

MODULE – II

Chapter 2

Understanding Public Relations

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(A) FUNDAMENTAL OF PUBLIC RELATIONS

INTRODUCTION:

Today we live in the age of Interdependence as we are reliant upon one another for the satisfaction of our social, economic, political and religious needs. We do not come across individuals, groups, corporations, governments and nations who are able to achieve or do any activity without the help of others.

Thus, the mutual dependence of individuals, groups, corporations etc. has magnified the importance of human relationship in contemporary life. There is employer-employee relationship, society and business relationship, buyer and seller relationship, investor and corporate relationship, subordinate and superior relationship and also the dynamics of small group relationship.

The opinions of individuals or that of group of the public cannot be ignored for the success of any business. Human relationship and its interrelationship in contemporary life is natural as well as essential.

The order of the present century and the forthcoming century exist in total interdependence or reliance on each other. This has created the need for a new discipline and philosophy as a function of management which is termed as Public Relations.

Public relation as a concept was critically evolved in business and industry and it subsequently spread to other areas of human activity. This profession is immensely applicable in government and public institutions like Corporations, Municipalities, Universities, Hospitals, professional and social service organisations. Public relations was in practice in people's daily life even before the emergence of industry, business and government. Public relations is the result of the action inherent in an individual, an institution or an organisation.

Public relation is never a monopoly of PR practitioners. In fact members of an organisation and especially those in leadership, management and supervisory positions have a very important PR role to play. People who adopt the art of public relations stand better chances of survival and success since they can always find

areas of mutual interest. They can use modern methods of communication and persuasion which go a long way in establishing mutual understanding.

Public relations plays the role of a catalyst which can initiate activity between two or more persons without too much difficulty. With its well established network of techniques and tools, it generates activities which help an individual, groups, business corporations and government to build their own image and gain goodwill of the general public.

MEANING AND DEFINITIONS:

(Nov. 18)

Public:

Public is a group of similar individuals, an assortment of persons having similar interest, problems, goals and circumstances. It is generally from such sources that OPINIONS emerge. Public comes in many forms and sizes. They have a multitude of desires and wants.

Public has its own likes and dislikes which sometimes can even be strong. Employees are one form of public and employers another form. Other members of the public are dealers, wholesalers, brokers and investors. Each of these groups tries to attract a distinct audience with its varied tools and techniques.

In short public is any group of people who share a common interest.

Relations:

Relations is the outcome of mutual understanding which is derived from the process of sharing of the common interest. The need to establish relation with one another is created because of human wants. The respective wants of two individuals will affect their relationship. To understand any relationship, one must understand the wants of those involved.

Public Relations:

By the integration of the above two human element viz. public and relations we get public relations. It is a profession that is a part and parcel of management function.

DEFINITIONS OF PUBLIC RELATIONS: (Nov. 18)

- (1) **Edward L. Bernays:** *"Public relation is the attempt by information, persuasion and adjustment to engineer public support for an activity, cause, movement or institution."*
- (2) **Arthur R. Roarman:** *"Public relation is a service, a craft that must be adapted to the needs of whatever business your company is in. Therefore for PR practitioners, learning the basics of public relations is (only) half the job."*
- (3) **Sam Black:** *"The fundamental purpose of public relations practice is to establish a two-way of mutual understanding based on truth, knowledge and full information."*
- (4) **Frank Jefkins:** *"Public relations consist of all forms of planned communication, outward and inwards, between an organisation and its public for the purpose of achieving specific objectives concerning mutual understanding."*
- (5) **Public Relations Society of America:** *"Public relation is a philosophy and function of management expressed in policies and practices which serve the public to serve its understanding and goodwill."*
- (6) **The International Public Relations Association. The Hogue, May 1960:** *"Public Relation is a management function, of a continuing and planned character, through which public and private organisations seek to win and retain understanding."* This includes sympathy and support of those with whom they are – or may be – concerned by evaluating public opinion about themselves, in order to correlate, as far as possible, their own policies and procedures to achieve, by planned and widespread information, more productive co-operation and more efficient fulfilment of their common interests.
- (7) **Institute of Public Relations:** *"Public Relations is the deliberate planned and sustained effort to establish and maintain mutual understanding between an organization and its public."* This definition appears to be most authoritative.

ESSENTIALS OF PUBLIC RELATIONS: (Nov. 18)

- (1) **Human Relations:** It means getting along well with the "publics" both internal and external. Each person working in

an organisation has to get along with others, no person can work in vacuum. He should be aware of others and also show interest in their progress as he does in his own self.

- (2) **Empathy:** It is a feeling towards other person. It can be regarded as a primary pre-requisite for satisfying experience in a relationship where a certain degree of understanding is expected. Empathy should be present in day-to-day interaction of managers of public relations which will promote the quality of understanding.
- (3) **Persuasion:** There exist two forms of intercourse between individuals and groups. They are force and persuasion. If one party forces another to do something instead of persuading it is called as despotism. It is against the principles of proper conduct which is sanctioned by the society. A sense of human interest on the person who is being persuaded will understand and appreciate its cause and effect.
- (4) **Dialogue:** Any conversation with the purpose is termed as a dialogue. It is not a bargain or a basement transaction with bickering but it is a low form of negotiation. Dialogue is an exchange of ideas which are reasonable and bring in a new form of knowledge. Dialogue is used for influencing behaviour, selling goods or for inspiring ideas. Compromise and Conciliation are generally involved in dialogue. While speaking to an unfavourably disposed person or a group, the first effort is to conciliate them and breakdown prejudices.

People have different reasons for option compromise. A fanatic person may object a compromise because he looks upon it as a sign of weakness. We cannot succeed in persuading people unless we communicate clearly and accurately. The image we seek to convey must be made clear-cut. Then place the image in the environment where a mental effort is needed to draw it into the picture.

- (5) **Communication:** Real communication means the experience of totally being understood by another person. It produces result and in relationship it produces harmony, resolves problems and also dissolves the feeling of separateness.

EIGHT BASIC PRINCIPLES OF PUBLIC RELATIONS PRACTICE:

- (1) PR deals with facts not fictions.
- (2) PR is public not personal service.
- (3) PR practitioners must have the guts to say no to a client or to refuse a deceptive program.
- (4) PR cannot afford to be a guessing game.
- (5) PR practitioners should alert and advise, so people won't be taken by surprise.
- (6) The PR field requires multi-disciplinary applications.
- (7) Intuition is not enough.
- (8) PR practitioners should never lie to the news media, either outright or by implication.

OBJECTIVES OF PUBLIC RELATIONS:

The following are the broad objectives of public relations:

- (1) **Human relations:** The main job of communication is to help and promote human relations, making use of it, among other things, in the media--- whether electronic or print. Without communication there can be no mutual understanding in human relations.
- (2) **Free exchange:** Due to two-way communication there is free exchange of information and ideas which is an opportunity to all the employees in understanding and accepting the messages, acting accordingly and giving a feedback.
- (3) **Better relations:** Through communication the relations of the employees in the management can be improved by keeping both in contact with each other. House journals and other labour union publications promote understanding by the mutual exchange of ideas.
- (4) **Fostering attitude:** In order to achieve organizational objectives motivation, cooperation and job satisfaction are essential. The purpose of communication is to foster an attitude which is necessary for motivation, cooperation and job satisfaction.

- (5) **Suggestions and complaints:** Another important objective of public relations is to encourage ideas and suggestions from subordinates for improvement in the product and working conditions. This will reduce the time or the cost involved and further avoid waste of raw material.
- (6) **Discourage Mis-information:** The objective of communication is not only to pass and exchange policies, rules, orders, procedures and objectives but also to avoid distortions in communication. This objective includes discouraging the spread of misinformation, rumours, gossips and release of emotional tensions by the workers.
- (7) **Understanding:** Lack of mutual understanding is one of the main cause for the conflict in an interpersonal situation. The problems of communication pertain mainly to the problems of understanding people. The most important managerial function is to bridge the communication gap without which mutual understanding cannot be achieved.
- (8) **Influencing:** The objective of transmitting information is to change the behaviour of recipient. Communication aims at influencing, persuading, motivating or activating people towards desired goals.
- (9) **Supply of information:** In the new information order of the world, information transmission is the process of getting things done. In complex business organizations, effective decisions depend upon collection, storage and supply of information. Information taking an information giving is a continuous process in an organization.
- (10) **Dialogue:** Any conversation with the purpose is termed as a dialogue. It is an exchange of ideas which are reasonable and bring in a new form of knowledge. It is used for influencing behaviour, selling goods or for inspiring ideas. Conciliation and compromise are generally involved in dialogue. There is no place for monopoly of the conversation in a dialogue.
- (11) **Persuasion:** Persuasion is a process of convincing and motivating to getting things done. One of the methods for persuading a person is speech. A sense of human interest

towards the person who is being persuaded will understand and appreciate the cause and effect of his action.

SCOPE OF PUBLIC RELATIONS:

Public relation is a window of the corporation through which management can monitor external changes and simultaneously a window through which society can affect corporate policy. Today most social conflicts are caused by changing values and higher expectations from the superiors.

We find regular conflicts between employer-employee consumer-manufacturer, management – shareholders, citizens – government and so on due to misconceptions and misunderstandings. These are generally the major challenges where PR practitioners can play a crucial role. They should get to know the psychology of the public mind and acquire skill in solving and also avoiding such conflicts.

In our market economy there are information gaps which cannot be filled by the interaction of supply and demand via cost, wages or prices. Here public relations activity steps in. It provides relevant information on planning technical and organisational developments, inventions and their potential utilisation, etc.

The relations activity is becoming more and more important for the procurement of economically essential production factors. It makes it easier to tap the money-market or financing their projects by issuing bonds or shares.

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If the corporation cultivates public relations, it is easier for them to acquire land from a community and bring in own interest in harmony with these of the community. Today the public relation profession has even entered into the fields of non-commercial organisations, government departments, hospitals, universities and other non-profit organizations. According to Edward L. Bernays, the fundamental laws and the necessity of public relations may be expressed in three words, information, adjustment and integration.

The scope of PR is wide and also includes political field. Entrepreneurs, teachers, political leaders, social workers,

religions, leaders are all involved in public relations day in and day out.

In business PR is a tool of management like marketing, production and finance. It is investing and creating asset for an organisation which is finally reflected in improved performance profitability, and growth of the organisation.

Successful PR can be measured by its ability to convert negative situations into positive ones.

Public relations can do the following:

- (a) Help win friends, influence people, persuade individuals, groups and in difficult situation bring about goodwill where needed and maintain goodwill where it is existing.
- (b) Create and build up image and reputation of an individual, Organisation and Nation.
- (c) Public relations can bring out reward of mutual understanding and risks involved in misunderstanding between individuals, groups, government and nation.
- (d) Help the public to love life and work for better or for worse without condition.
- (e) Forestall attacks by opponents or competitors.
- (f) Counsel employees to recognise that as human beings they are more of a complete structure.

The following are the possible areas where public relation plays its role.

- (1) Promotional opportunity.
- (2) New image.
- (3) Competitive challenge.
- (4) Rumour.
- (5) Crisis.
- (6) Conflict of interest.
- (7) Ineffective communication.

SIGNIFICANCE OF PUBLIC RELATIONS IN BUSINESS:

In any kind of human activity may it be in industry, commerce, education, health, local government or social service sector, they need to understand and use public relations and communication. One may like it or not, he may do it knowingly or unintentionally, but everyone is a part of the communication process. So he is therefore a direct or indirect user of public relations and communication.

The following points justify the need for public relations.

- (1) **Complex Structure of Industry:** Due to the increasingly complex structure of industry and its growing remoteness, means of information has become a real challenge. In order to promote effective communication within the organisation and outside it there is a need for a good PR.
- (2) **Communication Revolution:** The communication revolution has brought in a sea change emphasising the need for the service of PR and communication experts.
- (3) **Keen Competition:** The rise of competition and more in the change of the global economic perspective has imposed a regard for public opinion and an urgent need for public support.
- (4) **Emphasis on Employee Relations:** There is added emphasis on employee relations within the organisation. So an ever-increasing effort is being made at minimising misunderstanding and promoting good relations among all who work in the organisation and hence a need for good PR.
- (5) **Development of Literacy and Education:** Due to the development of literacy and education in the third world countries there is more and more demand from the public for facts and information pertaining to the corporate state or service sectors.
- (6) **Need to Communicate Clearly and Truthfully:** Due to growing communication, it has to be ensured that all public communication are genuine and not misleading.

REASONS FOR THE GROWTH OF PUBLIC RELATIONS: (Nov. 18)

Public relations management is no longer restricted to receiving guests, donations and welfare programmes of the organisation. It has become even important in dealing with outsiders, like Investors, stockholders, suppliers and communities.

The following are the various reasons which have increased the significance of public relations:

- (1) **Growth in the size of the organisation:** Innovation and inventions in science and technology have given rise to the joint stock company form of business organisation employing thousands of workers. The efficiency and productivity of the employers depends on the motivation and good relations between the employees and the employer. This has in turn increased the significance of internal public relation.
- (2) **Growing population:** Population has been growing at an increasing rate. When the number of employees, investors, stockholders, suppliers and communities increase, contact and relations with the management is no longer possible. Therefore the PR is important.
- (3) **Political Environment:** There are certain political factors which have helped the growth of public relations. The concept of welfare state has also contributed immensely in the growth of public relations profession.
- (4) **Increasing Aspiration of Employees:** Today the aspirations of the employees have increased. In fulfilling social responsibilities organisations have to serve the interests of the Internal Public whose needs, wants and interest differ. Good employer-employee relations is indispensable. The public relations manager would be required to play a greater role in doing so.
- (5) **Communication Gap:** In order to have good public relations, honest and truthful communication between different categories of public and organisation is necessary. It is the function and responsibility of the PR department to employ

tools like publicity, mass media, advertising, lobbying, public speaking, press relations etc.

- (6) **Human relations:** The increased recognition of human relations is another factor contributing to the development of public relations. With good human relations the employee morale and motivation can be improved. The right type of atmosphere should be created for the workers to contribute to the achievement of organizational objectives. The manager of public relations can show the significance it attaches to human relations in an enterprise by performing the relations function.
- (7) **Development of media:** There has been a vast development in communication media. Television has become a popular mass medium. Tele conferencing computer-aided conferences, video and audio cassettes, information super-highways, paging, electronic mail message system and a host of other developments in information technology has given rise to widespread transmission of information. These new developments in communication media are giving new challenges and responsibilities which ultimately fall on the PR department.
- (8) **Universality:** The principle and objectives of public relations are universal in character. The techniques and code of conduct of public relations are equally applicable in the field of business, irrespective of private, public co-operative sector, education, hospitals etc.
- (9) **The other reasons are:**
 - (a) Multidisciplinary subject
 - (b) Establishment of public relations Society of India
 - (c) Economic legislations
 - (d) Separation of ownership and management
 - (e) International relations
 - (f) Consumerism
 - (g) Social responsibility and
 - (h) Human relations.

(B) EMERGENCE OF PUBLIC RELATIONS

TRACING GROWTH OF PUBLIC RELATIONS:

The origin public relations can be traced back to the dawn of civilisation. In ancient Egypt, the police were well versed in public relations by way of persuasion and information. The only public leaders were very talented and impressed upon the public. As a matter of fact, the first quality of a king, priest, nobles, scribes and other leaders was to establish and maintain good understanding and relations with different cross sections of the society.

The Olympic games and other noted national and international festivals reflect the interchange of opinion and the development of interaction of the public in social, economic, political and spiritual activities which resulted in increased awareness and importance of public relationships.

Rome is also known for public relations and public opinion. The auditory talent, historical writings, temples, statutes, paintings and pamphlets of those days reflect the traditional media of public opinion.

The groundwork for the present-day public relations can be seen in the American civilization. The concept of public relations can be traced back to the presidency of Andrew Jackson in the US in 1830. The New York Sun, 1833 inaugurated Penny press and mark the beginning of the mass media.

In the early days, people tended to be independent and self-sufficient. The Industrial Revolution and the rise of the mass production translated the society into independent and made social economic political and spiritual system complex and interwoven.

Today with the extension of the communication media, public opinion has become more powerful, making public potentially more accessible to those who it wants to reach.

The beginning of public relations date back to the early 1990s which witnessed the big change in America. Attacks on industry, the growing strength of organised labour and equally the development of mass merchandising, advertising and product publicity provided impetus to the practice of public relations.

Ivy Lee, George Creel, Carl Byoir and Edward Barnays were some of the pioneers in this field who undertook PR counselling during the turbulent period. It was in the mid-1930s that business emerged from depression giving fillip to the public relations practice.

GROWTH OF PUBLIC RELATIONS IN INDIA:

Public relations is not something that was suddenly born. It always existed. In the modern times we have only tried to apply the principles of public relations to our human needs in a systematic manner. Most of the things of which public relations is made are not new. What is new is the system of thinking and conduct being assembled under the term, 'public relations'.

The inscriptions of Mohenjo-Daro show us that writing in India existed from most ancient times. One of the earliest works which tried to disseminate ideas was the Upanishads. Dating from 800 B.C. they propagated Indo-Aryan thought, particularly in relation to knowledge of the individual self. The Upanishads says that "there is nothing higher than the person".

The Mahabharata is also a document of the development of human thought. It contains the famous poem of 700 lines, the Bhagavad Gita, which is the repository of a most noble philosophy. Besides its philosophical aspect the Mahabharata deals with principles which must govern a happy society; social welfare not of the group but of the whole world, constitutes the theme of the poem. It states "The entire world of mortals is a self-dependent organism". And again: whatever is not conducive to social welfare or what ye are likely to be ashamed of never to do."

In the sixth century B.C. Panlmi wrote his great treatise, ASHTADHYAYI, a grammar of Sanskrit language. Two centuries later, Kautilya also known as Chanakya, wrote his famous Arthashastra, the science of polity. Kautilya dealt with the theory and practice of the government, the duties of the king diplomacy, war and peace with remarkable scholarship.

Besides being a famous statesman Kautilya was also the founder of school of politics. His Arthashastra is often compared with the prince, written by Nicolo Machiavellian eighteen centuries later.

The great king Ashoka ruled over a large territory of India about 300 B.C. He left his message carried on the rock and metal, in numerous edicts scattered over his vast dominion.

Speaking of public business, Ashoka declared: "At all times and at all places, whether I am dining or in the ladies apartments in my bedroom or in my closet, in my carriage or in my palace gardens, the official reporters should keep me informed of the people's business. At any hour and at any place of work I must be for common welfare".

Ashoka's ambassadors carried his message based on Buddha's doctrine of love and compassion, to Syria, Egypt, Macedonian, Central Asia, Burma and Thailand.

The great king even sent his son and daughter, Mahendra and Sanghamitra, to Ceylon. His message was always an appeal to the mind and the heart, with a never trace of compulsion.

It must be remembered that the early Indian thought penetrated to Greece, through Iran, and years later, about 240 A. D. the Roman philosopher Potincs came to the east to study Indian philosophy. He may have propagated Indian thought when he finally settled down in Egypt.

The kings of Egypt, Babylonia and Persia left for posterity pyramids, and statues to propagandise the divine nature of their kingship.

Swami Vivekananda a disciple of Sri Ramakrishna Paramahansa wandered all over India from Himalaya to Kanyakumari to know about his motherland and offer solutions to the problems of the people. This pilgrimage of Swami Vivekananda was one of the most significant in his life and of great value to the professionals of public relations to for enlarging on "mass communication". Vivekananda address at the 'Parliament of Religious' at Chicago was a very good example of "International Public Relations".

Great saints like Kabir, Tulsidas, Tukaram, Chaitanya Mahaprabu and a host of such god-men diffused knowledge through the traditional media of communication in the language which people could easily understand.

Mahatma Gandhi who is known as Public Relation Personality of the 20th century created a good impact in terms of faith on the Indian classes. How did Bapu succeed in his mission of waging a 'war' against the then mighty British Empire? He believed in establishing contact with those in India and abroad. He travelled length and breadth of India, organised many mass meetings and rallies, spoke and talked tirelessly until he was convinced that the country had understood his mission.

Gandhi's communication with his colleagues and followers was based on the concept of credibility. This over a period of time generated mutual understanding between him and his countrymen' and of course today mutual understanding is the core of public relations.

ORIGIN OF PR IN INDIAN COMPANIES:

In the year 1892 the House of Tata founded the J. N. Tata Endowment. The founder had knowledge about corporate public relations. One of the earliest examples of public relations in India is provided by the Great Indian Peninsular Railway Co. Ltd. The GIP railway carried on publicity and public relation campaign in England for promoting passengers' traffic. They utilised mass media and pamphlets to attract tourist to India.

During the First World War the Government of India in order to disseminate information to the press and public undertook another form of public relations. For this a Central Publicity Board was set up in Bombay. After the Second World War a Department of Information and Broadcasting was created and the public relations in India entered the stage of conscious activity. In the same way certain commercial organisations which had already been practicing public relations unconsciously began organising their public relations activity in a conscious way.

The third phase of public relations in India started after 1947 when we got independence. For the first time there emerged a parliament and elections to the state legislatures took place. The country adopted a socialistic form of government with specific measures such as Industrial Policy Resolution and the Industrial Development Regulation Act. The government and the business

organisations had to adopt a conscious and deliberate policy of public relations against such a background.

A systematic and organized practice of public relations in India some believe began with the Indian Railways. It was found that the building of railways for the purpose of carrying raw materials from the hinterland to various ports in the country was proving to be an expensive affair and soon they realized that they had to introduce passenger traffic in order to recover the cost, which led to promotional messages for railways as a mode of commuting.

In the late fifties and the early sixties multinational companies like Hindustan Lever, Burmah-Shell, Dunlop India, Union Carbide and Philips India set up separate departments to execute programmes of public relations in a systematic manner.

In the next phase professional organisations of public relations practitioners was formed in Bombay and Calcutta. This was followed by the formation of Public Relations Society of India in 1958.

Earlier in 1955 the International Public Relations Association (IPRA) was founded which served as a catalyst in continuing development of the highest possible standards of ethics, practice, and performance of public relations and of professional practitioners.

The following are the aims and objectives of IPRA:

- (1) To provide a channel for exchanging ideas and professional experience among those engaged in international public relation practices.
- (2) To conduct meetings and hold events with a view to enhancing the knowledge of international public relations practice.
- (3) To organise triennial Public Relations World Congresses.
- (4) To develop and publish original case papers and studies.

From January 1983, the Public Relations Society of India, National Council has chapters in Bombay, Calcutta, Delhi, Kanpur, Vishakapatnam, Bhopal, Hyderabad, Bangalore, Madras and Cochin.

In the year 1968 the first All-India Public Relations Conference was inaugurated and thereafter this National Conference has been taking place regularly at different centres.

CASE EXAMPLE OF TATAS:

Some scholars believe that in the initial stages, PR as a management's voice emerged more as a tool of 'liberal' philanthropy by the pioneering industrialists. From the very beginning, the Tata's were involved in community relations as they built the model town of Jamshedpur wherein they not only provided housing, water, electricity, free primary education, hospital and technical institutes, but also promoted social cultural and economic development of the community.

Tata's have been the forerunners in introducing employee welfare schemes. India at that period of time was fragmented into hundreds of kingdoms and principalities and it was not an easy task for the crusaders of the freedom movement, viz., various political leaders and political parties, Congress being the foremost to reach out to the length and breadth of the country in making people understand and participate in the freedom struggle against the British.

Persuasive communication obviously played a great role. It may or may not have been seen as PR, but undoubtedly had its roots in it.

It was during this period that Tata opened their public relations department at their head office in Bombay (now Mumbai) in 1943. It also started a monthly publication in the following year for employee communication.

GROWTH OF PR IN THE POST-INDEPENDENT INDIA:

After achieving independence from the British yoke in August 1947, the government of India set up a full-fledged Ministry of Information and Broadcasting, a premier agency for disseminating information to people at large on various welfare programs undertaken by the government. Successive governments have been criticized for using the state machinery for propagating the 'achievements' of the party in power. In times of crisis, the governments both at central and state levels have used the PR machinery to salvage their reputation. The redeeming thing however in India, that makes our democracy a robust one, is

that we have a free and vibrant media that works as a watchdog in public interest and has constantly questioned the successive governments on their various decisions and unearthed many a scams. The Right to Information that came into existence in 2005, besides empowering the common man has been used vigorously by the media in India in pursuance of their investigative stories.

CURRENT STATE OF PUBLIC RELATIONS IN INDIA:

Public relations is a thriving profession in India. There are hundreds of large and small PR consultancies in the country, employing thousands of practitioners. Most companies in private sector and almost all companies in the public sector have public relations departments. According to a survey conducted by the Associated Chamber of commerce and Industry in India (Assocham, 2012), the PR industry in India is growing at an annual rate of 32 percent. Many believe the definition of traditional PR has undergone a change. PR in its new avatar not just encompasses media relations and employee communication, but is used increasingly for strategic communication, brand building, customer relations and crisis management. From an executive function, PR is now becoming a part of the high-level management job touching upon the core values of an organization.

PR in India is fast emerging as an institution especially with its growing acceptance as a skilled and specialized profession.

Emerging International Public Relations:

In the first half of the 20th century, public relations appeared on the American scene. International Public relations is the product of the second half of the 20th century in International scene. The communication between the countries would be successful only when the message is correctly transmitted to its audience and the communication function itself is appropriate for the message. The message cannot be correctly transmitted in durable form following differences in culture, language, customer preferences.

The rapid progress in understanding in many countries has brought many changes in economic activities and marketing, demanding more effective mass communication to target the world market.

The exposure of foreign products, tourism, cultural exchanges etc, have led to demand for closer relations and understanding between the countries and between the people of the countries. The principles and techniques of public relations extended to other countries particularly by the US due to worldwide interdependence following technical, economic, social and political change.

Today public relations have emerged as a global communication network. Competent and qualified professional PR consultancies have emerged in many advanced countries the establishment of an association of public relations at an international level is an evidence of growing importance of global relations. Local, regional and national associations are affiliated to international associations.

Significantly international organisations and corporations have been giving greater stress on PR and giving more responsibility to the profession of PR. The PR executives at the global level are not only involved in supporting and marketing process but also deeply concerned with the corporate PR strategies.

The following are the reasons for emerging International Public relations:

- (1) **International Understanding:** Public relations are more necessary for International understanding due to interdependence and interrelations between the countries. Issues particularly noteworthy for emerging public relations for International understanding are the energy, International monetary fund, International Court of Justice, Economic Organizations and agencies for economic aid, Foreign trade, International Labour Organisation for labour issues and so on.
- (2) **Promoting Corporate Business:** International fairs, festivals, exhibitions are potential sources for international communication which promote cultural exchange. The

participation of various countries in these fields and exhibition is an example of global interaction. Thus, countries and their modes of communication and interaction have assumed a new dimension with the new emphasis on promoting corporate business.

- (3) **Internationalization/globalization of business:** Internationalization and Globalization of business became a subject of serious concern with regard to the changing role of the profession in International Public relations policies. The International Public relations has assumed greater significance in the light of the recent changes in the global business environment and policy changes. As such, PR practices in the international context are growing faster as International business is growing faster. These are clear indications of a growing recognition of professionals of International Public relations.
- (4) **Social and Cultural Differences:** Multinational corporations stand concerned that social and cultural differences may pose a difficult and different problems in its relations with the host countries. Business problems have mainly arising on account of cultural differences. Successful marketing in a global context demands it thorough knowledge of the different cultures, attitudes and practices which PR plans alone can succeed.
- (5) **Identity Issues:** Big global organizations have many subsidiaries and it becomes difficult to have one voice on one clear identity and public relations personnel try to send consistent messages and themes across frontiers. They need to take macro-governmental and social environments into account when drawing up their strategies. They thus create bridges enabling the organization to communicate across borders.
- (6) **Commercial, Legal and Financial Risk:** There are always several new challenges in the international business environment. Some of these form commercial, legal and financial risks. Public relations have the function at the global level for operations to be smooth and successful.

- (7) **Foreign Relationship Issues:** Successful international operations and businesses always build a good international relationship and adopt different approaches. Public relations specialist has to be vigilant of happenings abroad and alert to the development in global business environment. They must be open to new influences, and also conceive alternative ideas to survive in the international business.
- (8) **Innovative communications:** The innovations and progress in electronic media and telecommunications have resulted in the design of sophisticated information technologies. The new technologies have offered potential opportunities for all the countries to establish close relations and to transmit messages freely, quickly, correctly and any message linked with the people of all the countries.

(C) PUBLIC RELATIONS ENVIRONMENT

INTRODUCTION:

The functions and decisions of public relations are influenced by two sets of environment: internal environment and external environment. The internal environment is influenced by the internal factors generated within the organisation which influence in decision-making of PR. They are controllable factors which are within the hands of the organisation and can be controlled. They are relating to personal, infrastructural facilities, organisation etc. They can be modified in order to suit the requirements of an organization. On the other hand the factors in the external environment are beyond the control of the organisation. The external environmental factors may include competition, consumer behaviour, industry problems, social cultural factors, political factors and so on. They are generally considered as uncontrollable factors.

Although the business environment is influenced by putting to external factors, for PR functions, the business environment is generally used to refer to external environment. The business environment presents to challenges to the enterprise: the challenge to combat the environmental threats such as

competition, declining market and to explore business opportunities.

SOCIAL AND CULTURAL ISSUES: (Nov. 18)

The social issues of a particular country in which a business is operating cannot be ignored. The influence of social and cultural environment of business is enormous and dynamic. The social system prevailing in a country decides, encourages, directs and controls business activity of the country. A social system with high degree of civilisation, mobility industrialisation and urbanisation are the primary factors impacting on the business.

Social issues bearing on the business refers to all the social factors which have a bearing on the functioning of a business enterprise. Business depends on the social environment for all the needed inputs. Every business has to depend upon the social issues to sell the finished products. Therefore, the dependence of business on social and cultural aspects is wide and multidirectional and it is not surprising because as it is rightly said business is one unit of the total social system.

The social factors which influence a business are referred to as social issues, which are external factors to a business. They are beyond the control of a business enterprise and hence called uncontrollable social issues. The specific social issues may include: customs, usage, tradition, cultural heritage, family systems, religion, marriage systems and ethics.

Other factors of social nature impacting on the business include social behaviour, colour, community, nationality, language, political ideologies, immigration and migration and cross-cultural relations.

Culture as a powerful segment of society that holds great significance to business because it is the culture which decides the ethos of people. A culture includes knowledge, belief, art, models, law, custom, habits, fashion and other variables which indicate the whole lifestyle of people.

Healthy public relations are possible through social intercourse among the people. An effective public relationship is not possible in an environment of doubt, suspicion, fear, insecurity,

aggressiveness, dominance, exploitation, fundamentalism, terrorism, militancy, attitudes of hated communal disharmony, lack of friendly relations etc.

ECONOMIC ISSUES:

Economic conditions, economic policies and economic systems are the important external economic issues which constitute the economic environment of a business greatly impacting the decision-making capacity of a business organization. The nature of the economy, the level of economic development, economic resources and the distribution of income etc. are important issues of a business strategy. The major macroeconomic factors which have considerable influence on business may include growth strategy, economic system, economic planning, economic reforms, fiscal policies, national income, per capita income, industrial infrastructure and removal of regional imbalances and so on.

The other areas of economic issues include labour legislations, industrial relations, stock exchange and its regulations, commodity exchange and its regulations, concentration of economic power, price policy, exit policy, export promotion, technological environment etc. The PR should be well versed with all this economic issues and study each factor affecting the economic issue meticulously for taking his PR decisions.

POLITICAL ISSUES:

It is evident that there is close relationship between political issues and business. In any country, the government itself is a political body created by a political system. Like business, the government also has a social purpose which are effectively regulating business transactions. There are a number of business legislations enacted by the political government which are effectively regulating business transactions. In many cases, government policies are implemented to legislations, policy documents, statements, policies, five-year plans etc.

The political issues impacting on business are enormous, particularly in changing the present social economic senior of the country. Therefore, political environment of a business is to be considered to successfully carrying on the business. A particular

political system ruling in a country formulates policies which decides, promotes, encourages, protects, assists, directs and controls the business operation from time to time.

The importance of the opposition party in the legislature cannot be ignored which equally influences business. It is because of the fact that the opposition parties can check and criticise the policies of the ruling political party which are detrimental and prejudicial to progress of the business.

In any form of political government bureaucracy plays a crucial role in the implementation of the political policies. The elected representatives may come and go, may change from time to time, but the administration must function without break. It is the bureaucracy that goes for ever though the political people may come and go. So it occupies an important role in the implementation of the policies.

For a successful PR professional, it becomes necessary to take stock of the prevailing political environment and then formulate strategies to avail of the opportunities emerging out of a political system.

LEGAL ISSUES:

Legal environment constitutes an important dimension of business and therefore, forms an indispensable part of the public relations curriculum. All businesses are conducted in an environment which has several dimensions. One of the dimensions is the legal environment, where the legislature is the major player. Over the years the rule of law and its implementation has increased and it has taken over the responsibility of not only regulating the business but has also assumed the role of economic development and progress.

Legal mechanisms greatly influence business in many ways. It is the duty of law to regulate both economic and noneconomic issues which are often referred to as business legislations. Sometimes in the interest of the society, the government may take some regulatory anti-business measures in the national interest to curb the activities. The latest one is the Demonetisation to replace old ₹ 500 and ₹ 1,000 denomination notes.

The field of Indian business legislations has widened enormously as the government of India, at various levels has shown concerns towards social welfare and maintaining balance between interested groups. There are several acts passed by the Central government and the State government to show that they jointly share the responsibility of economic progress.

Legislations influence functioning of public relations activities in many ways. It is the responsibility of legal mechanisms to undertake social and economic issues which are often referred to as legal environment of the profession. It is necessary that the relationship between the public and the business services grow without confrontation. Public relations professionals have to take keen interest in the legal aspects affecting performance of the functions and have to adopt a constructive role in this relationship.

Knowledge of law is a must for any public relations person to effectively discharge his specialised and professional functions. Today every organisation functions in a legal environment which has several dimensions. In this environment there are a number of legislations. Over the years, many legislations have been passed and their intervention in functioning of the organisation have increased and it has taken over the task of not only regulating but also assumed the role of social responsibility. The impact of legal environment upon the subject of public relations is of vital importance and therefore a detailed nature of legal environment is to be known.

The nature and scope of legal and commercial environment is very wide and varied. The pieces of legislations which comprise business laws are quite arbitrary. As to the scope of business laws, it includes commercial suits.

Commercial suits means suits arising out of transaction in the natural course of business of merchants, bankers, traders, insurance, export and import, transport, finance etc. all relevant laws which have to be referred to the concerning the nature of dispute is of importance. It is a fact that it is not possible for a person to know all the laws of a business. Given below are some

of the important business laws impacting business that appear professional should have basic knowledge of.

- (1) **The Indian Contract Act:** The Law relating to contract is contained in the Indian contract 1872. The act deals with general principles of law of contract and some special contracts. It is the most important branch of business law. It affects everyone who is involved in contractual relations.
- (2) **Indian Partnership Act, 1932:** The law of partnership is contained in the in the partnership act. Partnership form of business is considered as one of the forms of business organisation. The relationship of principal and agent is established among the partners and this relationship is governed by the law of agency. The act deals with the registration of forms, procedure, legal relations of the partner's rights and duties of the partners, Minor admitted to the benefit of the partnership etc.
- (3) **Sale of Goods Act, 1930:** The law relating to the sale of goods is contained in the Sale of Goods Act, 1930. A sale is a contract which is a normal business transaction between the parties. It is the most common in all commercial contracts. The principles and provisions relating to the sale of goods is of utmost importance to PR professionals concerning with their marketing activities.
- (4) **Negotiable Instrument Act, 1881:** Bills of exchange, cheques and promissory notes are the important commercial document widely used for payment and settlement of transactions. These two documents are termed as negotiable instruments. The law relating to the negotiable instruments is contained in the Negotiable Instrument Act, 1881.
- (5) **Law of Insurance:** The law of insurance is meant to ensure against risk and uncertainties involved in a business. Accordingly there are three types of insurance schemes namely life insurance, fire insurance and marine insurance. They are governed by the various legislation such as Life Insurance Corporation Act, 1956, Marine Insurance Act, 1963 and General Insurance Law.

- (6) **Arbitration Act, 1899:** Business transactions and contracts often get involved in litigations and disputes. For the purpose of settlement of disputes through mediation, the law of arbitration has been codified. Arbitration is the name given to a method of settling disputes without litigations. It is an alternative settlement of disputes through courts. The law relating to the procedure of arbitration is contained in the Arbitration Act, 1899.
- (7) **Law of Carriage:** Carrying of goods from one place to another place is an important function in a business. The law relating to carriage of goods is contained in various acts depending upon the mode of carriage. Goods may be carried by land, sea or air. The law relating to carriage of goods by land is contained in the Carrier's Act, 1880. In case of carriage of goods by Air, there is only one act known as Carriage by Air Act, 1934.
- (8) **Essentials Commodities Act, 1955:** The Essential Commodities Act, 1955, provides in the interest of general public, for control of production, supply, distribution, trade and commerce in commodities which have been declared as essential under the act. To achieve these objectives, the government has been vested with powers under the act, to issue orders for regulating production, storage, transport and distribution of such essential commodities and for controlling their prices.
- (9) **The Securities Contracts (Regulation) Act, 1956:** The Securities Contracts (Regulation) Act, 1956 is designed to prevent undesirable transaction in securities by regulating the business of dealing therein. The act also seeks to regulate the buying and selling of securities outside the limits of the stock exchange, to the licensing of securities dealers.
- (10) **The Consumer Protection Act, 1986:** The Consumer Protection Act has been passed to protect the interest of the consumers from being exploited by traders. Under the act, various redressal agencies have been formed such as District Council, State Forum and National Council, to expedite the course of justice.

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(D) THEORIES USED IN PUBLIC RELATIONS

MEANING OF THEORY:

A theory is a prediction of how events and actions are related. We have theories about many actions and events in the public relations. Some theories serve us well because we test them regularly and is of the same relationships or the time. For example, thank you notes to express appreciation will almost always lead to an improved relationship between an organisation and its customers, clients, employees, and other stakeholders. Other theories are dynamic and evolving and need more testing and refinement so that they will have better predictive value. As a public relations manager, you should have knowledge of different theories so that you can make the right decisions for your public relations plans and programmes. Your value to your employer or client will be directly related to how well you use theory in your work. No single theory covers all you need to know in public relations or any other discipline, therefore, it is valuable to look at theories by grouping them according to how they are used.

THEORIES OF RELATIONSHIPS:

Both systems theory and situational theory are considered theories of relationships.

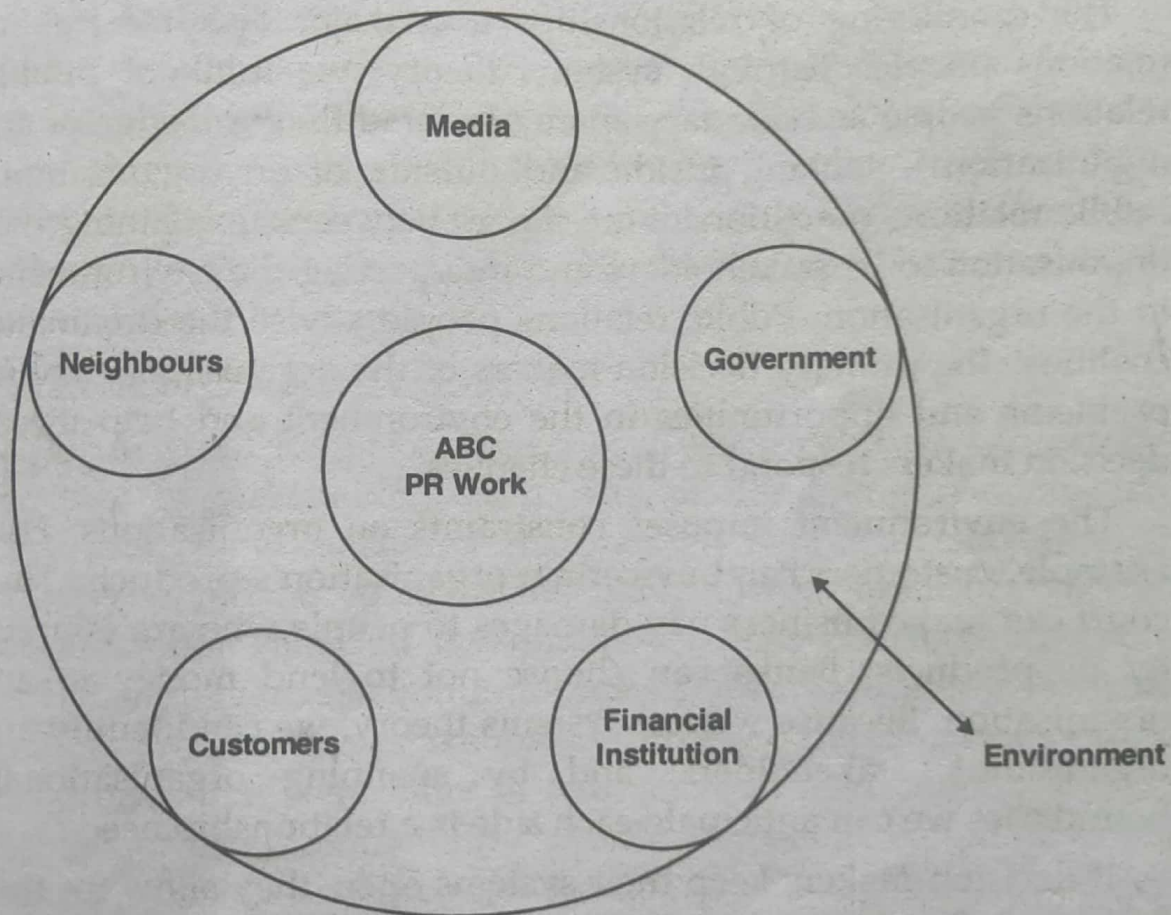
SYSTEMS THEORY:

(Nov. 18)

Systems theory is useful in public relations because it gives us a way to think about relationships. Generally, systems theory looks at organisations as made up of interrelated parts, adapting and adjusting to changes in the political, economic and social environments in which they operate. Organisations have recognisable boundaries, within which there must be a communication structure that guides the parts of the organisation to achieve organisational goals. The leaders of the organisation create and maintain these internal structures. According to the system's perspective, organisations depend on the resources from the environments, such as raw materials, a source of employees, and clients or customers for services or products they produce. The environment needs the organisation for its products and services.

Organisations with open systems use public relations people to bring back information on how productive the relationships are with clients, customers and other stakeholders. Organisation with closed systems do not seek new information. The decision-makers operate on what happened in the past or on their personal preferences.

Organisations are part of greater environment made up of many systems.



Systems Model of an Organisation and its Environment

Organisations are part of a greater environment made up of many systems. We use an example of a hypothetical organization — ABC PR works. It is depicted as an all in the centre. Moving out from the organisation, you can see that it has an environment—the area between the large circle and our organisation. In that environment we see most of the groups we considered, customers, media, community, financial institutions and government. These groups are called stakeholders because they and the organisations have consequences on each other — they create problems and opportunities for one another.

We can use systems theory not only to examine relationships with our external stakeholders but also to look at internal functions and stakeholders of our organizations. Organizations structure their employees by specific jobs and functions. Many different departments, such as accounting, legal, and public relations, make up managerial functions. The production function of an organization might include skilled and unskilled employees who actually make the product or provide a service to customers.

The monitoring of relationships is a major task for public relations people. Through systems theory, we think of public relations people as boundary spanners, straddling the edge of an organization – looking inside and outside of an organisation. Public relations practitioners are the go-betweens, explaining the organisation to its stakeholders and interpreting the environment to the organisation. Public relations people advise the dominant coalition, the primary decision-makers of the organisation, about problems and opportunities in the environment and help these decision makers respond to these changes.

The environment imposes constraints on organisations. For example, customers can buy certain organisation's products. The court can make business pay damages to people who are injured by its products. Banks can choose not to lend money to an organisation. Because we use systems theory, we can identify an organisation stakeholders, and by spanning organisational boundaries we can anticipate each side is a relationship needs.

If decision-makers keep their systems open, they allow for the two-way flow of resources and information between the organisation and its environment. They use that information for adapting to the environment, or they use the incoming information to try to control the environment. For example, to control potentially negative media stories, in NIKE, corporate communicator created the "Issues Brief" to be used when media questioned Nike products. The "Issue Brief" gave Nike's spokesperson information to explain company policies or positions. For example, if it typically to men in the middle of a marathon and a Nike running shoe fell apart, we have a one-page document that provides in a very concise fashion the history of

that product or issue, approved legal statements and language that can be used when discussing the issues, and a list of most likely question that the media or other external stakeholders will ask.

Using the concepts of organization and environment we can begin to create theoretical statements about relationships with stakeholders. For an example the more turbulent the environment, the more flexible the public relations department needs to be because stakeholders that could have positive or negative consequences for the organisation are constantly changing. Organisation that remain slow to respond or closed to new information from the environment are less likely to have effective relationships with key publics. If organizations have closed systems, it may take a crisis for an organisation to accept environmental changes.

SITUATIONAL THEORY:

Grunig and Repper agreed that it was a good start to use the concept of stakeholders as a way of describing relationships. However, they concluded that not all people in stakeholders groups would be equal in the likely to communicate with an organisation. They felt that public relations people could more effectively manage communications by identifying specific publics within the stakeholder groups. These publics were subgroups that were more or less active in their communication behaviour. An example of the stakeholder public would be active voters within the broader group of all registered voters. Candidates will focus their communication efforts on those voters who can be counted on to go to polls on election day. Grunig and Hunt proposed to what they call a situational theory of publics to give us more specific information about publics communication need.

They theorized that public range from those who actively seek and process information about an organization or an issue of interest, to those publics who passively receive information. According to these researchers, three variables predict when publics will seek and process information about an issue: problem recognition, constrained recognition, and level of involvement.

The key is that publics are situational, that is, as the situation, problem, opportunity or issue changes, the publics with which the organisation must communicate change.

Problem Recognition: Publics facing an issue must first be aware of it and recognise its potential to affect them. For example, parents of school-age children will be more aware of a subpar school facilities than will taxpayers without children.

Constrained Recognition: This variable describes how publics perceived obstacles that may come in the way of a solution. If they believe they have a real shot at influencing an issue, they will tend to seek and process information on that issue. Take the case of previous example. Think again about parents with school age children. They have more access to school decision-makers because they have more contact with school principals, teachers, and administrators than do taxpayers without children.

Level of Involvement: This variable refers to how much an individual cares about an issue. Those who care a lot would likely to be active communicator is on an issue. Those who care little would likely to be more passive in seeking and processing information. We anticipate that the level of involvement would be much higher for those parents who saw first-hand substandard school facilities than those who had not.

Using these three variables Grunig and Hunt described for responses that follow from being high or low in these dimensions. For example, those publics who have high problem recognition low constrained recognition and high involvement in an issue are much more likely to be actively engage in communication about it.

Situational theory also helps explain why some groups are active on a single issue, others are active on many issues, and others are uniformly apathetic. The specific relationship is determined by the type of group (active, passive) and how an organisation is linked with the issue. Public relations people can plan their communication strategies much more accurately if they know how actively the stakeholder's publics will seek information from the organisation.

Situational theory keeps us focused on the kind of information that publics want rather than organisation's choice of information to distribute. It also assumes that public will pay attention and seek out information that is in their best interest.

Public relations people try to persuade audiences to learn new information, to change emotions, and to act in certain ways. Sometimes we are not even aware that we are being persuaded. Take an example of going to the bank. When you enter the bank, there are cards and brochures explaining how to open an account and new services that the banks say will save your money. Free coffee and popcorn are available. With each of these subtle "touches" the bank's public relations people are seeking to change your awareness, attitudes, beliefs and behaviour.

Several factors will influence how persuasive public relations messages or actions will be. Among them are the source of the message, the message itself and the receiver. Not surprisingly, researchers have found that the more credible or believable the source is, the more likely we will accept the message. Studies of effective messages consider such as characteristics as language intensity, message sidedness and the quality and quantity of the evidence. Gender, personality traits and the argumentativeness of the receiver will also influence the impact of persuasive messages.

SOCIAL EXCHANGE THEORY:

Social exchange theory uses the economic metaphor of cost and benefit to predict behaviour. It assumes that individuals and groups choose strategies based on perceived rewards and cost. This theory, developed by John Thibaut and Harold Kelley, applies to many fields of study, including interpersonal communication, public relations and theories of organisations.

Social action theory asserts that people factor in the consequences of their behaviour before acting. In general, people want to keep their costs low and the rewards high. Get-rich-quick schemes have been using this principle for a long time. But what does this have to do with public relations? Let's say we want people to respond to a particular survey. Remember, we want to keep cost to potential respondent's low and perceived rewards high. What can we do to keep cost low?

- Keep the instructions simple.
- Keep the survey short.
- If mailing is required, provide a prepaid return envelope.
- If returning by fax, use an 800 number.
- Avoid open-ended, complex and personal questions.

Now, how can we increase the rewards for the respondent?

- Make the survey interesting.
- Emphasize that the person is being consulted for his or her thoughts and that her or his ideas are important.
- Tell respondents how the results will be used - presumably to contribute to something worthwhile.
- Offer an opportunity for a tangible reward, for example a copy of the results or a chance to win something of value.

This same logic can be applied to more complex behaviour by using a payoff matrix. (See next page for Payoff Matrix)

Let's say our company, ABC PR works, becomes aware of the defects in a product that has already been shipped to customers. The defect may mean that the product will need for repairs much sooner than a promise to 3 year guarantee. We can look at the situation as a set of possible decisions, with each addition is having cost and rewards. In the above figure, the upper part of each cell contains perceived rewards and the lower part, possible costs. Some of the consequences, like the recall costs are certain. Others, like the possibility of lawsuits and negative publicity, have some probability associated with them. If the head of ABC PR works could see the decision this way, the company would recall the products and accept the short-term loss.

		CUSTOMERS	
		Find Out	Don't Find Out
United PR Works	Recall Screws	Rewards: <ul style="list-style-type: none"> • Co-associated with quality • Possible positive publicity Costs: <ul style="list-style-type: none"> • Money • Possible negative publicity 	N/A
	Ignore	Rewards:	Rewards: <ul style="list-style-type: none"> • No immediate costs • No negative publicity • Save costs of retail Costs:

Payoff Matrix showing Cost & Rewards involved in a Recall Decision

It would be human nature to ignore the problem, hoping it would go away. The public relations practitioner's job is to let the decision-makers see a whole range of options along with the associated cost and rewards.

DIFFUSION THEORY:

Diffusion theory is another way to look at how people process and accept information. Diffusion theory says that people adopt an idea only after going through the following five discrete stages:

- (1) **Awareness:** The individual has been exposed to the idea.
- (2) **Interest:** The idea has to arouse the individual.
- (3) **Evaluation:** The individual must consider the idea as potentially useful.

- (4) **Trial:** The individual tries out the idea on others.
- (5) **Adoption:** This represents final acceptance of the idea after having successfully passed through the four earlier stages.

This theory is useful for explaining how we teach important decisions – not acts of impulse. We know from testing this model that mass media are important in the first two stages, personal contacts are important for the next two.

CASE STUDY WITH POSSIBLE SOLUTION:

(1) PRESS RELATIONS:

ABC consultant is a public relations consultancy bureau. Anjali appliances a client of ABC Consultant are the manufacturers of durable consumer goods like electric automatic irons, toasters, fans, heaters and the like. It is a medium size industry. It cannot bear the burden of paying heavy excise duty and surcharge. There is no way but to think in terms of increasing the prices.

But an increase in prices would prove non-competitive and will pay the way for large scale industries manufacturing similar consumer durables. The medium and small scale industries would not be able to compete with the large scale industries. ABC consultant the public relation consultancy bureau is now faced with the problem of presenting its clients case first to its internal public viz. the workers, government officers and consuming public and then others.

Question:

- (1) Assume that you are a public relation officer of ABC consultant prepare a PR action plan.

ONE POSSIBLE SOLUTION:

- (1) As a Public officer of ABC consultant I would plan in the following way.
 - (a) Call a press conference by inviting press representatives from the trade, technical journals, daily newspapers, weeklies and other print media.
 - (b) Prepare a case study of how the increase in taxes affect the sales and production, ultimately hitting hard at the profitability and growth of the industry as a whole which may liquidate middle and small scale industries.

- (c) Issue press releases and handouts at press conferences and send out such literature by post to almost all print media in the country.
- (d) The case to be presented to appropriate government authorities with copies to the various 'bodies' mentioned and to the parliamentarians and members of legislatures.
- (e) Placing advertisement in newspapers, informing consumers how the hike in the tax would force them to increase the price and how such a situation would deprive the middle class consumers of owning such time saving gadgets in their homes.

The advertisement should be so well worded that it should appeal to all classes of people which will ultimately mobilise public opinion against the government proposal for a tax hike.

With the persistent effort the problem could be eased by bringing the objectives to the attention of the public.

(2) PR STRATEGY:

Silvassa, Sarigam and Daman are economically backward areas. With a view to improving the lot of those areas which are economically, industrially and socially backward, the state government established an Industrial Estate some years back. As a follow up to this project, the Chief Minister and Minister for Industries invited captains of large, medium and small-scale sectors, cross section wise, for briefing them on the several incentives which would be granted for those who would set-up industries in these areas.

In a press announcement, the government also spelt out a number of advantages for those who responded to the invitation, and whatever sites that were required for their operation. Through press advertisement details of infrastructure facilities were also made known.

There was a response from a handful of large, medium and small-scale industries. There was one leading manufacturing company who set an example by announcing through an English daily the caption 'Bajaj moves rural'.

With all that progress, more assorted type of industries applying for 'plots' did not occur as expected. The situation was tricky and a senior public relations professional was invited to counsel the State Government's Industries department.

Question:

- (1) If you are invited as a senior public relation professional, what would be your strategy?

ONE POSSIBLE SOLUTION:

- (1) If I was invited as a senior public relation professional, the following would be my strategy.

As a first step a handout incorporating the following details would be prepared.

- (a) The Climate of Silvassa and Daman is very mild, warm and cool summer. Also excellent drinking water, and capacious supply.
- (b) Proximity to Valsad and Surat.
- (c) Low cost of labour and workers, enthusiasm to work in an industry and flourish, like their friends and relatives who have migrated to Surat and Valsad.
- (d) Holiday spots abounding with beautiful scenery.
- (e) Good supply of food grains vegetables and milk and milk products from the adjoining villages as well as meal from the largest cattle farm of the state government and fish from ponds.
- (f) The many incentives, concessions, facilities made available by the state government and so forth.

Objective Questions with Answers**(A) State whether the following statements are True or False:**

- (1) Public is a group of similar individuals, an assortment of persons having similar interest, problems, goals and circumstances.
- (2) Relations are the outcome of mutual understanding which is derived from the process of sharing of the common interest.
- (3) Public relations management is restricted to receiving guests, donations and welfare programmes of the organization.
- (4) Mahatma Gandhi who is known as Public Relation Personality of the 20th century created a good impact in terms of faith on the Indian classes.

- (5) Makhan Lal Chaturvedi University of Journalism was set up to exclusively cater to mass communication teaching and training.
- (6) Edward Bernays is considered the founder of modern public relations.
- (7) Tata was a pioneer of Public relation in the form of philanthropy.
- (8) Social exchange theory uses the economic metaphor of cost and benefit to predict behaviour.
- (9) Public relation practitioners must use only one medium of information to build relationships with participants.
- (10) In a business environment, social cultural forces never interact with economic forces.

[Ans.: (1 – True); (2 – True); (3 – False); (4 – True); (5 – True); (6 – True); (7 – True); (8 – True); (9 – False); (10 – False)]

(B) Fill in the blanks with appropriate option:

- (1) Today public relations have emerged as a _____ communication network.
(a) global (b) national (c) multinational (d) none of these.
- (2) The beginning of public relations date back to the early 1990s which witnessed the big change in _____.
(a) America (b) Russia (c) China (d) none of these.
- (3) Today most social conflicts are caused by changing values and higher expectations from the _____.
(a) superiors (b) subordinates (c) owners (d) none of these.
- (4) _____ theory uses the economic metaphor of cost and benefit to predict behaviour.
(a) Social exchange (b) Situational (c) System
- (5) _____ theory is another way to look at how people process and accept information. **(Nov. 18)**
(a) System (b) Situation (c) Diffusion (d) Social Exchange
- (6) _____ is not an essential of public relations. **(Nov. 18)**
(a) Human Relations (b) Empathy (c) Dialogue (d) Supply of Information

[Ans.: (1 – global); (2 – America); (3 – superiors); (4 – Social exchange); (5 – Diffusion); (6 – Supply of Information)]

(C) Match the Pairs:

Group A	Group B
(1) Human relations	(a) 1991
(2) Earliest example of PR in India	(b) Stake holders
(3) Systems Theory	(c) Relationship
(4) Situational Theory	(d) Internal and external
(5) Social Exchange Theory	(e) GIP Railways
(6) Introduction of PR in India (Nov. 18)	(f) Cost and Benefit

[Ans.: (1 – d); (2 – e); (3 – c); (4 – b); (5 – a); (6 – a)]

Questions for self-Practice

- (1) Define Public Relation. What are its Essentials? (Nov. 18)
- (2) Discuss in brief the growth of public relations. (Nov. 18)
- (3) How do social and cultural trends influence business environment? (Nov. 18)
- (4) Explain Systems theory with the diagram.
- (5) Explain the elements in the process of public relations.
- (6) Enumerate the causes for the growth of public relations.
- (7) Explain the reasons for the emerging Internet and public relations.
- (8) What are the economic issues in public relations environment?
- (9) Explain the political and legal issues in public relations environment.
- (10) Explain the social exchange theory and efficiently used in public relations.