



# UNIT-2

## Management and Organisation of Public Relations

### Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Explain the difference between Public Relations , Advertising and Publicity
- ✓ Explore various tasks involved in Public Relations

## Unit 2

# Management and Organisation of Public Relations

## Introduction

PR activities of organisations may be organised and managed in a unique manner because each organisation is unique. The organisation and management of PR also depends on the size and function of the organisations. The scope of PR operation ranges from focusing on a single group of target public for single-purpose companies to focusing on a wide range of groups of target publics in society for larger organisation, such as the UK's Department of Health. PR may be deployed to a very limited extent involving sales and marketing while other organisations may use it to a wider degree, encompassing diverse sections of society. So, a large organisation such as Wal-Mart which employs PR to a great extent may have different PR programmes for different stakeholders such as government officials, local authorities, financial analysts, employees, consumers, and suppliers.

PR may be structured or organised as a separate division or a sub-division of marketing or the Human Resource Department. Nowadays, it is quite common for large organisations to appoint senior PR personnel to company boards and instruct other communication teams to report directly to them. Depending on the organisation, PR can take different shades and called Reputation Management, Public Affairs, Communication Management, or Corporate Affairs, etc.

In this unit, we will critically examine factors that determine how PR is organised and managed in different settings as well as elaborate on current trends in society and regulations which have the potential to influence how PR will be shaped in the future.

## Importance of Context

Most organisations are somewhat influenced or affected by changing trends in society. Historically, most organisations which did not spot and adapt quickly to the changes folded up - a typical example being Olivetti, a company which used to manufacture type-writers.

With society constantly undergoing massive changes in different aspects, PR is increasing being deployed to improve the relationship between organisations and different public entities such as internal employees of companies and external groups or stakeholders. One PR programme, which has been highly adopted by many organisations, is the now-famous Corporate Social Responsibility (CSR) programme. This programme is used to show that organisations are concern about issues facing the communities in which they operate or the society at large. It must be mentioned that it is not just societies that have undergone tremendous changes in recent years, but also, organisations have witnessed remarkable changes, culminating in a different kind of workforce compared to what existed

some few decades ago. Nowadays, employees have the option to work part-time in addition to many other choices which have become available to empower them at the workplace. They are now free to choose where they live and follow lifestyles that suit them best. Also, organisations have now become more responsible because they are aware of the need to be answerable to external stakeholders.

It has now become much clearer that the PR of organisations would have to consider both internal and external publics in order to build and sustain a good - working relationship and mutual understanding. How an organisation goes about its PR duties will be determined by factors such as the size, type of business, and the scope of its operations as well as their unique brand philosophy.

### External Environment

An organisation’s success or failure hinges on its dealings with the external public or environment and not just on its internal public. There is the need for conscientious organisations to be on the look out to spot developing trends in the external environment and quickly adjust to keep up by engaging with the issues and influencing how these issues play out eventually. There are two types of external environment to consider: the macro and the task environments.

### Macro Environment

The macro environment involves viewing society on large scale and identifying issues arising with this context. Issues of this magnitude are usually out of the control of the organisation. These issue can be categorised into four dimensions namely, scientific and technological, government or political, social changes and finally economic changes. All these affect the macro outlook of the organisation.

The macro environment is also sometime known as the remote or societal environment. The macro environment is usually out of the control of organisations (Steyn and Puth 2000).

<p style="text-align: center;"><b>Political</b></p> <p>Employment legislation Trade legislation Change of government Political alliances between nations</p>	<p style="text-align: center;"><b>Economic</b></p> <p>Interest rates Levels of employment Value of the currency Energy costs</p>
<p style="text-align: center;"><b>Social</b></p> <p>Lifestyle changes Social attitudes Demographic changes Purchasing habits</p>	<p style="text-align: center;"><b>Technological</b></p> <p>New technologies Access to technology Cost of research and Development Impact of new technologies on work practices</p>

**Table: 2.1** Example of a PEST Analysis

PEST (an acronym for Political, Economic, Social, and Technology) analytical tool is used for analysing the macro environment to gain better understanding of changing situation in society. We will now elaborate on the four components of the PEST analytical tool.

Figure 3.1 summarises the various aspects of PEST. PEST analysis helps to organisations to take action to improve on existing relationships or forge new ones. Each organisation is affected to various degrees by each of the 4 elements of PEST, with some of the elements having more impact than others or there may even be a combination of these elements occurring simultaneously which affect organisations. For instance, a change in government policy (political) may affect one manufacture while social changes may impact some organisations and leave other unscathed.

It is critical to analyse and understand trends relating to all elements of PEST and how each element affects the other on the macro scale. Although there are varieties of issues to tackle with PEST, but for our purpose, we will focus our attention on only some of them such as globalisation, information technology, pluralism, consumerism, and the media.

## **Globalisation**

Multinational organisations use PR to work across timelines, languages, cultures, and different technological systems with the aim of improving relationships between the organisation, consumers, and major stakeholders. With the advent of swift communication channels, issues confronting a local company can quickly reach a global audience in no time, so care must be taken to ensure PR is effective in dealing with issues and to leave no stone unturned. Information on the company website should be culturally sensible and devoid of offending people.

## **Information and Information Technology**

With the understanding that businesses, no matter how localised they may be are operating in a global environment and with internet access just a click away, it behoves each serious organisation to device systems to interact quickly with stakeholders in a creative manner. There is always the danger of activists spreading misinformation via the internet, so organisations have to be up and running every hour of the week to respond quickly to issues instantly and also to supply accurate information using internet while also bearing in mind that some people without access to the internet should also be provided with the same information using the most suitable media.

## **Pluralism**

Pluralism means people from diverse backgrounds of culture, religion, and philosophy living together in communities. It is thought that democracy can flourish in a world of diverse societies when nations embrace pluralism by accepting and living with each other. Many industrialised countries such as Britain, USA, and Germany have experienced changing values and ideals and have adopted multicultural and alternative lifestyles in the quest to advance civilisation. However, certain other groups of people have

risen up against pluralism because they view it as a threat to the way of life. These opposing groups resort to nationalism, activism, or fundamentalism as a means of stifling the rise of pluralism. With these opposing concepts locked in headlong battle, the job of the PR personnel is cut out to deal with conflicts in a judicious and fair manner to prevent potential vitriolic confrontations. For example, it becomes a real challenge for PR to diffuse tensions between pro-abortion and anti-abortion groups during a conflict because each may submit that their view point is the best and would go to great lengths to assert their respective views.

## **Consumerism and Individualism**

In recent times, highly developed societies have experienced significant shift and focus from the conventional church and community to becoming part of groups having similar tastes and values. In other words, people have become more individualistic as well as consumerists. This new development has devolved into the formation of NGOs, pressure groups, and specialist interest groups who are keen on promoting their ideas throughout the world with the help of new technologies. These new groups are often well-educated and articulate in their views. The PR personnel have sharpened their skills to deal effectively with these vociferous activists.

## **News Media**

In today's fast-paced and rapidly-changing world, the news media comprising of TV, newspapers, and online news journals are faced with a daunting task of providing continuous news feed on 24-hour basis with limited professional journalists.

To fill the gaping gap, news media have become reliant on PR professionals and other media consultants who are often biased in their views to keep up with the demand. This seems to present the PR profession many advantages in getting their opinions to their target audiences. The services of PR practitioners have enhanced the growth of the PR practice to the extent that PR is now an integral part of the news media.

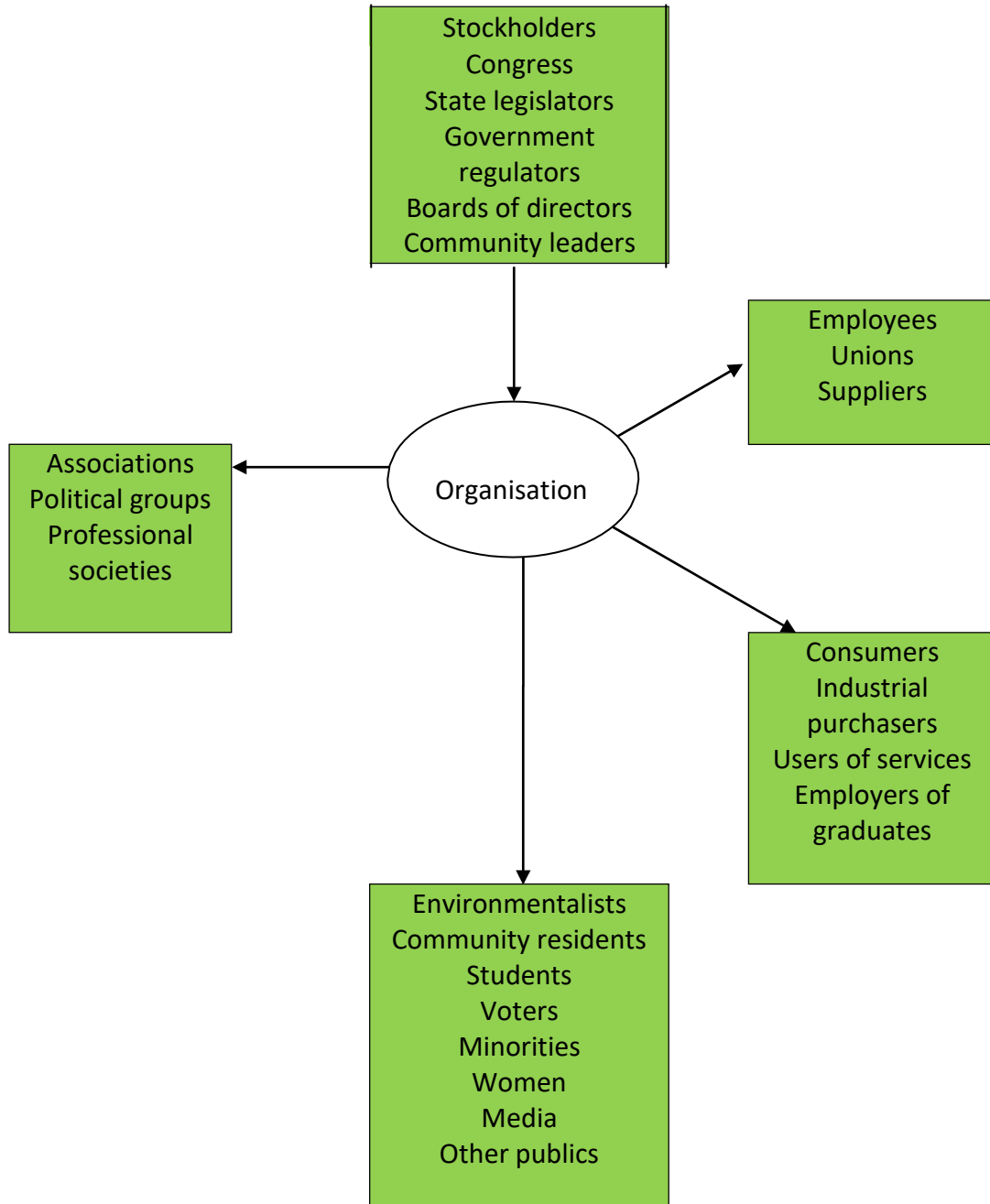
## **Task Environment**

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 (the public) 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 3.2).

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



**FIG 2.1** Esman's organisational relationship linkages (*source: Grunig and Hunt 1984: 141*)

## Internal Environment

Besides external factors, the nature and type of operations also affect how an organisation conducts its PR activities. There are some other additional factors that have to be considered. Below, we list some of these additional factors:

### Sector

The specific area of operation can determine how PR activities are carried out. In a stable sector, PR programmes can be sustained and maintained for a long period and it is usually possible to plan the programme ahead of time. However, in a fast-changing sector such as in IT industries, plans become disrupted too easily. The best approach is to be proactive and adapt quickly to changing situations as and when they happen. The peculiar nature of sectors requires different PR programmes.

Some organisations may focus on marketing communications and others on community PR programmes, while others have to render account to the tax-paying public. The diversity of the function will require unique skills from PR practitioners to be effective in these different types of PR programmes. In terms of private enterprises, PR mainly deals with communicating financial information to the shareholders using different communication mechanisms.

### Size

The size of the organisation also determines the type of PR set up to adopt. For smaller companies, PR may be part of the management team or may even be out-sourced altogether. Larger organisations have the means to create separate department dedicated to PR activities; they may be part of management or operate separately.

### Stage of Organisational Development

The stage of development of an organisation can also influence the nature of PR. Organisations at the start-up stage would normally conduct face-to-face communication with customers and suppliers and make use of marketing communications. Matured companies tend to adopt a wider scope of PR activities than start-up companies.

### Culture

An organisation's culture is another important factor that affects PR functions. Culture is the way people think and behave. Culture may also be defined as a system of beliefs and values including people's behaviour pattern (verbal or non-verbal) which can be used to identify certain groups of people and have special meaning to the group. Thus, corporate culture is simply how people think and behave in an organisation. Leaders of organisations have the means or power to influence corporate culture. However, the leaders are themselves also influenced by the national cultures. For instance, Americans are known to have an independent culture. The type of culture practiced by a particular organisation is

dependent on the nature of the organisation and the type of job to be executed. For example, the private sector is driven by profit-making ideology, so its PR work will be to gain competitive advantage in the market and to support all profit-making ventures. But public organisations on the other hand seek to provide services to society and are concerned with meeting the social needs in the lives of the people. With regards to public sector PR programmes, the PR department would mainly be responsible for providing information on how public money has been spent. PR may also engage in dialogue with communities in order to understand their needs.

**Table 2.2** The example of how public relations activity may be structured at various stages of the organisation.

	Start-up	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                     Media relations <ul style="list-style-type: none"> <li>News releases</li> <li>Press conferences</li> </ul>	Merchandise                     Joint promotions                     Media relations <ul style="list-style-type: none"> <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>Notice boards</li> <li>emails</li> </ul>	Corporate social responsibility programme <ul style="list-style-type: none"> <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</li> </ul> press 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>employees conferences</li> </ul>	Chris 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 relation</li> <li>Supplier relations</li> <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	Special public relations staff and specialist consultancies
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**Note:** this chart is progressive: all the activities undertaken at an earlier stage in the lifecycle will also be undertaken at a later stage.

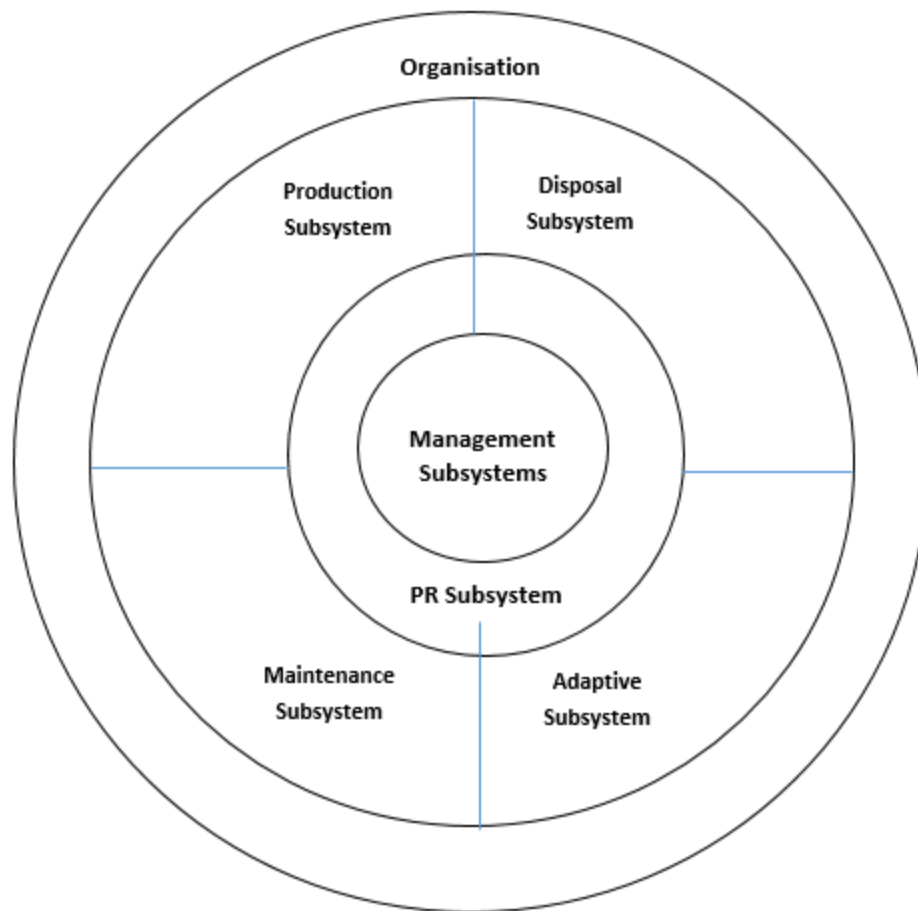
## System Theory

Organisations are made up of subsystems which often have to interact with each other as well as with the external environment in order for the organisation to function more efficiently. PR is responsible for maintaining good relationship between these subsystems which are usually made up of suppliers, employees, local communities, consumers and government departments. According to Grunig and Hunt (1984), most organisations normally have five subsystems (see Figure 2.2):

The following may help explain Figure 2.2:

- Production subsystems: produce the products or services of an organisation.
- Maintenance subsystems: work throughout the organisation encouraging employees to work together – e.g. human resources
- 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.

The duties of PR personnel are defined by the boundaries of the subsystems which often have to be crossed for interaction to take place. PR promoted effective communication between internal subsystems and the right atmosphere in terms of the content of the communication between the internal subsystem and the external public.



**Figure 2.2** Above: Organisational subsystems (*source: Grunig and Hunt 1984*)

## Location of Public Relations in Organisations

The location of PR within an organisation is influenced by the position of the senior PR practitioner, the task assigned, as well as, how the PR relates to other functions in the organisation.

### Position of the Senior Practitioner

According to Grunig and Hunt (1984), the position of the senior PR personnel and the PR department within an organisation's management who are responsible for taking decisions with regards to objectives and the types of project to undertake is a strong indication that the organisation takes the function of PR seriously. Recent development in the UK has led to FTSE 100 firms honouring the long-held aspirations PR practitioners with the creation of unique PR departments in their companies as well as the appointment of senior practitioners to their boards (Gregory and Edwards, 2004). Such high-level appointments offer many advantages to the firms. For instance, the senior PR practitioner would be adequately resourced to conduct detailed research into PR issues and provide the board with accurate information about the public's opinion and also assist them in making good decisions based on the

advice given by the senior practitioner. The PR practitioner stands to benefit by knowing more about the company in order to communicate effectively.

### Public Relations Roles

A team of US-based researchers, Broom and Smith (1979) and Dozier and Broom (1995), have identified two main PR roles:

- i. The communication manager who is responsible for planning and managing PR activities, advising management and assisting in drawing up policies and executing them.
- ii. The communication technician who is responsible for implementing organisational decisions but does not take part in the decision-making process. The technician implements the PR programme by writing press releases, producing web content and organising events.

The three sub-roles of the communication manager include:

- a) Expert prescriber: involves researching and identification of PR issues, developing PR programmes to tackle issues and implement the programmes to resolve the issue (with the help of others such as the communication technician)
- b) Communication facilitator: involves mediating between the organisation and the various publics by maintaining a two-way communication channel. This role also involves interpreting and liaising between parties.
- c) Problem-solving process facilitator: involves resolving communication issues and also providing counselling or advice on PR issues

There are two other roles which could be taken up by either the communication manager or the technician:

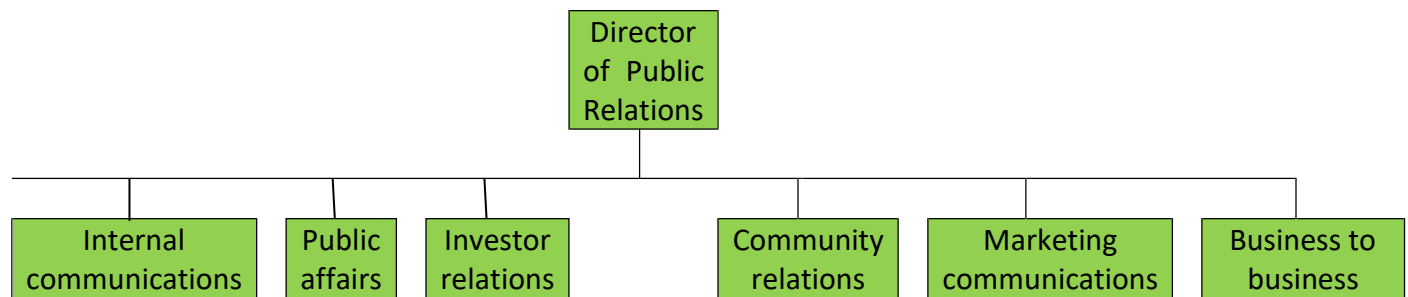
- Media relations role: people working in this role have to have sufficient insight into how the media can be deployed effectively to accomplish PR objectives. This role is best played by a seasoned journalist who has made a switch to PR.
- Communication and liaison role: it involves choosing a suitable PR personnel to work on behalf of the organisation at different events and to provide excellent condition for two-way communication between the organisation and the public

There is no fixed boundary between the manager and technician roles; the roles can be interchangeable but one always takes precedence over the other. It is normal to assign the technician role to new employees and then promote them to managers after they have acquired adequate experience. The communications manager is responsible for the whole PR programme. But for large corporations the role may involve specialising in one specific PR sector such as government PR or financial relations PR.

## Public Relations Tasks

Corporate communication involves three main areas according to Van Riel (1995):

1. **Management communication:** involves management hiring a communications expert to communicate its vision and improve and sustain relationship between the management and employees in order to motivate and empower them to function efficiently. All management are expected to get involved in the process not just the PR guru
2. **Marketing communication:** this is undertaken by PR experts to promote sales of products and services using advertisements, sales promotions, publicity, direct mail, etc.
3. **Organisational communication:** involves corporate-level communication activities by PR department. Activities such as investor relations, corporate advertising, public affairs, labour market communication, internal communication, and environmental communication



**FIGURE 2.3** The public relations' department structured in functions

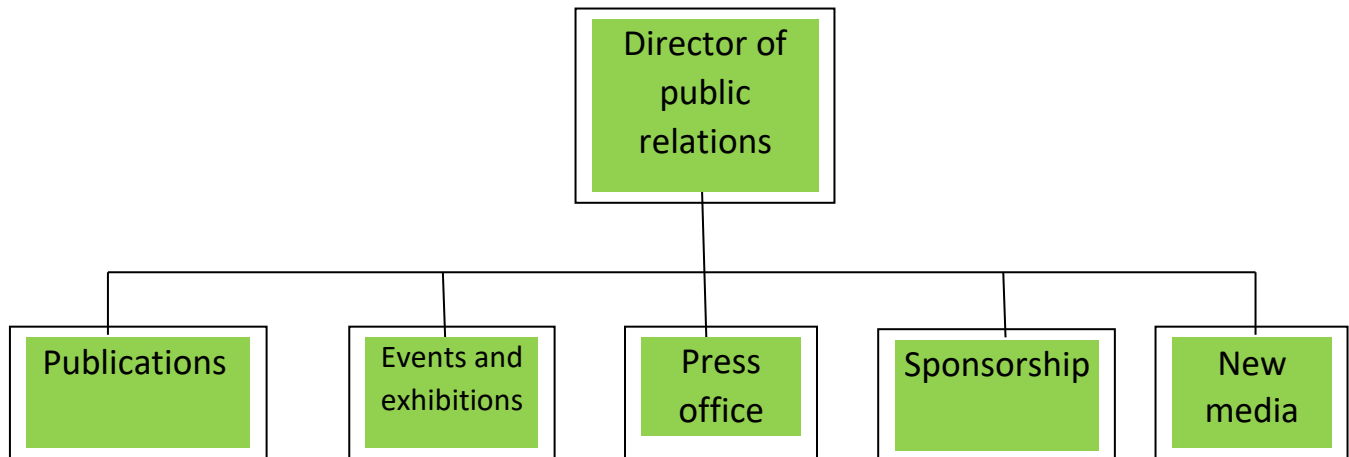
## Marketing

PR requires an element of marketing and marketing also requires an element of PR to some extent. Marketing personnel tend to perceive PR as a means to getting free publicity in media to promote business growth. But there is more to PR. It can be used to establish goodwill between the organisation and a network of stakeholders and not just for marketing purpose.

In order for marketing to flourish even more, it needs to dispose of its current philosophy of always establishing relationship for the sole purpose of making profits. PR works on the premise that relationships have inherent values in their own right and not just for profit-making sake as is the case with marketing. But the distinction between the function of PR and marketing seems to be vanishing fast to the extent that is now common for organisations to have communication teams playing both roles, especially at the managerial level.

<p><b>Writing and Editing</b></p> <p>Print and broadcast news releases, feature stories, newsletters, correspondence, website/online media, shareholder/annual reports, speeches, brochures, AV scripts, advertisements, product and technical materials</p> <p><b>Media Relations and Placement</b></p> <p>Contacting news media, magazines, supplements, trade publications and freelancers to get them to publish material about the organisation. Responding to media requests</p> <p><b>Research</b></p> <p>Gathering information about public opinion trends, issues, political climate, legislation, media coverage, special interest groups and other concerns relating to stakeholders. Online searches. Designing research, surveys and hiring research firms</p> <p><b>Management and Administration</b></p> <p>Programming and planning with other managers, determining needs, prioritising, defining publics, setting goals, and objectives, developing strategy and tactics, administering personal budgets and managing programmes</p>	<p><b>Special Events</b></p> <p>Arranging and managing news conferences, conventions, openings, ceremonies, anniversaries, fund-raising events, visiting dignitaries, contests, awards, facility visits</p> <p><b>Speaking</b></p> <p>Gaining speaking platforms, coaching others, speaking to groups</p> <p><b>Production</b></p> <p>Of multimedia, artwork, typography, photography, layout, DTP, AV, either personally or by other specialists</p> <p><b>Training</b></p> <p>Media training and public appearance, preparation for others, coaching others in writing and communication skills. Helping introduce change in culture, policy, structure and process</p> <p><b>Contact</b></p> <p>Liaising with media, community, and internal and external groups. Listening, negotiating, managing conflict, mediating, meeting, and entertaining guests and visitors</p> <p><b>Counselling</b></p> <p>Advising management on social, political and regulatory environments, crisis avoidance and management, working with others on issues management</p>
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**TABLE 2.3** Cutlip and colleagues’ categorisation of public relations work (source: Cutlip, Scott, M., Center, Allen H., Broom, Glen M., *Effective Public Relations*, 8th Edition, © 2000,



**FIGURE 2.4** Public relations department structured by tasks

## Human Resources or Personnel

The internal communication between the organisation and its employees is usually performed by the Human Resource department. Nonetheless, it is imperative that Human Resource collaborate with PR, because PR tends to have higher and more developed communication techniques which are useful in critical situations. CEOs of many different organisations have recognised the need to secure the services of knowledgeable employees to maintain their competitiveness. Human Resource and PR are usually called upon to search, find and recruit and retain the right employees using the specialised skills.

## Legal

It is now becoming increasingly difficult for lawyers to keep mute in order not to incriminate their clients, because the clients may be held liable for what he/she does not say in addition to what he/she had said or done. This dicey scenario is borne out of stakeholders' insistence on honesty and transparency from the clients. To ensure the right thing is done according to the expectations of the public or stakeholders, PR and lawyers have to work as a team to deal with controversial issues, risks and threats for the benefit of the organisation and not to seek pre-eminence over each other.

## Future of the Public Relations Department

Future developments which are likely to affect the structure of PR to enhance their role in organisation include the following:

### i. Regulatory Issues

Some new developments which are likely to affect the nature of PR in the future include the following: company laws in the UK will be reformed to compel companies to include non-financial

information such as treatment of employees, environmental policies in their annual report with the help of PR personnel

**ii. Risk Management and Stakeholder Interest**

So, how should we manage risks in the future? The best way to do that is to build a strong reputation and relationship with stakeholders

**iii. Technology**

It is important to upgrade or augment IT skills of PR practitioners to keep up with new development in the field of PR and provide innovative communication solutions to all stakeholders. This includes providing instant and tailor-made information to large number of stakeholders for 24/7, all year round

**Further Reading:**

- ✓ *Public Relations: A Management Function (Kindle Edition), (2020), By Timonhy Penning*
- ✓ *Planning and Managing Public Relations Campaigns: A Strategic approach, (2020), By Anne Gregory*