

## CHAPTER 2

# Management and organisation of public relations



## Learning outcomes

By the end of this chapter you should be able to:

- describe the principal external influences that contextualise public relations activity overall
- analyse this external environment, select those factors relevant to any particular organisation and evaluate their impact using appropriate theories and analytical tools
- identify the principal internal influences that affect the status and nature of public relations activity
- identify the relevant underlying theories
- provide an evidence-based rationale for proposing an appropriate public relations structure for typical organisations
- describe, justify and evaluate the roles, location and tasks of public relations specialists within organisations and their relationship with other functional and line departments
- speculate on the future role of public relations specialists, building realistic scenarios from current evidence.

## Structure

- Importance of context
- External environment
- Internal environment
- Systems theory
- Location of public relations in organisations
- Future of the public relations department

## Introduction

The way each organisation manages, structures and undertakes its public relations activity is unique; that is because every organisation is unique. A single-issue pressure group has a focused purpose and its range of target publics is often very specific. A large government department, such as the UK's Department of Health, touches the lives of every citizen in a variety of ways, from prenatal ultrasound scanning to childhood and adult illnesses, through to terminal care. Some business enterprises operate in tiny niche markets in one country while others operate in numerous markets on a global scale.

Public relations is used by some organisations in a very narrow way, typically to support sales and marketing activity. An example is a small business promoting its menus, prices and opening hours to students through the local media. Other organisations use public relations in a whole host of ways, for example, a large retailer such as Wal-Mart will develop relationship programmes with financial analysts, government officials and politicians, the local community, employees, consumers and suppliers.

Sometimes public relations is a stand-alone function; sometimes it is located within marketing or human resources. A number of large enterprises now have their senior

public relations person on the board with all other communication disciplines, including marketing reporting to them.

Public relations also operates under a number of guises: corporate communication, corporate affairs, public affairs, communication management, public relations, reputation management ... the list seems to expand almost every year.

This chapter examines the range of factors that influence the way public relations is managed and organised in different types of organisation. It also points to some current societal and regulatory developments which will affect the way public relations is conducted in the future – a future that is full of opportunity and growth.

## Importance of context

Organisations do not exist in isolation. Business history is littered with companies that did not spot changing industry trends quickly enough and adapt – Olivetti used to make superb typewriters, but where is it now? Other companies such as Nike and McDonald's have been held to account by activist groups over their production activities in the developing world; activism is now a part of modern life in developed societies.

Public relations means what the words imply. It is about the relationships organisations have with various publics, both internal and external. Those publics comprise people who are, in turn, affected by developments and trends in society. The environment in which organisations operate is dynamic. Society is changing: new issues and trends arise, some of them very quickly. For example, corporate social responsibility was not such a well-recognised issue for many large organisations even 10 years ago (see Chapters 6 and 18).

Similarly, organisations themselves are changing. The workforce is different – for example, there are more women and part-time workers – and attitudes are different. Because people are empowered in their lives outside work, for example, in having more choices about where they live and the lifestyles they lead, they are no longer willing to remain disempowered at work (Smythe 2004). Furthermore, organisations are much more accountable to external publics who want to know what they stand for, how they conduct themselves and the impact they have on society and the environment.

Given the critical role that public relations has in 'establish(ing) and maintain(ing) goodwill and mutual understanding between an organisation and its publics' (CIPR 2004), it is clear that careful consideration has to be given to both the external and internal contexts in which it operates. This will, of course, vary between different organisations, depending on the nature of their business, their size, their sphere of operation and their culture.

## External environment

The external environment is vitally important for organisations because it determines the future. Smart organisations constantly scan the external environment to identify emerging issues. Having spotted these issues early, precious time is bought for the organisation to adjust itself to those issues, to engage with them and to influence their development.

The external environment can be divided into two main areas: the 'macro' and the 'task' environment.

### Macro environment

This environment might be described as containing the 'big picture' issues over which the organisation has no control. These are the issues that emerge from the actions of governments, economic and societal trends and from scientific and technological developments. Sometimes called the 'remote' or 'societal' environment, the macro environment originates beyond, and



PICTURE 2.1 Public relations activity ranges from consumer and business to business sales support to government communications during times of conflict such as war. The 'allied forces' commander at a press conference in Kabul, Afghanistan. (Source: Syed Jan Sabawoon/EPA Photos.)

<b>Political</b>	<b>Economic</b>
Employment legislation Trade legislation Change of government Political alliances between nations	Interest rates Levels of employment Value of the currency Energy costs
<b>Social</b>	<b>Technological</b>
Lifestyle changes Social attitudes Demographic changes Purchasing habits	New technologies Access to technology Cost of research and development Impact of new technologies on work practices

FIGURE 2.1 Example of a PEST analysis

usually irrespective of, any single organisation's operating situation (Steyn and Puth 2000).

To make sense of this, environmental analysts examine the macro environment under a series of headings. The most well-known analytical tool is PEST, which segments the overall environment into four topic areas – **P**olitical, **E**conomic, **S**ocial and **T**echnological. Figure 2.1 presents some examples of subjects that could come under each of these areas. What is important about these subjects is the impact they might have on existing relationships or what they reveal about the need to develop a relationship. The identification of these subjects could present public relations issues for an organisation (see Chapter 19 for further discussion).

Increasingly, the limitations of PEST fail to do justice to the complex modern environment. An extension of PEST is EPISTLE, which includes the four existing elements of PEST, but also gives consideration to **I**nformation, **L**egal and the green **E**nvironment. The 'information' heading invites special consideration for its ability to empower people via new technologies, although it must be remembered that people who are deprived of relevant information will become disenfranchised and unable to engage in debate effectively. The legal environment is becoming increasingly complex. Organisations need to be aware not only of national regulations, but also of transnational legislation such as EU law. Furthermore, non-binding but moral undertakings carried out by nations such as the Kyoto Agreement often lead to national protocols. The green environment is the cause of increasing concern and no analysis of the macro environment would be complete without reference to environmental concerns.

Clearly, different organisations will be impacted in different ways by these macro issues. An arms manufacturer will be very susceptible to political shifts (e.g. arms export bans to particular countries) and a

clothes manufacturer needs to be acutely aware of social trends (e.g. consumer preferences based on changing lifestyles). However, a careful eye needs to be kept on all areas because they will affect the longer term issues that organisations, and therefore public relations, will need to address.

It is important to understand trends emerging from the political, economic, technological and social environments and how these various trends interact with each other. While there are literally hundreds of issues and trends in the wider environment, it is worth picking out a few for special mention. The themes of globalisation, information, pluralism and consumerism/individualism and, of course, the news media, are selected here because of their relevance to public relations.

## Globalisation

Public relations people who work for global organisations will understand the need to communicate across timelines, cultures, languages and different communication delivery systems. But even if the organisation is local, what it does may have global impacts and attract global attention. A local clothes store may buy stock from an intermediary who is supplied by a manufacturer who damages the environment in a developing country.

Organisations also need to be sensitive about what they put on their website for national audiences, as websites may be accessed by people from other cultures who may take great offence at what is said – for example, encouragement to drink alcohol may offend cultures where alcohol is frowned on.

## Information and information technology

This is connected to the theme of globalisation. The fact that information can be sent and accessed immediately across time and geographical boundaries brings great opportunities, but also can provide threats for the professional communicator. Activists can organise quickly and misinformation can spread worldwide at the click of a mouse. Contrariwise, organisations can engage with stakeholders in innovative ways. They can provide information instantly and research topics thoroughly without relying on physical information resources such as reference libraries. All this bring pressures for organisations and communicators that need to be geared for action 24/7 (24 hours a day, seven days a week). See Mini case study 2.1, overleaf.

It also needs to be remembered that there are still many communities that do not have access to these technologies, which also need to be catered for (see Chapter 25 and, in particular, the debate surrounding the 'digital divide').

## mini case study 2.1

### Asian tsunami disaster

The tsunami in the Indian Ocean struck on 26 December 2004, the day after Christmas Day in Christian countries and traditionally a national holiday. When news emerged in the early morning of 26 December, the public relations staff in the US headquarters of a number of

hotel chains were still in bed. They had to react quickly with few support mechanisms available. Technology meant that they could communicate relatively quickly with concerned families via websites, semi-automated helplines and email.

#### Pluralism

It is thought that a plural (diverse) society offers the most favourable conditions for democracy and protection against totalitarianism (Kornhauser 1960). Within a highly industrialised and urbanised society such as in Britain, for example, the merging of values and ideals, together with understanding and accepting different cultures and alternative views, are taken as a sign of advancing civilisation. But at the same time it increases uncertainty and insecurity as people question religious beliefs and authority norms. Counter to this, the rise of nationalism, fundamentalism and activism can pose a threat to these liberalising forces (Herriot and Scott-Jackson 2002). Stepping among and around the tensions involved is a great challenge for professional communicators. They have to assert or defend a particular position without offending anyone. They have to consider their role in conflict resolution and dialogue, especially if one party refuses to accept any compromise. For example, reconciling pro- and anti-abortion lobbyists can be seen as a major challenge.

**Definition:** *Pluralism* is the idea that society comprises a diverse range of groups with different cultures and that all these groups have political and economic rights.

#### Consumerism and individualism

In consumer societies, people know their rights. Expectations are rising all the time and many organisations feel beleaguered by the demands placed on them. Similarly, some would say that in an attempt to replace the old certainties, people in developed societies are becoming ever more consumerist and very individualistic (Ritzer 2004). In place of church and community, they are seeking to associate with like-minded others in pursuance of their own tastes and values. The number of pressure groups, non-governmental organisations (NGOs), special interest associations and clubs of all kinds, many supported by the new technologies that facilitate global affiliations, is burgeoning.

Professional communicators have to deal with knowledgeable, assertive individuals and groups. For example, in Britain, the parents' lobby for healthier school dinners (given prominence by the celebrity chef Jamie Oliver) encouraged Prime Minister Tony Blair to make election promises to improve food quality in schools ('Blair acts on Jamie's plan for schools', *The Observer* 20 March 2005, Gaby Hinsliff and Amelia Hill). This promise, in turn, will affect the food industry – particularly those companies associated with pre-packaged 'fast' food. Companies that are actively monitoring the consumer environment will be prepared for widespread change in public opinion against fast food.

#### News media

The news media, comprising newspapers and broadcast channels, have been revolutionised over the last few years (see also Chapter 4). Global news businesses owned by powerful groups and individuals, often with their own political agendas, are setting the political backdrop and leading public opinion in a way that simply was not the case in the last century (Hargreaves 2003). Furthermore, the demand for 24/7 news, along with the increasing amounts of space that journalists have to cover without a matching increase in personnel, means that the media are becoming increasingly dependent on sources with their own biases – often public relations professionals. An environment where 'PRisation of the media' (Moloney 2000) is becoming more prevalent could be regarded as advantageous for the public relations industry. But is that good for the public interest? Some would say (e.g. Gregory 2003) that the press should be free to challenge vested interests and that there should be a distance between public relations people and journalists. For example, it is suggested that in the financial area the relationships between financial public relations specialists and journalists are too cosy and the media have not been as challenging of some corporate activities as they should be because they are dependent on key public relations sources for their information (Rampton and Stauber 1995). See Think about 2.1.

## think about 2.1 The macro environment

What other macro or global trends do you think are important? What might be the implications for public relations professionals? How might you communicate with rural communities in developing countries that do not have access to the internet or mobile phones?

**Feedback** For further details of global trends read J. Naisbitt and P. Aburdene (1991) *Megatrends 2000*, London: Pan with Sidgwick and Jackson. Also 'think-tanks' such as Demos and research companies, for instance MORI, undertake futures research in a range of subjects.

**Definition:** A 'think-tank' is an organisation made up of experts who undertake research and provide advice to governments.

### Task environment

Apart from the links to the macro external environment, organisations are also affected by things closer to home, termed the 'task environment'. These factors are more within their control and usually relate to groups of individuals (publics) who have quite definable characteristics, such as customers or shareholders.

Esman (1972) has divided those publics into four categories that are characterised by their relationship with an organisation (see Figure 2.2).

The following may help to explain how these linkages work:

- *Enabling* linkages connect the organisation to those who have the power and resources to allow it to exist.
- *Functional* linkages either provide some kind of input to the organisation or consume its outputs.
- *Normative* linkages are to peer organisations.
- *Diffused* linkages are to those who have no formal relationship with the organisation, but may take an interest in it.

Chapter 12 gives more detail on the nature of publics, but it is worth making the point here that there has been a shift away from the idea of the organisation as an autonomous monolith accountable to no-one but its shareholders (as espoused by

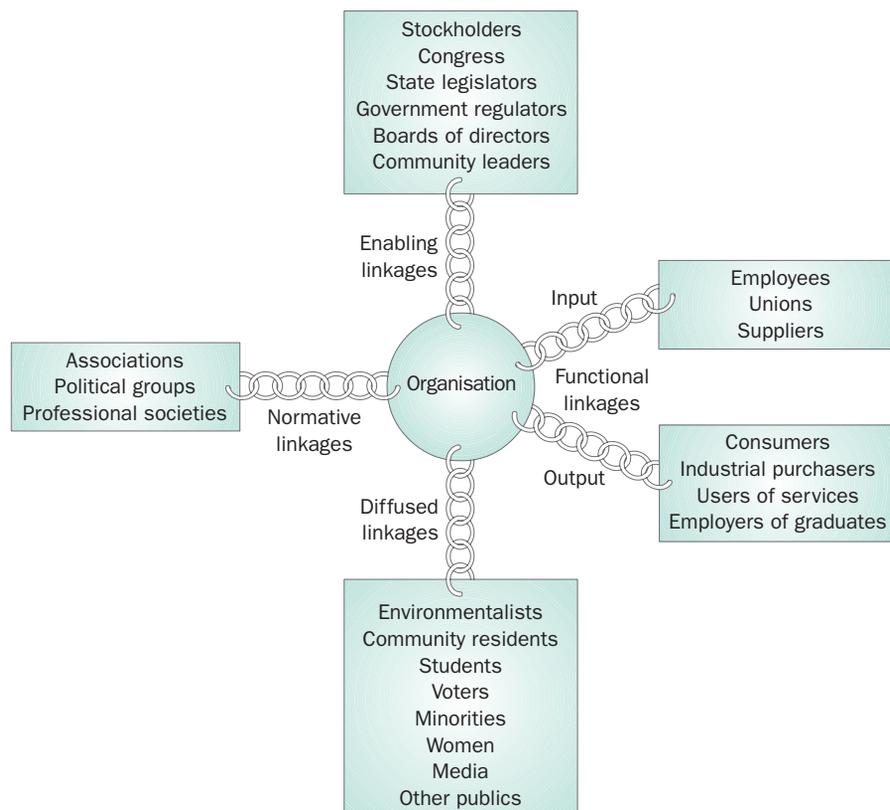


FIGURE 2.2 Esman's organisational relationship linkages (source: Grunig and Hunt 1984: 141)

Friedman 1970) towards the notion of organisations as stakeholding communities. Freeman (1984) first articulated this in a systematic way, arguing that organisations were defined by the relationship they had with their stakeholders. Stakeholders are not just those groups that management believe to have a legitimate interest in the organisation, but those groups who decide for themselves that they will take a stake in the organisation. The actions of activist groups have made this a living reality for many organisations. For example, in Britain, Huntingdon Life Sciences is a firm that breeds animals for experiments. The premises have been lobbied by activist groups for many years, to the point where special security measures have had to be taken, both for the property and for employees, some of whom have been seriously threatened with violence and had their own cars and homes damaged.

Stakeholding theory has itself progressed. In the 1990s the idea of the corporate community emerged and in the new century, Halal (2000) encouraged organisations to recognise that stakeholders can collaborate with them in problem solving. The role of the organisation is to pull together the economic resources, political support and special knowledge of all stakeholding groups (see Activity 2.1).

### activity 2.1

#### Stakeholding

Who are the stakeholders for a university? How would you describe the linkages between a university and its:

- students
- lecturers
- administrators
- governors
- local communities
- local and central government education departments?

### Internal environment

As well as being profoundly affected by external factors, the way communication is organised is shaped by the nature of the enterprise itself and the type of operation it undertakes. The kind of enterprise will determine the balance of public relations activities and their relative priority. Here are just some of the factors that should be considered.

### Sector

If the organisation is located in a stable, well-established industry sector such as furniture manufacturing, it is likely that pre-planned and sustained public relations

activity can be maintained. Fast growing and turbulent sectors such as IT will require quick, *reactive*, as well as proactive, programmes. That is not to say that activity should not be planned, but an inbuilt capability to react to the fast moving market is a key requirement.

**Definition:** *Reactive* denotes the need sometimes for a quick response to an issue or crisis. It can also describe public relations activity that is driven by the demands of others rather than the plans of the communicators.

Proactive allows for a more planned approach, where there is time available.

Different sectors require different types of programme. The emphasis in the confectionary sector is likely to be in marketing communication, whereas local authority work is more likely to focus on community involvement. Furthermore, work for a government department, indeed any work for the public or not-for-profit sector, requires communication professionals to be aware of the need for accountability to the public who pay taxes. Work in the private sector means that shareholders and the profit motive are significant and this creates different priorities for communication.

### Size

Small organisations usually have small, multifunctional public relations departments. Public relations services could even be totally outsourced to a public relations consultancy. It may be, that public relations is only part of the responsibilities of a single individual, such as a sales, marketing or general office manager. Such individuals may be part of the management team and their activities will be seen as critical to the success of the organisation.

Large organisations may well have large public relations departments with several public relations specialists taking on a whole raft of activities. They may or may not work in standalone public relations departments and they may or may not be part of management.

### Stage of organisational development

Public relations activity is often dictated by the stage of development that the organisation has reached. When the organisation is at *startup* stage, most suppliers, customers and employees will be well known. Thus public relations effort is often face to face and the emphasis is on growth. Hence marketing communications, which is aimed at supporting the sales of goods and services (see 'Public relations tasks' section later, p.29) will be very important.

When companies reach maturity, it is probable that they will undertake the full range of public relations activity. Offering public shares in the company may be under consideration, which will require financial public relations. The organisation may want to influence government regulation affecting its sector or processes, in which case it may engage a public affairs consultancy (see Chapter 23). It will probably want a strong corporate identity and may have a well-developed corporate social responsibility (CSR) programme including active community relations (see Chapters 6 and 18 for more on CSR and community relations activities). See Table 2.1 (overleaf) for public relations activity structure at various points in an organisation's lifecycle.

## Culture

One of the most significant influences in determining how the public relations function is organised is the culture of an organisation. There are many definitions of *organisational culture* but a commonly articulated view is that it is 'the set of conscious and unconscious beliefs and values, and the patterns of behaviour (including language and symbol use) that provide identity and form a framework of meaning for a group of people' (McCullom 1994, cited in Eisenberg and Riley 2001, pp. 306–7). Culture, in other words, is a shorthand term for ways in which people think and behave within an organisation. Leaders of organisations, too, can make a difference, in that they can attempt to define and shape *corporate culture* – how they want people to think and behave. Leaders, in turn, will be affected by their *national cultures*, which will have specific characteristics – for example, strong individualism has been identified as a characteristic of American culture (Hofstede 1991). (Chapter 17, which focuses on internal communication, goes into culture in more detail, but it is also important to mention it here.)

As a broad generalisation, most successful private sector organisations tend to be *entrepreneurial*, whereas many public sector organisations are *systematised* (Grunig and Grunig 1992). No value judgements are being made here – the culture is driven by the nature of the organisation and the job of work that needs to be done. Business enterprises have to make money in a competitive environment. Their public relations functions will tend to be proactive, seeking to exploit competitive advantage and supporting the profit-making activities in the firm.

**Definition:** An *entrepreneur* is someone who looks for opportunities to start new projects, reach new markets, lead in a creative way.

Entrepreneurial organisations are often led by a charismatic leader, tend to be authoritarian and proactive, take the initiative and are prepared to take risks.

Public sector organisations are characterised by a service mission. They are usually social enterprises concerned with supporting the lives of citizens. Making money is not their priority, although they need to demonstrate that they spend it wisely in the service of the community. They react to the requirements of their publics and act in predictable, dependable ways. Their public relations departments are often concerned with providing information or engaging their publics in dialogue, therefore a systematised and interactive mode of operation is appropriate (see Chapter 30).

However, it would be a mistake to think that public bodies are never entrepreneurial in character, whatever their mission. There is some highly creative and proactive work in the public sector as evidenced by the numerous awards they win (see [www.cipr.uk/lgg/index.htm](http://www.cipr.uk/lgg/index.htm)). Equally it would be a mistake to assume that all successful private sector organisations are unbureaucratic: the banking industry is a good example of bureaucratic organisation.

From all the foregoing it can be seen that both external and internal influences are critical to the way public relations is organised. Yet, it can be observed that there is often little systematic review of these factors. Public relations structures are often placed in a particular location in the organisation at a point in time and remain there until there is a major, normally externally driven, incident, such as a crisis, that prompts a radical review of public relations' worth and position (Gregory and Edwards 2004). See Activity 2.2.

### activity 2.2

#### Different organisations

Research two organisations within the same sector that appear to you to have different characters. Why are they so different? Sectors that provide useful organisational comparisons are:

- the motor industry, e.g. Volvo and BMW
- clothes retailing, e.g. TopShop and Marks & Spencer
- supermarkets, e.g. Carrefour and Aldi or Tesco and Morrison
- furniture, e.g. IKEA and MFI;
- airlines, e.g. Cathay Pacific and Virgin.

Go to company websites and look at media stories about the companies to help with your comparisons.

#### Feedback

Points of difference may include country of origin, leadership style, price/target market, age of organisation and product design. Manifestations of cultural difference may be evident in kinds of advertising, colours used, attitudes of staff, layout of stores, company initiatives and after-sales service.

TABLE 2.1 Example of how public relations activity may be structured at various stages of the organisational lifecycle

	Startup	Growth	Maturity	Decline
<b>Public relations orientation</b>	Marketing communication	Marketing communication Internal communication	Marketing communication Community relations Internal communication Financial public relations Public affairs	Marketing communication Investor relations Internal communication
<b>Examples of public relations activity</b>	Face-to-face <ul style="list-style-type: none"> <li>• meetings</li> <li>• presentations</li> <li>• social events</li> </ul> Printed literature <ul style="list-style-type: none"> <li>• product/service brochures</li> <li>• corporate brochure</li> <li>• business cards</li> </ul> Website <ul style="list-style-type: none"> <li>• Media relations</li> <li>• news releases</li> <li>• press conferences</li> </ul>	Merchandise <ul style="list-style-type: none"> <li>• Joint promotions</li> <li>• Media relations</li> <li>• news releases</li> <li>• press conferences</li> <li>• facility visits</li> <li>• features</li> <li>• exclusives</li> </ul> Internal communication <ul style="list-style-type: none"> <li>• briefings</li> <li>• noticeboards</li> <li>• emails</li> </ul>	Corporate social responsibility <ul style="list-style-type: none"> <li>• programme</li> <li>• educational support</li> <li>• charity giving</li> <li>• employee volunteering</li> <li>• community projects</li> </ul> Investor relations <ul style="list-style-type: none"> <li>• city analysts briefings</li> <li>• shareholder liaison</li> <li>• financial press</li> </ul> Issues management <ul style="list-style-type: none"> <li>• government lobbying</li> </ul> Internal communication <ul style="list-style-type: none"> <li>• intranet</li> <li>• employee conferences</li> <li>• newsletters</li> <li>• project groups</li> </ul>	Crisis management Mergers and acquisitions Internal communication <ul style="list-style-type: none"> <li>• working with HR to handle layoffs and redundancies or new working arrangements</li> </ul> Marketing communication <ul style="list-style-type: none"> <li>• customer retention</li> </ul> Supplier relations <ul style="list-style-type: none"> <li>• retention</li> </ul>
<b>Staffing</b>	Public relations undertaken as part of marketing duties	Public relations specialist or consultancy	Public relations department and consultancy if required	Specialist public relations staff and specialist consultancies

Note: This chart is progressive: all the activities undertaken at an earlier stage in the lifecycle will also be undertaken at a later stage.

## Systems theory

It is clear that organisations are not free-floating bodies unaffected by what is around them. They are affected by and in turn affect the environment in which they operate. One of the theories used by public relations academics (Grunig and Hunt 1984; Cutlip et al. 2000) to explain this is systems theory (a detailed overview and critique of systems theory and public relations is given in Chapter 8). *Systems* theory describes organisations as a set of subsystems that affect each other and jointly interact with the external environment. Organisations have to adjust and adapt as they change from within and as the environment changes. They form part of a social system that consists of individuals or groups (publics) such as suppliers, local communities, employees, customers and governments who all interact with it. Public relations is there to develop and maintain good relationships with these publics, to help the organisation achieve its objectives.

So which subsystem does public relations fit into? When considering this question Grunig and Hunt (1984) have turned to the work of organisational theorists who describe organisations as having typically five subsystems (see Figure 2.3).

The following may help explain Figure 2.3:

- *Production* subsystems produce the products or services of an organisation.
- *Maintenance* subsystems work throughout the organisation encouraging employees to work together – human resources, for example.
- *Disposal* subsystems encompass the marketing and distribution of products and services.
- *Adaptive* subsystems help the organisation adjust to its changing environment, such as the strategic planning role.
- *Management* subsystems control and direct all the other subsystems and manage any conflicting demands that they might have. They also negotiate between the requirements of the environment (for example, demand for a particular product) and the survival needs of the organisation (supply of that product). Usually the board and senior management of the organisation undertake this responsibility.

Taking a systems perspective, it can be seen that public relations professionals have a *boundary-spanning* role. They work at the boundaries within organisations, working with all the internal subsystems by helping them to communicate internally. They also help these subsystems with their external communication by both providing expert advice on what and how to communicate and by helping them with

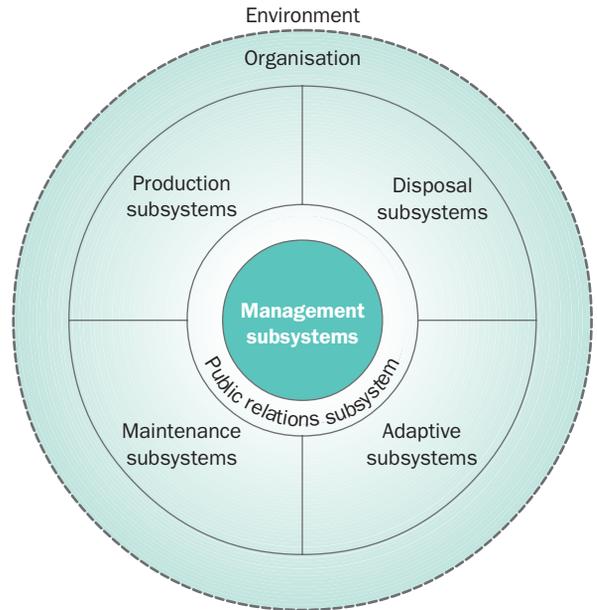


FIGURE 2.3 Organisational subsystems (source: Grunig and Hunt 1984: 9)

implementation. For example, public relations may work closely with marketing (disposal subsystem) on product support and with senior management (management subsystem) on investor relations.

**Definition:** *Systems* refers to the theory that describes how organisations work in terms of interlocking and interdependent systems of communication, production, etc. It embraces both the internal and external environments.

**Definition:** *Systematised* organisations tend to be authoritarian, highly structured and reactive in nature.

## Location of public relations in organisations

Apart from all the external and internal considerations just discussed, the location of public relations within an organisation depends on a variety of other factors: the position of the most senior practitioner; the tasks allocated to the function; and how it is situated in relation to other functions.

### Position of the senior practitioner

The position of the *senior public relations practitioner* provides a good indication of how the function is

regarded within organisations. Grunig and Hunt (1984) say that public relations can be seen as valued when the function is within the 'dominant coalition' – in other words, the group of people who determine 'what the organisation's goals should be'. Certainly, an aspiration of public relations professionals over many decades has been to obtain a place on the board of organisations. Undoubtedly progress has been made towards this goal. Now all the UK's FTSE100 companies have public relations departments (CIPR 2004) and there are indications that more senior practitioners are being appointed to board positions (CIPR/DTI 2003; Gregory and Edwards 2004).

**Definition:** Senior practitioners are people who occupy a formal senior management position in their organisations or people who hold a skilled role that requires several years of experience to gain the competence necessary to do the job.

Work done by Moss et al. (2000) and Moss and Green (2001) in Britain and Toth et al. (1998) in the

United States has identified an alternative senior role: that of *senior adviser*. The senior adviser is not actually on the board, but reports directly to the CEO or chair of the board and holds a special position of power and influence. A good (if controversial) example of this is Alistair Campbell, Communications Director to the UK Prime Minister Tony Blair until 2003. Campbell did not occupy a Cabinet position, but he was clearly a powerful figure constantly alert to the communication issues surrounding government policy and decision making and advising the Prime Minister directly. Another, less well-known, example of a senior adviser is Will Whitehorn who supported Richard Branson during Virgin's period of expansion during the 1990s.

Board level and senior advisor communicators will usually take a research-based approach to public relations. They will know their public's views and be well informed of all the issues likely to affect the organisation. Their role will be to counsel and advise senior managers. They will also know the business intimately and be good at business as well as at communication (Gregory and Edwards 2004). See Think about 2.2.



PICTURE 2.2 Alistair Campbell was the UK Prime Minister's Communications Director until 2003 and although he did not occupy a Cabinet position, he was a powerful figure constantly alert to the communication issues surrounding government policy and decision making. (Source: © Reuters/Corbis.)

## think about 2.2 Top public relations practitioners

Why do you think more public relations practitioners are achieving senior positions within organisations? Has education played a part in this development? Or is it the ever-changing communication demands of the modern world?

### Public relations roles

Research undertaken by US researchers Broom and Smith (1979) and Dozier and Broom (1995) identifies two dominant public relations roles:

- The *communication manager*, who plans and manages public relations programmes, advises management, makes communication policy decisions and oversees their implementation.
- The *communication technician*, who is not involved in organisational decision making, but who implements public relations programmes such as writing press releases, organising events, producing web content. Technicians usually do not get too involved in research or evaluation: they are the 'doers'.

The communication manager role itself divides into three identifiable types:

- The *expert prescriber*, who researches and defines public relations problems, develops programmes to tackle these problems and then implements them, sometimes with the assistance of others.
- The *communication facilitator*, who acts as communication broker, maintaining two-way communication between an organisation and its publics, liaising, interpreting and mediating.
- The *problem-solving process facilitator*, who helps others solve their communication problems, acts as a counsellor/adviser on the planning and implementation of programmes. This role can be fulfilled by specialist consultancies as well as the in-house person.

Two other roles, sitting between the manager and technician are also noted:

- *Media relations* role, a highly skilled job requiring profound knowledge and understanding of the media. This is not just about the dissemination of messages, but a crucial function where the needs of the media are met in a sophisticated way. This is a role often fulfilled by a senior journalist who has made the crossover to public relations.
- *Communication and liaison* role, meaning the individual who represents the organisation at events and meetings and creates opportunities for management to communicate with internal and external publics.

The classification into manager and technician roles does not mean that lines are fixed. Most public relations professionals perform a mix of manager and technician work, but the point is that one role will tend to predominate. Entry-level practitioners are normally entrusted with technical tasks at the initial stages of their career. As practitioners become more experienced they may move on to the manager role. (A fuller discussion of these roles can be found in Chapters 3 and 8.)

Of course, there is enormous variety within these roles. A technician employed for their writing skills may be involved in a range of work, such as writing press releases, speech writing, writing for the web, or may be involved in just one job, for example producing the house journal.

The communication manager may be responsible for the full public relations programme or, if they work for a large corporate organisation, they may be responsible for one specialist area such as government or investor relations.

### Public relations tasks

Van Riel (1995) divides corporate communication, as he labels it, into three areas:

- *Management communication* is communication by management aimed at developing a shared vision, establishing and maintaining trust in the leadership, managing change and empowering and motivating employees. Van Riel regards management communication as the responsibility of all managers. They may have a communication expert to help them with developing effective communication, but he warns against the danger of thinking that hiring an expert absolves management of its overall responsibility.
- *Marketing communication* is aimed at supporting the sale of goods and/or services. This will include advertising, sales promotion, direct mail, personal selling and market-oriented public relations – or publicity, as he calls it. Typically this includes media relations and events. Since Van Riel wrote his book, new media marketing has emerged as a major force and public relations professionals are often involved in this.
- *Organisational communication* is a host of communication activities usually at a corporate level, not

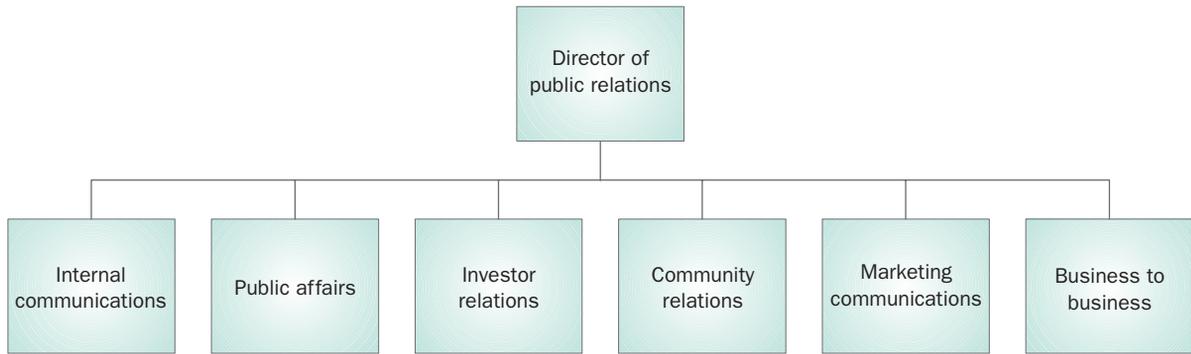


FIGURE 2.4 Public relations department structured in functions

all of which will be necessarily located in the public relations department, which include public affairs, environmental communication, investor relations, labour market communication, corporate advertising, internal communication and public relations.

Such a division along *functional* lines is often reflected in the structure of public relations departments. Figure 2.4 shows a typical functional structure. In such a structure an individual or group will look after all the activities falling within the area, whether these are media relations, sponsorship, events or individual relationships.

Cutlip et al. (2000) choose to categorise public relations work along *task* lines. They list 10 elements (see Figure 2.5) that summarise what public relations practitioners do at work.

Figure 2.6 is an example of a public relations department structured on task lines.

An obvious danger of both these approaches is that the specialist individuals or teams become function or task oriented and lose the overall picture of organisational priorities. The job of the manager is to ensure this does not happen. One way in which this is approached in consultancies is to put together project teams for accounts as they are won. These comprise functional and task experts drawn from across the consultancy who work on other cross-functional/task accounts concurrently.

Many in-house teams use a mixture of functional and task teams. For example, it is not unusual to have a press office that serves all the functional teams simply because this is a particular type of expertise and it would be inefficient to have a press specialist based in each team. It could also be dangerous since different functional teams could give out different messages reflecting their own priorities, rather than the overall and coordinated view of the corporate organisation.

Because they are part of the support function of an organisation, public relations departments and people will operate with all other departments, offering support and advice as required. This is part of the boundary-spanning role described earlier and fits in very well with the systems theory approach. However, organisations are complex and some areas of responsibility do not always fit neatly into functional departments. For example, internal communication is sometimes based in public relations, sometimes in marketing and sometimes in human resources. Again, some departments seem to have less well-defined boundaries than others and public relations is a good example of this.

There are two main departments where there is potential for both close cooperation and ‘turf’ or territorial disputes – marketing and human resources. The legal department is a third area that requires special attention.

## Marketing

The relationship between public relations and marketing can be a fractious one (for more on this debate see Chapter 28). For decades there have been non-productive arguments about whether public relations is a part of marketing or vice versa. There are misconceptions on both sides.

For many marketing people public relations is all about getting free ‘publicity’ in the media to support the promotion of products and services to consumers. However, public relations, as this book amply demonstrates, is much more than that: it is about building relationships with numerous stakeholders, using a whole range of channels and techniques. As the idea of organisations as networks of stakeholding communities gains credence in the business world (Freeman 1984; Halal 2000), there is growing recognition that public relations, with its particular skills

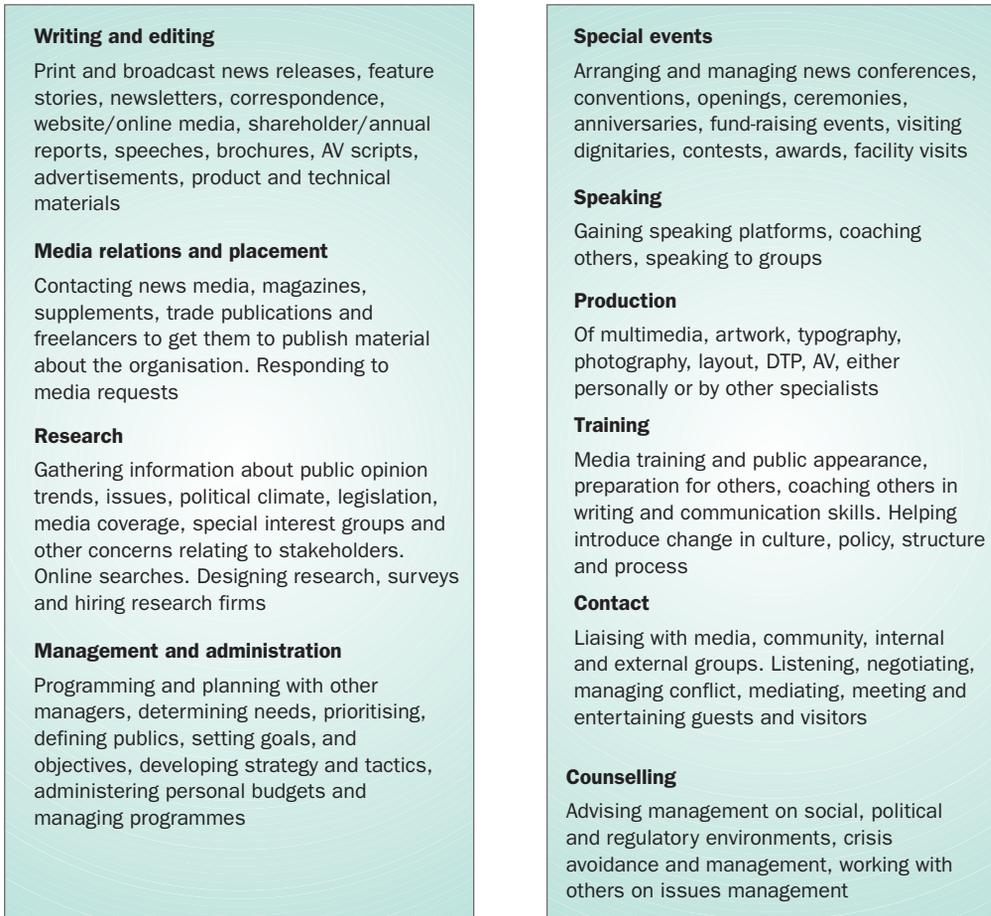


FIGURE 2.5 Cutlip and colleagues’ categorisation of public relations work (source: Cutlip, Scott, M., Center, Allen H., Broom, Glen M., *Effective Public Relations*, 8th Edition, © 2000, pp. 36–37. Adapted by permission of Pearson Education, Inc., Upper Saddle River, NJ.)

in relationship building, has a role far beyond marketing communication.

This is a sentiment that is not missed by marketers either. Marketing is broadening its remit to include the internal ‘customer’ and other (non-profit) relationships, bringing to bear its considerable knowledge base and expertise in managing consumer relationships to other stakeholders. For

example, the ‘corporate branding’ debate in marketing circles recognises that organisations have many stakeholders and that if a whole organisation is to gain support, then all stakeholders, not just customers, will need to be addressed (Balmer and Gray 2003).

However, marketing has some way to go in adjusting its basic philosophy. Marketing assumes that

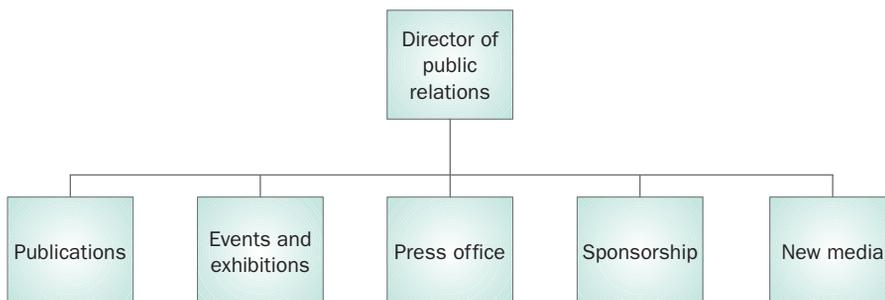


FIGURE 2.6 Public relations department structured by tasks

## think about 2.3 Marketing and public relations relationship

Why do you think there is tension between the marketing and public relations disciplines? Have you been aware of this tension on work experience or placements? Is it reflected in the attitudes of tutors for these subjects?

**Feedback** Marketing sees public relations as only marketing communications and as a ‘cheap option’. It does not appreciate that placing material in the media is more difficult than paying for advertising. Further, it does not appreciate the skill involved in media relations. Neither does it recognise the range of stakeholding relationships that public relations practitioners need to manage and maintain.

Public relations sees marketing as being powerful because of the size of budgets. It does not think that customer focus is all important, as marketing people do. It considers encroachment on public relations territory as a threat. (For more information, read Hutton 2001.)

there is a ‘profit’ in any exchange relationship – the organisation comes out as the net beneficiary. The notion of relationships being of value in themselves is one of the key tenets of public relations and is a point of major difference between the disciplines.

However, as the two functions develop it is inevitable that the distinction between them will blur. Indeed, many organisations now have a single communication function integrating all aspects of the organisation’s communication, often headed by a board-level director who can be either a marketing or a public relations professional – sometimes both.

### Human resources or personnel

As the section earlier indicated, Van Riel regards organisational communication and internal communication as part of the overall corporate communication remit. It is evident that the public relations and human resources/personnel functions should and must work in a collaborative way to communicate with employees. For example, where there is a reorganisation, a merger, an acquisition or layoffs, human resources must play the lead role in renegotiating employees’ contracts, terms and conditions and location. However, public relations is vital to communicating these kinds of change in an appropriate and timely way and in helping to maintain morale.

Human resources is sometimes the host department for internal communication. Irrespective of its physical location, public relations’ involvement in strategic communication objectives, together with its knowledge of communication techniques and content, are good reasons for close collaboration.

Human resources and public relations departments both regard employees as one of their most important stakeholders. Recruiting and retaining employees is being increasingly recognised by CEOs as vitally important (Hill and Knowlton 2003) because as ‘knowledge’ becomes the differentiator adding value

to organisations, the collective ‘knowledge’ of its workforce becomes increasingly precious (see also Chapter 17).

### Legal

Organisations in crisis or under threat turn to their legal departments for advice. Lawyers are naturally cautious and their instinct is to keep quiet and say nothing that might incriminate an individual or make the organisation liable in any way. However, today’s organisation is held to account for what it does not say and do as well as for what it actually says and does. Stakeholders value transparency and honesty. It is imperative therefore that lawyers and public relations professionals work closely together, each contributing their particular knowledge and skills to manage issues, crises and risks.

Battles for ascendancy among specialist functions are essentially futile. What matters is that the interests of the organisation and its publics are well served. That is best done by fellow professionals working together to fulfil that common aim (see Think about 2.3 and Activity 2.3).

### activity 2.3

#### The public relations department

Choose an organisation that you have easy access to, in either the public or private sector. Find out where public relations is located, how it is structured and what tasks are undertaken. What have you learned from this exercise?

#### Future of the public relations department

New directions in public relations are discussed at the end of this book, but it is worth pointing out a number of developments that are likely to impact on the

structure of the public relations function of the future and may enhance the role of public relations within organisations.

## Regulatory issues

New legislation is on the horizon. Reforms to company law in Britain will require companies to report on a range of non-financial factors, such as the company's interactions with stakeholders, their treatment of employees and their environmental policies, in their annual report. The EU Directive on Information and Consultation, which demands that larger companies consult with employees on a range of issues, provides public relations with large opportunities. Public relations professionals are ideally positioned to collect the data for these activities and to report on them.

## Risk management and stakeholder interest

*Risk management*, along with reputation management, is becoming more important to CEOs (Murray and White 2004). Risk management is intimately bound up in relationship building with important stakeholders.

**Definition:** Risk management is the business technique of anticipating, minimising and preventing accidental loss through taking precautionary measures.

## Technology

As technology develops, practitioners will need to become more adroit at using it with many more specialist technician roles being created to exploit new ways of communicating with stakeholders. At the same time, the impact of these new technologies will need deeper consideration at a strategic level. For example, how will organisations manage the requirement for on-demand, tailored information from potentially millions of stakeholders on a global basis 24/7, 365 days a year? See Activity 2.4.

### activity 2.4

#### The public relations industry

From your reading and research around the topics discussed in this chapter, conduct an EPISTLE analysis of the public relations industry. What are the key issues for public relations?

## Summary

This chapter has sought to describe and discuss some of the key factors and theories that influence the management and organisation of public relations. It is a function subject to many external and internal influences. It is a subtle discipline, significantly affected by organisational culture and by the power and influence that it is allowed to exercise. However, public relations is not only shaped by organisations; it helps to shape them too. Communi-

cation-aware organisations are very different from those that are not. The public relations function can be a dynamo of energy and change within organisations. Smart organisations embrace what the public relations discipline has to offer through its knowledge of relationship building and stakeholder management and its sophisticated use of communications techniques and channels. Less smart organisations will be left behind.

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