Managing Mutually Beneficial Relationships

Vignette: Making a Difference: World Wildlife Fund

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With over 1.3 million members in the United States alone, the World Wildlife Fund (WWF) is one of the largest and most powerful nonprofit environmentalist groups in the world. Fulfilling its ambitious goal of “saving life on earth,” the WWF protects and saves endangered species and has battled global threats to the environment that other groups won’t touch. The WWF has rescued nature reserves in Nepal, fought deforestation in the Amazon, defended the rain forests of Cameroon, and ensured that America’s sustainable fishing industries remain ecologically sound. But the WWF does not endorse political candidates, nor does it engage in reactionary politics that simply seek to punish those who fail to live up to its environmental standards. Instead, the WWF’s remarkable success lies in an approach to activism that cultivates two-way relationships and maintains clear objectives that leave no question as to what WWF members must accomplish. This relationship-building approach rejects the antagonistic tactics of protest and confrontation favored by activists of earlier generations in favor of engaging corporations, communities, governments, and other groups in partnerships that recognize that meaningful change is best effected through proactive cooperation and not reactive contention. The end result of the WWF’s forward-looking agenda is over 2,000 successful projects since the organization’s inception in 1961.

Although the WWF cooperates with four key groups—corporations, governments, communities, and other environmental groups—it is the often environmentally unfriendly corporations that become the primary targets of the organization’s actions. The WWF’s efforts to revamp the sustainable fishing industry perfectly demonstrate just how successful mutually beneficial relationships can be. With the United Nations reporting that 60% of the world’s fisheries are dangerously overfished or fished to the point of exhaustion, the WWF has cooperated with Unilever, the world’s largest producer of frozen fish, to form the Marine Stewardship Council (MSC), a group that consults with fisheries and environmentalists to recommend standards for sustaining both corporate profits and ecological balance. This strategy has proved a boon for the Alaskan salmon. Major seafood buyers are given incentives to buy salmon...
stamped with the MSC’s approval, local governments are pleased that indigenous fishing industries rich in culture and history are being protected, and environmentalists are assured that salmon fishing is responsibly regulated.

In another example, the WWF has succeeded in preserving the rain forests of Cameroon, which are continually plagued by the threat of local logging industries. Recognizing that the destitute Cameroonian government, one of the poorest in the world, is ill-equipped to deal with logging and poachers, the WWF has joined forces with the Forest Stewardship Council, another environmental group, and corporations in Cameroon, the United Kingdom, and Belgium to promote sustainable forestry guidelines. Under the WWF’s guidance, British and Belgian home-building corporations have pledged to buy Cameroonian timber rather than the cheaper woods of rogue Far East companies who fail to meet the Forest Stewardship Council’s sustainability guidelines. Moreover, consumer groups in the United Kingdom and Belgium, whose environmental awareness has been raised by the WWF’s efforts, have promised to use only certified lumber.

Again, the WWF’s trustworthy reputation as a relationship builder becomes the catalyst for environmental practices that do not shortchange the fiscal needs of industry. The WWF received Wall Street Journal’s SmartMoney magazine’s “Top Environmental Charity” award for 1998, proof positive that unlike many reactive environmentalist groups, its success lies in its appreciation of the need to foster—and not hinder—business relationships. Since then, the WWF has consistently been rated by the Council of Better Business Bureaus and SmartMoney as a top charity because of its environmental effectiveness and wise stewardship of its contributors’ dollars. That is a sound foundation for mutually beneficial relationships. Nature is the benefactor of this organization’s sound public relations.

Organizations look to public relations to fulfill a variety of goals and objectives. Traditionally, these have ranged from handling publicity and promotion campaigns to highly sensitive counseling of upper management on delicate issues. Increasingly, managements have learned to look to public relations to help their organizations build mutually beneficial relationships (MBRs) with key stakeholders, which come in many variations. Part of that challenge is to refine the organization’s ethical standards and corporate responsibility.
Relationship theory in recent years has made gains in refining the practice, but that approach to public relations is not new. As any thoughtful person will understand, the antecedents of public relations were always sensitive to relationship building—even though many relationships have ended up being lopsided or asymmetrical. For many years, practitioners and theorists have considered the role of relationship building in the practice of public relations. One of the earliest and most powerful statements on this topic was written by John W. Hill (1958), principal founder of Hill & Knowlton. He said,

> When we look at the work of corporate enterprise, we may properly say that every corporation has public relations. It has them whether management is interested in the ways of public opinion or not. It has them because the corporation deals with employees, stockholders, customers, neighbors, government functionaries, and many others—with all of whom it has many relationships.

> The corporation thus is constantly involved in public relations, even if management gives them no special thought or concern or guidance. . . . But when a management decides to guard, improve, or develop this asset, “public relations” becomes the label for a function. Here the term that took a plural verb becomes singular, so that now we say: “Public relations is a function of top management in every well-managed corporation.” (p. 4)

Many other writers on public relations have taken a view that relates to relationship building. Heath (1994) reasoned that executives are called on to meet the challenge of successfully managing their organizations by meeting or exceeding the expectations of their stakeholders. Managements can’t long be successful if they violate the conditions of a relationship. When they meet those conditions, the quality of the relationship can help them during a crisis (Betz, 1996). Along similar lines, Broom, Casey, and Ritchey (1997) featured the need for organizations to understand the conditions needed for solid relationships. Ledingham and Bruning (1998, 2000; Ledingham, 2005) have featured these strategic options in their relationship management theory of public relations.

Relationship management is a fundamental rubric of public relations. It calls on an understanding of the systems that can affect the future of an organization, as well as the meaning and quality of relationships. Thus, public relations theory draws on systems, rhetorical heritage, and social exchange theory to explain and improve the practice. These theoretical options also justify the role of public relations as helping to make society function better so that harmony displaces division and symmetry is championed over asymmetry.

As explored in Chapter 2, rulers and religious figures over the past centuries have been interested in image, reputation, issue positions, and relationships. These often are not separable. In fact, they are the stuff of public relations. As in interpersonal relationships between two people, relationships in the public arena are strongest when they are mutually beneficial and characterized by a “win-win” situation in which all parties achieve the results they desire. By this definition, the strength of a relationship is tested by the desire of each party to sustain it in its current form.
This chapter explores three lines of analysis relevant to relationship building and management. One is the rationale for MBRs. The second investigates the role of message development objectives as vital to relationship development. The chapter ends with more attention to the conditions and venues whereby relationships are needed for an organization to be successful.

**Mutually Beneficial Relationships**

Building MBRs calls for high ethical standards, strategic thinking, responsible planning, and effective communication. Quality relationships exist when people and organizations have compatible interests and share compatible views of the world. To assess the quality of a relationship, the public relations professional asks questions such as, “Is the donation to a school an investment in the community’s future or merely a publicity stunt to attract favorable yet undeserved attention to an otherwise unethical company?”

Many people in society think of public relations as merely “spin-doctoring” and image management—deployed to hide the truth and to cover unethical or dangerous actions committed by an organization. This perception is made stronger by mass media, which usually support it. An MBR approach to public relations counteracts this view, because win-win situations benefit both an organization and the people of society as a whole.

As the efforts of the WWF illustrate, serious relationship building requires time, effort, and the outlay of social, political, and economic resources. These same concerns inform any person’s interpersonal relations with friends and family, and the sensitivities people use in gauging their personal relationships can serve as a model for global business relations. Just as you must be sensitive and empathetic enough to repair a personal relationship when you have been selfish or uncaring, so must organizations take into account the excitable, fragile, and even fickle feelings of stakeholders in order to build, maintain, and repair professional relationships.

**Stakeholders** are persons or groups that have something of value in relation to an organization. Furthermore, the wise public relations practitioner must not merely respond to stakeholders’ needs but also, like a knowing friend, be able to shrewdly and empathetically anticipate those needs before they go unfulfilled. If people or organizations have stakes others want or need, then the persons who want or need those stakes are stakeholders. The exchange of stakes can include selling and buying goods. It can negotiate the interests of a community to have a freeway system that does not harm property values.

A long-term relationship flourishes when it provides mutual benefit; if it is not mutually beneficial, then there is no rational incentive for the “losing” party to continue the relationship. For this reason, consumers do business with competitors, and activists fight to build a better quality of life.

The diplomatic premises of exchange, empathy, and maintenance that characterize personal relationships also hold true for relationships between organizations and stakeholders. Remember that organizations are stakeholders who want the stakes held by
others. The role of public relations, then, is to analyze these relationships, to identify what offends, appeases, and pleases stakeholders, and to know how to strengthen, weaken, and exploit the emotional and practical qualities of these relations to achieve the desired effects. But the mutual benefits of public relations do not merely respond to needs and wants—they can shape them too. For example, in the late 1980s and early 1990s, the Regional Bell Operating Companies (RBOCs) used public relations to change blasé public attitudes toward a telecommunications industry that had come under fire for monopolistic business practices. The RBOCs brought to public attention the stranglehold long-distance carriers held over the public and lobbied to be released from their government regulations in order to compete openly with long-distance giants such as Sprint and MCI. In 1996, Congress responded by passing the revolutionary Telecommunications Act, which, by ending the restrictions that forced the RBOCs to remain noncompetitive, has created a competitive environment that offers RBOCs more freedom and consumers more choice. In this way, public relations can mold public opinion by publicizing unfair practices and enlightening the public about the reciprocal benefits their organization can, under the right circumstances, potentially provide.

**Defining Mutually Beneficial Relationships**

*Mutually beneficial relationships* (MBRs) are defined as relationships that substantially and symbiotically benefit all parties subject to the policy of a group or organization. As mentioned earlier, these relationships are strongest when they are mutually beneficial and characterized by a win-win situation in which all parties achieve the results they desire. From an organizational standpoint, the public relations practitioner should cooperate with stakeholders, meet and shape their expectations, and align their interests with those of the corporation the public relations practitioner represents. While the organization will attempt to live up to stakeholders’ expectations and reflect their interests, it is also the organization’s duty to adjust and correct what it perceives to be any unrealistic or misinformed notions that stakeholders might hold. We can’t be doctrinaire—two-way good, one-way bad. Information can be persuasive, too. MBRs, then, are a way to be most effective and persuasive as well as being the most ethical. To facilitate this goal, organizations must practice *two-way symmetrical communication*, in which interaction causes changes on both sides of the organization-stakeholder relationship, as a way to promote mutual understanding between an organization and important stakeholders. Such interaction is best when it is dialogue rather than monologue.

The public relations crisis that befell the garment industry well illustrates how such adjustments come into play. Activist groups have long criticized the brutal, slavish working conditions of the sweatshops in developing nations that supply garment makers such as the Gap, Eddie Bauer, and Nike. In the 1990s, when activists threatened to boycott these corporations until they ceased operations in countries lacking progressive labor laws, public relations divisions proposed and advanced a common solution in response. Explaining why they could not afford to leave these countries, many garment makers instead voluntarily adopted codes of conduct for their suppliers. In turn, the garment makers asked activist groups to accept the codes as a viable compromise.
WEB WATCHER: APPAREL INDUSTRY

The apparel industry has worked to develop and enforce its own codes of conduct. This is important given the continuing interest in child labor, corporal punishment, and other labor issues. Visit the “Apparel Industry and Codes of Conduct” Web site, at http://www.dol.gov/ilab/media/reports/iclp/apparel/main.htm, to see the efforts to address labor issues. Pay particular attention to how child labor is defined and limited.

Importantly, this compromise between the two factions did not mean that the sweatshop controversies were magically dispelled with a convenient dash of public relations. Concerns over sweatshop exploitation are as intense as they ever were, and even a balanced compromise will not always fully satisfy either side. But instead of Nike and other manufacturers responding to activists with a defensive, knee-jerk position of counterproductive denial and avoidance, the intervention of public relations has resulted in a concrete, progressive achievement: the codes of conduct. Controversies, clashes, and injustices will always exist as long as there are conflicting interests—how progressively and how peacefully those conflicts are resolved is ultimately the real measure of public relations success. This is the test of fostering a mutually beneficial exchange of stakes between stakeholders and stakeseekers. These cases also illustrate how the buying dollars of customers are stakes they hold and how businesses compete, seeking those dollars. In exchange, customers want to give stakes to companies that, in turn, give the stakes of being responsible employers.

MBRs help build positive operating environments for organizations. Let’s consider the hypothetical example of two gravel-mining companies vying to open two pits in the same town at the same time but embarking on different strategies to secure their much-needed mining permits. Cross Industries rendezvoused with local politicians and negotiated for their permits secretly, while Ethical Mining, Inc., met openly with local officials and community groups, even throwing a barbecue bash as part of their demonstration on the effects and benefits of their proposed pit. By the year’s end, it came time to review each rival company’s proposal, and public hearings allowed community members to publicly support or oppose each candidate. Community members were outraged to learn of the clandestine meetings between Cross Industries and local bigwigs, and the local sheriff’s department needed to shield Cross’s executives from both hurled epithets and hurled bottles. Its invalid operating permits were revoked, and all hopes of opening their pit were dashed. Surprisingly, when it came time to vote for Ethical Mining, they too lost, effectively defeated by the prevailingly negative sentiments toward the gravel industry created by Cross’s unethical, backdoor practices. Though disappointed, Ethical Mining returned the following year with more plans, more meetings, and more barbecues. This time, they sent out surveys and held focus groups to find out the specific concerns of the townspeople and alter their plans to assuage those fears.

Through persistence, enough votes were generated honestly for the gravel pit to open the following year. Because Ethical Mining took time to cultivate a relationship
with stakeholders rather than hastily lunging for the falsely perceived roots of power, they created an MBR that saw their bottom line and community interests as symbiotic partners instead of stealthy opponents.

Mutually Beneficial Relationships and Return on Investment

The incentive to foster MBRs operates on an intrinsically rational model of rewards and punishments that sees self-interest and an interest in stakeholders’ well-being as mutually inclusive. Stakeholders grant their stakes—goods, services, and other elements of value—to organizations that please them, and they punish organizations that misbehave by granting their stakes to the offending organization’s competitors. Therefore, the premise of mutual benefits and inclusion is also a basic law of the marketplace.

As a public relations practitioner, you should thus learn to think in terms of return on investment (ROI). ROI is the “return” or results for a given use of money or resources in an enterprise, usually calculated as profit or cost savings. To effectively counsel managements, practitioners need to have high ethical standards, know ROI thinking, and understand the law of MBRs. All organizations seek positive ROI, in other words, to generate more revenue than they spend. This is usually achieved through wise planning and resource management. One of the greatest wasters of resources is failed public relations, as, for example, disgruntled activist groups may muster a costly boycott, leak embarrassing media reports, and file enough lawsuits to stymie daily corporate operations. All of these tactics are designed to financially cripple the organization, not only making it less competitive but also weakening its public image to the point where it must cave in on demands.

As someone embarking on a professional career, you will need to think seriously about ROI. Even nonprofits such as the WWF must be cost-effective, and so too must your efforts generate more than they cost; at the very least, you must be prepared to outline how the money spent on your public relations projects can recoup itself. Another way of thinking about MBRs is to imagine diminishing the gap between what an organization actually does and what stakeholders expect it to do: The smaller the gap, the more authentic the MBR. When firms’ operations fail to meet stakeholder expectations, legitimacy gaps widen, fostering the desire by stakeholders to correct—or punish—those operations through selling stock, activism, or boycotts. But ROI thinking also encapsulates our MBR philosophy: Executives obviously want the greatest return for the least cost, and if public relations functions properly, it can help their organizations anticipate dire community needs before those unfulfilled needs can balloon into anger and discontent. By offering speedy, economic, and culturally sensitive solutions to potentially costly legitimacy gaps, public relations justifies its budget, earns its keep, and inarguably provides ROI.

The efforts of McDonald’s to become environmentally friendly and responsible to customers’ interest in health provide another excellent illustration of aligning corporate and public interests. In the early 1990s, McDonald’s was still serving its sandwiches in environmentally unfriendly polystyrene clamshell packages, even though environmentalism was quickly becoming a concern of mainstream, middle-class America. Because public opinion demanded change, McDonald’s decided to
appease the public by mounting a campaign that encouraged recycling polystyrene. Early tests showed, however, that consumers thought the campaign was insufficient and merely addressed the effects of the problem rather than striking at the root cause. Responding to public needs, McDonald’s joined forces with the Environmental Defense Fund in 1993, setting in motion a series of initiatives designed to put McDonald’s at the environmental forefront of all fast-food chains. The first step was rejecting polystyrene altogether in favor of biodegradable paper containers. In addition, McDonald’s now builds new restaurants entirely from recycled materials and refuses to purchase beef from deforested rain forest land. In November of 2000, McDonald’s even received an award from the Environmental Protection Agency (EPA) for its outstanding achievements. The corporation’s alignment of its values and practices with the proenvironmental values of its consumers and stakeholders operates on two levels: First, it voices a concern for the environment, as expressed through public relations; and second, it moves that concern into the realm of concrete action through philanthropy and corporate responsibility.

In similar fashion, merely proclaiming its food to be healthy and blaming consumers for eating too much would sound self-serving and defensive. It would strain the relationship with its customers, who have been encouraged to trust McDonald’s to provide healthy food in appropriate portions. The menu has to change, as does the entire marketing plan. This is the public relations solution to its customer relations, as well as its relationships with other fast-food businesses, legislators, regulators, litigators, and activists.

Establishing Mutually Beneficial Relationships

So far, this chapter has explained why it is strategically important to implement MBRs, but how exactly does one go about it? In reality, there are no particular public relations tools whose use lets you know when an MBR exists. In a sense, using public relations is like using a language: Anybody can use the linguistic tools that are words, sentences, and punctuation, but not everybody can use them correctly or effectively. Just as people who do not understand the rules of grammar can use the same common vocabulary words that are used by people who speak correctly, so are press releases, statistics, and other public relations tools equally available to all practitioners, regardless of how well or how ethically they practice. Some practitioners may ignore information about stakeholders, and others may try to force changes in stakeholders’ views, but those seeking a healthy, reciprocal relationship will use the principle of adjustment outlined above.

MBRs are reflected not in the use of certain tools, but in the ways they are used: how well the practical “vocabulary” of public relations tools is placed within the ethical “grammar” of MBRs. The commitment to building MBRs must become a philosophical, ethical, and strategic approach that allows the public relations practitioner and the organization to view stakeholders as partners, not enemies. Building and maintaining relationships will also be a rhetorical challenge, whereby the responsibility you
take for the words you use determines how healthy your relationships will be. Relationship building often poses rhetorical problems. They are situational demands for statements that inform, persuade, negotiate, resolve conflict, and collaborate in decision making.

It is not enough to know that positive relations and two-way communication are important—one must know how to actually create and facilitate them. We can identify five critical factors necessary for creating an MBR:

- Aligning with stakeholders by maintaining a consistent voice
- Making sure messages are true and trustworthy
- Providing open, two-way communication
- Being proactive
- Identifying and creating opportunity

Keeping a Consistent Voice

A relationship-building approach to public relations realizes that all of what the organization does and says communicates information about an organization. People experience and make sense of an organization, its management, its reputation, and its products and services by what it does just as much as by what it says. Markets, audiences, and publics (MAPs) interpret the reputation of the organization by what it says and does—and by how well what it says corresponds to what it does. The public identity created by the combination of what an organization does and says is called its voice, and the public relations professional must make it a priority to ensure that the organization’s voice is always clear, coherent, and consistent.

Producing a consistent voice means that an organization’s statements and actions should reinforce one another. The organization cannot pick and choose which of its public statements it will honor and which it will ignore or betray; ideally, it should always honor all of these statements. Likewise, the organization’s advertising, marketing, and public relations departments should be adapting the same overarching information, evaluations, and conclusions to meet the needs and concerns of their individual audiences. All public communications should be integrated such that the organization speaks with a single, coherent voice and the information shared with one stakeholder reflects the same theme and content that is used in dialogues with other stakeholders, even if the interests of those other stakeholders differ. Consider the advertising campaigns of Ben & Jerry’s Ice Cream, a company that has made its charitable actions into a major selling point and a key part of its voice. Ideally, Ben & Jerry’s internal communications and employee training should be thematically consistent with both their image advertising (targeted to potential investors) and their product advertising (targeted to potential consumers). The product advertisements might include placing claims of Ben & Jerry’s commitment to environmentalism on individual ice cream cartons to encourage consumers to buy the product, while the image advertisement would explain to investors how this sales technique boosts revenue by addressing the “green” sympathies of consumers. Simply, the same message can be fashioned around the needs of different audiences without altering the message’s central theme.
Closely aligned with the role of voice is the idea that public relations is a form of symbolic action, whereby publics respond to an organization based not so much on what the organization is, but on what they think it represents. A perspective of symbolic action recognizes that basically everything, from language to physical actions, is understood in terms of symbolic meaning. Thus, when people or organizations interpret an action, they attribute motives to it in order to draw their conclusions. The importance of this symbolism becomes more obvious when we take into account relativism, or the idea that an event has no single, universal meaning and can be interpreted differently by people depending on their varying locations, nationalities, customs, traditions, languages, and personal prejudices.

Symbolic action is not a “code word” for abstract meanings without concrete action, but an admission that we must take responsibility for what our actions—good or bad, noble or selfish—could potentially symbolize to others. Unfortunately, the news media regularly and simplistically use the phrase “public relations” to mean empty words without responsible action, implying that public relations is just spin. We, however, would in fact argue the opposite: Words not supported by actions cannot be called authentic public relations in the first place.

While many people continue to demonize public relations, it may actually offer more opportunities for two-way communication than traditional one-way communication of the news media because it takes an intermediary position between organizations and stakeholders. Because the marketplace is inherently a two-way arena where stakeholder and stakeseeker meet, the idea of symbolic action indicates that inconsistent voice—a breakdown between what an organization says and what it does—can have disastrous effects for that organization. Stakeholders will, for example, expect Ben & Jerry’s to fulfill their promise of environmental charity; if it were ever found out that Ben & Jerry’s was falsifying its claims, the company could very well be finished. Remember that it is your obligation as a public relations professional to protect your organization and to not reinforce the negative stereotype of the profession as mere spin.

You can better appreciate the importance of a consistent voice when you consider the disastrously inconsistent voice adopted by Mitsubishi Motors. In the mid-1990s, the Equal Employment Opportunity Commission (EEOC) charged Mitsubishi with sexual harassment, reportedly widespread throughout its manufacturing plant in Normal, Illinois. Mitsubishi’s initial reaction was to totally deny the charges, attack the EEOC for even making such claims, and orchestrate a worker protest at the EEOC’s Chicago offices. However, Mitsubishi’s abrasive, uncooperative response led many to criticize the company, and Mitsubishi’s encouraging its own workers to stand up for the company was seen not only as a cheap tactic, but possibly coercive. Eventually, the company changed its tactics—switched its voice—and hired former Labor Secretary Lynn Martin as a consultant as part of their efforts to build a harassment-free workplace. But Mitsubishi had underestimated the degree to which the public would negatively interpret the symbolism of their initial denial, and stakeholders remained unconvinced of the company’s sincerity, even though Martin gave Mitsubishi a positive report. The public found Mitsubishi’s quick turnaround from firm denial to admission and reconciliation difficult to believe. As a result, its corporate credibility suffered as many female buyers rejected Mitsubishi as a choice.
Making Sure Messages Reflect the Truth

As the spokesperson for an organization, the public relations practitioner must often develop or deliver messages prepared by others in the organization. Sources can be varied and include senior management, such as the chief executive officer (CEO) and chief operating officer (COO). Regardless of the source, spokespersons often find themselves in the unenviable position of relying on unfamiliar information prepared by strangers. Nevertheless, professionals have the ethical and practical responsibility of knowing the truth and telling it—one cannot repeat lies or half-truths and then later blame an erroneous source once the truth is exposed. Because lies are almost always discovered at some point, practitioners must make every reasonable attempt to verify the information they must deliver to stakeholders. Untruths not only damage the client’s and practitioner’s reputations but also hurt the reputation of the entire profession and reinforce the worst stereotypes about spin and public manipulation. Assume that the public will be as critical as you are of the information you receive, and approach your sources and their information critically so that your presentations will withstand the scrutiny of MAPs.

Imagine the feelings of a vice president of public relations who suffered the following incident. She worked for a publicly traded, multinational company. She was called by a business writer, who inquired about rumors that her CEO was in conversation with the CEO of another company about a merger. She asked her CEO about this matter. He said, “I have not had any conversations with the CEO of that company about a merger.” She reported that information to the reporter and was shocked to see a news story the next day include statements from e-mails between the two CEOs. Had they been in “conversation”? Was she made to look like a fool? Was she betrayed? Was her relationship with her CEO and this reporter damaged?

Three basic pieces of advice should guide public relations practitioners when searching for accurate facts:

- Rely on primary resources, such as interviews with key players and consultants’ reports when trying to select accurate information. Barring forgery or falsification, it is nearly impossible to dispute the accuracy of primary resources. Then, consider the secondary resources—others’ commentaries on the primary resources—and don’t hesitate to diplomatically correct their errors or misconceptions.

- Refer to archives, commissioned research, focus groups, interviews, surveys, and other primary resources to make your opinions as credible and well informed as possible. In terms of public relations, credibility should encompass equality, fairness, trustworthiness, corporate responsibility, and, with respect to products and operations, safety.

- Carefully craft your message to best capture and convey the facts and your intended symbolic meaning. These message choices, based on your primary and secondary resources along with fact-based research, should position you on the behalf of your clients while satisfying the needs of the community.

No matter how much research and fact-checking you do, you will always face an element of uncertainty when you present your message. Even the best research will
unlikely be exhaustive, and because ideas are relative and even statistics are open to symbolic interpretation, contentious audiences and publics may debate the validity of facts you take for granted. But if you anticipate possible counterarguments and prepare for the symbolism your message choices might potentially have, the natural conflict of ideas between an organization and stakeholders can be healthy and productive and prompt mutual growth and enlightenment.

In most cases, information and opinion survive because of the prevailing—and relativistic—preferences of a community. Simply, what is considered “true” is largely a function of what stakeholders believe to be true. Again, problems arise when the relative positions of organizations and stakeholders produce conflicting claims on “the truth.” Consider the 1997 example of Philip Morris attempting to revitalize its sagging line of Virginia Slims, a cigarette targeted at women. Trying to make smoking an appealing practice for young women in a strongly antismoking public environment, Philip Morris toured the United States to recruit up-and-coming female musicians, signing them to lucrative record contracts on its “Woman Thing Music” label. The CDs, however, could be purchased only in special promotional packages of Virginia Slims cigarettes. Anti-smoking critics accused Philip Morris of exploiting female musicians and implicating them in a crass marketing scheme. Defenders of the company argued that Philip Morris, whose Virginia Slims tennis tour was in 1970 the first professional women’s tennis tournament in the world, was benefiting underappreciated, underpaid female artists and that the company had always had women’s interests at heart. While it is possible that each side’s claims are valid, controversy surrounding the campaign was sufficiently negative to work against its promotional value.

This case stresses the reality that companies have multiple stakeholders, whose values and interests can be in conflict. Problems and differences cannot always be resolved through communication. For that reason, changes in policy are important statements about a company’s commitment to building and maintaining MBRs.

**Ensuring Two-Way Symmetrical Communication**

At the core of most current public relations practices is the idea of two-way communication, which ensures that organizations and stakeholders are engaged in dialogue rather than monologue. Today’s public relations assumes that messages are part of a discourse of statement and counterstatement, of give-and-take. This type of communication helps organizations listen to stakeholders, understand and appreciate what is being said, adjust to a changing business environment, and make necessary adjustments.

But even sustained two-way communication cannot always prevent misunderstandings and misperceptions. For example, even under the guidance of open communication, stakeholders often harbor unrealistic views of the profits made by manufacturers, presuming CEOs always rake in astronomical profits when the economy runs smoothly. In truth, this is hardly the case—just ask any “dot-com” executive who has filed for bankruptcy—and organizations need public relations to remedy faulty beliefs that create public discontent from fallacious reasoning. Stakeholders must be told—and convinced—that the organization might not be able to aid a community because the astronomical profits the community imagines do not exist. On the other
hand, when it is obvious an organization can afford to make a difference, the public will expect it to do so. Environmental stakeholders demanded a radical environmental consciousness of McDonald’s. Its budgeting and marketing had to become tailored to these environmental expectations, otherwise the company would suffer negative publicity and controversy. It would suffer image damage if it were to be known to make multi-billion-dollar profits by exploiting the environment. Likewise, today, it must work to be in harmony with the growing concern over the public health implications for consumers of its products.

Being Proactive

Unfortunately, the term proactive has become a cliché in both the business world and the media, often because people misuse the word. But the proactivity of two-way communication, as opposed to the reactivity of one-way communication, is a crucial element of modern public relations. Adopting a proactive approach means being able to anticipate important events and stakeholder concerns and addressing them in the early stages, before they can turn into public relations problems. This goal is achieved by constantly analyzing and responding to environmental factors—those internal and external to the organization that can affect its success. In a reactive approach, on the other hand, organizations wait for events and stakeholder reactions to unfold before taking action. Dealing with environmental protesters only when they are picketing outside of corporate headquarters or with the aftereffects of an oil spill or chemical leak are examples of the reactive approach at work.

Yet being proactive does not simply mean beating the critics to the punch or “winning” a debatable issue, because such actions are still one-sided and self-interested. They do nothing to build the trust required for successful long-term relationships. Eventually, angry, tenacious stakeholders will also act in their own self-interests, pressing the issue and discovering that you’ve merely covered up a questionable or offensive word or deed instead of addressing it straightforwardly. The goal of proactivity should never be to quickly remove or hide offensive policies or statements, but to actively engage in dialogic relationships that place the organization’s voice and stakeholder voices on the same level, and realize that reactivity is a short-term answer and that MBRs are a long-term solution.

The value of proactivity can be seen by looking at the controversy surrounding air bags. It has been convincingly demonstrated that front-passenger air bags reduce traffic deaths for most passengers, and new cars come standard with front air bags. However, warnings accompany these air bags. Small adults and even older children can be harmed and even killed by the bags as they operate. Small children are safer in the backseat, especially in properly designed and tailored car seats. Side-impact air bags have proven more controversial, however, and car manufacturers have been more reluctant to add them, despite pressure from U.S. safety officials.

In this example, a proactive automobile manufacturer could view the situation as an opportunity. By working with the government, the manufacturer could potentially save money by basing its research and development with evolving government regulations and might even be able to positively influence the legislative process, all the
while creating goodwill with both government agencies and consumers. A reactive manufacturer would shortsightedly only wait for regulations to be passed and then try to catch up with more innovative competitors, thus getting to the market later, losing the chance to influence policymaking decisions, and running the risk of needless cash outlays if the new regulations made old research obsolete. For these reasons, responsible companies realize that proactivity requires being engaged with issues from the start rather than denying the potential worth of critics’ comments and waiting to see how a public policy battle unfolds.

Too often, risk communication and crisis management are reactive and short-term in nature. The crisis management plan (CMP) is basically a kind of damage control, spelling out what plans should be implemented when crises strike. Proactive crisis management, on the other hand, consists of long-term sustained effort and oversight: It searches for weaknesses that could later become crises and looks to eliminate or at least reduce any foreseen risks. For instance, if safety standards had been reviewed, revised, and reinforced, the nuclear disaster at the Chernobyl nuclear plant might have been averted by understanding a design flaw that led to the partial nuclear meltdown that forced thousands from their homes. Proactivity is also in the financial best interests of private corporations, for it seeks to solve problems before they become costly. In the 1970s, insurance companies pressured auto manufacturers to design safer cars not only to save more lives but also because the bottom lines of insurance companies would benefit if cars could withstand more damage. In this case, the economic concerns of the insurance industry worked hand in hand with consumer safety. These topics will be expanded in later chapters. Here, the key point is that from the outset, today’s public relations calls for engagement to build MBRs.

It is certain that reactivity will always be a reality in public relations practice; after all, it is impossible to anticipate all eventualities and events. A reactive stance is required when an organization is caught off-guard by an issue or when stakeholders realize a problem the organization was unaware of. At these times, organizations must exhibit...
a delicate balance of responsibility and sensitivity in such situations, and message choice becomes particularly crucial. Yet as a best practice, the sage practitioner is proactive and stands in front of a rhetorical problem or emerging issue, rather than defensively hiding behind it.

**Finding and Creating Opportunities**

In the process of being proactive, practitioners seek to build relationships and to create new ways to strengthen relationships with stakeholders, as well as to identify potential trouble spots. As part of this process, practitioners seek to find and create new opportunities. An *opportunity* is any circumstance by which an organization can serve the community to the mutual advantage of both. The difference between finding and creating is in the timing: A *found opportunity* has already been stated publicly, whereas a *created opportunity* is created from a latent need or desire that you have perceived but that has yet to be publicized. For example, if a local neighborhood association petitions a city for a new park, that would constitute a found opportunity for the construction company hired to do the job. But if the construction company were to actively search for a community in need of its services and could convince that local neighborhood association that a safe place for children to play would be in its best interests, that would be a created opportunity. But whether found or created, the organization must take the general initiative to strengthen its ties with local stakeholder groups.

What if a substantial market existed that your organization had not yet tapped? In his article “Strategically Reaching the Gay Market,” Public Relations Society of America (PRSA) strategist Eric Ewell (1996) outlined the kind of strategic initiatives involved in creating new opportunities for previously invisible markets. Ewell’s statistical analysis revealed that the U.S. gay and lesbian market is largely well educated and affluent, and, with multiple income households averaging $51,624 for gay men and $45,927 for lesbians, it could be as large as $514 billion annually. Strategic public relations campaigns can identify messages and channels that have historically appealed to the community, such as arts, entertainment, and fashion. The gay and lesbian market, which may have a greater interest in social activism than other communities, can also become linked with fund-raising and governmental services. For example, gays and lesbians might be more inclined to buy a certain product if a percentage of the proceeds went to fund AIDS research or antidiscrimination public service ads. Therefore, it is the job of the public relations professional not to merely perfect relationships with preexisting markets but also to be aggressive and perceptive enough to find entirely new markets.

To be effective, a search for opportunities must be systematic. The kind of situational analysis that opportunity-searching calls for can be summarized by these questions:

- What improvements can be made in how the organization operates?
- Can the market arena be improved?
- Can a product or fund-raising activity be presented more favorably?
- Can the public policy arena be improved?
- Would a change in public policy help the community?
• What can be done to create and strengthen community relationships?
• Who can the organization serve that it is not serving?
• Who has not heard of the organization that can benefit from a relationship with it?

These questions suggest that relationship building requires strategic thinking, making sound ethical choices, and focusing on the balance of needs and interests between the organization and each of its stakeholders. This public relations effort is most likely to achieve the organization’s goals and objectives when it is proactive. It needs cocreated meaning.

**Message Development Objectives**

Although public relations is not limited to communication, communication is the lifeblood of MBRs. Through communication, organizations and stakeholders are able to align their interests and to benefit from the relationship. But actions are a vital part of the strategic options organizations can use to build relationships. The astute observer will realize that actions communicate a great deal about the quality of relationships and help define the organization’s reputation.

It is too broad to simply say communication creates MBRs. The term *communication* is very ambiguous, and such a statement provides little guidance for a public relations practitioner. Five specific message development objectives (MDOs) are central to public relations practice: gain attention, inform, persuade, engage in collaborative decision making, and cocreate meaning. The MDOs are the specific communication objectives practitioners can use in their efforts to construct MBRs. The MDOs convert the five factors for establishing MBRs outlined in the previous section into the specific objectives necessary to build MBRs. This section defines the five MDOs and explains how they can be applied using a variety of stakeholder examples.

**Types of Message Development Objectives**

Developing an MBR is not simple or easy. It requires careful thought, effective planning, and ethical decisions. Any complex process is more easily understood by dividing it into easier-to-understand parts. In a way, the MDOs are parts of the MBR development process. They help practitioners to understand the challenge, including the rhetorical problems, that must be addressed in serving clients, employers, and the people whose goodwill is needed for the organization to succeed.

**Attention**

No relationship can exist if the two parties do not know each other exist and what is on each other’s mind. Organizations must attend to stakeholders and vice versa if there is to be any relationship. Potential customers, for instance, do not appear until they know a product or service exists. Similarly, candidates rely on name recognition to win elections. Organizations and stakeholders must pay attention to one another if an MBR has any chance to form.
BOX 3.1 GAINING ATTENTION AND REPORTING

Public relations efforts related to public policy can attract attention to problems that need solution and to their potential solutions. Although the details used in the formation of public policy may be difficult for laypeople to understand and interpret, public relations practitioners are challenged to keep messages simple so that interested parties have a chance to understand the issues and know why some policies are favored and others are opposed. Gaining attention for information relevant to a company’s (stock’s) values is not merely a strategy of investor relations; it is a requirement of the Securities and Exchange Commission (SEC). The SEC requires companies to report all information in a timely manner (as soon as possible) that can have an effect on the value of stock. That means that if buyers or sellers would use the information in making a buy, sell, or hold decision, it must be reported so that all interested parties have an opportunity to obtain it at the same time. Investor relations often makes reports to attract attention to a company’s share value, especially when it is positive.

Information

For a relationship to progress, each side needs to learn more about the other: They need information. Relationships develop as a function of the two parties sharing information. Investors, for example, thrive on information about an organization. They want as much financial data as possible when investing money. Conversely, the more information an organization knows about potential investors, the more effectively it can target messages to them. We need information in order to understand whether interests are aligned and whether the relationship has the potential to be mutually beneficial. Information is the name of the game in investor relations. Also, practitioners realize that having information about something may achieve understanding but does not constitute agreement. Often companies and activists, for instance, are aware of the same facts but may differ in how they are to best be interpreted.

Tons of accounting data are generated and summarized for analysts (buy- and sell-sides), stockbrokers, investment bankers, fund managers, stockholders, and officials of the SEC. Information demonstrates the current financial value of the company and is used to project its future worth. Sell-side analysts interpret financial information and recommend that investors buy, hold, or sell shares in specific companies. Buy-side analysts receive information from many sources and help the organizations they represent (such as mutual funds) to decide to buy, sell, or hold certain stocks. Stockbrokers advise individual investors. They often work for major companies that advise individual investors. Investment bankers supply expertise and funding to help a company launch the sale of many shares of its stock, such as occurs during an initial public offering, the act of going public by beginning to trade a specific stock on one of the exchanges. Fund managers are in charge of deciding which stocks should be bought, sold, or held by a mutual fund. A mutual fund allows investors to share in the ownership of many companies’ stocks at one time.
Schools engage in communication and strategic-planning efforts to keep students and other members of the community informed on programs, needs, and accomplishments of students. Students can be channels of communication to other MAPs and are themselves MAPs. Through them, communities can be reached to better understand the constraints and accomplishments of educational institutions. Information is important in political campaigns and public policy actions. Public relations can help to ascertain what publics want to know to make an intelligent decision about candidates for an office or a public policy position. Once this is known, the objective is to tell what the candidate can and will do to serve the voters’ and publics’ interests.

**Persuasion**

Sometimes organizations and stakeholders need to change one another’s attitudes or behavior through persuasion. Some theorists who study public relations frown on persuasion. They may not realize that activists are trying to persuade management on some issue. Persuasion theory has developed for more than a century to understand the processes people go through as they make decisions. Psychologists and communication theorists have developed theories and tested hypotheses to better understand this process. Such work sheds light on the ways people form and use beliefs and attitudes in making decisions. This literature is vast but can be summarized simply as resulting from attempts to explain the ways individuals influence one another. Thus, persuasion can be discussed and described as the process of human influence. Its rich body of research shows that people can be influenced by others but they are also capable of influencing themselves. They seek messages to form beliefs and attitudes on the way to making what they hope to be rewarding decisions.

Persuasion is not inherently unethical. Universities will try to persuade alumni to donate money. Animal rights activists will try to persuade companies to end product testing on animals. Persuasion is a natural part of the alignment process and is often used to ensure that both sides are receiving benefits from the relationship. The American Lung Association may try to persuade smokers to change in order to improve smokers’ health. The local public television station may try to persuade noncontributing viewers to contribute to the station’s upkeep. Children’s advocates call for improved public policies to protect children’s interests. They work to persuade donors to contribute money to foster children’s welfare.

Thus, the question of how persuasion and ethics connect focuses on both the process and the ends. If the persuasion process distorts and shapes the decision to the advantage of the source against the interest of the receiver, it is unethical. But if the influence, such as motivating people to drive safely or contribute to a charity, is not manipulative and used for a bad end, then it is ethical. If both parties benefit, then persuasion is mutually beneficial and ethical.

Marketing communication can recommend that customer needs and wants can be satisfied by using a product or service. Public relations attempts to persuade customers to adopt a particular persona about the organization and view the organizational products and services favorably compared with those of its competitors. Nonprofit organizations struggle for legitimacy, as they must prove that they deserve contributor and donor support. Nonprofits do so by demonstrating the needs that they serve through
their efforts. For instance, colleges and universities demonstrate that they contribute intellectual and social benefits to society. Although nonprofits rarely compete openly with other groups, each struggles to attract its share of limited resources. Because they are cause oriented, nonprofits demonstrate the seriousness of the problems that need remedy, often engaging in telemarketing to raise funds or motivating people to attend fund-raisers and make donations to help to achieve the group’s strategic missions.

Organizations seek to persuade activists to adopt their point of view. The opposite is also true. This rhetorical exchange is constructive—if the participants see it as dialogue, not monologue. Persuasion can have positive community outcomes; if it allows citizens to understand and compare issue positions, it can even lead to collaborative decision making.

Collaborative Decision Making

MBRs suggest participation by both parties in the relationship. Participation should include decision making. Important decisions should be made in a collaborative fashion; both parties contribute to and have a voice in the decision. Unilateral decisions, those made by only one party in the relationship, violate the spirit of MBRs. Consider how many schools now involve students, parents, and alumni in decisions about dress codes, drug abuse, campus safety, and school performance on standardized tests. Both parties should contribute to decisions if both are to benefit from the decision. Unilateral decisions will either favor the decision makers or make the non–decision makers feel powerless and patronized—as if they are unable to look after their own best interests.

Businesses and other organizations have been prone to adopt an employee relationship approach that is called “command and control.” This means that management designs work and tells employees what to do. An alternative approach is based on collaborative decision making. In keeping with that approach, public relations can help employees to be involved in organizational decisions by opening channels of communication and reporting the success stories that arise from employees participating in decision making. One chemical company in the Houston area has a 35-employee editorial board that decides the content of the employee newsletter, and management honors employees’ requests for information by providing it for the newsletter.

Instead of taking activist battles to the street, the front page of the newspaper, or top-of-the-hour television or radio news, organizations have learned that creating problem-solving mechanisms can be useful. Collaborative decision-making efforts solve the problems that activists raise. In such efforts, activists have to be reasonable or lose their appeal to the community. For instance, rather than opposing the environmental groups trying to save the dolphins, tuna processors such as Starkist and Bumble Bee switched to buying tuna from fishermen who did not use nets that needlessly ensnared and killed dolphins. Collaborative efforts can make products more appealing and strengthen marketing advantage while satisfying homemaker requirements.

Cocreation of Meaning

Parties in an MBR need to be on the same page; they need to see and interpret the world in a similar fashion. Cocreation of meaning suggests that the organization and stakeholder share meanings—they have similar values, attitudes, and beliefs—which permit them to see events in the same way. Shared meaning promotes alignment.
Let us consider an example of an industrial accident that injures a number of workers. The organization will want to cocreate the meaning of the industrial accident with stakeholders. Ideally, the crisis is seen as an accident, something that is unavoidable and a necessary cost or risk of doing business. If employees create a different meaning, such as organizational negligence, there is a problem with these competing meanings. Cocreation of meaning is essential to the alignment function of MBRs. Narratives and identification both aid in the cocreation of meaning.

**Narratives**

Walter Fisher (1987), a leading communication theorist, has posed the tantalizing theory that narrative is the most basic form of communication. People tell stories to communicate facts and to shape values and attitudes. Narratives are so basic to human nature that news reports typically feature the elements of who, what, when, where, why, and how. If Fisher is correct, then people organize their lives as stories and their culture suggests appropriate and inappropriate ways to think and act. As you look at advertisements, do you think they tell a story? In such cases, they suggest that if we live a narrative involving the featured service or product, then we will live happily ever after. Sometimes they begin, “Once upon a time a person had a problem . . . .” But when she or he used a specific product the person lived happily ever after.

People are naturally drawn to narratives: dramas involving competing and conflicting characters. Even as children hearing bedtime stories, we enjoy a compelling plot in which good and evil do battle. The entire sports-entertainment industry is built on the human need for narratives: We cheer heroes and boo villains. People come together when they share narratives. Employees learn about and become a part of the organization when they learn and use the organization’s stories. Narratives are another way to share meanings. People share meanings when they have similar views of the heroes, villains, and plots of stories. Through narratives, organizations and stakeholders can learn about one another and share meanings, both of which contribute to the formation of MBRs.

Public relations marketing messages often stress endorsements and testimonials. By featuring ordinary people or celebrities who use a product or a service, narratives are created to help customers think of themselves using the products or services as well. America’s Dairy Farmers and Milk Processors have used a variety of celebrities in their “Got Milk?” campaign. Basketball player Kevin Garnett and tennis stars Venus and Serena Williams are among the celebrities to wear the signature milk moustache of the campaign. Each nonprofit has a story to tell. It features what it is doing, what it has done, and its commitment to the future. Stories are a substance of its fund-raising. Human interest stories abound that can attract donor and membership attention and prove that the organization contributes to the public interest.
Stories are often the lifeblood of nonprofits. Many use the “poster child” theme to demonstrate the stark reality of a specific disease and its cure or rehabilitation. Stories help nonprofits to personalize their causes, from “once upon a time” to “happily ever after.” Actress Roma Downey, speaking for Save the Children, tells the story of a specific child in a developing country. Potential donors see the child, and Save the Children’s mission becomes personalized through the story. A vital part of the strategic mission of nonprofits is to think in terms of problems and project their solutions. Organizations are wise to enact a narrative of cooperation rather than combat. If the competing interests are thought of as characters in the drama, activists can often portray business leaders, other activists, or governmental officials as the bad guys. People for the Ethical Treatment of Animals (PETA) launched the successful “Murder King” Web campaign as a parody and protest against Burger King. Burger King is clearly the villain in PETA’s tale of animal abuse. For that reason, a narrative of cooperation is preferred to confrontation by enlightened organizations working with activists. Journalism entails storytelling. Stories—news stories—are the stock-in-trade of those in the media. They think of the world in terms of story. They respond to press releases and other pitches by public relations persons in terms of whether what the public relations person says, or wants to have said, is indeed a story worthy of publication or broadcast.

Identification
People often share similarities or see part of themselves in another person or organization. Shared similarities can be called “identification.” People, especially students, identify with their schools. People say “we won” or “we lost,” not “the team” won or lost. The people are not members of the team, but through identification feel they are a part of the team. The school mascot becomes their identity: We are the fighting “Tornadoes,” and “I am a Tornado.” Identification can be a powerful motivator for changing attitudes and behaviors. We modify attitudes and behaviors to become more similar to those people or organizations with which we identify. Consider how people try to emulate their role models. It follows that identification can be a useful force in MBRs. Mutual identification should facilitate alignment as parties will want to become even more alike, including the meanings they attribute to events. Identification can promote alignment.

Identification is a key concept in Kenneth Burke’s (1969) theory of rhetoric. As Quesinberry (2005) pointed out, achieving identification is a continuing challenge to public relations practitioners. They call for stakeholders to share common ground of interests, facts, and values. These can promote a sense of similarity, needed for a successful relationship, so that people want to support an organization rather than oppose it. This logic has implications for marketing, as well as the management of issues. It is vital to building MBRs.

Membership is a source of personal identification. People like to be attached to that which succeeds and benefits society. Nonprofit organizations create logos to identify themselves and differentiate themselves from similar groups. One of the best examples is the symbolism associated with colleges and universities, such as school colors, campus style, school pride, and mascots. Pins, buttons, and bumper stickers are important paraphernalia of identification. People come to see their self-concept and self-interest as part of their commitment to nonprofit organizations.
People in communities identify with organizations and industries in their community. The objective of sound public relations is to generate positive identification between the organization and the community in which it operates. People’s identification can be called “community pride.” Pride is a positive sense of community and a belief that the organization operates in the public interest. The opposite feeling, division, can occur when antagonism exists between organization and the community. Any sense of identification results from the relationship people believe exists between them and the organizations in their community.

**BOX 3.2 IDENTIFICATION IN ACTION**

People belong to nonprofits because they identify with the objectives. Through their memberships, they create new identifications. Some people identify with the victims that require the help of the organization. For instance, people identify with greyhounds that are bred to race. Once they no longer have that value, the dogs may be destroyed. That once was routine practice. Now the solution is to “adopt a greyhound.” Nonprofits have used identifications, such as Mothers Against Drunk Driving (MADD) or mothers for March of Dimes. Mothers, as part of their hearth and home values, often see participation in nonprofits as a vital part of their identification.

**Relationship Types and Tools**

Later chapters discuss many of the types of relationships needed for an organization’s success as well as the tools that can be used by practitioners to build, maintain, and repair those relationships. This final section of this chapter briefly reviews the factors relevant to relationships and points to the many kinds of stakeholder relationships and tools needed to be successful.

**Conditions of Relationship Development**

Chapter 1 introduced a list of factors that are relevant to solid relationships. No single list of factors is definitive. Based on research and practical observation, these seem quite important: openness, trustworthiness, cooperation, alignment of interests, compatibility of views and opinions, and commitment.

Standard lore advises organizations to be open. One of the tests of openness is their ability to be the first and best source of information relevant to all of their activities. It is obvious that organizations are privileged to keep trade secrets, information that gives them a competitive advantage. We may expect an organization to provide information about its operations, policies, products, and services, which publics legitimately want and need to make decisions. But a company, for instance, need not divulge trade secrets as long as they have proprietary value and don’t compromise the genuine interest of
some publics. Likewise, companies can implement antiterrorism measures. They can and should explain these measures in part. However, a full and open explanation could very well be used against the company and its stakeholders by terrorists.

Organizations need to think in terms of building trust. They must act and communicate in ways that foster trust. They start down this road by recognizing how vulnerable various interests may be to the organization’s decisions and actions. Trust is built when organizations serve as stewards for the interest of their stakeholders and stakeholders. Trust is built by understanding and meeting the expectations their MAPs hold for the organization. For instance, if the organization is expected to operate with high levels of employee and neighbor health and safety, then that must be the case. People deserve to trust the organization to do and say the “right thing.”

Organizations should be cooperative. They must be willing to work with their constituents. They need to be proactive in spotting and solving problems. If they are called to hearings, they should come forward and be willing to defend their operations and executive choices. They need to communicate with their critics in ways that demonstrate a commitment to fostering relationships that are mutual.

If they are cooperative, organizations can demonstrate that their interests are aligned with their stakeholders’. A company wants customers to trust its product safety claims. Quite frankly, then, its products must meet or exceed safety standards. The organization demonstrates that its interests align with its stakeholders’ when the interests of both are aligned. Customers want a safe product that performs as promoted, for instance. In this regard, the company must demonstrate aligned interests. A nonprofit wants to achieve a social good, such as protecting battered women. It demonstrates its ability to do that and appeals to donors to contribute because of these aligned interests.

Compatible views are crucial to a relationship. If a company claims to be committed to environmental responsibility as part of its relationship-building effort, its definition of environmental responsibility needs to be compatible with that of its publics. If the organization wants to attract the best and brightest employees, it needs to demonstrate that it has views that are compatible with that kind of employee.

Commitment is an essential ingredient in relationships. Is the company committed to product safety? Does the company hide behind legal interpretations when some higher ethical standard is more appropriate? Is the governmental agency truly committed to building better roads, improving public school education, or fostering public health? Commitment is a combination of action and statement: the good organization communicating well.

Venues and Tools

Because public relations deals with relationships with multiple publics, it operates in many venues and has several tools at its discretion. Brief attention to these relationship options suggests the variety and strategic challenge of public relations.

Customer relations is vital to businesses. Promotion and publicity are functions of public relations used to attract the interest of customers and motivate them to make purchases. However, businesses need to be open to customers’ questions and complaints. Through tools such as home pages and FYIs, they can help customers to
get value from their purchase. Customer relations can also listen to complaints and collaborate to solve problems.

*Media relations* is one of the traditional venues of public relations. Reporters want the organization to be open and committed to being the first and best source of information. They want to obtain relevant information. Media releases are issued to inform reporters. Practitioners create backgrounders, conduct press conferences, and provide material at their home pages to satisfy reporters’ needs for information to develop stories on schedules.

*Alumni relations* help colleges and universities to accomplish their missions and visions. Alumni serve as a source of support, including financial contributions, needed for a successful educational institution. How can the relationship be mutual? What do alumni want in exchange for their financial support? They want information of educational accomplishment. They want to have and know about events such as homecoming, plays, musical performances, and student accomplishments. They want to know of the achievements of faculty. They want successful athletic programs.

*Follower relations* sustain nonprofits, such as activist groups. Activist organizations seek people who have aligned interests. They must demonstrate their commitment to achieve outcomes relevant to the cause. They ask for financial support from followers and must deliver successful outcomes, such as species protection, in exchange. This relationship, as is the case for all relationships, depends on social exchange—mutual benefit.

*Investor relationships* depend on information that is openly provided. This information must be relevant to investors’ desires to buy, sell, and hold stock. The information must be timed so that all investors have an equal chance to get it and use it to make decisions. Investors must be able to trust the quality of the information. They want a business that has interests aligned with theirs.

This very brief list suggests some of the many kinds of relationships that are relevant to public relations efforts to broker the exchange between MAPs and organizations. Building, repairing, and maintaining relationships are essential to public relations. As John Hill wrote, organizations have public relations whether they are constructive and mutual or not. These relationships must be founded on solid ethical choices and a demonstrated commitment to corporate responsibility. The goal of effective public relations is to help the organization to be good and communicate effectively.

**Conclusion**

This chapter has detailed the idea of mutually beneficial relationships (MBRs), what we feel is the defining quality of today’s public relations. We began by defining MBRs, moved to discussing how to establish MBRs, and ended with some of the objectives used in constructing MBRs. MBRs require an organization to meet stakeholder expectations, cooperate with stakeholders, and align organizational interests with those of its stakeholders. With multiple and often conflicting stakeholders, managing MBRs is not always easy. Five factors are essential to establishing MBRs: keeping a consistent voice, making sure your messages reflect the truth, ensuring two-way communication,
Engaging in Community Relations

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Note: This professional reflection was written by Mr. Painter when he was the vice president of Public Relations for CenterPoint Energy of Houston, Texas, successor to Houston Lighting & Power Co. (HL&P). His comments demonstrate how positive commitment to community relations is essential, although not without challenges. He recognizes the need for mutually beneficial relationships with customers.

It was turning out to be another South Texas scorcher. As the sun began to light up the sky, you could already see there wasn’t a cloud in sight. It was barely 6 a.m., and the temperature stood at 89, heading up to the triple digits again. I started the day by scanning the local paper to see the new count: over 120 dead in Texas from this summer’s furnace-like heat. Thank God for air-conditioning.

Trouble is, not everyone in Texas has air-conditioning, and many of those who do can’t afford to run it. Air-conditioning can really drive an electric meter, and if you’re on a fixed income trying to make ends meet, air-conditioning may be an unaffordable luxury. Except that in a summer of unprecedented and relentless heat, air-conditioning and the electricity to run it both take on very different roles.

Over the previous weeks, we’d issued a number of news releases warning customers of the unusual heat and offering to make extended payment arrangements for anyone who needed them. Our president was quoted as saying customers should not refrain from using air-conditioning for fear of defaulting on their electric bills and having the power cut off. HL&P will work out a payment plan with anyone who needs one, he said.

Others were helping, too. The federal government had allocated $1 million to the Houston area for heat relief. The money was being administered by a local charity, and we had offered space at one of our Houston offices to help them screen applicants. The building was conveniently located on a number of city bus routes and had lots of small offices to give the applicants some privacy while they were interviewed.

At 9:30 my phone rang. The executive in charge of the building where customers were being screened was having a problem. Hundreds of people were in line to apply, she said, far more than expected, and the line wrapped around the block. The heat was really climbing, there was little shade, and the crowd was getting restless. Now a television news crew was setting up. I asked our media relations manager to drive over and help out.

In the meantime, I was scheduled to meet with the company president on a plan he had to move funds from power plant payments to public aid. It had never been done before and would require the approval of the state Public Utility Commission. We needed to determine how much to recommend be moved and to anticipate what
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questions the regulators would have. What would consumer groups say? Do we need to explain the complex accounting issues to the news media? Is there a better way to help?

At about 10:30, the media relations manager called. “It’s a disaster,” she said in staccato bursts, clearly agitated. “Hundreds in line, withering heat, and rumors that the interviewers won’t be able to see everybody today. A fight broke out over positions in line, and one lady fainted. Police, concerned about more heat strokes in the crowd, recommended that the fire department spray a cooling mist over those in line—all filmed by local TV. Moments ago, pandemonium, but order is now being restored.”

“Is the lady getting medical help?” I asked.

“Yes, fire department paramedics are here.”

“Have you had a chance to talk with reporters?”

“Not all of them,” she said. “Some left before I could get to them. I’m calling them now; but be sure to watch the news at noon.”

All the local television stations covered the event. The coverage was up-close and breathless, and an incorrect message came through on every broadcast: Customers lining up to beg for extra time to pay their light bills got hosed down by police.

That afternoon we communicated with every television and radio station and the city’s major newspaper explaining what had really happened. Customers weren’t begging for extra time to pay their bills, they were seeking federal funding, and HL&P had loaned its offices to help agencies administer the money. The company also had numerous assistance plans in place to help low income customers.

The local evening news set the story straight. But the incorrect earlier stories had now moved to the networks. That’s right, that same exciting footage of fainting and spraying was now on all networks plus CNN, and the story was the original “wrong” version: People seeking help from their power company get hosed by police!

There was a real temptation to drop everything and fight the incorrect coverage, but my experience with network news is not good. Trying to get a correction to yesterday’s news is normally a monumental waste of time. The media manager and I caucused on the phone that night. We decided to avoid being defensive and instead focus entirely on positive actions. We discussed holding a news conference and rolling out the president’s funding plan with him as the speaker. We also committed to focusing on all the other positive things we were doing to help customers cope with the heat. My day was over after midnight, but I needed to be at work early the next day to get internal buy-in to our plan.

The aftermath of the event was positive. Regulators quickly approved our president’s innovative plan to move an unprecedented $5 million into an account for public aid to be administered by a local United Way agency. It was the largest such amount we knew of ever being donated by a power company. The news conference got significant positive local coverage and, more importantly, the money provided a real shot in the arm for people trying to make it through Texas’ hottest summer on record. Most importantly, there was no loss of life in our area from lack of electric power. A month later, hardly anyone remembered that we’d been blamed for the misinterpreted event. Staying cool when the news got hot was the right choice.

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being proactive, and identifying and creating opportunity. Message development objectives help practitioners to use the five factors; they are the specific communication objectives practitioners can use to construct MBRs. Each of the eight message development objectives was defined and multiple examples of each were given featuring relevant stakeholders. As public relations evolves as a field, it becomes more complex. As practitioners, your understanding of public relations must be as complex as the field itself if you are to be an effective practitioner. We believe it is important that practitioners understand MBRs and understand how to pursue them on the job.

Strategic decisions of the kinds discussed in this section, and throughout this chapter, should highlight the challenges of the profession. As you think back on what this chapter has meant to you, reflect on the objectives at the beginning of the chapter. Do you believe the chapter helped you to accomplish those objectives? Do you have a better appreciation for relationships as the building blocks of public relations? Are you more aware of guidelines that can help you know how to enhance relationships as part of your professional practice? Do you better understand the types of relationships that are valuable to an organization’s success? Do you know the message development objectives that can be used to create, sustain, and repair relationships?

The management of relationships requires strategic stewardship. Companies and other types of organizations learn the hard way that they cannot act only in their interests. They must serve larger interests. In the most general sense, this is called the “public interest,” even though each public has its unique interest. In fact, its unique interest defines its nature as a public. The organization can use message development objectives to achieve its stewardship of these interests.

Ethical Quandary: The Quality of Relationships as the Basis of Ethics

In 1990, Hill & Knowlton, a prestigious U.S. public relations firm, had a $10.7 million contract with the Citizens for a Free Kuwait. Essentially, the organization was paying Hill & Knowlton to make people aware of Kuwait and how it was suffering from an invasion by Iraq. Others claim it was a thinly veiled attempt by the Kuwaiti government to build support for U.S. and international intervention on its behalf. In addition to the usual press conferences, “Free Kuwait” rallies and T-shirts, video news releases, and advertisements, Hill & Knowlton did extensive preparatory work for witnesses testifying before the Congressional Human Rights Caucus. The testimony has been considered a pivotal step in getting the United States to support military intervention. The most compelling testimony was given by Nayirah, a 15-year-old Kuwaiti who testified to Iraqi soldiers taking babies from incubators in Kuwait and leaving them to die on the floor. This is an example of the “atrocity story,” which historically has been a popular tool for winning support for wars. President George H. W. Bush used this image numerous times in his pro-intervention speeches.
The story became a rallying point for factions in the United States that wanted to send troops to fight the Iraqis. Unknown to most hearing the testimony, Nayirah was the daughter of the Kuwaiti ambassador to the U.S. Moreover, two independent aid agencies and interviews with doctors at the Kuwaiti hospital could not confirm the story.

Hill & Knowlton came under intense fire after two network broadcasts and two books broke the story after the Gulf War. While no one believes Hill & Knowlton created the Gulf War, people do wonder if it is right for public relations firms to use their persuasive skills to encourage participation in a war in order to promote military intervention. Did the campaign use fictional emotional images to blunt a legitimate dialogue over military intervention in the Gulf? What responsibility does Hill & Knowlton have to reveal its true client? The U.S. government requires detailed paperwork for foreign clients of public relations practitioners. The records show that over 90% of the money came from the Kuwaiti government. Hill & Knowlton should have known the identity of the real client. Did the audiences consuming their messages have the right to know? These two issues raise relational issues for Hill & Knowlton and for the Kuwaiti government. Did the desire to make money override moral and ethical concerns at Hill & Knowlton? How will this episode affect the reactions of audiences to future efforts from Hill & Knowlton? How will these revelations affect how publics in the U.S. react to future foreign policy issues relating to Kuwait? Both the nature of the ethical dilemma and its possible effects on future relationships must be considered.

Consider the criteria of effective relationships. Which of the guidelines can help you to consider the connection between the quality of a relationship and its need for ethical standards? Write a short essay in which you critique the ethical choices in the Kuwait case. Use each of the five guidelines as a part of your essay.

Summary Questions

1. What are the characteristics of a mutually beneficial relationship (MBR)?
2. Why is the objective to build, repair, and maintain MBRs a sound philosophical approach to public relations?
3. What five guidelines can be applied to build MBRs?
4. What is the common misconception related to being proactive?
5. Why is two-way communication essential to building MBRs?
6. What does it mean for an organization to have a consistent voice?
7. Give an example of an organization creating an opportunity.
8. How are always being proactive and identifying and creating opportunities related?
9. Select a typical relationship identified in the chapter. Think of a specific organization that fits that kind of relationship. Explain why it fits that relationship and how it can use message development objectives (MDOs) to succeed in building that relationship.
10. What is an MDO?
11. What does it mean for an organization to pursue cocreation of meaning?
12. How are narrative, identification, and symbolic convergence related to the cocreation of meaning?
13. Why is attention an MDO?

Exercises

1. Find a copy of an annual report for a publicly traded company, for a nonprofit organization, or for a governmental organization. (Note: You may be able to find these reports at organizations' home pages on their Web sites.) Analyze this report for efforts to cocreate meaning. What meaning was the organization trying to cocreate with its stakeholders? Did the author of the document use narratives, symbolic convergence, and/or identification to cocreate meaning? What narratives were used, and how did they attempt to cocreate meaning? What symbolic perspectives were used in the documents, and how did they attempt to cocreate meaning? What efforts were used to establish identification, and how did they attempt to cocreate meaning?

2. Research a local nonprofit organization. Find out its mission and what special challenges it faces trying to achieve that mission. Also, identify which MDOs are used. Then, evaluate how well or poorly it uses these MDOs. What else could the organization do to build MBRs?

3. Follow the campaign of a politician in the newspaper, on television, and on the radio. In your research, differentiate between the candidate’s use of paid advertisement and the accounts of the candidate’s activities, image, and policy positions that appear in news stories. Were any events used to attract attention to the candidate and create identifications between the candidate and key constituent groups? Identify which MDOs were used in the campaign. Then, evaluate how well or poorly these MDOs were used. What else could the campaign do to build MBRs?

4. Do research to locate a problem that exists within your community. Explain what organizations might have a stake in this problem. How could these organizations use the problem as an opportunity? What actions would be necessary to use these opportunities to achieve the mission of the organization?

Recommended Readings

Managing Mutually Beneficial Relationships


