

FOREIGN EXPERIENCE OF PR-MANAGEMENT AT THE INDUSTRIAL COMPANY

In the article the foreign experience of PR-management at the industrial company is examined. The major elements of PR-management organization are revealed.

Key words: Public Relations, management, industrial company, effectiveness, strategy

I. Introduction. Public relations activity is extremely varied in the modern world. This process is divided into many trends, carries out many tasks and functions, some of which almost coincide. The difference between them is observed in the means of practical use these functions when the different companies, public organizations or individuals consider the concrete purpose for the proper needs and problems. While considering the PR variety it is actual to point out that in the industrial field this process has its own features. But for all that although many researchers devoted their works to PR (J. Marconi, S. M. Cutlip, A. Ries, M. Gundarin, A. Belenkova, V. Zakotiy and others), little attention is given for PR at industrial plants. First of all it concerns Ukrainian PR which is partially conditioned on quite late appearance of this process in Ukraine. Ukrainian PR Association was founded in 1995. And in 1997 the first Ukrainian private PR-agency was founded (earlier the PR-services were given by advertising agencies) [1].

II. Problem definition. Industry development demands retrieval of new methods in management for the solving scale problems, increasing effectiveness under the intensive pressure in the sphere of ecology and social responsibility, shareholders' wishes to get greater profits and all this under the public interests' pressure. Recent appearance of the under consideration process in Ukraine explains related to it numerous mistaken opinions and stereotyped approaches to the essence and functions. So the experience of the countries with more full-fledged PR presents the considerable scientific and practical interest.

The aim of the article is to investigate the foreign experience of the management organization of PR at the industrial companies and as a consequence to conclude about the usage of the approved methods and technologies examined process in action at the Ukrainian companies. Experience integration of the countries with more full-fledged PR will contribute to the development of the PR-management organization at the native companies.

III. Results. While the British industry didn't show interest in PR to 1945 [2], in the USA the two last decades of the XIX century generated important peculiarities of the PR modern practice [3]. Modern PR originated in a result of the expostulated forces collision during this period of the rapid nation development. Big business held to assurance the less public knows about happening in its bosom – so much the better its activity will be [4].

Although the modern PR practice is deeply rooted, the PR principles have been appearing from the beginning of the XX century. The penultimate period of American PR formation is characterized by the sufficient quantity of PR experts what explains the bulk of PR experts in the USA in modern business. About 40 % of practitioners work in the business sphere and different commercial corporations (production, finances, industry, consumer commodities, mass media, community facilities, transport, show business) [3], what forms the biggest part of all organizations including PR agencies, associations, funds, educational institutions, public institutions, etc. So the American economics is denied the benefits for the further development of PR management in the different fields.

Moreover, the imperfection of the “hard management” have been discovered in the USA long ago, when for the productive effectiveness increase the advantages were given to the improvement of technology, standardization, science attainment; and the subjective active person's role reduced. Western scientists inserted sociology and psychology to the company management theory what contributed to studying people's relations. This theory took person not only as an element of production forces but began to consider management in respect to production relations, paying

attention to the influence and role of the public relations for the achievement of company work [5].

According to S. Black, public relations are one of the management functions in industry and commerce. PR assure progress in activity of the definite company equally the role which is permitted to play in management process [2].

S. Black picks out two main problems PR in industry. The first one consists in contacts establishment with three main public groups: customers, shareholders and employees. He marks that for the success achievement it is important to secure mutual understanding and collaboration between these three groups. The other problem consists in the market expansion under stiff competition circumstances [2].

Undoubtedly, both these problems are worthy of consent, especially considering the fact that the market economy with accordance almost every subject right for world market entry conditioned on the competitive mechanism development which contributes to scientific and technical progress and expansion of marketing approaches and methods of development management of industrial companies. Modern competition calls for constant searches of creative approaches to the solving companies' problems at full levels. For its turn, it deals with PR-problems. As S. Cutlip notes, today problems management (although it is not exceptionally work of PR services) plays an important role in strategic planning of the most of companies, as long as 70s and 80s experience convinced corporative America of the fact that companies must permanently and active track the problems what may influence on the company potential in the sphere of goods and production safety, getting profits, interested parties servicing, and the work for public interests [3]. So, the ex-president of Public Relations Society of America (PRSA) J.F. Fox in his time anticipated exactly three important directions what would determine the role of PR at the companies. They are revelation and lurking the problems in the context of the company staff to proposition of law; elaboration the general policy of the company and spreading information about it with the purpose of changing or prevention of admission limitary laws; transformation the General Manager to company speaker and admission by top management the responsibility for the solution questions connected with public policy of the company

[6]. There is no doubt that nowadays problems management inheres almost in all trends of business, but in the view of many experts, today's PR meet a demands not entirely [3]. S. Cutlip explains it as a result of the following reasons:

- influence of PR-activity on the net result of the company activity is understood not always correct;
- solution of many problems demands reorganization but not only coverage that is the PR-specialists must exceed the limits of traditional communication and work out more general strategy;
- profession of PR-specialist doesn't foresee the ability to manage problems and preparation system doesn't train specialists for perception of the new PR-functions;
- problems management is a management function of the high level, it demands wide experience, detailed understanding of the business nature, social and political sphere and interested party position [3].

The idea of company director transformation to the speaker is vivid nowadays, since 90-s it has been accompanied with unexampled increase of interest to company domestic affairs and leaders' private life. Also there are vivid changes in the corporations' structure as a result of absorption some companies by others, integration, modernization and processes of economic globalization, etc. Constant constrictions and budgeted deficit, taxpayers' protests and processes of overshoot resulted in reorganization, decentralization and staff reduction on the all levels of public administration. It changed a lot in organizational context of PR lately. Quite a lot of organizations have reorganized their PR-function and have cut down the staff of corresponding departments and tried to operate more workload by smaller number of people. A lot of companies have handed part of works to outer consulting firms and agencies and that have resulted in abruptly growth of cashflow and profitability improvement [3].

In spite of insufficient PR level (in the view of American experts), 439 from 500 the biggest companies of the world have office departments occupying PR questions [7]. So the practical experience proves the importance of PR-departments presence at the companies.

The analysis of PR-management organization at the industrial company lets to present the PR-activity algorithm. So the organized PR-activity is a four-staged process of the problem-solving (figure 1) [3].

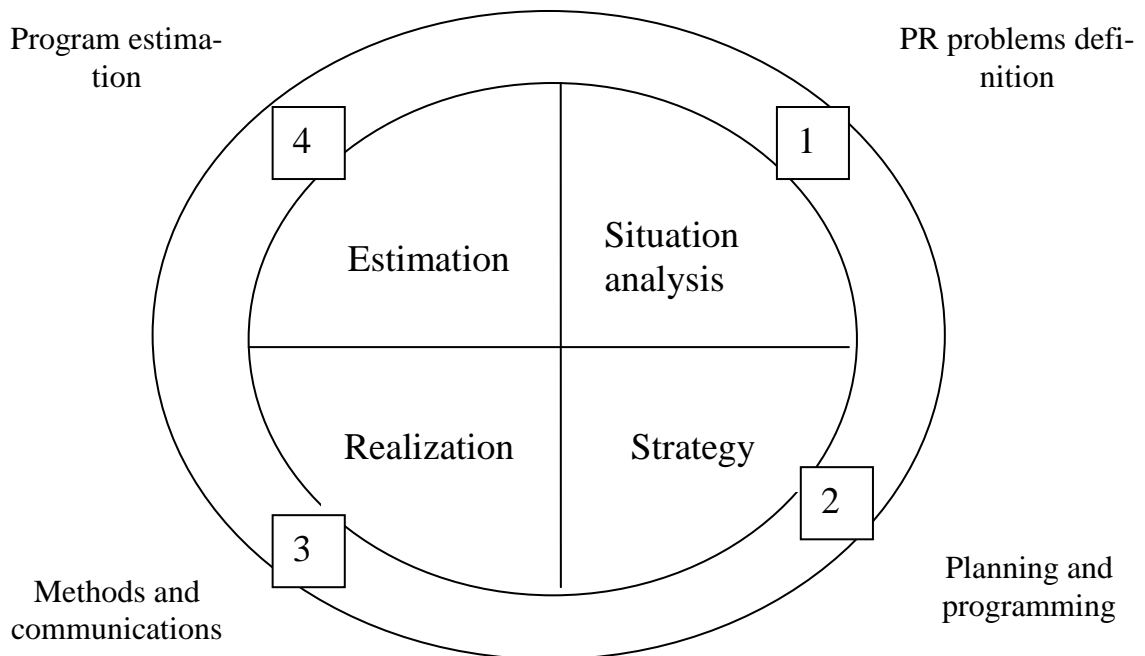


Figure 1 – The process of PR problem-solving [3]

The first stage foresees social circle monitoring, analysis, problem definition, problem setting (information detailed elaboration), situation analysis including “audit of communications” with the aim – to give the impression about communication needs, practice and potential, getting data, what would let the top management to decide about communication aims of the company. Also at this stage there are investigations which include personal contacts, focus-groups, consulting committees, hot-lines, mail analysis, net sources, returns; and also formal methods. It is significant, that the aim of all these methods is to get the firsthand information. In the end of this stage the second analysis is held using computer database.

The second stage – strategy planning which includes making resolves in program aims and problems, considering identification of key public groups, setting pol-

icy or rules for the choosing the strategy and, in essence, defining the strategy. The crisis foresight is worth to be related to this stage. The practice of crisis management picks out the following strategies:

- the strategy of unwanted opposition, competition extermination (in Japan this strategy is represented in system of benchmarking, when the leader rival from opposition turns to partners' union, based on mutually beneficial interests);
- the strategy of positive compensation (practice marks the cases, when tobacco, alcohol and other companies of antisocial orientation try to compensate their activity at the expense of cultural and charitable actions);
- the strategy of advance attack (it foresees the usage of antirecessionary communications with the aim of precautions conflicts);
- the strategy of revulsive maneuver (working out of the own event version or pseudo-conflict organization with the aim of indulgence the greater one) [9].

The third stage foresees the PR-action and communication coordination, conducting PR-campaign drive, realization chosen PR-strategy.

The final stage is the PR-program evaluation. The leaders of all types of companies, beginning at big corporations and completing the small non-profit groups, call for PR-program effectiveness confirmation – especially in cases of reconsideration the ex-budget or acceptance the new one; and also under the miniaturizing the organization with the aim of competitive recovery.

IV. Conclusion. For the historical reasons foreign experience of PR-management is greatly bigger than the native one. It justifies the usage of the known foreign methods of PR-activity organization at the companies, although, in respect to many foreign experts, PR at their companies don't to meet the requirements of contemporaneity. Substantially it is explained with incorrect understanding of PR- influence on the final result of the company activity and high demands of problems management. Problems management plays an important role in strategy planning of the most of companies, so the aim of every company is to follow the problems, which can influence on the goods and production safety, profit earning, public interests, after what to work out PR strategy, realize and state the value. Acting on behalf of their

companies and for the sake of the public, PR-specialists are the agents and managers of changes – inside and outside their companies. They plan and realize at practice organizational and social settings and adaptation, using communications first of all.

So, the organization of PR-management at the industrial company provides:

- contacts setting with public groups, particularly consumers, shareholders, employees;
- following the problems in the context of company;
- working up the general company policy and spreading information about it;
- presence of inner departments at the most of companies;
- primary importance of top-management in foundation PR service;
- definition by top-management the long-term aims, working up the policy and confirming the procedure which direct the company activity, definition the scale and place for all functions of management at the company;
- giving by PR service recommendations and guaranteeing support to line managers responsible for the company work on the whole;
- taking up posts among the line managers by the PR-specialists;
- considered organizational changes;
- giving opportunity for accepting nonprogrammable decisions;
- supporting and cooperation between the services;
- orientation to inner public;
- correct methods of specialists admission;
- follow the rules of the work with mass media;
- the problem definition of PR-service in the financial sphere;
- reorganization of standard drawing up of the accounts;
- paying attention to quality and standards;
- orientation to cooperation with other organizations;
- four-staged process of problem-solving;
- management by request experience, comprehensive understanding of the business nature, social and political sphere and positions of interested parties.

The prospects of further investigations are analysis of the peculiarities of PR-management organization at the native companies and its perfection with the aid of ascertained stages and the components of this process, what are enabled at the foreign companies. This will assist effectiveness increase of the PR-activity of the company on the whole.

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