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ARTICLE INFO	ABSTRACT
	This lecture by James and Larissa Grunig was delivered at the Public Relations Society of America (PRSA) International Conference Sunday, October 17, 2010 Washington DC, as the third annual Grunig Lecture Series. The lecture is a reflection and discussion on the growing influence and importance of the study of relationships within the public relations profession. The Grunigs elaborate on the research they have conducted to identify the testable variables that measure the quality of organizational relationships.

T his lecture was delivered as the Third Annual Grunig Lecture at the Public Relations Society of America   International Conference on Sunday, October 17, 2010 Washington DC. The first few questions were very difficult to understand on the recording and were thus omitted from this transcript. James and Larissa Grunig's answers have, however, been included.

Larissa Grunig

Thank you. Good afternoon. When we spoke at the PRSSA (Public Relations Student Society of America) conference this morning at a hotel nearby, we were told that the students wanted to know how a theory as ancient as the "excellence theory" could have relevance for today's practice of public relations. They've been studying a theory that traces its roots to the 1960s, after all, and they probably weren't born until 1990!

So given today's changing social and business landscape and the advance of digital and social media, what is still important about the Excellence Study? I would begin by saying that theory is not static. Some things that were concep-

tualized years ago are going to change over time because, for one thing, we continue to do research on the theory. People working in the field of public relations continue to investigate and with more data and more analysis, we are able to refine that theory.

So what we theorized in the 60s, 70s, 80s, into the 1990s looks very different from the Excellence Study as it exists today. And that's partly because we do continue to do the empirical work but also it's because the world is changing. With things like globalization and the crises that we've experienced so visibly in the last few years, and, of course, digital media, all of these factors will undoubtedly influence whatever theory is useful to our field.

So we've taken those things into account, and you'll hear about some of the impacts of those factors today. We also have discovered on this long journey of investigation that relationships are more central to excellence in public relations than we might have acknowledged when that project began in 1985. Relationships are what make public relations excellent. That's the main contribution that we make to the organization, but today we know how to measure relationships based on the work of several scholars, like Dr. Flora Hung from Hong Kong, who is with us today. We know exactly how to measure the qualities of a relationship and especially how to distinguish one type of relationship from another.

So we know for example that if you want to have a good relationship with your stakeholders, you need to first of all have trust between the two parties, there must be commitment, a sense of loyalty to their relationship; that we're all in this for the long haul. There has to be satisfaction with the relationship, and satisfaction may sound like a squishy term, but what we mean by satisfaction and the way we measure it, is to ask people whether they believe that they're getting enough out of the relationship to continue putting something into the relationship. Is the return of the investment in your relationship adequate? And then finally, and I think the most important of the four main qualities of a relationship, is what's called controlled mutuality, where the possibility that both parties in the relationship have an influence on that relationship.[*]

It doesn't have to be 50/50: for example, if you're talking about the relationship between employees and management of the organization. We're not insisting that factory workers have equal say in the running of the company. What we are saying is that people who work on an assembly line know about their job. They are the experts in what they do, so certainly they should have some control over their work. And if you think about your personal relationships, I'm sure you can see that mutuality of control is very important in per-

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[*] This lecture was originally published, in a different edit, to the website of the Institute for Public Relations (IPR). This new edit appears here with permission of IPR.

sonal relationships as well as work relationships.

A good quality relationship is give-and-take, and there is mutual influence possible there. And then based on these four qualities we can also determine if the relationship is one of exchange, a tit-for-tat kind of relationship; if you do this for me I'll do that for you; if you come to my lecture, I'll go to yours next time. That's an exchange relationship. What we are more about in public relations, and this is something that the students wanted to talk about this morning, is communal relationships.

In other words we do what we do in the interest of the relationship more than in the self interest of the organization that employs us. This is what people do in their love and family relationships. They don't expect to get back something for everything they give because they know that in the long term this kind of selfless relationship is going to pay big dividends. Anyway, that's the right thing to do. So we know how to characterize relationships, and that's important because that is the essence of public relations.

The new media that we have today make it more possible than ever to achieve our goals in terms of relationships with stakeholders with all of the principles of excellence that Jim is going to talk about.

The interactive nature of the social media, of the digital media, makes it more possible than it was in the 60s or 70s or 80s or 90s or even 2000 to have a two-way balanced dialogue with the public. Before that, we always talked about the importance of symmetrical balanced communication but try to find any organizations that did this successfully. There were some, so we knew that the concept actually existed. It wasn't pie-in- the-sky stuff. On the other hand, it was really hard for organizations to find a way to let their stakeholders initiate communication. The typical tactic was sending out a message and then waiting for feedback, but feedback is not true two-way dialogue.

Either party in the relationship should be able to initiate the conversation. Organizations need better ways to listen to stakeholders than they have had in the past. So now with things like blogs and Facebook, we can do that. We can be in the listening act, and our publics can initiate communication with us. Then we can factor all of that intelligence into organizational decision making.

So we have this new possibility for social engagement and we can measure that too. These are not things that we knew about or knew how to evaluate, even a few years ago. So the field has come a long way and I would like to think that our theorizing has moved right along with it.

Now Jim will tell you more about the Excellence Theory, and when he's finished, we look forward to hearing from all of you.

James Grunig

Let me reiterate what Lauri said, and say that it's really a pleasure to see so

many old friends and former students and colleagues and other acquaintances from many years. It's really a pleasure to see you all here. You may be coming to hear us say something new (and I keep thinking do I know anything that I didn't know a long time ago?), but as Lauri said, I think the principles that we knew a number of years ago are still relevant today. In fact, some of the changes that have taken place in recent years have made them more relevant than ever before.

In 1952, Scott Cutlip wrote that public relations is a management function. It's not just a messaging of communication function. He also described the environment of organizations and how public relations helps organizations interact with the environment. I don't know how many of you ever knew Scott Cutlip but he was quite vociferous and demonstrative.

In the first day of class, he had a long blackboard and he wrote on one side of the board one way and then he went to the other side and he wrote another way, and he put an arrow between it and said public relations is two way communication. That was kind of a revelation to me, and I swear that is where the idea for the two-way symmetrical theory eventually came from. But we were able to develop theories when there weren't any others around. For example, I worked on a situational theory of publics beginning in the 1960s. We developed models of public relations.

Another colleague built a language talking about doing research and doing measurement and evaluation and environmental scanning and so on. When we got together as a team, we put together all of our various ideas and most of the theories that I think were important at the time into the excellence project.

We started our project with a simple question from the IABC Research Foundation, which essentially was: How do you show value or what is the value of public relations? Can you articulate the value of public relations to an organization? Some public relations is quite worthless, and so we have to have some principles on what kind of public relations is going to add the most value to the organization.

We concluded that the value of public relations, as Lauri said, comes through relationships; that public relations helps organizations develop stakeholder relationships. Later we added the idea that for accounting purposes, this is an intangible asset that has value for the organization but that the value of public relations comes through relationships. Well, then, what is the best way for organizations to cultivate and develop relationships within their organizations -- with their stakeholders, with their publics? And we came up with what I now say are eight principles. If you've already read all this, don't get confused, because at one point there were ten and another time there were 12, but we keep consolidating.

We've always said, like Scott Cutlip, that for public relations to be excellent, it has to have a managerial role in organizations, as well as a technical, messag-

ing or journalistic role.

Second, we learned from our colleague Jon White from the UK that public relations needed not only to be the managerial function but also a strategic managerial function; that is, needing someone to go beyond budgeting and hiring and firing: to also take part in strategic decision making of the organization. This turned out to be the most important finding of the Excellence Study.

Recently I've been writing and speaking a lot about strategic management role for public relations as opposed to a traditional symbolic interpretive role of public relations.

In addition to being strategic, we said that public relations needed to be integrated. We concluded that public relations should be integrated, but not into the marketing function; perhaps integrated marketing communications should be integrated into public relations. The basic idea is that organizations should have a single coordinated function to communicate with all of the publics of the organizations.

The fourth principle was the symmetrical principle, which came out of the models of public relations. The idea was a very simple one that organizations needed to be concerned about the welfare and the interest of their stakeholders as well as the organization's interest itself. This whole idea has sparked a lot of controversy, and we'll be happy to talk more about it, but it seems to me at this point that organizations, given the kinds of crises that they have faced in recent years, have little choice than to be symmetrical and to be managed for the interest of all of the stakeholders and not just the management and the stockholders.

A fifth principle of excellence is that public relations needs to promote social responsibility versus sustainability of the organization because this would provide value to society and value for the profession of public relations, as well as value to the organization itself.

The next principle was diversity, and this largely came from the sole female member of our research team, whose name I don't need to mention. She pointed out that there's an emerging majority of women in public relations, and we needed to be concerned about the role of women in public relations and of other forms of diversity.

One of the people I interviewed in the excellence project, the vice president of strategic management of a chemical company, said "If every member of every public organization was a white male who went to an Ivy League school, then we wouldn't need to have diversity in the public relations function." This became a very important part of the excellence principles.

After finishing the "excellence study," we spent almost a month in Slovenia one summer. We tested the principles by going through intense interviews with our colleagues there and saying: Do these principles apply in Slovenia and if so, how should they be adjusted and adapted and have we left anything

out? The first thing they suggested was the principle of ethical practice. And so after this study, we added the notion that public relations has to have an ethical role in the organization; not just that public relations itself should be ethical, but that public relations people should be ethics counselors and supporters of ethics in the organization itself or champions of ethics in decision making.

Today, we would also say that excellent public relations are a global function. The question always becomes: Are the principles the same in different kinds of countries, in different kinds of societies and cultures? And thanks to our former student, Rob Wakefield, who is sitting in the front row, we came up with a theory of generic principles and specific applications.

The principles are generic to different societies and cultures but they have to be applied differently in different settings. So this provides a good way for being able to understand how multinational corporations manage public relations or how multinational public relations firms should organize in different countries.

In each case, people need to have a common set of principles that can come from throughout the world or be integrated into a world view of what public relations is. Then you need people familiar with the local culture and practice to apply the principles.

So, those are the principles. Now the question is, are the principles more or less relevant today than when they were first conceived?

A year ago, I gave a presentation to a group like this in Norway. They asked me to give a presentation on "Getting an Established Approach to Public Relations that Still Works in Today's World," or something like that. And I stopped for a long time and I said "I don't think the theory and principles are really established yet because I see many examples of practice that haven't followed the actual principles."

Then I pointed out that as changes have occurred in recent years in the environment in which people practice and work, the principles have become more relevant; they make it more feasible to practice public relations, and I think make the principles even more important than before.

The two biggest changes are social responsibility and growth of the digital media, which many practitioners say have completely changed the future of public relations. And I need to say something about major global crises that include the financial crisis of the Internet bubble of the 1990s, the bank scandals before that, the recent BP oil spill, and so on. All of these crises have added a lot to a discussion about the sustainability of organizations.

Sustainability is a newer concept that has incorporated what we used to call CSR, corporate social responsibility, or corporate responsibility. The question is how can organizations anticipate and deal not just with crises but with problems that they encounter in their relationships with society so that they become more sustainable?

I think here is where it's extremely important that public relations be a strategic management function. That is, a function that not only communicates decisions made by others in the organization but participates in that decision making itself. Someone in the organization needs to be able to anticipate the risk of different decisions before they are made because if there's too much risk taken, it's going to make the company organization unsustainable over the long term, and it's also going to create a lot of damage for stakeholder publics themselves.

Sometimes what organizations do if they have a new problem, like when the environment became an issue 35 years ago, is to create new departments of environmental communication, as many did. Or when issues management first came into the vocabulary probably in the 1970s, organizations created a separate issues management department. And today, many seem to be creating separate sustainability departments.

I can't think of a better place to put sustainability and corporate social responsibility than in the public relations function. To be able to do that, public relations people need to change and begin to think of what they do more as strategic counseling on issues and less about strictly dealing with the media and media relations and being able to pitch and place new stories.

So the excellence principles, if you follow them through in implementing and organizing a public relations function, will result in having a public relations department that is much more able to help an organization deal with risk to stakeholders and with crises.

Another change is the digital and social media. Statistics show that at least half of public relations departments in the United States today are responsible for digital communications for social media for blogging and for online networking. It has become extremely important in public relations.

At the same time, I hear practitioners saying everything has changed. We've lost control of the message. People can say whatever they want, as though they ever could control the message that publics receive.

If we go back to my own theory on publics that I developed in the late 1960s, that theory basically said that people are responsible for their own communication behavior. They seek out information that's relevant to problems that they face. This follows the logic of John Dewey in the 1920s, who said: "People do not think unless they experience a problem, and when they experience a problem, they begin to inquire." People then seek information.

So I think that the idea that one could ever control the message going to publics at all is an illusion. In fact, I've recently written an article called "The Illusion of Control."

I pointed out that we never could control the information going to publics. We never could define who the publics are and we usually couldn't persuade them to do what the organization wanted them to do. But now with the new

media, all of that control is even more of an illusion. Today members of publics are not constrained by what the media provides. Publics can create their own content; they can go to each other. They can interact with members of the same publics throughout the world. They can create rumors. They can create crises, and so on.

Publics are opinion-controlled. It's not so much a matter of controlling information going to publics but participating in their conversations that are taking place around the organizations and in organizations and about organizations.

And we need to recognize that whenever there's new media, practitioners tend to use the new media the way they used the old media. When television was first invented, all the TV stations did was have people sit in front of a camera and read the news like they were still on radio. It took a long time before they learned to use pictures and so on.

Practitioners tend to just dump information into the new media. They think of new media as a means of publicity or promotion or sales and so on simply as a way of carrying out communication programs. They think: "We now can do employee relations and media relations and investor relations and perhaps even government relations through the internet and through new media and we can do it more effectively than before."

I think what we tend to forget is that if public relations is indeed a two-way street, then we can also use the new media to do research and bring information into the organization that we couldn't otherwise do. And this makes the strategic management function easier than it was before because we can follow what people are saying about a certain organization.

We can identify the problems that they experienced with the organization or what they would like the organization to deal with. We can determine when they formed into publics and began talking with each other, and we can identify the issues created and the crises that they're going through.

With digital and social media, we can do this much more effectively than we could with traditional media. With issues in the past, by the time something got into the media, it was too late to deal with and was almost always a crisis. Now we can identify when people are first beginning to talk about something on the internet, with sentiment one way or another. As we go through the strategic management process, we can identify the publics on the internet and we can identify the kinds of issues they create. Of course, we obviously have to deal with crises when they occur on the internet.

I also think we can measure these relationships. I haven't quite figured out how to do this yet, but I think we can take characteristics of relationships we've identified and develop an analysis scheme, so that we can identify publics and try to analyze our relationships with them in the new media.

I think we can measure reputations. David Phillips, who has recently writ-

ten a book on digital public relations, said — and I quote him often — that "Reputation increasingly is what you get when you "google" your organization or yourself on the internet."

Your reputation is what people say and think about you, and there's no better place to find it than on the internet.

So I'm going to stop at this point. We've thrown out a number of ideas, and we'll open the floor to you. If there are other things you want to ask us or you may want to debate or discuss with us, we'll turn it over to you.

Questions and Answers

First Answer

James Grunig

The question of how you define public relations and how you classify different types of public relations always has been the goal of the concepts that I developed.

Recently I've also been talking about the difference between a purely symbolic interpretive function, which looks at public relations strictly as a messaging activity whose goal it is to change the way people interpret the behavior of the organization and the way they interpret the problems they're developing and so on.

I think there's always a symbolic element in public relations, but if we divorce this symbolic communication from the behavior and actions of the organization, I think we get into the position of being someone who's invited to put out the smokescreen around responsible behavior at an organization in trying to make it look better than it is.

It's one thing to describe what an organization is doing and even determining whether it's effective or not. It's another thing to advocate that what they're doing should not be copied by others or taught to students or be put up as a kind of professional standard.

Regarding terrorist organizations' use of public relations, it's quite clear that terrorist organizations use public relations, but I think what they're using are strictly the kind of symbolic parts of public relations. They are trying to convince people that their cause is just or that they're right, without also thinking about their own behavior and the consequences of their behavior on others.

I do believe it's important that the same kinds of principles can be as much applied to activist groups as to others. And Lauri is the expert on activism, so I will let her say more.

Larissa Grunig

From whose perspective are terrorist groups being evil? If you look at the history of public relations, some of our campaigns were very well intentioned but not necessarily righteous. For example, consider the campaign designed to liberate women from their oppressive husbands by allowing them to smoke on the street. Well, we now know that smoking is more dangerous than the oppressive husbands wanted people to believe. Enough said.

Second Question

Coming back to your third principle of excellence, about integration, you said you were happier to see the marketing group created in public relations. Is there any research that says that organizations that integrate marketing communications into public relations perform better or is there other evidence available that shows it is better to move public relations and marketing?

James Grunig

What I have seen is that when you have a chief communication officer, typically they come from a public relations background rather a marketing background. And when public relations reports to marketing, then it typically has less respect from the c-suite than when it reports to the c-suite itself. It typically becomes a marketing support function alone rather than an integrated communication function that deals with all of organization's stakeholders.

I like to think there's a difference in marketing theory and public relations theory and I prefer public relations theory to marketing theory because it is more likely to be symmetrical. Although there is discussion of bilateral communication in marketing circles, marketing communications typically is all about persuasion and advocacy.

We did find examples in the Excellence Study where public relations reported the marketing and it did quite well. What's really important is the understanding of the public relations that exists with the person to whom public relations reports. Are they thinking of public relations strictly as a marketing support messaging function that does essentially media relations?

Or do they consider public relations as being people who research publics, who understand publics, who provide information, provide publics the voice to management. I think you're more likely to get that point of view with someone who has public relations training and background.

People in marketing have quite different ideas.

The interesting thing about marketing is that there are people I know in the profession that keep telling me that in most corporations, marketing is just advertising. And I say: "What are the other Ps that they teach in marketing" like developing products and placement and delivery? They say that that's not being done by marketing departments. That surprises me, but those of you who know more about marketing can tell me whether that's true or not. I think as a strategic management function, public relations contributes something different than what marketing does and that difference is relationships.

Now I know that relationship marketing is important, and I think public relations is always going to be involved in marketing so I think we ought to bring the public relations perspective to that. Let's think about developing relationships with customers and less so about getting free advertising through publicity.

Third Question

In your opinion, through all of the crises that we have seen, especially over the last five years, some natural disasters, obviously some not, what is your opinion on how your model works in those situations? Because ideally we have a two-way symmetrical communication model, but when we're in crises, most of the communications fails, as it did with Hurricane Katrina. What is your opinion about moving communication in that direction during crises?

Larissa Grunig

This illustrates the importance of relationships because what makes communication work in crises is when relationships are in place ahead of time. Relationships are like a royalty that's being banked for when they are most needed; remember one of the qualities in good relationships is commitment.

If the stakeholder is committed to the organization and vice versa, that public is likely to cut you a little slack when the crisis hits, even if the crisis is human-made rather than a natural disaster. They will give you time to get your side of the story out, and you will have established ways to communicate; ways to reach people for them to know how to reach you.

So working on relationships before you really even need them is essential to the work of an effective public relations person so you have the time and the resources to develop good quality relationships. Then when a crisis hits, a good relationship can sustain or save the organization and have a huge payoff.

James Grunig

My comment about all of these disasters in recent years is the fact that public relations either wasn't involved or didn't do a very good job. We have lots of examples of irresponsible behaviors that lead to issues and crises and then we look back and say: "Where was public relations?" They weren't involved.

We have fewer examples of organizations where public relations was involved in decision making and management made better decisions so that the issue or the crisis didn't occur.

What we really need are case histories of successful examples when public relations has been involved and an issue was dealt with effectively. Too few organizations have institutional memories and public relations people come and go, and they don't keep track of what worked and what didn't work. They don't write their own case histories.

You'd be surprised at how many organizations you can enter five years after they were judged as being the best at handling a situation, and nobody knows what was done before because the people have turned over.

How do we get the public in general to think that our profession is a good thing for society rather than a bad thing? We have to develop case histories.

Also, I mentioned the concept of risk a minute ago. I've grown interested in risk because I think I've been reading recently some papers on corporate social responsibility. In one recent position paper, the organization pointed out that both the BP gulf oil crisis and the recent financial crisis occurred because organizations took too much risk. Too much risk for stakeholders and not necessarily for the organization, although the two are related.

As public relations people, we have to be able to assess the risk of different kinds of decisions, whether they be decisions to cut corners in cutting cost in drilling in the Gulf or the risk in offering dubious financial products. We don't have the expertise to do that all ourselves, but we can organize teams. We can organize advisors from throughout the organization so that the team provides a risk assessment. And I think relationships are important because they reduce risk for organizations when they make decisions, and it reduces risk for stakeholders.

Larissa Grunig

I want to clarify that we're talking about institutionalizing the function of public relations as a strategic and managerial function. We're not talking about calcifying the practice of public relations. We believe it's important for our field to grow and develop and be responsive to changes in the environment.

When Jim mentions risk and decisions, I was thinking about an anecdote

related to the difference between integrated marketing communication and public relations.

In the course of our interviews in the Excellence Study, one of the people we interviewed was talking about a marketing decision his company took and put a gas station on a particular corner at an intersection where there wasn't a service station existing at that time.

He said this made really good sense from a marketing perspective because here was an underserved market, but then he said from a public relations perspective it was a very poor decision because we knew the community. We had a strong community relations program there and we knew that children would be walking past that intersection on their way to and from school. A quick mart or whatever fast food place it was that was attached to the chain of gas stations would be something that kids would be tempted to stop in everyday after school and their parents would not appreciate this. So he said we had to let the CEO make this decision.

We made our best case in public relations, the marketing people made their best case, and fortunately the decision came down on the side of community. We didn't want to risk children being hurt by being hit by a car in the gas station as they crossed the parking lot. We didn't want them eating junk food and so forth. But things that make perfect sense from that marketing perspective may look very different when public relations looks at it.

Fourth Question

It's encouraging to hear that corporate social responsibility (CSR) should reside in the PR function. But many of us have experience with our companies or clients, where CSR originated in human resources or other departments in a company, and they get dumped on PR. So, I'm wondering what your thoughts are on how we can illustrate that CSR should be part of the PR department?

Larissa Grunig

I think the research shows right now that it typically does reside in public relations and we think that's appropriate because we take a very broad look at all of our publics, our stakeholders. And here is where the case studies really become important. Not so much what CSR can do what for you, but to show the worst-case scenario. Here's what is going to happen to you if we are irresponsible, if we allow too much risk to our shareholders. So having the negative examples is especially appropriate when you're talking about CSR and where it should be positioned.

Fifth Question

Criticism of the Excellence Study always has been that it is channel agnostic in terms of not really being specific to any kind of formal communication other than, obviously, dialogue.

Now we have this new great tool, a tool where we think about blogs and tweets and all of that. It's very labor intensive. And we've hired 22-year-old people who are really good at all the technology, but who may not be very savvy or very well positioned to speak on behalf of the company or the organization. Yet we get volumes of output: tweets to blog postings and comments on blogs. The question is, how do we upstream of all of this? How do we take advantage of it? How do we translate it into policy and get the serious attention of management with how things are going on with the social media?

James Grunig

Nothing against 22-year-olds who know how to do this. I don't know if we have any 22-year-olds here, but the worst thing you can do is create a separate social media department that's just out there to serve as a superficial way of interacting with the public and divorce it from your whole public relations activity.

I'm not sure what level you need people engaging with social media every day. That also depends upon the size of your organization and the impact that it has on its publics. With all this information out there, we have to systematically look at it and take advantage of it.

So you're going to need some fairly high-level people looking at what's on the internet, whether or not they're the ones that are sitting there every day and doing a Google search and looking for what people are saying. The way to do this is to develop an institutionalized research component in your public relations function. Ultimately, monitoring the internet is a research function and being able to look at what's being said, analyze it, classify it, identify issues and identify publics is research task.

I think organizations need to have corporate blogs. They need to follow other blogs. They have to have somebody on a high enough level to know answers to questions to be able to respond to those blogs. They're not just blogs that are being initiated by somebody in the corporation but blogs in which people can come in and raise concerns and ask questions.

{End of question period.}