

CHAPTER 3

THE EVOLUTION OF PUBLIC RELATIONS

3.1 Introduction

Confusion existed and still exists, as to who is actually responsible for the communication function in an organisation – is it the marketing department or is it the public relations department? (Grunig & Hunt 1984: 6). According to Gronstedt (2000: 6), however, the word department originates from the French word *departir*, which means, “to separate”. He is of the opinion that organisations should reap the benefits of synergy by integrating communication efforts and not to be “collections of free-willed divisions and departments”. As was mentioned in the previous chapter it is clear that organisations that want to be effective in the 21st century should be more open and should focus on integration, process and teamwork. Gronstedt (2000: 6) supports this viewpoint by stating that “rather than organising communication like a herd of fighting bulls, the winners of the new century will organise themselves like geese flying in a V formation. Flying in formation allows geese to fly 71 % farther than they could fly alone. They optimise the performance of the group as a whole instead of sub-optimising the performance of individuals.”

The debate of who, or which department, is actually responsible for communication was triggered by the confusion that existed between public relations and marketing. Although authors purport (chapter 2) that organisations should move away from such a functionally defined viewpoint to a more open approach, a great deal of organisations are not comfortable with the idea of true integration (this will be addressed in the empirical part of the study). It is therefore necessary to gain an insight into what is being considered the traditional communication functions, namely public relations and marketing as well as what is meant by the integration of communication.

The aim of this chapter, therefore, is to present a detailed theoretical discussion of the field of public relations through the investigation of:

- The origins and historical development of public relations;

- The various definitions of public relations and the focus of each;
- The organising of the function.
- Management of stakeholders

The relationship between marketing and public relations as well as the integration of communications will be further discussed in chapter 4.

3.2 Public relations' origins and development

Public relations as a modern phenomenon is less than a hundred years old. The field is therefore younger than other disciplines and is still evolving. Trends that are related to the evolution of public relations, according to Seitel (1995: 26), are: (1) the growth of big institutions; (2) the increasing incidents of change, conflict and confrontation in society; (3) the heightened awareness and sophistication of people as a result of technological innovations and; (4) the increased importance of public opinion in the era of democracy.

First, the bigness of today's society has played a significant role in the development of public relations. As organisations have grown larger, the public relations profession has evolved to interpret what these large organisations represent to the public they serve. Second, the increasing incidents of civil right groups, consumerism and environmental awareness, to name a few changes, conflicts and confrontations, have all contributed materially to the need for more and better communications. Third, the heightened awareness of people everywhere as a result of the fast growth of technological innovations has helped fragment different audiences and create the "global village". Finally, the outbreak of democracy has strengthened the power of public opinion in the world. The practice of public relations, as a facilitator in managing more effectively in the midst of the democratic revolution, has increased in prominence (Seitel, 1995: 27).

According to White and Mazur (1995: 13) the history of public relations as a recognised area of business had its origins in the USA. They see Edward Bernays as being one of the people credited as a founder of public relations. Newsom *et al.* (1992:33) do not agree with Bernays as being the "founder", although he was the first to call himself a "public relations council" in

1921, and wrote the first book on the subject two years later (Newsom *et al.*, 1992: 32). They conclude that public relations does not have a single “founder”.

Public relations practitioners however often look to Ivy Lee as the first practitioner of what became the modern day public relations practice. It was around the turn of the twentieth century that PR came into being as a term, a profession and as an academic discipline (Newsom *et al.*, 1992: 33).

- **Evolution of Public Relations**

Although modern public relations is a twentieth century phenomenon the roots can be traced back to ancient beginnings. Leaders throughout history understood the importance of influencing public opinion through persuasion (Seitel, 1995: 27). Seitel (1995: 27) traces the beginnings of public relations back to 1800 BC where planned persuasion was used by the Babylonians to reach a specific public for a particular purpose. He also views the Greeks and the Romans to put a high premium on communication and persuasive techniques. Newsom *et al.* (1992: 34) are of the opinion that the monuments and other art forms of the early world are a reflection of early efforts of persuasion. They conclude that public relations has amalgamated various persuasive techniques that have proved their effectiveness through the centuries.

The American public relations experience dates back to the founding of the republic. Influencing public opinion, managing communications, and persuading individuals at high levels were at the core of the American Revolution (Seitel, 1995: 28). The development of public relations in the United States went through five distinct stages. The stages also indicated how the practice has matured over time (Newsom *et al.*, 1992: 64).

In table 3.1 the five periods or stages in the development of public relations are summarised.

TABLE 3.1: FIVE STAGES IN THE DEVELOPMENT OF PUBLIC RELATIONS

| Five stages of development | These stages are marked by particular periods in U.S. history, which fall into the following categories: |
|--|--|
| <p><u>Stage 1: Preliminary period:</u></p> <p>An era of development of the channels of communication and exercise of PR tactics (publicity, promotion and press agency)</p> | <p>1600 – 1799</p> <p>Initial Colonisation – American Revolution</p> |
| <p><u>Stage 2: Communicating/initiating:</u></p> <p>A time primarily of publicists, press agents, promoters, and propagandists</p> | <p>1800 – 1899</p> <p>Civil war</p> <p>Western expansion</p> <p>Industrial revolution</p> |
| <p><u>Stage 3: Reacting/responding:</u></p> <p>A period where writers were hired to be spokespeople for special interests</p> | <p>1900 – 1939</p> <p>Progressive era/ muckrakers</p> <p>World War I</p> <p>Roaring twenties</p> <p>Depression</p> |
| <p><u>Stage 4: Planning/preventing:</u></p> <p>A maturing of PR as it began to be incorporated into the management function</p> | <p>1940 – 1979</p> <p>World War II</p> <p>Cold War of the 1950s</p> <p>Consumer Movement</p> |
| <p><u>Stage 5: Professionalism:</u></p> <p>An effort by PR to control its development, use and practice on an international level</p> | <p>1980 – present</p> <p>Global Communication</p> |

Source: Adopted from Newsom *et al.* (1992: 36)

In table 3.1 the **first stage** shows the development of the necessary infrastructure for public relations to be practised on a large scale. The **second stage** was the time of press agency and publicity (typified by P.T. Barnum – An American business man in the 1800s who used deception in his advertising and publicity). This stage was characterised by communicating and initiating.

Ivy Lee was part of the **third stage** and this stage consisted primarily of reacting and responding to criticism. This stage was marked by the influential writings of muckrakers who enjoyed the exposing of business and government scandals (Theodore Roosevelt compared sensational writers to the “Man with the Muckrake” in the seventeenth-century work in *Pilgrim’s Progress* – a character who did not look up to see the celestial crown but continued to rake the filth).

The wartime era marked the beginning of the **fourth stage** in the development of public relations. It was during this stage that public relations started growing as a management function.

The **fifth stage** is typified by a new sense of professionalism in the practice of public relations. During this period the high visibility of public relations was also characterised by criticism of the public relations’ practice. Public relations practitioners realised the importance of insisting on the necessary levels of preparation and performance (Newsom *et al.* 1992: 65).

Based on the five stages discussed above, Grunig and Hunt (1984) constructed four models of public relations to aid in understanding the history of formal public relations as well as how it is being practiced in recent times. Grunig and Hunt (1984) were the first to define, through their four models of communication, the typical ways in which public relations is practiced. Although they identified the models almost seventeen years ago, the models have since then been the objects of intense research by various academics and students (Grunig & Grunig, *in* Grunig *et al.*, 1992b).

The aim of the next discussion is to gain a better understanding of the different models, especially the two-way symmetrical model of communication who, according to Grunig and Grunig (in Grunig *et al.*, 1992b) provides a normative theory of how public relations should be practiced to be ethical and effective – a characteristic of excellent communication management.

(a) Grunig and Hunt's models of communication

Grunig and Hunt (1984) use the terms 'models' to describe the four types of public relations that they believe have evolved throughout the history. Although they acknowledge the fact that their had been "public-relations-like" activities in history, they claimed that the press agents of the mid-19th century were the first full-time specialists to practice public relations.

Although the models have been mentioned in chapter 1, the next part of this chapter will explore it in more detail.

Grunig and Hunt (1984) identified the following four 'models' that were depicted in table 1.2:

- **Press Agency/Publicity:** Propaganda is the purpose. It is done through one-way communication that is often incomplete, distorted or only partially true. The model is from source to receiver. Communication is viewed as telling and not listening. Little if any research is undertaken. Research is limited to informal observations of whether publicity material has been used by the media. P.T. Barnum is seen as the leading historical figure during this model's reign from 1850 to 1900 (Grunig & Hunt, 1984).
- **Public information:** Dissemination of information, not necessarily with a persuasive intent, is the purpose. The model is from source to receiver. Research, if any, is likely to be confined to readability tests or readership studies. Ivy Lee was the historical figure during this model's early development period from 1900 into the 1920s. This model followed the press agency/publicity model and was the most widely used model in those years.

In the above two models communication is always one way, from the organisation to the public. Practitioners of these models tend to see communication as telling and not listening (Grunig & Hunt, 1984: 23).

- **Two-way Asymmetric:** Scientific persuasion is the purpose and communication is two-way, with imbalanced effects. The model is from source to receiver, with feedback to the source. Research is both formative and evaluating. Formative research is done to establish the ‘current situation’ of the public, their attitudes, views and behaviour.

Based on this information the practitioner sets up a programme of communication to either maintain or alter this situation, depending on the situation of the organisation. It helps to formulate objectives and establish if the objectives have been achieved (Grunig & Hunt, 1984).

- **Two-way Symmetric:** Gaining mutual understanding is the purpose, and communication is two-way with balanced effects. The model is from group to group with a feedback loop. This model regards practitioners serving as mediators between an organisation and its publics. The goal is therefore to reach mutual understanding between organisations and their publics. Formative research is used mainly to learn how the public perceives the organisation and to determine what consequences the organisation’s actions will have on the public. Evaluative research is also used to measure whether a public relations effort has improved the understanding, which publics have of the organisation, and what management’s understanding is of its publics. Edward Bernays, educators, and professional leaders have been the main influences of the two-way symmetric model during the 1960s and 1970s.

In the last two models, communication flows both ways between an organisation and its publics. There is however a difference in the nature of communication between these two models. The viewpoint on symmetrical versus asymmetrical public relations will provide further insight in this regard.

(i) Symmetrical versus asymmetrical public relations

Grunig and White (*in* Grunig *et al.*, 1992b: 39) consider the dominant worldview (assumptions about the world – a mindset) of public relations as being an asymmetrical view. Asymmetrical is being regarded, as a way of obtaining what an organisation wants without changing its behaviour or without compromising.

They are of the opinion that this mindset guides organisations into an ineffective direction that is not in the long-term interest of the company.

According to Grunig and White (*in Grunig et al.*, 1992b: 39) public relations is more of a symmetrical process of compromise and negotiation that will be more effective on the long run than an asymmetrical process.

If one looks at the concept of the four models of public relations (Grunig & Hunt, 1984) the **asymmetrical view** is part of the **press agency, public information and two-way asymmetrical models**. The models attempt to change the behaviour of publics without changing the behaviour of the organisation. Any publicity in the media is what public relations strive for under the press-agentry model. With the public information model, public relations uses journalists to disseminate objective but only favourable information about the organisation. Under the two-way asymmetrical model the organisation uses research to develop messages that are most likely to persuade publics to behave as the organisation wants (Grunig and White *in Grunig et al.*, 1992b: 39).

In the **two-way symmetrical** model research and dialogue are however, used to manage conflict, improve understanding and build relationships with publics. With the symmetrical model, both the organisation and publics can be persuaded and both may also change their behaviour (Grunig & White *in Grunig et al.*, 1992b: 39).

The above discussions focused on the development of public relations throughout history leading to the development of the four models of public relations. Three of the models support an asymmetrical approach and one focuses on symmetry. Baskin *et al.* (1997) also looked at the history of public relations. They however, summarised it in order to identify trends that have an influence on the direction it is moving into.

(b) The future of public relations

Baskin *et al.* (1997) regard the future of public relations as being difficult to gauge. In trying to do so they summarised the history and identified and described ten trends that appear to influence the direction of the practice depicted in table 3.1.

TABLE 3.2: SUMMARY OF HISTORY AND TRENDS OF PUBLIC RELATIONS

| <i>From:</i> | <i>To:</i> |
|---------------------|----------------------|
| Manipulation | Adaptation |
| External counsellor | Internal team member |
| Marketing | Management |
| Program | Process |
| Craftsperson | Manager |
| Items | Issues |
| Output | Input |
| Fire-fighter | Fire preventer |
| Illegitimacy | Legitimacy |
| U.S. profession | Global profession |

Source: Adapted from Baskin *et al.* (1997: 47)

The trends depicted in table 3.2 will now be further expanded.

(i) From Manipulation to Adaptation

In the past public relation's intent was to achieve specific results in terms of customer response, election outcomes, media coverage or public attitudes. Public relations' purpose was to communicate in such a way as to assure the compliance of relevant public's behaviour with an organisation's plans. Stunts, sensationalism, and embellished truth were hallmarks of the trade: in other words manipulation.

As practitioners began to establish trust and credibility, the manipulative phase became history and public relations could begin to make gains in stature and responsibility in organisations. Organisations realised that compliance was not the only way to achieve success but by adapting effectively to environmental demands, constraints and opportunities, an effective two-way mutually beneficial relationship can be established.

(ii) From External Counsellor to Internal Team member

In the early 20th century ex-newspapermen and press agents established the field of public relations. They mostly set up their own organisations. This external, independent counsellor model of public relations became the norm in textbooks and at universities. The actual practice of public relations has evolved beyond this. A new breed of practitioners has emerged within the structures of large complex organisations. These practitioners must be concerned with internal as well as external communication and must provide managerial leadership as well as communication expertise.

(iii) From Marketing to Management

Public Relations was mostly seen as an adjunct to the sales effort, concerned primarily with product publicity and getting free advertising. The development of the marketing concept that stresses organisational responsiveness to markets rather than sales efforts has changed the direction of information flow. Management's task has also changed. They constantly seek to adapt a flexible organism to dynamic and complex environments. The prime responsibility of public relations is therefore to provide information and an environment in which management can function most effectively.

(iv) From Program to Process

Public relations has traditionally place too much emphasis on programmes (specific outputs from public relations' efforts). Public relations will however become increasingly involved in broader responsibilities and spend more time in developing communication objectives that are consistent with an organisation's overall objectives. They will act as counsellors to managers and serve on teams with other specialists. A long-term general perspective instead of a short-term, specific perspective is therefore needed.

(v) From Craftsperson to Manager

The emphasis on technical skills such as writing ability and graphic design led to a narrowly specialised craftsperson or technician. A more broadly experience communication manager is however needed. The increased responsibilities of public relations people demand a broad knowledge of business.

(vi) From Items to Issues

Previously public relations practitioners sought to place items in the media and measured their effectiveness by its success. The current trend is to move away from that toward issues management. Issues management is the identification of key issues confronting organisations and the management of organisational responses to these issues. The process involves the early identification of potential controversies; development of organisational policy related to these issues; creation of programmes to carry out policies; implementation of these programmes; communication with appropriate publics; and evaluation of the results.

(vii) From Output to Input

The traditional emphasis of public relations has been on output – the creation of messages for external publics. Public relations practitioners are however realising that their most important messages constitute input.

Ultimately public relations enters into the core of the organisations carrying the information that will have an influence on the fundamental decisions of policy and strategy. Practitioners increasingly provide input and participate in such decisions.

(viii) From Fire-fighter to Fire Preventers

Effective public relations does not merely exist to solve issues, but seek to avoid such dilemmas. Practitioners are moving into positions that allow them to more fully recognise areas of potential dangers and be equipped to deal with those dangers. Managerial skills must therefore take precedence over media skills.

(ix) From Illegitimacy to Legitimacy

Public relations has always had an air of illegitimacy about it. It has however gained legitimacy in the eyes of organisational managers and executives. Members of the public relations profession who respond to demands and opportunities present in society and who play a critical role in the effective management of problem solving contribute to the legitimacy of the profession.

(x) From U.S profession to Global profession

The global village that was predicted 30 years ago has arrived. Cultural, language and legal differences are some of the problems facing global public relations. Rapidly evolving communication technology has made these barriers less of a factor. The future of public relations must therefore take into account the global community in all its efforts (Baskin *et al.*, 1997: 46).

The discussion in this chapter so far has provided a detailed theoretical discussion on the development of public relations throughout history, the four models of public relations and its movement towards the future. The development of public relations in the USA went through five distinct phases. Grunig and Hunt (1984) constructed four models of public relations based on the history that has since been the object of various research projects. Baskin *et al.* (1997) tried to predict the future of public relations by describing ten trends that appear to influence the direction of the practice in the future.

It is clear that public relations is still a relatively young discipline compared to others and are still evolving. Public relations has however, from its modern beginnings suffered from an identity crisis because of the limitless scope of activities taken on by public relations professionals. The short history of public relations has therefore produced various definitions. Section 3.3 will investigate the various definitions of public relations further.

3.3 Defining public relations

According to White & Mazur (1995), organisations fail to make good use of communication when pursuing their strategic objectives. The conclusion was made based on evidence originating partly from incidents that occurred from time to time. Evidence showed that managers were inadequately prepared to communicate in ways to protect their strategic interests. According to White and Mazur (1995) this is true especially during times of corporate take-over battles, in environmental or industrial mishaps, or during conflict between management and interest groups.

Skinner and Von Essen (1993: 3) contend that public relations is the sophisticated multi-faceted discipline able to help forge the effective two-way communication that is needed between an organisation and its various publics. In various organisations public relations is playing an effective management role in its own right. According to Skinner & Von Essen (1993: 3) however, public relations is also one of the most used and least understood terms in the business world. As it has evolved it has broadened its appeal and impact, but has failed to have its character and function properly defined (Skinner & Von Essen, 1993: 3).

The first step towards establishing effective communications management is therefore to define terms. Hutton (1999: 199) concurs with Skinner & von Essen (1993) by stating that public relations from its modern beginnings has suffered from an identity crisis and has failed to arrive at a broadly accepted definition. Many people seem to have an idea of what public relations is but a few seem to agree. The reason for the confusion can be attributed to the limitless scope of activities taken on by public relations professionals. The duties of a practitioner in one organisation may be completely different from those in another organisation, because as a loosely defined field, it is vulnerable to anyone who claim to be a “public relations professional” (Seitel, 1995: 6).

People often define public relations by some of its most visible techniques and tactics, such as publicity in a newspaper. Public relations is however a process involving many subtle and far-reaching functions. It includes research and analysis, policy formation, programming, communication and feedback from numerous publics (Wilcox *et al.*, 1995: 5). The various definitions will be discussed in more detail in section 3.3.1.

3.3.1 Definitions, metaphors, and philosophies of public relations

If one looks at modern public relations’ short history a number of definitions, metaphors or approaches to the field can be found. Lee focused on understanding and compromise to ensure a proper adjustment of the interrelations of public and business, whereas Bernays’ definition also included the notion of adjustment (Hutton, 1999: 200).

In 1923 Bernays described the function as one of “providing information given to the public, persuasion directed at the public to modify attitudes and actions, and efforts to integrate attitudes and actions of an institution with its publics and of publics with those of that institution” (Seitel, 1995: 6).

In 1975 the Foundation for Public Relations Research and Education commissioned a search for a universal definition. Sixty-five public relations leaders participated in the study. It analysed 472 different definitions and offered the following (Seitel, 1995: 6):

Public relations is a distinctive management function which helps establish and maintain mutual lines of communications, understanding, acceptance and co-operation between an organisation and its publics; involves the management of problems or issues; helps management to keep informed on and responsive to public opinion; defines and emphasises the responsibility of management to serve the public interest; helps management keep abreast of and effectively utilise change, serving as an early warning system to help anticipate trends; and uses research and sound and ethical communication techniques as its principal tools.

At the first World Assembly of Public Relations Associations held in Mexico City in 1978 the following definition of the nature and purpose of public relations was adopted (Skinner & Von Essen, 1993: 3):

Public relations practice is the art and social science of analysing trends, predicting their consequences, counselling organisations’ leaders and implementing planned programs of action that will serve both the organisation and the public interest.

In 1980, the Task Force on the Stature and Role of Public Relations, chartered by the Public Relations Society of America (PRSA), offered two definitions (Seitel, 1995: 7):

Public relations helps an organisation and its publics to adapt mutually to each other.

Public relations is an organisation’s efforts to win the co-operation of groups of people.

Another attempt to define the function was presented in 1982, at the 35th National Conference of the Public Relations Society of America. As a management function, public relations encompasses the following (quoted in Cutlip *et al.*, 1985: 7):

- Anticipating, analysing and interpreting public opinion, attitudes and issues which may impact, for good or ill, the operations and plans of the organisation.
- Counselling management at all levels of the organisation with regard to policy decisions, courses of action and communication, taking into account their public ramifications and the organisation's social or citizenship responsibility.
- Researching, conducting and evaluating on a continuing basis, programs of action and communication to achieve informed public understanding necessary to the success of an organisation's aims. These may include marketing, financial, fund raising, employee, community, or government relations and other programs.
- Planning and implementing the organisation's efforts to influence or change public policy.
- Setting objectives, planning, budgeting, recruiting and training staff, and developing facilities. In short, managing the resources needed to perform all of the above.
- Examples of the knowledge that may be required in the professional practice of public relations include communication arts, psychology, social psychology, sociology, political science, economics and the principles of management and ethics. Technical knowledge and skills are required for opinion research, public issue analysis, media relations, direct mail, institutional advertising, publications, film/video productions, special events, speeches and presentations.

Cutlip *et al.* (1985: 7) conclude that the contents of the many definitions of public relations include common notions and that the ideal public relations function:

- Is a planned sustained programme conducted by an organisation's management?
- Deals with the relationships between an organisation and its various publics.
- Monitors awareness, opinions, attitudes and behaviour inside and outside the organisation.
- Analyses the impact of organisational policies, procedures and actions on various publics.
- Adjusts those policies, procedures and actions found to be in conflict with the public interest and organisational survival.
- Counsels management on the establishment of new policies, procedures and actions that are mutually beneficial to the organisation and its publics.

- Establishes and maintains two-way communication between the organisation and its various publics
- Produces specific changes in awareness, opinions, attitudes and behaviours inside and outside the organisation
- Results in new and, or maintained relationships between an organisation and its publics.

The evolution of the concept and the numerous descriptions of the practice lead Cutlip *et al.* (1985: 7) to a conceptual definition:

Public relations is the management function that identifies, establishes, and maintains mutually beneficial relationships between an organisation and the various publics on whom its success or failure depends.

In Wilcox *et al.* (1995: 6) a sampling of definitions from around the world can be found:

Public relations is the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organisation and its publics.

Public relations is the conscious and legitimate effort to achieve understanding and the establishment and maintenance of trust among the public on the basis of systematic research.

Public relations is the sustained and systematic managerial effort through which private and public organisations seek to establish understanding, sympathy, and support in those public circles with which they have or expect to obtain contact.

Public relations practice is the art and social science of analysing trends, predicting their consequences, counselling organisation leaders, and implementing planned programs of action which serve both the organisation's and the public's interests.

Wilcox *et al.* (1995: 6) are of the opinion that public relations should be defined by remembering certain key words:

- **Deliberate:** Public relations activity is intentional. It is designed to influence, gain understanding, provides information, and obtains feedback.
- **Planned:** Public relations activity is organised. Solutions to problems are discovered and logistics are thought out, with the activity taking place over a period of time. It is systematic, requiring research and analysis.
- **Performance:** Effective public relations is based on actual policies and performance. No amount of public relations will generate goodwill and support if the organisation is unresponsive to community concerns.
- **Public interest:** The rationale for any public relations activity is to serve the public interest, and not simply to achieve benefits for the organisation. Ideally public relations activity is mutually beneficial to the organisation and the public: it is the alignment of the organisation's self-interests with the public's concern and interests.
- **Two-way communication:** Dictionary definitions often give the impression that public relations consists only of the dissemination of informational materials. It is equally important, however, that the definition includes feedback from audiences. The ability to listen is an essential part of communication expertise.
- **Management function:** Public relations is most effective when it is part of the decision making of top management. Public relations involves counselling and problem solving at high levels, not just the releasing of information after a decision has been made.

Based on the short review of just a few of the definitions being offered, it is obvious that many definitions of public relations are available. Seitel (1995: 7) concludes that although a generally accepted definition has not been found yet, there is progress toward a clearer understanding of the field. Instead of offering yet another definition certain keywords will be highlighted. The keywords represents the research's viewpoint on communication and also supports the purpose of the research:

- **Management function:** In order for public relations to remain excellent within an integrated communications framework according to Grunig and Grunig (1998: 141-162) the function should be located in the organisational structure so that it has ready access to key decision makers of the organisation – the dominant coalition – and thereby contributing to the strategic management processes of the organisation.

- **Identifies, establishes and maintains:** This emphasises researching, conducting and evaluating on a continuing basis to be able to identify, establish and maintain relationships.
- **Mutually beneficial relationships between the organisation and its various publics:** Hunter (2000b) proposes that the focus of integrated communication (IC) is on communication to all of an organisation's stakeholders and not just its customers. An important characteristic of IC is therefore a stakeholder's orientation. Organisations need to look at stakeholders and determine what kind of communication they might need to satisfy their interests. The integrated communicator must then manage communication in such a way that it will adhere to the expectation of the stakeholders in terms of communication.
- **Two-way communication:** To be able to identify, establish and maintain mutually beneficial relationships effective two-way communication is essential. Successful relationships cannot be built with one-way communication as it omits the feedback that is necessary to understand and be understood.

The above keywords were highlighted to provide a summary of what are perceived to be important for the study. Section 3.2.2 highlights the viewpoints of two authors who reviewed the definitions in detail.

3.3.2 Characteristics, assumptions and effects of current definitions

Gordon (1997: 60) reviewed and interpreted several definitions of public relations and explicated the shared elements and assumptions inherent in those definitions. He pointed out that three elements namely management, organisation, and publics are prevalent in the definitions. He concludes that public relations is either presented as a management function or the management of communication.

By defining public relations by its management characteristics serves to promote the importance of public relations departments within an organisation.

The other two terms that are common to all definitions according to Gordon (1997: 60) are organisation and publics. The definitions reviewed, dictated a setting where public relations functioned as an intermediary between an organisation and a public.

In another article where the definitions of public relations are analysed, Hutton (1999: 201) offers some criticisms of the public relations definitions. According to Hutton (1999: 201) a standard criticism is that the definitions tend to focus more on the effects of public relations, rather than on its fundamental purpose. Another criticism is that many of the academic definitions are normative or prescriptive, rather than descriptive of public relations' true function. He criticises academic definitions of public relations further by suggesting that the definitions do not identify their core concepts namely communications and relationships. All the definitions deal about organisations and ignore the practice of public relations for individuals or groups of people who are not formally organised. According to Hutton (1999: 201) the definitions lack the richness of thought that characterised many of the historical definitions.

This research study however focuses on structuring the function in organisations and thus the criticism on organisations and individuals do not apply. Communications and relationships are at the core of the research and the element of two-way communication and mutually beneficial relationships have been identified in section 3.3.1 as one of the keywords applicable to this study.

The term public relations has been used throughout most of the previous discussions. Other terms however do exist and will be discussed in the next section.

3.3.3 Other terms for public relations

Public relations is used as an umbrella term on a worldwide basis. Individual organisations and groups often use other terms to describe the public relations function.

O'Dwyer's directory of Corporate Communications 1992 (quoted in Wilcox *et al.*, 1995: 12) identifies 135 of the Fortune 500 companies as having corporate communications

departments, while another 62 use the term public affairs. Other titles used include corporate affairs, corporate relations, corporate and investor relations, marketing services and external affairs.

A Conference Board survey of 150 major U.S. corporations also found a movement away from public relations toward the use of other names (quoted in Wilcox *et al.*, 1995: 12). In 60 percent of the surveyed organisations, the word communications is used to describe the public relations function. In some cases, corporate communications is the umbrella term and “public relations” is considered as one of several departments.

According to Wilcox *et al.* (1995: 12) public information is the term most widely used by universities, social service agencies and government agencies. The implication is that only information is being disseminated, in contrast to persuasive communication (Wilcox *et al.*, 1995: 12). In many cases it is clear that companies or organisations use public information, public affairs or corporate communications as euphemisms for public relations. Wilcox *et al.* (1995: 12) are of the opinion that this is in part a reaction to the misuse of the term by the public and the media (Wilcox *et al.*, 1995: 12).

Wilcox *et al.* (1995: 12) purport that the popularity of corporate communications as a term is based on the idea that the term is broader than public relations, which is often incorrectly perceived as only media relations. Many regard corporate communications as encompassing all communication of the company, including advertising, marketing communications, public affairs, community relations and employee communications (Wilcox *et al.* 1995: 12).

For the purpose of the research the two terms, public relations and corporate communications, will be used interchangeably. The reason is that most of the literature still uses the term public relations when describing the corporate communication function of an organisation.

Argenti (1998: 47) however contends that corporate communication is the new term used for the communication function in an organisation. He sees public relations as being a “predecessor” to the corporate communication function. Public relations as a function grew out of necessity. Organisations did not have a specific strategy for communications but were

forced to respond as a result of external constituencies. As the environment for business changed the responses were so frequent that someone had to take control of certain aspects of communication. This function, which was mostly tactical, was called public relations or public affairs.

Argenti (1998: 48) concludes that the public relations function typically would include an approach that would prevent the press from getting too close to management. The PR person was supposed to prevent trouble from getting into, or news of trouble from escaping, the organisation. Organisations needed to add other communication activities to the list and public relations' staff were the obvious choice. It was expected of them to handle activities such as speech writing, annual reports and the organisation newspaper. A large portion of work in this era involved dealing with the press and former journalists were hired to handle the responsibility.

Argenti (1998: 49) views the problems that developed outside organisations in the 1970s as being the starting point for the new corporate communication function. According to him organisations required more than the simple internal PR function supplemented by the outside consultant. He uses cases such as the increased power of special-interest groups like Ralph Nader's PIRG. In the 1970s oil companies faced problems as a result of the Arab oil boycott and embargo. This placed the entire industry under scrutiny as consumers had to wait hours for a tank of petrol, while companies reported, what many agitators like Ralph Nader, felt were obscene profits. The Green-peace movement is another example of the growing need for a sophisticated communications function. The cases also explain why the "old-style" public relations function no longer possessed the capabilities to handle the negative publicity that was generated. Argenti (1998: 49) is also of the opinion that the question at many organisations now focus on how to fit the corporate communication function into an existing system rather than whether the function should exist at all.

Through the discussion of the various definitions a better understanding of public relations has been gained and certain keywords that support the purpose of the study were highlighted. It is however also necessary to investigate the organisation of public relations in organisations to be able to address some of the research objectives.

In chapter one it was indicated that the communication function should be positioned to give it ready access to the managerial subsystem and a dynamic horizontal structure should be developed to give the communication department the flexibility needed (Lindeborg 1994: 8). The research report of Corporate Communication Studies (2000) also illustrated that there is a focus on the organisation of the communication department and that there is a need for further studies to identify ways in which successful organisations are addressing this issue. This will be addressed further in the empirical part of this study.

Further insight into what the theory depicts in terms of organising the public relations function is also important. The last part of this chapter will therefore investigate various authors' viewpoints on structuring the function and the information will be used to address some of the research propositions.

3.4 Organising of the public relations

According to White & Mazur (1995: 12) the very nature of communication is changing, as more organisations are moving towards centralised and integrated communications, strategically orchestrated and co-ordinated from within. The true goal of public relations (or strategic communication according to them) is to influence the behaviour of groups of people in relation to each other. They are also of the opinion that influence should be exerted through dialogue with all the different corporate audiences with public relations becoming a respected function in its own right acting as a strategic resource and helping to implement corporate strategy.

Seitel (1995: 144) supports this by stating that public relations, by definition, must report to top management. Often however, public relations is subordinated to advertising, marketing, legal or human resources. Public relations must be the interpreter of the organisation's philosophy, policy and programmes that emanate from top management.

The purpose of the public relations director according to Seitel (1995: 144) is to promote the entire organisation. If the director reports to marketing or advertising the task would become one of promoting specific products. Therefore if public relations is made subordinate to other disciplines such as marketing and human resources it will then jeopardise its independence

and credibility as the corporate conscience. The public relations professionals should have enough autonomy to deal openly with management (Seitel, 1995: 144).

Baskin *et al.* (1997: 6) add to this by stating that “it is necessary to recognise that public relations is a management function that ideally helps an organisation to establish its philosophy, achieve its objectives, adapt to a changing environment, and successfully compete in today’s markets”.

The environment has been identified in chapter two as one of the contingency factors that should be considered in organisational design. Organisational structure forms part of the organisation’s design tools and managers should therefore assess the external environment before structuring. Grunig and Hunt (1984: 97) are of the opinion that the choice of a public relations model should be contingent upon the nature of the organisation’s environment. The influence of the environment on the structuring of public relations will be discussed next.

- **The environment and structuring of public relations**

Grunig and Hunt (1984) contend that the purposes of the four public relations models (previously discussed) represent four major communication functions – propaganda, disseminating of information, scientific persuasion and mutual understanding. Public relations managers must then first decide what function will be best for the organisation by examining the environment and then choose an appropriate public relations structure to provide that function.

Grunig and Hunt (1984) further discuss environments by highlighting the static and dynamic nature of environments.

They are of the opinion that the more dynamic and changing an environment is, the more an organisation should use the functions provided by the two-way asymmetric (scientific persuasion) or symmetric models (mutual understanding) of public relations. In a static environment however, the organisation can behave routinely and use the functions of the press agency (provide propaganda) and the public information (disseminating of information)

models of public relations. Structures will therefore be developed that are deemed appropriate for the environment.

(a) Vertical structures

Grunig and Hunt (1984: 99) state that organisations develop vertical structures appropriate for the environment they face. Complex environments require flexible vertical structures and in a static environment rigid, vertical structures will be the most appropriate.

They conclude that public relations departments using the press agency/publicity or public information models can be managed with a structured vertical hierarchy and departments that follow the two-way asymmetric or symmetric models, require an unstructured hierarchy.

Grunig and Hunt (1984) defend this viewpoint by postulating that the unchanging nature of static environments does not deem it necessary for organisations to change in accordance with the condition of the environment. Thus, managers concentrate power at the top through the formalisation of rules and procedures and therefore support centralisation. In a complex environment, however, there is constant change and the organisation must innovate to adapt to the environment. Decentralisation ensures flexibility in the sense that rules are eliminated.

(b) Horizontal structures

According to Grunig and Hunt (1984: 101) vertical structures define the power and authority within a system and horizontal structures define the roles and tasks of the subunits of a department.

Grunig and Hunt (1984: 101) identified seven common horizontal structures, based on their experiences with organisations:

(i) Structure by publics

In this type of structure the public relations department is divided into a number of sub-departments that often include media relations, employee relations, community relations, governmental relations or investor relations. Each sub-department therefore deals with a different public considered to be relevant to the organisation

(ii) Structure by management process

The public relations department is organised according to management processes such as planning, evaluation, or research. This kind of structure, according to Grunig and Hunt (1984: 102) works best in combination with both two-way models of public relations, thus in organisations with a complex, turbulent environment.

(iii) Structure by communication technique

A department structured in this way has units responsible for major communication techniques such as press services or publications. This structure is typical for organisations employing the press agency/publicity and the public information models of public relations (Grunig and Hunt, 1984: 102). Such organisations tend to have an above average degree of vertical structuring and usually operate in static environments. This kind of structure however can also be found in organisations in a complex environment in which the dominant coalition allows little empowerment by the public relations department.

(iv) Structure by geographic region

The geographically dispersed nature of some organisations compels them to often organise the public relations department by this structure, and one unit of the department is responsible for each location. This structure does not usually appear alone, as in most cases it will be combined with one of the other structures. It is therefore present in most types of organisations. Grunig and Hunt (1984: 102) argue, however, that this structure '*would be most advantageous ... for an unstructured organisation that faces an environment that is complex as a result of geographic dispersion.*'

(v) Account executive system

This kind of structuring is typically found in public relations consulting firms who assign different employees to each of their clients. This structure can exist in many variations, thus being able to meet different demands. It can provide technical communication services as well as strategic communication planning and it can also serve one or more publics. Finally, it can vary in the vertical structure to fit the client organisation.

(vi) Structure by organisational subsystem

This structure is a variation of the account executive system when it is used by in-house public relations departments. Members of the department are assigned to serve the various subsystems of an organisation as account executives, similar to agency account executives serving different organisations. When utilising this structure the department is however often limited to provide services according to the press agency/publicity and information models of public relations.

(vii) Combination of methods

In reality, according to Grunig and Hunt (1984: 102) it becomes apparent that most organisations practice a combination of the organisational structures presented so far.

Grunig (1989) reviewed the literature on horizontal structures and noted that previous research had indicated that public relations practitioners were not organised primarily by public as purported by Grunig and Hunt (1984). Practitioners are considered to be generalists and have to interact simultaneously with the media, community, government, stockholders, and employees. Grunig (1989) also hypothesised that an organisation's outside environment and its significant publics would dictate the structure of public relations. Consideration of the external environment and the most significant publics can also account for the interaction between the public relations department, marketing, and other communication functions in organisations. Thus organisations with the most dynamic or fluctuating external environments would be most likely to maintain relatively open, interdependent relationships between public relations and marketing programmes (Grunig, 1989).

Van Leuwen (1991) on the other hand proposed a 2 x 2 public relations departmentalising matrix formed by four combinations of function and product/market departmentalising concepts. The matrix is presented in figure 3.1

FIGURE 3.1: DEPARTMENTALISATION OF ORGANISATION AND THE PUBLIC RELATIONS DEPARTMENT

Structuring of the organisation

| | | Function | Market or public |
|---|-------------------------|-----------------|-------------------------|
| Structuring of the public relations department | Function | 1 | 2 |
| | Market or public | 3 | 4 |

Source: Adopted from Lubbe and Puth (1994: 30)

The first combination depicted in figure 3.1 indicates that the organisation is departmentalised by function (marketing, operations and finance) and the public relations operations is departmentalised by function (media services, research, audio-visual productions and publications). This combination relates closely to Grunig and Hunt's structure by communication technique (Lubbe and Puth, 1994: 31).

In the second combination the organisation is departmentalised by market or public (departmentalised according to its products and services relating to specific audiences), but the public relations operations are departmentalised by function (Lubbe and Puth, 1994: 31).

The third combination is where the organisation is departmentalised by function but the public relations operations are departmentalised by market of public. This in return relates closely to Grunig and Hunt's structure by organisational subsystem (Lubbe and Puth, 1994: 31).

In the fourth combination the organisation is departmentalised by market or public and the public relations operations are departmentalised by market or public (Lubbe and Puth, 1994: 31).

Van Leuwen (1991) concluded the following based on his research.

- The public relations units of organisations departmentalised by market or public showed a greater range of interdepartmental or interfunctional co-operation than those departmentalised by function. More joint projects and dual-reporting assignments were undertaken, and other ad-hoc mechanisms were employed to link public relations practitioners to those in marketing, human resources, and finance.
- In organisations where the public relations operations are departmentalised by public or market, there is greater involvement of public relations practitioners in programmatic decision-making and strategic planning at departmental, product group, and organisational levels.
- In organisations whose public relations programmes were departmentalised by function, it appeared that a greater proportion of the practitioner's time went into the technical production aspects of public relations work. In contrast, when the public relations operations were departmentalised by market or public, it appeared that practitioners spent more of their time in consulting and programme planning roles and less with hands-on technical detail. In these cases, more of the production work was handled by outside contractors.
- In organisations whose public relations units were departmentalised by market or public, more attention went to media relations, product publicity, trade promotions, and other aspects of marketing communication. When departmentalised by function, relatively more staffing and attention went to internal communication and community relations.

Lubbe and Puth (1994: 31) draw the conclusion that the scope of public relations function can therefore be influenced by the type of departmentalisation arrangement made by the organisation and by the public relations department.

In chapter 2 (section 2.3.2) the discussions centred on the theme of flexibility and adaptability. Future organisations will be structured to be more flexible and adaptable. Organisations have changed their managerial hierarchies and self-managed teams were discussed as being the answer to improved quality. The use of teams has been successful in a variety of organisations and has therefore gained increased attention as being the foundation for organisations in the future. The open organisation and the boundaryless organisation that

were discussed in chapter 2 are seen as being alternatives for bureaucracy and calls for integration, process and teamwork. Hunter (2000) concurs in chapter 1 (section 1.6) by pointing out that integration of communication refers to an approach to communication management that no longer separates or divisionalises the communication function. Stakeholders must be the starting point and an outside-in approach is needed. Van Leuven's (1991) research also indicated that a greater range of interdepartmental or interfunctional co-operation existed in organisations where the public relations units of organisations were departmentalised by market or public.

The stakeholders of the organisation should therefore be the focus of structuring communication in an organisation. A stakeholder orientation will also form the basis when proposing a framework for structuring the integrated communication function. Stakeholders/publics and relationships were also some of factors derived from the various public relations definitions that formed part of the key elements highlighted in section 3.3. Stakeholders and stakeholder relationship will therefore be discussed further in the next section.

3.5 Management of stakeholders

Steyn and Puth (2000: 187) postulate that to add value to the organisation, communication to the stakeholders should be managed strategically. The needs of the stakeholders must be identified through research and incorporated into organisational strategies and activities directed at stakeholders.

Stakeholder theory states that the environment of any organisation comprises of a variety of stakeholder groups who have vested interests (a stake) in the performance of the organisation (Steyn and Puth, 2000: 187).

Steyn and Puth (2000: 187) purport that understanding the values and expectations of each stakeholder group and determining their willingness in helping or hindering the organisation striving towards its vision, has become crucial. They are also of the opinion that the most important way that communication practitioners can contribute to organisational effectiveness

is through building and maintaining excellent relationships with strategic stakeholders. Positive matching of the needs and objectives of stakeholders and the organisation is therefore required for a lasting relationship.

According to Caywood (1997: xii) it is expected from public relations to manage the organisation's relationship and reputation with many groups. Public relations also strengthens the outside-in perspective more than other professions. Public relations contribute to the outside-in approach through the managed relationships with many stakeholder groups inside and outside the organisational boundaries.

Caywood (1997: xi) suggests that public relations provides the new level of leadership necessary for management to integrate internal as well as external relationships using a wide range of management strategies and tactics including communications and states the following:

Public relations is the profitable integration of an organisation's new and continuing relationships with stakeholders including customers by managing all communication contacts with the organisation that create and protect the brand and reputation of the organisation.

The value of public relations in the integration process lies in the relationship building process with the various stakeholders. The focus on the stakeholders requires a broader thinking in terms of current strategic and operational problems and that organisations, which include stakeholders in their decision-making, will increasingly outperform organisations that ignore the interests of stakeholders (Steyn & Puth, 2000: 190).

According to Steyn and Puth (2000: 194) there are two strategic issues in the management of stakeholders. First, to determine whom the stakeholders are and second what the nature and size of their interests are. They identify the 'interests' of stakeholders as being an *equity stake* for shareholders, an *economic stake* for customers and suppliers, and an *influencer stake* for single-issue groups.

Research is used to identify the organisation’s stakeholders as well as to determine the types of influences they exert. Information through research is a necessity due to the complex nature of stakeholder management and must be used to identify the different characteristics, aspirations, limitations, hopes and fears of stakeholders accurately. Informal research can be used such as regular conversations or through more formal research such as focus groups or opinion research (Steyn and Puth, 2000: 194).

Steyn and Puth (2000: 195) present an outline of some of the stakeholder groups that an organisation needs to consider in their strategic management processes. Only the main stakeholders identified in their stakeholder map is depicted in table 3.3.

TABLE 3.3: A STAKEHOLDER MAP

| A STAKEHOLDER MAP |
|--|
| <p><u>EMPLOYEES</u> <i>Management</i> <i>Non-management</i> <i>Union representative</i> <i>Other non-management staff</i></p> |
| <p><u>COMMUNITY</u> <i>Community media</i> <i>Community leaders</i> <i>Community organisations</i></p> |
| <p><u>MEDIA</u> <i>Mass media</i> <i>Specialised media</i></p> |
| <p><u>INVESTORS</u> <i>Shareowners and potential owners/security analysts</i> <i>Financial press</i></p> |
| <p><u>GOVERNMENT</u> <i>National</i> <i>Provincial/Local</i></p> |
| <p><u>CONSUMER PUBLICS</u> <i>Employees</i> <i>Customers</i> <i>Activist consumer groups</i> <i>Consumer publications</i> <i>Community media</i> <i>Community leaders and organisations</i></p> |
| <p><u>SPECIAL PUBLICS</u> <i>Media and leaders</i></p> |

Source: Adapted from Steyn and Puth (2000: 196)

Steyn and Puth (2000: 196) postulate that organisations can only be effective and reach their goals if there is shared meaning between an organisation and its stakeholders. It requires the following: first, the values, expectations, needs and feelings of stakeholders should be explained to top management. Second, the consequences of the organisation's behaviour should also be explained to top management and third, the organisation's policies and strategies, and the rationale behind them should be explained to strategic stakeholders.

Steyn and Puth (2000: 204) conclude that a corporate communication manager is needed who can undertake continuous research on stakeholders or publics.

In doing so they can play a significant role in preventing or resolving fundamental conflicts with stakeholder groups leading to the exacerbation or reduction of the problems faced by organisations due to the pressure applied by constituencies.

Building effective relationships with stakeholders through communication has been identified as a crucial factor in the success of an organisation. One way of building these effective relationships is through the use of technologies. According to Heath (1998) new communication technologies offer many opportunities to the effort, which organisations expend to build mutually beneficial relationships with key stakeholders. In chapter 1 (section 1.7) based on a brief discussion on the influences of the World Wide Web it became clear that the Web can be regarded as a useful enabler in building relationships with various stakeholders (thus reflecting a stakeholder orientation). The role of the World Wide Web and the Internet in building relationships with key stakeholders will therefore be fully explored in the next section.

- **The World Wide Web**

The Internet is a worldwide means of exchanging information and communication through a series of interconnected computers. One of the many features of the Internet is the use of electronic mail (e-mail). This feature allows users to send electronic mail anywhere in world. Another, and also the most popular component of the Internet is the World Wide Web (the Web). Thousands of organisations have developed websites to promote their products and

services, by providing current and potential customers with information as well as to entertain and interact with consumers. The Web in other words combines sound, graphic images, video and hypertext on a single page thus representing the commercial arm of the Internet (Belch & Belch, 2000:19).

Heath (1998) purports that considerable attention has been devoted to the Web as a communication tool that can be of assistance to the fields of marketing, advertising and public relations.

This medium presents increased opportunities to organisations to display advertising and public relations messages to attract, persuade, and motivate. In addition this medium is also used with increasing regularity to support media relations and investor relations (Heath, 1998).

Esrock and Leichty (2000) concur by stating that the Internet has generated intense interest among communication professionals in public relations and marketing. Some, according to them, view the Internet as one more channel for communicating with publics whereas others see the potential in the Internet to revolutionise and reform the interaction between organisations and their publics. In spite of these contradicting viewpoints on the potential of the Internet and the Web there is a widespread agreement that they have become important communication media.

Esrock and Leichty (2000) view the Web as potentially more than just a platform for selling to customers. It should enable an organisation to tailor messages to address the concerns and interests of a diverse set of people. What distinguishes it from traditional mass media channels is the fact that a single web site can have multiple sections, each targeted at a different audience such as customers, government, news media, employees, dealers, suppliers and issue activists (Esrock & Leichty, 2000). The audiences mentioned also represent the stakeholders identified by Steyn and Puth (2000) in their stakeholder map (table 3.3). The World Wide Web can thus serve as an important tool in building mutually beneficial relationships with stakeholders.

The interactive nature of the Internet and the Web serves a dual purpose of disseminating messages such as traditional media, but it can also be used to collect data about target audiences and monitor public opinion on issues of interest to the organisation. The organisation can therefore proactively engage stakeholders in direct dialogue about a variety of matters (Esrock & Leichty, 2000).

Ihator (2001) concurs by pointing out that the information empowerment of publics has necessitated the need to shift away from old PR paradigms.

Old and new communication approaches need to creatively converge for maximum effectiveness, as the new medium has the power to maximise or minimise the quality of the relationship between organisations and their relevant publics. The outcome would therefore depend on how organisations perceive, react and use the new medium. Ihator (2001) points out that enhanced corporate reputation and trust-based relationships become a more crucial need in an environment of less traditional relationship coalition.

Organisations must therefore realise that their websites will have viewers (stakeholders) with a varying spectrum of informational needs. A fundamental aspect of the communication process is the receiver of the dialogue and organisations need to be aware of who these receivers are and what their informational needs are (Carrol, 2002).

Carrol (2002) identified certain publics who might be users of an organisation's website. The types of publics are illustrated in Table 3.4.

TABLE 3.4: TYPES OF PUBLICS WHO MAY INTERACT WITH AN ORGANISATION’S WEBSITE

| Human Resources | Corporate | | | Sales & Marketing | |
|---|--|---|---|---|---|
| | Internal | External | | | |
| | | Public Affairs | Financial | | Media |
| -Graduates -Prospective employees -Interviewees | -Employees -Contractors -Families of employees -Trade Unions -Shareholders | -General Public -Local Community -National Government -Local Government -Trade Associations -Educators -Pressure groups | -Investors -Bankers -Consultants -Stock Exchange | -Television -Radio -Press -Trade Press | -Customers -Suppliers -Distributors -Competitors -Wholesalers -Retailers |

Source: Adapted from Carrol (2002)

Carrol (2002) is also of the opinion that different departmental functions within an organisation might be responsible for communicating with different publics. The main departments who could potentially use a corporate website for communication purposes were sales and marketing, corporate affairs and human resources.

Integrated communication however, states that communication should no longer be divisionalised but it should be regarded as a single, strategic business function. The study will therefore not categorise the different stakeholders into different departments but will rather treat all the stakeholders as an integrated whole.

Belch and Belch (2001: 19) opine that the Internet should form part of the marketing communication mix and marketing should be responsible for it. They include Interactive/Internet marketing as part of the marketing communication elements and discuss the use of this medium only in regard to the customer and consumer. Again this can be seen as a potential debating point of who or what department should be responsible and whether it is part of the domain of marketing or public relations. Belch and Belch’s (2001) viewpoint on interactive/Internet marketing will therefore be discussed to gain an understanding of the marketing viewpoint of this medium in section 4.3.1.

This study however takes an integrated viewpoint of communication in an organisation and will treat the use of Internet and the Web as such. The use of the Internet and World Wide Web will therefore be addressed from a stakeholder's point of view and not from a department or function's point of view.

The question now arises how organisations can use their websites to facilitate more equitable relationships with stakeholders (Esrock & Leichty, 2000). Kent and Taylor (1998) suggest that organisations should design websites to facilitate real dialogue, as dialogic communication created by the strategic use of the WWW is one way for organisations to build relationships with publics. In order to successfully integrate dialogic public relations into the Web, Kent and Taylor (1998) proposed five principles that offer guidelines for the successful integration.

- **Principle One: The Dialogic Loop**

A feedback loop is an appropriate starting point for dialogic communication between an organisation and its publics. A dialogic loop enables publics to send through queries and it provides organisations with the opportunity to respond to questions, concerns and problems.

It is however, imperative for organisations that wish to create dialogic communication through the Internet to train the organisational members who respond to electronic communication as well as ensure the completeness of the dialogic loops incorporated into Web sites.

- **Principle Two: The Usefulness of Information**

An effort should be made to include information of general value to all publics. Audience-specific information should also be organised as such that it is easy to find by interested publics. Making information available to publics is the first step involved in developing a relationship and should therefore create positive attitudes by being easily accessible to all publics. Furthermore information of value should be provided. Information that can be distributed automatically is more desirable than information that must be solicited. Web sites that offer publics an opportunity to sign-up for mailing lists and discussion groups will gain an advantage over competitors that require publics to visit their site and "request"

information. Information is therefore not made available to publics to stifle debate but to allow publics to engage with an organisation in dialogue as an informed partner.

- **Principle Three: The Generation of Return Visits**

Features such as updated information, changing issues, special forums, new commentaries, on-line question and answer sessions, and on-line experts to answer questions are needed on sites to make them attractive for return visits. Updating information and trying to include “interesting” content represents a one-way model of communication. Interactive strategies that include forums, question and answer formats and experts such as featuring the organisation’s President, CEO, or Department head on the site once or twice a month lead to relationship building between and organisation and its publics and are therefore more desirable. Other tools for repeat visits include: formats for frequently asked questions (FAQs); easily downloadable or mailed information; technical or specialised information that can be requested by regular mail or electronic mail; and referral services or links to local agencies or information providers.

- **Principle Four: The Intuitiveness/Ease of Interface**

Visitors should find websites easy to figure out and understand. Tables of contents can be useful and should be well organised and hierarchical. Visitors should not have to follow seemingly “random links” to discover what information a site contains and where links will lead. Content should therefore be more textual than graphical. Sites that could be of use or could be accessed by any individual should not contain interfaces that exceed the software or computer memory capacity of “slightly-below-average” users. Sites should therefore be interesting, informative and contain information of value to publics. Thus, if an organisation creates a perception that it does not care about all the stakeholders but only about the technologically privileged then the Web site has failed to foster dialogic relationships.

- **Principle Five: The rule of Conservation of Visitors**

Organisations should be careful to include links on their Web pages that can lead visitors astray. Web Sites should only include “essential links” with clearly marked paths for visitors to return to the site. Web designers should therefore place sponsored advertising or institutional advertising at the bottom of the pages to avoid the tendency of users to be led

astray. This principle follows the suggestion that dialogic communication should be the goal of interaction and not merely a means to an end.

The above discussions focused on stakeholder relationships and the use of the Web and the Internet. The most important way in which communication practitioners can contribute to organisational effectiveness is through building and maintaining excellent relationships with stakeholders. Effective relationships with stakeholders can be built by using technologies such as the Web and Internet. Organisations must however be aware that certain “pre-requisites” may exist for them to do so effectively. Kent and Taylor (1998) proposed five principles for organisational websites offering guidelines to organisations to create dialogic communication that is needed for effective relationship building.

This research study (as part of the secondary research objectives) will explore how organisations are using their corporate websites for communications purposes and whether organisations integrate dialogic public relations, that is needed to build relationships with stakeholders, through their websites.

One practical way of executing this is to analyse the websites of organisations to determine their ability to facilitate real dialogue with their stakeholders. Dialogic communication has been identified by Kent and Taylor (1998) as one way for organisations to build relationships with their publics.

The five principles identified by Kent and Taylor (1998) that offer guidelines for the successful integration of dialogic public relations through the Web will therefore be incorporated to analyse the websites of the organisations through content analysis.

3.6 Summary

Modern public relations is still a relatively young discipline compared to other disciplines and are still evolving. The history of public relations as a recognised area of business had its origins in the USA. The development of public relations in the United States went through five distinct phases and relates to the type of public relations practised during that period.

Four models were constructed (Grunig & Hunt, 1984) based on the history that has since been the object of intense research by various academics and students. In two of the models (Press Agency/Publicity and Public Information) communication is one way: from the organisation to the public.

In the other two models (Two-way Asymmetric and Two-way Symmetric) communication flows both ways between the organisation and its publics. The nature of communication is however different in terms of asymmetrical versus symmetrical.

Public relations from its modern beginnings has suffered from an identity crisis because of the limitless scope of activities taken on by public relations professionals. The short history of modern public relations has produced various definitions. The contents of the many definitions however emphasised certain common notions such as the fact that public relations is a planned sustained programme as well as the relationships that exist between an organisation and its' various publics. Three elements namely management, organisation and publics are also common in the definitions. Individual organisations and groups often however, use other terms to describe the public relations function such as corporate communication, corporate affairs, corporate relations, marketing services and external affairs.

Public relations should report to top management but is often subordinated to advertising, marketing, legal or human resources. When structuring the public relations function the environment should be taken into account. Organisations develop either a flexible or a rigid vertical structure based on the environment they face. Vertical structures define the power and authority within a system and horizontal structures define the role and tasks and subunits of a department. Seven common horizontal structures were defined, namely structure by publics,



management process, communication technique, geographic region, account executive system, organisational subsystem or a combination of methods can be used. A public relations departmentalising matrix with four combinations of function and product/market concepts was also proposed. In the matrix the scope of public relations can be influenced by the type of departmentalisation arrangements made by the organisation and by the public relations department.

A conclusion can be drawn that the stakeholders of an organisation should be the focus of structuring communication in an organisation. Building and maintaining excellent relationships with stakeholders is therefore essential in contributing to the effectiveness of the organisation.

New communication technologies such as the Web and Internet can provide the organisation with many opportunities to build mutually beneficial relationships with key stakeholders. In order to facilitate more equitable relationships with stakeholders organisations can use their websites to facilitate real dialogue. Five principles were identified that offer guidelines in the creation of dialogic communication.

This chapter focused on the various definitions of public relations, how it has evolved throughout history, the organising of the function, and stakeholder relationships. The next chapter will investigate the relationship between public relations and marketing in more detail. The concepts of integrated marketing communication and integrated communication will receive closer attention as the primary objective of the research focuses on integrated communication.