



## CHAPTER ONE

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# CHARACTERISTICS OF EXCELLENT COMMUNICATION

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When the International Association of Business Communicators (IABC) Research Foundation issued a request for proposals in 1984 for research on “How, Why, and to What Extent Communication Contributes to the Achievement of Organizational Objectives,” we first thought of the opportunity to move beyond evaluating individual communication programs such as media, community, or employee relations, where we had previously conducted research, to construct a theory of the overall value of the public relations function to the organization. Thus, the Excellence study offered the possibility of constructing a theory of how public relations contributes to organizational effectiveness.

At the same time, our collaborators on the project (David Dozier, William Ehling, Fred Repper, and Jon White) noted that the project would make it possible to integrate a number of middle-range concepts that explained how the communication function should be organized to increase its value to the organization. James Grunig brought his concepts of publics, organizational theory and decision making, models of public relations, evaluation of public relations, and research on employee communication to the project. David Dozier contributed his and Glen Broom’s roles theory. William Ehling contributed his knowledge of operations research and his views on the controversy over public relations and integrated marketing communication. Larissa Grunig brought her knowledge of gender, diversity, power, activism, and organizational structure

and culture. Jon White contributed his ideas about public relations and strategic management. To this mix, Fred Repper, our practitioner member of the team, added his understanding of how theories worked in practice. The package became what we now know as the Excellence theory.

Based on our research, we developed a *generic benchmark* (Fleisher, 1995) of critical success factors and best practices in communication management. In most public relations benchmarking studies, a researcher compares a communication unit with other units in its own industry that are generally recognized as the best. The Excellence study, by contrast, identified best practices across different types of organizations—corporations, government agencies, nonprofit organizations, and associations. Generic benchmarking is more valuable than benchmarking a single case because it is unlikely that one organization will be “a world-class performer across the board” (Fleisher, 1995, p. 29). In the Excellence study, we found that a few organizations exemplified most of the best practices, many exemplified some, and others had few of these characteristics. A generic benchmark does not provide an exact formula or detailed description of practices that a communication unit can copy to be excellent. Rather, it provides a set of principles that professionals can use to generate ideas for specific practices in their own organizations.

We tested the Excellence theory through survey research of heads of public relations, chief executive officers (CEOs), and employees in 327 organizations (corporations, nonprofit organizations, government agencies, and associations) in the United States, Canada, and the United Kingdom. The survey research was followed by qualitative interviews with heads of public relations, other public relations practitioners, and CEOs in twenty-five organizations with the highest and lowest scores on a scale of Excellence produced by statistical analysis of the survey data. Three books were published from the research (Grunig, 1992; Dozier, Grunig & Grunig, 1995; & Grunig, Grunig, & Dozier, 2002).

In our first book, *Excellence in Public Relations and Communication Management*, Repper (1992) explained how the theory of Excellence can be used to audit communication programs: “One thing communicators never have been able to do is to compare our communication programs with a program that is considered the best and most effective. However, the normative theory provided in the book gives us an opportunity to measure the effectiveness of our communication programs against that of an ideal program” (Grunig, 1992, p. 112). Any professional communicator or executive to whom the communication function reports could conduct a formal or informal audit to compare that function with the generic benchmark we have developed. Professional communicators asked to serve as peer reviewers for other organizations could use the characteristics as a qualitative benchmark to frame their evaluation.

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## The Value of Communication to an Organization

IABC's emphasis on explaining the value of public relations stimulated us to put measurement and evaluation into a broader perspective than the program level. Although program evaluation remained an important component of our theory, we realized that it could not show the overall value of the public relations function to the organization. Our review of the literature on organizational effectiveness first showed that public relations has value when it helps the organization achieve its goals. However, the literature also showed that it has to develop those goals through interaction with strategic constituencies (stakeholders and publics). We theorized that communication adds value when it helps the organization identify stakeholders and segment different kinds of publics from stakeholder categories. CEOs in the qualitative portion of the study, for example, emphasized that the communication function has value because it provides a broad, diverse perspective both inside and outside the organization. Second, we showed that public relations increases its value when it uses symmetrical communication to develop and cultivate relationships with strategic publics. If it develops good relationships with strategic publics, an organization is likely to develop goals desired by both the organization and its publics and to achieve those goals because it shares the goals and collaborates with publics. Similarly, CEOs emphasized the value of public relations in helping the organization deal with crises and conflicts with activist groups.

Although we concluded that it is difficult to place a monetary value on relationships with publics and the outside perspective of public relations, our interviews with CEOs and senior public relations officers revealed numerous examples of how public relations had reduced the *costs* of litigation, regulation, legislation, and negative publicity caused by poor relationships, issues, and crises; reduced the *risk* of making decisions that affect different stakeholders; or increased *revenue* by providing products and services needed by stakeholders. Those examples provided powerful qualitative evidence of the value of good relationships with strategic publics.

In addition to explaining the value of communication, the Excellence study provided solid theory and empirical evidence of how the function should be organized to maximize this value. The characteristics of an excellent public relations function can be placed into four categories, each containing several characteristics that can be audited.

For public relations to contribute to organizational effectiveness, the organization must empower public relations as a critical management function. Empowerment of the public relations function includes four characteristics:

1. *The senior communication executive is involved with the strategic management processes of the organization, and communication programs are developed for strategic publics identified through this process.* Public relations contributes to strategic management by scanning the environment to identify the publics affected by the consequences of decisions or that might affect the outcome of decisions. An excellent public relations department communicates with these publics to bring their voices into strategic management, thus making it possible for publics to participate in organizational decisions that affect them.

2. *Communication programs organized by excellent departments to communicate with strategic publics also are managed strategically.* To be managed strategically means that these programs are based on formative research, that they have concrete and measurable objectives, and that they are evaluated either formally or informally. In addition, the communication staff can provide evidence to show that these programs achieved their short-term objectives and improved long-term relationships between the organization and its publics.

3. *The senior public relations executive is a member of the dominant coalition of the organization or has a direct reporting relationship to senior managers who are part of the dominant coalition.* The communication function seldom will have the power to affect key organizational decisions unless the chief communication officer is part of or has access to the group of senior managers with the greatest power in the organization.

4. *Diversity is embodied in all public relations roles.* The principle of requisite variety suggests that organizations need as much diversity inside as in their environment if they are to interact successfully with all strategic elements of their environment. Excellent public relations departments empower both men and women in all roles as well as practitioners of diverse racial, ethnic, and cultural backgrounds.

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## Communicator Roles

Public relations researchers have identified two major roles that communicators play in organizations: the manager and technician roles. Communication technicians are essential to carry out most of the day-to-day communication activities of public relations departments, and many practitioners play both roles. In less excellent departments, however, all of the communication practitioners—including the senior practitioner—are technicians. If the senior communicator is not a manager, it is not possible for public relations to be empowered as a management function. Three characteristics of excellence in public relations are related to the managerial role:

1. *The communication unit is headed by a strategic manager rather than a technician or an administrative manager.* Excellent public relations units must have at least one senior communication manager who conceptualizes and directs communication programs. Otherwise, members of the dominant coalition who have little knowledge of communication management will supply this direction. In addition, the Excellence study distinguished between a strategic manager and an administrative manager. Administrative managers typically manage day-to-day operations of the communication function, personnel, and the budget; they generally are supervisors of technicians. Strategic managers provide communication strategies that support the business goals. If the senior public relations officer is an administrative manager, the department usually will not be excellent.

2. *The senior communication executive or others in the public relations unit must have the knowledge needed for a strategic role.* Excellent public relations programs are staffed by practitioners who have gained the knowledge needed to carry out the strategic manager role through university education, continuing education, or self-study.

3. *Both men and women must have equal opportunity to occupy the managerial role.* The majority of public relations professionals are women. If women are not considered for managerial roles, the communication function is diminished because many of the most knowledgeable practitioners are excluded from that role. When that is the case, the senior position in the communication department often is filled by someone from another managerial function who has little knowledge of public relations.

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## Organization of the Communication Function and Its Relationship to Other Management Functions

Many organizations have a single department devoted to all communication functions. Others have separate departments for programs aimed at different publics such as journalists, employees, the local community, or the financial community. Still others place communication under another managerial function such as marketing, human resources, legal, or finance. Many organizations also contract with or consult with outside firms for all or some of their communication programs or for such communication techniques as annual reports or newsletters. Two characteristics are related to the organization of the function:

1. *Public relations should be an integrated communication function.* An excellent public relations function integrates communication programs into a single

department or provides a mechanism for coordinating programs managed by different departments. Only in an integrated system is it possible for public relations to develop new communication programs for changing strategic publics and to move resources from programs designed for formerly strategic publics to the new programs.

2. *Communication should be a management function separate from other functions.* Even though the communication function is integrated, it should not be placed under a management function such as marketing or human resources. When the public relations function is sublimated to other functions, it cannot be managed strategically because it cannot move resources from one strategic public to another—as an integrated public relations function can.

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## Models of Public Relations

Public relations scholars have conducted extensive research on the extent to which organizations practice four models of public relations—four typical ways of conceptualizing and conducting the communication function—and to identify which of these models provides a normative framework for effective and ethical public relations. These models are the (1) two-way symmetrical model of dialogue, collaboration, and public participation; (2) press agency (emphasizing favorable publicity); (3) public information (disclosing accurate, but mostly favorable, information and conducting no research or other form of two-way communication); or (4) two-way asymmetrical (emphasizing the interests of the organization and excluding the interests of publics). The two-way symmetrical model produces better long-term relationships with publics than do the other models. Symmetrical programs balance the interests of organizations and publics in society.

The research for the Excellence study refined our understanding of these models by identifying four dimensions that underlie them: (1) symmetrical or asymmetrical, (2) two-way or one-way, (3) mediated or interpersonal, and (4) ethical or unethical. The two-way symmetrical model embodies the most desirable of these characteristics: symmetrical, two-way, both mediated and interpersonal, and ethical. The other models possess some but not all of these characteristics.

Four characteristics of Excellence, therefore, are related to models of public relations:

1. The public relations department and the dominant coalition share the worldview that the communication department should base its goals and its com-

munication activities on the two-way symmetrical model of public relations.

2. Communication programs developed for specific publics are based on two-way symmetrical strategies for building and maintaining relationships.
3. The senior public relations executive or others in the public relations unit must have the professional knowledge needed to practice the two-way symmetrical model.
4. The organization should have a symmetrical system of internal communication.

A symmetrical system of internal communication is based on the principles of employee empowerment and participation in decision making. Managers and other employees engage in dialogue and listen to each other. Internal media disclose relevant information needed by employees to understand their roles in the organization. Symmetrical communication fosters a participative rather than an authoritarian culture as well as good relationships with employees.

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## Extending the Excellence Theory to a Global Theory

Through several studies conducted around the world, the Excellence theory has been expanded into a global theory that includes *generic principles* and *specific applications*. This theory falls between a theory that suggests an organization should practice public relations in exactly the same way in every country—usually the way it is practiced in the country where the headquarters of the multinational organization is located—and a theory suggesting that public relations must be practiced differently in every country because of cultural and other contextual conditions. *Generic principles* means that in an abstract sense, the principles of public relations are the same worldwide. *Specific applications* means that these principles must be applied differently in different settings.

As a starting point for research, we proposed that the characteristics identified in the Excellence study are generic principles. We also proposed that public relations professionals must take six contextual conditions into account when they apply these principles: culture, including language; the political system; the economic system; the media system; the level of economic development; and the extent and nature of activism.

Our research and that of others has provided evidence supporting this theory. The most extensive research was in Slovenia. We replicated the quantitative portion of the Excellence study in thirty Slovenian firms and found the same cluster of characteristics as we did in the United States, Canada, and the United

Kingdom in spite of a different cultural, political, and economic context (Grunig, Grunig, & Verčič, 1998). To deal with such differences, communicators in Slovenia had to apply the generic principles differently than in the Anglo countries. For example, we learned that communicators needed to counsel CEOs to empower public relations managers. They also developed continuing education for communicators to deal with their lack of public relations knowledge, and they had to emphasize employee relations because of the negative context inside Slovenian organizations.

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## The Strategic Management Role of Public Relations

Although the Excellence theory incorporates a number of middle-range theories, its most important component is the strategic role of public relations. Since the completion of the Excellence study, scholars have continued to do research to help professionals understand and fulfill this role.

To contribute to strategic management, public relations should be an integral part of the management of every organization. The public relations function helps the organization interact with its stakeholders both to accomplish the organization's mission and to behave in a socially responsible manner. In a strategic role, communicators manage communication with *top managers* and with *publics*. They manage communication between management and publics to build *relationships* with the publics that are most likely to affect the organization or that are most affected by the organization. Communication processes that facilitate dialogue among managers and publics influence *organizational behaviors*. Dialogue among managers and publics, in turn, can produce long-term relationships described by characteristics researchers (Grunig & Huang, 2000; Grunig & Hung, 2002) have identified and defined: trust, mutuality of control, commitment, and satisfaction. Relationships can be measured and evaluated to determine the long-term effectiveness and value of public relations (Hon & Grunig, 1999; Grunig, 2002).

An excellent public relations staff cannot serve this role, however, unless research and measurement are an integral part of the function. Formative research is necessary to identify strategic publics with which an organization needs relationships and to determine how to cultivate relationships with them. Communicators can use Grunig's (1997) situational theory of publics—especially as it has been updated (Kim, Grunig, & Ni, 2010)—to segment stakeholders into publics. The Excellence study showed that the most common categories of stakeholders are employees, customers, investors, the community, government,

members of associations and nonprofit organizations, the media, and donors to nonprofit organizations. The situational theory segments these categories of stakeholders into publics with different levels of activity, including activist (belonging to activist groups), active, passive, or nonpublic. The more active the public, the more likely it is that communication programs will have an effect. Evaluative research then is necessary to determine the effectiveness of communication programs. Evaluative research can determine the short-term effects of communication programs on the cognitions, attitudes, and behaviors of both publics and management and the long-term effects of communication on organization–public relationships (Grunig, 2008).

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## New Research to Enhance the Strategic Role of the Communication Function

Although research-based knowledge of publics and the evaluation of public relations has been available for years, other concepts and tools related to the strategic management role of public relations have been developed within the last twenty years. Some examples of research to develop these new concepts and tools include:

- *Environmental scanning*: Research to identify problems, publics, and issues and to evaluate information sources to bring information into the organization (Chang, 2000).
- *Publics*: Research to develop the situational theory and to explain the social nature of publics (Aldoory, 2001; Kim, 2006; Kim, Grunig, & Ni, 2010; Sha, 1995).
- *Scenario building*: Research to develop this technique for explaining the behavior of publics to management and potential issues created by publics (Sung, 2004).
- *Relationship cultivation strategies*: Research to expand the concepts of symmetrical and asymmetrical communication to identify strategies for cultivating relationships that produce high-quality relationships with stakeholder publics (Hung, 2002, 2004; Rhee, 2004).
- *Interactions of relationships and reputation*: Public relations practitioners and management scholars have paid a great deal of attention to an organization's reputation in recent years, in the belief that reputation is an intangible asset that adds both monetary and nonmonetary value to an organization. Our research (Grunig & Hung, 2002; Yang, 2005; Yang & Grunig, 2005) has shown, however, that reputations are largely a byproduct of management behavior

and the quality of organization–public relationships. Thus, attending to relationships will ultimately improve an organization’s reputation. Reputation, however, cannot be managed directly; it is managed by influencing the behavior of management and through the cultivation of relationships.

- *Development of an ethical framework* for public relations practitioners to use as they participate in strategic management (Bowen, 2000, 2004).
- *Empowerment of the public relations function*. Research to clarify the nature of the dominant coalition in an organization and how public relations practitioners become part of or gain access to empowered coalitions (Berger, 2005).
- *Specialized areas of public relations*. Research to extend the generic principles of excellence to specialized areas of public relations, such as fund raising (Kelly, 1991), investor relations (Schickinger, 1998), employee relations (Kim, 2005), community relations (Rhee, 2004), and government relations (Chen, 2005).
- *Public relations and global strategy*. Research to develop the global theory of generic principles that can be applied in many cultures and political-economic settings and specific applications to adapt them to different contexts (Grunig, Grunig, & Verčič, 1998; Verčič, Grunig, & Grunig, 1996; Wakefield, 1997, 2000). Researchers also have applied this theory to a multinational military organization (NATO) (Van Dylc, 2005), public diplomacy programs of governments for publics in other countries (Yun, 2005), and globalized and localized relationship strategies of multinational organizations (Ni, 2006).

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