“Organizational and Societal Functions of Public Relations”

An organization’s survival and prosperity depend on multiple publics, groups who have a shared interest with the organization, creating a mutual dependency of needs. An organization’s publics can be divided into two primary groups:

- Organizational: internal audiences including employees, management and shareholders.
- Societal: external audiences encompassing the media, customers, government and the community at large (Seitel, 2004, chap. 1)

To deal with this segmentation of publics, public relations itself segments to target individual stakeholder groups with specific expertise and actions, creating organizational and societal functions within the overall spectrum of PR. Organizational and societal functions differ in their communications tools and depth of information. The “insider” status of organizational audiences allows for more detailed pieces such as employee handbooks and stockholder 10-K reports. Societal functions ask outsiders to become members of the organization’s family and must capture attention more quickly, from a phone pitch to a journalist, to a prompt answer to an e-mail from an aggrieved customer. Despite these distinctions in technique and audience, organizational and societal functions share the core tenets of public relations: accurate, beneficial information distributed through proven communications channels to build credibility.

Per the above description of internal audiences, two vital organizational functions are:

- Employee relations
- Investor relations
Per the above description of external audiences, two primary examples of societal functions are:

- Media relations
- Consumer relations

**Organizational Functional: Employee Relations**

Companies can devote considerable creative and financial resources to communicating with external audiences while forgetting their most immediate audience: their employees. Seitel calls employee relations “the hot ticket” in public relations, citing downsizing and discordance with increasingly well-paid CEOs as drivers in this communications specialty. Mergers and acquisitions creating forced marriages between disparate corporate cultures and workforces with increasing geographic and social diversity also call for strong internal communications programs (2004, chap. 11).

Seitel identifies an employee public that is heavily segmented, in a manner similar to external publics. Managers, supervisors, women and minorities, union workers, and contract workers are identified as major sub-segments. In another parallel to external communications, Seidel stresses credibility as the most important ingredient in speaking to employees (chap. 11).

Many companies have used traditional print publications such as newsletters and internal magazines to promote employee relations. In numerous instances, these hardcopy vehicles are giving way to electronic communications, such e-mail and company intranet (Seitel, 2004, chap. 11).
Organizational Function: Investor Relations

The term “stakeholders” is frequently used to describe crucial publics. There is no stakeholder with a greater vested interest in an organization than a stockholder, a part-owner who shares in the organization’s risk and fortunes. Early in this decade, a wave of corporate scandals turned “Enron” into a synonym for deceit and ruin and “Sarbanes Oxley” into a watchword for all publicly traded companies and their investors.

Seitel describes investor relations as a practice born in the wake of the Great Depression’s stock market collapse, an obligatory providing of information “that may impact an investor’s decision to buy, sell or hold a stock” (2004, chap. 15). Some of the events deemed to be “material” to disclosure through IR include:

- Proposed mergers or acquisitions
- Change in dividend policy
- Determination of earnings
- Acquisition or loss of a significant business contract
- Major management changes
- Significant capital investment plans
- Purchase or sale of significant assets (chap. 15).

The annual report is the dominant deliverable of an investor relations department. Annual stockholder meetings, quarterly reports and conference calls are also part of the investor relations mix. As media relations deals primarily with journalists, investor relations focuses on outreach to stock market analysts (Seitel, chap. 15).
Societal Function: Media Relations

The text *Public Relations* deems media relations “the backbone of public relations practice” (chap. 9). Media relations falls into three categories:

- Reactive: fielding and responding to media inquiries
- Proactive: pitching stories concepts to the media
- Interactive: consulting with the media to determine topics of interest to their audience and establish oneself as a trusted source of future story opportunities (Gonring, 1997, pp. 64-65).

Engaging the media in the proactive and interactive mode is a dynamic action that requires planning, consistency and knowledge of the target audience: the journalists, editors and producers who act as information gatekeepers. In *Full Frontal Media*, PR executives Richard Laermer and Michael Prichinello assert, “Public relations is sales in its purest form […]” (p. 102).

Media relations begins with preparation, including database development of target media outlets and designated media professionals. A media relations professional must research publications and journalists within the database, studying their past coverage of relevant topics, companies and/or personalities.

In my standard presentation on media relations which I give to college PR and government affairs classes, I identify the following steps in pitching the media that I have adapted from other PR professionals, assimilated from articles on pitching, and refined from personal practice:

- Identify yourself and the reason for the call
• Ask if this is a good time to talk. If it isn’t, ask the contact to suggest a better time

• Explain your pitch in a sentence or two

• Explain quickly its relevance to the publication/program audience

• Ask if the contact is interested (Karpf, 2004)

Proactive and interactive media relations does not end with the pitch. Follow up is key to securing coverage, with actions that include facilitating interviews, providing additional background information and developing alternate story pitches.

**Societal Function: Consumer Relations**

In a world deluged with advertising messages, public relations techniques differentiate products from the competition (Seitel, 2004, chap 14). In *The New Marketing Paradigm: Integrated Marketing Communications*, Schultz, Tannenbaum and Lauterborn echo this conclusion: “[…] you cannot depend on the product alone to build the confidence. It’s the rapport, the empathy, the dialogue, the relationship, the communication you establish with this prospect that makes the difference. These separate you from the pack” (1994, pp. 84-85).

Consumer relations is a mix of communication programs and interpersonal contacts designed to strengthen consumer awareness, satisfaction and loyalty. Priorities include:

• Retaining current customers

• Capturing new customers

• Promoting new products/services

• Resolving grievances
• Reducing costs through better informed customers (Seitel, chap. 14)

An informed consumer base has evolved into a societal right. Seitel tracks the progress of the consumer movement from early legislation to rein the excesses of industrialists in the late 19th century, to outrage triggered by the meat-industry exposé *The Jungle*, to acts under Franklin Roosevelt and John Kennedy’s administrations (chap 14). This marketplace expectation—backed by government action—for responsible and responsive corporations demands active customer relations. Ombudsmen, product hotlines, e-mail notifications and generous product return policies are some of the tools of this critical PR discipline (Seitel, chap. 14).

**Unifying Organizational and Societal Functions: Communications Management**

Organizational and societal PR functions come together under communications management, the fundamental process of planning, coordinating and executing an organization’s every outbound message, from a memo announcing insurance eligibility changes to workers, to a CEO’s speech, to a product launch news release, to an annual report. It begins with planning, as the text *Public Relations* describes: “Tactical and strategic plans help public relations coordinate its efforts with those of other areas of the organization. Good planning is the best way to practice preventive rather than remedial public relations actions” (Lattimore, et al, 2004, chap. 6).

Strategic plans focus on long-range challenges and objectives. They are based on the organization’s goals and involve top management (Lattimore, et al, 2004, chap. 6). The public relations “landscape” must also be mapped at this stage, a determination of prevailing opinions and current or pending issues that the organization’s communications must address.
Forecasting is the first step in PR planning, with public opinion surveys, brainstorming to develop new ideas, and scenario construction as three techniques to project into the future. From this point, two types of plans can develop: standing plans to set overriding policy and single-use plans for individual campaigns or projects (Lattimore, et al, chap. 6).

Integration of public relations with other forms of communication is an essential part of communications management. Thomas Harris, co-founder of Golin/Harris, cites a growing trend to integrated marketing communications, strategy and tactics that unify public relations with advertising and other forms of marketing outreach. Harris identifies IBM, General Motors, and McDonald’s as companies following this communications philosophy (1991, p. 35).

Communications management also entails counsel to an organization to ensure that all members uphold sound public relations in their pursuits. The highest priority of this counsel is the CEO. John Graham, Chairman of Fleishman-Hillard, writes that such PR advisement is a strategic function that turns a CEO into a “Chief Communications Officer” (1997).

**Conclusion**

Public relations is not a one-size-fits-all proposition. It is a marketing mix in itself addressing multiple audiences, each demanding something different from an organization, but together making up the mosaic of the organization’s vital publics. These many publics are managed within the hemispheres of organizational and societal PR functions, which assign every public as an internal and external audience. This allows PR professionals to customize their knowledge and actions to best serve publics while
maintaining a cohesive communications plan and upholding the foundation of trust that is public relations.
References


Karpf, J. (2004). Media relations: the name says it all. [recurring college lecture]


