

SELECTED ASPECTS OF PUBLIC RELATIONS ACTIVITY ORGANISATION IN POLISH ENTERPRISES

ODABRANI ASPEKTI ORGANIZACIJA ZA ODNOS SA JAVNOŠĆU U PREDUZEĆIMA U POLJSKOJ

Robert Góra*

Dariusz Tworzydło **

Abstract: Public relations activity is treated as an element ensuring the desired reception of the company with the public. Against a general background on public relations, the article presents selected aspects of organising activities within that scope by the largest Polish enterprises. The analysed entities mostly conduct public relations activities basing on their own services. Every fifth one, however, uses the assistance of external PR agencies. It is still puzzling that representatives of almost every third company claim they do not conduct regular activity such as could be viewed as public relations. From the point of view of organising PR activities important is also the place taken by PR departments or units in corporate structure. The necessity of conducting current communication policy requiring very quick reactions indicates clearly that PR department should be directly subordinated to the highest management level. This subordination model dominates in Polish companies and concerns nearly 68% of the analysed subjects. Sometimes there occurs a not fully realised distinction between PR and marketing. The activities in both these spheres should complement each other, which in turn would increase the effectiveness of corporate communication. Good cooperation of the two departments should allow to benefit from synergy effects and lead to cost reduction in communication activity. In almost half of the analysed Polish companies, the distinction between marketing and PR is visible in their organisational structure, for there are independent marketing and PR departments/units. In every third analysed company there is only a marketing department, performing also activities assumed to belong to public relations. In three out of four companies no conflicts are noted between the departments. The conflicts which do appear result from marketing and PR departments/units competing for financial means and sometimes from competence overlap.

Key words: Public relations, enterprise, marketing, publics

Sažetak: Aktivnosti odeljenja za odnose sa javnošću se tretiraju kao elemenat koji obezbeđuje željenu reakciju o kompaniji u javnosti. Suprotno od opšteg znanja o odnosima sa javnošću članak predstavlja odabrane aspekte organizovanja aktivnosti odeljenja za odnose sa javnošću u preduzećima u Poljskoj. Preduzeća koja su učestvovala u analizi uglavnom sprovode aktivnosti odnosa sa javnošću ograničavajući se na svoje usluge. Međutim, svako peto preduzeće koristi pomoć eksternih agencija za odnose sa javnošću. Ipak je zbujujuće da predstavnici skoro svake treće kompanije tvrde da ne sprovode redovno aktivnosti koje bi se mogle posmatrati kao aktivnosti za odnose sa javnošću. Sa stanovišta organizovanja aktivnosti odnosa sa javnošću veoma je važno mesto koje odeljenje za odnose sa javnošću ima u korporativnoj strukturi. Neohodnost sprovođenja načela trenutne komunikacije koja zahtevaju brzu reakciju jasno pokazuje da odeljenja za odnose sa javnošću treba da budu direktno podređena najvišim nivoima upravljanja. Ovaj model podređenosti dominira među poljskim firmama i odnosi se na oko 68% analiziranih preduzeća. Ponekad se dešava da se u potpunosti ne shvata razlika između odnosa sa javnošću i marketinga. Aktivnosti u ovim oblastima treba da se dopunjuju, što će zauzvrat povećati efikasnost korporativne komunikacije. Dobra saradnja između dva odeljenja treba da pruži korist od udruženih efekata i da dovede do smanjenja troškova u aktivnostima komunikacije. Skoro u polovini analiziranih preduzeća u Poljskoj, razlika između marketinga i odnosa sa javnošću je vidljiva u njihovoj organizacionoj strukturi jer u njima postoje nezavisna odeljenja za marketing i odnose sa javnošću. U svakoj trećoj od analiziranih firmi postoji samo odeljenje za marketing koje obavlja i delatnosti za koje se pretpostavlja da pripadaju odeljenju za odnose sa javnošću. U tri od četiri kompanije sukobi između odeljenja nisu primećeni. Konflikti koji se ipak pojave rezultiraju iz borbe između odeljenja za marketing i odeljenja za odnose sa javnošću za finansijska sredstva, a ponekad i zbog preklapanja kompetencija.

Ključne reči: odnosi sa javnošću, preduzeće, marketing, javnost

* Robert Góra Ph.D - University of Information Technology and Management. Rzeszow-Poland

** Dariusz Tworzydło Ph.D - University of Information Technology and Management. Rzeszow -Poland.
Head of Public Relations Dept.

Introduction

Most generally, public relations activity is treated as an element of managing communication between the organisation and its publics¹; however, the motives of conducting public relations activities have changed over the years. In its beginnings, PR was to protect entrepreneurs and their interests from accusations and importunity of journalists and from public opinion criticism. At that time, the basic function of this field was a defensive one. As time went on, however, informative and communicative functions began to prevail. The aim of public relations became two-way communication – a dialogue with the publics. Another step ahead was made by Edward Bernays² with his theory of the “engineering of consent”, i.e. pursuing mutual understanding and goodwill. This is also the direction of today’s public relations – towards mutual understanding between the organisation and its public.

As noted by Fraser Seitel³, the public relations influence process follows five basic principles:

1. Honest communication for credibility,
2. Openness and consequence in action for trust,
3. Lack of bias in action for the sense of mutuality and good opinion,
4. Constant two-way communication whose aim is to prevent alienation and establish good relations and networking,
5. Analysis and assessment of the public for specifying actions or corrections necessary to build social harmony.

The main task of public relations is the good of the enterprise understood often as doing everything possible and legally allowed to make people buy the company’s products, use its services, buy its shares, grant credits to facilitate its ventures, cooperate as to delivery, work efficiently and creatively. The most desired activities concerning contacts with the public include most importantly:

- managing the company’s reputation, protecting and improving it,
- developing a visual identification system,
- participating in activities of social nature,
- managing crisis situations.

Specific PR features crucial for that activity are the credibility that can be gained in promoting the company (which may be more effective than advertising) and versatility understood as the possibility to address various issues concerning the company.⁴

To define how PR activities are organised in Polish companies, in June 2009 the Public Relations Department at the University of Information Technology and Management conducted studies aimed at 500 largest Polish companies according to the ranking by the Rzeczpospolita newspaper. The research was carried out with the CATI method.

¹ Grunig, Hunt (1984: 6)

² Bernays (1947)

³ Seitel (2004:5)

⁴ Sznajder (1993: 51)

PR services – own vs. external

In the practice of company activity, there occur three conceptions of organisational solutions concerning placing the PR unit in company structure. The first assumes the existence of only a PR department not supported with external assistance. The second bases on using only external communication services (agencies and external advisors), and the third results from combining the two ideas above and is a specific hybrid solution consisting in having an own public relations department supported in special situations (e.g. crisis management) by an external expert or agency. Each of those conceptions has its advantages and disadvantages. Depending on the type of enterprise, the branch in which it functions, activity scope or product range, a specific variant of communication management can be implemented with consideration for situating PR in the company in connection with external services.

One advantage of an external unit, engaged aside of structures existing in the enterprise, is mainly its objectivism. The expert's or agency's lack of connection with the company structures often provokes very original conclusions which might not be formulated by a person directly connected to the company. It is usually their experience and lack of emotional commitment (particularly important in crisis situations) that argue for using trusty external services. Disadvantages of hiring external subjects include mainly lack of familiarity with the company and relations therein. In consequence it means it is necessary to "learn" the organisation, which lengthens the time of preparing and implementing communication programmes. A problem in such a situation may also be the increased probability of incorrect advice and situation analyses not considering all variables and conditions of the company's functioning. They may also omit some regulation provisions or informal rules functioning in companies, which in turn creates further threats. A significant fault is also lack of cooperation continuity, resulting from the fact that companies quite often change the PR agencies they work with.

The advantages of the second solution mentioned above – consisting in using only subjects organised in the company's internal structure to conduct public relations activities – include mainly the versatile and systematic contact with its public. Also the knowledge of the company's interior, of its organisational structure, direct participation in its changes as well as in the whole decision-making process decide about the advantage of using own units for communication activities. Internal public relations service also have a greater possibility to undertake cohesive activity directly connected with the strategy adopted by the company. Undoubtedly, some weaknesses resulting from engaging only internal structures are lack of objective approach and sometimes little inter-professional knowledge.

Tab.1. Way of organising public relations activity in the analysed companies (Answer to the question – Please indicate the way in which public relations activity is organised in your company.)

Specification	%
public relations unit/department	21.9%
marketing department	19.0%
external agency	12.4%
both unit/consultant employed in the company and external agency	7.6%
spokesperson	5.7%
consultant/expert employed in the company	3.8%
unit/department responsible for promotion	1.9%
no such activity conducted	27.7%

Source: own study basing on the research: *PR in corporate organisational structure, Rzeszów 2009.*

The conducted research confirmed rather high ignorance of company managers as to conducting public relations activities. Nearly every third company in the research (27.7%) does not conduct such activity. A far smaller group, i.e. 21.9% of respondents, claimed that a public relations unit or department takes care of that. In 19% of the examined companies, public relations activities fall to the marketing department. Among 7.6% of respondents, PR is conducted by both a unit or consultant employed in the company and an external agency, and in 3.8% of cases the work is done by a consultant / expert employed in the company. In some companies (5.7%) PR tasks are assigned to spokespeople. Also, they may sometimes be assigned to a department responsible for promotion – 1.9%. In every fifth examined company (19.4%) public relations were placed within the competence of the marketing department in the organisational structure. A very serious argument showing the lack of professional approach to using communication activities in company management are our study results: the conducted research revealed such companies to be in the majority in which even the understanding of the term of public relations is a problem. Among 500 companies included in the study only barely over 100 understood what is being addressed with the term of PR; some respondents identify PR with advertising, or even with canvassing. This lack of understanding of the terminology or the mentioned ignorance later translate into effects within the scope of communication, or more exactly lack of them. And then managers wonder as journalists put them or their company in bad light, or they can't understand why the contractors turn away from them, disgusted with the level of communication. Much more time will probably need to pass before they understand that PR is not manipulation, advertising, or any specific “charming”, as public relations are often identified by politicians and poorly educated experts.

The respondents were also asked how numerous teams were concerned with public relations in their companies. The answers varied, yet there was a regularity to be noticed for in most cases PR activities are conducted by individuals, or teams of two – three people (61% of indications). In 24% of the analysed companies, the PR department consists of 4 to 5 people. Other companies in the study either have much further developed departments – 7 or more people, or the respondents did not answer that question.

The place of public relations in corporate structure

The role and place which should be given to communication in corporate organisational structure result clearly from the tasks placed nowadays before managers and PR experts. It is believed that the quality of public relations in an enterprise depends largely on the very structure of PR department and spokesperson's office organisation, their competence scope and degree of decision-making independence. Due to the need for quick reaction and facilitating the decision-making process, the company's PR experts should have considerable influence on the management's decisions. The proper solution is to include the public relations strategy in the company's strategies and adjust operational programmes for target groups. Another argument for setting PR at a high position in corporate structure is the need to integrate two types of communication – internal and external.

For the company's communication-connected cooperation to be effective, the PR manager or public relations department are closely connected to the management as a rule. From the point of view of realising communication aims it would be best for the person responsible for PR to have the position of a director in the company's management.

If the choice falls on either of the solutions considering only internal communication structures or supporting the internal department with an external subject, it is extremely important to locate the enterprise's own PR

services within the company's organisational structure. The main rules for proper functioning of the unit or people concerned with public relations include the following:

- the access of team members to the management should be direct and result from work-based connections,
- employees for teams concerned with communication should be chosen with particular care, which means selecting employees basing foremostly on their professionalism,
- the management should be open towards and trust the propositions and suggestions from the communication team members, which should manifest itself with a wide scope of autonomy⁵.

Tab. 2 Subordination of the department / person responsible for public relations in the enterprise
Answer to the question – Please specify whom is the (department/person) concerned with public relations directly subordinated to in the organisational structure of your company.

Answers	%
President, Director	67.9%
Marketing department director or head, marketing and PR director	17.9%
Sales, organisational, operational director	5.1%
Director for communication, head of communication	2.6%
PR unit director, PR manager	2.6%
Spokesperson	2.6%
Head of management office	1.3%

Source: own study basing on the research: PR in corporate organisational structure, Rzeszów 2009.

Nearly 70% of respondents answered that the department or people responsible for public relations are subordinated to the president, general manager, or the board of directors. In 18% of cases they are subordinated to directors or heads of marketing or marketing and PR departments. Other answers are shown in the above table. A positive signal is mainly the fact that public relations activities are located correctly in most of the analysed companies, as they are subordinated directly to the management (board of directors) or a top-level director. Placing the PR activity suitably in the company's organisational structure helps to effectively realise company aims.

A further question was how important PR activities are for the respondent's company. 59.7% of respondents claimed those activities to be very important, 34.3% – quite important. They were ranked as of little importance by 4.5% of respondents, and as not important by 1.5%. The ranking thus gained shows that theoretically there is no problem of the meaning of PR activities. Managers see the need to conduct public relations activity within the company's management process. That is a rather optimistic assumption, yet analyses conducted within other research projects show that beside the mentioned good ranking there appear problems connected with the coexistence of PR and marketing departments, relations between their employees, and even lack of understanding for the essence of PR activity.

Departments of marketing vs. public relations

Further on, a question was posed concerning the coexistence of two departments: that of marketing and of public relations, or more precisely, whether PR should be directly connected with marketing or if it should be treated as a separate management function. According to some authors (P. Drucker or Ph. Kotler), PR

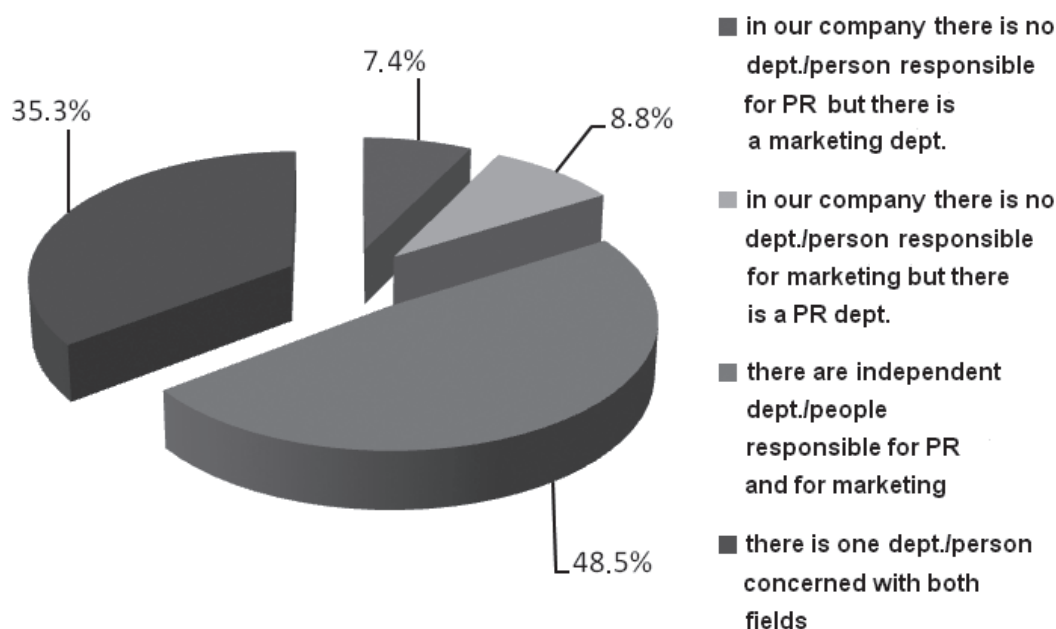
⁵ Tworzydło (2008: 32)

activity is an element of marketing. Such view is argued for by their having a similar aim to realise, i.e. the creation of long-term relations with various segments of the public. Among other similarities it can be noted that both types of activity base on a precisely planned strategy, both address similar recipient groups (customers, employees, partners), both are meant to support the aims established at corporate level and, lastly, the basic action in both cases consists in communication. What is more, that communication should consist in creating mutually cohesive messages. However, significant differences also need to be noted between the two functions:

- marketing promotes goods and services transfer from the producer to the consumer, while public relations help the mutual adjustment of the organisation and its public;
- the overt aim of marketing is to sell goods, and that of public relations to ensure mutual understanding between the organisation and elements of its public;
- the covert aim of marketing activity is profit, and that of public relations positive perception of the enterprise by the public;
- the measure of how effective the marketing activities are is the amount of products sold, while in public relations effectiveness is measured by the company's desired image.

Supporters of the idea of separating PR and marketing stress among others significant differences in the range of influence. Public relations have a much wider influence range, for aside of standard relation subjects it also concerns local communities, MPs (lobbying), corporate social responsibility or crisis management.⁶ While the adherents of separating marketing and PR formulate the thesis that merging the two fields is a sign of the companies' market immaturity, their opponents emphasise the benefits for a company which result from integrating the two fields. The benefits resulting from integration include mainly the possibility of using synergy effects in relation to both the financial resources of the company and its information resources.

Fig.1. Interdependence between public relations and marketing. (Answer to the question – In what form do PR and marketing coexist in the company?)

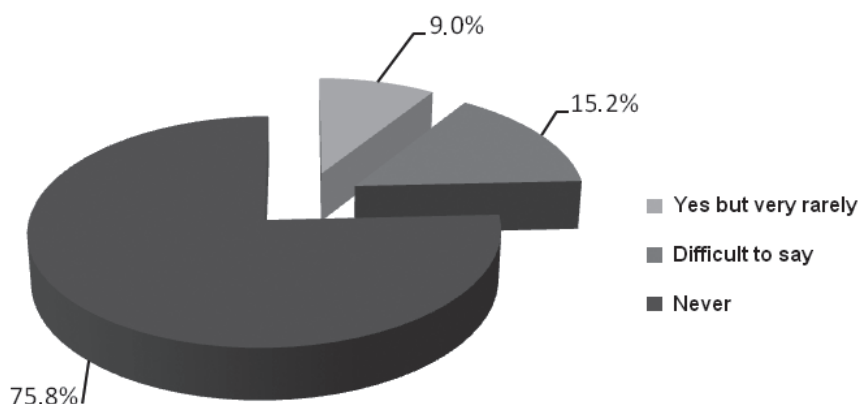


Source: own study basing on the research: *PR in corporate organisational structure, Rzeszów 2009.*

⁶ Black (2005: 42)

In the population included in the research, nearly half the representatives of the analysed companies stated that in their companies there exist independently departments/people responsible for PR and for marketing. In every third of the companies one department / person deals with both fields. 7.4% of respondents said that they only have marketing, while in the case of 8.8% there is only a department or people responsible for PR. In the part of the analysed group where PR and marketing departments coexist in the company, conflict is identified by one in ten respondents. However, it should be noted that the respondents consider those conflicts rare.

Fig.2. Conflicts between marketing and PR. (Answer to the question – Do conflicts between marketing and PR occur?)



Source: own study basing on the research: *PR in corporate organisational structure, Rzeszów 2009.*

When asked about conflict areas, respondents claimed that they concern conflicts of interests, competence and freedom / self-dependence in performing duties alike.

Summary

Public relations are still in the process of working out their place in the structure of enterprise studies or social studies. This place is shaped basing on the conducted scientific research, analyses, as well as their development in academic environment. PR is faced with a similar problem also in the practical aspect. In this case, the problem is much deeper, for on the one hand many managers often want their companies or themselves to be viewed as professionals, yet on the other their actions sometimes stand in exact opposition thereto: beginning with ignorance up to actual communication mistakes. To change that, we need foremostly education, because without it and without the awareness it will be difficult to convince managers to actions the effects of which do not translate directly into sales and profit. Unfortunately, for some managers sales and profits are the main or even only criteria justifying any expenditure incurred by their units and departments. Studies conducted in Polish companies show that despite locating the units or people responsible for public relations in direct subordination to top-level management, the area seems to be still undervalued. In practice, communication activities are quite often of a defensive character, which is confirmed by the spokespeople of the analysed companies. Yet a good symptom showing the “maturing” of company management is the fact that the managers know how to set the relations between their PR and marketing departments.

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