystify the drama and return to consciousness elements that may have been ignored or repressed. They proposed a theory and a method for using dramatism to thoroughly analyse organizational life.

Mangham and Overington’s drama metaphor can be extended to analyse the action of executives and employees in organizations. Kendall and Kendall (1981, 1984) enlarge the metaphor (in this case a film) by developing a method for analysing the costumes, setting, lighting and props used in corporate dramas, and conclude that organizational members (actors) often contradict what they say in the organizational narrative (interviews) by the way they interact with their props and surroundings.

In another dramatistic manifestation, systems analysts are encouraged to describe the activities of managers using a playscript (Kendall and Kendall 1988).

Although Burke is often considered synonymous with dramatism, dramatistic schemes that are not directly attributable to Burke were used by researchers such as Goffman (1959) and Thompson (1976). These researchers, and others using non-Burkean forms of dramatism, represent various disciplines including sociology, organizational behaviour and speech communication, so it can be reasonably demonstrated that ‘dramatism’, in its different conceptualizations, has made a mark right across social science.

Parallel to the growth of a variety of dramatistic methods and metaphors in other disciplines is the growth of a particular kind of dramatism in
speech communication arising out of small-group research and conceptualized by Bormann (1972, 1980, 1982, 1983). His particular use of dramatism (which he also calls ‘fantasy-theme analysis’) is rooted in the study of messages, created through social interaction of small groups, which then ‘chain out’ into larger society.

Bormann notes that fantasy-theme analysis differs from other dramatistic approaches to communication in that it does not ‘explain direct experience’, but rather it ‘examines messages which dramatize events in the past, in the future, or at some other place’ (Bormann 1972: 400). Many critics have often successfully used Bormann’s dramatistic (also called ‘fantasy-theme’) analysis to trace dramatic themes as they migrate from their small-group origins to the mass media. Mayerle’s (1987) analysis reveals how the small-group fantasies of writers and producers, initially favourable towards a challenging project, changed as the scripts for their controversial new television show were actually written. Scharf (1986) used fantasy-theme analysis to study newspaper and magazine accounts of the John Hinckley trial, highlighting the changes in the public images of psychiatrists. Vatz and Weinberg (1987) examined the ethics of critics using fantasy-theme analysis to put forward their own political causes.

Although many of the studies cited examined mass-media accounts of events, there are some precedents for using Bormann’s approach when examining corporate rhetoric as well. Cragan and Shields (1981) have laid impressive groundwork in the application of Bormann’s dramatism to corporate communication. They have had both such scholarly and practical success in their use of dramatism to study the persona of firefighters, help a pharmaceutical company determine what dramatic visions were guiding their management groups, as well as determining which dramas to employ in attracting farmers to use that company’s sophisticated biologicals to improve their herds.

**Dramatism as a Mode of Analysis**

In this paper, dramatism (as created by Bormann 1972 and applied by Cragan and Shields 1981) is used as a humanistic method. Its primary assumption is that the dramas created through small-group interaction are spread via written speeches and documents in a chain reaction, until they reach the mass media. Therefore, the written word provides external evidence, ‘hardened history’ of the dramas people create in their interactions, which can be revisited again and again by anyone using a dramatistic approach. Rather than examining the audience, probing the psychological state of the speaker, or observing the physical setting, dramatism, as defined by Bormann, looks to the rhetoric alone for its understanding.

In this paper, dramatism is used to understand the dramas present in the rhetoric of corporate CEOs present in annual reports in the chairman’s
boiler plate. Other rhetorical/critical methods may indeed look at how a particular speech is delivered, the audience characteristics, the internal psychological state of the speaker, their gestures and intonations, but dramatism in this form looks at the rhetorical vision and the dramas used to paint it in the _written word alone_. This becomes a highly useful method when organizational researchers come to grips with the reality that much of what is expressed in the organization is only available for study in written form — time, space and access constraints being what they are.

The theory of Bormann's dramatism is based on his empirical work with small groups. When Bales (1970) changed one of the 12 categories in his group-interaction coding system from 'relieves tension' to 'dramatizes', Bormann experienced a breakthrough in his conceptualization of how groups create, share and sustain a rhetorical vision. After many years of observation, Bormann noticed that small-group members dramatized events, casting heroes and villains, placing blame and praise, finding a sanctioning agent for their actions. Bormann theorized that dramatizing helped group members to create a rhetorical vision, built up of what he described as 'fantasy themes'. Bormann further believed that fantasy themes were picked up by others and that the more persuasive the rhetorical visions were, the further they 'chained out' into written documents, and eventually the mass media, where they could once again be seized upon and recycled to small groups.

Bormann believed that by examining the written texts of group outputs, the rhetorical critic could use a humanistic approach to understand and interpret the rhetorical vision of a group. He believed that the dramas were present in a group's written words, and that the dramas' indisputable presence made them a worthy object of study in their own right. Other researchers have subsequently applied Bormann's type of dramatism in order to understand and interpret interview transcripts (Cragan and Shields 1981), texts of speeches and diplomatic communiqués, and even mass-media coverage of events (Rarick, Duncan, Lee and Porter 1977).

Bormann's (1972) type of dramatism can be considered a metaphorical filter for examining rhetoric, in the way that Morgan (1986) discusses the usefulness of suggesting metaphors for the diagnosis of organizations. Bormann suggests the use of the dramatistic filter for approaching written texts.

Bormann's method of dramatism differs from Mangham and Overington's idea (1987), published 15 years later, for using the 'organization as theatre' metaphor as a social-science approach. The most notable difference is that Bormann made a distinct break from other rhetorical critics by suggesting that dramas (which manifest meaning, emotion and motive: heroes, villains, sanctioning agents and so on) were present in the rhetoric itself as it is written. Alternatively, Mangham and Overington seem to suggest the utility of seeing the whole of the organization as a metaphor, including the space, props, costumes of key actors and their scripts.
Bormann’s dramatism is particularly well suited to investigation of written texts and thus does not require as data additional physical or interactionist elements of the dramaturgical metaphor as proposed by Mangham and Overington.

Dramatism Compared to Content Analysis

The methods of dramatism (Bormann 1972) and content analysis (Krippendorff 1980) share some of the same conceptual grounding. Both take as their starting point the written word. They both examine written texts for insights into the subject at hand. However, in application, purpose and guiding assumptions they quickly diverge. One researcher defined content analysis as ‘a research technique for objective, systematic and quantitative description of the manifest content of communication’ (Berelson 1952: 18). In contrast, dramatism can correctly be viewed as subjective, systemic and qualitative.

Subjectivity as an assumption for using the dramatistic method owns up to the fact that the value of what critics find in a text depends on who they are, what they know and how they use their knowledge to identify and interpret dramas. In essence, subjectivity means bringing the human element to criticism. The more talented (e.g. subjective) the critic, the more meaningful the understanding to be gained from their use of dramatism.

Dramatism also departs from content analysis in that a dramatistic critic takes a systemic viewpoint as opposed to a systematic one. In dramatism, the critic is concerned with the whole of the rhetoric wherein the drama unfolds. Rather than systematically deconstructing a text by counting words, phrases and structures, the dramatistic critic attempts to discern dramas that compose an overall rhetorical vision, experiencing the text to arrive at an interpretation of the system in its entirety.

Finally, dramatism as originally envisioned by Bormann is a qualitative method as opposed to the quantitative use of content analysis. Qualitative methods are used when researchers believe the problems they wish to study are ill defined. Certainly, trying to understand how large corporations create reality, gain and retain adherents for their rhetorical vision of the world is not well defined. Analysis of corporate reports lends itself to a qualitative method such as dramatism which brings a fresh perspective to an aspect of corporate life which is heavily burdened with traditional expectations, but is rarely understood other than in economic terms. Dramatism as a qualitative method permits the researcher to acknowledge that more is going on in the corporation and that is worthy of serious exploration.

Dramatism as Applied in this Study

Because of the advantages presented above, data were analyzed using Bormann’s dramatic perspective. Generally, this process entails looking
for dramas present in each report, then attempting to generate structures which are found to recur. A first step is to look for and list God and devil terms (see Exhibit 1). These are used to delineate the moral attitudes towards actors, actions and objects basic to the general drama. Bormann (1972) provides questions that the critic can ask once the general drama has become apparent. These include, ‘Who are the dramatis personas? . . . Who are the heroes and villains? . . . For what are insiders praised, the outsiders or enemies castigated? . . . Where are the dramas set?’ (p. 401). Dramatism is meant to be systemic, rather than systematic. One examines the whole rather than a collection of parts.

One of the advantages of this approach to dramatism is that results of criticism can be checked against one’s own, as Bormann (1972) notes:

‘To view motives as embedded in the rhetorical vision rather than hidden in the skulls and viscera of people makes it possible to check the critic’s insights by going directly to the rhetoric [emphasis added] rather than relying on inferences about psychological entities available for analysis.’ (p. 407)

### Exhibit 1

<table>
<thead>
<tr>
<th>God Terms</th>
<th>Devil Terms</th>
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<tbody>
<tr>
<td>God and Devil Terms in the Corporate Drama</td>
<td></td>
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<tr>
<td>Competitive position</td>
<td></td>
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<tr>
<td>Customer</td>
<td></td>
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<tr>
<td>Employee dedication</td>
<td></td>
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<tr>
<td>Employee hard work/efforts</td>
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<tr>
<td>Employee loyalty</td>
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<tr>
<td>Extended length of service</td>
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<tr>
<td>Free competition</td>
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<tr>
<td>Goals</td>
<td></td>
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<tr>
<td>Growth</td>
<td></td>
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<tr>
<td>High growth</td>
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<tr>
<td>Higher dividends</td>
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<tr>
<td>Improvement</td>
<td></td>
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<tr>
<td>Increased sales</td>
<td></td>
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<tr>
<td>Innovation</td>
<td></td>
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<tr>
<td>Profits</td>
<td></td>
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<tr>
<td>Progress</td>
<td></td>
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<tr>
<td>Reasonable contract demands</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
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### Devil Terms

Devil terms promote cohesiveness within the corporate group by delineating as targets enemies and all evil actions or objects which are assumed to hamper or mar the otherwise successful operation of the corporation.

<table>
<thead>
<tr>
<th>Anti-trust litigation</th>
<th>Legislation</th>
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<tbody>
<tr>
<td>Contract demands</td>
<td>Legislators</td>
</tr>
<tr>
<td>Decline in sales</td>
<td>Losses</td>
</tr>
<tr>
<td>Environmental clean-up costs</td>
<td>Mandatory wage and price controls</td>
</tr>
<tr>
<td>Federal Drug Administration</td>
<td>Minorities</td>
</tr>
<tr>
<td>Federal Trade Commission</td>
<td>Recession</td>
</tr>
<tr>
<td>Foreign competition</td>
<td>Regulations</td>
</tr>
<tr>
<td>Handicapped</td>
<td>Regulatory agencies</td>
</tr>
<tr>
<td>Inflation</td>
<td>Unfair competition</td>
</tr>
<tr>
<td></td>
<td>Women</td>
</tr>
</tbody>
</table>
The dramatistic method of analysis presents assumptions important for the reader to appreciate. The first is that the focus is on the \textit{message}, not the speaker, audience or situation (Cragan 1975: 5). Dramas are contained within the rhetoric itself. Bormann (1972) notes that rhetorical critics should begin with the assumption that:

'When there is a discrepancy between the word and the thing, the most important cultural artifact for understanding the events may not be . . . the "reality" but the words. Indeed, in many vital instances the words . . . are the social reality.' (p. 40)

A second assumption of dramatism involves the belief that small-group fantasy themes spread in a chain reaction (Bales 1970; Bormann 1972) into mass media, until the media adopts the same fantasies. The fantasies can again be absorbed and recycled for use in small groups. Dramatism assumes that messages contain dramas whose strategies can be developed and understood by the rhetorical critic as a recreation of a group's symbolic reality. A fourth assumption is that those caught up in the rhetorical vision do not perceive the choices in strategy available to them (Cragan 1975: 7). Thus the vision of originator of the message may be so fixed that alternative strategies are not perceived.

I have adhered to these assumptions in this work. Events, audiences and speakers are not examined; rather, the message contained in the annual report alone is the unit of criticism. Furthermore, it is clear that the small-group fantasies of upper-level managers (Barmash 1978) have chained out into mass-circulated corporate reports. Sensitivity to the chaining-out process inherent in fantasy themes allows a more insightful understanding of the corporate rhetorical vision as it has chained out from management groups. Finally, I feel justified in pointing to rhetorical strategies which may not be perceived by those actively working within the corporate vision, but which I feel are, none the less, present in their messages.

Data Collection

The starting point for data collection was the use of the 30 companies which comprise the Dow Jones Industrials. The companies making up the Dow Jones Industrial Average (DJIA) were chosen as a purposive sample because of their diversity and capitalization. The value of these 30 companies alone accounts for over one-quarter of the value of all listed stocks (over 5,000) on the New York Stock Exchange (Berlin 1990). The companies included in the DJIA change over time, but overall they are central to the \textit{image} of American big business. While they are not representative of American big business as a whole, they do provide an accepted reflection of the rhetorical corporate image. It should be noted that the Dow Jones Industrial Average is the one business indicator broadcast daily on national newscasts in the United States.
Although the entire decade of the seventies is of interest now that sufficient time has elapsed for the rhetoric to be analysed clearly, the amount of data to be dramatistically critiqued in surveying the decade proved unwieldy. Therefore, the reports of certain years were chosen for analysis to eliminate undue bias in the dramas, and also to enable the author to capture the flavour associated with economic fluctuations in the report rhetoric. A purposive sample was taken in order to eliminate bias — consequently, one good economic year (1972), one bad one (1974) and one uncertain year (1978) were chosen.

During 1972, the Dow Jones Industrial Average convincingly broke through the 1,000 barrier for the first time in its history. The Dow Jones hit an all-time high of 1,067.2 during the second week of 1973 (Securities Research Company 1980). Therefore, the designation of 1972 as a ‘good’ economic year is appropriate. In 1974, in the first week of December, the Dow Jones Industrials hit a 12-year low of 570.0. Thus the designation of 1974 as a ‘poor’ year economically is an appropriate label. In 1978 the Dow Jones Industrials closed the year within 30 points of where it began, and fluctuated between 736.7 and 917.3. For this reason, it seems appropriate to designate 1978 an ‘uncertain’ economic year.

The study of messages contained in annual reports would only be of interest, of course, if there was evidence that intended audiences actually read the reports. Several surveys assert that they do. Financial analysts have rated corporate reports as their second most important source of information (‘Annual Reports’ 1984). In the 1960s, 60 percent of financial analysts said they spent more than one hour reading the reports of companies in which they were interested (‘Business Bulletin’ 1972). Individual investors, another intended audience, also read annual reports: 18 percent said they ‘study’ the reports, 33 percent that they ‘read’ them and 43 percent that they ‘skim’ them. Less than 5 percent said they ‘don’t read’ reports at all (Hill and Knowlton 1984). Employees also agree that they get more information concerning the financial performance of their company through annual reports than through company newspapers, group meetings or the news media (‘How Are We’ 1986).

Faced with the problem of how to capture the essence of the corporate drama when much visual and financial information in the reports was not amenable to dramatistic analysis, I decided to examine the language of what is often referred to as the ‘boiler plate’, the chief executive Officer’s (CEO) overview of the passing year which introduces and justifies the rest of the annual report.

This seemed sound for several reasons. First, all the corporate reports of the 30 Dow Jones Industrials contained this kind of message. Second, the messages each cover approximately two pages so they are of comparable length and somewhat standardized, while the total reports vary considerably in this respect. Finally, the CEO’s message is sustained enough to reveal dramas that create rhetorical visions, while the remainder of the reports present difficulties in this regard.
To summarize, data were drawn from boiler plates of the corporate or annual reports of 30 Dow Jones Industrials for 1972, 1974 and 1978. The unit of analysis for each report was the CEO's two-page message which typically begins the report. Data were analysed from the dramatistic perspective described earlier.

**The Corporate Vision**

The following provides an overview of the rhetorical vision portrayed in the dramas of corporate reports. The rhetorical strategies discovered are similar to those of big business illuminated in other works and messages (Brown and Crable 1973). This study confirms and extends what Barmash (1978) found in his detailed interviews with Corporate Executive Officers.

The corporate vision features the heroic corporation against the evil outside forces of government and the regulations brought about by pressure groups. In this section, I relate my dramatistic interpretation of the corporate vision, which is that the U.S. economy is the dramatic setting, the corporation is cast as hero, the government as villain and various pressure groups are cast as minor players in various corporate dramas. The analysis is completed with a consideration of subplots and rituals. Representative passages from selected annual reports that crystallize the rhetoric resonating throughout the corporate vision are cited in the remainder of the paper.

**The U.S. Economy as Dramatic Setting**

The drama unfolds within the U.S. economy, for the most part ignoring internal organizational settings for a more encompassing one. Even multinational corporations opt for using the U.S. economy as their setting. Hence profits, losses and sales figures open the drama, setting the action. No matter what the economic conditions, whether it's a boom year, whether there is recession or inflation, the economic setting is remarkably pervasive.

Framing the corporation into an economic, rather than a social or political setting cues the use of both quantitative and qualitative approaches for discussing corporate behaviour over the economic year. The drama often opens with a flurry of dollar signs and percentage points, all economically valid expressions. Gains, losses, inceases in dividends paid and price increases are all useful terms when taking an economic vantage. However, explanations for the losses or gains are presented as dramatic narrative rather than quantitative data.
The Corporation as Hero

Clearly, the hero of the corporate drama is what is variously called in the reports 'the company', 'your company' and 'our company'. Individuals, management, and separate businesses under the corporate umbrella are all secondary in importance and action to the image purveyed of one united company. In 89 percent of the reports examined, the company was strongly represented as hero.

Separate strategies are used for explaining good and poor performances. Losses are imputed to factors outside the organization over which there is no control. Conversely, when sales are good, or profits high, factors cited as contributing to success include savvy management strategies as well as internal reorganization.

When a bad economic year is in the offing, the hero is not to blame. A representative statement from the Owens-Illinois 1972 Annual Report justifies losses:

'Glass container division sales increased modestly, but profits decline due to adverse market and weather conditions which were not offset fully by improved prices.' (p. 3)

Eastman Kodak used the same rhetorical strategy in 1974:

'But not even the best efforts of Kodak people could completely offset the impact of negative forces which came to bear on earnings through much of 1974 . . . markedly higher raw material prices . . . larger expenditures for research and development; and substantial increases in wages and salaries, following an extended period of federal controls.' (p. 3)

Rhetorical strategies for showcasing increased profits of a good year often centre within the corporation itself. Clearly, the elements for good are under the control of the organization. Praising management and employees for gains in the marketplace serves to encourage pride and harmony and a feeling of mastery over the direction the corporation is taking. (Interestingly, dramatistic analysis confirms the earlier findings of Bettman and Weitz 1983 who, using a different method of analysis, reached similar conclusions about causal attributions for good and poor corporate performance.)

Owens-Illinois, already cited for the blame-placing strategy they use to explain away losses, illustrates well how both strategies co-exist in a report, apparently without concern that they may arouse suspicion of inconsistency. In 1972, they wrote:

'An important, far-reaching action taken by the Company in June, 1972, was the streamlining and realignment of our organization to make it more productive and responsive to our corporate goals and objectives.' (p. 3)

From this it is clear that the organization believes goals are achievable and controllable through internal corporate action.
The attribution of power to internal factors is obviously a strategy for unification. The placing of blame for failures outside the organization promotes internal cohesion, and allows the group to circle the wagons in attempts to combat the effects of outside threats. It is a defensive rather than offensive strategy for rhetorically handling the problems facing the corporation.

Rationalizations for heartlessly unloading unprofitable corporate enterprises are themes of loss and gain broached in the drama, but they are never dramatically resolved within the reports. Ridding itself of ageing industries is again a controllable, positive step that the corporation can justify as improving itself for the benefit of the shareholders.

Implications in loss of employment or other human terms are rarely mentioned. Rather, these are the dramas of city councils and unemployment lines. The larger societal concerns of unemployment and the detrimental effects on communities where plants are shut down are never dramatized. American Can reported in 1972:

'We decided to shut down or consolidate, or sell, operations that had either become obsolete or marginal, that we did not believe would contribute to the sustained future growth and profitability . . . The decision to sell three pulp and paper mills was based on a different set of criteria than the can plant consolidations. These operations are still viable businesses but the products produced by them no longer fit into American Can's marketing plans.' (p. 3)

Similarly, Allied Chemical discusses its efforts in 1978:

'We have sold or shut down some unprofitable chemical operations and are resolving start-up problems.' (p. 2)

As we see in the above quotations, the larger human drama is not part of the corporate rhetorical vision depicted in the annual reports of big business.

The Government as Villain

Government agencies and the punishing restrictions associated with them are almost always the villains in corporate dramas. (Exceptions can be found in such reports as those of aerospace corporations which owe their very existence to government contracts.) Regulations are evaluated as oppressive, stringent, unnecessary, excessive. They hold back and tie the hands of big business with red tape. The corporation cannot be all it wants to be to shareholders, employees and management unless government restrictions are swept away.

The implication is that if government would leave big business alone, the corporation would return to its natural state-free competition. Complaints against the regulations are lodged in (as we have come to expect)
economic terms. For example, the 1978 Owens–Illinois Report states:

'Rules and regulations affecting business which result in high consumer prices are proliferating at an astounding rate. In 1977 the price the nation paid for government regulation totaled an estimated $100 billion. We hope the government will move to eliminate a significant part of this cost, much of which is unnecessary and counter-productive.' (p. 4)

Any action which not only decreases or regulates profits in addition to costing consumers more is antithetical and antagonistic to the corporate hero’s objectives. General Motors (1978: 2) describes government regulations as ‘unnecessary’ and ‘excessively costly’ (again, disapproval on economic grounds) while Chrysler in their 1974 Annual Report point to governmental regulations as increasing in ‘stringency’ and predicts the likelihood of ‘new and more restrictive regulations’.

Proctor and Gamble Company echoes the same sentiment in their 1974 Annual Report:

'Government price controls ... invariably delayed our effort to keep up with these new (raw material) costs.' (p. 3)

The rhetorical strategy used to identify the adversary is to paper it with reprehensible epithets; unprofitable, excessive, counter-productive, unnecessary, stringent and so on. Regulations unnecessarily encumber and slow the hero in accomplishing goals. In the economically based scenario enacted by big business in the annual reports, regulations and regulatory agencies are a detriment to the hard work of the hero who uses one hand for maximizing profits while using the other for balancing social considerations.

Pressure Groups as Minor Players

Closely linked to the regulatory heavies in the corporate vision are the pressure groups which make huge demands on the resources of the hero. In the 1972 reports, especially, there is a noticeable clustering of responses to social concerns. Environmental responses are given the most space in the boiler plates, but women’s rights and civil rights are never far behind. Interestingly, the three themes appear inseparable and unaddressable in the drama, except as an irritating triad.

Responses to the pressure groups are characterized in the drama by recitation of statistical measures rather than moral or political terms. Corporations report the amount of money spent on environmental clean-up or control, number of women in managerial positions, numbers of blacks and other minorities hired and trained. Questions as to the importance or value of these social concerns are not overtly raised. The presence of responses in the boiler plate messages is meant to imply a responsive, outward-looking corporate position.
Throughout the three years studied, the response repeatedly and persistently calls for balance between competing social concerns and corporate goals. Typical of the rhetorical balancing strategy is this paragraph from the 1972 Annual Report of Anaconda:

'post Anaconda continued its policy of supporting sensible and rational environmental regulations, while opposing standards and controls felt to be ill-conceived and unduly restrictive, and has through its technical expert and senior management officials presented its case over the past year to State and Federal agencies, and has appeared before Congress.' (p. 4)

Du Pont (1972) echoes the balancing strategy:

'Government actions have an important effect on these matters and we believe that national policies concerning natural resources, energy needs, and environmental quality must be carefully balanced.' (p. 3)

While the importance of environmental and other social concerns is not questioned outright, the 1972 plea of balance foreshadows disapproval of governmental regulations bearing on environmental concerns which appear in the 1978 version of the drama. General Motors (1978) couches their disapprobation in terms reflecting the nation's worsening economy:

'Social and environmental standards which are determined without sufficient regard for their technological or economic feasibility are guaranteed to be inflationary. Such standards impose costs upon the consumer that outweigh their benefits, and they impose deadlines that preclude the use of more cost-effective alternatives.' (p. 2)

A rhetorical strategy designed to handle the threat of pressure groups emerges in later versions of the corporate drama. Organizational structures are elaborated to deal regularly and bureaucratically with external pressures, thereby processing them, disarming their potential for disruptiveness and attempting to increase their predictability. Hence the response to social groups evolved from informal in 1972 to completely formalized by 1978. This bureaucratic strategy lends an air of respectability to the corporate response, and it is far less disruptive to the organization when it does not have to assess every social pressure anew. Du Pont (1978) discusses such a response:

'The position of Vice President for external affairs was created. This reflects our awareness that the Company's interface with government, the public, special-interest groups, and plant communities will be more important in the years ahead. The new position will provide coordinated leadership of such sensitive areas as public affairs and legal activities.' (p. 2)

Another prototypical example of a formalizing response to social pressures is evident in the 1978 Annual Report of Bethlehem Steel:

'For some time I have been concerned about increasing demands of government,
industrial relations, public affairs, legal accounting, and other matters on Bethlehem, the steel industry and business generally. As a result the Executive Office was reorganized in 1977 to consist of the Chairman and three Vice Chairmen.’ (p. 3)

The drama values, accepts and supports the use of structural change to cope with, and somehow contain, outside demands.

**Subplots Staged Elsewhere**

The rhetorical vision exacted in the corporate drama, as noted earlier, is staged within the U.S. economy. Many of the implications of this have already been discussed. However, it should be pointed out that many rhetorical options are precluded by choosing an economic setting. Indeed, several events are not dramatized at all within corporate reports, although they are doubtless played out elsewhere. Internal power struggles which terminate in the forced or early resignation or retirement of corporate members are never dramatized. Changes in management are presented as decisions made externally by an unnamed actor. Manipulations, deceits and internal politics of any kind are fastidiously avoided in the corporate drama. Is this not in some ways analogous to a Greek tragedy where violence is not actually depicted on stage?

Avoiding the details of power struggles within the corporation is a useful rhetorical strategy. If the purpose of the message is to unite management, shareholders and employees with the hero (corporation), then inclusion of political struggles can only be seen as divisive and counter to all corporate motives.

Corporate reorganizations are given similar dramatic treatment. Always mentioned in passing, they remain undramatized in the report. They come as decisions from outside the drama, although we are aware that they impact dramatically on all those who have been transferred, demoted, promoted or dismissed. To preserve unity, the impact of reorganization is never explored in dramatic, human terms. To do so would be to recklessly invite division of the coalition of shareholders, employees and management and leave the corporation vulnerable to outside criticism of management decisions. This could eventually result in a cycle of destructive, defensive posturing.

A third drama not given life in the corporate reports was noted earlier when the cutting-off of unprofitable enterprises from the corporate body was explored. Dramatizing the tensions created by closing plants would invite disunity, disharmony and dissent within the corporate community. To neglect the human drama in favour of unfolding an economic drama is to rhetorically further the interests of big business in creating and holding a united constituency.
Rituals in Corporate Reports

The drama has many rituals which are ingrained, traditional and expected expressions of thanks, promotions, retirements or deaths. If there has not been a power struggle resulting in a forced or early retirement, the ritual demands a sketch or at minimum a brief acknowledgement of the retiree’s contributions. Sometimes a brief historical sketch chronicling the officer’s rise within the corporation is given and sometimes a thumbnail ‘Horatio Alger’ story (i.e. poor boy makes good against all odds through hard work) is presented.

The Goodyear Tyre and Rubber Company Annual Report for 1974 is a stellar example of how ritualistic constraints placed upon announcements of this type are fulfilled:

‘Charles J. Pilliod, Jr. was elected Chairman of the Board 33 years after he joined as a trainee. President for nearly two years, and the company’s chief executive since January 1, 1974, Mr. Pilliod succeeded Russel DeYoung, Chairman since 1964, who retired at the mandatory age of 65.’ (p. 5)

The drama imparts a ritualistic thank you to its employees within the boiler plate message. Usually this is a small portion of the report. Typically it closes the report on a human (or at least human-like) note, where an economic one has opened it. Expectations arising out of this dramatic tradition are so strong that they have almost entirely precluded any other type of closing. Ninety-four percent of the reports examined contained a word of thanks at the end. The following paragraph from the Esmark 1978 Annual Report is particularly telling in that the writer actually acknowledges the ritualistic form in which he is partaking:

‘While it may appear ritualistic or a mere formality to praise employees, I can honestly report to Esmark’s stockholders that they have every reason to be proud of our people. The performance of the men and women in our company has been truly outstanding. I thank each of them individually and can assure you they represent a great source of strength for the years ahead.’ (p. 3)

Yet even awareness of the ritualistic nature of the drama’s closing does not allow escape from the format, placement, length and wording required to fulfil ritual thanking of employees. Ironically, Esmark employs over 34,000 people, and it is incongruous that they could ‘thank them individually’ through this phrase reproduced in a mass-circulated report.

A pseudo-human element is the essence of these sections of the corporate report. The fact that the wording is replicated in this ritualistic form reveals the hollowness of the subplot, showing that employees’ contributions are rewarded in a formal, impersonal way.
Archetypal Drama

Taking seriously Bormann's (1972) idea of the recycling of fantasy themes from small groups, out through the mass media, and back to individuals again, I believe that the rhetorical visions of the corporate executives discovered in the corporate reports are but vestiges of a larger, economically based American drama that has been recycled for almost 100 years. Although one can speculate that the drama probably originated with Adam Smith and the publication of his famous Wealth of Nations in 1776, the rhetorical vision did not truly grip the United States until after their Civil War (Fite and Reese 1965). The drama can be properly labelled 'perfect competition' and Galbraith (1958) captures it well:

'In the closing decades of the last century and the early years of the twentieth century economists became increasingly preoccupied with the operation of the model of a competitive society. As it was developed and idealized, it was as a thing of precision and symmetry, almost of beauty. The hold which it came to exercise on men's minds has often been remarked.' (p. 42)

Thus competition is deified in this vision so that any government agencies or any of their regulations are evil, not natural. The idea of pure competition among industries as the new 'garden of Eden' is curious. There are at least two paradoxes that highlight the philosophical problems involved in desiring pure competition as a natural state.

The first is that another powerful and competing construction of reality was being forged during the same era. It reached its zenith in the late 1950s and early 1960s and its early proponents were the young writers of those decades. Noble (1968) explains:

'For the younger novelists the present establishment of complex institutions of massive corporations and bureaucracy and armed forces, is a gigantic parasitical growth which increasingly contaminates the American garden and suffocates the native Adam; the very citadel of the American dream is being undermined by the growth of this social monster.' (p. 198)

Quite antithetically, for those in corporate America (who compose the 'social monster'), it is entirely possible to continue cultivating the American garden if perfect competition can only be recovered.

The second paradox is expressed within, rather than against, the manifestations of the archetypal drama of pure competition. Lee Iacocca, chairman of the board of Chrysler Corporation and self-appointed spokesman for restoration of the corporate garden, defends the unprecedented government bail-out of Chrysler by turning the tables and claiming that it permits competition — see Iacocca and Novak 1984.

This is an ironic permutation of the original archetypal attitude which traditionally blames the federal government for stifling competition.
Indeed, Adam Smith was 'strongly opposed to government aid as well as regulation' (Fite and Reese 1965: 500), so the current rhetorical depiction is oddly duplicitous and two-faced in that government aid may enable or restrain free competition.

Summary

The dramatic visions that CEOs create in the boiler plates of annual reports are indeed important in publicly addressing widely different constituents. There is no question that annual reports are widely read, widely sanctioned and widely accepted versions of corporate reality. The drama of the boiler plate functions in many ways. Among the rhetorical functions of the messages in the chairmen's boiler plate one can list: to introduce people unaware of the company to the corporate philosophy; to reinforce the company's established corporate culture by interpreting events in a particular way through a particular drama; to set up goals for the world to see and judge them by; to disseminate the standard corporate narrative of events to as many different kinds of people as possible (including the media); to reassure shareholders that their best interests are at heart; to publicly recognize the works of employees; to castigate despised government restrictions; and to overtly reassure pressure groups that their concerns are being handled in a serious manner.

In its purest form, the rhetorical vision is manifested in a corporate drama pitting good (the corporation) versus evil (the government). The rhetoric functions to promote unity among corporate shareholders, management and employees. The setting, hero, villain, minor players, subplots and rituals were all discovered through dramatistic analysis of the boiler plates that begin the corporate reports of the Dow Jones Industrials. Analysis of the setting reveals that the dramas are staged within the U.S. economy. The economy is the featured setting regardless of whether the year is financially bad, good or fair.

An examination of the hero (the corporation) reveals that it's everyone's company — a united one. Separate rhetorical strategies are used to explain losses as being beyond the hero's control and gains as the deserved fruit of fine management. Both strategies complement one another, and both work together towards unification of management and shareholders.

The villain, of course, is the federal government. The reports clearly label their harsh regulations as the problem and the proposed solution is returning to the 'natural' stage of pure competition. The rhetorical strategy used to counteract government is to paint the regulations in devil terms.

A 'thorn in the hero's side' describes the relationship between the hero and the special-interest groups who are the minor players in the drama. At first, no value judgements are made as to their importance. Rather, the boiler plate uses the comfortable drama of statistics to convey reassur-
ances that the wishes of the special-interest groups are being met. Analysis of later reports reveals corporations dramatizing a request for a balanced perspective. Eventually, in the 1978 reports, some corporations extend and elaborate this drama by implying that pressure groups will eventually translate their demands into more regulations. Recognize that by now the corporation fully hopes that the readership has taken on the perspective that regulations are evil. There is a rhetorical strategy for answering the pressure groups, too. Many corporate boiler plates discuss creating new positions to address the concerns of these groups, and thus assert in their dramas that the ‘problem of special-interest groups’ has been solved.

The study of corporate subplots in the corporate boiler plates is itself enlightening. These are events that may be mentioned, but not resolved. Power struggles and reorganizations are downplayed and other events such as the closing down of inefficient facilities are depicted as good decisions, but the human dramas accompanying plant closings are never portrayed. How different would our identification with corporations be, if human dramas were expressed?

Rituals are indeed a part of the Chairman’s boiler plate. Dramatistic analysis of corporate reports reveals that there are invariably repetitive statements concerning retiring employees as well as extremely formalized thank yous to workers. The drama of corporate personnel is handled in an impersonal and ultimately hollow way.

The driving dramatic theme of the corporate reports is attributable to the archetypal drama of perfect competition. This archetype most likely originated with Adam Smith in 1776 but did not utterly capture the imagination of American economists until the late nineteenth and early twentieth centuries. It is insistent on the idea that pure, unregulated competition between corporate giants is the ‘natural’ state, ignoring the antithetical position that decries the very existence of corporations as an abhorrent violation of man’s true garden of Eden.

Note

1. The term boiler plate comes from the old steam furnaces. The piece that held the structure together was called the boiler plate.

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