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Relationship Management Function of Corporate Communication: Long-Term Relationship or Short-Term Impact

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Abstract

'Life is a journey, not a destination'
Ralph Waldo Emerson, 1845(Essays, Second Series)
'You are the grim, goal oriented ones who will not believe that the joy is in the journey rather than the destination no matter how many times it has been proven to you.'
Stephen King, 2004 (The Tower)

Just like these quotes remind us, life itself shouldn't be solely about the basic achievements that we pass through, life should be about the knowledge and experience (simply, the journey) that we gain while we are passing through them. So, why can't we say this very same thing while we are trying to reach organizational communication goals? Is it really more important to count the newspaper clippings? Is it really effective to ases the value of communication, gained by a strategic communication effort only by counting the successful press releases? The study of public relations and communication management has shifted dramatically, from a microfocus on techniques and programs to a macrofocus on relationships (Jo, 2006). As the scholars working in the fields of public relations, corporate communications and strategic communications management started working with macrofocus perspectives, and as a result approaches such as the relationship management came into being, and they continue gaining importance by time. A relationship paradigm for public relations theory and practice elevates the field beyond traditional metrics of public relations value, such as measuring communication outputs and media placement (Jo, Hon & Brunner, 2004), and brings the profession closer to its desired symmetrical standarts.

Keywords:

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A Brief Intermission: The Need to Reconsider the Name of the Practice 'Public Relations'

The name "public relations" is not adequate enough to describe the discipline when it is considered from a managerial point of view. "Public Relations" is such a broad term that encompasses every type of relations with every single type of public, also a variety of communication processes. When it comes to communicating strategically for a corporation, with every stakeholder, the discipline gains a managerial importance. The perspective that views public relations as a management function requires practitioners trained in management processes and able to apply those skills to public relations problems and opportunities (Ledingham, 2003). When viewed from the corporate perspective, the term public relations becomes corporate communications. Many corporations don't name their communication units "public relations" instead "corporate communications" name is used. The majority of Turkish companies also call their internal unit as corporate communications.

In consideration of such information, in this article we will refer to relationship management in public relations as a corporate communication management function. The main subject of this paper will be about relationship management, and in this perspective public relations is also viewed as a management function. As stated previously in the relationship management literature (Ledingham & Bruning, 1998), in place of the traditional view of public relations primarily as a communications activity, relationship management is conceptualized as a management function that utilizes communication strategically.

Two-way symmetrical Model of Public Relations as a Theoretical Background of Relationship Management

From the four basic models of public relations, the two-way symmetrical model presents itself as the ideal model of public relations. By definition the symmetric model allows for the possibility that, through feedback, both the source and the receiver may change (Heath, 2005). The corporation as the source is idealized to as one of the parties that may have the possiblity to change its behaviors according to the feedbak of the other party. Two-way symmetrical model envisions public relations as a process of continual and reciprocal exchange between the organization and its key publics (Ledingham & Bruning, 1998). In harmony with this approach, also public relations is defined as 'the management function that identifies, establishes, and maintains mutually beneficial relationships between an organization and the various publics on whom its success or failure depends' (Cutlip, Center & Broom, 1994). In this definition the emphasis is on 'mutually beneficial relationships', which means, both the organization and its publics may benefit from the public relations activity of the corporation.

The tool in two-way symmetrical model of public relations which brings the opportunity to arise the mutual benefit is 'feedback'. The existence of 'feedback' and in turn 'dialogue' in the communication process are keys to distinguish two-way communication from one-way communication (Huang, 2001). In asymmetrical communication, the information is only disseminated from the corporation. Asymmetrical communication is unbalanced; it leaves an organization as it is and tries to change the public (Huang, 2004). But feedback in two-way symmetrical model enables the publics to share information from themselves to the corporation, and this way, the exchange process occurs. In general, the idea of feedback is to empower communication audiences or receivers (Huang, 2001).

The contribution of public relations is captured as the value of relationship quality between organization and their publics and the supportive behaviors from stakeholders that are more likely to result when organizations and publics have a positive relationship (Jo, Hon & Brunner, 2004). Which is basically the achievement that two-way symmetrical ideal of public relations is trying to gain.

There are many ways to create or enhance two-way communication practices for corporations, while they are trying to communicate with their publics. These practices evolved through time from listening the stakeholders thoughts from the letters of complaints to online communication activities. When we view Turkish companies communication strategies, at a glance we are able to identify that with the internet communication strategies, the practices are coming closer to two-way communication. With the utilization of corporate websites, many ways of generating feedback is now available for the companies. In a previous study on stewardship (Suher & Yeşilyurt, 2012), we have analyzed top 75 Turkish companies, from the Fortune 500 list. The results indicated that Turkish companies are mostly stuck on information dissemination, and namely one-way communication. Companies share many kinds of reports, such as annual, or sustainability reports, but feedback forms are mostly absent from the website. Also Turkish companies shy away from sharing important communication information, such as the telephone numbers or e-mail addresses of managers and partners/shareholders lists. Reviewing this information about Turkish companies, in this online information age, we can state that Turkish companies are still not looking for enough feedback from their stakeholders, which is a great barrier against two-way symmetrical communication. Social media mostly bring companies closer to the two-way communication strategies, but mostly with end users or consumers of goods and services, which is only one stakeholder group in the corporate communication processes.

Emergence and Development of Relationship Management
Measuring Organization-Public Relationships

As well defined by two-way symmetrical communication, the goal of public relations is to build mutual understanding between an organization and its publics. However, as a result of its journalistic heritage, public relations have generally been practiced using a mass communication perspective in which message creation, dissemination, and measurement was the primary focus of public relations research (Bruning & Ledingham 2000). The impact of public relations is mostly measured by communication outputs (the visibility measures of a certain public relations campaign) and communication outcomes (the the targeted public's attention to the message delivered by the public relations effort, cognitive, attitudinal or behavioral changes in the target public) (Hon & Grunig, 1999). Also in Turkey, as applied by many public relations agencies or corporate communications/public relations departments, the effectiveness of public relations is measured by the newspaper clippings, and in modern times of internet, by website visits, or facebook likes. The effectiveness of messages that practitioners try to deliver to the audiences are measured by its visibility on a certain type of medium (billboard, newspaper, internet, maganizes, etc.), the counting of news releases which have been published, and other media monitoring parameters, and this limits the type of public relations activities that can be measured (Hon & Grunig, 1999), only short-term campaigns can be measured and the long term effects cannot be measured.

These types of measurements and outcomes doesn't value the public relations processes, as they stand for mostly information dissemination from the company. The measurements of single communication efforts and communication outputs by public relations activities were found inadequate for the measurements of long-term impact, and measuring the concept of 'relationships' started to gain importance (Lindenmann, 1998). In years, 'academicians and practitioners have come to recognize that communications — although important — is not an end in itself; that effective communications programs may or may not contribute to organizational effectiveness' (Lindenmann, 1998). The short-term communication programs may not be a good reference or a guarantee for long-term gains. Furthermore, measurements of short-term impact is mostly about measuring one-way communication outputs (e.g. clippings but not the attitudes of public) makes it asymmetrical and this condition contradicts with the ideal two-way symmetrical model of public relations. Because of that, two-way symmetrical model of public relations is the theoretical background of relationship management in public relations.

Taking this point of view in to consideration, the need for a new conceptualization of the communication processes and the consequences of these communication processes occured. The inadequacy of measuring outputs in public relations and the need to measure long-term relationships was first mentioned by Ferguson (1984), who conceptualized the organization-public

relationships under five dimensions, and the relationship management perspective started to gain importance. As mediated forms of communication have become more interactive, and practitioners have developed techniques to make information accessible to key public members, the goal of public relations has shifted from the coordination of communication to the development of mutually beneficial organization-public relationships (Bruning & Ralston, 2000). Moreover, as Ledingham and Bruning (1998) emphasized the term "public relations" also implies that the research and practice of the discipline should focus on an organization's relationships with its key publics.

As defined by Ledingham and Bruning (1998) the term 'relationship' defines the state, which exists between an organization and its key publics in which the actions of either entity impact the economic, social, political and/or cultural well being of the other entity. The relationship management perspective fundamentally shifts the practice of public relations away from manipulating public opinion with communication messages (so that organizational gain is of utmost importance) and toward combining symbolic communication messages and organizational behaviors to initiate, build, nurture, and maintain mutually beneficial organization–public relationships (Bruning & Ledingham, 2000)

Measuring Organization-Public Relationships
Relationship Outcomes in Relationship Management

Defining the concept of 'relationship' from the two-way communications perspective was an important step, for focusing on a macro level of public relations functions. Further conceptualization of the term relationship was necessary to build correct measurement tools, and to measure the value of public relations for the companies. Outcomes of relationship management and the research on the dimensions of organization-public relationships have been studied by many scholars (Huang, 1997; Ledingham & Bruning, 1998; Hon & J. Grunig, 1999; J. Grunig & Huang, 2000, Huang, 2001; Kim, 2001, Bruning & Galloway, 2003). Grunig & Huang (2000) put forward four relationship outcomes that can be achieved as control mutuality, trust, relational satisfaction and relational commitment. Each outcome will be defined in the following sections.

Control Mutuality

Control mutuality refers to the degree to which parties agree on who has rightful power to influence one another (Hon & Grunig, 1999). Power is a great controversial issue in public relations. As the company is considered more powerful from most of its stakeholders, power issue becomes one of the most important barriers against symmetrical communication. Power asymmetry has been seen as inevitable in interpersonal, interorganizational, and organization-

public relationships, because of that the sense of control mutuality between and among the opposing parties in a relationship is critical to interdependence and relational stability (Stafford & Canary, 1991). In a way, control mutuality outcome is about a feeling that that both the stakeholder and the company should have. According to Grunig and nnn (Hon & Grunig, 1999). Some degree of power imbalance is natural in organization-public relationships, but unilateral attempts to achieve control by one party are associated with decreases in perceptions of communicator competence and satisfaction with the relationship and increases in the level of activism. For the most stable, positive relationship, organizations and publics must have some degree of control over the other. The distribution of power in the relationship may be always under negotiation, and control does not necessarily have to be equally divided for relationship stability as long as inequalities are accepted by parties in the relationship (Jo, Hon & Brunner, 2004). From that point of view, power in relationships becomes a relative issue. However, orignially power of a company itself is a concept that can be related with many things, such as money, market conditions, shareholder powerfulness, governmental relations, non-governmental relations and many other dimensions. If a company has the power to arrange short-term contracts and call of that contract easily when the market conditions have changed, and the contractor is not involved in this decision-making process, one cannot state that this power inequality can be accepted by stakeholders. When these kinds of power inequalities exist, there will be no chance for an existance of symmetrical communication.

The instrument for *control mutuality* contained three items described by Stafford and Canary (1991) (in Grunig and Huang, 2000):

1. Generally speaking, the organization and we are both satisfied with the decision-making process.
2. In most cases, during decision making both the organization and we have equal influence.
3. Both the organization and we agreed on what we can expect from one another.

Trust

Trust is defined as one party’s level of confidence in and willingness to open oneself to the other party (Hon & Grunig, 1999). According to Canary and Cupach (1988) (in Grunig and Huang, 2000) trust suggests "a willingness to risk oneself because the relational partner is perceived as benevolent and honest" and from the perspective of relationship marketing, Morgan and Hunt (1994) conceptualized trust "as existing when one party has confidence in an exchange partner's reliability and integrity". Integrity is the belief that an organization is fair and just (Hon & Grunig, 1999). Trust is a complex phenomenon that researchers struggle to define. As one dimension and outcome of relationship management, trustworthy reputation is so great that it

becomes rational not to try to seize any short-term advantage. In a way, relationship management was about building long-term relationships, and value the importance of that long-term relationship. Trust stands as one of the powerful pillars of relationship in that context.

For the evaluations of trust, Morgan and Hunt's (1994) (in Grunig and Huang, 2000) instrument was adopted:

1. Generally speaking, I don't trust the organization.
2. Members of the organization are truthful with us.
3. The organization treats me fairly and justly, compared to other organizations.

Companies gain power with trust as everyday people gain power with trust. Because of this reason, the persistence in the information flow is necessary and valuable. The accurate and continuous flow of information which can eliminate all kinds of reluctance against an organization is really important. Considering trust in the perspective of investor relations as an important field of application in public relations, the importance and value of continuous information flow becomes more comprehensible. In our days the investors don't settle for only periodical informations. This brings out the need for real time information flow. Information flow about the company activities to investors help prevent surprises that may effect the stock quotes. Managing the communication processes between investors and the company will help building the mutual trust. Large companies in Turkey choose to manage the investor relations seperately, under another division, but they are coordinated with public relations departments. Managing investor relations is quite important in Turkey because the investors are still the most important stakeholders. Any news release a public relations practitioner sends may need the approval of investor relations, in order to protect the investor's well-being. More often than not, many other stakeholders are ignored and investors interests are prioritized.

Relational Satisfaction

Relational satisfaction is defined as the extent to which one party feels favorably toward the other because positive expectations about the relationship are reinforced (Hon & Grunig, 1999). Satisfaction is an overall assessment of relationship quality and represents the extent to which one party feels favourably towards the other (Jo, Hon & Brunner, 2004). Relational satisfaction is the dimension that old public relations metrics fail to explain. Because a concept related with the reinforcement of positive expectations cannot be measured by information dissemination outcomes. As suggested in Hendrick (1988) (in Grunig and Huang, 2000), relationship satisfaction is one of the established areas of relationship assessment; and there are numerous measures available to assess feelings, thoughts, or behaviors in intimate

relations. Satisfaction can be understood as a measure of the extent to which the benefits of the relationship exceed the expectations that both parties have (Jo, Hon & Brunner, 2004).

For satisfaction with the relationship, Huang (1997) (in Grunig and Huang, 2000), adapted items from Hendrick's (1988) Relationship Assessment Scale:

1. Generally speaking, organization members meet our needs.
2. Generally speaking, our relationship with the organization has problems.
3. In general, we are satisfied with the relationship with the organization.
4. Our relationship with the organization is good.

Relational Commitment

Morgan and Hunt (1994) (in Grunig and Huang, 2000), from the perspective of relationship marketing, defined commitment to a relationship as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth promoting and savoring to ensure that it endures indefinitely. Commitment is the extent to which one party believes and feels that the relationship is worth spending energy to maintain and promote. Two dimensions of commitment are continuance commitment, which refers to a certain line of action, and affective commitment, which is an emotional orientation (Hon & Grunig, 1999).

To measure commitment to the relationship, Huang (1997) (in Grunig and Huang, 2000), reviewed different scales and proposed the following:

- I do not wish to continue a relationship with the organization.
- I believe that it is worthwhile to try to maintain the relationship with the organization.
- I wish to keep a long-lasting relationship with the organization.
- I wish I had never entered into the relationship with the organization.

Relational commitment and satisfaction associates with employee relations. In Turkey many companies measure the employee satisfaction levels and employee commitment and satisfaction measurements are studied by scholars. In Turkey, many employees wish to retire from the first company that they started their work life. Commitment is seen as an important component of Turkish culture, therefore Turkish people don’t like to switch brads that they are commited to, or the jobs that they feel satisfied, or their work teams. They demand this commitment to be mutual. In Turkey companies tend to prioritize their stakeholders in a certain way that in the end most powerful and urgent stakeholders such as employees, customers and investors are primary stakeholders. But stakeholders such as suppliers, contractors and distributors are secondary stakeholders for many companies, as they are viewed as easily

replaceable. These types of stakeholders are only instruments to guarantee the stable growth of the company.

Managing Organization-Public Relationships

After reviewing the relationship concept, its theoretical foundations and its dimensions and outcomes, the real question comes to that; what can public relations managers assess to control the organizations relationship with its publics? In order to answer this question Ledingham (in Hon & Grunig, 2000) suggested a relationship building program based on 5 steps, which are:

1. Identifying the key publics of an organization
2. Determine the state of the relationship
3. Find out how your publics view the relationship
4. Develop strategies to manage relationships
5. Communicate your behaviors to key publics

In order to build long-term relationships with key publics, public relations practitioners have to identify those key publics. Identifying and knowing the publics of an organization is the important first step of almost every communication/public relations program. Public relations campaigns follow simple paths such as ROPE (research, objectives, planning, and evaluation) model, and the first step of this program, the research step is about learning about the organization and its publics, and the situation of the system that surrounds them. Determining the state of the relationship and finding out the publics' perspective about the relationship appears to be an extension of identification of the publics. The contribution of relationship management is on these steps. Assessment of the relationship at this moment may be measured using one of the organization-public relationships measurement scales. While determining the relationship state, honesty will be a must and a key for the success of the program that will be built. After the determination of the relationship, the communication programs will be built in order to manage relationships. For the sake of two-way symmetrical communication, it is important to continue communicating the organizations behavior to key publics while implementing the program.

Conclusion

As the profession of public relations continues to come under intense pressure to justify its existence and demonstrate accountability, the movement from measuring communication outputs to linking public relations activities to key public members' symbolic and behavioral outcomes continues to gain momentum (Bruning & Ledingham, 2000). As a result, relationship management paradigm has evolved. Despite an emphasis on the relational

perspective in public relations, how to measure the effect of public relations' value is still a challenging task for public relations practitioners (Jo, 2006).

Managing relationships in this context stands as a strong wording for public relations, at least as for Turkey. As it can be seen from its literature reviews of relationship management, by it's nature, public relations is still measuring and thus managing communications. Relations are conceptualized from the point of view of communication approaches and theories, but a corporations' relations with its various publics depends on more than its communication strategies against these publics. Many management practices stand to determine its relationship with its various publics. Hence, to put public relations forward as a management function, public relations itself should become an upper management function, so that as a function it can interfere with business decisions. For example, public relations by itself cannot change the relationship status between a supplier and a corporation by solely communicating strategically, while there are written contracts between the corporation and a supplier. Even if public relations manages to do so, it will lose its symmetrical approach and will face the threat to become unethical. Turkish companies might fail to pass the test for managing relationships with different types of stakeholders as they mostly choose to prioritize their stakeholders in a certain way that the most financially effective ones gets to be primary stakeholders. In an environment which lacks transparency against all the stakeholders, it will be hard to manage the relationships with a two-way symmetrical approach. Plus, the practitioners in Turkish companies mostly hold the technician roles, rather than the managerial roles. Because of this reason, the measurements of public relations effectiveness still relies on newspaper clippings and campaign impressions and it seems harder to move on to the next stage and start measuring relationships.

Relationship management and OPR measurements will be effective in bringing the companies to build two way symmetrical communications with their publics. Even building the symmetrical structure can still be considered the most important business practice for many companies, given today's situations. From this perspective managing these relationships remain an important step for strategic public relations management practices as it adds the value to the importance of long-term relationships between a company and its stakeholders. Measuring short term impact might be one of the difficulties that public relations profession faces, because this approach fails to provide the upper management with solid problem solvers in communication processes. Perspectives like "relationship management" are necessary for public relations discipline, without these foundations, public relations won't be able to build up itself towards being a managerial system.

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