

THE STRATEGIC IMPLICATIONS OF PR: A
PRELIMINARY SURVEY

Andreas S. Mertens

A Thesis Submitted for the Degree of MPhil
at the
University of St Andrews



1997

Full metadata for this item is available in
St Andrews Research Repository
at:

<http://research-repository.st-andrews.ac.uk/>

Please use this identifier to cite or link to this item:

<http://hdl.handle.net/10023/15285>

This item is protected by original copyright

**THE STRATEGIC IMPLICATIONS OF PR:
A PRELIMINARY SURVEY**

A dissertation submitted by

ANDREAS S. MERTENS

to the University of St. Andrews
for the degree of M.PHIL. (by research)

1996



ProQuest Number: 10166735

All rights reserved

INFORMATION TO ALL USERS

The quality of this reproduction is dependent upon the quality of the copy submitted.

In the unlikely event that the author did not send a complete manuscript and there are missing pages, these will be noted. Also, if material had to be removed, a note will indicate the deletion.



ProQuest 10166735

Published by ProQuest LLC (2017). Copyright of the Dissertation is held by the Author.

All rights reserved.

This work is protected against unauthorized copying under Title 17, United States Code
Microform Edition © ProQuest LLC.

ProQuest LLC.
789 East Eisenhower Parkway
P.O. Box 1346
Ann Arbor, MI 48106 – 1346

TR
C76

Abstract

The purpose of the following thesis is to elaborate on implications concerning the interrelation of PR and communication and an organization's strategic management. This is undertaken in two steps. First, a theoretical base is generated through literature research. In the second step the theoretical arguments are rechecked within a field research in companies.

Starting with the literature part the work attempts, beyond the argumentation for a close connection between PR and strategic management to increase an organization's overall effectiveness, to come up with normative models which might be helpful to further the comprehension of, and support for, strategic PR and communication within organizations. The general implications on PR and communication as well as the models presented can serve to achieve this target.

Moreover the concepts try to offer the PR practitioner normative tools to ease the analysis of an organization's most important publics - a prerequisite for the formulation of any company strategy. The models should help to detect communicational patterns and behavior, expectations, needs, demands and wishes from an organization's environment.

The field research part focuses on certain companies from differing sectors and their PR and communication principles and practices. By analysis of material provided by various companies and by questioning (questionnaire is appended) selected organizations the attempt is made to evaluate in how far the elaborated theoretical concepts are beneficial for practical PR work and the overall promotion of communication within organizations.

DECLARATIONS

I, Andreas S. Mertens, hereby certify that this thesis, which is approximately 40.000 words in length, has been written by me, that it is the record of work carried out by me and that it has not been submitted in any previous application for a higher degree.

Date: 06.06.96 Signature of candidate:

I was admitted as a research student in October 1994 and as a candidate for the degree of M.Phil. (by research) in October 1994; the higher study for which this is a record was carried out in the University of St. Andrews between 1994 and 1996.

Date: 06.06.96 Signature of candidate:

I hereby certify that the candidate has fulfilled the conditions of the Resolution and Regulations appropriate for the degree of **M.Phil.** in the University of St. Andrews and that the candidate is qualified to submit this thesis in application for that degree.

Date: Signature of supervisor:

In submitting this thesis to the University of St. Andrews I understand that I am giving permission for it to be made available for use in accordance with the regulations of the University Library for the time being in force, subject to any copyright vested in the work not being affected thereby. I also understand that the title and abstract will be published, and that a copy of the work may be made and supplied to any bona fide library or research worker.

Date: 06.06.96 Signature of candidate:

ACKNOWLEDGEMENTS

First I wish to offer heartfelt thanks to Dr. Robert Grafton Small for his advice, support and understanding of even the most "changing environments" at any time. Not least his enthusiasm and commitment helped to prepare the ground for this thesis. I am most grateful to him for all his help during the studies.

Furthermore I wish to pay tribute to Prof. Peter McKiernan and Prof. Paul Wilkinson, to whom I offer my deep gratitude. Also, I wish to recognize Prof. Mo Malek, Dr. Sandra Nutley and Dr. John Desmond for their helpfulness, flexibility and comprehension.

Additionally, sincere thanks are owed to those who have generously answered any queries, endowed me their time and have provided important material and information that helped to complete this study, particularly to Mr. Gerd Hillmann for his contributory counsel and support.

Finally I would like to thank my family for their funding and encouragement, as well as all my real friends who "stuck with me" the whole time. A special acknowledgement is due to Ged, who has been both in one to me - "hang loose, man".

CONTENTS

✓ Abstract	i
Declarations	ii
Acknowledgments	iii
Contents	iv
Structure	v
<i>Introduction</i>	<i>p. 1</i>
<i>I. General implications on Public Relations and communication</i>	<i>p. 6</i>
I.1. PR and communication in businesses	p. 6
I.2. The history of the term: PR	p. 10
I.3. Precomprehension of Public Relations	p. 12
I.3.1. Definitions of PR	p. 15
I.3.2. Functions of PR	p. 17
<i>II. The strategic role of Public Relations</i>	<i>p. 23</i>
II.1. The effective business	p. 23
II.1.1. The three concepts	p. 24
II.1.2. The theories	p. 25
II.2. Understanding strategic management	p. 30
II.3. The strategic management of PR	p. 33
<i>III. Anchoring strategic PR at the operative level</i>	<i>p. 42</i>
III.1. Distinguishing PR from related terms	p. 42
III.1.1. The demarcation between marketing and PR	p. 44
III.2. Strategy types of PR	p. 50
III.3. The macro environment of PR	p. 59
III.3.1. Practical concepts for the analysis of the socio-political environment and the identification of relevant public sub-sectors	p. 62

IV. Methodology *p. 78*

V. Company analysis *p. 85*

Conclusion *p. 118*

List of tables and diagrams *p. 120*

Bibliography *p. 121*

Appendix

STRUCTURE

Introduction

I. General implications on Public Relations and communication

- I.1. PR and communication in businesses
- I.2. The history of the term: PR
- I.3. Precomprehension of Public Relations
 - I.3.1. Definitions of PR
 - I.3.2. Functions of PR

II. The strategic role of Public Relations

- II.1. The effective business
 - II.1.1. The three concepts
 - II.1.2. The theories
- II.2. Understanding strategic management
- II.3. The strategic management of PR

III. Anchoring strategic PR at the operative level

- III.1. Distinguishing PR from related terms
 - III.1.1. The demarcation between marketing and PR
- III.2. Strategy types of PR
- III.3. The macro environment of PR.
 - III.3.1. Practical concepts for the analysis of the socio-political environment and the identification of relevant public sub-sectors

IV. Methodology

V. Company analysis

Conclusion

List of tables and diagrams

Bibliography

Appendix

INTRODUCTION

This is designed to serve as a guideline through the presented work, defining, in summarized form, the line of argument taken in the thesis.

The fundamental question to be examined is whether an organization or company can benefit from a strategically managed PR and communication policy. It will also be argued that any organizational communication should be practiced strategically, as only the interrelation of Public Relations and strategic management will make an organization more effective, PR and communication having become crucial factors in the long-range planning for organizational success.

The literature part of the thesis (Chapters I-III) delivers the theoretical background for an understanding of contemporary Public Relations. Hence these chapters try to develop some normative approaches towards the question of "how PR should ideally be managed?".

The field research part of the work (Chapter IV-V) then tests the validity of these various theoretical approaches against a backdrop of PR and communication practices in everyday business.

The most important aspects of each chapter will now be briefly delineated, thereby providing a "route map" of the forthcoming thesis.

The first chapter considers some general implications of PR and communication, the aim being 'to open the door' to the field of organizational communication. Here already, the underlying assumption is that PR and communication should advantageously be managed strategically, even if the supposition is not elaborated in detail. The first section portrays the present situation of organizations within the broader environment, the loss of trust and credibility of businesses in society and the possible role of PR in regaining these values by striving for social consensus and long-term acceptance. This is followed by a portrayal of the history of the term PR and the stages the development went through. The third section of this first chapter is designed to integrate the preceding findings into an appreciation, maybe a comprehension, of PR. In contrast to ad hoc communication activities, a strategically managed communication policy, as a means of legitimization through a dialogue with all relevant publics is then touched on. The rest of the chapter deals with the development of a definition of PR and the delineation of the functions of PR. The intention here is to evolve an appropriate 'working definition' for the

purpose of this work out of the enormous number of differing definitions in the literature. Finally, representing logical developments within the strategic underpinnings of PR, four significant primary functions of PR are introduced: the contact function, the research function, the communication and the variational function.

After the more general reflections on PR and communication in the first chapter, the second chapter focuses on the strategic role of PR for an organization. To gain an understanding of why we argue that PR should be managed strategically the first section deliberately directs attention to the issue of effective businesses. By explaining how we understand effectiveness, the link towards the necessity for strategic PR is developed.

To explain why PR contribute towards organizational effectiveness, the three concepts of autonomy, interdependence and relationship will be presented. We will demonstrate that organizational effectiveness largely depends on an organization's ability to act with least interference from its environment. The higher the autonomy, the more effectively the organization will achieve its targets and mission. But, as today's society is highly political, any organization has to deal with the phenomenon of interdependence. We argue that it is impossible for an organization to control its environment entirely and that the power of an organization's stakeholders increasingly influences its pursuit of overall goals.

We will define PR as the management of interdependence, which leads to the building of good and long-lasting relationships with the organization's most important stakeholders. So an organization or business increases its effectiveness and provides itself with more autonomy, thereby increasing the chances of achieving a given mission with the least possible interference from stakeholders.

Section II.1.2. leads us to some theories on organizational effectiveness. The differing theories of the goal-attainment perspective, a systems perspective and a strategic-constituencies perspective will be focused on to underline our assertion that PR contribute to organizational effectiveness. Beyond the highlighting of the most important contents of the different theories, we try to explain why the strategic-constituencies perspective is the most meaningful to clarify the interrelation of Public Relations and strategic management and PR's contribution with organizational effectiveness.

Section II.2. discusses how PR should be managed strategically to contribute to organizational effectiveness, while depicting some general implications on strategic

management and an interpretation of the interrelationship of PR and strategic management. Strategic management will be defined as the attempt to, at least for a short period, 'master' the evolution of the organization. PR will be presented as a means to adjust to changing attitudes in the environment, to inform management about new demands and expectations through dialogue with the publics. Thus PR can contribute to the development of an organization's politics.

The rest of this chapter is dedicated to the topic of the strategic management of Public Relations. The concepts of stakeholders, publics and issues will be explained. The aim is twofold: to clarify distinctions between these terms and to examine further the question of why PR should necessarily be seen in close conjunction with an organization's strategic planning. Briefly, this is justified by the importance to Public Relations of analysing an organization's environment, though an understanding of public and stakeholder's demands, and the detection and treatment of important issues will be presented as PR's first and foremost tasks. This in turn, we try to show, are the bases for any strategic management.

The third chapter is designed to elaborate on some ideas and concepts which are seen as useful to further the understanding and useability of Public Relations and communication at the operative level of an organization or company. We argue that any strategic PR policy can only be implemented successfully if it is understood and supported on each level of an organization. This chapter is designed to provide the PR practitioner with some models showing PR and communication at the operative level. In addition, because the rest of a company's workforce should be sensitive to the importance of PR, there are some models offering a better understanding of organizational communication. In the field of PR, there still exist much ambiguity about its meaning and confusion when dealing with it. Therefore the first paragraph focuses on distinguishing PR from related terms, such as propaganda, public affairs or publicity.

One subchapter is deliberately dedicated to the demarcation between PR and marketing. These two terms often being falsely used synonymously. Often PR are still regarded as subordinate to marketing. We claim that both functions should be treated as equal organizational units, with aims in common and a need for their managers to strive for co-operation, producing synergies appropriate to the organization's long-term success.

At this point, the chapter contains a supplement dealing with the intersection of Public Relations and the concept of corporate identity (CI). Naturally, the idea of

CI is only shown in a very compressed form as an exhaustive treatment of this complex would have required a separate work. However there is a need to show that Public Relations have an important impact on another concept - namely the CI - which can be regarded as vital for modern organizations.

Section III.2. delineates possible types of PR strategy. The aim is to present some models which might offer PR practitioners as well as other employees the chance to detect relevant patterns of communicational behaviour. Within an organization it can be especially helpful to provide normative models which offer ideas on how communication is conducted and how it could be improved by means of these models. The hope is that all members of an organization will become sensitive to certain communicational behaviours and thereby further the overall own comprehension of PR and its importance for the organization.

The last section of the third chapter treats the 'macro environment' of PR. The emphasis lies on the closer definition of the socio-political field - characterized by the relationships between an organization and the social, political, cultural and economic sectors of society- and the relevant publics of an organization. Section III.3.1. in particular links up to some of the theoretical considerations undertaken in Chapter II., as the concepts of stakeholders analysis, scenario technique and portfolio analysis are presented. By outlining these different concepts in greater detail and by elaborating some models, this paragraph also aims to further the understanding and acceptance of PR throughout the whole organization. Again, normative models are developed to provide members of the organization with clues on viewing the external environment when striving to improve relationships between an organization and its important publics and stakeholders. This can also be done by means of stakeholder analysis (see Chapter II) The concept of the scenario technique is a straightforward instrument to gain entrance to the ideas of strategic thinking, even if the alternatives produced are often very global and difficult to implement. Portfolio analysis then offers examples and models of how to construct portfolios for situations which require communication, and PR-derived strategies to handle these situations appropriately. If an organization succeeds in the attempt to increase identification with some of the ideas and models presented, the position of PR and their contribution to the organization's long-term success will be strengthened.

After the literature-dominated part of the work, we then turn to the presentation of the field research, Chapter IV is representing the description of methodology while Chapter V explains the analysis of companies. In the earlier

chapter we describe the research problem in connection with the literature and the research technique chosen to gather information for this thesis. The research itself is divided into four different stages: a selecting phase, the contact phase, an information collecting and analysis phase and the reinforcement phase. The order of the stages follows an iterative procedure leading to the final selection of a few interesting companies to be examined more closely. These companies are chosen from different countries, though it must be stated that the purpose of this thesis is the practical use on the work as a PR guideline in a German company, so the emphasis lies on German firms. Nonetheless, we have tried to focus on organizations from other countries, such as America and Switzerland as well.

The analysis of these organizations is the subject of the fifth chapter. Here we are counterchecking our 'theoretical prescription of ideal strategic PR' with PR and communication in reality, which means its practice in organizations. Besides the examination of the perceptible communication behaviour of the companies looked at, another major concern is an analysis of the general understanding of PR and their position within the organization. This offers insights into whether a strategic PR is sought after and whether the respective PR policy is an appropriate contribution to the company's overall success. The field research shows that where PR and communication hold a distinctive position, and where they are regarded as strategic elements, the relevant companies can each achieve a leading role in their particular field. On the other hand, the work reveals that where an organization fails to communicate properly or underestimates the meaning of Public Relations, severe and long-lasting disturbances in its relationship with its most important publics are the result. A loss of reputation can easily end up in the deterioration of a company's economic performance.

After having presented a guideline through the following work, we now turn to the first chapter of the thesis.

Chapter I

GENERAL IMPLICATIONS ON PUBLIC RELATIONS AND COMMUNICATION

I.1. PR AND COMMUNICATION IN BUSINESSES

Major changes in the field of technology and commerce have set new challenges for businesses; sociocultural and political factors must play a part in management thinking.(1)

"Against a backdrop of singularly catastrophic occurrences over the last few years, increasing numbers of businesses, as well as entire branches of industry, are finding themselves in the very centre of socio-political debates of the highest order."(2)

Achievement of a common social consent becomes a distinct obstacle in the way of economic trade.(3) To attain consensus takes on an ever growing significance for the success of the business.(4) Businesses must assert themselves in an increasingly critical environment, this atmosphere resulting from society's mistrust of economic growth.(5)

The problems associated with economic trade can be traced back to a range of developments which can be reduced to the following central issues.(6)

Due to their one-sided, profit-orientated way of thinking, businesses have lost esteem and credibility. In addition they often appear diametrically opposed to society's human-cultural expectations. Social requirements seem only to be of interest when they affect the consumer and his sphere of influence. The apparent self-imposed dedication to economic success is seen as no more than breaking away from society, an utopian quest for the "world of commerce".

A misunderstood information policy in the form of an information overload(7) leads to cognitive stress. All embracing complex information can no longer be digested with the result that people rely on prejudgements and emotions rather than factual considerations. In order to remain in the long term market, businesses must demonstrate problem-solving ability and establish credibility and trustworthiness.

To ensure the necessary long-term acceptance, a business must identify the relevant groups to which it relates, in order to establish and expand its lines of communication with them. Successful communication requires a two-sided exchange which is particularly well fulfilled by Public Relations.¹ PR are therefore a strategic factor in building success, which management should regard as a self-imposed task to that end.(8)

Public Relations are often confronted by noncomprehension and are seen simply as a particular form of advertising.(9) The range of forms, definitions and functions² of PR serve to obscure their position and strategy within business.

PR against the backdrop of the business / environment debate

Today`s businesses are production systems whilst at the same time social systems.(11) A social system is however to be regarded as dependent on its communication with its environment.(12) When a company becomes the subject of public debate, like for example Nestlé, it is an expression of its "public exposure".(13) This in turn has a considerable impact on the dealings of that company. Increasingly mechanisms are triggered, which previously would have applied only to public organizations, such as political parties. Justification and legitimization become obligatory.(14)

For businesses this means they must constantly justify and reassert themselves in the eyes of various groups within their social-political environment.(15) The company finds itself caught in the crossfire of economic efficiency (viability in the face of market demand) and socio-political legitimacy (compliance with accepted values). (16)

By adopting a conscious position appropriate to its relevant environment, management can create a strategic "free space" in which economic as well as socio-political demands can be addressed, without the need for measures being taken that

¹The expression Public Relations is shortened to PR at various times in this work. In German the usage of the term "Öffentlichkeitsarbeit" (lit. public work) has become widespread as a synonym for PR. Seen historically PR is more appropriate to commercial organizations and conveys a stricter meaning than "Öffentlichkeitsarbeit", which also encompasses communication of non-commercial institutions. Compare HAEDRICH et al. (1982, V), BARTHENHEIER (1982a, 5), BLÄSE (1982, 187 f.), NESKE (1977, 22), JOERGER (1975, 11), LA ROCHE (1995, 35ff) The development of terms and definitions is expanded later on in this work.

² compare the various definitions of PR described below in this chapter

might negatively influence the overall requirements(17) of an organization. Business strategy for companies dealing with public requirements sets unfamiliar tasks for management. They must be able to master a multidimensional concept, whereby each dimension opens up a continuum of strategic opportunities.

This crossfire of differing interests of social groups contributes to the base values of a pluralistic economic and social order.(18) By means of communication integration and a balance of interests are encouraged. The ability to communicate with interested parties, as well as the ability to negotiate whilst maintaining the public credibility of the company become factors central to successful social self-assertion, economic endeavour and the long-term security of the business.(19) The introduction of communication holds a vast potential for the harmonization of many social crises and conflicts and can bring about for reaching settlement between parties of opposing interests. Solutions can only be found when the full scope of problems of both sides are known. This is a condition of communicative understanding.(20)

The challenge for company communication

"The first step towards improved communication is the realization that it is a necessity."(21)

We seek to be understood, we seek understanding and finally we seek recognition. Communication cannot however be used as a means of one sided representation. Only by means of a mutual exchange of information can the position of the other party be clarified and one's own representation re-examined and optimized. On this basis, both the sender and the recipient of the information are in turn able to fine-tune their objectives. Each influences the other and the structure takes on symmetry.

"Communication does not end when one party conveys something which is received by the other party. On the contrary, this is where communication begins. The recipient responds, thereby becoming the sender and vice versa, and each influences the other."(22)

Now we can talk about alternating, two-sided relationships.

However, these are not just about the conveying of a message, but the specific meaning⁽²³⁾ contained therein, the "understanding".⁽²⁴⁾ This can only be achieved when the points of reference of both communicating sides and the associated imagery are similar.⁽²⁵⁾ It can be said that virtually any action, be it intentional or not, will be regarded as a form of communication and thus constitutes the relationship within a social system.⁽²⁶⁾

Socio-political negotiations, whether social, business or personal, are predominantly conducted by means of speech and as such, require an appropriate exchange.⁽²⁷⁾ In social-political terms, this calls for dialogue and communicative relationships between organizations of differing cultural, political, economical and social interests.

Socio-political systems can be seen as decision making systems, in that a constitutionally legitimized coalition of defined representatives⁽²⁸⁾ is authorized to make binding decisions on behalf of their system members.⁽²⁹⁾ The structure of a socio-political system is similar to the transactional relationship of a business i.e. in its market relations and/or its work relations. Similarly, the dealings of the business will recognize members of the organization whilst on the other hand making demands on those members. The decisions of the company are in turn seen as incentives or burdens by those affected.⁽³⁰⁾ To implement decisions requires not only the power of authority already contained in the constitution of the system, but also the support of the system's environment, the latter taking the form of recognition of the business by interested parties as part of a democratic process. Only if demands and decisions and the necessary weighing up process are made public, can a business create an authentic picture of its environment³, and achieve a broad based acceptance and support of its political dealings. Even if this sounds rather idealistic, it describes, from the prescriptive academic standpoint, the necessary basic attitude and underlying worldview of a modern PR and communication management.⁽³¹⁾

It should be noted that a systematically fine tuned exchange that alternates between sender and recipient would be inapplicable to the mass media as they can only be regarded as asymmetrical.⁽³²⁾ On the other hand the mass media are the point of reference for the public in general. Because of the distance between sender and recipient they are a necessary method of conveyance.⁽³³⁾ However, they are not

³ The term "authenticity" was originally used psychologically, although it has since been coined sociologically and is even now being discovered by economists. WIESMANN (1989) discusses, for example, the authentic recognition of subjective demands.

solely a means of conveyance as they themselves alter the information through synthesis or comment and bring about an "individual interpretation of the reality".⁴

The process of gathering factually realistic information for decision making purposes proves, as a result, to be problematical. In order to achieve social acceptance and support, business must avoid ambiguity of information and provide orientational aids⁵ to assist in assimilation of that information⁶. One way of achieving this is through Public Relations, i.e. as a specialized branch of communication for business.

I.2. THE HISTORY OF THE TERM: PR

Public Relations have passed through several stages of development and have now reached their third generation. In the beginning, PR were purely product orientated and evolved, via company representation, to today's society orientated format.(34) In the USA, the beginnings can be traced back to Edward Bernays, according to whom PR represented a process by which consensus between particular interests and the community can be achieved.(35) The nature of PR is characterized by the overriding task of "adjustment" or an identification of interests. This determining factor Edward Bernays described as the "engineering of consent".(36)

According to this theory of consent, PR have two functions:

- Public information
- Dissemination of company policy in order to influence public opinion

⁴ Without wanting to go into the various theories as to what constitutes reality, it suffices at this point to say that the mass media form a large part of individual interpretations of reality, in that they are seen not only as "communicational devices, that is to say neutral instruments of broadcasting and recording of information, but more as instances of selection or putting into context, which actively intrudes into the construction of a social reality." (SCHULZ 1985, 68)

⁵ These serve to ensure the function and continuity of the system as well as to assist the receivers evaluation of decisions made. A conveying of norms and values in this manner is all the more meaningful as the audience is almost unlimited, heterogeneous and pluralistic.

⁶ HABERMAS (1988, 213) describes this task as social integration, which ensures the "coordination of negotiations by means of legitimately regulated interpersonal relations."

This understanding of PR as an instrument of integration, adjustment and interpretation was adopted in Germany by Carl Hundhausen and Albert Oeckl.(37) According to Oeckl, the aim of PR is to help the individual to inform himself and to form an opinion. Central to this theory, alongside the principle of consensus, stands a social development of PR that is still relevant today: the majority decision. Majority decisions of a democratic government demand constant open dialogue in order to bring about political and social consensus. One means to this end is PR.

A broadening of PR as a management function was brought about by Neske.(38) Here PR are understood to be a means of communication for the representation of the business and its politics as a whole and as such are made the responsibility of the company management.(39)

A new attempt to justify PR, from the standpoint of political science, has in recent years been developed by Ronneberger,(40) the founder of "the total societal orientated theory of Public Relations work".

Ronneberger assumes the theory of pluralism: the total societal approach to Public Relations work. In this context, pluralism is understood to be the existence, as well as the action and reaction with one another, of several organized interest groups within a society. Society, however, can only survive if the various social interest groups are given the opportunity of taking part in the political expression of will and the opinion forming process. This is the meaning of Neopluralism. The task of PR in this instance, is not to achieve total harmony of interests, but to make possible an encounter between differing interest groups by means of publication, and the initiation of discussion between these groups in order to overcome their differences. Newer definitions dissociate themselves from the conviction that PR can eliminate social conflict and that it can lead to a complete alignment of business and public interests. The approval of an active public openness does, however, presuppose a permanent level of conflict as a state of normality.(41)

In most cases, this results in a no more than minimal consensus rather than the complete identification of interests. It is necessary, then, for businesses and organizations to familiarize themselves with the gap between their own and the opposing interests, in order that they can rethink their system of evaluation and negotiation. Early indications of the approach can be seen when Hundhausen states: "the phenomenon of PR can be understood to be the tension that exists between total and partial interests."(42) The change toward societal Public Relation work occurred only very recently and the evolution from a predominantly production-orientated, via

business-orientated and arriving at societal-orientated PR work must be understood and accepted if PR is not to run the risk of reducing itself to something of no value in the eyes of society.(43) This definition is in the essence the basis of the following work.

I.3. PRECOMPREHENSION OF PUBLIC RELATIONS

As already portrayed, political systems and businesses must legitimize themselves in order to gain support from their social environment. Decisions, particularly those which appear not to be adequate to an interest or objective, require an additional effort to attain legitimization in the social field. This is where the main purpose of PR lies.

" The fact that the need for PR exists, indicates weakness, loopholes and possibly partial failure of the process of legitimization."(44)

The lever action of PR on society lies in the bringing about of "openness" between differing interests. PR seeks to encourage discussion between individual groups whereby uncontrolled "trench warfare" is avoided.(45) In most cases, the result is minimal consensus rather than total.(46)

So seen, PR are a consciousness forming instrument, with which individual groups, by means of the "filtering effect" of openness, can become aware of the chasm that exists between their own interests and those of others.(47) Due to developments in its environment, business needs to complement its classic instruments of communication.(48) The growing significance of partial targets, for example "establishing and maintaining a positive image"(49) makes demands above and beyond classic marketing. It is no longer a case of persuasive advertising to sell a product, but to present a creditable representation of the company as a whole. The question here is not of what a company produces, but of how it represents itself and its products in its environment. This is the viewpoint of image, corporate identity and business culture.

These aspects are designed to bring about identification with the company, its products and its corporate style and to reflect its communication, both internally and externally.

"Not only are quality of marketing, technological advancement and qualified business management strategic factors in building success, but also the quality of Public Relations work, which in the coming years will, in all probability take on even greater significance."(50)

For PR, the development of dialogue with all the relevant environments within the market place and within society, sets a new major challenge,(51) which can be met only by long-term planned moves, rather than by "ad hoc activity". In this way alone, can PR represent a success factor. Though to be successful businesses are required to rethink the meaning of PR. It can be said that PR strategy must to a greater extent be in accord with business strategy and philosophy.(52) This will not be achieved if the PR strategy does not take into account sufficiently the alternating nature of the influences upon an overall strategy.

"A strategic, that is to say, long-term and in co-ordination with business planning, Public Relations plan portrays a contrast to the purely reactive Public Relations activities often witnessed today. These simply react to particular events, often following no particular direction, in the absence of a long-term platform on which to build. A unified Public Relations concept, firmly instilled in the management philosophy of the company and in its guidelines, is a precondition for Public Relations to be used as a strategic factor for success."(53)

The preceding expositions indicate that only a PR concept that reflects company philosophy, aims and strategies can bring a long-term success. A unified strategic approach must exist within a company, supported by management and systematically communicated via PR. This in turn demands increasing agreement between marketing and PR. The various strategies are only able to fulfil their aims if they jointly recognize and remedy the problems arising in the market place and in the social environment. Marketing should therefore take into account problems existing in the

social environment and PR should support marketing in finding solutions to problems within the market. PR have the task of bringing about a high degree of credibility(54) and forming the basis for any communication between the company and its opposite partners within the market place and in society. Communication, however, is only credit worthy if it closely reflects the policies of the company. This brings about the necessity to unify all marketing measures with the concepts of PR. Ambiguity is thereby avoided and a clear, uniform picture of corporate identity can be established and built upon publically.

The assumption, then, is that PR are considered in a new light, as pervading the entire business, from senior management through to an operational level. Only when PR are accepted as a superordinated system of thinking and operating, can the appropriate apparatus be prepared, planned and implemented with any promise of success.(55) The significance of communication for business effectiveness increasingly forces companies to approach this area actively and progressively whilst taking into account company aims.(56)

Thereby, Public Relations can be defined as "management of communication processes between organizations and the public in order to exchange information concerning attitudes, opinions and conduct."(57)

PR are designed to foster communication between business and society. The means by which the attitude to the public are portrayed alters the relationship of the company and the public to one another.(58) This relationship can be slanted positively or negatively by the company.

If the theory of Watzlawicks et al. is applied, that one cannot *not* communicate,(59) then the organization must follow a conclusive line of communication both inwardly and outwardly, in order to earn trust and credibility. The traditional classification regards PR as a instrument of the company's communication policy,(60) which includes the elements of advertising, PR, sales promotion and personal sales. Against the backdrop of a strategic communication policy, these elements are systematically aligned with one another and thereby take on the character of corporate communications,(61) which as "strategic roof of all company communicational activity, both internally and externally"(62) also complies with the requisite guidelines of PR. The distinctions between traditional and strategically orientated PR are outlined in diagram 1.

TRADITIONAL PR	STRATEGY BASED PR
- selective	- integrated
- ad hoc	- forward looking, anticipatory
- PR target orientated	- derived from company philosophy
- uncoordinated information flow	- co-ordinated information flow
- target group specific	- situation and problem specific

diagram 1:
Reorientation of PR

I.3.1. Definitions of PR

The desire to describe PR in all its forms and functions to deliver a concise and definitive summation, has brought about in excess of 2000 definitions world wide.(63) However, within those circles that concern themselves with PR, no definition is universally accepted or uniformly applied (64) and the intention of a work such as this cannot be to take into account all such definitions. More to the point, by looking at a number of the more accessible definitions which existing literature provides on the subject, it should be sufficient to generate a usable "working definition", which with further elaboration will deliver an adequate standpoint.(65)

"Public Relations is a distinctive management function which helps establish and maintain mutual lines of communication, understanding, acceptance and co-operation between an organization and its publics;

involves the management of problems and 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 to 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."(66)

By comparison Velmans defines PR simply as "the way in which a corporation communicates to all its audiences, whether internal or external."(67)

Grunig and Hunt describe PR with the narrow definition of "management of communication between an organization and its publics."(68)

Signitzer found this definition particularly attractive as:

- (1) "it sums up the significant characteristics of PR
- (2) it only uses definable terms
- (3) it remains short and concise".(69)

The definition is refined and expanded by Long / Hazleton:

"Public Relations are a communication function of management through which organizations adapt to, alter to or maintain their environment for the purpose of achieving organizational goals."(70)

Signitzer deems this to be the most intellectually and analytically discriminating definition of PR.(71)

This definition is further expanded by Fuchs / Kleindiek:

"Public Relations work is communication directed at social consensus. Its aim is understanding."(72)

Zeithaml / Zeithaml supplement this spectrum only by the introduction of image: "Establishing and maintaining favourable images in the minds of those making up the environment."(73)

The diversity of definitions tends to encourage more questions than the authors in question provide answers for. The differences between definitions are

reflected mainly in their scope and in their exactitude, but all carry a similar central message:

"The aim of PR is to court trust and understanding in the efforts of those seeking to foster PR."(74)

The considerable difference of opinion as to the means by which the overall aim of trust and understanding is to be achieved, and the kind of problems that can thereby be resolved, cannot be explained by the many nuances of definition.

In conclusion, a working definition of PR, deriving from several other definitions, can be generated, which does not concern itself with representing PR solely as an instrument of communication, but as a management concept or way of thinking that is mindful of public opinion:

Public Relations are the management of communication between an organization and its public. By means of a planned, systematic, methodical application of open and symmetrical communication processes, PR aim to foster understanding, trust and public goodwill in order to achieve organizational objectives.

I.3.2. Functions of PR

Existing literature describes a whole range of PR functions. Functions relevant to this work are expanded upon as follows:(75)

Information:

co-ordination of information internally (organization) and externally (public).

Contact:

establishing and maintaining lines of communication with sectors relevant to the organization.

Management:

representation of idealistic and realistic power factors and the fostering of understanding for specific decisions.

Image:

building up, changing and maintaining a public picture of the organization.

Unification:

PR should contribute towards the unification of economic and social, and above all to the internal relationships of an organization (human relations).

Sales stimulation:

public recognition promotes sales.

Stabilization:

increased "steadfastness" of the organization in critical situations resulting from a stable relationship with its public.

Continuity:

maintaining a consistent organizational style both internally and externally and in the future.

(according to Meffert 1986, p.494)

For our purposes the above can be reduced to four significant primary functions. These in turn represent a logical development within the strategic implementation of PR:

- The **contact function**, which serves to recognize the relevant public groups.
- The **research function**, which undertakes to investigate these groups more closely.
- The **communication function**, which is designed to communicate the analysis of its investigations.
- The **variational function**, which seeks to change or vary an opinion or relationship.

After the preceding delineation of some general aspects of Public Relations and communication and the "worldview" that underlies this work, the following chapter deals with the main strategic issues of Public Relation. It is supposed to describe the strategic role of PR, their long-term contribution to the effectiveness of businesses. Therefore the core features of a PR management which can be expected to be strategic will be delineated.

LITERATURE CHAPTER I

- (1) Meffert (1986, p.660); compare the resulting reorientation of business management Kirsch/Trux (1981, p.290ff) as well Pümpin (1981, p.7ff) and Link (1986, p.82ff)
- (2) Dyllick (1989, XV)
- (3) Wiedmann (1989, p.37)
- (4) Spindler (1987, p.17)
- (5) Becker (1992, p. 2ff)
- (6) Röglin (1987, p.29ff) and Röglin (1990), as well as Beger et al. (1989, p.93ff) and in particular Ronneberger (1982)
- (7) information overload see Kroeber-Riel (1990, p.482)
- (8) Reineke (1988)
- (9) Haedrich / Kreilkamp (1983, p.431)
- (10) Aspects of PR in relation to company size, compare Laube (1986)
- (11) Holl / Wölke (1979, p.7)
- (12) Luhmann (1974, p.205)
- (13) dimensions of public exposure, see Dyllick (1988, p.193ff)
- (14) Ronneberger (1977)
- (15) Haedrich (1990, p.3)
- (16) Achleitner (1985, p.61), legitimization compare Miles (1982, p.21)
- (17) Achleitner (1985, p.114ff)
- (18) Ronneberger (1982, p.9ff)
- (19) Parkinson / Rowe (1981, p.35ff)
- (20) Kath (1984, p.7)
- (21) Neske (1977, p.16)
- (22) Schulz v. Thun (1981, p.82)
- (23) Maletzke (1963, p.18) as well as Meggle (1981, p.137)
- (24) Reimann (1974, p.75)
- (25) Burkart (1983, p.41) and Mead (1934)
- (26) Watzlawick et al. (1990, p.52ff), who presume that one cannot *not* communicate. Also see Jackson (1980, p.28)
- (27) Dieckmann (1981, p.255)
- (28) Kirsch et al. (1979, p.252)

- (29) Kirsch (1984, p.864ff ; 1989, p.37ff)
- (30) Kirsch (1984, p.866)
- (31) Grunig (1992, Chapter 2)
- (32) Grunig (1992, p. 31ff) for the closer discussion of the term "asymmetrical", in contrast to "symmetrical"
- (33) Ronneberger (1978, 18)
- (34) Fuchs / Kleindiek (1984, p.56); Jessen / Lerch (1978, p.52ff)
- (35) as a survey Bernays (1977)
- (36) Hundhausen (1969, p.128f)
- (37) as a survey Oeckl (1976)
- (38) Neske (1977)
- (39) Beger et al. (1989, p.22)
- (40) Ronneberger (1977)
- (41) Jessen / Lerch (1978, p.44f)
- (42) Hundhausen (1969, p.128)
- (43) Stollreiter (1984, p.56); as well as Kotler / Mindak (1978, p.15); Haedrich (1984, p.1); Haedrich / Kreilkamp (1983, p.433)
- (44) Ronneberger (1983, p.4)
- (45) Haedrich (1990, p.2)
- (46) Ronneberger (1977, p.7)
- (47) Haedrich (1990, p.3)
- (48) for example: Marketing, Advertising, Sales Promotion and PR
- (49) Fritz et al. (1987)
- (50) Haedrich (1990, p.6)
- (51) Meffert (1988, p.374)
- (52) Haedrich (1986)
- (53) Haedrich (1990, p.10)
- (54) Judd (1989) and Jung (1990), compare Demuth (1988)
- (55) Haedrich (1990, p.18)
- (56) Haedrich (1990)
- (57) Neske (1977, p.19)
- (58) Jessen / Lerch (1978, p.134ff)
- (59) Watzlawick et al. (1990, p.52ff)
- (60) Diller (1987, p.1027)
- (61) Raffée / Wiedmann (1989, p.665)

- (62) Heuer (1989, p.55)
- (63) Bläse (1982, p.188); Neske (1977, p.22); Cutlip et al. (1985, 3f), Weitzig (1980, p.3); Joerger (1975, p.11); Kronhuber (1972; p.11)
- (64) Barthenheier (1982b, p.16); Oeckl (1976, p.49); Dornis (1971, p.9)
- (65) Laube (1986, p.25ff)
- (66) Harlow (1976, p.36)
- (67) Velmans (1984, p.2)
- (68) Grunig / Hunt (1984, p.6)
- (69) Signitzer (1989, p.31)
- (70) Long / Hazelton (1987, p.6)
- (71) Signitzer (1988, p.96)
- (72) Fuchs / Kleindiek (1984, p.36)
- (73) Zeithaml / Zeithaml (1984, p.50)
- (74) Laube (1986, p.27)
- (75) Meffert (1986, p.494)

Chapter II

THE STRATEGIC ROLE OF PUBLIC RELATIONS

The following concerns itself with the connection between strategic management and Public Relations. The first section deals with the question of what organizational effectiveness is and how it should be understood in the context of this work. Thereafter, the idea and definition of strategic management are briefly outlined. It then remains to clarify to what extent PR can support the process of strategic management and how much it is influenced by PR, asking in effect does managed communication make an organization more effective?

We will argue that strategic PR do so by using communication programmes to establish relationships with the strategic constituencies (stakeholders and publics) of a company - those constituencies that might obstruct or promote a company's ability to achieve its goals.

II.1. THE EFFECTIVE BUSINESS

This section considers to answer the question whether the Public Relation programmes that meet an organization's objectives make the organization that promotes them more effective. As a result an organization may be able to detect if it needs a PR department and the expertise of a communication professional. The discussion of organizational effectiveness also introduces us to the connection between Public Relations and strategic management. To highlight the contribution that PR makes to organizational effectiveness, the section opens with descriptions of the three basic concepts of autonomy, interdependence and relationship. Afterwards, three differing theories of organizational effectiveness are portrayed to explain which (theoretical) viewpoint should be taken in order to justify the standpoint that PR enhance a business's effectiveness.

II.1.1. The three concepts

The early theories on organizational effectiveness assumed that organizations were closed systems(1). In this perspective, organizations had autonomy from their environments and company missions could be fulfilled without interference from the environment. It was assumed that the internal management structures would determine the extent to which organizations were able to meet their goals and thereby perform more or less effectively.

Theorists soon recognized that organizations are interdependent with other organizations and groups in their environment.(2) The idea of the open-system perspective assumes that an organization's environment influences the organization's choice of goals and the extent to which those goals can be met.

Public Relations fit into what organizational sociologists call a boundary-spanning role - they help the organization to manage its relationships with groups in the environment. Pfeffer and Salancik, for example, interpreted effectiveness as "... an external standard of how well an organization is meeting the demands of various groups and organizations that are concerned with its activities".(3) Furthermore these two theorists defined success in meeting internal goals as efficiency. Considering other authors (4), this definition seems logical and appropriate for our purposes.

Organizations and businesses are involved in a constant struggle to achieve their missions - the goals selected by internal decision-makers. In this struggle the organizations continually face constraints from outside groups, with certain interests, that might hinder the organizational actions, autonomy and discretion. (5) Important in this context is the assertion that most senior managers, if given the opportunity, would prefer their companies to remain autonomous from their environment(6), as autonomy allows organizations to pursue their goals with the least interference from outside. Usually businesses and organizations try to avoid pressure and regulation from outside, as any loss of autonomy costs money.

This is where PR come into play. Public Relations can be seen as directly linked to the concept of interdependence. Precisely, PR are the management of interdependence.(7) Interdependence itself "...exists whenever one actor does not entirely control all the conditions necessary for the achievement of an action or for obtaining the outcome desired from the action".(8) Others defined interdependence in terms of multiple stakeholders in an organization.(9) However, companies and/or

organizations must adapt to (10), cooperate with (11), or interact with (12) groups that limit their autonomy.

As already stated, another aspect seems to be of major importance today. Any organization or business is more and more subject to politicization.(13) Organizations no longer have a monopoly on power. Stakeholders have gained "countervailing power".(14) Mintzberg argues that organizations become highly politicized if they fail in developing a "harmonious distribution of power" with groups competing for influence inside and outside the organization. (15) He adds that the politicization of organization and businesses benefits society, because politics kills organizations that are not well suited to their environment.

To end this section we turn to the term 'relationship'. From the above it can be argued that organizations have relationships with different stakeholders - resulting from interdependence. Relationships limit autonomy, but good relationships limit it less than bad. Again Pfeffer/ Salancik describe the impact of relationships very appropriately: "The price for inclusion in any collective structure is the loss of discretion and control over one's activities. Ironically, to gain some control over the activities of another organization, the focal organization must surrender some of its own autonomy". (16)

The management of interdependence, which leads to the building of relationships, is the integral task of Public Relations. An organization or business increases its effectiveness by establishing good relationships. This is because good relationships provide the organization with more autonomy, so improving the chances of achieving a mission with the least possible interference from stakeholders.

II.1.2. The theories

This section examines the assertion that PR contributes to organizational effectiveness is acceptable, beginning with some theories of organizational effectiveness.

Some writers argue that the concept of effectiveness has been made to cover too much. It has lost its sense by meaning all things to all people.(17) Some scholars

even go so far to propose that the concept of effectiveness should be removed from organizational research and literature.(18)

However, others state that the determination of effectiveness is integral to the comprehension of any organizational system.(19) Following this line of argument raises the issue of how Public Relations contribute to organizational effectiveness. We tend to argue that PR must be seen as a major contributing factor to organizational effectiveness and a company's success. "The communication system of an organization is an increasingly powerful determinant of the organization's overall effectiveness...".(20)

In the following, we look at a few notions of effectiveness as means to support our assertion.

Goal - attainment perspective

Most traditionally, effectiveness has been defined in terms of goals, an approach which emphasizes aims and the effective organization as one that realizes its goals.(21) This approach, which is also called the rational-system model, seems most reasonable to a number of theorists, as its emphasis is on purposeful actions, when goals are clear, time bound and measurable (22) Furthermore, Parson's first classic definition that organizations are social systems with "specific purposes" (23) shows consistency with the definition of effectiveness as goal - attainment. And Campbell understands the organization as controlled by a group of rational decision makers who follow an agreed on set of goals.(24)

Nonetheless, this approach does not seem to be the most appropriate to explain organizational effectiveness, especially from the viewpoint of PR, for various reasons.

Major criticism of the goal - attainment perspective comes from Robbins.(25) His claim is that goals do not direct behaviour, the important point for him being - effectiveness for whom? For him, organizational effectiveness means different things to different people. The self- interest of the dominant coalition determines goals to a greater extent than do organizational goals. Other writers underline this standpoint as they state that there are problems inherent in goal-attainment amidst the diverse, often competing, external and internal constituencies of organizations.(26) As each of these

groups plays a part in the determination of goals, the problem is that certain constituencies have more power than others. Again, this leads to Robbins(1990), who alludes to the difficulty of sorting out whose goals should be accomplished. Are the goals of short or long-term character? How should companies with multiple goals behave, especially when goals change frequently? (27) The self-interested nature of top managers has led to some anomalous PR practices and an issuing of one-way communications rather than the proposed symmetrical communications of PR. Furthermore, the selection of marginal audiences as publics rather than the search for strategic constituencies is promoted by following the theory of goal -attainment (or rational-systems model) to explain organizational effectiveness. The next section therefore evaluates another contribution to the explanation of organizational effectiveness.

Systems perspective

Other synonyms for this approach are the Natural System model or the System Resource approach. Systems Theory accents the relationship not only between organizations and their environments, but also the interfaces between subsystems within the organization and between subsystems themselves.(28) The theory suggests, too, another viable perspective to focus on organizational effectiveness. Particularly in respect to PR, the systems approach constituted the basis for an important American textbook.(29) According to the authors Public Relations are applicable to establish and sustain interdependent relationships between an organization and its publics. Some theorists pointed out that organizations and businesses do not have simple, determinable and measurable goals, but ones which must be evaluated on the basis of systems characteristics such as growth, equilibrium or decline.(30) Others stress that the process rather than a specific end is the appropriate way for an organization to survive and to thrive - to be effective.(31) The organization must thus be aware of those constituencies with the power to disturb the operations of the organization - publics such as customers, suppliers, the government etc..

The implication of the Systems perspective is that the performance of any subsystem is likely to affect the entire system. So the function of PR, as one subsystem within an organization, contributes to the performance of the entire

respective organization, as management depends on the skills of communication professionals to maintain good relationships (as described in Ch.II.1.1.), either internally or externally. (32) "It is contended here that the most significant factor accounting for the total behaviour of the organization is its communicating system, and that the dynamics of the organization can best be understood by understanding its system of communication". (33)

In particular, Systems Theory received support from, so called, structural-functionalism (34), which focuses on how organizations design their internal structures in relation to their environment. This has an important impact for the understanding of how PR could be managed strategically(35)

Despite some promising aspects, Systems Theory alone is not enough to explain organizational effectiveness. The major criticism is that System Theory, not least through its influence by structural-functionalism (36) distinguishes insufficiently between efficiency and effectiveness - which, of course, are not the same.(37) Moreover, the Systems Theory shows drawbacks as it seems to be more a normative ideal than a reality in most organizations.

In the attempt to remedy this flaw, we now turn to a further theory on organizational effectiveness.

Strategic-constituencies perspective

The strategic-constituencies approach is similiar to Systems Theory as it focuses on interdependencies. The difference is that it scrutinizes segments of the environment rather than the environment in total. The measure of effectiveness, however, is the extent to which an organization meets the problems and demands of its relevant publics and thereby secures its own survival. The stakeholders, or strategic constituencies, are the groups most critical to the organization in terms of their ability to support or obstruct that organization (38)

In particular, the "adversarial environments are what make Public Relations communication distinct. Every PR public is at least a potential adversary"(39) The strategic-constituencies approach gains more and more importance, especially for PR practitioners, as the interplay between the organizations and their environments is increasing permanently. Boundary spanners like PR practitioners are vital for

management to determine and examine target audiences and publics relevant to the organization. Eventually, the decision on an organization's strategic-constituencies and how to deal with them usually lies with the dominant coalition of an organization.(40) Nonetheless, the determination of which publics are deemed to be strategic is an integral part of any PR department's responsibility.(41) Consequently, it seems logical to argue that the head of Public Relations should be included within an organization's dominant coalition.

Robbins (1990) especially referred to some problems with the strategic-constituencies perspective by listing the following difficulties: (I) separating key publics from the larger environment, (II) further delineating strategic constituencies from 'almost' strategic constituencies, and (III) identifying accurately the expectations that those important groups hold for the organization. It seems reasonable to argue that the highlighted problems are more of an academic nature. Professional Public Relations managers should be comfortable with the treatment of each of the difficulties, as all of the three processes are part of their everyday work.

In conclusion, it should be stated that this last theory seems to be most appropriate to deal with questions on organizational effectiveness. Particularly against the backdrop of this work, which tries to explain the interrelation of PR and strategic management, the strategic-constituencies perspective on organizational effectiveness is of major importance. Robbins argued that the most representative definition on organizational effectiveness is "the degree to which an organization attains its short-(ends) and long-term (means) goals, the selection of which reflects strategic constituencies, the self-interest of the evaluator, and the life stage of the organization".(42) Others define effectiveness as the extent to which an organization satisfies the demands of the strategic constituencies in its environment.(43) So, Public Relations are the main organizational function to deal with the demands of the strategic publics they can directly contribute to the effectiveness of an organization. To do so, it is suggested that PR must become an integral part of an organization's dominant coalition. From here, they can promulgate goals such as social responsibility, public understanding and two-way communication.(44)

The strategic-constituencies theory indicates why a strategic PR management is necessary for the effectiveness of an organization. PR can identify the strategic publics in the environment. PR can help to manage the interdependencies between the organization and the most important publics. The stabilization of the relationships with key constituencies leads to reduced uncertainty and less conflict, hence the

autonomy of the organization and, by implication, the achievement of its goals, is enhanced.

As we have seen, PR make organizations more effective through building long-term relationships with strategic constituencies. Therefore, it is only logical to argue that PR must participate in an organization's strategic planning and that communication programmes must be managed strategically to lead to optimal effectiveness. This aspect will be the subject of the subsequent chapters.

II.2. UNDERSTANDING STRATEGIC MANAGEMENT

Like marketing or PR, strategic management can be interpreted as a reaction to socio-economic development, which calls for a rethinking of strategic managing.(45)

"The management philosophy of a strategic management constitutes a complexity of ideas which offer pointers as to what should characterize a 'correct' or 'rational' business management."(46)

Strategic management can be expressed as "management of evolution" or "management of progressive change".

"Strategic management is (i) the regulation and co-ordination of the long-term evolution of a business and its sphere of activity. This regulation and co-ordination is achieved by (ii) means of a conceptual overview of business policy which in turn is subject to continuous critical review and adaptation. Review and adaptation of the conceptual overview is characterized by (iii) the basic principle to further develop the satisfaction of requirements of those directly and indirectly affected by the activities of the business."(47)

The idea of strategic management takes into account the realisation that businesses, as pluralistic interest systems, do not merely acknowledge the requirements and interests of their customers, but also those of other affected parties.(48)

"Strategic planning is (i) the anticipatory formulation of the conceptual overview of business policy as well as (ii) the determining of the succeeding strategic steps towards the desired situation."(49)

Strategic planning represents an attempt to be, at least for a short period, 'master' of the evolution of a particular concern.

Public Relations & Strategic Management

The idea of a planned evolution offers, in this respect, a starting point for PR. The gathering of experience and the taking up of new ideas and also the ability to learn from these assumes constant interaction between a business and its internal and external publics. Conventional management skills must be widened to include the ability to hold dialogue.(50) Here Public Relations come into play, in that they inform management as to the effects of initiated measures thereby providing the management process with feedback. A planned evolution requires that the effects on management initiatives are subjected to constant critical review in order to encourage a learning process within the business. In this instance, PR activity can contribute towards the further development of conceptual overview.

PR can assist in:

- ☛ changing the conceptual overview, as well as introducing new ideas into the business,
- ☛ analysing company policy and highlighting necessary changes within the management process, thereby allowing continuity with a changing environment,
- ☛ taking on board new ideas and opinions which can bring about a change of the conceptual overview,
- ☛ helping management make use of changes to the conceptual overview of the business policy.

Lesly describes PR as "... bridge to change. It is a means to adjust to new attitudes that have been caused by change."(51) This gives expression, in particular, to societal orientated PR.(52)

With the increasing significance of business communications, and the specialized role of PR in the competitiveness of the business, the possibility of structuring long-term success potentials is increased.(53) PR serve indirectly to improve a company's image in order to gain a competitive advantage.(54) By means of specific information and communication with its publics, a business can positively influence its "position" in order to structure and support its market potential. Information potentials and communicational know-how are built up and complemented by potentials from other spheres, which in turn are supported by PR. Success potentials can only be created by the reaction of internal operative potential with external factors and realities. Through the identification of relevant publics by PR, future sectors of negotiation can be established and expanded. New contacts increase the possibility for negotiation which can influence the future position of the company. Business success therefore assumes the recognition of relevant publics. By researching opinions, trends and attitudes of both internal and external publics, "risks" and "opportunities" can be identified. Through analysis of existing business policy, future measures can be better assessed. New success potentials are created in that PR, by changing opinions and attitudes toward the business, can improve the standing of the company within its environment.

Before we turn to a model for the strategic management of PR, some finishing statements concerning the term 'strategic' should be made. This term, like the term 'management' has negative connotations for many people. To them 'management' means to control or to manipulate. Strategic means to do only what will enhance the interests of the organization.(55)

We should define these terms differently. 'Management' should mean thinking ahead and planning, rather than manipulating and controlling. Moreover 'strategic' should be defined as symmetric, which proposes that it is in the strategic interest of organizations to modify their behaviour when they instigate opposition from the environment. Following the norm of reciprocity¹, organizations should feel a moral

¹ A.W. GOULDNER (1960) called the 'norm of reciprocity' a universal component of moral codes. By referring to Aristotle, who had observed that people are "more ready to receive than to give benefits", Gouldner stated that people tend toward egoism - "the salient (but not exclusive) concern with the satisfaction of one's own needs" (p.173). But, "there is an altruism in egoism, made possible

obligation to change behaviour that causes negative consequences. Beside the modification of their own behaviour, organizations must be allowed to try to change the behavioural patterns of environmental stakeholders. The building of promising relationships with the most important publics is in this respect the major aim of a strategically managed Public Relations model.

II.3. THE STRATEGIC MANAGEMENT OF PUBLIC RELATIONS

In this sub-section we try to develop a model that focuses on the ambivalent strategic role of PR within an organization or business, meaning PR should contribute to the overall strategic planning as well as the strategic management of the Public Relations themselves. As already mentioned, the contribution of PR to overall strategic management is the diagnosis of the environment. This means that PR in particular is responsible for making the organization aware of stakeholders, publics and issues. Each of these topics will be defined in more detail in the following.

STAKEHOLDERS

There is a difference between the terms stakeholders and publics. Even if they are often used synonymously, the distinction is useful in understanding the strategic planning of Public Relations. "Any individual or group who can affect or is affected by the actions, decisions, policies, practices or goals of the organization" (56) is a stakeholder. And Brody defined stakeholders as "groups of individuals whose interests coincide in one or more ways with the organization with which the Public Relations practitioner is dealing". (57) Through increasing awareness and activity,

through reciprocity....-...egoism can motivate one party to satisfy the expectations of the other, since by doing so he induces the latter to reciprocate and to satisfy his own".(p.173)

The problem with the norm of reciprocity is, that it tends to break down when one party has more power than another.(see RAKOW, 1989; MALLINSON, 1990)

stakeholders become publics.(58) The initial step for strategically managed PR should be the development of a list - a stakeholder map - that refers to people being linked to, or having a stake, in the organization.(59) Afterwards, this list should be weighted to give the PR practitioner an idea of the impact certain stakeholders might have on the organization. The target is to develop strategic communication programmes with the most important stakeholders aimed at, the moderation of conflicts(60) - ideally before they occur.

PUBLICS

The weighing-up process of the strategic communication programmes within the stakeholder stage, according to the respective importance of each stakeholder group, leads to the conceptualization of publics. Publics are the segments of stakeholder categories that are most important within an organization's environment.(61) Hence it is useful for PR practitioners to have some segmentation techniques to hand. Very often, the techniques used to segment publics are notably similar to the techniques used by market researchers, or derived from them.(62) Nonetheless, there is a distinction between publics and markets, which also defines the difference between PR and marketing. This is that organizations or businesses create markets out of a larger population of potential consumers. Marketing practitioners seek markets that are most likely to use the company's products and services.(63) As Levitt describes the selection of a business' markets: "The purpose of a business is to create and keep a customer"(64), Publics, in contrast, are social in nature. They create themselves.(65) This means publics develop around issues and look for organizations that create those issues. Another important aspect in this context is that publics usually are more active than are markets.(66) Organizations have little choice other than to communicate with these publics as they move from being latent to active (further detailed below); whereas organizations and businesses can choose to ignore markets if they wish.(67)

After outlining the distinctions between markets and publics, some more remarks on the, mostly similar notions of segmentation itself seem useful. Theorists like Bonoma and Shapiro see the concept of segmentation "either as a process of aggregating individual customers, prospects and buying situations into groups or as a

process of disaggregating a total market into pieces".(68) Another defined market segmentation as "the process of taking the mass market for consumer or industrial goods and breaking it up into small, more homogeneous submarkets based on relevant distinguishing characteristics".(69) Moreover, marketing theorists and textbooks provide lists of concepts for the segmentation including aspects like psychographics, demographics, values and lifestyles, amount of consumption, geographic regions etc.(70) Furthermore, some authors elaborate on criteria for segmentation, stating that segments must be mutually exclusive, measurable, definable, accessible, pertinent to an organization`s mission, large enough to be substantial and to service economically and reachable with communication in an affordable way.(71) The all-compassing implication of segmentation is relatively straightforward: Divide a market, audience or population into groups whose members are more like each other than members of other segments.

The PR practitioner is usually concerned with the behaviour of publics. These behaviours, like, for example, donations, strikes or demonstrations, may hinder or enhance an organization`s ability to achieve its goals. Hence, it is necessary to develop a segmentation scheme that identifies the groups or people most likely to behave in a way that affects the organization, or whose behaviour is affected by the organization.

For the Public Relations manager, it is important to determine the level of activity for any public. It seems logical to argue that members of a passive public affect an organization less than members of an active public, as the members of the latter engage in individual behaviour because of organizational actions and their effects. Blumer observed that publics arise around problems that have consequences for them. (72) This means problems define publics rather than publics defining problems.(73) As already stated, most attention should be paid to the most active publics in an organization`s environment. It is useful to devote a certain degree of attention to all members of a stakeholder category, but strategically, the resources should be allocated to the most active publics. If active publics are identified the PR practitioner should develop (communication) programmes to integrate such publics into the decision-making process of the organization or business.

J. Grunig, in particular, undertook extensive studies to identify publics emanating around situational issues.(74) The publics to be considered are the following:

- ⇒ ALL-ISSUE PUBLICS: publics active to all of the issues
- ⇒ APATHETIC PUBLICS: publics inattentive to all of the issues
- ⇒ SINGLE-ISSUE PUBLICS: publics active on one or a small subset of the issues that concerns only a small part of the population.
- ⇒ HOT-ISSUE PUBLICS: publics active only on a single issue that involves nearly everyone in the population and that has received extensive media coverage (as the destruction of the ozone layer)

This leads us to the topic of 'issues'. The above defined publics create issues for the organization and PR programmes should also deal with these issues to be most effective.

ISSUES

An issue is "a contestable question of fact, value or policy".(75) Publics create issues out of problems that have not been resolved.(76) But it should be kept in mind that if an organization has done effective PR work on the previous stages (stakeholders and publics), it will often have settled most of the problems before they become issues. Nonetheless, activist groups (such as Greenpeace), in particular, make it nearly impossible for an organization to be safe from the unsettling of issues. Authors like Jones and Chase argued that without issue management, business would be the captive of activist groups.(77) They view issue management as a new science which has been the result of an historical iterative process, from press relations over public relations and public affairs to issue management.(78) Other authors contradict the opinion that issue management is a new science. They state that Jones and Chase have done little more than redefine PR as issue management.(79)

Within the literature on issue management, the writers frequently refer to issue management as the external component of strategic management.(80) The problem in practice is still that issue management often represents a joint function of a planning department and a department carrying out PR.(81) However it appears more appropriate to deal with issue management as a part of the strategic planning of Public

Relations, as an excellent PR function should be integrated into a single department(82) and issue management should be an integral part of Public Relations

Last but not least, we should focus on some alternative strategies for managing issues. As argued above, PR should be symmetrical rather than asymmetrical². This also has significance for the suggestion of alternative strategies. Chase, for example, outlines three strategies:

- ① reactive - in which the organization or business always opposes change
- ② adaptive - the organization attempts to satisfy the demands of outside groups
- ③ dynamic - the organization "creates and directs policy rather than merely reacts to policy trends established by other forces".(83)

But his explanation of the deeper meaning of the dynamic strategy discloses the asymmetry in his approach: "This strategy anticipates and attempts to shape the direction of public policy decisions by determining the theater of war, the weapons to be used, and the timing of the battle itself".(84)

Therefore, one should follow the strategy alternatives of authors who try to adopt a symmetrical worldview by naming strategies to handle issues:

- ① reactive - fighting change
- ② accommodative - adapting to change
- ③ proactive - influencing change
- ④ interactive - adjusting to and influencing change(85)

To end this section on issues, one final statement concerning the intersection of PR and the media should be made. Following Grunig, excellent and effective Public Relations need the media less than poor PR do, as the organization solves problems before publics make issues out of them.(86)

Before we turn to the next chapter, a short conclusion should be drawn on the previous discourse. Public Relations contribute to organizational effectiveness through establishing promising, long-term relationships with an organization's strategic constituencies. To guarantee this the senior PR manager should be part of an organization's dominant coalition, a move which should help shaping the

² The asymmetrical worldview underlies the assumption that organizations know best and that publics benefit from 'cooperating' with them.(compare GRUNIG, 1992, p.39f)

organizational goals, the mission and in determining the most strategic sensitive publics.

It is only natural then, to claim that Public Relations themselves should be part of an organization's strategic management and are themselves managed strategically.

As such PR must identify stakeholders of the organization, segment the strategically most important and most active publics from the stakeholder categories and be prepared to deal with occurring issues, ideally through symmetrical communications and at the earliest possible stage of development.

LITERATURE CHAPTER II

- (1) Haberstroh, 1965, p.1174 f; Litterer 1969, p.214 f and 1980, p.29
- (2) Katz/Kahn 1978
- (3) Pfeffer/ Salancik, 1978, p.11
- (4) Geigant/ Sobotka/ Westphal, 1983; Dornbusch/ Fischer, 1989, p.5-6;
Varian, 1991, p.476 ff, Kotler/ Bliemel, 1992, p. 1071 ff; Hartley, 1972,
p.630-633
- (5) Pfeffer/ Salancik, 1978, p.257
- (6) Hage, 1980; Mintzberg, 1983, p.631-663
- (7) Gollner, 1983/1984
- (8) Pfeffer/ Salancik, 1978, p.40
- (9) Gray, 1985/1989
- (10) Katz/ Kahn, 1978
- (11) Hage, 1980
- (12) Buchholz, 1989
- (13) Pfeffer, 1981 listed several factors to underline the increasing politicization
of organizations
- (14) Galbraith, 1967
- (15) Mintzberg, 1983, p.450
- (16) Pfeffer/ Salancik, 1978, p.16
- (17) Hage, 1980
- (18) Hannan/ Freeman, 1977
- (19) Pfeffer, 1977
- (20) Farace/ Monge / Russell, 1977, p.7
- (21) Robbins, 1990
- (22) Cameron, 1984
- (23) Parson, 1960
- (24) Campbell, 1976, p. 29ff
- (25) Robbins, 1990
- (26) Pennings/ Goodman, 1977, p.146ff; moreover Pfeffer, 1982 who regard
coalitions within organizations as stakeholders
- (27) Kirchhoff, 1977, p.348ff

- (28) Luhmann, 1974, pp.4-7,1,35ff; Malik, 1989, pp.25/ 39
- (29) Cutlip/ Center/ Broom, 1985
- (30) Miller, 1978
- (31) Yuchtman/ Seashore, 1967, p. 891ff.
- (32) Katz/ Kahn, 1966, p.225
- (33) Walton, 1969, p.108
- (34) Parson, 1951
- (35) Hage 1980
- (36) Hage 1980
- (37) Price, 1968
- (38) Freeman, 1984
- (39) Staff, 1988, p.1
- (40) Grunig/ Grunig, 1989, p.27ff.
- (41) Grunig, 1992, p.11
- (42) Robbins, 1990, p.77
- (43) Pfeffer/ Salancik, 1978, p.259 f
- (44) Grunig/ Hunt, 1984
- (45) Kirsch (1984, p.504ff)
- (46) Kirsch / Maaßen (1989, p.10)
- (47) Kirsch / Trux (1981, p.324)
- (48) Kirsch et al. (1987, p.18ff)
- (49) Kirsch / Trux (1981, p.324)
- (50) Baier (1985, p.40)
- (51) Lesly (1983, p.13)
- (52) Laube (1986, p.28ff)
- (53) Porter / Millar (1985)
- (54) Image as a central factor to success, see Wiegel (1983), Bergler (1986), Haedrich (1986), Rießmann (1986), Reutner (1987)
- (55) Pearson, 1990, p.227f
- (56) Freeman, 1984, p.25; Carroll, 1989, p.57
- (57) Brody, 1988, p.81
- (58) see following paragraph for more details
- (59) see Chapter III for more details of the procedure
- (60) Grunig/ Hunt, 1989, ch.8; Pfeffer/ Salancik, 1978, p.52
- (61) Grunig/ Hunt, 1984, ch.7

- (62) Grunig 1992, p.129
- (63) Grunig, 1992, p.386
- (64) Levitt, 1986, p.5
- (65) Grunig, 1992, p.128
- (66) McQuail, 1987, p.221f.
- (67) Bonoma/ Shapiro, 1983, p.2
- (68) Bonoma/ Shapiro, 1983, p.1
- (69) Michman, 1983, p.127
- (70) Kotler/ Andraesen, 1987, p. 117 ff; Lunn, 1986, p. 392-398; Taylor, 1986, p.34; Luck/ Ferrell, 1985, p.194
- (71) Taylor, 1986, p.33; Lovelock/ Weinberg, 1984, p.111; Kotler/ Andraesen, 1987, p 123f
- (72) Blumer, 1966, p.43ff
- (73) Grunig/ Hunt, 1984, p.143ff
- (74) Grunig, 1975, 1978, 1983; Grunig/ Neson/ Richburg/ White, 1988
- (75) Heath/ Nelson, 1986, p.37
- (76) Hainsworth, 1990
- (77) Jones/ Chase, 1979
- (78) Jones/ Chase, 1979
- (79) Ehling/ Hesse, 1983, p.29, moreover research data to underline their view, Heath/ Nelson, 1986 supported this viewpoint
- (80) Heath, 1990; Ewing 1980, p.14ff, Heath/ Nelson, 1986, p.24
- (81) Heath, 1990, p.32, as well as Heath/ Nelson, 1986, p.24
- (82) Grunig, 1992, Ch.14
- (83) Chase, 1984, p.7
- (84) Chase, 1984, p.59
- (85) Buchholz/ Evans/ Wagley, 1963, p.63
- (86) Grunig, 1990, p.18 ff

Chapter III

Anchoring strategic PR at the operative level

In the preceding chapter we elaborated on aspects of how Public Relations should be managed strategically to contribute to organizational effectiveness and the long-term success of businesses. It must be kept in mind that any theory is only worth as much as its ability to be used practically. A lot of academic work failed in considering this aspect. For the thesis, this means that any implications on strategically managed Public Relations should stand the test of acceptance among the workforce of a company. A strategy can hardly be transformed into measurable success without the understanding and support on the operative level.

As the field of PR is still suffused with ambiguity, the next chapter tries to clarify this field a little more. By outlining understandable concepts, which refer to the organization as well as to its environment, even non-specialists should be able to become aware of communicational behaviour and its necessities, thereby increasing the likelihood of successfully implemented strategic PR and their own contribution to organizational success.

Established aspects of the previous chapter will also be elaborated on in more detail.

III.1. DISTINGUISHING PR FROM RELATED TERMS

In order to enhance the understanding of PR and their necessity, on the operative or functional level of an organization, the equivocal term PR must be separated from the various other, partly synonymous, partly overlapping terms. (see *table 1*) The objective here is not to deal with *all* the differing terms and interpretations, but primarily all to delineate those terms with identical or similar meaning to PR, for example, public affairs, publicity and propaganda. Further relevant overviews are available for reference.(1)

	Target audience	Aim	Subject	Reason	Content	Effect	Direction
Image	all publics	sympathy, standing, fame	public profile	identification with organization	moral concept	emotional	one way
Corporate identity	all publics	uniform re-presentation	formal appearance, public profile	recognition	objective information, symbols, conduct	emotional	one way
PR	<i>relevant (limited) publics</i>	<i>trust, integration</i>	<i>internal & external relations</i>	<i>provide information</i>	<i>objective information</i>	<i>rational</i>	<i>two way</i>
Public affairs	relevant (limited) publics	improved co-operation with public bodies	relation with public bodies	provide information	objective information	rational	two way
Marketing	all target groups, customers	increase sales, company related	all products	economic principle	subjective & objective information	emotional	one way
Advertising	customers	increase sales, product related	specific products	economic principle	subjective & objective information	emotional	one way
Propaganda	all publics	manipulated opinion, group dynamic	opinion	to further interest	facts, claims	emotional	one way

table 1:
PR and related sectors

Publicity means the publication of a subject to society at large.(2) The term is equivocal and both positively and negatively loaded. PR in general developed from publicity (3) yet today, publicity is a sub-sector of PR. Publicity can be generated by means of PR.

Propaganda originally had the meaning of broadcasting an idea.(4) The term now has a negative aspect to it, as in contrast with PR, it need not be based on truth or facts. Propaganda is one-sided communication, PR are two-sided. The similarity of PR to propaganda is that both seek to influence opinion, albeit by differing means.

Public affairs essentially concern themselves with the relationship between an organization and its political, governmental and institutional environments.(5) Correspondents are mainly public bodies such as political parties.(6) The purpose here is to involve public interest in organizational decision making as well as to register the organization's interest in that relevant environment.(7) The classification of public affairs is controversial but the above is sufficient for the purposes of delineation.

As explained above, for a better understanding of the meaning of PR within an organization, it seems appropriate to distinguish between PR and similar functions and concepts. This will assist in developing clearer understanding while increasing the practical acceptance of PR. In particular, the difference between PR and marketing still tends to be problematical.

III.1.1. The demarcation between PR and marketing

Theory and practice regard the delineation between PR and marketing, particularly advertising, from vastly different viewpoints.(8) Business and society often equate these terms with one another.(9) A definitive clarification of the relationship of PR to marketing is further complicated by a double meaning of the term marketing:(10)

- ☞ on the one hand, marketing provides the apparatus for the achievement of distinct profit related functions (the classic economic view);
- ☞ on the other hand, marketing can incorporate an all embracing management concept of the 'marketing orientated' organization (modern, generic interpretation).

The growth of marketing thinking shows parallels to the growth of PR. Marketing in the classical sense is understood as "planning, co-ordination and control of organizational activities on current and potential markets"(11). It is founded on the realization that a business's success is dependent on its market.

Changes of attitude among businesses in the market place, and the increased sensitivity of the public toward environmental issues, have repeatedly influenced the meaning of marketing (12), and changed it into strategic marketing - the timely recognition of opportunities and risk factors and the reaction thereto.(13) The latter differs from society orientated or socio-marketing which is characterized "by a central concept of an extended environmental orientation and the principle of public accountability." ¹

While the classic marketing concept is strongly aligned with the profit motivated demands of the market place and a positive influence on sales, and can therefore be classified as commercially orientated there emerges, alongside the already mentioned profit motivation, a sociocultural alignment. Even if public and social marketing serve only as "whitewash" to disguise the profit-motivated, persuasive character of classic marketing, the activities within this framework can be described as socially orientated. Public and social marketing can then be classified as belonging to the area of social consideration.² In conclusion, the following diagram is designed to illustrate the parallel development of PR and marketing.

¹ The central concept of a substantially extended environment orientation is directly associated with the demand for a longterm, integral perspective. The principle of public accountability concerns itself with the question of "should it be sold ? Is it worth its costs to society ?" (RAFFEÉ / WIEDMANN, 1989, p.580)

² The differentiation between "commercial orientation" and "social consideration" is made following Laube's definition of public relations where he draws a distinction between "profit policy" and "social policy". (LAUBE, 1986, p.28ff)

MARKETING	PUBLIC RELATIONS
↓	↓
Selling	contact
↓	↓
selling & advertising	contact & publicity
↓	↓
selling, advertising & marketing research	contact, publicity & research
↓	↓
marketing department	PR-department
↓	↓
market-oriented company	public-oriented company

diagram 2: Historical development of marketing and PR (acc. to Kotler/Mindak 1978, p.15)

There are five possible relationships between marketing and PR:(14)

❶ PR and marketing as separate, equal functions:

The traditional, divided view of 'sales and goodwill' is an expression of a marketing concept aligned to the maximization of profit. Here, PR measures are confined mainly to the exclusion of outside influences on the company's interests which might threaten profits. Marketing and PR are rivals for the leading role, as they each represent separate functions.

❷ PR and marketing as equal, separate functions with overlaps:

In this model the, chasm between the two areas is bridged by the recognition of certain common ground. Kotler/Mindak name customer relations and product publicity (incorrectly described as product PR), as mutual interests. These, however,

are purely profit orientated measures, which, as such, belong exclusively to the realm of marketing.(15) The actual common ground between PR and marketing(16) is the need for communication to ensure sales success, with the same methods and media, and in the implementation of strategies derived from market research analysis. Unlike marketing, however, PR involve political self-awareness, which influences PR`s aims and target groups. (17) Alongside PR`s prime task of keeping their publics informed over the organization`s activities, and the encouragement of socially accountable management practices, the need for commercial competence also emerges as a significant requirement for those practising PR.(18) In contrast, marketing maintains and supports customer contact and guards against possible errors in the social field.

③ Marketing as dominant function over PR

Where profit motives are the only consideration, PR are subordinated in favour of the marketing aspect. PR are implemented as an aid to ensuring profit. The success of PR are not measured in its social contribution but the realisation of profit through a positive company image. "Public Relations exist essentially to make it easier for the firm to market goods"(19) or "the ultimate purpose of all public relations... is to sell".(20) This is reflected in the subordination of PR in the organizational marketing apparatus.(21)

④ PR as dominant function over marketing

Marketing as a partial function of PR management exists predominantly in non-profit making organizations as well as in certain organizations dependent on public goodwill . The economic future of the organization is dictated by the success of its public image.

"Marketing should be put under public relations control to make sure that the goodwill of all key publics is maintained."(22)

⑤ PR and marketing as equal functions

This combination should not bring about any conflict of purpose. Both functions recognize their mutual aim and fuse into one concept, i.e. "societal marketing".(23) The tendency is towards "policy making roles"(24). There is, however, no advantage in the loss of identity of either function. A fruitful co-operation is encouraged in the form, for example, of team structures or a coexistence under a strategic management, i.e. the "corporate identity".(25)

Co-ordination and communication between PR and marketing would seem indispensable(26), for example by means of team organization. Haedrich, in particular, pleads for improved future co-operation between PR and marketing.(27) The indirect contributions to the economic success of the organization will gain in importance in the future.

"The challenge to public relations is, as a strategic organizational instrument and by the means of long-term planned activities leading towards targeted objectives, to take up and maintain dialogue with all relevant environments in the market place and in society. By this means a completely new dimension to success will emerge."(28)

Successful company management will, in future, only be made possible by sensible co-ordination between PR and marketing. Marketing covers market orientated activities and PR devote themselves above all to the demands of society. Marketing makes use of the image-enhancing effect of PR, while PR receive corresponding support in the market place. Both are under one canopy and serve a common aim. One way of achieving this is along the route of corporate identity.

Supplement

PR within the Corporate Identity Concept

This section is intended to demonstrate that successful Public Relations are always to be seen in conjunction with a corporate identity (CI). The functioning of one becomes conditional on the existence of the other.

The objective of identity building will have been achieved, "when the artificial representation brought about by means of communication, corresponds to the emerging actual or desired company image, i.e. self image."(29)

Corporate identity is "the strategically planned and operatively implemented self-representation and conduct of an organization, both inwardly and outwardly, on the basis of a conscious company philosophy, long-term company objectives and a clear-cut (desired) image; and the efforts of all those involved in company acting in reflecting this image both inwardly and outwardly".(30)

This concept of corporate identity(31) then gives rise to the objectives of engendering credibility and trust in an organization by means of communication and a uniform, united appearance, both internally and externally.(32) A corporate identity only manifests itself as self-evident, that is, as a fully formed company identity, by means of a logical alignment and structure company conduct, appearance and corresponding communication(see diagram 3).(33) In order to reinforce company characteristics, aims and purposes must be formulated. Logical action plays a significant part in the constitution and imparting of identity and must be in keeping with the overall design.

"An unambiguous identity, assuming it is ethically and economically acceptable, imbues the organization with credibility both inwardly to its employees but also outwardly to its public."(34)

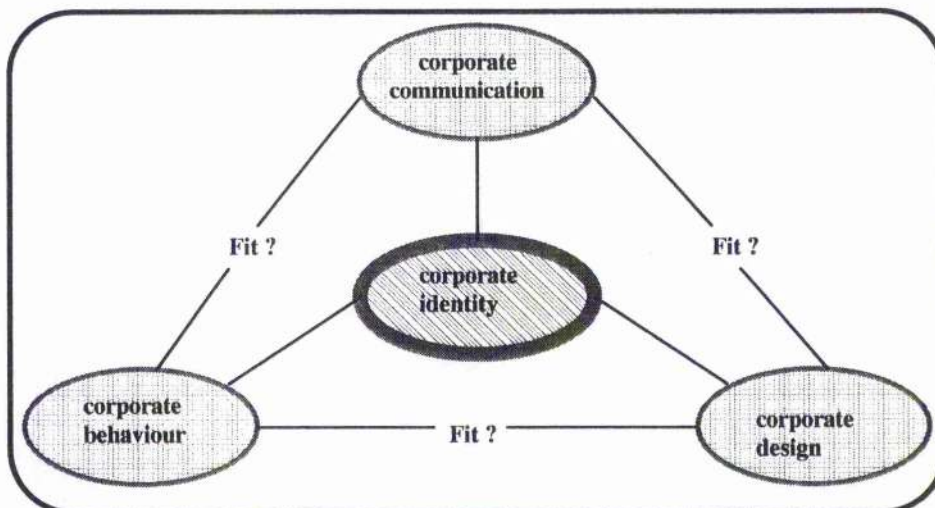


diagram 3:

The components of corporate identity (acc. to Birkigt/Stadler 1988, p.23)

The elements of corporate identity can be described as follows:(35)

- Corporate design is the visual appearance of a company logo and print type as well as product presentation, aligned with the projection of the desired company personality³.
- Corporate behaviour aims at setting standards appropriate to the company's personality, to ensure the logical and unequivocal behaviour of its representatives.
- Corporate communications assist the combination of all communicational forms (advertising, sales aids and public relations for instance) into an effective approach that typifies the company. It is communication based on strategy, and it designed to influence or even change, public opinion towards the company.(36)

"They translate the identity of an organization into communication, and form the strategic canopy for the whole range of communicational activity both internally and externally."(37) The greater the measure of congruity between the components, the greater are the chances of corporate identity being able to support the organization in its internal and external relations. Here, communications which are not aligned with the company's code of conduct engender no trust, and can have quite the opposite effect to that intended.

III.2. STRATEGY TYPES OF PR

Following the preceding representation of theoretical considerations as the basic meaning of PR in organizations, we now focus on practically realisable precepts in the area of PR. The object of the illustration is to provide an idea of how, by means of a model, behavioural patterns within an organization can be recognized and how the need for changes can be derived from it. The long-term improvements to the communication structure, and to PR attitudes, made possible by this process are designed to afford the organization new perspectives for market success.(38) The following provides suggestions that might serve to help form the basic precepts of PR.

³The corporate personality is defined as "the sum total of the characteristics of the organization. These characteristics- behavioural and intellectual- serve to distinguish one organization from another. This personality is projected by means of conscious cues which constitute an identity." (ABRATT, 1989, p.67)

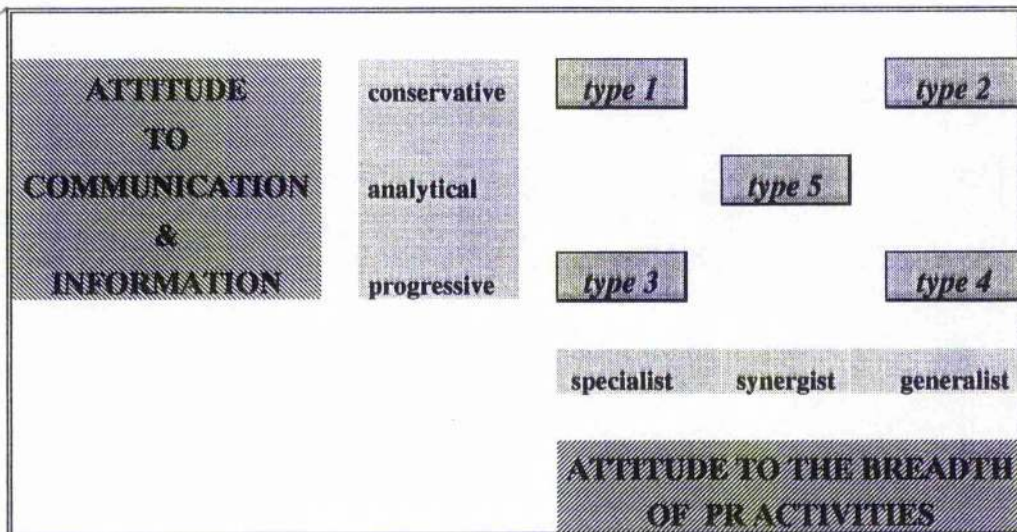


diagram 4:

Types of strategic PR precepts (acc. to Kirsch/Trux 1981, p.299)

The delineation of PR related attitudes as identity forming components occurs between the attitude of a PR practitioner towards innovations in communication and information and the dimension of attitude to the breadth of PR activity. The precepts and their PR specific characteristics can be described as follows:

Type 1 Defender

He moves within his traditionally evolved field of operations, justified by tried and tested measures, such as press releases, for example. The defender can be typically profiled as an employee - he is no manager. Conscious concentration and specialization lead to greater entrenchment, while innovations and changes in the field of work are cautiously received and sceptically questioned. He has a limited overview and feels himself insecure outside his field of operations. This would apply, for example, with the implementation of CI concepts or the rapid internationalization of the market. The strength of the defender undoubtedly lies in his sectoral know-how

combined with a rigid attitude, i.e. "that is how it's always been done". With regard to the strategic identity of a PR management, considerable difficulties can be expected due to the lack of insight as to its necessity.

Type 2 Risk moderator

He too confines himself to the tried-and-tested aspects of his field of operation, such as trade fairs and exhibitions, but is a generalist with a broad based approach and with cross-sectional views. Given his generalistic attitude, his approach to new fields of activity, say contact with universities or cultural engagements, will be correspondingly cautious and analytical. The law of risk minimization dominates his activities, this is where a possible loss of image threatens an investment. The generalist only becomes active in the face of obvious dangers (investment risk, implementational problems in the introduction of a strategic management system) and opportunities (improving communication structures, initiating strategic PR projects). His basic tendency is towards diversification of separate, clearly distinguishable and unconnected project whilst adhering to proven PR measures.

Type 3 Innovator

The innovator, with his aggressive approach and specialist nature, is the opposite of the risk moderator. He is the "pioneer" for new ideas and measures within the bounds of his field of operations. In contrast to the defender, innovations are not viewed from a traditional standpoint. Achieving objectives is of prime concern in implementing new ideas in the face of high risk factors, for example, the implementation of strategic PR management to counter major problem areas. However, recognized strengths are also utilized in new areas of activity such as meeting demands for increased communication with particular sectors. The reformatory or revolutionary spirit is coupled with a concentration of strength and conviction at the risk of considerable "structural damage".

Type 4 Prospector

He is a combination of the "general innovator" and the "aggressive risk moderator". His active receptiveness to communication and information-related innovations cannot be deterred by risk factors. By means of a cross-sectional approach, unobserved communicational possibilities are recognized and suitable solutions found, as in the application of PR as a means of the pre-emptive response.(39) This assumes, of course, that a functional system already exists. The prospector`s contribution to the success of the organization is dependent on the "hit rate", because for him, effectiveness is of greater interest than efficiency meaning even unpopular measures are embraced in order to counter a negative image. Developing specialized knowledge, or a specialization is not his intention.

Type 5 Architect

Drawing from all areas, he represents the cross-section and therefore ensures a formalized PR development. The architect constantly analyses the communicational relationships in his environment, within the organization, and in the field of PR itself, and attempts to keep abreast of changes by means of further development. He has no preferences as to specific areas, methods or means. Risks and opportunities relating to areas of PR activity are analysed without prejudice. This is the essential principle in striving toward a successful, long-term and forward- looking PR development plan which makes use of the synergetic network of all communicational possibilities to bring about a uniform organizational communication.

Outside of the typology matrix illustrated is the "*reactor*", who only becomes active as a result of regulations, typically the legal requirement to publicize company reports, the PR activities of competitors or extreme public pressure like opposition to genetic engineering or the chemical industry. This type, lacking practical conceptions, ignores individual, appropriate measures in favour of the traditional, "tried-and-tested" PR methods such as the press conference.

The explanation of the principal types makes it clear that the setting of objectives and conception of a strategic PR management will be influenced by the

varying attitudes within the organization. However, the principal types themselves must be analysed in the light of changing conditions and will in turn need to change.(40) Such a change would not simply alter the task and operational field of PR, but also the structure and culture of the organization as a whole.

Strategic principles of PR according to McFarlan and McKenney

Analogous to the typology of McFarlan and McKenney (1983), the following investigates PR principles with regard to the strategic influence of existing and future communicational infrastructures on organizational policy. This can be demonstrated by means of a matrix:

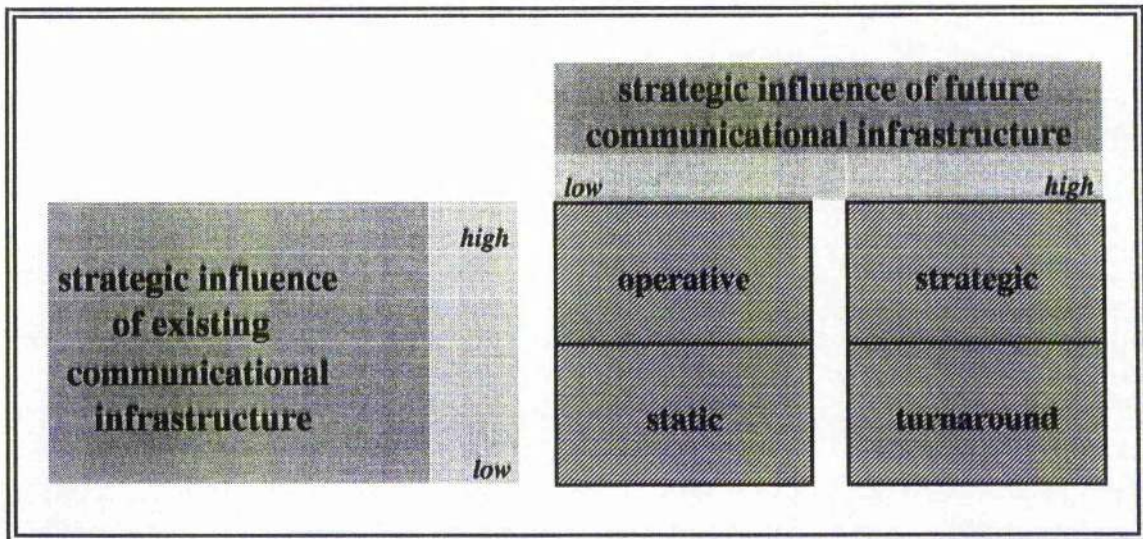


diagram 5: The strategic influence of the PR management infrastructure (acc. to McFarlan / McKenney 1983, p.75)

Four types are identifiable regarding PR principles:(41)

□ *Static*

In this situation, strategic PR measures have no notable influence on the setting of company objectives and strategies. An increased role of strategic PR within the organization is not to be expected, as the relevance of PR policy will not change significantly. Of necessity, PR play a predominantly supporting role in the activities of the company. PR success potentials appear to be unrealizable, i.e. long-term solutions to communicational difficulties, particularly with the media, are limited. This underestimation of the meaning of PR exists chiefly in small to medium-sized organizations who have not yet been subjected to public scrutiny.(42)

□ *Operative*

In this instance, PR play a greater role in organizational policy by taking on a control function such as ensuring that "day-to-day" requirements are met in, for instance, the preparation and publication of legally required company reports. However, PR planning has not yet been made a component of organizational planning.

□ *Turnaround*

The relevance of PR to organizational policy to date has been minimal, as has their contribution towards achieving the commercial objectives of the company. In the light of new discoveries, changes in the organizational field or framework requirements, PR are credited with greater influence on company policy. As a result, strategic PR activities are linked to organizational planning. For example, fast expanding organizations are made aware of the necessity for an equally dynamic communicational infrastructure.

□ *Strategic*

Here PR have for some time, and will in future, play an important part in organizational policy. The organization's competitiveness is supported by a strategically relevant PR management system. In this way, PR make a direct contribution to company success, and are essential for the continued security and development of success potentials. For example, in large concerns and in sectors that are subject to critical public scrutiny, such as the chemical and weapons industries.

PR related base strategies according to Meffert

The basis of Meffert's theory states that "from the outset, the development of appropriate strategies for Public Relations activities should be discussed".(43) He develops strategy types which are characterized by their "degree of effort in building relationships between organization and the public, their willingness to integrate new demands, the timing of strategy orientation, their preparedness to communicate with critical target groups, as well as the intensity of communication between the organization and its target groups".(44) He identifies four basic types of PR strategy which (*diagram 6*) are to be found between the axes of organizational position and environmental situation. A favourable environmental situation exists "where an organization enjoys a high degree of credibility on the part of its relevant target groups, and a sector with which the identified is equally well received".(45) The organization, from the PR standpoint, holds a strong position when the area of Public Relations work possesses adequate know-how, has the necessary resources and is adequately represented at company management level.

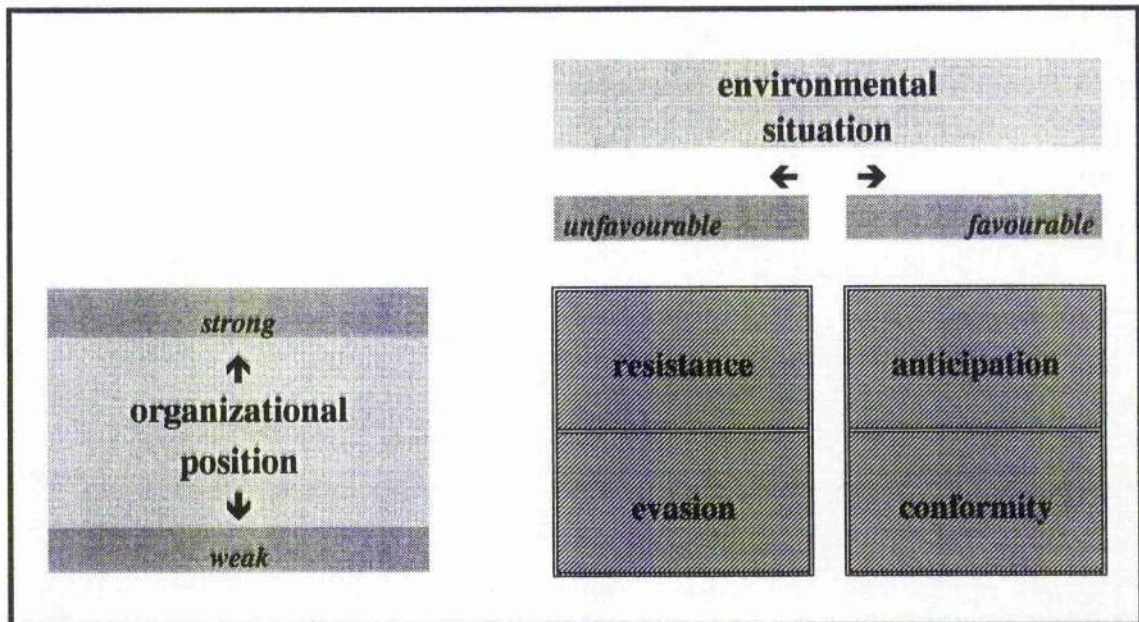


diagram 6 Basic strategy-types of Public Relations
(acc. to Meffert 1988, p.382)

The strategy types are made up of a combination of various characteristics (see table 2). The PR strategies of the individual types can be described as follows:(46)

□ *Anticipation*

At the inception of public demand, the organization actively formulates a strategy of "pre-emptive" PR. This requires, without doubt, the making available of considerable resources, both financial and human, as well as complete integration into strategic management, and for these reasons is only practised by a few organizations, those who operate in markets that the public see as highly sensitive.

□ *Conformity*

The strategy of conformity waits for the emergence of a concrete public demand, before the organization reacts. This reaction forces conformity in policy decisions and negotiating methods and puts the organization's management on the defensive. Against a timely, provisional communicational intervention, there stands a considerable later "repair bill" for PR measures. Many organizations still pursue this kind of PR strategy, particularly the power and chemical industries which have had bad experiences acting this way.

□ *Resistance*

Whether proactive or reactive in its approach, this strategy type requires a high communicational intensity, with a degree of risk concerning the organization's approach being accepted. Increased public demands are not integrated into aims of the organization - it simply attempts to assert itself. A classic example of the kind is Nestlé's conduct during the baby milk scandal.(47)

□ *Evasion*

In contrast, the strategy of evasion is characterized by passivity. Public expectations are credited with little or no priority in organizational policy, an attitude typical of medium sized companies.

The portrayal of PR so far has been able to show that the more Public Relations become an integral part of the strategic organizational concept, the more they are able to help form it. PR management will, in future, have increased responsibility to supply input to matters of strategy and organizational policy, over and above the legally required functions (i.e. the duty to publicize).

STRATEGY TYPES	<i>anticipation</i>	<i>conformity</i>	<i>resistance</i>	<i>evasion</i>
<i>integration of new demands</i>	YES	YES	NO	NO
<i>active relationship building</i>	YES	NO	YES/NO	NO
<i>timing of strategic orientation</i>	EARLY	LATE	LATE	LATE
<i>contact with critical target groups</i>	YES	NO	YES	NO
<i>intensity of communication</i>	HIGH	LOW	HIGH	LOW

IDENTIFYING
CHARACTERISTICS

table 2: Strategy typology by selected characteristics (acc. to Meffert 1988, p.381)

III.3. THE MACRO ENVIRONMENT OF PR

The socio-political field characterizes relationships between a focal organization and the social, political, cultural and economic sectors of society.(48) The term "socio-political" refers primarily to the continuity of relationships and the pursuit of purely commercial aims as a secondary consideration. It concerns itself, then, with the "positioning" of a company within society, accepting that the current position is not simply the result of historically evolved factors and methods. Only an awareness of this position can permit any rational steering of the organizational policy framework (strategies) or the development of PR. A comparative study of a system and its relationship with its environment necessitates, in the case of PR, looking at "Public Relations" or "relationships with the public".

"Public is that area, in which the many sided social and governmental interests articulate, where they can and must take part in the purpose and opinion forming process."(49)

In today's pluralistic society, published issues can reach many recipients or potential subjects of the public. Because of varying individual interests, a consensus, in the sense of an agreed optimal solution, is not usually possible, though by means of discussion, compromise and mutual acceptance it can be achieved. A unified public, representing a single opinion, is nowadays fragmented into a politicized, pluralistic social sphere with a great many public sub-sectors.

Identification of public sub-sectors

From the perspective of an organization, the question for PR, as management of communication between the organization and its public sub-sectors(50), is one of "field-position" and identifying those sub-sectors of the public that are relevant to the company.(51) These sub-sectors are bodies of people and organizations who, as part of a greater public, may form the opinions and interests of society at large. The varying types of public sub-sectors demand differing communicational strategies.(52)

The extent to which these sectors may be involved in negotiation, depends on the intensity of interest.

Buchholz identifies four degrees of interest:(53)

potential interest

an objective interest is not yet recognizable and is therefore subjectively non-existent.

latent interest

the awareness of an interest exists, but is not widespread.

manifest interest

a conscious interest exists, but without the possibility of activation

activated interest

the interest is activated, even under conflicts with other interests.

A refinement of the terms used in this relationship grouping is the categorization of relating groups according to stakeholders by Achleitner (1985), which also takes into account the varying escalation levels of interest and activity:(54)

relating groups

this all-embracing term is applied to those social groups not belonging to any formal organization yet having an actual or potential, direct or indirect, relationship with the organization.

interest groups

this term includes those relating groups which are already engaged in an indirect or direct relationship with the organization and thereby have a close interest in its activities.

demand groups

this term relates to all those interest groups who have expressed their interest in the organization, either directly or through a third party, and so made a definite claim or demand on it.

strategic demand groups

this term includes those demand groups whose demand must be met due to the amount of influence that they can bring to bear upon the organization.

A theory from Grunig and Hunt (1984) serves to identify stakeholders according to their degree of interest, the classification of subject matter and the communicational demands on the organization.(55) A group becomes a public sub-sector when it

- (1) is faced with a common problem,
- (2) recognizes that the problem exists and
- (3) prepares itself to act upon.(56)

Depending on the degree of activity further distinctions are made in(57)

⇒ non-publics,

who encounter all problems with apathy and do not consider the consequences of such conduct.

⇒ latent publics,

who have not yet acknowledged a problem

⇒ aware publics,

who have not yet become active in the face of a known problem

⇒ active publics,

who organize themselves and discuss the recognized problem publicly. The scope of activity can be further broken down into:

- ☞ publics, who are active over problems that affect practically the whole population;
- ☞ single-issue publics, who actively pursue only one problem;
- ☞ multi-issue publics, who are involved with many problems and attempt to encounter them all.

III. 3.1. Practical concepts for the analysis of the socio-political environment and the identification of relevant public sub-sectors

A structured environmental analysis is useful, in order to approach communication problems in a PR specific manner. Individual public groups, however, are not necessarily independent of one another and the many-sided alternating relationships must be carefully observed to ensure continuity of success. A good image with the press, resulting perhaps from acceptable communicational relationships, or a bad image with, for example, civil groups resulting from a lack of information relating to environmentally damaging operations, can alter the picture of the organization in the eyes of the public for a long time to come.

The PR policy framework provides for exploration and analysis to discover areas for deployment amongst its publics and the associated risks and opportunities. This is to be systemized within the PR management, whilst at the same time investigating its own strengths and weaknesses.

1. Stakeholder analysis

The identification of PR related concerns rests upon stakeholder base or contact group theory(58), which makes possible an institutionalized examination of external contact groups.(59) The term `stakeholder'(60) implies that the management carries a responsibility towards those groups "who have a stake in the actions of the corporation."(61) This is more precisely defined by Mitroff (1983):

"We use the term stakeholder to connote all those individual actors and parties, organized groups and professions, and institutions that have a bearing on the behaviour of the organization and its policies."(62)

By means of stakeholder analysis, the organization's possible reference groups are defined and categorized according to set criteria (stakeholder scanning) and their interactions discovered (stakeholder mapping).(63)

At the **first stage**(64), possible contact groups are listed by means of a checklists(65), or on the basis of the results of previous a ex-post analysis of interactions.(66) These can be structured according to location say internal and external, local, regional or national, and functional criteria. At this stage, the contact groups can already be evaluated as to their political relevance. The following shows a possible list of generally known contact groups (acc. to Bürger 1989 "Beziehungsgruppen 1"). It is designed to highlight the most important publics that an organization's PR activities seek to address:

① The immediate groups

- management, board of directors
- owners and their organs (shareholders, supervisory bodies, sleeping partners)
- present employees
- future employees
- unions
- pensioners
- subcontractors, advisors, lawyers
- neighbours, families of employees

② Sources of finance

- banks
- investors
- financial press
- leasing companies

- guarantors
- dealers

③ Commerce

- customers (trade) or buyers (consumers)
- suppliers and subcontractors
- potential business partners
- competitors

④ Opinion formers

- unions and trade organizations, workers guilds
- local inhabitants
- individual occupational groups (contractors, people, officials, staff, workers, landlords, craftsmen and other bodies)

⑤ Politics /Administration

- commerce, trade and craft - chambers of trade, guilds and trade organizations
- political and public institutions (local, regional and national government and their representatives, political parties, unions, the church and religions organizations, professional bodies etc.)
- schools and colleges (primary, secondary, grammar and comprehensive schools, colleges and universities, private schools, school authorities, teachers organizations, scientific/research institutes)

⑥ Opinion forming institutions

- publicity agencies (the press, radio, television, film, news services, printing houses etc.)

- journalists and publicists (editors, freelance journalists, authors)
- publicists associations (journalistic associations, press agencies, publishing houses)
- other opinion formers (teachers, educators, youth leaders, advisors, the church and its representatives, and anyone of influence)

⑦ The ad-hoc groups

- all spontaneous groups which declare themselves for or against a particular measure. Action groups formed on an ad-hoc basis against planned measures (i.e. local resident groups opposing what, in their opinion, would be a nuisance plant in their midst)

A listing of possible groups can also be generated by means of the seven search strategies of Mason and Mitroff (1981, p.15ff) which allow differentiation between groups, and from which further groups can be uncovered:

① Imperative approach

The investigation of opinions and activity affecting organizational policies typically strike action, public criticism and press reports.

Disadvantage: `silent stakeholders` opinions are not taken into account

② Positional approach

The search for formal role players, like the board of directors in the policy-making process.

Disadvantage: those involved in an informal role are not consulted.

③ Reputational approach

To whom, according to expert opinion, is the organization responsible ?

Disadvantage: Unorganized and peripheral groups are not uncovered by this method.

④ Social participation approach

Who takes part in activities and decision making which are connected with a policy issue? This covers the discussions and voting among the membership of particular interest groups as well as specialists, professors and church representatives.

Disadvantage: certain groups are not able to participate and therefore not taken into account (i.e. minors and future generations)

⑤ Opinion leadership method

Which leading opinions, perhaps those of editors or directors, influence those of other stakeholders?

Disadvantage: inaccurate influenced by subjective evaluation.

⑥ Demographic approach

The categorization of stakeholders according to socio-demographic criteria which indicate common ground.

Disadvantage: statistically coherent groups need not have identical interests.

⑦ Focal organization method

Which organizations have a close relationship with the corporation through either their members or their participants ?

Disadvantage: too close a delineation, which includes only transactional relationships.

At the **second stage** of the stakeholder analysis, the identified groups are further analysed after appropriate measures characterized according to various criteria.

Achleitner suggests an assessment of the degree of familiarity, the degree of dependency and the degree of influence of contact groups and their demands.(67) According to these, the strategic significance of the contact groups is all the greater,

"the more uncertain the demands of the group on the organization are...,

the less the organization is able to extricate itself from the firm demands of the group...,

the more the group is in a position, by its actions, to influence the conduct of the organization in the long term...."(68)

Scholz suggests an analysis of target and power structures as well as the stakes which the group might be prepared to gamble in the event of a conflict which would indicate their degree of preparedness for such an event.(69)

◆ *Target structures* represent the interests and demands of known or identified groupings. These demands indicate potential communicational themes and can be categorized according to their degree of conformity and relevance to organizational policy.(70)

◆ *Power structures*(71) result from potential power and power bases that the stakeholders have over the organization, or even that the organization may have over the stakeholders. Within the PR framework, the power of information and the possible power of coalition should be investigated above all. The sensitivity of the media towards certain topics makes it possible to harness the power of groupings with no particular influence⁴.

⁴For example, the concern of the chemical industries to keep "positive" contact to the environmentalist groups. This might be of importance, especially in the event of a crisis, even if single environmentalist groups don't have a significant power, in comparison with a chemical concern, in "every-day-business". But particularly in a crisis, power structures, characterized by public support and acknowledgement of actions, can shift immediately, due to an influencing representation of an event through the media, which often try to stimulate emotional rather than rational senses of the audience. If it seems opportune, the media can easily extent the power of normally less powerful groupings by supporting them. Therefore, it also seems reasonable for a company to take preventive care over groups characterized by their potential.

The **third stage** of the stakeholder analysis is designed to uncover the interconnectedness of the various groups by means of a 'stakeholder mapping' exercise. The results of the exercise at this stage of the analysis serve to correct findings up to date and can, if necessary, lead to a fresh evaluation. Now the relevance of the individual groups may be assessed, in order to ascertain numbers and to classify them according to their relative power and stakeholding.

"An interest group is of relevance and therefore a stakeholder when it states its aims, is prepared to take action and has adequate power"(72)

The most important groups become strategic contact groups for the formulation of strategic organizational objectives. The implementation of a general stakeholder analysis differs from that of the PR related analysis as, from the PR viewpoint, media representatives, for example, are of greater significance.

Stakeholder analysis therefore produces contextually specific results which, when compared with one another, nevertheless contribute towards a more rational understanding of an organization's internal and external environments. Results of the analysis should include these interconnections as well as fundamental knowledge concerning stakeholder's interests and demands.

2. Scenario technique

The scenario technique serves, within a PR management framework, to generate not only opposing, but also possible future alternatives(73), whilst, at the same time, providing a means of developing awareness.

"The long-term view concerns itself with a mental discussion as to possible situations and developments, particularly in the light of their economic and social consequences."(74)

This emergence of awareness offers a global scenario for the implementation of PR relevant topics. PR in particular are required to anticipate developing issues in good time in order that they themselves can encourage that development or prepare themselves for discussions with the public and to acting accordingly.(75) Possible scenarios would be concerned with various themes, for example, "new values", "growth", "political crises" and those "which are based on consistent assumptions and outline plausible future areas for development."(76) The awareness of environmental dynamics is assisted by the portrayal of such scenarios by PR. In addition, this heightened awareness enables PR to represent themselves as a communicational means to finding solutions.

"The simulation provided by reflecting upon 'other' future worlds in the form of scenarios helps the communication and shaping of additional, perhaps, not yet articulated intuitive visions, which can greatly help structure a progressive organization, thereby ensuring its long-term viability."(77)

It is important to note that this form of analysis technique produces intensely global alternatives which are very difficult to include in the day-to-day running of an organization. However, from a strategic point of view, this technique is still to be regarded as a valuable tool.

3. Portfolio analysis

This popular and often used marketing concept(78) for the analysis of strategic success potentials(79) can also be applied to areas of communication, particularly PR. It can be used in the investigation of current fields of activity, individual success factors, development trends and competitive advantages.(80) A strategic analysis supplies information relating to communicative strengths and weaknesses, which can develop into advantages and disadvantages. This can, in turn, provide an assessment of risks and opportunities which can be of relevance to the complexities of a PR management.(81) A traditional instrument of analysis to these ends is the portfolio

technique.(82) A typical four-field matrix portfolio representation, similar to the information intensity portfolio of Porter and Millar, can be adapted for PR purposes.(83) The basis of the portfolio is the assumption that with a greater public profile, the intensity of a company`s PR activity must also increase.(see diagram 7)

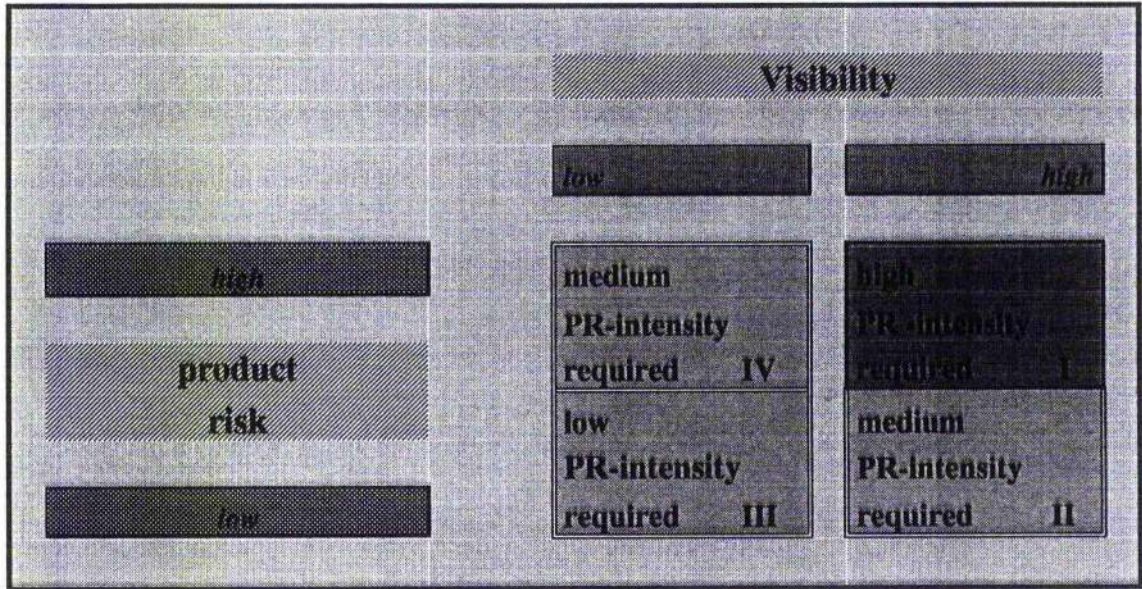


diagram 7
Portfolio of PR-intensity

From the outset it is assumed that two variables are of particular importance for the exposure of a company:

⇒ The first involves specific characteristics of the industry in which the company is active. The higher the product risk relating to the goods produced, and the technology involved, the greater the need for PR. Product risk in this context means the sum of the factors relating to a product, or its manufacture, which are seen by the public as being threatening, for example, to health or the environment.

⇒ The second factor is the visibility of the company. This includes size, turnover, power concentration and intensity of advertising. "The more known a company is (or its products) the more it will be subject to public criticism."(84)

In **field I**, high product risk is combined with high visibility, calling for a high degree of PR activity against a backdrop of conceptual planning(85) The remaining fields cover the classic attitudes based on the assumption that, in future, the demands of the social environment will increase, thus making a re-evaluation of PR necessary.(86) Organizations characterized as being in **fields II and IV**, and engaging in medium intensity PR, will, in the long term, have to step up their PR activity. Most organizations can be designated as being in the classic field, where the question of legitimacy has not yet gained in urgency and in the calculations of these companies, PR are largely seen as a cost factor that can be saved. Businesses found to be in **field III**, could, according to the assumptions of this portfolio, do without any kind of systematic PR, as the costs involved would probably outweigh any benefits.

The conclusions to be drawn from Porter and Millar's view of PR information-intensity can appear problematical for two reasons, if PR are to be effective in the medium to long-term:

① For those organizations described as being in field III, PR can be useful in addressing various publics, even if just those contained within the structure of the organization itself are to be contemplated. No organization can afford to overlook these target groups in its PR activities.

② The success of PR for the organization, at least in the medium term view, cannot be assessed merely by an analysis of cost effectiveness. That would be to run the risk of not probing deeply enough and thereby neglecting the many-sided aspects that a strategic PR management in particular concern itself with. PR would thereby be relegated solely to a supporting role for Marketing.

A further interesting portfolio representation is Steger's 'market chances/ communication risk portfolio' that can be similarly applied for PR purposes. (see diagram 8)

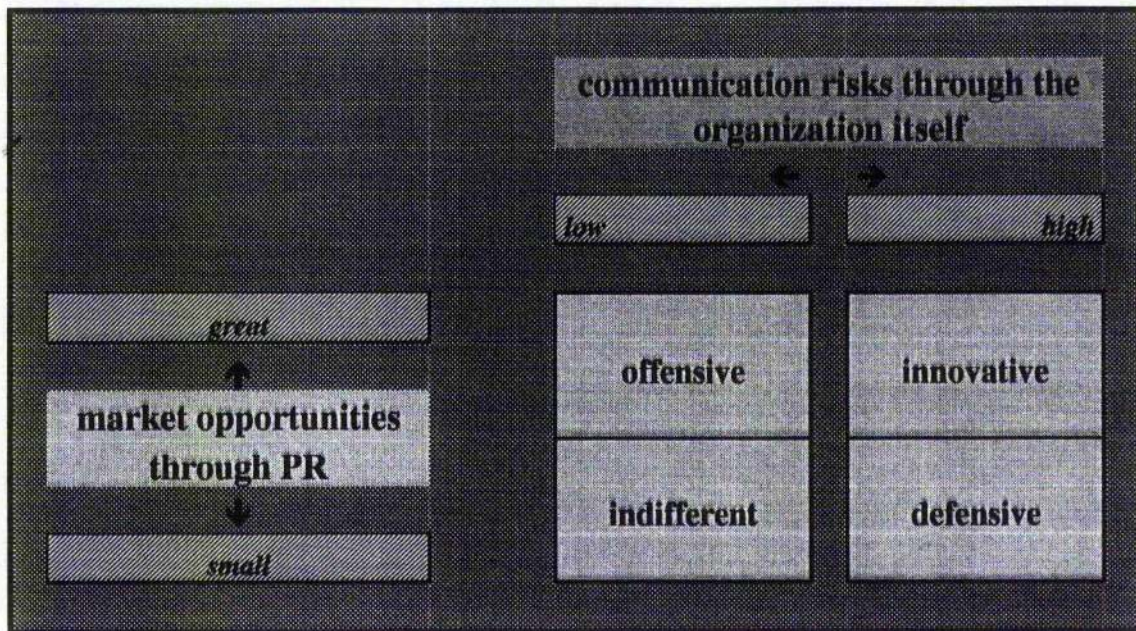


diagram 8:

Portfolio: market opportunities / communicational risks (acc. to: Steger 1988, p.15)

The various strategies can be described as follows:

⊃ Indifferent PR strategy

If an organization has only a limited public, and its products and production are not dependent on public potential, then only indifferent PR strategies can be implemented. The specific usefulness of PR strategies would be minimal for such an organization (for example a supplier with no public profile to a large concern)

⊃ Defensive PR strategy

A high communication risk coupled with a static outlook for commercial success leads to a defensive PR strategy. In this situation, PR would merely be able to stabilize an otherwise endangered uneconomical process (such as the coal-miners in contemporary Germany).

↳ Offensive PR strategy

If, with relatively low communication risks, the market opportunities can be seen as favourable, offensive PR strategies should be employed to disclose potential growth areas for the organization (for instance, the telecommunication industry nowadays).

↳ Innovative PR strategies

These are necessary, when favourable market or development opportunities are countered by product or production risks which could in turn lead to communication risks. This combination provides a real challenge for PR management to ensure the acceptance of the organization by means of internal and external looking PR measures (for instance, the pharmaceutical industry where the contemporary debate about the genetic engineering is concerned).

With the preceding representational models, various methods for the strategic analysis of the PR problem have been clarified.

After the general implications on PR in the first chapter, the second chapter of the thesis referred to organizational effectiveness and the contribution of PR to strategic management and its integral role for a business`long-term success. This third chapter attempted to develop some concepts which might be appropriate to strengthen the comprehension and acceptance of PR throughout an entire organization while also presentive models offer analytical tools for the PR practitioner.

In the following, we will turn to the field research which underpins the thesis and which examines whether the above theoretical implications can be verified through the work and concepts of PR practitioners and company guidelines in selected concerns.

LITERATURE CHAPTER III

- (1) overview given in Laube (1986, p.73ff), Haedrich (1982, p.67ff), Neske (1977, p.23ff), Weitzig (1980, 3ff); as well as Cutlip et al. (1985, p.11ff), Weitzig (1979, p.25ff)
- (2) Neske (1977, p.26 ff)
- (3) "Public Relations started as publicity - now just one of its phases..."
Lesly (1983, p.4)
- (4) Brown (1982, p.431)
- (5) Hoewing (1983, p.39)
- (6) Jung (1982, p.109)
- (7) Neske (1977, p.26)
- (8) Haedrich / Kreilkamp (1983, p.431f)
- (9) Meffert (1982, p.461), Barthenheier (1982b, p.16), Weitzig (1979, p.31), Cutlip et al. (1985, p.6f), Jessen / Lerch (1978, p.137ff and p.256)
- (10) Meffert (1986, p.31), Haedrich (1982, p.73), Haedrich / Kreilkamp (1983, 431ff)
- (11) Meffert (1986, p.31)
- (12) concerning the original phases Meffert (1986, p.29f), Becker (1988, 1f), Raffée (1989, p.5)
- (13) Haedrich (1990, p.7)
- (14) Kotler / Mindak (1978, p.17ff) for the following
- (15) Bläse (1982, p.188), Meffert (1982, p.46), Jessen / Lerch (1978, p.172)
- (16) Oeckl (1976, p.73), Nitsch (1975, p.174ff)
- (17) for the differences Barthenheier (1982a, p.13), Weitzig (1980, p.3), Neske (1977, p.22ff)
- (18) Judd (1989)
- (19) Kotler / Mindak (1978, p.18)
- (20) Kean (1968, p.2), Jefkins (1966, p.7)
- (21) Haedrich / Kreilkamp (1983, p.431f), Meffert (1986, p.115), Neske (1977, p.34)
- (22) Kotler / Mindak (1978, p.18)
- (23) "societal marketing": Kotler (1987, p.284ff)
- (24) Kotler / Mindak (1978, p.17 and 19f)

- (25) Haedrich (1987, p.30f)
- (26) Haedrich (1984, p.1), Kotler / Mindak (1978, p.19)
- (27) Haedrich (1990, p.16ff)
- (28) Haedrich (1990, p.8)
- (29) Laube (1986, p.83)
- (30) Birkigt / Stadler (1988, p.23)
- (31) the concept of CI was first introduced by Birkigt/Stadler in 1980. See Birkigt et al. (1988)
- (32) Wiechmann (1988, p.15ff)
- (33) Birkigt / Stadler (1988, p.23ff), also Achterholt (1988)
- (34) Wiechmann (1988, p.16), Wiechmann (1988, p.15f) for the global understanding, as well as Gutjahr/ Keller (1988, p.82f.)
- (35) Birkigt / Stadler (1988, p.25ff), also Fenkart/Widmer (1987, p.27ff)
- (36) Demuth (1982, 72f)
- (37) Raffée / Wiedmann (1983, p.53)
- (38) for basic strategy-types see Kirsch / Trux (1981, p.299ff); Weber (1985, p.276)
- (39) Beck (1990)
- (40) Kirsch (1990, p.285f)
- (41) McFarlan / McKenney (1983, p.14ff)
- (42) Laube (1986) for the differentiation of PR because of a company`s size
- (43) Meffert (1988, p.380)
- (44) Meffert (1988, p.380)
- (45) Meffert (1988, p.381)
- (46) Meffert (1988, p.380ff)
- (47) Post (1985)
- (48) Weber (1985, p.311ff)
- (49) Johannsen (1971, p.35)
- (50) Johannsen (1974, p.817)
- (51) Compare Brunner (1983, p.17), Wiegel (1983, p.17) on the delineation between image and stereotype. In contrast to image a stereotype can evolve based on superficial and commonly held belief.
- (52) Müller (1989, p.126)
- (53) Balfanz (1983, p.50ff), Bläse (1982, p.189), Nitsch (1975, p.136), Zankl (1975, p.86f)

- (54) Brunner (1983, 37ff)
- (55) Grunig / Hunt (1984, p.143ff)
- (56) Grunig / Hunt (1984, p.143)
- (57) Grunig / Hunt (1984, p.144) for the following
- (58) see for the different approaches Grabatin (1981, p.66ff, 86ff),
Mason/Mitroff (1981, p.95f), Mendelow (1983), Mitroff (1983), Dyllick
(1984), Achleitner (1985, p.73ff), Rowe et al. (1985), Scholz (1987, p.24ff)
- (59) Dyllick (1984)
- (60) Freeman (1983, p.31, 49)
- (61) Ansoff (1965, p.34)
- (62) Mitroff (1983, p.22)
- (63) Scholz (1987, p.25)
- (64) For the following Boehm-Tettelbach (1990, p.207ff) and Scholz (1987,
p.26ff)
- (65) Grabatin (1981, p.69), Fuchs / Kleindiek (1984, p.16ff)
- (66) For ex-post analysis see Grabatin (1981, p.88ff)
- (67) Achleitner (1985, p.77)
- (68) Achleitner (1985, p.77)
- (69) Scholz (1987, p.27ff)
- (70) Rowe et al. (1985, p.107ff)
- (71) Grabatin (1981, p.94ff)
- (72) Scholz (1987, p.29)
- (73) Boehm-Tettelbach (1990, p.137)
- (74) Kneschaurek (1983, p.315)
- (75) Schaufliker / Signitzer (1990)
- (76) Angermeyer-Naumann (1985, p.208)
- (77) Angermeyer-Naumann (1985, p.279)
- (78) Kotler / Bliemel (1992, p.57ff)
- (79) Schlieper (1980, p.524ff)
- (80) Mauthe (1984)
- (81) Mauthe (1984) for detailed explanation of the terms risk and
opportunities
- (82) Hahn (1980), Mauthe/Roventa (1983), Mauthe (1984, p.292ff), Trux et al.
(1989, p.115ff), Hinterhuber (1989, p.106ff)
- (83) Porter / Millar (1985, p.153)

- (84) n.a. (1989, p.36), Dyllick (1988, p.196)
- (85) special concern belongs to such products which can be used ambivalent, for example, products produced and sold for civil purposes and later used in the military sector. Also such products, which are high sensitive from society`s standpoint, like in the chemical and pharmaceutical industry.
- (86) Raffée / Wiedmann (1987, p.203)

Chapter IV

METHODOLOGY

The first chapters of the present work built up a theoretical frame for the understanding of Public Relations. The intention was to provide an impression of some concepts which might be useful in creating a basis for the further acceptance of PR and communication in 'everyday-business'. The aspect of long-term, meaning strategic, relevance has been stressed to show that, at least from the academic standpoint, a company's Public Relations should be integrated into the conceptual overview of a firm. PR and communication should thus become integral parts of a company's philosophy and policy.

In this chapter, the emphasis lies on a closer examination of the question of how Public Relations are conducted in practice. The heart of the matter is whether the theoretical frame in question, or rather, the way we feel PR and communication might ideally be conducted to contribute to a company's overall success, can be traced to the practical Public Relations work of organizations. Some selected companies will therefore be presented, with analyses, from the field research phase of the study.

THE FIELD RESEARCH

The research itself has been divided into different iterative stages. The techniques for the research encompassed the analysis of available material such as brochures, company guidelines, and personal interviews. The available material gave, amongst other things, some initial hints concerning the usefulness of continued contacts with the respective companies. Thereafter the interview technique seemed especially appropriate to gaining in-depth information about a company. This is particularly valid as the point of the field research is to reflect on whether the theoretical concepts which were elaborated in the literature part of the thesis can meet the practical needs of contemporary business policy. The examination of standard information alone will

not answer this question, though the material should be sufficient to allow pre-selection of potential interviewees. Thereafter the interviews were held.

Appendix I shows the questionnaire that formed the basis for the interviews. This questionnaire deals with basic queries raised by the literature underlying the work and follows its line of argument. The questions were deliberately made relatively open and some gaps were left. By avoiding too many inherent restrictions in the construction of the questionnaire, PR managers were given the opportunity to interpret each question. Considering the prescriptive character of the literature, which tries to explain "how PR should ideally be managed and understood", we then get a chance to see how far respective company policies diverge from our theoretical concepts. This, in turn, could provide starting-points for further research beyond the current work, treating questions like: "why do these differences exist?", "are the theoretical concepts unrealistic in practice?" or "have strategic PR to be improved in practice and how?".

But before further research is contemplated, we first should examine some companies in detail to acquire further knowledge and to discover whether and where variations between theory and practice exist.

① selecting phase:

At this point, the firms to be investigated were selected. The criteria for the assortment were rational as well as demonstrative. Many case studies in the field of management and economics, and in particular Marketing, show a tendency towards using the same companies for research purposes¹. Such a process is reasonable, as most of these companies offer classical examples of a broad range of problems in each of the research fields, possibly because of the size of these concerns as well as the spread of their products. On the other hand, this also means restricting oneself, as there are other, less often considered companies, which might provide interesting examples of economic, managerial and communicational behaviour. The advantage of such firms is that they are often more co-operative and more flexible². Furthermore, it must be stated that personal contacts are often the best means of obtaining useful information. Therefore, another criterion for the choice was the existence of personal

¹ for example: Coca-Cola, Procter & Gamble, IBM, Mercedes-Benz, BMW, VW, McDonald's, and for the range of PR Nestlé.

² This point will be elaborated further though there are exceptions.

connections to the concerns spotlighted. The third important element at this stage was the field of activity the businesses are engaged in. A deliberate attempt has been made to cover a wide span of industries. The purpose of this work is to attempt a general understanding of the necessity of Public Relations, primarily in the light of their contribution towards company policy and the establishment of a positive image among its publics, not a comparison of the competitive situation among different firms using PR in the same, or similar, industries. However the cultural background of PR-using companies has been a subject of interest in itself. The evaluation of differences in communicational patterns between those of American based companies, and European ones, were of significance. The majority of the corporations selected for the initial contact were German, partly because the results of the work would later serve as a preliminary guideline for the PR and communication policy of a company located in Germany. With the exception of SWISSAIR and LITTON Industries / WESTERN ATLAS, the other corporations are, in fact, affiliates of European or American parent corporations³. This takes into account the increasingly global character of today's businesses and also means that the behavioural patterns of foreign cultures, particularly in the field of PR and communication, should feature in the considerations of each company when evolving political guidelines. Only by bearing this in mind can mutual understanding be achieved and PR become a notable factor in achieving corporate aims and objectives.

The following shows a list of the selected firms:

- ⇒ CONTINENTAL
- ⇒ RMR (Rhein-Main-Rohrleitungstransportgesellschaft)
- ⇒ SHELL Germany
- ⇒ ESSO
- ⇒ SWISSAIR
- ⇒ DRESDNER BANK
- ⇒ DEUTSCHE BANK
- ⇒ DAIMLER BENZ
- ⇒ BMW
- ⇒ IBM Germany
- ⇒ SIEMENS

³ The conclusion will be drawn below.

- ⇒ HARLEY-DAVIDSON Germany
- ⇒ MATTEL Germany
- ⇒ LITTON Industries
- ⇒ WESTERN ATLAS Corp.
- ⇒ ZDF (Zweites Deutsches Fernsehen)
- ⇒ SAT 1 (TV)
- ⇒ SDR (Süddeutscher Rundfunk)

② contact phase:

At this stage, the initial steps towards direct contact have been taken. Commencing with phone calls to the chosen companies, the first differences in the attitude toward PR and communication became obvious. While some firms asked for further details concerning any informational needs, others just offered the provision of available material, describing the corporation's philosophy, policy and managerial guidelines. The firms which showed deeper interest in the request asked for a written outline explaining the subject of the thesis claiming this would help to provide the appropriate information⁴. The contents of the outline pointed to the academic aspects of the theoretical part of this work. Informative material like managerial guidelines, strategic outlooks, CI-papers, image brochures and certain PR and communication guidelines were requested in the letter of inquiry. On the question of whether a personal appointment was possible, the preparedness of the respective company underlined the company's overall attitude. Some flatly refused any help beyond mailed information. Others, however, consented immediately.

One concern should be mentioned at this point, the DRESDNER BANK AG. On approaching the bank with an inquiry for information for a master's-thesis, nobody showed the slightest interest in assisting the research. The phone call ended up in a 'sub-sub-sub-department' of the PR department itself. The 'offer' from the responsible employee was the provision of a business record, material which is available in any of the approximately 1,500 branches of the DRESDNER BANK AG in Germany. Knowing from personal experiences that the bank holds image enhancing brochures and management guidelines, the inquiry had been 'reduced' to this. The answer was

⁴ It is worth stating that this was not valid in all cases.

that only one original was available at that time and that copies were too expensive in time and money. This communicational behaviour is the more remarkable as it was continued a few weeks later. Having had personal contact with senior management of the DRESDNER BANK AG in Hannover, following a two-year apprenticeship completed a couple of years ago, a further attempt was made to gather information through other channels - namely at a higher level and within the headquarters in Frankfurt. The result was the same - no success. It seems reasonable to suspect that this was no isolated case.

It must be said that it seems very doubtful whether a company from another sector of the economy could afford to communicate with its publics in such a way. The financial power and the social and political influence of the banks in Germany seems to have made them complacent. The 'two big ones'⁵ especially are sitting in their ivory towers. A willingness towards communication with their publics can hardly be perceived and then only in the form of a one-directional, asymmetrical way⁶. Recalling Watzlawick⁷, "one cannot not communicate", but the way in which a company communicates exposes a lot about its identity and corporate culture. In this context, the DEUTSCHE BANK AG should soon start to pay attention, yet even if the basic direction of its PR still shows severe shortcomings⁸, this corporation did at least react. After having been connected to several extensions, one secretary finally felt responsible enough to take care of the request, and showed a notable enthusiasm in the provision of information and the promise of an appointment with a responsible employee. The fact that an appointment has never been made was not so much the mistake of the ambitious secretary but more of her superior, who might well have made the inquiry his job. Finally, the information was supplied, but with two months of delay and without any suggestion of an appointment. Furthermore, the offered material has to be regarded as the common standardized brochures, with only sparse details of PR in particular.

⁵ Meaning the DEUTSCHE BANK AG and the DRESDNER BANK AG

⁶ Grunig (1992, p.43f)

⁷ compare Chapter I

⁸ Similar as in the DRESDNER BANK case the initial reaction was a rejecting one, arguing that information are never mailed, due to principle considerations.

③ information collecting and analysing phase

At this stage, the received printed material was analysed. Again, the aim was to get detailed information about the culture manifested within the selected companies. The question whether PR and communication are integral parts of the overall company policy, was of particular interest. When scrutinizing the information supplied, certain topics were of paramount interest; namely aspects of strategic PR, the consideration of a company's stakeholders, or publics and environmental, any awareness of contemporary problems or issues, the existence of crisis guidelines for communication and, of course, the strategic alignment of company policy as a whole and especially its PR policy. It should be mentioned that only a few pieces of informative material were open to a closer investigation of all these aspects. Most of the information provided had a more abstract character, trying to give a global idea of the company's comprehension of each of the above mentioned aspects. Strategic information was, of course, not available at this stage of the research⁹. Also, concrete figures, which were meant to be more internal than the ones from the business records, did not feature in the information supplied. Nevertheless, some brochures disclosed notable general attitudes towards the specific aspects mentioned above, setting up a further sub-division into corporations of continuing interest within the context of this work, and those which could be disregarded for further analysis.

From the companies mentioned, the following concerns were regarded as being of continued interest:

- ⇒ CONTINENTAL
- ⇒ SWISSAIR
- ⇒ DAIMLER-BENZ
- ⇒ BMW
- ⇒ IBM Germany
- ⇒ HARLEY-DAVIDSON Germany
- ⇒ LITTON Industries / WESTERN ATLAS
- ⇒ MATTEL Germany

⁹ But even later strategically relevant information was normally strictly denied. Only in the case of a close personal relationship to one of the interviewed persons, were details revealed.

④ reinforcement phase

In this phase, an attempt was made to condense the information which had been gathered so far. Thereafter, contact with the selected companies was reinforced, either through supplementary talks via telephone or by appointments. Additionally, a questionnaire was used to gain extra data. (see appendix I)

It must be admitted that the direct use of the questionnaire caused some problems, because most of the interviewees did not display any great desire to fill the form. Accordingly, the procedure was changed and the questionnaire kept further in the background - as basis for the talks to be held. It is also the case that on occasion several of the questions were pre-empted by the material, provided by the more notable companies.

Some of the remaining corporations were excluded from further examination. In fairness, the following 'final choice' is not at all the result of shortcomings, as in the example of the DRESDNER BANK AG. Most of the PR departments and responsible persons of the remaining companies were more or less helpful and demonstrated a sound understanding of the meaning of useful PR work and company communication. The significant informative drawbacks within the context of this work¹⁰ were primarily a result of specific the demands of overall corporate policy, and the organizational implementation of PR within the company. In the case of MATTEL Germany, for example, the PR department must be seen as being a function dominated by the Marketing strategies¹¹. The task of Public Relations here is to support the acceptance of the distributed products rather than to take on society-orientated duties. Furthermore, PR barely have a strategic orientation as all strategic planning in the field of Public Relations is tackled at the company headquarters in America. In some cases, other factors decided against the further consideration of a chosen firms. This restriction was also made with regard to the attainable scope of the work in hand, so concentration on a few distinct companies seemed necessary as well as reasonable. These companies are mentioned in the following¹².

¹⁰ see, in particular, chapter IV.1.1.

¹¹ compare Chapter IV.1.

¹² The length of the respective outlines might differ, as a result of dissimilar provision of information. Moreover the information about companies where talks were held were more productive anyway. Even if the provided informative material was extensive - it could not, just in the sense of this work, replace communication.

Chapter V

COMPANY ANALYSIS

LITTON Industries / WESTERN ATLAS

First it must be stated that the 'union' of both companies for the following short-description was deliberate. Until a few month ago, WESTERN ATLAS had been one of the multiple shareholdings of LITTON Industries, so to say one company under the roof of the LITTON concern. In the process of reorganization, WESTERN ATLAS gained more independence. The former LITTON Industries Corporate Vice President for Corporate Communication (CC) and Investor Relations (IR) left LITTON to stay with WESTERN ATLAS in this position. He has been the one with whom the talks for this research were held. He was also the person who shaped the PR policy of LITTON over some years. As he confessed during the interviews, this policy will find continuation at WESTERN ATLAS. That is the reason for the combination of both companies under one heading.

As already mentioned, this part of the research was based on personal talks. To the request for some written material, I was told that a common brochure is not available and that all other papers normally have strategic character and are, therefore, not open for public use. This argument sounded logical as most of the strategic decisions in these companies are pre-arranged and very much the responsibility of the CC / IR department. Furthermore it must be observed that LITTON Industries work almost exclusively for the American Department of Defence (Pentagon) so most of the projects, data and regulations are under the direct supervision of civil servants and are often 'top-secret'.

Nonetheless, this short delineation of the PR department indicates that (1) the PR are directly involved in the strategic planning of the companies, and (2) the term 'Corporate Communication and Investor Relations' already describes the spread of work in the department responsible for PR. The term refers here to both classic fields of PR, the internal audience and the external audience. By describing his everyday work, the PR chief underlined the importance of target-group specific communications. Good relations with all investors current and potential are regarded as the basis for lasting success at the company. Knowing the differences between

Europe and America, because he worked for over a decade as the head of the European PR department of LITTON in Switzerland, it was stressed that fundamental differences exist between the PR requirements in most European countries and America. In Switzerland and Germany especially, the communicational emphasis lies more towards the most influential investors, in most cases banks. In America, the system of finance is different. Instead of credit-based financing through banks, the orientation is more commonly towards stockholders on the open market. This system implies more competition, as the trading at the stock exchange gives more people access to stockholder positions. Even if this is rather more of theoretical than practical importance¹³, it nevertheless forces the respective companies toward a broader, more sensible understanding of PR.

However, by following the subsequent illustrations of other companies, including German and Swiss firms, these statements do not reveal the full truth. Especially in the last few years, European companies also seem to have developed an increased awareness for the necessity of Public Relations and communication, and some of the concepts raised are very promising. Though relationships with the most influential stakeholders, in Germany in most cases the banks, still appear to consume the largest part of communicational efforts, the shift towards an extended societal orientation, which includes a broader range of publics, is perceivable.

In the absence of any guidelines or regulations, the internal orientation of a corporation's communication can only be evaluated through observations made during the field interviews. First it must be said that the overall atmosphere encouraged a certain relaxation. The PR executive also emphasized his tendency to practise an 'open-door-policy', encouraging other employees to follow this example. Nevertheless, it is worth mentioning that the organizational structure seems to be fairly hierarchical. A very common and often used expression is "to report to...".

To conclude, the talks, despite the prior lack of informative material, were fruitful and interesting. The strategic orientation of PR is absolutely unambiguous. The identity seems to be well developed and thoroughly adaptable. The image is not easy to evaluate, since both companies are not as spotlighted as, for example, COCA-COLA or McDonald's, and the particular stakeholders are to be found more in the state sector or other industries, like oil and gas. In both cases, the communication between them and the companies is direct rather than through public channels, like the

¹³ Since a remarkable exertion of influence also in America requires considerable monetary resources, which automatically limits the number of substantial stockholders.

media. The external environment for both firms is not critical, but still unstable. The defence industry as well as the oil and gas industry¹⁴ has faced more buoyant phases in recent decades than today and PR have to be aware of frequently changing environmental situations.

Questionnaire:

(important aspects which have not been tackled above)

Q. 1: no distinct definition given

Q. 2: not defined

Q. 5: no differentiation of stakeholders and publics (as suggested in the thesis). Issue management was not mentioned.

Q.6: PR are seen as a separate, independent field. Of necessity there should be interrelations with marketing for mutual support. PR are regarded as corporate level planning tools. Marketing is basically anchored at the operative level to further sales of products.

Q.7: The evolution of a CI is deemed to be directly connected with a functioning PR and communication policy within the company.

Q.8: The models are regarded as useful analytical tools to improve the standing of PR within an organization. With their prescriptive character, they can offer hints for the structuring of PR policy.

Problem: How can certain aspects be transformed into practice? For example, what do the different PR intensities (Porter/ Millar, diagram 8) mean in reality? The Meffert model was regarded as very interesting from the standpoint of practical usefulness, as it describes communicational behaviour which is perceivable in reality.

Q.9: PR and communication will gain continual importance for the successful performance of profit oriented organizations.

¹⁴ which is a core industry of WESTERN ATLAS.

HARLEY-DAVIDSON Germany

The first contact with HARLEY-DAVIDSON Inc. (HD) immediately left the impression of a very open, co-operative and friendly PR department. The wish for a personal appointment was granted and the requested informative material arrived the next day in the post. Nevertheless, the talks never took place. Despite a couple of further requests for an appointment, it was impossible to make direct contact with the head of the PR department, since he was always out on business trips. His stand-in was not able or permitted to take his place in an interview. Although a closer focus on this company was originally intended, the sources left for an analysis were finally only the informative papers.

The material consisted of:

- ⇒ an annual report (1993)
- ⇒ a historical overview (1903-1993)
- ⇒ catalogue of the 1995 motorcycles, including the price list
- ⇒ catalogue of 'Genuine parts & accessories
- ⇒ a dealer list
- ⇒ catalogue of the 1995 'Motorclothes collectibles'
- ⇒ a poster

Except for the annual report, all the provided material was attractive, in terms of the layout, but a real clue towards the attitude of the PR work of HD was hard to discover. Even if the HD Inc. encompasses eight different firms from two different sectors¹⁵ the whole corporate policy and strategy seems to be concentrated on the HD motorcycle sector. This is only logical, as the sector contributes about 5/6 of the annual net sales and approximately the same to the consolidated gross profit.

Anyway, it must be stated that HD won its contemporary image, which must be regarded as excellent, through the boom in sales and the reputation of its motorcycles. All the other related HD products are simply borne on the wave.

Signally, all the material supplied has been up to date. In the field of PR, which have a core influence in contributing towards a positive company image by having themselves a notable image, being up-to-date is absolutely essential.

¹⁵ These are in the motorcycle sector: HD motorcycles, HD - an american legend, Genuine parts & accessories, Eagle Iron, Buell, HD credit. And in the vehicle sector: Holiday Rambler Corp., Utilitmaster Corp.

The HD annual report is a brilliant example of how 'dry' economic figures can be integrated into a frame which describes the business philosophy, policy and some of the long-term perspectives in a way that the unification of both creates an annual report booklet which is entertaining rather than a 'torture'. Moreover, this report contains a figure which illustrates the HD Inc. stakeholders¹⁶. Not that other companies do not refer to their particular stakeholders, but the style of presentation, in the form of a separate figure, is neat. The following publics are identified as HD Inc. stakeholders:

- shareholders
- customers
- employees
- dealers
- suppliers
- society
- government

Corporate identity appears to be the keystone to HD's success. During the short talks with the PR department as well as with former personal contacts with the corporation and its representatives, the existence of a fairly strong CI became obvious. Returning to the annual report, such a piece of work can only be created by people, who feel a close bond with their company. This report also allows a deductions about the identity of PR, as the published material is a very elaborate sample of comprehensive PR and communication activity. However, it must be stated the overall orientation of the Public Relations of HARLEY-DAVIDSON are product and sales orientated rather than societal. This orientation can barely be discovered through H.O.G.¹⁷ activities, which might give the impression of being societal, as they address a large number of people, but all of those addressed must be regarded primarily as customers, or potentially so, of HD, and only in the second instance as part of society.

The macro environment of HD's PR can be deemed to be uncritical¹⁸. As mentioned above, the current position of HD is favourable and what is valid for the company as a whole is valid for PR as an element. If the PR succeed in being

¹⁶ compare Chapter IV.3.1.

¹⁷ Harley Owners Group. Most frequented club in the world. Members worldwide about 250.000.

¹⁸ Compare Chapter IV.1.1 / diagram 6 and Chapter IV.3. diagram 8

anticipative and the communicational concepts are integrated into the overall strategy, even a medium PR intensity can be enough to lead to appropriate success, as the product risk seems, at least for the foreseeable future, to be relatively low. However, the above mentioned shortcomings should be erased in time. Once again it should be noted that all prospectuses are very nice, but an annual report, no matter how neat, is not enough to be the basis of a corporation's PR policy.

The next example shown is slightly different:

BMW

BMW can be regarded as one of the most esteemed companies in Germany, and not just in the automobile sector. This good reputation is not only based on the quality of the company's products but also on the whole BMW culture as well as its superb economic performance over the last few decades¹⁹. The first contact with BMW was through a phone call, explaining the subject of the research work. In contrast to HARLEY-DAVIDSON, the atmosphere here made typically German impression, where a 'customer' orientation is sometimes still underdeveloped. Nonetheless, some responsible employee finally proposed to mail any printed material which might help to demonstrate the principles of BMW's PR and communication policy and the corporation's philosophy and strategy. It took a while before the material arrived, but the information received was consequently to the point and, in contrast to the first impression²⁰, greatly meaningful. If one follows Watzlawick²¹, this selection of very relevant information is also a sound form of communication, even if not verbal. Also while this provision was rather more asymmetrical than symmetrical²², it can hardly be condemned as it provided the researcher, who can by the way also be seen as a

¹⁹ BMW is one of only a few corporations which succeeded in making exclusively profits year by year for the last 30 years.

²⁰ only three brochures were mailed, plus the annual report, supported by the more deprecating attitude of the employees involved in the beginning.

²¹ see chapter I and above

²² compare Grunig (1992, p.43f)

stakeholder²³, with almost all the information needed. To give an impression of the PR and communicational strategy of BMW, some of the material will be presented in edited form.

Dossier: "company strategy and concepts" of communication
by: Eberhard v. Kuenheim, 07.03.1991

By way of introduction it should be explained that Eberhard v. Kuenheim was the chairman and CEO of BMW at that time²⁴. Later he became chairman of the supervisory board, a position he still holds.

In the following, the core aspects of the company policy will be briefly described:

"Communication is the mediation between the company and the public. Communication requires a high responsibility. Communication is a valuable estate for all of us." ²⁵

"The automobile industry is affected, whilst at the same time committed through communication.

Affected, since communication shapes public thinking and acting. Committed through the target orientation of an economic business."

"Communication is the link between inside and outside. Communication is a political function."

"Company strategies are the route into the future. They have long-term character. Strategies focusing solely on product development are too restricted. Society's demands must be considered. This is the only way to keep a company in an equilibrium with its environment."

²³ see definition chapter IV.3.1.

²⁴ from 01.01.1970 - 12.5.1993

²⁵ compare Chapter I.3.1.

"Communication is the basis for any strategy. Through communication, companies find out about the intentions and expectations of the public"

"Keen and comprehensible communication safeguards political commitment. Communication means being present at the 'market of opinions' ".

If one takes a look into the first two chapters of this work, similarities are apparent. If one further accepts that BMW can be deemed to be one of the more progressive corporations in today's business world, the basic concern of this work, namely to provide a guideline for the improvement of a company's communication and the strategical orientation of its PR, seems clearly established.

BMW Management Maxims

Maxims which present no contradictions and no problems are not true maxims.

⇔ Management Maxim 1

Each level of management sets standards and serves as a model for lower ranking levels in achieving BMW's corporate objectives and strategies through:

- efficiency of work
- economy and the use of appropriate means
- working together constructively

⇔ Management Maxim 2

The interest of the company overrides the interest of the individual divisions: each decision should be considered in the light of its overall consequences.

⇒ Management Maxim 3

Excellent management requires full identification with the company.

⇒ Management Maxim 4

Decisions or resolutions should be implemented intelligently, but they must be implemented (and not forgotten).

⇒ Management Maxim 5

It is the duty of every employee to exercise and accept constructive criticism.

⇒ Management Maxim 6

Solve problems - do not look for culprits.

⇒ Management Maxim 7

Everybody may make mistakes - although not too many, and in particular not the mistake of covering up shortcomings and thus damaging the company.

⇒ Management Maxim 8

Acknowledging the competence of other individuals and departments also means accepting constructive questions asked by other individuals/ departments and providing competent answers.

⇒ Management Maxim 9

Take risks, as long as they are within your control.

⇒ Management Maxim 10

One good turn deserves another. Or: the principle of performance and counter-performance.

⇒ Management Maxim 11

Only the customer decides on the quality of the work

⇒ Management Maxim 12

In all external relations, BMW must be accepted as a competent, fair and reliable partner.

⇒ Management Maxim 13

BMW fulfils all legal requirements and regulations. The only flexibility we have is within generally accepted margins.

To ensure a successful future, flexibility is required.

- Each individual has the responsibility to use his or her initiative.
- For the company to remain young, continuous learning is essential.
- All managers must be committed to international thinking and action.

Even if the above mentioned maxims are not all directly PR orientated, they nonetheless, deliver a good idea of BMW's overall philosophy. Maxims 5 / 8 / 12 especially and 13 in sense, have a direct impact on PR work since they underline the demand for communicational behaviour.²⁶

Moreover another brochure was provided which dealt with global orientation as a necessity for BMW. Internationalization is regarded as obligatory, even if this leads to a greater complexity in all fields, not least in the area of PR²⁷.

Concluding this section, it must be stated that BMW, despite the first impression, which offers possibilities for improvement in the overall communicational attitude of the employees, is a fairly progressive corporation. The strategic orientation of its PR and communication is outlined above.

Concerning identity, some critical remarks should be made. In talking to employees from outside the PR department and people in close contact with BMW, the most shortcomings appear to be here. Maybe the first reaction towards the research request was a result of identity problems, as the identification with the company is not as far developed as the 'Management Maxims' demand. Moreover, statements like 'this organization is characterized by severe cliquishness', leave an impression of slight 'CI-crisis'. Occurrences like these should be precisely observed

²⁶ This means communication in a way, which the first part of the work also suggested.

²⁷ For example, the contemplation of cultural differences or linguistic barriers

and analysed under the participation of persons responsible for the company's internal PR.

Image has not been a problem for BMW for a couple of years now. Their products have left the shadow of Mercedes-Benz, especially on the American market and as the research conclusion shows, the presented informative material must be regarded as being 'image-building', despite slight criticism. The PR department had done a commendable job, not only in the preparation of the brochures, but also in the selection of the material requested for this research.

The macro environment for BMW and its PR is favourable on the one hand, since the corporation and its products enjoy a good reputation. On the other hand, the overall situation of the automobile industry cannot be forgotten. The car has lost much of its status over the last few years. Yet is still seen to be the most appropriate means to mobility despite the growing call for more intelligent concepts than today's 'individual traffic'. Therefore Public Relations have to develop new programmes to face this new demand and be prepared for increasing controversial talks with the publics.

DAIMLER-BENZ

The following analysis is mainly based on an interview, as the information provided was hardly appropriate to the requirements of this work. Most of the papers provided dealt more with general social problem areas, like the change of values and morals within society and their impact on the organization. The information itself was directed more towards issues like organizational behaviour and management organization than to Public Relations and communications.

The material contained one article from an employee in the PR department, which treated the question of 'risk perception by the public and a company's risk

communication'.²⁸ This, by the way, seems to be a very popular topic at the moment. It will be further described below²⁹.

Where the published items are concerned, it is surely significant that approximately seven weeks elapsed between the first contact and the first solid 'reaction'. This is unsatisfactory as DAIMLER-BENZ was the first company to receive a letter outlining the research and the material supplied did not deal properly with the problem. However, an enclosed letter promised a phone call, a week later, to discuss further questions. It took another month, before the talk finally took place. Despite the most valid justifications, this must be deemed to be too long. Other companies managed it much faster.

Nonetheless, the PR manager made a very competent, well informed and co-operative impression. She answered almost all questions in a very open and straightforward manner, although she sometimes exhibited a trace of 'superiority' which should best be left to the politicians. Not least in the field of PR and communication, behavioural neutrality should be displayed, since this is the base for unbiased exchange of information.

Like BMW³⁰, the orientation of DAIMLER-BENZ is also clearly towards an increased globalization of its activities. The PR and communication policy is culture-specific and adapted to ensure the greatest possible mutual understanding between the corporation's affiliates and its publics. Therefore company representatives, professionalized through regular additional vocational training to improve their specific skills, are responsible for the PR and communication of DAIMLER-BENZ in the respective countries or areas.

Nevertheless, the information provided about the PR and communicational policy of the DAIMLER-BENZ concern, did not offer new insights beyond those already described.

²⁸ "Risikowahrnehmung der Öffentlichkeit und neue Konzepte unternehmerischer Risikokommunikation" by Ulrike Becker

²⁹ under the section: CONTINENTAL

³⁰ see management maxims (end)

Questionnaire:

(important aspects which have not been tackled above)

Q. 1: no definition given

Q.2: long-term company policy is orientated toward ensuring economic success

Q.3: PR are considered as a tool to support the strategic management approach

Q.4: no direct response given, but the implication was that PR and communication are regarded as a staff department which has to service the senior management.

Q.5: the term 'stakeholder' was used and understood as this work proposes and as it is understood in other organizations. A differentiation of stakeholders and publics in the sense of the thesis was not detectable. Issue management seemed to be an established technique according to the informative material provided.

Q.6: PR should be seen as a separate function with interrelations with marketing, whereby marketing has a product-oriented character and PR represents the strategic component.

Q.7: no comment.

Q. 8: due to the fact that this interview was held on the telephone a presentation of the models was not possible.

Q.9: yes, definitely as PR and communication are integral functions for the formulation and implementation of any company policy.

IBM Germany

IBM GmbH Germany was one of the fastest companies in responding to the request for informative material. The material itself was extensive and meaningful, even though the information tended more to cover more the philosophy and general policy of IBM. Aspects like the building of CI and a notable image of the company as a whole stood more in the foreground than PR specific elements. The provided information contained:

- the picture of IBM
- Corporate Identity of IBM Germany
- basic principles of the company
- company culture and innovation
- IBM business principles (internal)
- booklet: IBM as society`s partner
- booklet: ABC of IBM (general information)
- booklet: internal views

Although almost all of these papers contain interesting aspects of how today's business can be seen and conducted, the following short description refers to the single paper delineating the "basics of Public Relations". In spite of this, it should be stressed once more, that the material provided gave an excellent survey of the company culture and its maxims³¹. Considering that the PR and communication department is involved in the creation of these materials, a tribute to the PR work of IBM Germany has to be made here, even if in this instance no 'blinding revelations' could be found either. Further explanation appears to be redundant, as most of the aspects, albeit in slightly different forms, have already been mentioned.

Basics of Public Relations

'The basic orientation of any communication is its openness.'

Public Relations means:

- ☞ understanding how communication works (symmetrical, two-sided, dialogue).
- ☞ recognizing the encoded signals.

³¹ Similar as the BMW informative material.

▷ appreciating feedback.

▷ being aware of communicational barriers (cultural, social, ideological, political, prejudices, experiences, cognitive patterns).

▷ understanding the media.

▷ identifying the company's publics (IBM's publics: employees, shareholders, IBM partners, customers, suppliers, opinion leaders, society).

▷ developing effective messages (thorough, true and informative)

▷ "who says what, to whom, with what effect ?!"

▷ building a positive company image (retention of credibility among the company's publics concerning the company policy, its products and services).

Communication is:

▷ a matter of planning

(media, advertising, promotion, events, sponsoring, personal communication, internal communication).

Taking a look at the list above, it is evident that most of the aspects match the delineations of PR in the preceding chapters. One concluding point concerning the identity of the company and PR should be made. The dignity of each employee is emphasized over and over again in all brochures, but, and this is remarkable, always with the immediate qualification that the interest of the company overrides any other concern. Whether this is ethically correct can hardly be debated here, but it must be stated that IBM has since followed the same line through recent years of recession and the 'inevitable' mass dismissals.

SHELL Germany

Contact with SHELL was established through the managing director of the RMR. The RMR is a subsidiary of the SHELL Corporation and thereby, even if independent in its own field of business, integrated into the overall concept of SHELL. SHELL should be considered as the company's whole PR and communication policy has been completely reorganized over the last two years. This reorganization is interesting and will, for that reason, be depicted in its essential features.

The idea of restructuring the PR and communication policy was prompted by the recognition of an increasing saturation among customers in the market, faced with a mass of nearly identical products. As an example, the differences between SHELL, BP, ARAL and ESSO were mentioned as being marginal with no car driver who wants fuel really caring which of the four companies he chooses. Even worse, if other 'no-name concerns' offer fuel cheaper, there is no reason not to head for one of the other petrol stations - since fuel is fuel.

Because of this, the classic approaches to product marketing have to be supplemented by innovative and extended communication activities. Consequently, all activities of a communicative character were concentrated, to create an integrated corporate communication for SHELL. The new department is called TR (Trade Relations). The sector TR encompasses the following four functions:

- TRM (market communication and advertising)
including the fields: Brand, CI and Sponsoring. Additionally most of the motor sports activities are co-ordinated here.
- TRV (economics)
including: Central Planning, Economics & Energy.
- TRW (economic policy)
responsible for 'issue-management'³², contact with associations and unions and SHELL's involvement with youth work.
- TRI (media and internal publications)

The goal of this new organization is the intensification of 'image-building' activities, the more positive the picture of SHELL, the greater the admiration,

³² meaning the attentive observation of chief developments in the economy, politics and society.

sympathy and finally the opportunity to enhance sales of its products. However, the oil-industry's macro-environment is characterized by an increased interchangeability of products. SHELL has decided to lower the efforts toward product marketing in favour of a further distinction of the brand SHELL. The focus of the new communicative concept is the deeper involvement of SHELL in social matters, with the company pushing itself to give impetus and help in the attainment of greater humanity and consideration³³ within society. Concrete initiatives and projects should help to achieve these targets³⁴. Through these, SHELL³⁵ wishes to distinguish³⁶ itself from other companies in the industry, elevating the SHELL brand in the minds of existing publics while addressing new target groups. This innovative approach by SHELL towards an enlarged societal orientation underlines the claims of the first chapters of the thesis³⁷.

A prerequisite for any image campaign is the existence of a sound corporate identity, a viewpoint which has also been stressed by the PR manager at SHELL. Only if the vision of the company and the understanding of the employees become one, especially after fundamental reorganization, can long-term success be approached. Both identity and any strategic reorientation require skilled PR and communication³⁸. Not without reason, then, has SHELL assembled all its communicational functions under one canopy. This ensures optimal synergy and control of all communicational activities, since the combination has considerable impact on the overall policy and company performance.

³³ At the moment the struggle between SHELL U.K. and Greenpeace for the sinking of an oilplatform in the Atlantic extremely endangers the efforts of SHELL Germany to improved the company image, as the customers don't differentiate between SHELL U.K. and SHELL Germany.

³⁴ Examples are: support of the Alsterdorfer Anstalten, a clinic for handicaped people, in Hamburg. Additionally the new classic marketing campaigns are focusing on problems like traffic accidents involving children, traffic and alcohol etc.. But the problems are not merely presented, but workshops and competitions are organized to broaden awareness in society.

³⁵ the shell and the colours red and yellow

³⁶ in this context an interesting market analysis has been mentioned: 70% of all advertiments in Germany are assigned to the wrong brand. This is, in most cases, the market leader, in the German oil industry ARAL. Thus, significant marketing and communication concepts are necessary to create a unmistakable image and a strong brand.

³⁷ compare Chapter I

³⁸ compare BMW example (above), also Chapter IV.

Questionnaire:

(important aspects which have not been tackled above)

Q.1: "Any communicational activity which is directed towards the improvement of the standing of the organization within its environment. This is usually undertaken through the constant dialogue with the company's most important stakeholders.

Q.2: no concrete definition given, but the implication was that the long-term planning aspect is building the ground for a policy of strategic management.

Q.3: as depicted yes.

Q.4: the communication activities are deemed to be planned (compare the organizational structure of SHELL). But it has to be stated that the "Brent Spar" incident revealed tremendous flaws in the conducted PR policy for while SHELL may have been right in its arguments, the influence of an active public like GREENPEACE was totally underestimated.

Q.5: no clear distinction between stakeholders and publics (the terms were used synonymously). Issue management, as stated above, is already anchored in the organizational structure (department: TRW).

Q.6: as depicted the communicational activities are intensified by the establishment of the new department TR (Trade Relations). A deliberate attempt is being made to enhance image building communications and to lower the commitment to product-oriented marketing.

Q.7: as described is a solid CI (corporate identity) regarded as the basis for any corporate image.

Q.8: Models are seen as constructive in elaborating on the theoretical understanding of PR, either for PR practitioners or for any other member of the company. Some doubts emerged about the possibility to operationalize aspects of certain models such as the required 'medium PR intensity' in Porter and Millar's diagram (No. 8). Steger's was deemed to be of practical usefulness as it is appropriate to sensitize the PR practitioner to the right choice of communication strategy in response to a particular environment. Criticism was voiced concerning the lack of existence of a mixture of 'defensive-innovative' or 'offensive-innovative' strategies (a very interesting aspect, by the way). Moreover, the models of McFarlan/ McKenney (No. 5) and Meffert (No.6) were judged to have operational potential. The Kirsch/ Trux concept was viewed to

be of theoretical value to structure varying communicational attitudes which might determine PR practices.

Q.9: Absolutely integral for the positive performance of organizations in the future.

The last two companies have been separated intentionally and together end this description of practical PR work. The subsequent section tackles the Public Relations of CONTINENTAL and SWISSAIR. Both PR departments demonstrated distinct and outstanding communicational behaviour. Each of the PR managers spontaneously agreed to the request for informative material and the wish for a personal appointment. The most essential feature, however, considering the intended practical relevance of this work, was that both provided guidelines and information about practical everyday PR work. Most of the above mentioned company concepts and PR guidelines were meant to be of an informative and general explanatory character, with only restricted practical application. This was different in the given two instances, as both senior PR managers are also involved in seminars for managers, from fields other than PR, who want to improve their day-to-day communicational attitude and behaviour. Moreover, Dr. von Herz, the CONTINENTAL PR chief executive, holds a lecturer position for Public Relations at the University of Hannover, in the Faculty of Arts.

The next two paragraphs will therefore focus on practically relevant aspects of PR from the viewpoint of two PR professionals, each of whom shaped the character of the PR and communication policy in their respective companies.

CONTINENTAL

Before approaching the proposals and suggestions for constructive PR work from the standpoint of CONTINENTAL's PR executive, the basics of the company policy should be briefly outlined:

- commitment to quality
- commitment to customers
- commitment to employees
- commitment to profit
- commitment to costs
- commitment to innovation
- commitment to globalization
- commitment to environment

Most of these issues are not new or vastly different from other company philosophies on the above as most of the commitments are subject to a certain standardization anyway, in response to a basic framework of societal demands. Nevertheless, the way the respective PR and corporate communications promote the achievement of this goal varies, apparently depending on the field of activity the companies work in. For instance, CONTINENTAL is involved in the chemical industry. This is traditionally a field of high public sensitivity. Therefore, the PR and communication policy has to provide means to encounter potential crises. The requirements of PR are different from those in the case of, for example, HARLEY-DAVIDSON.³⁹ CONTINENTAL possesses a guideline for "crisis communication"⁴⁰ which should provide responsible persons with clearly defined guidelines for use in the event of a crisis. From the perspective of this work, it can be stated that such guidelines might have an anticipative character⁴¹, if applied in a proper way. That means firms have to introduce a continuous re-evaluation of the company's PR and communicational attitude and behaviour. Measures can include, for example, regular training courses or meetings dealing with specific topics. However, the establishment

³⁹ compare Chapter IV (IV.1.1 / IV.3.)

⁴⁰ compare DAIMLER-BENZ example. Most important concerns, either because of their size and influence or their products, are more and more engaged in analysing the 'risk perception' of its publics and try to meet it with appropriate means in their PR and communication policy.

⁴¹ compare Chapter IV.1.1.

of 'crisis guidelines' can hardly be the only means of protecting the company from 'image-destroying' effects in disastrous times. Moreover, the strategic orientation⁴² of PR is only characterized through permanent contact to the most influential publics and public sub-sectors. But, by holding the interviews at the PR department of CONTINENTAL the impression was given that the PR manager was aware of this problem and familiar with measures to counter it⁴³.

In the following, the central aspects of communication from the viewpoint of a PR practitioner are presented:

☞ The aim of Public Relations

- creating confidence and faith in the corporation
- provision of information for enhanced understanding
- explanation of business figures and contexts
- extension of degree of fame
- creation and enlargement of an unmistakable profile
- increase of sympathy

☞ What for ?

- to encounter the power of the media through trustworthiness
- opportunity to differentiate in the competitive market⁴⁴
- legitimization of the company within society

☞ Demarcation of PR and marketing

- PR: creation of credit for the entire corporation
- Marketing: sales orientated, for specific products and services

⁴² in the sense of this work (see Chapter IV.1.1)

⁴³ a further extension of this subject according to the entire CONTINENTAL papers would have blasted the frame of this work.

⁴⁴ compare with SHELL

☞ Target groups of PR

- external (customers, shareholders and investors, opinion leaders, politicians, potential stakeholders)
- internal (employees, management, other representatives)

☞ How should PR work ?

- target group specific (relevant publics) and professional: offensive, quick, clear, true, broad, comprehensive. This is the basis for a confidence building flow of information (one-sided communication) and dialogue (two-sided communication).

☞ Contents of PR

- Information about and interpretation of the relevant, published business topics and the overall policy. Problems must be tackled. No speculations, visions or general philosophies.

☞ Concentration, Internationalization and PR

The rapid growth of a corporation through acquisitions alters the corporation in its identity - multinational, multicultural concern.

Task of PR:

- internal: creation of corporate culture / CI
- external: Clarification of certain measures undertaken. Through acquisitions image becomes a field of conflict - for example, in competition between a corporation and its affiliates, and among its affiliates if working in the same sector.

Internationalization requires a high degree of professional communication. Company language: English

☞ Internal PR

- "PR begin at home"

Any employee is a PR-representative of his company. Important is the speedy and exhaustive information of all employees⁴⁵.

- Instruments

Internal newspaper, company videos, management information, personal meetings and round tables etc..

- Principles

*As a rule, a thoroughly informed employee is also a motivated employee.

*Information flow downstream and upstream.

*Facing discussions, also the controversial aspects of company life.

*Knowledge has to be dispersed.

☞ External PR

- Use of a broad range of media

print media

electronic media

⁴⁵ They should not hear news from the external media. This cannot be guaranteed in all cases. Today's mass media are so fast that they are sometimes quicker than the company itself. But the basic principle should be to keep the employee permanently 'up-to-date'.

☞ Problems with journalists

- journalists 'must' know everything (to promote and sell the media)
- companies only 'want' to publicize the positive

☞ PR and Crisis

In a crisis, strategic information and communication management will show its strengths. If trust among the company's relevant publics exists, the negative impacts of disastrous occurrences can be minimised. But the subsequent rules should be :

- almost everything will be discovered
- remaining silent costs
- remaining silent destroys the chance to influence
- remaining silent will attract media attention for even longer

The preceding was a description of the most important aspects for PR and communication work in businesses. It followed the views of the PR executive of CONTINENTAL. In conclusion he stated:

"There is no easy answer for Public Relations, since every case is different. Therefore a company should be prepared for more than just one possible scenario".

Questionnaire:

(important aspects which have not been tackled above)

Q.1: as depicted above

Q.2: not mentioned clearly

Q.3: as described

Q.4: as described above CONTINENTAL's approach is directed towards the strategic management of PR.

Q.5: Again, no clear differentiation of stakeholders and publics. Issue-management was, somewhat surprisingly, not mentioned specifically, but it does seem to be understood and implemented as it was indirectly mentioned in several of the positions depicted above.

Q.6: yes, as delineated

Q.7: yes, as described

Q.8: Interesting again was the immediate question about the feasibility of a 'medium PR intensity' (Porter/ Millar, No.8). Other models were seen as promising, either as theoretical guidelines for PR policy and communication behaviour or as normative approaches to analyse a company's own PR practice and those of others, say, competitors.

Q.9: naturally, yes.

SWISSAIR

In this last section, some further practical implications of Public Relations will be considered. It should also be stressed once more that SWISSAIR were very co-operative. Despite a business trip to China the next day, Mr. Freimüller, the PR executive, agreed to an appointment in the Swiss headquarters in Zurich. Furthermore, he sacrificed almost one and a half hours of his time to answer the questions, and did so in a well prepared manner. These facts alone may be seen to indicate a positive attitude towards PR and communication. The appointment was to be the last of the research schedule. Prior talks constituted the basis for the preparation for this interview. The aim was to address certain aspects which had arisen at other appointments, the hope being to discover similarities with one or other of the PR departments. The results were interesting, as the general understanding of the essentials of PR work at SWISSAIR and CONTINENTAL exhibited notable similarities. The basics of the SWISSAIR- PR will not therefore be detailed any further as most of them have already covered by the companies detailed above, particularly CONTINENTAL. However, an attempt will be made to outline some further principles of practical PR work.

☞ Definition of PR

"Public Relations are the conscious, planned and continuous endeavours, to build, maintain and cherish a climate of trustworthiness and comprehension between a company or organization and its publics."

☞ Targets

- economic success is the highest aim of a company
- PR's highest aim is to enable the company to succeed.

Facts:

1. Due to the interchangeability of the 'hardware', communication is the fundamental means for differentiation.
2. PR - whether good or bad - make a deeper, stronger and longer lasting impact than marketing and advertising.

☞ The way towards the target

- creating comprehension
- creating sympathy
- creating trust, through trustworthiness

☞ Essentials of PR

- reliability, clarity, exactness of information
- comprehensibility
- completeness, openness, transparency
- consistence, unity
- the mediation of the 'meaning' (of any company message) is of importance

☞ The publics (those concerned)

- employees, unions, politicians, suppliers, customers, competitors, public bodies, interest groups, investors, shareholders, opinion leaders etc.
- as well as other present or potential stakeholders

☞ target group specific PR

- the content of the messages has to be specifically adapted to the intended audience
- necessity for a time-table (which message when ?!) - priority: internal before external

- all communicational measures have to be harmonized - internal communication, external PR, marketing, advertising (PR activities always before marketing and advertising)

☞ Instruments for external PR

- media communiqué
- interview
- media conference
- written statements

important: openness and commitment to truth (in an appropriate measure, not to excess)

☞ Instruments for internal communication

- personal talks
- letters
- daily bulletins
- company newspaper
- mailboxes
- internal training
- Video
- feedback-system (hotline)

The above is an extract from a guide to 'practically relevant Public Relations', which contains several hundred pages. Beside the already mentioned introductory aspects of 'modern PR', other elements of today's Public Relations are covered: for example, 'internal company communication', 'CI and the establishment of a company image', 'the professional use of important PR tools' (press information and press conference, company newspaper, annual report, PR events), 'dealing with the media' and 'PR in crisis'. When asked whether all the portrayed fundamentals of PR have

been incorporated into SWISSAIR Public Relations, Mr Freimüller admitted that the guide represents more a mixture of the 'desired' and the really 'manageable' aspects of a company's communication.

It should be stated here that the element of internal communication was greatly emphasized in the SWISSAIR PR executive's illustrations. Since internal PR are the means of creating a sound corporate identity⁴⁶, it seems reasonable to expect the existence of a CI. Nonetheless, SWISSAIR belongs to the most reputable airlines in the world and such a reputation cannot be created without the support of employees and their commitment to the brand and corporation.

Concerning the strategic orientation of PR, Mr. Freimüller was asked whether he argues for an organizational separation of PR from marketing. His response was 'yes', since he regards marketing to be operational whereas PR are strategic and orientated toward the long-term.

Concerning the image of SWISSAIR and its PR, it is worth mentioning that this is maybe the most positively recognized company in Switzerland and its position among the world's airlines has already been established.

The macro-environment, however, cannot be expected to be at all easy. Increasing competition among airlines and a tendency towards more and more strategic alliances⁴⁷ requires skilled and keen communicational concepts and PR work.

⁴⁶ see the expositions above in this chapter and previous to it

⁴⁷ which, in most cases are intended to secure temporary survival rather than long-term success

Questionnaire:

(important aspects which have not been tackled above)

Q.1: as depicted

Q.2: compare Mr. Freimüller's statement concerning the demarcation between PR and marketing.

Q.3: as delineated

Q.4: As described. The PR manager regards planned PR and communication as one integral component for the successful strategic orientation of the company. 'Ad hoc' activities are nonetheless necessary from time to time.

Q.5: The terms stakeholders and publics have not been distinguished. Also 'issue-management' has not been mentioned expressly but following Mr. Freimüller's argument concerning his understanding of PR management, the basics for a policy of issue-management already exist.

Q.6: yes, as stated above

Q.7: Even if not mentioned explicitly, CI has always been an important aspect for SWISSAIR and, following the company guidelines it is directly interrelated with Public Relations.

Q.8: The question again was one of clarifying the meaning of 'medium PR intensity' (Porter/ Millar) and how this could be transformed into practical use. Mr. Freimüller also asked how the degrees for PR-intensity could be defined. The other models again were deemed to be beneficial as normative tools to enhance the comprehension of PR, while offering practitioners pillars and clues for their communication behaviour.

Q.9: logically, yes.

	LITTON Ind./ Western Atlas	Harley-Davidson Germany	BMW	Daimler-Benz
Response to enquiry	Immediate willingness for personal talks. No printed material available.	Willingness for personal talks. Provision of printed material within a day.	No particular interest in personal talks. Printed material arrived within a fortnight.	General interest for personal talks. It took over 7 weeks to receive solid material.
Personal talks or provision of printed material	personal talks	printed material (personal talks never took place, for schedule problems)	meaningful printed material	personal talks + printed material
Openness of communications	open	open, but unstructured	restricted openness	open
Symmetry	symmetrical	asymmetrical (one-sided information)	asymmetrical (but provision of perfect one-sided information)	symmetrical
Links with stakeholder groups	extensive	extensive	moderate (but increasing)	moderate - extensive
Demarcation between stakeholder/publics/issues	no clear demarcation	no insights given	no insights given	No demarcation between stakeholders and publics. Issue management as an established technique
Strategic orientation of PR	PR are a corporate planning tool	product- and sales-oriented, rather than societal (but strategic in this way)	PR and communication are seen as the basis for any strategy	PR seen as a tool to support the strategic management approach
Differentiation between marketing + PR	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented	no clear differentiation between PR + marketing	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented
PR's influence on CI	high	high	low	moderate

table 3
Matrix: summary field research

	IBM Germany	Shell Germany	Continental	Swissair
Response to enquiry	Fast provision of printed material (2 days). General willingness for personal talks.	Immediate willingness for personal talks. Printed material arrived within a week.	Immediate appointment for personal talks within a fortnight (there: provision of printed material).	Immediate appointment for personal talks within a fortnight. In advance, provision of informative material.
Personal talks or provision of printed material	extensive, meaningful printed material (interview did not take place, for schedule problems)	personal talks (restricted printed material)	personal talks + printed material	personal talks + general printed material
Openness of communications	open	open	very open	very open
Symmetry	asymmetrical (but obvious intention for symmetrical communication)	symmetrical	symmetrical	symmetrical
Links with stakeholder groups	fairly extensive	extensive (but sometimes awkward)	extensive	extensive
Demarcation between stakeholder/publics/issues	equating of stakeholders and publics	no clear demarcation between stakeholders and publics. Issue management is anchored in the organizational structure	no clear demarcation between stakeholders and publics. Issue management is already implied in PR-policy	no clear demarcation between stakeholders and publics. Issue management is already implied in PR-policy
Strategic orientation of PR	PR are a planning tool	PR are understood as a strategic planning tool (attainment discovers flaws - 'Brent Spar-incident')	PR and strategic management are regarded as one entity	PR and strategic management are regarded as one entity
Differentiation between marketing + PR	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented	whole communication policy under one canopy (TR-depart.: to enhance image-building communication and lower product-oriented marketing)	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented	PR = separate independent function with interrelations PR: corporate oriented marketing: product-oriented
PR's influence on CI	medium/high	high	high	high

table 3
Matrix: summary field research

Concluding comments

Before we turn to the overall conclusion some final statements should be made concerning the interviews. If we take a look across the cases, it becomes obvious that most of the PR managers seem to have similar theoretical understandings of the issues focused on in the questionnaire. The consistent demarcation between PR and marketing is interesting and supports our view in the normative part of the thesis. The general understanding of PR and its contribution to the strategic orientation of the organization, as well as PR's value for the overall long-term performance of the companies underline our original theoretical constructs. Moreover, the extensive acceptance of the available models is promising, though the universal criticism concerning our interpretation of Porter and Millar's model confronts us with our own shortcomings at this point. Furthermore, the lack of differentiation between stakeholders and publics reveals some possibility for the improvement of practical PR work, perhaps by adopting our propositions on this theme.

Beyond these findings, it is apparent that all the above outlines vary from company to company, not unexpectedly given a concern with the field of communication. PR-specific requirements can hardly be predicted, however. Communication, as opposed to mathematics or accounting, for example, is very subjective and varies from instance to instance. The strategical orientation of an appropriate PR policy can be seen in a company addressing several possible scenarios and developing potential means to counter them. However, a standardized, all-time applicable pattern for optimal communicational behaviour and faultless PR work seems, from a contemporary standpoint, to be impossible. Companies come from different backgrounds to face differing environments with various publics and requirements. Any form of PR and communication must therefore somehow vary in practice. As we reason elsewhere, the analysis of similarities in communication behavior and PR practices and the development of standardized patterns of management should be subject to further research.

Nonetheless, it seems reasonable to argue that organizations and companies should strive for the implementation of concepts which underpin the strategic orientation of PR. By doing so, the chance for the enhancement of an organization's overall effectiveness is improved.

CONCLUSION

As the introduction has already described the lines of argument in this thesis comprehensively, the conclusion will focus exclusively on the results of the investigation, their interpretation and the proposals for further research.

Following the literature supporting the work, we have argued that Public Relations and communications can contribute significantly to organizational effectiveness and a company's long-term success if managed properly. This means that PR should be integrated with an organization's strategic management process. At the same time Public Relations in toto must be used strategically, analysing an organization's environment to anticipate developing problems and countering them in advance by constant communication with the company's most important and influential stakeholders. The detection of contemporary issues is another task for strategic PR which also supports the overall management process of a company easing the achievement of an organization's mission and goals by diminishing obstruction through intervention in all the relevant environments.

The key issue in the field research was to examine whether selected companies' share our viewpoint of how, ideally, PR and communication should be managed and conducted. We tried to investigate if, and to what extent, PR are already part of the companies' strategic management processes and if they are expected to be an integral element in enhancing an organization's overall chances of success.

The findings are more or less consistent for the majority of the examined firms. After the analysis of the publicized brochures and internal guidelines, as well as personal interviews, it can be stated that an understanding of the necessity of strategic PR is relatively widespread. Also, the analysis revealed a close interrelation between PR and the formulation of strategic principles. In most cases, PR and communication are regarded as important for the manifestation of a company's long-term success.

As quite a few of the surveyed firms hold respected positions in their field of business activity it seems reasonable to argue that the theoretical understanding of how PR and communication should be managed and undertaken exists in practice given our view of how, ideally, PR should be structured is correct.

Nonetheless, and this is an important point for the formulation of further research, even if most of the companies showed a clear theoretical understanding of

sound PR policy, reality still confronts firms with severe problems in transforming declared PR principles into working PR practices.

Most notably, the case of SHELL¹ (Brent Spar !) reveals that, even if the company is extremely eager to establish good relationships with the environment and its important publics, the firm's own claims often diverge from the environment's demands and that an understanding of PR which seems to be theoretically correct fails in practice and causes disastrous problems for the company's managers and prospects.

This is the point where future research should commence. It is necessary to examine why organizations run into trouble and face confrontation with their environment even if they seem to have built their PR and communication on theoretically 'solid' ground. The crucial question, then, is to analyse the reasons for this variance between a company's PR behaviour and its theoretical approaches. Is the whole policy and formulation of the PR principles wrong? Is the entire Public Relations effort, correctly grounded in theory yet , managed incorrectly? Could it be, for example, that negligence in applying concepts such as the stakeholder or portfolio analyses presented in chapter III of this work, has led to the existing problems ? Is the meaning of symmetrical dialogue perhaps misunderstood or underestimated or is the analysis of the company's most important publics wrong?

The list can easily be extended but that would no longer be true to the basic intention of the thesis. At this point, it seems important to explain how an apparently accurate comprehension of PR often, but not automatically, leads to a distinct position of the organization within its environment. If this apparently correct PR fails nonetheless, the possible reasons for failure should become the object of further research.

Moreover it might be interesting, despite the above statement that the PR and communication policies of organizations necessarily vary as they are usually subjective, to consider whether the standardization of concepts in the field of PR is possible or desirable.

¹ also compare the case of Nestlé ('baby-milk-scandal')

LIST OT TABLES AND DIAGRAMS

TABLES

Table 1:	PR and related sectors	p. 43
Table 2:	Strategy typology by selected characteristics	p. 58
Table 3:	Matrix: summary field research	p. 115

DIAGRAMS

Diagram 1:	Reorientation of PR	p. 15
Diagram 2:	Historical development of marketing and PR	p. 46
Diagram 3:	The components of corporate identity	p. 49
Diagram 4:	Types of strategic PR precepts	p. 51
Diagram 5:	The strategic influence of the PR management infrastructure	p. 54
Diagram 6:	Basic strategy-types of Public Relations	p. 56
Diagram 7:	Portfolio of PR-intensity	p. 70
Diagram 8:	Portfolio: market opportunities / communicational risks	p. 72

BIBLIOGRAPHY

- Abratt, R.
A new approach to the corporate image management process; in: *Journal of Marketing Management*, 1989, 5, No. 1, p. 63-76
- Achleitner, P.
Sozio-politische Strategien multinationaler Unternehmungen - Ein Ansatz gezielten Umweltmanagements; Bern - Stuttgart 1985
- Achterholt, G.
Corporate Identity; Wiesbaden 1988
- Albach, H.
Strategische Unternehmensplanung bei erhöhter Unsicherheit, in: *Zeitschrift für Betriebswirtschaft* 8 (1978), p.702-718
- Angermeyer - Naumann
Szenarien und Unternehmenspolitik, Globalszenarien für die Evolution des unternehmenspolitischen Rahmens, München 1985
- Ansoff, H.I.
Corporate Strategy, an analytical approach to business policy for growth and expansion, New York a.o. 1965
- Baier, W.
Public Relations und gesellschaftliche Veränderungen, in: Meffert, H. /Wagner, H. (Editor, 1985), *Neuere Entwicklungen in Public Relations*, unveröffentlichtes Arbeitspapier Nr.28, Wiesbaden 12/1985
- Balfanz, D.
Öffentlichkeitsarbeit öffentlicher Betriebe, Regensburg 1983
- Barthenheier, G.
Auf der Suche nach Identität - Zur historischen Entwicklung der Öffentlichkeitsarbeit / Public Relations, in: Haedrich et al. (1982a), p.3-13
- Barthenheier, G.
Zur Notwendigkeit von Öffentlichkeitsarbeit - Ansätze und Element in einer allgemeinen Theorie der Öffentlichkeitsarbeit, in Haedrich et al. (1982b), p.15-26

- Beck, U.
Krisenmanagement versus strategische Frühaufklärung - Ansatzpunkte für
Public Relations, München 1990
- Becker, J.
Marketing-Konzeption: Grundlagen des strategischen Marketing-
Managements, München 1988
- Becker, U.
Risikowahrnehmung der Öffentlichkeit und neue Konzepte unternehmerischer
Risikokommunikation; unveröffentlichtes Arbeitspapier der Daimler -Benz
AG, Stuttgart 1992
- Beger, R. / Gärtner, H.D. / Mathes, R.
Unternehmenskommunikation, Grundlagen - Strategien -Instrumente,
Wiesbaden 1989
- Bergler, R.
Unternehmensimage und Corporate Communications: Profilierung am Markt
und in der Öffentlichkeitsarbeit, in: Meffert, H. / Wagner, H. (Editor 1986),
Neuere Entwicklungen in Public Relations - Dokumentation des Workshops
v. 11.12.85, Münster 1986, p. 3-21
- Bernays, E.L.
Public Relations, Oklahoma 1977
- Birkigt, K. / Stadler, M.
Corporate Identity - Grundlagen, in: Birkigt et al. 1988, p.17-63
- Birkigt, K. / Stadler, M. / Funck, H.J. (Editor)
Corporate Identity, Landsberg / L. 1988
- Bläse, D.
Methodischer Rahmen für Planung, Durchführung und Kontrolle der
Öffentlichkeitsarbeit, in Haedrich et al. (1982), p.187-200
- Blumer, H.
The mass, the public, and public opinion, in: Berelson/ Janowitz, Reader in
public opinion and communication, p. 43-50, New York 1966
- Boehm-Tettelbach, P.
Unternehmenspolitischer Rahmen und strategisches Management, München
1990
- Bonoma, T.V. / Shapiro, B.P.
Segmenting the industrial market, Lexington 1983

- Brody, E.W.
Public Relations programming and production, New York 1988
- Brown, R.
Die Deutsche-Public-Relations-Gesellschaft und ihre
Ausbildungsvorstellungen, in: Haedrich et al. (1982), p.425-432
- Brunner, W.L.
Imageanalyse von Bankfilialen, Regensburg 1983
- Buchholz, R.A./ Evans, W.D./ Wagley, R.A.
Management response to public issues, Englewood Cliffs 1989
- Burkart, R.
Kommunikationswissenschaft. Grundlagen und Problemfelder: Umriss
einer interdisziplinären Sozialwissenschaft, Wien 1983
- Cameron, K.S.
The effectiveness of ineffectiveness, in: Staw, B.M./ Cummings, L.L.
(Editors), in: Research in organizational behavior, Vol.6, p.276, Greenwich
- Campbell, J.P.
Contributions research can make in understanding organizational
effectiveness, in: Organization and administrative science, 7, p.29-48
- Carroll, A.B.
Business & society: Ethics and stakeholder management, Cincinnati 1989
- Chase, W.H.
Issue management: Origins of the future, in: Issue action press, Stamford
1984
- Cutlip, S.M. / Center, A.H. / Broom, G.M.
Effective Public Relations, New Jersey 1985
- Demuth, A.
Baisse des Schweigens, in; manager magazin 3 (1982), p.72-76
- Demuth, A.
Vertrauen muß ständig verdient werden, in: Industriemagazin 4 (1988), p.25
- .Dieckmann, W.
"Inszenierte Kommunikation". Zur symbolischen Funktion kommunikativer
Verfahren in (politisch-) institutionellen Prozessen, in: Dieckmann, W.
(1981) Politische Sprache. Politische Kommunikation. Vorträge, Aufsätze,
Entwürfe; Heidelberg 1981, p.225-279

- Diller, H.
 Kommunikationspolitik, in: Dichtl, E./ Issing, O. (Editor, 1987), Vahlens
 großes Wirtschaftslexikon, Band 1, p.1027-1028
- Dornbusch, R. / Fischer, S.
 Macroeconomics- fourth edition / Makroökonomie
 New York- München- Wien 1989
- Dornis, P.
 Public Relations der internationalen Unternehmung -
 Grundlagen, Entscheidungsstruktur und Strategien, in: Sieber, E.H.
 (Editor 1971), Die internationale Unternehmung, Band 4, Meisenheim am
 Glan
- Dyllick, T.
 Das Anspruchsgruppen-Konzept: Eine Methodik zum Erfassen der
 Umweltbeziehungen der Unternehmung, in: Management-Zeitschrift 53/2
 (1984), p.74-78
- Dyllick, T.
 Management der Umweltbeziehungen, in: Die Unternehmung 42/3
 (1988), p.190-205
- Dyllick, T.
 Management der Umweltbeziehungen - Öffentliche Auseinandersetzung als
 Herausforderung, Wiesbaden 1989
- Ehling, W.P./ Hesse, M.B.
 Use of 'issue management' in public relations, in: Public Relations Review 9
 (2), p.18-35, 1983
- Ewing, R.P.
 Evaluating issues management, in: Public Relations Journal, 36 (6), p.14-16,
 1980
- Farace, R.V./ Monge, P.R./ Russell, H.M.
 Communicating and organizing, Reading 1977
- Fenkart, P. / Widmer, H.
 Corporate Identity, Zürich - Wiesbaden 1987
- Freeman, R.E.
 Strategic Management: a stakeholder approach, Boston a.o. 1984

- Fritz, W. / Förster, F. / Wiedmann, K.P.
 Neuere Resultate der empirischen Zielforschung und ihre Bedeutung für strategisches Management und Managementlehre, Arbeitspapier Nr.57 des Instituts für Marketing, Universität Mannheim 1987
- Fuchs, R. / Kleindiek, H.W.
 Öffentlichkeitsarbeit heute, Bochum 1984
- Galbraith, J.K.
 The new industrial state, Boston 1967
- Geigant, F. / Sobotka, D. / Westphal, H.M.
 Lexikon der Volkswirtschaft (5.ed.), Landsberg/ Lech 1983
- Gollner, A.B.
 Social change and corporate strategy, in: Issue action Publications, Stamford 1983
- Gollner, A.B.
 Public Relations/ Public Affairs in the managerial revolution, in: Public Relations Review 10 (4), 1984, p.3-10
- Gouldner, A.W.
 The norm of reciprocity: A preliminary statement, American Sociological Review, 25, 1960, p. 161-178
- Grabatin, G.
 Effizienz von Organisationen, Berlin a.o. 1981
- Grunig, J.E. / Grunig, L.A.
 Toward a theory of the public relations behavior of organizations: Review of a program research, in: Public Relations Research Annual, 1, 1989, p.27-63
- Grunig, J.E. / Hunt, T.
 Managing Public Relations, New York 1984
- Grunig, J.E. / Nelson, C.L. / Richburg, S.J. / White, T.J.
 Communication by agricultural publics: Internal and external orientations, in: Journalism Quaterly, 65, 1988, p.26-38
- Grunig, J.E. (Editor)
 Excellence in Public Relations and Communication Management, Hillsdale (New Jersey) 1992
- Grunig, J.E.
 Theory and practice of interactive media relations, in: Public Relations Quarterly 35 (3), 1990, p.18-23

- Grunig, J.E.
 Communication behaviors and attitudes of environmental publics: Two studies, in: Journalism Monographs, 81, 1983
- Grunig, J.E.
 Defining publics in public relations: The case of a suburban hospital, in: Journalism Quarterly, 55, 1978, p.109-118
- Grunig, J.E.
 Some consistent types of employee publics, in: Public Relations review, 1(4), 1975, p.17-36
- Gutjahr, G. / Keller, J.
 Corporate Identity - Meinung und Wirkung, in: Birkigt et al. (1988), p.79-88
- Habermas, J.
 Theorie des kommunikativen Handelns, Band 2: Zur Kritik der funktionistischen Vernunft, Frankfurt /M. 1988
- Haberstroh, C.J.
 "Organizations design and system analysis" in: Handbook of Organizations, March, J.G. (editor), pp. 1171-1211, Chicago 1965
- Hage, J.
 Theories of organizations: Form, process, and transformation, New York 1980
- Haedrich, G.
 Öffentlichkeitsarbeit und Marketing, in: Haedrich et al. (1982), p.67-75
- Haedrich, G.
 Widerspruchspotentiale abbauen mit "Public Marketing", in: Blick durch die Wirtschaft, 6.4.1984, p.1
- Haedrich, G.
 Zusammenhänge zwischen Unternehmenserfolg und Public Relations, in: Thexis 3 (1986), p.46-53
- Haedrich, G.
 Zum Verhältnis von Marketing und Public Relations, in: Marketing ZFP 1 (1987), p.25-31

- Haedrich, G.
Zusammenhänge zwischen Unternehmenserfolg und Public Relations,
Vortrag beim Münchner Wirtschaftskongreß Public Relations -
26./27.4.1990
- Haedrich, G. / Kreilkamp, E.
Zur Situation der Öffentlichkeitsarbeit in deutschen Unternehmen,
in: Die Betriebswirtschaft 43/3 (1983), p.431-443
- Haedrich, G. / Barthenheier, G. / Kleinert, H. (Editor)
Öffentlichkeitsarbeit, Berlin - New York 1982
- Hainsworth, B.E.
The distribution of advantages and disadvantages, in: Public Relations Review,
16(1), 1990, p.33-39
- Hahn, D.
Zweck und Standort des Portfoliokonzepts in der strategischen
Unternehmensplanung, in: Hahn, D. / Taylor, B. (Editor), Strategische
Unternehmensplanung, Würzburg - Wien (1980), p.114-134
- Hannan, M. / Freeman, J.
Obstacles of comparative studies, in: Goodman/ Pennings (editors), New
perspectives on organizational effectiveness, p.106-131, San Francisco 1977
- Harlow, R.
Building a Public Relations Definition, in: Public Relations Review 2/4
(1976), p.34-42
- Hartley, R.F.
Marketing: Management and social change, San Francisco- Toronto- London
1972
- Heath, R.L.
Corporate issues management: Theoretical underpinnings and research
foundations, in: Grunig/ Grunig (editors), Public Relations research annual,
Vol.2, 1990, p.29-66
- Heath, R.L./ Nelson, R.A.
Issues management, Newbury Park 1986
- Heuer, M.
Corporate Communications, in: Pflaum, D./ Pieper, W. (1989),
p.55-59

- Hinterhuber, H.
Strategische Unternehmensführung, I. Strategisches Denken. Vision,
Unternehmenspolitik, Strategie; Berlin - New York 1989
- Hoewing, R.
Dynamics and role of Public Affairs, in: Lesly (1983), p.39-46
- Holl, U. / Wölke, G.
Informationswege in Unternehmen, in: Institut der deutschen Wirtschaft
(Editor), Beiträge zur Gesellschafts- und Bildungspolitik Nr. 40, Köln 1979
- Hundhausen, C.
Public Relations. Theorie und Systematik, Berlin 1969
- Jackson, D.
Das Studium der Familie, in: Watzlawick, P. (Editor), Interaktion, Bern 1980
- Jefkins, F.
PR in World Marketing, London 1966
- Jessen, J. / Lerch, D.
PR für Manager - Das Bild des Unternehmens, München 1978
- Joerger, G.
Öffentlichkeitsarbeit, Stuttgart a.o. 1975
- Johannsen, U.
Das Marken- und Firmen-Image. Theorie, Methodik, Praxis
Berlin 1971
- Johannsen, U.
Image, in: Tietz, B. (Editor, 1974), Handwörterbuch der Absatzwirtschaft,
Stuttgart 1974, c. 809-825
- Jones, B.L./ Chase, W.H.
Managing public policy issues, in: Public Relations Review 2, 1979, p.3-23
- Judd, L.R.
Credibility, Public Relations and social responsibility, in: Public Relations
Review 14/2 (1989), S.34-40
- Jung, H.
Unternehmensexterne Öffentlichkeitsarbeit, in: Haedrich et al. (1982),
S.105-109
- Jung, H.
Ohne Glaubwürdigkeit ist langfristige Öffentlichkeitsarbeit nicht möglich in:
Handelsblatt 23.5.90, Beilage PR, p. B1

- Kath, J.
 Infogaps. Bessere Kommunikation als Erfolgsrezept, München 1984
- Katz, D./ Kahn, R.L.
 The social psychology of organizations, New York 1966
- Katz, D. / Kahn, R.L.
 The social psychology of organizations (2nd. ed.), New York 1978
- Kirchhoff, B.A.
 Organizational effectiveness measurement and policy research, in: *Academy of management review*, 2, 1977, p.348-355
- Kirsch, W.
 Wissenschaftliche Unternehmensführung oder Freiheit vor der Wissenschaft, 2 Halbbände, München 1984
- Kirsch, W.
 Unternehmenspolitik und strategische Unternehmensführung, München 1990
- Kirsch, W. / Trux, W.
 Perspektiven eines strategischen Managements, in: Kirsch / Trux (1981), p.290- 396
- Kirsch, W. / Esser, W.M. / Fischbacher, A.
 Strategisches Management: das Denken in Erfolgspotentialen und seine Implementierung, in: Schöttle, K.M. (Editor), *Jahrbuch Marketing*, Essen 1987, p.18-39
- Kirsch, W. / Maaßen, H. (Editor)
 Managementsysteme, München 1989
- Kneschaurek, F.
 Szenarienanalysen, in: Buchinger, G. (Editor), *Umfeldanalysen für das Strategische Management: Konzeption - Praxis - Entwicklungstendenzen*, Wien 1983, p.311-322
- Kotler, P. / Andreasen, A.R.
 Strategic marketing for nonprofit organizations (3rd ed.), Englewood Cliffs 1987
- Kotler, P. / Bliemel F.
 Marketing-Management. Analyse, Planung, Umsetzung und Steuerung, Stuttgart 1992

- Kotler, P.
Humanistic Marketing: beyond the marketing concept,
in: Firat, A.F. / Dhalakia, N. / Bagozzi, R.P. (Editor), Philosophical and
radical thought in marketing, Lexington 1987, p.271-288
- Kotler, P. / Mindak, W.
Marketing and Public Relations, in: Journal of Marketing 42/10 (1978),
p.13-20
- Kronhuber, H.
Public Relations - Einführung in die Öffentlichkeitsarbeit, Graz 1972
- La Roche v., W.
Einführung in den praktischen Journalismus, München / Leipzig 1995
- Laube, G.L.
Betriebsgrößenspezifische Aspekte der Public Relations, Frankfurt/M. a.o.
1986
- Lesly, P.
The nature and role of Public Relations, in: Lesly, P. (Editor), Lesly's
Public Relations Handbook, Englewood Cliffs 1983, p.3-13
- Levitt, T.
The marketing imagination, New York 1986
- Link
Mentalität als Engpaß, in: Wirtschaftswoche 14 (1986), p.82-87
- Litterer, J.A.
Organisations - Structure and Behavior, 3. ed., New York - Toronto 1980
- Litterer, J.A.
Organisations Volume II (2.ed) - systems, control and adaption,
New York- London- Sydney- Toronto 1969
- Lovelock, C.H./ Weinberg, C.B.
Marketing for public and nonprofit managers, New York 1984
- Luck, D.J. / Ferrell, O.C.
Marketing strategy and plans (2nd ed), Englewood Cliffs 1985
- Luhmann, N.
Soziologische Aufklärung, Band 1, Opladen 1974
- Luhmann, N.
Zweckbegriff und Systemrationalität - über die Funktion von Zwecken in
sozialen Systemen, Tübingen 1974

- Lunn, T.
Segmenting and constructing markets, in: Worchester/ Downham (editors),
Consumer market research handbook (3rd ed), p.387-423, Amsterdam 1986
- Maletzke, C.G.
Psychologie der Massenkommunikation, Hamburg 1963
- Malik, F.
Strategie des Managements komplexer Systeme - ein Beitrag zur
Management-Kybernetik evolutionärer Systeme, Bern - Stuttgart, 1989
- Mallinson, B.
Bridging the gap between theory and practice in post-1992 Europe: The
changing face of Public Relations, Dublin 1990
- Mason, R.O. / Mitroff, I.I.
Challenging strategic planning assumptions - theories, cases and techniques,
New York 1981
- Mauthe, K.D.
Strategische Analyse - Darstellung und kritische Würdigung der
bestehenden Ansätze zur strategischen Unternehmens- und Umweltanalyse,
München 1984
- Mauthe, K.D. / Roventa, P.
Versionen der Portfolio-Analyse auf dem Prüfstand - ein Ansatz zur
Auswahl und Beurteilung strategischer Analysemethoden, in:
Kirsch / Roventa (Editor, 1983), p.109-140
- McFarlan, F.W. / McKenney, J.L.
Corporate information systems management. The issues facing senior
executives, Homewood (III.) 1983
- McQuail
Mass communication theory (2nd ed.), Newsbury Park 1987
- Mead, G.H.
Mind, Self and Society from the standpoint of social behaviorist,
(Editor: C. Morris), Chicago 1934
- Meffert, H.
Marketing, Wiesbaden 1982
- Meffert, H.
Marketing: Grundlagen der Absatzpolitik, Wiesbaden 1986

- Meffert, H.
Strategische Unternehmensführung und Marketing - Beiträge zur
marktorientierten Unternehmenspolitik, Wiesbaden 1988
- Meggle, G.
Grundbegriffe der Kommunikation, Berlin 1981
- Mendelow, A.L.
Setting corporate goals and measuring organizational effectiveness - a
practical approach, in: Long Range Planning 13/1 (1983), p.70-76
- Michman, R.C.
Marketing and changing consumer markets, New York 1983
- Miles, R.
Coffin nails and corporate strategies, New Jersey 1982
- Miller, J.
Living systems, New York 1987
- Mintzberg, H.
Power in and around organizations, Englewood Cliffs 1983
- Mitroff, I.I.
Stakeholders of the organizational mind, San Francisco a.o. 1983
- Müller, J.
Image, in: Pflaum / Pieper (Editor, 1989), Lexikon der Public Relations,
p.125-128
- Neske, F.
PR-Management, Gernsbach 1977
- Nitsch, H.
Dynamische Public Relations, Stuttgart 1975
- n.a.
Ihr Auftritt bitte ! in: Absatzwirtschaft 7 (1989), p.35-44
- Oeckl, A.
PR-Praxis - Der Schlüssel zur Öffentlichkeitsarbeit,
Düsseldorf - Wien 1976
- Parkinson, C.N. / Rowe, N.
Schweigen ist Schwäche - Unternehmer und Öffentlichkeit, Düsseldorf -
Wien 1981
- Parson, T.
The structure of social action, Glencoe 1951

- Pearson, R.
Ethical values or strategic values? The two faces of systems theory in public relations, in: Grunig/ Grunig, Public Relations research annual, Vol.2, p.219-234, Hillsdale 1990
- Pennings, J.M./ Goodman, P.S.
Toward a workable framework, in: Goodman/ Pennings (editors), new perspectives on organizational effectiveness, p.146-184, San Francisco 1977
- Pfeffer, J.
Power in organizations, Arlington Heights 1981
- Pfeffer, J.
Organizations and organization theory, Marshfield 1982
- Pfeffer, J./ Salancik, G.H.
The external control of organizations: A resource dependence model, New York 1978
- Porter, M.E. / Millar, V.E.
How information gives you competitive advantage, in: Harvard Business Review, July / August 1985, p. 149-159
- Post, J.E.
Nestlé's traumatische Erfahrung mit Milchpulver. Ein Lehrstück für Manager, in: gdi impuls, 1 (1985), p.6-22
- Price, J.L.
Organizational effectiveness: An inventory of propositions, Homewood 1968
- Pümpin, C.
Grundlagen der strategischen Führung, in: Pümpin, C./ Gälweiler, A./ Neubauer, F.F. / Bane, W.T., Produkt-Markt-Strategien, Bern 1981, p.7-32
- Raffée, H.
Grundfragen und Ansätze des strategischen Marketing, in: Raffée / Wiedmann (1989), p.3-33
- Raffée, H. / Wiedmann, K.P.
Glaubwürdigkeits-Offensive - Corporate Communications, in: Absatzwirtschaft 12 (1983), p.52-61
- Raffée, H. / Wiedmann, K.P.
Strategisches Marketing, Stuttgart 1989

Reimann, H.

Kommunikationssysteme, Tübingen 1974

Reineke, W.

PR als Managementfunktion (1988), in: Mitgliederrundbrief der DPRG 3 (1989), p.18-20 + Anlage

Reutner, F.

Determinanten des Unternehmenserfolges, in: Zeitschrift für Betriebswirtschaft 57/6 (1987), p.747-762

Robbins, S.P.

Organization Theory: Structure, design, and applications (3rd ed.), Englewood Cliffs 1990

Röglin, H.C.

Die Prinzipien künftiger Öffentlichkeitsarbeit, in: pr magazin 10 (1987), p.27-34

Röglin, H.C.

Risiko-Kommunikation zwischen Verständigung und Verwirrung, in: gdi impuls 1 (1990), p.17-25

Ronneberger, F.

Legitimation durch Information, Düsseldorf -Wien 1977

Ronneberger, F.

Kommunikationspolitik, Band I: Institutionen, Prozesse, Ziele
Mainz 1978

Ronneberger, F.

Public Relations zur Zukunftssicherung, Düsseldorf 1982

Ronneberger, F.

Public Relations in politischen Systemen, in: Ronneberger, F. (Editor),
Public Relations des politischen Systems. Staat, Kommunen und
Verbände;Düsseldorf 1983, p.1-21

Rowe, A.J. / Mason, R.O. / Dickel, K.E.

Environmental analysis, in: Rowe, A.J. (Editor), Strategic Management &
Business policy - a methodological approach, Reading (Mass.) a.o. 1985,
p.99-118

Rußmann, K.H.

Kampf um den guten Ruf, in: Manager Magazin 4 (1986), p.206-217

- Schaufler, G.C. / Signitzer, B.
 Issues Management: Modewort oder ein neuer Begriff in der PR ? - Ein Begriff macht die Runde, in: pr magazin 12 (1990), p.31-34
- Schlieper, U.
 Externe Effekte, in: Albers, W. et al. (Editor), Handwörterbuch der Wirtschaftswissenschaften, Band 2, Stuttgart - New York 1980, p.524-530
- Scholz, C.
 Strategisches Management: ein integrativer Ansatz, Berlin a.o. 1987
- Schulz von Thun, F. (1981)
 Miteinander reden: Störungen und Klärungen. Psychologie der zwischenmenschlichen Kommunikation, Reinbek/ Hbg. 1984
- Signitzer, B.
 Public Relations-Forschung im Überblick, in: Publizistik 33/1 (1988), p.92-116
- Spindler, G.P.
 Das Unternehmen in kritischer Umwelt. Öffentlichkeitsarbeit zwischen Macht und Menschen, Frankfurt / M. - Wiesbaden 1987
- Staff
 The state of public relations 1988: Part II, in: pr reporter, p-1-14, 11.01.88
- Steger, U.
 Umweltmanagement: Erfahrungen und Instrumente einer umweltorientierten Unternehmensstrategie, Wiesbaden 1988
- Taylor, J.W.
 Competitive marketing strategies, Radnor 1986
- Trux, W. / Müller-Stewens, G. / Kirsch, W.
 Das Management strategischer Programme, 1.Halbband, München 1989
- Varian, H.R.
 Intermediate Microeconomics - Grundzüge der Mikroökonomie
 New York- München- Wien, 1991
- Velmans, L.
 Public Relations - what it is and what it does, in: Cantor, B. (Editor), Experts in action. Inside Public Relations, New York 1984
- Walton, R.
 Interpersonal peacemaking, Reading 1969

- Watzlawick, P. / Beavin, J.H. / Jackson, D.D.
Menschliche Kommunikation, Stuttgart 1990
- Weber, J.
Unternehmensidentität und unternehmenspolitische Rahmenplanung,
Dissertation, München 1985
- Weitzig, J.K.
Gesellschaftsorientierte Unternehmenspolitik und Unternehmensverfassung,
Berlin - New York 1979
- Weitzig, J.K.
Public Relations, in: LBW (Literatur Berater Wirtschaft) Fachinformation
Marketing 1 (1980), p.3-10
- Wiechmann, U.
Einführung: Corporate Identity - ein internationales Thema, in: Birkigt et al.
(1988), p. 13-16
- Wiedmann, K.P.
Corporate Identity-Strategie als Orientierungsrahmen einer effizienten
Auseinandersetzung mit der Öffentlichkeit, in: pr magazin 3 (1989),
S.31-38
- Wiegel, C.H.
Optimale Unternehmensimagepolitik, Frankfurt / M. 1983
- Wiesmann, D.
Management und Ästhetik, München 1989
- Yuchtman, E. / Seashore, S.E.
A systems resource approach to organizational effectiveness, in: American
Sociological Review, 3, 1967, p.891-903
- Zankl, H.J.
Public Relations, Wiesbaden 1975
- Zeithaml, C.P. / Zeithaml, V.A.
Environmental Management. Revising the marketing perspective, in:
Journal of Marketing 48 / Spring (1984), p.46-53