Actions speak louder than words
Strategic communication and (un)intentional signalling: A semio-pragmatic taxonomy

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**Purpose** – The article tackles the under-defined notion of communication in strategic communication research and elaborates a taxonomy of semiotic processes, which distinguishes different types of communicative and signalling events. The purpose is to offer an improved analysis of the processes by which meaning emerges from strategic communication situations.

**Design/methodology/approach** – The proposed taxonomy is based on a conceptual framework combining semiotics, linguistic pragmatics and signalling theory. Several real cases of strategic communication are analysed to exemplify the taxonomy.

**Findings** – Different sub-types of signalling events are highlighted and explained. The communicative function of performed behaviors (i.e., when actions speak and do it louder than words) depends on how informative and communicative intentions are managed by the message source and inferentially interpreted by different receivers. It is suggested that the ways in which meaning is signalled can be best understood with an argumentative perspective that foregrounds the inferential processes of persuasion, interpretation and decision-making. The limitations of the transmission vs. ritual and the one-way vs. two-way theories of strategic communication are highlighted.

**Originality** – The article discusses strategic communication events with the under-considered perspective of communication theories in the fields of semiotics and pragmatics. Signalling phenomena are interpreted from a communicative viewpoint, emphasising the argumentative dynamics that constitute them.

**Paper type** – Conceptual paper.

# Introduction: the problem

The development of strategic communication as a distinct, cross-disciplinary field of research in the last two decades has been marked by a scholarly attempt to formulate new and refined definitions of the concept. From the seminal 2007 definition of strategic communication as “the purposeful use of communication by an organisation to fulfil its mission” (Hallahan *et al.*, 2007, p. 3) to subsequent elaborations introducing more specific aspects like ‘communicative agent’, ‘reputation’, ‘strategic conversations’, ‘public sphere’, (Holtzhausen and Zerfass 2013; 2015; Zerfass *et al*., 2018), such a definitional effort has primarily focused on the ‘strategic’ side of the term. In other words, these definitions reflect a common attempt to clarify and articulate what it is that makes communication really strategic (and not tactical for instance), while leaving the ‘communication’ side fundamentally undefined (see van Ruler, 2018). As remarked by Falkheimer and Heide, “[c]ommunication is often taken for granted as something natural and consequently not needing to be reflected upon” (2018, p. 19). What people and organisations do when they communicate seems fairly intuitive and easy to define, while the question that matters is whether and why a particular communicative phenomenon has to be considered as strategic or not. Yet, one could look at the same phenomenon from the opposite perspective: it is often the case that even ordinary people quite easily recognise organisational events as strategic (e.g., crisis episodes, M&A transactions, elections) but still need to determine (a) in what sense such an event can be considered as communicative; (b) what aspects of the event are communicative or non-communicative, and why; (c) if the event is, at least in part, communicative, what exactly is communicated, to whom and how.

To better illustrate these points, consider the following two cases:

**Case 1**. On October 29, 2018, UBS bank announced that the management stock purchase of $13.1 million, which had been disclosed by the Swiss Stock Exchange a few days earlier, was made by CEO Sergio Ermotti. The move followed repeated attempts by the same CEO to persuade investors that UBS shares were undervalued. Unlike the initial public disclosures, the announcement of the share purchase was followed by a share price increase. A news article reporting the event described Ermotti’s move as a “show of confidence to owners of the stock” and explained that “management purchases are generally seen as a positive” (Winters, 2018).

While *prima facie* an action rather than a message, Ermotti’s stock purchase conveyed *meaning* and ended up being more persuasive than the explicit declarations he himself made in the days before. Financial economics understand this kind of information phenomena by the notion of *signalling* (Akerlof 1970; Spence, 1973; Leland and Pyle, 1977; Ross 1977):

“If direct disclosures provide imperfect and incomplete information, then investors will incorporate indirect evidence into their evaluation. In particular, they will attempt to decipher the information content of observable management decisions. These information-revealing decisions, or **signals**, might include decisions related to the firm’s capital expenditures, financing choices, dividends, stock splits, and management shareholders. For example, an increase in company shareholdings by IBM’s top executives might signal that management is optimistic about the firm’s prospects. In many instances, an indirect signal of this type can provide more credible information than a direct disclosure. As it is often said: ‘Actions speak louder than words’” (Grimblatt and Titman 1996, p. 633, emphasis added).

As the authors of this quoted passage highlight, in situations of uncertainty and information asymmetry that are typical of modern organisations, the observable behaviors of leaders communicate meaning and they can do it with a higher degree of effectiveness than verbal messages.

**Case 2**. October, 2016. Italy’s *Ministry for Economic Development* published and presented a document titled “Why invest in Italy”, which was part of a broader campaign aimed at attracting foreign business companies (see MISE, 2019). The text contained a series of arguments that were meant to convince the target audience (international businesses) of the expediency of doing business in Italy. One of these arguments stated that “In Italy the quality/cost ratio of highly specialized profiles is extremely competitive with other European nations. An engineer in Italy earns an average annual salary of 38,500€, while in other European countries the same profile earns on average over 48,500€ per year” (p. 32) [[[1]](#endnote-1)]. This specific part of the document was immediately spotted by media and employees’ representatives in the country and spurred criticisms against the Ministry for its apparent lack of interest towards domestic stakeholders, workers in particular.

It is important to point out that this is neither a case of *strategic ambiguity* (see Eisenberg, 1984) nor of misunderstanding, which happens when the hearer/reader’s interpretation of the message differs from the speaker’s intended meaning. In fact, one can reasonably assume that all readers of the document correctly understood the disclosed argument, namely that, according to the Ministry, cheaper labour is a good reason to invest in Italy. However, the same statement has somehow become the premise for another, not incompatible, line of reasoning, which led to a conclusion that some third readers (e.g., domestic workers) obviously found unacceptable: if the government considers lower wages as an advantage, then it does not care about workers; to the contrary: it has an incentive to preserve this situation in order to attract international investors. Media referred to this argument as a *gaffe* (La Repubblica, 2016), suggesting that such undesired meaning, though unintentionally conveyed, could and should have been easily avoided. Sometimes, in fact, publics interpret observed organisational behaviours as carriers of meaning, regardless whether the speaker had any intention to communicate that meaning or not. In this particular case, the signal is unintentionally produced by a communicative action rather than by the non-linguistic behaviour of the organisation.

Unlike case 1, which is an example of actions that speak, this second case shows that words do. They are *speech acts*, as it will be better explained later in the paper, and, as such, they create social and public *commitments* (Searle, 2001) against which the speaker can be held accountable. Some of these commitments can be the starting point of inferences that the audience draws regardless of the speaker’s actual communicative intentions. In our example, the Ministry’s positive evaluation of lower wages forms the basis for an unintended and undesired implication regarding the true beliefs and future behaviors of the speaking entity.

From a strategic communication point of view, these two short cases highlight how meaning and information can be produced, conveyed, shared, or received through different and sometimes very complex semiotic processes [[[2]](#endnote-2)]. A variety of signs, including words as well as non-linguistic actions, can play a strategic function in a communicative initiative or become the source of communication issues. Interestingly, while some aspects of strategic communication like *mission*, *vision* and *strategy* involve overt communication (most typically through corresponding statements and documents), others like image and reputation are mostly associated with signals that organisational actions convey and that an audience of observing stakeholders infer (see Cornelissen, 2014, pp. 6-7).

However, how non-linguistic actions and words function as signals and how this functioning is distinct from the overt communication of propositions by conventional means remain largely unexplained dynamics, especially within strategic communication research. A precise characterisation of these processes is important to better understand and explain how communication strategies work, why communication issues can sometimes arise, and, more in general, how organisational behaviours can intentionally or unintentionally convey meaning about the different aspects of the strategic level of the organisation (e.g., mission, strategy, reputation, etc.).

This article aims at elaborating a taxonomy of *semiotic events* (i.e. events that create meaningful signs) which helps distinguishing different types of communicative and signalling phenomena that are typical of strategic communication situations. The proposed taxonomy is based on theories of meaning developed within semiotics and linguistic pragmatics, i.e. the study of language as a social action (next section). Based on crucial concepts elaborated in these fields, the taxonomy is developed and explained. In the final part, implications for strategic communication are discussed and questions for future research are formulated.

# Communication as an interaction: intentions, commitments, inference.

## Beyond the transmission model of communication: speech acts

In dealing with the notion of communication, several strategic communication scholars point to the distinction between transmission and ritual/sense-making models (Falkheimer and Heide, 2018; van Ruler, 2018; Holtzhausen and Zerfass, 2015), focusing more on the process rather than the content of communication. While the transmission model conceives of strategic communication as a unidirectional (one-way), deterministic and persuasion-oriented transfer of information from senders to receivers, the ritual model emphasises the two-way interaction in which communicative actors co-construct meaning and make sense of events. Some authors further maintain that the severely criticised transmission model can still fit some situations of persuasive and instructional communication (e.g., Falkheimer and Heide, 2018; van Ruler, 2018).

In line with the *pragmatic approach* to meaning, this article views the features of the transmission model – in particular its emphasis on message coding and decoding and its reduction of the audience/addressee to a passive and merely encoding recipient – as fundamentally inadequate to capture what really happens in all forms of human communication, regardless of their processual form (e.g., one-way, two-way, symmetrical, asymmetrical, etc.).

As an example of unidirectional persuasive strategic communication that the transmission model would fail to adequately describe, let us consider the advertorial of R.J. Reynolds Tobacco published in 1984 under the headline “Some surprising advice to young people from R.J. Reynolds Tobacco”. This message, which has been the object of previous research in rhetoric and argumentation studies (e.g., van Eemeren and Houtlosser, 2000), is at first glance encouraging young adults not to smoke. In its very first line, the advertorial explicitly states “Don’t smoke”, adding a few lines after “even though we’re a tobacco company, we don’t think it’s a good idea for young people to smoke”. However, a closer inspection into the arguments made by the company (e.g., that smoking has always been an adult custom; that if you [young adults] smoke just to prove you are an adult, you just prove the opposite; and the explicit recognition that this kind of advice made to young people may sometimes backfire) coupled with contextual considerations (the message was published at a time when the tobacco industry was trying to defend itself from increasingly restricting policies on smoking) reveal that the actual meaning of the message is quite the opposite to what it literally says.

In order to decipher the actual meaning of this strategic message, the readers (and the external analyst) have to overcome the limitations of the transmission or code-centred model (see Danesi and Rocci, 2009) and, taking a pragmatic perspective, conceive of messages as *speech acts* (Austin, 1962; Searle, 1969), i.e. actions by which the sender (R.J. Reynolds) *aims at doing* something to the receiver (young smokers). Following *Speech Act Theory*, the meaning of a message mainly coincides with the *intention* (also named *illocution*) the speaker has when performing an utterance (*locution*), which should result in some concrete effects in social reality (*perlocution*). Traditionally, five types of illocutions and corresponding types of speech acts are distinguished (Searle, 1975): (1) *Assertives*, in which the speaker affirms the truth of a proposition (“our last quarter was profitable”); (2) *Directives*, in which the speakers solicits the hearer to take a particular action (“you should invest in this company”); (3) *Commissives*, in which speakers commit themselves to a future action (“we promise we will do our best to regain our customers’ trust”); (4) *Expressives*, in which the speaker's attitude towards the proposition is expressed (“We are very happy to report another great performance”); (5) *Declaratives*, in which spoken proposition coincides with the envisaged change in the social reality (“you are fired”). All types of speech acts have a set of semantic conditions, also known as felicity conditions (Austin, 1962) that determine their meaningfulness and appropriateness. For example, one of the felicity conditions of commissive speech acts is that speakers believe they can fulfil the promised action; while one of the felicity conditions of an assertive speech act is that speakers own some sort of evidence for their factual claim.

## Speech acts as interaction: inference, context and common ground

Interpreting speech act events as one-way communication processes would be misleading. As a matter of fact, any speech act involves a *joint action* (Clark, 1996) in which the hearers play a decisive role in the construction of meaning. In particular, they have to recognise the actual intention (illocutionary act) of the speaker, an action known as *uptake* (Austin, 1962; Sbisà, 2009). For example, the actual meaning of the abovementioned advertorial is successfully communicated only if the receiver recognises that, by uttering “Don’t smoke, etc.”, R.J. Reynolds intends to discourage young smokers from following anti-smoking prescriptions rather than dissuade them from smoking.

Therefore, even in one-way communications, the audience is not merely a passive recipient of content. For meaning to be produced and conveyed, it requires an active attitude from the receivers who do not simply decode a message, but draw inferences that connect textual and contextual information (see Bach and Harnish, 1979). In communicating meaning, speakers need and do rely on the audience’s cooperation (Grice, 1989), which allows them to leave some statements implicit, use irony, metaphors, rhetorical questions, etc. For example, commercial advertisements can avoid expressing the main claim (“you should buy this product”) thanks to the fact that the audiences can easily infer it once they recognise the genre of the message they are dealing with. For similar reasons, persuasive arguments are normally communicated through enthymemes rather than full syllogisms since the missed premises can be easily retrieved by the audiences themselves (Bitzer, 1959).

What allows audiences and speakers to, respectively, accomplish meaning-oriented inferences and rely on them strategically, is their common knowledge of context, or *common ground* (Stalnaker, 2002). All communication takes place on the backdrop of a set of knowledge, perceptions, beliefs, and values shared by communicative actors that is constantly updated (and revised) during conversation (Clark, 1996). In any communicative situation, there is always a certain set of assumptions that communicative participants take for granted as being part of their common background. The statements contained in the RJ Reynolds advertorial could work as relevant arguments only because they appealed to beliefs and values that were shared with the community of young smokers at that time, such as the intolerance towards paternalistic prescriptions and the perceived desirability to act against them.

When organisations plan a strategic communication initiative (e.g., a marketing campaign), they first of all analyse the context (e.g., by undertaking SWOT and PEST analysis) and the audiences (Gregory, 2021). In doing so, they have to “check” the common ground by determining what information, opinions and values are already shared with their key publics and what instead is not known or agreed upon. This operation is critical in order to communicate in a relevant way and avoid saying the obvious, but also to reduce the risk of taking for granted what some publics might instead doubt or even disagree with. As shown by many campaign failures or backlashes, the mismanagement of the common ground can hinder communicative effectiveness and negatively affect the image and reputation of organisations.

## Informative and communicative intentions

In his ground-breaking work in the philosophy of language, Grice (1957) defined meaning as the intention by the speaker to “induce a belief by means of the recognition of this intention” (p. 384). In other words, communication consists not only in having an intention towards the audience but also in getting the audience recognise this intention. Sperber and Wilson (1986) revisited Grice’s ideas and draw an explicit distinction between *informative intention* and *communicative intention*. The former reflects the intention of the speaker to convey meaning to the hearer; while the latter reflects the intention to let the hearer know about the first intention. An event can be properly defined as communicative only when both intentions are fulfilled and shared, which means that they both become part of the common ground. This is often referred to as *overt communication* since the source of the message manifests its intention to communicate. The presence/absence of these two types of intentions is a key factor for distinguishing overt communication from different types of signalling, as it will be better explained later in the article.

## Communication as an exchange of commitments

Starting in the 90s, some scholars including Searle himself, revised the theory of speech acts by pointing out that all types of illocutionary acts, and not only commissives, create shared commitments that define the meaning of the message. As Searle explains:

“Just about every speech act involves a commitment of some kind or other. The famous examples are speech acts like promising, where the speaker is committed to carrying out a future course of action, but asserting commits the speaker to the truth of the proposition asserted, and orders commit the speaker to the belief that the person to whom he or she gives the order is able to do it, to the desire that he or she should do it, and to permitting the hearer to do it.” (Searle, 2001, p. 147).

Speech acts are not driven simply by beliefs and intentions but also involve intersubjective responsibilities, i.e. commitments that become part of the common ground and for which, accordingly, the communicative participants can be held accountable. In this sense, it can be said that ‘words do’. By creating and sharing commitments, speech acts work very similar to non-linguistic actions like buying and selling. Noteworthy, the notion of commitment is inherent to the etymological root of the word ‘communication’, i.e. an exchange (*cum*-) of *munus*, which in Latin means both gift and duty (see Rigotti and Cigada, 2004; Carassa and Colombetti, 2009).

A commitment-based theory of communication offers an enhanced perspective to the critical analysis of communicative problems. Take again case 2 discussed in the introductory section of this article. The unintended message produced by the Italian Ministry’s declaration is the product of an interpretative inference made by a ratified unaddressed audience (Palmieri and Mazzali-Lurati, 2016) on the basis of a communicative responsibility that the uttered statement entailed. In this regard, argumentation scholars (van Eemeren *et al.*, 1993) have introduced the notion of *virtual standpoint* to refer to the set of implicit claims a speaker can be held responsible for, in virtue of the felicity conditions of the performed speech act. For example, the directive speech act “Reject the offer” made by the Chairman of a target company to its shareholders in response to a hostile takeover bid (see Palmieri, 2014) implies a series of virtual standpoints like “the offer is not good for you”; “an offer has been made for you”; “continuing investing is preferable to selling” which the speaker can be held accountable for.

# Strategic communication and signalling: a taxonomy of semiotic events

In the preceding section, we have defined the core dynamics of communication as an interaction in which intentions and commitments attached to speech acts are shared (i.e., they become part of the *common ground*) with an inference-making audience who is symbolically stimulated to recognise such intentions and commitments. What happens to the constituents of overt communication elicited above when meaning emerges from signalling behaviors? To address this question, we need first to review the notion of signalling and then draw a distinction among different types of signalling events.

The notion of *signalling* has been proposed and elaborated especially by scholars in international politics (Jervis, 1970; Paul, 2011) and economics (Spence, 1973; Ross, 1977), domains in which the symbolic and communicative function of human behaviors is recognised as strategic. Signalling theories aim at modelling situations of asymmetries of information between principals and agents (see Connelly *et al.*, 2011). The basic assumption of a signalling event is that, because of information asymmetry and other agency problems (Ross, 1977), corporate insiders (and more in general agents in a principal-agent relationship) cannot effectively communicate unobservable features via full disclosure. In other words, overt communication is not considered as a viable option for the speaker, making it necessary to produce an alternative semiotic strategy to stimulate the audience’s inference towards the intended meaning. In Spence’s classical example of job market signalling (Spence, 1973), the semiotic strategy by the source (job applicants) consists in obtaining and presenting an education certificate, based on which the employer can infer the applicant’s higher quality. Rather than overtly claiming the unobservable feature (“I am a high quality worker”), the source produces a sign that creates an affordance for an inference towards the feature (“X has obtained a degree, therefore X is a high quality worker).

Two elements are critical for a signal to be received and effectively interpreted, i.e. to successfully stimulate the desired inference. The first is *observability*, “which refers to the extent to which “outsiders are able to notice the signal” (Connelly et al, 2011, p. 45), so that they can use it as a starting point for a meaning-oriented inference. The second element is the signal’s *cost*, which needs to be sufficiently high for those who do not hold the unobservable feature to discourage them from producing a fake, dishonest and misleading signalling behaviour [[[3]](#endnote-3)]*.*

Since its original conceptualisation, signalling theory has been proposed to characterise the *intentional* transmission of signals (Connelly *et al.*, 2011). However, it is important to remark that the use of the signalling terminology by financial economists, market actors and media often mixes up different semiotic phenomena, including unintentionally conveyed meaning. For instance, in the following excerpt from a well-known corporate finance textbook, the verb ‘to signal’ is used several times with different meanings, including both intentional messages (“decisions that simply signal favourable information”) and unintentional transmissions of information (“the dividend cut might signal unfavorable information about…”):

“[…] a distinction must be made between management decisions that *create value* and decisions that simply signal favorable information to shareholders. In many cases, value-creating decisions signal unfavorable information and result in stock price declines, and value-destroying decisions signal favorable information and result in stock price increase. For example, ITT’s decision to cut its dividend would be considered value creating if the cash were used for positive net present value investments. However, as this chapter discusses, the dividend cut might signal unfavorable information about the firm’s ability to generate cash from its existing operations” (Grimblatt and Titman 1996, p. 633, emphasis added).

Indeed, as anticipated in the introductory section of this paper, meaning can emerge from different types of semiotic processes, some being typical cases of overt communication, while others being based on a particular type of signalling dynamics.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Unintentional and unaware signal** | **Unintentional but aware signal** | **Covert communication (intentional signal)** | **Overt communication** | **Intentional and overtly explained signal** |
| Exchange of commitments |  |  |  |  |  |
| Common ground |  |  |  |  |  |
| Communicative intention |  |  |  |  |  |
| Informative intention |  |  |  |  |  |
| Source awareness |  |  |  |  |  |
| Causal inference by the observer |  |  |  |  |  |
| *Examples* | *During an earnings call the CEO uses a negative tone that the audience interprets as an indicator of risk* | *A company reports unexpected losses which analysts and investors are likely to interpret as indicators of mismanagement* | *A CEO participates to a civil rights protest without saying anything official about this, but making sure media will film and report.* | *A CEO publicly states that the company’s shares are undervalued* | *A company announces that the CEO has bought shares in the company* |

Table 1. Taxonomy of semiotic events creating meaning

We propose a taxonomy of semiotic events, in which meaning emerges from the interaction between a sign source and a sign receiver. As Table 1 shows, our taxonomy is based on the presence or absence of some semio-pragmatic elements (commitments, common ground, communicative intention, informative intention, source awareness, causal inference) discussed in the preceding paragraphs.

## Unintentional unaware signalling

The first type of semiotic event in our taxonomy can be considered as the minimum signalling dynamics, which happens when:

1. A sign is produced from the behaviour of a **Signalling Source** (SS).
2. An **Observing Agent** (OA) who notices the sign and, starting from it, draws a causal inference towards meaning.

It is important to stress that, from a semiotic point of view, the types of sign considered here are only those deriving from human behaviours, which excludes natural events such as a thunder “signalling” the immediate occurrence of a lightning. Following the terminology elaborated by Posner (1993), only *expressions* and *gestures* [[[4]](#endnote-4)] can be part of this signalling dynamics and of the whole taxonomy proposed in this paper.

In the unintentional unaware signalling case, the SS has neither an informative nor a communicative intention and is not even aware that the behaviour is observed in such a way that OA will infer the emerged meaning. In other words, the signalled meaning is exclusively the product of the OA’s inference [[[5]](#endnote-5)].

Let us consider against the “Invest in Italy” case discussed in the introduction, in which it is reasonable to assume that the SS initially had no awareness of the eventual transmission of meaning. By overtly affirming that engineers in Italy are paid less than in other European countries, the Ministry may have not taken a commitment towards the conclusion drawn by the critics (i.e. that the government does not care about domestic workers), but has committed to the truth of the expressed assertion. The latter becomes part of the common ground and, as such, is interpreted as a (negative) signal by the stakeholders concerned.

Obviously, the inferential interpretation of the signal can become (and often does) an object of debate and these kinds of debate are instances of strategic communication. An interesting example, in this respect, is the former UK government strategist Dominic Cummings (or, more recently, former UK Health Secretary Matt Hancock) who in 2020 was accused of violation of COVID rules. While the entire nation was in lockdown, Cummings was seen with his family almost 300 miles away from their house in London. Once the incident became public, Cumming could not – and in fact did not – deny his actions, but disputed the way his beliefs and motivations had been interpreted by the media and the wider public. Following growing criticisms against him and the government, Cummings delivered a press conference in which he tried to persuade the audience of the lawful and legitimate nature of his actions. According to his account, after finding that he and his wife had tested positive to COVID-19, the decision was made to travel from London to Durham so that other members of the family could take care of their child in case their health conditions worsened (BBC, 2020). While for the critics, his behaviour signalled the intention to violate the law for a personal benefit, for Cummings the same behaviour had to be seen as the outcome of an honest attempt to protect his family under exceptional circumstances foreseen by the rules.

The Italian ministry’s gaffe and Dominic Cummings’ scandal are both *gestures*, that is intentional behaviours, which unintentionally signal meaning. A similar type of signalling can happen also through unintentional behaviours, or *expressions* (Posner, 1993). In strategic communication contexts, this happens, for instance, when the communicative and linguistic behaviors of corporate managers – e.g. the word choice, the expressed sentiment, the intonation – are taken as indicators (i.e., signals) of valuable information about the company [[[6]](#endnote-6)].

In all these cases, the fact that the inferred meaning emerges from an accidental and unaware behaviour, which as such cannot be affected by any sort of biased strategic intent, is what gives the signal a high degree of credibility. Because this type of signalling is by definition neither planned nor designed, their occurrence is useful from an audience perspective to assess the ethical quality of the speaking entity, which ultimately affects its image and reputation. In the Dominic Cummings’ case, an extremely negative image was signalled. To the contrary, when football player Marcus Rashford was seen for the first time distributing food to poor children during the COVID-related school closure in the UK, the event boosted his reputation especially because, at least initially, he was not aware of the publicity of the event (Adams, 2021). By definition, this type of incidents is not foreseen and controlled in advance, but, once they happen, the communicative entity draws important lessons from them, such as a better examination of its stakeholders or a more critical and prudent use of social media, which typically expose messages to a wider audience.

## Unintentional aware signalling

The second type of signalling is very similar to the one just discussed, with the exception that the SS is aware of this transmission of meaning and, accordingly, can decide whether to act or renounce to act depending on the expected benefits and damages of the signal. Imagine a CEO wishing to sell a large stake in the company in order to buy a new property. The CEO knows that once this transaction will be disclosed, this will send a negative signal to the market and, accordingly the decision is made not to sell the shares (unless the personal benefits of owning the house is superior to the damages caused by a drop in the stock price). On the other hand, the unintentional meaning could be favourable to the source and represent, therefore, a further reason to undertake the action.

Compared to unaware signalling, this semiotic event enables to anticipate emergent meanings to plan and prepare potential repair or boosting communication strategies. For example, if a company issues a profit warning to report lower than expected estimates, the managers know that analysts and investors could interpret them as indicators of mismanagement. Accordingly, the managers will attempt to persuade their audiences that the predicted negative result has to be attributed to external factors (see Aerts, 2005).

## Intentional signalling (covert communication)

Let us imagine the case of a corporate executive (Ms. Smith) being in the middle of a severe dispute with trade unions over salary levels. Ms. Smith decides to drive with a used and very old car to attend a delicate meeting with the union representatives. She parks the car in a place where she is absolutely certain of being observed by the union representatives. She does this purposefully with the hidden motive of inducing the belief that she conducts a humble life, not very different from the employees. Ms. Smith wants the observing union members to make this inference and to believe that such an inference is exclusively the product of their own reasoning, without the source having any intention to communicate that. In other words, Ms. Smith has an informative intention but no communicative intention. This semiotic phenomenon is known as *covert communication* (Crook, 2004) and consists in a *gesture* (Posner, 1993) that SS accomplishes in order to convey meaning but that is disguised as a spontaneous behaviour aimed at a different (communicative or non-communicative) purpose. This means that the OA will interpret covert communication as an accidental signal.

From a strategic communication point of view, covert communication reflects the communicative entity’s choice to convey meaning by stimulating an inference, rather than by sharing a commitment towards a proposition. By covert communication, the source sends a signal without taking communicative responsibility (commitment) for the meaning that the observing agent hopefully will infer.

Because no commitment is taken towards communication, covert communication does not create expectations and might be very useful to avoid creating false illusions or undesired accountability. On the other hand, the speaker loses some control over the audience’s inferential reconstruction of the message which could be interpreted otherwise or even remain unnoticed resulting in unsuccessful communication. Moreover, because it does not create common ground, covert communication allows the audiences to deliberately ignore the message even in those cases where they manage to discover the source’s informative intention. In fact, covert communication hinders the cooperative process by which speaker and hearers co-construct common ground, shared intentions and joint commitments.

Covert communication is a form of intentional signalling where the signaller’s action creates an observable feature that becomes the premise for the receiver’s inference towards the conclusion covertly claimed by the signaller. Seen from an argumentative perspective, these signals work as covert stimulators of inference rather than as proper rhetorical arguments, that is overt “invitations to infer” (Pinto, 2001, p. 37). Going back to Case 1, instead of overtly arguing that “investors should buy UBS shares because they are undervalued; and they are undervalued because I, the CEO, believe so”, UBS CEO Ermotti ostensibly shows that he has bought the shares so that the same line of argument can be made available to the audience in a more effective way. The reason why the signal could be more effective than the overt argument – said otherwise: the reason why actions can speak louder than words – is that it has the potential to enhance the speaker’s credibility by overcoming problems of source bias.

Figure 1. The structure of audience inference and corresponding refutation with and without signalling action

Figure 1 illustrates, through the example of Case 1, the different inferential processes activated by the audience (investors) when confronted with an overtly communicated claim (“UBS shares are undervalued”) vs. the situation in which the same claim is covertly conveyed by means of a signalling action (the CEO buying shares).

In the simple disclosure of claim scenario, the audience uses an argument from authority, more specifically an argument *from position to know* (Walton *et al.*, 2008) where the statement is believed because it has been claimed by someone with access to superior information. However, this argument could be refuted by questioning the credibility of the source, as the CEO is obviously biased towards the claim affirming that the shares are undervalued. With the stock purchase as a signal, a different argumentative interpretation is instead afforded. The same claim is now supported by the proposition stating that Ermotti *believes* that the shares are undervalued. The signalling action provides evidence for Ermotti’s sincere belief through an argument from effects to cause (the belief of undervaluation causes the purchase). The strength of this argument and the corresponding persuasiveness of the action would depend on the interpretation of the *signalling cost* (see above). The signalling behaviour (buying and owning the shares) can work as a reliable indicator of the source’s internal beliefs only if the cost of acquiring the signal is significant compared to the benefits expected from the effects of persuasion (investors buying the shares and their values going up). If this condition is not fulfilled, the audience would have a good reason to raise suspicions against the credibility of the signalled belief.

Because of their hidden intentionality, signalling strategies based on covert communication could be judged as a form of manipulative and unethical communication. However, there are also cases in which covert communication can serve a legitimate purpose or even be necessary in order to favour reasonable evaluations and decision-making. In situations of high distrust in a source, hiding the communicative intention could be useful to overcome biases and suspicions towards the speaker, which could lead to an *ad hominem* fallacy, i.e. criticising the source rather than the argument (Walton, 1987). In other words, there are cases in which covert communication can represent a non-fallacious rhetorical strategy (Jacobs, 2006) that protect speakers from undeserved prejudices against them.

## Overt communication

As explained earlier in this article, communication can be said to fully happen only when both the informative and the communicative intentions are part of the common ground and the communicative participants construct joint commitments. This is also referred to as *overt communication*, which dominates the content of an organisation’s internal and external communications. Written texts like annual reports, press releases, or strategy documents as well as spoken texts like press conferences, earnings calls, media interviews or TV advertisements are largely and primarily made of overtly communicated meanings.

Overt communication normally reflects a deliberate strategic choice aimed at facilitating mutual understanding, clarity and transparency and helping achieve co-ordination. At the same time, overt communication creates expectations and commitments, which are fully recorded and against which the speaker can be held accountable in future occasions. An example of unmet communicative commitment can be found in the EU referendum in the UK, when the Leave campaign promised that £350m a week would have been spent into the National Health Service in case of Brexit. This pledge was later retracted by the UKIP leader, Nigel Farage (Stone, 2016). On the other hand, reference to fulfilled commitments is often used to boost the trustworthiness and consistency of the speaker or to highlight positive organisational outcomes and take credit for them. For example, when in 2008 the Irish airline company *Aer Lingus* published its defence document against Ryanair’s hostile takeover bid, the directors listed a series of fulfilled promises that were made to shareholders in 2006 when Ryanair made a first takeover attempt (Aer Lingus, 2008).

Overt communication should cannot be reduced to verbal communication only as, in fact, it can be fulfilled by different semiotic modes, including non-verbal communication devices. Signs based on image, sound and body languages can and often do “speak” *overtly* by manifesting intentions and creating joint commitments. If, during a strategy meeting, a boss emphatically indicates the clock to a late comer, this gesture counts as saying, “you are late”. Similarly, an upward thumb, and even the corresponding emoticon typed and sent during a video call, means “I agree”.

## Signal disclosure as a control strategy

The last case in our taxonomy is a combination of communication and signalling elements. While, a covert signal might be more effective than an overtly disclosed message for the reasons explained above, the risk that signals may remain unnoticed or misinterpreted sometimes lead organisations to uncover the signalling event and to suggest audiences what kind of inference should be drawn from it. When the signal is disclosed, the SS strategically opts for weakening the counter-bias function of the covert message (see Figure 1) in exchange for more control over the inferential process by which the audience will interpret the signalling behaviour.

A closer inspection into Case 1 reveals that this is indeed what UBS does when making the announcement that CEO Ermotti has bought shares in the company. An even more explicit example of this semiotic phenomenon sees again the involvement of UBS bank. In 2009, in the midst of the global financial crisis, the Swiss largest bank announced the nomination of former Swiss Finance Minister Kaspar Villiger as new Chairman of the bank, with the following statement:

“The Board believes that his [Kaspar Villiger’s] presence and contribution will **send a clear signal** and will prove valuable at a time when the bank is working to renew its commitment to all stakeholders to seek to maintain high standards of credibility, reliability, and sustainable performance” (quoted in Palmieri, 2009, emphasis added).

On the one hand, this communicative choice undermines the covert communication function of the measure; on the other hand, it reduces the risk that the audience will fail to activate the desired inference by not taking the organisational action as a sign of positive change in the management of the organisation, which in turn will lead to an improved future performance.

# Conclusions: implications and future research

This article developed a semiotic-pragmatic perspective to the analysis of how meaning emerges from strategic communication events. By integrating signalling theory with crucial concepts from pragmatic linguistics, such as speech acts, informative and communication intentions, commitment, and common ground, we offered a conceptual and analytic integration to the process-based approaches such as the transmission and the ritualistic models, which dominate the theorising of strategic communication.

The main result was the construction of a taxonomy of semiotic events in which the difference between overt communication and signalling was highlighted. Signalling was understood as a semiotic event involving (1) a Signalling Source (SS), whose behaviour produces a sign, and (2) an Observing Agent (OA) who notices the sign and, starting from it, draws a causal inference towards meaning. By considering the different levels of beliefs and intentions that OA attributes to SS, which determine the type of causal inference drawn by OA, we distinguished different sub-types of signalling events.

Our taxonomy helps avoid the ambiguous use of the communication and signalling concepts in academic research. For example, the term signalling, which in principle is used to refer to the intentional and covert presentation of an inference affordance, is often used to refer also to unintentional transmissions of information. Sometimes, even signalling and (overt) messages end up being used interchangeably, overlooking the fact that a signal is always related to the performance of an action whether communicative (speech act) or non-communicative. As the case of the “invest in Italy” brochure shows, it is the *speech* action and the associated commitments to work as premises for inferences towards the emergent meaning. The unions and employees did not interpret the message in a different way than investors (as it would happen in a case of strategic ambiguity), but have drawn a further conclusion warranted by one of the commitments that the performed speech acts entailed.

The proposed taxonomy, and the concepts underlying it, is relevant for strategic communication not only to characterise the ‘communication’ component of the notion, but also to better understand the elements that make communicative activities truly strategic. Semio-pragmatic choices, such as deciding whether to convey meaning overtly or covertly, or whether to uncover a signal, reflect broader higher-level communication plans by which communicative entities construct and frame symbolic interactions with key constituencies.

A pragmatic perspective to strategic communication recognises the central role that context-based inference plays in the co-construction of meaning. Accordingly, the process of planning strategic communication interventions involves profiling target audiences not only by defining their stakes, beliefs and values, but also by understanding and predicting the inferential processes they may activate when interpreting and/or debating organisational messages and signals. This effort is crucial in order to anticipate potential emergent meanings and act proactively on them.

Within strategic communication studies, the communicative role of non-verbal actions has been explicitly recognised by scholars from the military/international relations field. For instance, Paul (2011) defines strategic communication as “coordinated actions, messages, images, and other forms of signalling or engagement intended to inform, influence, or persuade selected audiences in support of national objective” (p. 3), adding that “to be successful, strategic communication must include the communicative content and signals of actions, images, and policies. ‘Actions’ include not just policy actions but a much broader set of behaviors, deeds, and undertakings by members and representatives of the government” (p. 7). In line with this approach, we conceptualised strategic communication as a complex semiotic process in which several modes can be used in order to communicate a set of meanings in complex communicative situations. By articulating the concept of signalling, this article has offered a deeper understanding of the communicative functions of non-verbal actions – how actions “speak” – and provides at least three different explanations for the effectiveness of signals – how “actions speak louder than words”:

(1) A first way in which this happens is through intentional signalling: the SS lets the OA infer meaning starting from behaviours that appear as genuine and unbiased, thus increasing the credibility of the source’s commitment towards a belief. In this sense, actions speak louder than words because they *argue more effectively than words*.

(2) With unintentional signalling, the same situation happens but only from the OA’s point of view. Indeed, because of the covert nature of signalling, the audience does not distinguish between intentional and unintentional signalling. Obviously, the two situations differ as regards to the source’s viewpoint. The meaning emerging from unintentional signals can represent a lucky or unlucky case of accidental communication resulting either in an opportunistic self-attribution or in the need for reacting with a repair communication strategy.

(3) Actions may speak louder than words through disclosed signals, which happens when the SS publicly refers to the performed behaviour as a signal, explains why this was done and even suggests how to interpret it. The effectiveness of this strategy depends on how the audience assesses the signalling cost and whether or not the signal is perceived as “too cheap to talk” or not.

By understating strategic communication as speech acts, this paper also shed light on the processes by which words (verbal behaviours) achieve goals and produce effects, sometimes more substantially than non-verbal actions. As the “Invest in Italy” episode suggests, the commitments associated to a performed speech act often become more important than the practical initiatives taken by an organisation.

This article represents a first step towards a systematic integration of semiotics and pragmatics into the field of strategic communication research. Future works should investigate empirically how overt communication and the different types of signalling explained here can be strategically combined to enhance the effectiveness of strategic communication. More research is needed to develop models for the critical assessment of these strategies in terms of contextual appropriateness, persuasiveness and reasonableness. The typology of signalling events outlined in this article can be useful to examine in particular the processes of image and reputation building, which are largely based on signalling strategies and events. More specifically, the domain of crisis communication, in which verbal messages and substantive measures are adopted to defend or restore trustworthiness (Kramer and Lewicki, 2010), needs to be explored from this perspective.

Because a signalling event creates meaning according to how it stimulates inferential processes, more research is needed that examines signalling strategies from an argumentative perspective. If an argument is an invitation to infer, how do actions create affordances for inferences that support the rhetorical goals of the communicative entity? And what critical questions should audiences consider when they reason about signals in order to interpret organisational behaviours? These and related questions should be addressed by systematically integrating argumentation theory into the conceptual framework developed in this article.

On the practical side, the taxonomy elaborated in this article can help communication professionals and leaders to plan and critically reflect on their strategic communications, by addressing key questions like: What meanings should we overtly communicate or what meanings should we signal? What favourable or adverse signals may our overt communication strategy send? And to whom? For which unaddressed audiences could our overt communication represent the source of a signal?

Finally, this article has shown how emerging meaning, whether intentionally signalled or not, often requires communicative entities to engage themselves in public discussions regarding the correct interpretation of a signal. Communication managers can better prepare the organisation to tackle these strategic conversations by recognising the virtual standpoints implied by the words chosen to communicate and frame events and by formulating strategic responses that anticipate possible interpretations from stakeholders.

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1. The brochure is no longer available on the official webpage of the Ministry, but can be retrieved from this news article: <https://www.edilportale.com/news/2016/10/professione/ingegneri-a-basso-costo-il-cni-chiede-chiarimenti-al-governo_54399_33.html>. [↑](#endnote-ref-1)
2. We understand here semiotics in terms close to the approach taken by Peirce, for whom a sign is something that represents something else for an interpretant (see Plowright, 2016). [↑](#endnote-ref-2)
3. In signalling theory, equilibrium is achieved when the cost of the signal is such that low quality entities cannot easily fabricate a faked observable feature that would work as a signal of their claimed good quality. [↑](#endnote-ref-3)
4. Posner (1993) distinguishes five types of sign: (1) *Cause*, in which a natural event produces a natural effect (e.g., rain causes the soil being wet) so that the occurrence of the latter becomes a sign of the former; (2) S*ignal*, in which a natural event causes a response in a reacting system (e.g., a bird flying away after hearing a noise); (3) *Indicator*; in which a non-intentional natural event causes a belief in an agent with an internal representation system (e.g., John sees dark clouds and believe it will rain); (4) *Expression*; in which an unintentional human behaviour causes an inference towards an assumption by the stimulated agent (e.g., Mary hears a noise from the wall and infer the neighbour is angry); and (5) *Gesture*, in which the source of the signal is an intentional behaviour (e.g., Mary switches on the car engine and John infers that she is trying to leave). [↑](#endnote-ref-4)
5. In this regard, Watzlawick’s theory of communication affirms that “one cannot not communicate” (Watzlawick *et al.*, 2011, p. 30). [↑](#endnote-ref-5)
6. The linguistic analysis of corporate disclosures towards signal detection is an area of growing interest for financial analysts and professional analysts. The methods used to infer meaning may also include the use of NLP techniques for the automatic detection of signals by machines (Raiswell, 2019). An important and risky limitation of these methods is that the SS may reverse engineer the inferential process and intentionally adopt favourable or avoid unfavourable expressions. When this happens, the source adopts *covert communication*. [↑](#endnote-ref-6)