## CAN PUBLIC RELATIONS PUT THE TRUST BACK IN ORGANISATIONS?

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#### **ABSTRACT**

The last two years have seen top South African and international companies being accused or criticised for activities that do not serve the interests of their stakeholders. A sad result of this and other organisational philandering is that the name of public relations - already tainted - is sullied even more. The ethics of organisational management, the ethical impacts of public relations, and the ethics of public relations practitioners are addressed in this article. In deliberating the sticky ethics issue, the current role of public relations in the organisation as well as public relations education in South Africa are also discussed. It is suggested that the value chain can be used to assist public relations in overcoming its uncertain position in the ethics debacle by firstly placing it firmly in the organisation's value chain as a support activity alongside those of human resources, firm infrastructure, and technology development; secondly that the placement of public relations as support function in the value chain is a good argument for the allocation to public relations of its rightful place in the organisation's formal chain of command; and thirdly, given the acceptance that public relations is a support function not only to marketing and sales, but also to inbound logistics, operations, outbound logistics, and service, it becomes necessary to revise the educational curriculum of public relations students.

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#### INTRODUCTION

The product recalls on a massive scale during the first months of 2007, followed by an apology to the Chinese government by toy manufacturer Mattel has, more than any other single event, brought the issue of ethics in business into sharp focus. Following in the wake of a number of preceding "misdemeanours" by organisations such as Enron, Worldcom and others, this event has one unique consequence – Mattel was sued by its shareholders for its sloppy handling of the matter. In all other respects, the toy recall echoes to a greater or lesser extent the "typical" behaviour of an organisation when caught, as it were, with its pants down. The following sequence of events seems to unfold with monotonous regularity:

- Accusation;
- · Denial;
- Guilty verdict;
- Rationalisation; and
- Assurances of future holiness.

Of course, the real "golden thread" running through all of this is the invisible hand of the "spin doctor" manipulating opinion, ensuring everyone stays on message, selecting the right media moments, writing and re-writing media releases for best persuasive effect, and all the other little tricks up the sleeve of the "engineer of consent" – a phrase that Bernays coined.

Do organisations like these stop for a minute to ponder the hypocrisy of what they are doing? one will be forgiven for asking – surely an organisation cannot be innocent one day, and guilty the next, and free of blame the day after? If it were true, in the reported words of P. T. Barnum, that a fool is born every minute, even the most obtuse business manager will realise that – this time in the words of the great Abraham Lincoln – you cannot fool all of the people all of the time. This is becoming apparent in a time when both media and consumers – not to mention governments and regulators – are looking at ways in which to hamstring organisations trying to ensure "proper" conduct in future. Business managers will be quick to point out that legislation and regulation are burdensome and costly, harming the consumers' pockets in the long run. This may be true, but using this form of rationalisation does not absolve the errant company.

A sad result of this organisational philandering is that the name of public relations – already tainted – is sullied even more. Another result of course is that consumers are becoming ever more wary of promises of good service and superior product performance, and thus more reluctant to part with their hard-earned money. Against a background such as this, public relations itself is questioning whether – and how – to go forward. Ranging from bestsellers such as *The fall of advertising and the rise of PR* by Al and Laura Ries to the publication of serious reports like *The professional bond* –

Public relations and the practice by Judy VanSlyke Turk, publications querying the future of the profession abound. What lies ahead for public relations? Answering this question requires firstly that the current landscape be surveyed.

### **CURRENT STATE OF PUBLIC RELATIONS**

That public relations is unsure of its own role in the organisation is apparent from a number of books and journals consulted. In South Africa, much debate centres on the position that public relations should occupy in organisational management. In this case, it seems as if some new theoretical guidance should be developed to help position public relations not only in the organisation, but also in relation to other management functions.

There are challenges in public relations education that need to be met. Most authors on the subject of public relations education provide some guidance to the content of the curricula, as well as what should and should not be included in public relations education. The implication of a re-alignment of the role of public relations is that curricula need to be revised.

The ethics of organisational management, the ethical impacts of public relations, and the ethics of public relations practitioners themselves need attention, since our discipline is coming under increasing fire for being perceived as unethical.

These three themes, briefly introduced above, guide the literature review discussed below.

### The role of public relations in the organisation

One of the major causes of concern for public relations practitioners is the fact that public relations in the organisation is seemingly not taken seriously, and that public relations is not used to its full strategic potential, but merely as a tool to be used to "save" the organisation from unsavoury public comment. Furthermore, public relations practitioners are unsure about their role in the organisation – as are other departments. In the words of Rensburg and Cant (2003: 46): "[T]he role of public relations should be clarified in the organisational dynamics to prevent it from overlapping with other functions, causing confusion and ineffectiveness." This confusion manifests itself in a number of ways, one of which is the two-fold role of technician and strategist.

Current literature distinguishes between the technician and strategist roles of public relations practitioners (Steyn & Puth 2000; Skinner, Von Essen & Mersham 2004: 6; Cutlip, Center, Broom & Du Plessis 2000: 8). As technicians, public relations practitioners are used as communication specialists who use techniques such as publicity, seminars, open days, and product launches – to name a few – in order to obtain a favourable impression of the brand or product.

As strategists, public relations practitioners will strive to obtain a favourable image for the organisation among its various stakeholder groups, thereby building the organisation's reputation, which in turn will positively affect the performance of the

marketing activities. Rensburg and Cant (2003: 53) reinforce the fact that the position of public relations in the organisation is a matter of debate, but also take care to make the point that public relations should play a more encompassing role in the organisation. They point out that it shares a characteristic with advertising in that public relations is sometimes a function that is outsourced to public relations consultancies. A question that needs to be asked – and answered – is whether it is at all advisable to outsource the public relations function.

Support for the role of public relations as strategic function is coming from a number of sources. Indeed, the notion that public relations should be seen as "more" than a "mere" technical function of the organisation is supported by a number of texts, including Skinner *et al.* (2004: 6) and Cutlip *et al.* (2000: 76). For Heath and Coombs (2006: 27-30) the strategic role of public relations is clear-cut. Using public relations, the organisation will seek to build and maintain relationships with stakeholders that are of strategic significance to the organisation. Their focus, however, does not fall as much on the stakeholder (or public), as it does on the relationship. To them, this is also what distinguishes public relations from marketing – the focus on relationship-building with groups other than customers.

The focus on relations as identified above by Heath and Coombs is reflected in the definition of public relations adopted by the Public relations institute of Southern Africa (Prisa) (Skinner *et al.* 2004: 4): "Public relations is the management, through communication, of the perceptions and strategic relationships between an organisation and its internal and external stakeholders."

Interestingly, some marketers (cf. Kotler & Armstrong 2006: 447) agree that the role of public relations is to build and maintain relationships with a number of stakeholder groups. Of course, a focus on relationships does lend gravity to the excitement with which public relations practitioners in South African welcomed the focus of the *King II Report* on stakeholders and relationships with stakeholders. The relationship-building role of public relations, as advocated by a number of authors, and as implied by the Prisa definition, is used by practitioners and academics to justify the strategic nature of their role.

The reputation of the organisation, long held to be a primary responsibility of public relations, is therefore the result of what an organisation says and does. Grunig (2006: 3) also draws a link between the organisation's relationships and its reputation. The point is that "[t]he essential objective of corporate communication should be to make the organisation more effective through mutually beneficial communication between the organisation and all its stakeholders" (Steyn & Puth 2000: 3).

This focus on stakeholders, seen in a number of definitions of public relations, paves the way for investigating the use of Porter's value chain analysis. Kotler and Armstrong (2006: 42) describe the value chain as the "series of departments that carry out value-creating activities to design, produce, market, deliver, and support a firm's products". Significantly, public relations is not positioned in this value chain – only marketing is.

However, understanding of the value chain implies that relationships (the focus of the Prisa definition) need to be formed, maintained and managed. This leaves much room for public relations to come into its own.

The literature reviewed for this section in order to establish how public relations sees its role in the organisation makes for fascinating reading in the sense that there is currently no clear and unambiguous guideline for the role of this function:

- It is either in-house or outsourced.
- It either reports to marketing or it does not.
- It is either corporate affairs, or public affairs, or corporate communication, etc.
- It deals in a number of activities, but it does not know exactly which.
- It recruits from a variety of fields, such as journalism, languages, and communication.

One quaint solution to the dilemma faced by public relations (regarding its bad name, as well as confusion about its role) is proposed as a simple name change. Authors like Steyn and Puth (2000), who strongly advocate a name-change, also argue that public relations today plays a wider role than in the past, and should therefore be named differently. However, a name-change in itself will not result in a "new, improved" view of public relations (or corporate communication; reputation management and suchlike) if practitioners themselves kept on practicing "old" ways. If it remains "business as usual", the name-change would simply result in a form of spin-control – an activity of the "spin doctoring" discipline itself.

In stark contrast to the name-change school stand the views of VanSlyke Turk (2006), who identifies challenges for public relations not as a name-change issue, but rather one of re-training, re-examining, and restructuring the practice of, and education in, public relations. Her argument is that the discipline will only benefit if it reinvents itself as a responsible academic discipline firmly rooted in the business and communication sciences.

## PUBLIC RELATIONS EDUCATION

A research survey conducted in 2004 in South Africa found that public relations practitioners are confused about their role in the organisation. One contributor to this confusion is the fact that public relations practitioners "have educational backgrounds that sometimes do not include formal training in public relations" (Venter 2004: 165). The research survey did not prod respondents on their particular backgrounds, and it may provide interesting insights were these backgrounds to be discovered. Newsom, Turk and Kruckeberg (2004: 13) do, however, point out that:

Public relations functions have been delegated to people from other fields: lawyers without any background in public relations or even communications; former media

personnel who have been on the receiving end of public relations material but have no theoretical background; management-trained executives whose business school education did not include any courses in public relations; or marketing experts who have no knowledge of the overall communications components.

The educational background of current public relations practitioners may in part explain why there is indeed confusion about the role of public relations in the organisation, and this background will need to be established through further research.

However, the problem in public relations education is wider than that of practitioners studying in fields other than public relations. The content of the body of knowledge needs to be revised from time to time to keep up with the dynamic changes taking place in the world surrounding public relations. There is also a recognised need for "reflexivity in public relations theory and practice ... continuously reflecting and overturning the theories in the field", as Holtzhausen (2002: 36) points out. Apart from the content of the subject (public relations) itself, the curriculum also will need to be revised from time to time.

A lack of sufficient education and training in areas such as marketing, business management, and strategic planning among current practitioners of public relations may partly explain why Porter and Kramer (2006: 80) say that "the prevailing approaches to CSR (corporate social responsibility) are so fragmented and so disconnected from business and strategy as to obscure many of the greatest opportunities from companies to benefit society".

VanSlyke (2006: 85) reports on the state of public relations education and training by stating: "[T]he need for public relations education is escalating rapidly, surfacing new issues that must be addressed and resolved." However, while the report focuses the need for public relations training and makes suggestions for curricula, it fails to refer adequately to the broader context – strategy, management, and marketing to name but three – within which public relations operates. Currently, this is precisely where public relations training (especially in South Africa) is most at a loss.

The point is simple: in order for public relations to play a strategic role in organisations, and in order for this function to contribute its fullest potential to organisational effectiveness, a broadening of the existing body of knowledge along with an adaptation of existing public relations curricula at tertiary institutions is required. A current cited lack of theory and training among public relations practitioners contributes to the confusion identified earlier in this section.

#### **ETHICS**

In spite of the best intentions of lawmakers, regulators, and – lately – boards of companies, ethics is still persistently observed more in the breach than in the observance. Simply, it is not easy to behave ethically under all circumstances. As Micklethwait and Wooldridge (1997: 201-202) put it: "[T]here is a yawning gap

between what people say and what they do", while at the same time no single company or person is "against ethics" per se.

The problem seems compounded by the fact that the pressures of financial gain – created mainly by shareholders – lead to situations where management teams yield to the temptation of making unethical decisions. In the words of Kane (2003: 11):

[t]he fundamental dilemma of corporate and public governance is that, at the margin and over short periods, it often pays to hide adverse information. The result is that an ethician could say that outside stakeholders deserve more complete accountability than can be fashioned from the ethical standards that insiders set and the gaps in the information flows outsiders receive.

Hiding information, one of the most visible – though by no means only – ethical breaches, seems as rampant today as it was in the past, along with a number of other ethical transgressions. In order to understand the ethical transgressions at play in the modern world, it is necessary to understand what is meant by "unethical conduct".

Malan and Smit (2001: 25) outline a number of behaviours that they term "general ethical transgressions", such as high executive pay, creative accounting, built-in obsolescence and forcing customers to buy more than they need. Marketing itself does not escape the breach of ethical behaviours. Smith and Quelch (1993: 4) cite "price-fixing, bribery, deceptive advertising, unsafe products" as some examples of unethical marketing practices, while arguing that unethical marketing practices would render the organisation morally bankrupt. They describe marketing ethics as "the application of ethical considerations to marketing decision making" (Smith & Quelch 1993: 10), and argue fairly extensively that marketing should not be seen as a business function that is value-neutral. Using the 4 Ps of marketing as a departure, they identify a number of ethical issues in marketing:

### TABLE 1: MAJOR ETHICAL ISSUES IN MARKETING

### **Product**

- Product safety
- "Me-toos"
- Product positioning and market segmentation
- Ethics in the delivery of service products
- Environmental impacts of product and packaging

## **Promotion (marketing communication)**

- Deceptive/misleading advertising
- Social harm of advertising (e.g. sex/race stereotypes)
- Questionable sales techniques and conflicts of interest in selling
- Bribery
- Direct marketing and privacy issues

#### **Price**

- Horizontal/vertical price fixing
- Price discrimination
- Predatory pricing
- Price gouging
- Misleading pricing (e.g. non-unit pricing, bait and switch, inflating prices to allow sales markdowns)

## **Place (channels of distribution)**

- Exclusivity and other forms of discrimination in distribution (e.g. red-lining)
- Channel control (including franchising relationships)
- Gray marketing
- Anti-competitive trade promotions (e.g. slotting allowances)
- Lower standards in export markets

# (Smith & Quelch 1993: 13)

Evidence of this kind of behaviour is to be found abundantly in the South African marketplace. In three different industries – motor vehicle manufacturing, banking, and food production – some of South Africa's biggest companies have found lacking in ethical behaviour in recent years:

- Some of South Africa's top motor vehicle companies, including Volkswagen, General Motors, DaimlerChrysler, Subaru, Nissan, and Citroen, paid penalties to the Competition Commission ranging from R8 million to R31 million after being found guilty of "price-fixing and anti-competitive trading conditions" (business.iafrica.com 2006: online). Of course, these companies first denied charges of improper behaviour.
- South Africa's top four banks have not escaped criticism. In the words of Whitfield (2006: 10) "If you're a client of a South African bank looking for a better deal when it comes to bank charges, we have bad news for you. Not only does it remain practically impossible for an ordinary person to make like-for-like comparisons of the charges levied by SA's different banking groups, but most of the big banks have also actually upped their charges over the past year."
- Tiger Brands (a foods and pharmaceutical giant) has been accused of colluding with competitors Premier Foods and Pioneer Foods to fix the price of bread. They roundly denied this accusation in a statement released to the press (Crotty 2007: online). However, in November 2007, Tiger Brands was ordered to pay a penalty of R98.7 million after admitting to price fixing (Mail & Guardian 2007: online).

Of course in their promotional materials, companies like these claim that they are not transgressing ethical rules and are operating within the confines of the law. Regarding the enquiry into banking practices, Nedbank – one of South Africa's four biggest banks – has used its website to proclaim its whole-hearted cooperation with an enquiry into banking practices in South Africa (Nedbank.co.za 2007: online):

Nedbank welcomes the Competition Commission Enquiry bringing banking issues into public debate. We are committed to understanding and meeting the banking needs and aspirations of all South Africans. We at Nedbank have already been hard at building great products and reducing banking fees for our clients.

Absa (another one of the four biggest banks in South Africa), for their part, stated the following:

Responsiveness, efficiency and quality are among the high goals that we set for ourselves, together with integrity and transparency in all our dealings. We value our people and invest in them to ensure the delivery of these goals, while constantly working to better our knowledge and service standards (Absa.co.za 2007: online).

However, in spite of their protestations to ensuring that "banking needs" are met, and that "responsiveness, efficiency and quality" are primary goals, these banks (among others) have been found lacking. In a third annual review of bank charges in South Africa, *Finweek* (Whitfield 2007: 12-14) found the following:

- There are "pockets of change in the structure and composition of bank charges", but "they are few and far between".
- A number of banks have actually increased the cost of banking.
- Not much is being done to implement "better disclosure and simpler pricing structures".
- Branches and head offices experience a "disconnect" regarding the "understanding of bank charges".
- South African consumers do not have a "single, reliable source of information ... should they wish to conduct a comparative study of their own into the bank charges they pay".
- Bank staff do not focus on consumer needs, but are "trained to offer a specific package".

On the whole, the investigation led by *Finweek*, and conducted by Horwath Forensics, is rather damning: "While banks grapple with increased consumerism and the threat of State intervention, they find themselves having to balance the demands of their clients with the needs of profit-hungry shareholders. So far, the shareholders are winning" (Whitfield 2007: 12).

After being penalised by the Competition Commission, Tiger Brands CEO Nick Dennis said that the price fixing actions "ran counter to the ethical standards for which we are known and respected" and promised to take disciplinary action. He added that "[w]e do not tolerate anti-competitive behaviour in any of our businesses. It is deeply regrettable that this has occurred" (Mail & Guardian 2007: online).

### A pattern seems to emerge:

- Companies promise their customers good service and products of high standards;
- Companies are accused of ethical contraventions;
- Companies use public relations techniques (like media releases) to deny their culpability;
- Companies are found guilty of ethical malpractice; and
- Companies ask forgiveness, again using public relations techniques.

This raises the issue of who it is that tells the lie. It becomes obvious from the few examples cited above that one of two statements made via the companies' public relations departments is patently false. They are either guilty or not. Denying wrongdoing before paying penalties and then issuing a shame-faced *mea culpa* smacks of downright lying. It is actions like these that breach the trust that exists between customer and company. The question that must be asked, however, is whether it is the public relations department or agency that decides to lie, or are they ordered to issue these lies by someone higher up in the organisation? This needs to be established empirically, although it may be inferred from the literature covered that public relations, when acting as a technician, may just be free of guilt in the decision to lie. It is inconceivable that the CEO of a company will allow technicians to lie when he/she wants to protect the organisation's reputation.

It may be accepted that no organisation sets out to be unethical or consciously attempts to erode customer trust. However, the actions by these organisations – intentional or otherwise – serve to create in the customer's mind a doubt whether they are getting their fair share of the ethical cake. South African organisations like these face a dilemma. On the one hand, the public believes that these companies behave unethically, and at the other hand these companies protest that they wish to treat their customers ethically. Legislation and regulation are used to guide organisations in the minimum ethical behaviour, which to an extent limits the organisation's goal of maximising profit. Implementing regulations contained in legislation may be costly and cumbersome, as Harvard Business Review reported in an article dealing with the effects of the Sarbanes-Oxley Act of 2002: "Smaller companies in particular complained about the monopolization of executives' time and costs running into the millions of dollars" (Wagner & Dittmar 2006: 133). Costly and time-consuming activities may be seen as running contrary to the imperative of profit. The unethical organisation may try to find loopholes in the regulations to avoid paying money, or spending time, in complying with those very rules and regulations that may help the organisation behave in a more ethical manner.

Legislation, it seems, has some effect on forcing companies to comply with consumerprotecting measures, but owing to the fact that it can be costly and time-consuming, may have the effect that companies find ways and means to completely circumvent such legislation. If organisations that are serious about maintaining ethical standards are taking steps to circumvent legislation aimed at ensuring more "proper" conduct, it is an open question what less ethical organisations may do to also avoid the costs of compliance. While actions such as these are not to be condoned, they do underline the long-held belief that the law is, at best, a blunt instrument. Surely there are other ways in which organisations can – and in fact should – protect the interests of the consumer and the society in which it operates?

The tension between profit, consumer value, ethics, and the interests of the community are grouped under the so-called "societal marketing concept" coined by Kotler and Keller (2006: 22): "The societal marketing concept holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being."

This concept indicates the importance of ethics in marketing in the organisation. South African companies face a specific dilemma against the background of this concept of marketing. They are increasingly perceived as being unethical, while clearly not wishing to be unethical. They are, on the one hand, guided by legislation and regulation in minimum ethical standards, while on the other hand developing and executing strategies designed to deliver profit. In doing so, they must balance the interests of all of their stakeholders – including customers – in such a way that they do not earn a bad reputation and consequently lose sales.

In order to become more ethical, organisations – at least, until recently – have relied on legislation and regulation to guide them in decision-making, hoping that such legally sound and regulatory compliant decisions will be enough to guarantee safe conduct in and uncertain world. However, as the examples cited so far indicate, companies have not always been successful in doing this. Briefly put, in the words of Porter and Kramer (2007: 91): "The focus must move away from an emphasis on image to an emphasis on substance." Ethics and ethical conduct cannot be guaranteed solely by legislation or regulation, nor can it rely on codes of conduct, as the examples given earlier indicate. A number of companies found in breach of ethical conduct claim to have codes of conduct governing their decisions. Ethics therefore should be more than compliance with minimum requirements of laws and regulations – it should be the result of a concerted effort by the organisation as a whole. Hill and Jones (2004: 396) emphasise that: "To foster awareness that strategic decisions have an ethical dimension, a company must establish an organizational climate that emphasizes the importance of ethics."

The creation of a climate conducive to ethics seems to be of primary importance in an ethical company. However, fostering such a climate is difficult when it is not even clear what "ethics" means. According to Kotler and Armstrong (2006: 644-645), for example, it is not easy for organisations to discover what ethics is: "The best thing to do is often unclear."

Marketing may have failed in its application of the societal marketing concept by assisting the organisation in cutting corners through questionable marketing practices, or by hiding the truth from shareholders. In most cases, marketing communication tools - including public relations - have been used in cynical attempts to manipulate public opinion to drum up support for the morally questionable actions of organisations pandering solely to the financial bottom line. This has led to the perception that organisations are unethical, thereby eroding brand trust. Building trust, being seen to be ethical, therefore starts with the organisation's reputation among all stakeholders who deal with it. And reputation, as was already seen, is the domain of the public relations practitioner. "Corporate image is the net result of the interaction of all experiences, impressions, beliefs, feelings, and knowledge people have about a company" is how Skinner et al. (2004: 8) describe the image or reputation of an organisation. If an organisation has a positive corporate image, it will become a competitive advantage for that organisation. Pirsch, Gupta and Grau (2007: 125) identify the corporate social responsibility programme as one of the organisation's sources of competitive advantage.

Sagar, Singh and Agrawal (2006: 72) argue that consumers today expect marketing managers to make ethically acceptable decisions. They further argue that trust, an essential element of the exchange of value, is embodied in a brand, which in turn is seen as a valuable asset. They make the distinction between ethically correct products and brands, stating that the product may be ethically correct, while a brand may not. They further state that "[a] brand position is ethical if it is sensitive to various concerns, such as consumer satisfaction, environment protection or even ... price sensitivity" (Sagar et al. 2006: 73). Davies, Chun, Vinhas da Silva and Roper (2003: 79) are of the view that "[i]ndeed a brand is often preferred to an unbranded item due to its implied warranty of consistent quality" (italics in original text). This assertion on the value of branding – consumer preference – to the organisation contains two key elements. The first element is that of the warranty (implied or directly stated). This implied warranty is communicated to customers by using the promotion element of the marketing mix. In the words of Klopper, Berndt, Chipp, Ismail, Roberts-Lombard, Subramani, Wakeham, Petzer, Hern, Saunders and Myers-Smith (2006: 288) marketing communication "is the voice of the brand". The second element is that of the views that the consumer has about the brand, and the extent to which they are consistent with the delivery (or nondelivery) of the brand promise.

That public relations can indeed play a role in helping to forge and communicate brand identity is not under dispute. In fact, it is one of the areas in which marketers and public relations practitioners seem to be in agreement. While Skinner *et al.* (2004: 50) endeavour to explain the role of public relations vis-à-vis that of marketing by pointing to the role public relations can play in "positioning" the product in the minds of consumers, they are actually talking about branding.

More direct reference to the branding role of public relations is found in Heath and Coombs (2006: 370 - 374), who describe the contribution public relations can make to forging brand equity for the organisation and brand loyalty to the product/service. Rensburg and Cant (2003: 173-203) discuss in detail the role of internal branding and public relations. Balgin and Fulgitini (2005: 156) agree that branding should

increasingly be the responsibility of public relations. The major findings of the literature review may be summarised in table format as follows:

TABLE 2: SUMMARY OF LITERATURE REVIEW FINDINGS

Re-alignment of public relations					
Role of public relations in the organisation	Public relations is unsure of its role in the organisation, and there is no clear guidance on where to position this function. This is compounded by the fact that public relations practitioners are acting either as technicians or strategists.				
Relationship to marketing	The relationship to marketing is tenuous, and needs to be clarified. While there is a link between the two functions, no clear guideline exists to separate/connect the two.				
Renaming public relations	While a strong movement is afoot to rename public relations to something such as corporate communication, the renaming itself is only treating the symptoms of the bad name public relations has developed.				
<b>Public relations education</b>					
Body of knowledge	The body of knowledge is itself confused about what should be taught to public relations practitioners. Very little attention is given to the role of public relations as a strategic partner in the business.				
Structure of curriculum	The curriculum is itself, at a number of institutions, focused on communication and "technician" skills.				
Ethics					
Organisational ethics in the 21 <sup>st</sup> Century	Organisations in South Africa are guilty of a number of ethical transgressions. This behaviour is found worldwide.				
Marketing and ethics	Marketing, as well as public relations, can and should make a contribution to the organisation's ethics. While ethics is left largely to self-regulation, organisations are still grappling with ways in which to improve their ethics.				
Benefits of ethical behaviour	It pays to be ethical, and one of the benefits of ethical behaviour is a good reputation for the organisation. Good organisational reputation is a core function of public relations.				

#### **CONCLUSION**

Porter (2004: 33) explains that the organisation's competitive advantage "stems from the many discrete activities a firm performs in designing, producing, marketing, delivering, and supporting its product". He advocates that the organisation examines all of its activities by looking at their contribution to customer value (profit), and distinguishes between what he calls primary and secondary activities. Tellingly, marketing and sales are seen as primary activities, while public relations receives no mention. While Porter's value chain has been embraced by many as a planning tool, public relations practitioners may be forgiven for being less than enthusiastic about it, for being left "in the cold" by a concept that so fully excludes a function that sees itself as strategically significant.

It may, however, be possible that the role of public relations be investigated using the value chain as a point of departure, and to add to the work already done by Porter and others to understand how to "work closely with managers of other functions to develop a system of functional plans under which the different departments can work together to accomplish the company's overall strategic objectives" (Kotler & Armstrong 2006: 43).

It is hypothesised that, with a re-investigation into the role of public relations in the organisation, and with training (or at least re-training) of public relations practitioners, this function can fulfil a more useful role in contributing to marketing – and therefore organisational – ethics.

In what ways can the value chain be used to assist public relations in overcoming its current crisis?

Firstly, it is suggested that public relations be firmly placed in the organisation's value chain as a support activity alongside those of human resources, firm infrastructure, and technology development. The reason for this is simple: in every facet of the value chain (and even the extended supply chain), relationships are of importance to the organisation. A number of authors indicate that the competitive advantage of the organisation is at least in part built on the quality of relationships in its chain of activities designed to deliver value to the customer. Given the importance attached to the ability of public relations to build relationships, it seems natural for a function such as this to act as a support activity to the primary activities identified by Porter. However, the willingness of public relations practitioners to accept such a situation needs to be tested empirically.

Secondly, it is suggested that the placement of public relations as a support function in the value chain is a good argument for the allocation to public relations of its rightful place in the organisation's formal chain of command. To this end, public relations should re-examine its tendency to operate outside the organisation as an outsourced function. This might draw ire and resistance from public relations consultancies, but it will certainly benefit the way public relations is seen and practiced in the organisation. Again, the willingness of public relations practitioners to consider "in-sourcing" rather than outsourcing public relations needs to be tested empirically.

Thirdly, given acceptance that public relations is a support function not only to marketing and sales, but also to inbound logistics, operations, outbound logistics, and service, it becomes necessary to revise the educational curriculum of public relations students. Fundamentally, this implies that the public relations curriculum be structured in such a way that students are given at least a basic introduction to these functions and are provided with a good understanding of their contribution to the organisation's operation. Naturally, the likelihood of this happening also has to be tested empirically.

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