
The conundrum of public relations versus marketing: Clarifying the differences in terms of relationship management.

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Abstract

If we define public relations as the umbrella function that manages the communication between an organisation and its publics to build and enhance healthy relationships to the benefit of all parties involved, we must recognise that many cross-disciplines have been integrated to build theory for public relations in terms of relationships and relationship management. Customers are one of public relations' 'involved parties', and marketing is one of the public relations scholarship field's cross-disciplines: hence there are many points of intersection between marketing and public relations both in a theoretical and a practical sense. When teaching public relations, however, I often encounter problems with students not understanding the difference between public relations as a discipline on its own, and public relations as a marketing tool. As the field of marketing has also contributed greatly to the development of relationship theory, this paper examines the two constructs of relationships and relationship management, with the contributions from different fields addressed in more detail. The paper clarifies the difference between the approaches to relationship management from a public relations and marketing perspective. It also, however, points out that in a research context these differences will sometimes need to be transcended. The paper is intended to provide a resource for both marketing and public relations educators and students, to enhance students' understanding of the distinctions between the disciplines and the approaches to relationships in the different disciplinary contexts.

Introduction

This article starts from the premise that public relations is the function that manages the communication between an organisation and its publics in order to build and enhance healthy relationships to the benefit of all parties involved. This view of relationships, being at the centre of the function of public relations, is now seen as one of the most important ingredients for an effective organisation. That is, in view of the stakeholders of the organisation, relationships influence the success or failure of an organisation (Harrison, 2003; Ledingham & Bruning, 2000b; Robbins & Barnwell, 2002). This perspective puts public relations on the level of a strategic management function because it can influence the way stakeholders support an organisation's goals. The importance of the relational concept to the field of public relations has given rise to relationship management (Ledingham, 2003).

The idea of relationship management in public relations has prompted investigations into this terminology and its use over the past two decades. These investigations have provided a framework for seeing how the function of relationship management can contribute to the achievement of organisational strategy (Ledingham & Bruning, 2000a), and as well have striven to develop valid operational measuring instruments for substantiating the value of public relations in top management. As Broom et al. (1997) have pointed out, the absence of a thorough understanding of this construct hinders theory-building; moreover, it limits valid inferences about relationship measures.

Strategic management literature often uses the term 'relationships' in the context of stakeholders and organisational effectiveness. There

are, however, few definitions, measurements or explanations of what the construct actually means within this field of study; that is, other than the exception of the dimension of 'trust' in relationships, which has been studied extensively. (Examples of these studies can be found in Bhattacharya, Devinney, & Pillutla, 1998; Bruhn, 2002; Mayer, Davis, & Schoorman, 1995; Rousseau, Sitkin, Burt, & Camerer, 1998; Whitener, Brodt, Korsgaard, & Werner, 1998.) The field of marketing has contributed extensively to developments in understanding the term relationship in the area of relationship marketing with customers, consumers, and groups directly related to marketing. Many scholars refer to this contribution as an exploitation (Ledingham & Bruning, 1997) or ongoing debate (Grunig, Grunig, & Dozier, 2002) between the role and place of the fields of marketing and public relations in organisations. As a teacher in public relations and communication management, I have found that when students approach problems in their assignments, they often battle to differentiate between the fields of public relations and marketing. Organisational structures and job titles of public relations practitioners in industry also reflect this conundrum. This paper aims to provide an in-depth look at the conceptual frameworks of relationships in these fields of study, and thus contribute to the understanding of each. Cheney and Christensen (2001) stated:

Although we could easily dismiss this conflict as being mere academic 'turf' skirmishes, we find value in examining the points of contention in the debate as well as the reality of the blurring of distinctions among these... forms of organizational communication. (p. 169)

Contributions from the field of marketing

In the 1980s, the field of marketing theory and practice made a major directional change towards the development of relationship marketing which, as Morgan and Hunt (1994, p. 20) describe, is "establishing, developing, and maintaining successful relational exchanges". A relationship-based model in marketing

comes from the realisation of the marketing fraternity that customer satisfaction is not only dependent on the product or service that is acquired, but is also related to the nature of the relationship in the exchange (Sudharshan, 1995). Sheth and Parvatiyar (1995) relate technological advances to the comeback of relationship marketing; that is, in the sense that the collaborative involvement of customers in the marketing process has led to a more process-orientated paradigm. This exchange paradigm has, however, become insufficient because, in the post-industrial era, marketing needs to emphasise value creation. This relational marketing approach calls for mutual cooperation and interdependence.

Another driver that advances relationship marketing is the total quality movement, which demands a close partnership with customers and suppliers in order to optimise quality and cost. The service economy has also led to the minimising of middlemen between the service provider and service user, which means a need to enhance and maintain relationships between these two groups. Users of products and services are now becoming directly involved in the development of products and services, thus triggering a need for co-operative relationships between them and the producers. Customer retention as a competitive advantage is a final major contribution to the need for maintenance of relationships, because retaining customers is less expensive than acquiring new ones. This participative approach is typical of the developments in postmodern theory for public relations and strategic management applications.

Morgan and Hunt (1994) conceptualise *commitment* and *trust* as the key mediating variables of relationships, with communication, shared values, relationship benefits, opportunistic behaviour, power, and relationship termination costs as precursors to commitment and trust. Outcomes of relationships include conflict, acquiescence, propensity to leave, cooperation, functional conflict and uncertainty.

Iacobucci and Hibbard's (1999) investigation into the literature of the construct 'relationships' in business marketing found that relationships seem to benefit from communication and an absence of conflict (or a resolution of conflict). Closeness, commitment, satisfaction,

investment, communication, co-operation, conflict resolution, effort, shared values, and interdependence were also cited as important variables of the construct and contributing to healthy long-term relationships. In brief, relationships can be described in four dimensions: (1) *valence*: trust and cooperation; (2) *intensity*: interdependence, commitment and frequency of interaction; (3) *symmetry/asymmetry*: equality or inequality of power of the parties involved; and (4) *formality*: relating to work or social environment within which relationships exist. *Commitment*, *trust*, and *conflict resolution* are also at the centre of relationship, linking to many causal factors. The ultimate outcomes are long-term relationships that result in greater profitability, satisfaction and more anticipated interaction in the future. Iacobucci and Hibbard (1999) propose that the relationships between consumers and organisations are inherently asymmetric, with high levels of distrust and conflict and little opportunity for communication. These all make it very difficult to establish long-term relationships with clients and customers.

In a different line of argument, Smith (1998) posits four dimensions in a relationship. First is the relationship comprising different buyer-seller dyads. Second are five other aspects of relationship management derived from the social exchange literature, including *relationship investment* (resources, effort, attention), *open communication and cooperation* (mutual, reciprocated outcomes),

functional conflict resolution, and *relationalism*. Interestingly, *relationalism* refers to the “extent to which relators actively and purposefully manage their relationship and promote behaviours to maintain or improve the relationship” (Smith, 1998, p. 7).

Third, social, functional and structural bonds are differentiated to reflect degrees of attachment in a relationship and the extent to which parties are bound together. From the premise that the bonds which develop in a working environment determine the quality of a relationship, Smith (1998) found that communication or cooperation and investment dimensions were key predictors of relationship quality. The fourth dimension includes loyalty, mutual satisfaction, respect, commitment and trust.

Hibbard, Brunel, Dant, and Iacobucci (2001) have also identified the variables *trust*, *commitment*, *communication*, *shared values* and *mutual dependence* to measure long-term business relationships, and assess adequate measures of the constructs.

From the above, the contributions from the field of marketing to the field of relationship marketing show that there are precursors to relationships, or outcomes as a consequence of relationships. Although authors do not agree on which precursors and what outcomes, and despite different labels and groupings, they seem to concur nevertheless on the variables that could be incorporated. **Table 1** (over the page) summarises selected literature contributions from marketing.

Table 1: Selected literature contributions from marketing

Predictors or precursors	Maintenance variables/ Relationship concepts	Outcomes	Consequences or final outcomes
<ul style="list-style-type: none"> • Buyer/seller dyads (Smith, 1998) • Types of relationships (Iacobucci & Hibbard, 1999) • Nature of relationships (Morgan & Hunt, 1994) 	<ul style="list-style-type: none"> • Communication (Hibbard et al., 2001; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Smith, 1998; Sudharshan, 1995) • Shared values (Hibbard et al., 2001; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994) • Relationship benefits (Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994) • Opportunistic behaviour (Morgan & Hunt, 1994) • Power symmetry (Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Smith, 1998; Sudharshan, 1995) • Relationship termination costs/investment (Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Smith, 1998) • Personality factors (Iacobucci & Hibbard, 1999) • Interdependence (Hibbard et al., 2001; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994) • Co-operation (Iacobucci & Hibbard, 1999; Smith, 1998) • Conflict resolution (Smith, 1998) 	<ul style="list-style-type: none"> • Commitment (Hibbard et al., 2001; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Smith, 1998)] • Trust/respect/loyalty (Hibbard et al., 2001; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Smith, 1998) • Mutual satisfaction (Iacobucci & Hibbard, 1999; Smith, 1998) • Conflict absence/resolution (Iacobucci & Hibbard, 1999) 	<ul style="list-style-type: none"> • Acquiescence • Propensity to leave • Cooperation • Functional conflict • Uncertainty

In the buyer-seller literature, relationship marketing is defined as “the development and maintenance of close, long-term, mutually beneficial, and satisfying relationships between individuals or between organisations that are based on trust and collaboration” (Smith, 1998, p. 77).

This equates well with the definition of public relations and relationship management: “The management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends” (Cutlip, Center, & Broom, 1994, p. 2).

Marketing and public relations

There are, however, major differences between marketing and public relations that arise mainly from the view that the developments in relationship marketing and public relations are intruding in each other’s domain. The differences

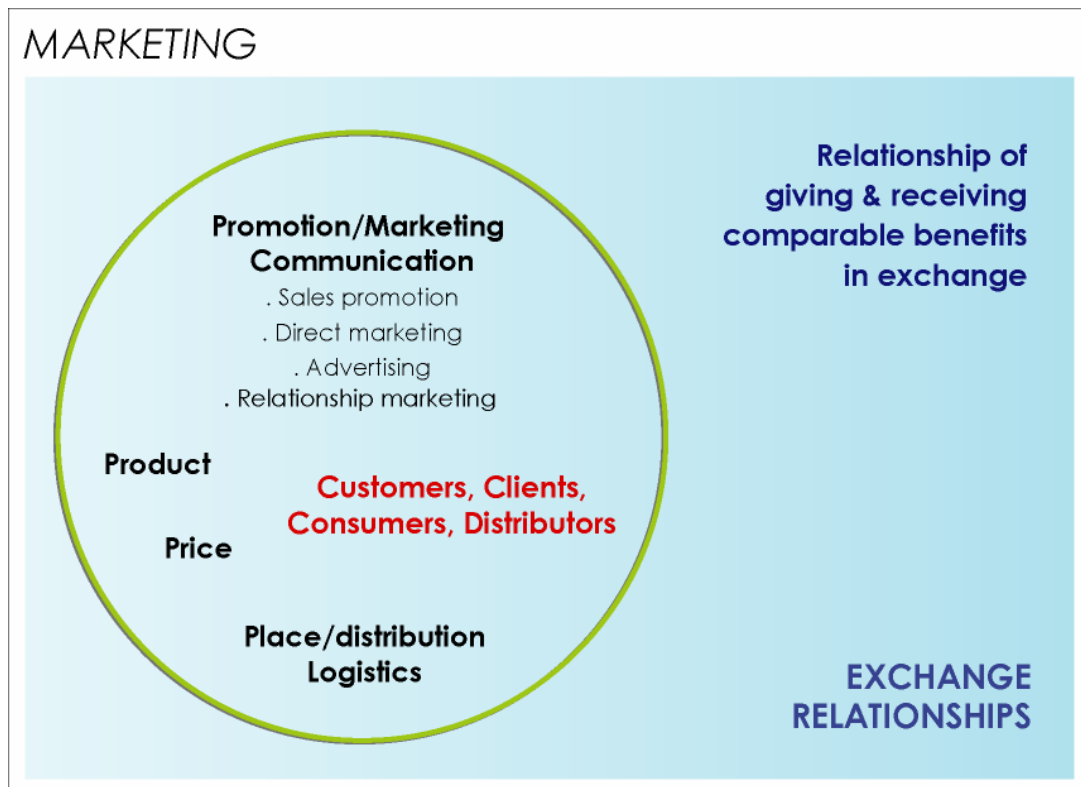
between marketing and public relations as academic fields of study lie primarily in the types of stakeholders served by the two fields. Marketing management focuses on relationships with customers, clients and channels (those groups which assist the organisation in reaching its ultimate customers) that are sources of competitive advantage (Sudharshan, 1995). See **Figure 1** (over the page). Many other relationships that assist the organisation to sustain a competitive advantage but they are not considered to be in the domain of marketing strategy (Sudharshan, 1995, p. 121).

Public relations, on the other hand, casts a wider net on stakeholders; that is, to those who have no direct relation to the bottom line exchange relationship—those who are neither customers nor clients. The resource-dependency theory posits that relationships form because of an organisation’s need for resources in order to survive. All the constituents

that may have an influence on such an organisation may have little to do with bottom-line or with the available resources (Grunig & Huang, 2000). In contrast, marketing relationships depend on the premise that both parties in a rela-

tionship are willing to give benefits in order to receive comparable benefits in exchange (Grunig et al., 2002).

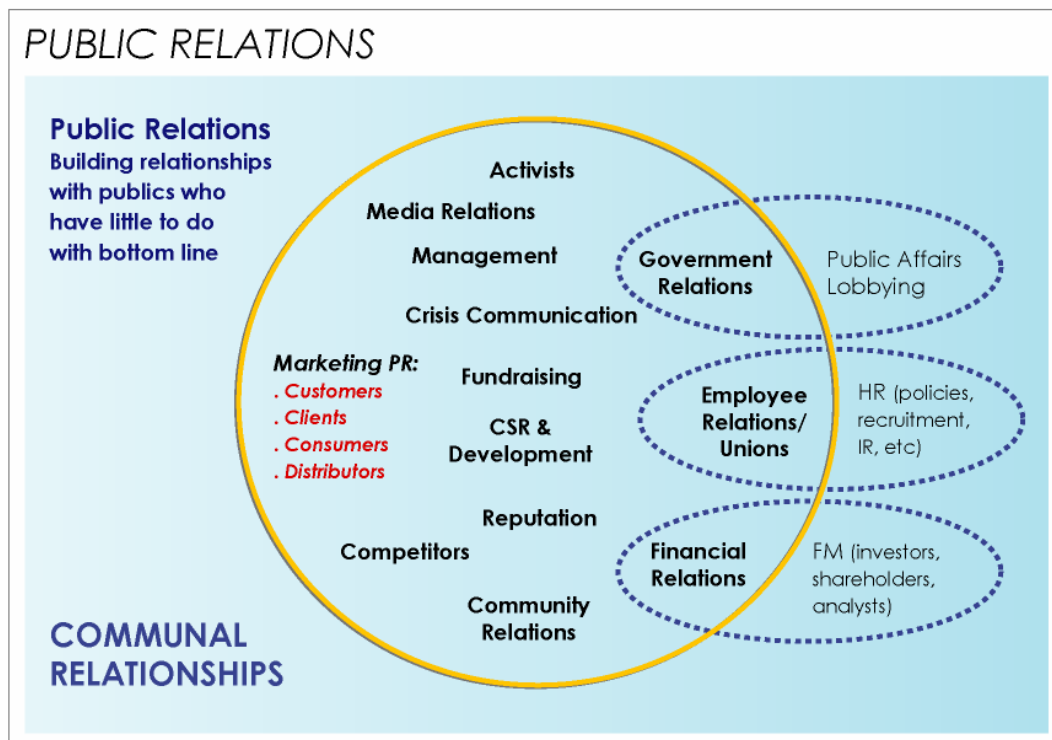
Figure 1: Marketing



The public relations field sees these relationships with other strategic constituents as going much further than ensuring the selling of products and services. Other stakeholders such as the mass media, activist groups, employees, unions, funders, or the direct com-

munity who may not be part of the 'market', may all want the behaviour of the organisation to change, and thus may influence the goal attainment of the organisation. It is to these specific publics that public relations is relevant (Grunig et al., 2002). See **Figure 2**.

Figure 2: Public Relations



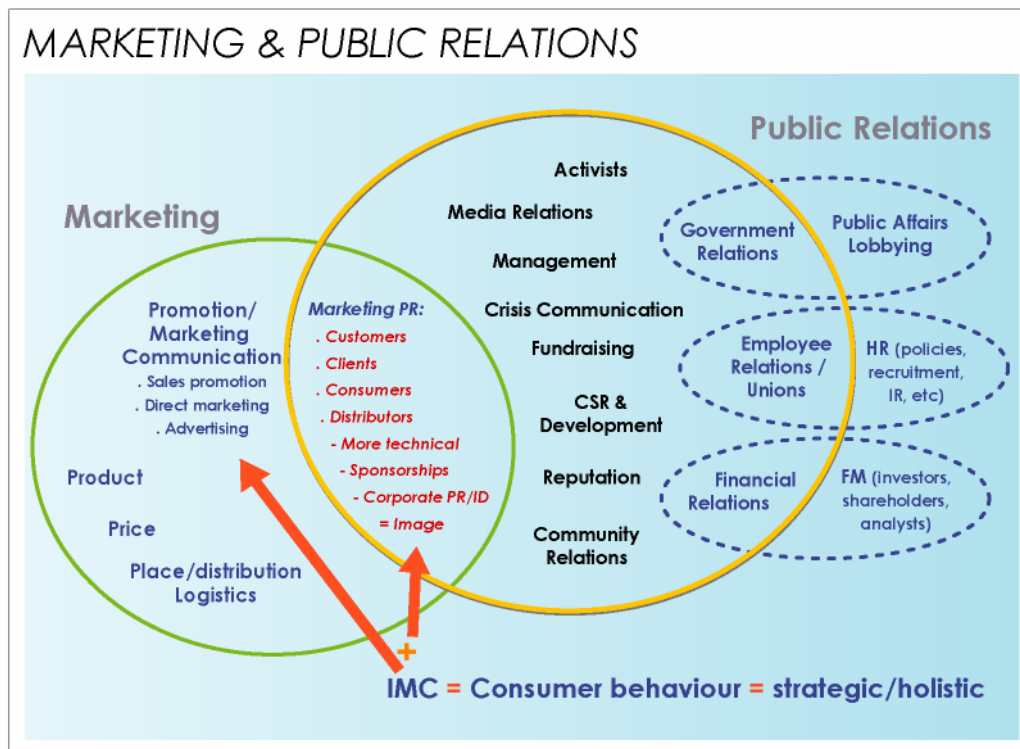
These ‘communal relationships’ are based on the principle that parties provide benefits to each other because they care for others’ interests without expecting something in return. As Grunig et al. (2002) point out,

Public relations professionals add value to an organization when they develop communal relationships with all publics affected by organizational behaviors—not just those who give the organization something in return. Communal relationships are important if organizations are to be socially responsible and to add value to society as well as to client organizations (p. 553).

Public relations plays a societal role in that it helps organisations survive in their social environments by working on relationships with publics in order to bring about social and economic change and development. See **Figure 3** (over the page).

Another major difference lies in the emphasis of each field of study. Marketing communication focuses primarily on the signs and symbols used to communicate identity, brand and image. As authors such as Van Riel (1995) argue, if the right messages are communicated to the right audience, the identity of the organisation will be transferred into their minds, leaving an image. This implies that one can thus manage image and reputation by managing communication. The field of public relations in turn emphasises behavioural relationships where the decision-making processes of management will determine the reputation of the organisation (Grunig et al., 2002). The behaviour of an organisation determines what people will remember and what degree of trust will be instilled in their minds. One should therefore manage organisational behaviours to develop trust in products, brands and corporate identities.

Figure 3: Marketing and Public Relations



Grunig et al. (2002) conclude that the work of authors such as Gronstedt (2000) and Duncan and Moriarty (1997) is congruent with L. A. Grunig et al.'s excellence theory of marketing communication (Grunig, 1992). In brief, they all advocate "symmetrical communication, relationship building, involvement in strategic management, and recognition of communication as a critical management function that supports all other management functions" (Grunig & Grunig, 2000, p. 279).

More importantly, as Grunig and Grunig (2000, p. 279) further observe, many marketing communication scholars "have moved closer to public relations theory in their thinking". However, it seems that these authors' emphasis is still on relationships with customers, which follows from their background in marketing and advertising. From a public relations perspective, all stakeholders (that is, not just the customers) ought to be recognised and treated as important.

Apart from all the other activities of the public relations function, such as community relations, fundraising, crisis communication, corporate social responsibility, and development communication, public relations also

supports the marketing function by providing a sound foundation on which to present the traditional 'four P's' of marketing (Sudharshan, 1995). If relationships between the organisation and all stakeholders are strong and committed over a long term, the marketing efforts will be provided with a solid foundation of trust in the organisation and its brands. It is often necessary for the public relations function to build communal relationships before marketing can build exchange relationships; otherwise, it is sometimes the case that successful exchange relationships do develop into long-term communal relationships (Grunig et al., 2002). The marketing function is normally measured in terms of sales or contribution to the bottom line, whereas "the degree to which a public perceives that it has a communal relationship with an organization is perhaps the purest indicator of the success of the public relations management function" (Grunig et al., 2002, p. 553).

In this same way, the public relations function also supports other organisational functions, such as human resource management (relationships with employees and unions), lobbying (governmental communication), and financial management (investor relations and other

financial relationships with stakeholders such as analysts and shareholders). Public relations and marketing work together by building exchange relationships with consumer, customers, clients, distributors, and other marketing parties through areas such as sponsorships, corporate identity, image building and media

relations. It is important, however, to stress that each of these domains performs a much larger role than just supporting each other: “there is much more to marketing than communication and to communication than marketing” (Grunig et al., 2002, p. 280).

Table 2: Public relations/communication management versus marketing

Public Relations / Communication Management	Marketing
Relationship building with all stakeholders (Ledingham, 2003)	Building relationships with clients, customers, suppliers (Iacobucci & Ostrom, 1996; Smith, 1998; Sudharshan, 1995)
Emphasis on the behaviour and decision-making of management in order to gain trust from publics (Grunig & Grunig, 2000)	Emphasis on customers (Duncan & Moriarty, 1997)
Reputation: Social responsibility, caring, environment (Grunig et al., 2002)	Image: Branding, packaging, advertising, corporate identity (Van Riel, 1995)
Strategic role is that of boundary spanner and facilitator to build relationships (Grunig et al., 2002)	Strategic role lies in research and development, and profit (Iacobucci & Hibbard, 1999)
Saves money for the organisation (Grunig et al., 2002)	Makes money for the organisation (Iacobucci & Hibbard, 1999)
Research focus: Environmental scanning, trends, issues (Grunig et al., 2002)	Research focus: Data base - socio/psycho/demographics (Cova, 1996)
Communal relationships (Grunig et al., 2002)	Exchange relationships (Iacobucci & Hibbard, 1999; Sudharshan, 1995)
Ethics and social responsibility (Grunig et al., 2002)	Economy-driven—focus on the customer (Sudharshan, 1995)
Two-way symmetrical (Grunig, 1992)	Two-way asymmetrical (Iacobucci & Hibbard, 1999)
Behavioural relationships (Grunig & Huang, 2000)	Symbolic relationships (Grunig & Huang, 2000)
Measurement: Success of communal relationship (Grunig et al., 2002)	Measurement: Sales, purchasing and customer/client satisfaction (Sheth & Parvatiyar, 1995)
Approach is conciliatory and peacemaking (Hutton, 2001)	Approach is aggressive, competitive, with a purpose of selling (Hutton, 2001)

The identity problem of public relations that has plagued it over the past decades is that it is often seen as an element of the integrated marketing communication arena, or as a support function for marketing (Ledingham, Bruning, Thomlison, & Lesko, 1997). The field of relationship marketing has started to overlap with the relationship management approach of public relations, but with the distinct difference that it mainly serves the relationships between the organisation and its markets or consumers. (Compare, for example, the terminology used in Duncan &

Moriarty, 1997; Iacobucci & Hibbard, 1999; Morgan & Hunt, 1994; Sheth & Parvatiyar, 1995.) Relationships with all the other ‘publics’, as identified by public relations scholars, are not covered in depth in the literature of relationship marketing or marketing communication. Iacobucci and Hibbard (1999) state, for example, that:

Since the 1970s, marketing has been conceptualized quite generally, as an exchange of benefits and resources, so the applicability of re-

lational exchange theories is meaningful—we do not simply transact goods and monies, but a vast array of tangible and intangible benefits. Those exchanges occur in the context of relationships. Accordingly, relationships must become a central focus in the field of marketing (p. 30).

This point highlights the fact that the major application of marketing relationships is still seen as between the organisation and the consumers and in relation to exchange. These relationships are furthermore seen as symbolic relationships concerned with image, rather than behavioural relationships of public relations concerned with reputation (Cova, 1996; Grunig, 1993). It should be mentioned, however, that postmodern marketing recognises the importance of aspects such as behaviour, participation, linking value, as well as the co-creation of meaning, even though these are still aimed at consumers (Cova, 1996). Marketing scholars have also started to move into societal marketing (Kotler, 2000) and marketers have realised the importance of corporate social responsibility and have shifted away from a pure consumer focus.

In taking a postmodern perspective, one should not argue that any one of the fields of study is “exploiting” another (Ledingham et al., 1997, p. 25), or that the fields are “encroaching” on the other’s terrain. Rather, organisations should follow a multi-disciplinary approach, where domains support each other and work together for the common good of the organisation and society at large (Grunig et al., 2002). A dichotomous ‘boxing’ of the functions could only lead to an organisation that is inflexible and incapable of adjusting to fast-changing environments.

Contributions from interpersonal and relational theories

Broom et al. (1997), Stafford and Canary (1991), Toth (2000), Ledingham et al. (1997), and Thomlison (2000), have reviewed various interpersonal and relational theories that have contributed to the development of the construct of relationships. Thomlison (2000) describes successful relationships as consisting

of “awareness, influence, benefit and behavior” (p.178). With respect to public relations, relationship management is “the development, maintenance, growth, and nurturing of mutually beneficial relationships between organizations and their significant publics” (Thomlison, 2000, p. 178).

Furthermore, public relations gives a transactional perspective so that it is a “dynamic, process-orientated, meaning-creating relationship between the two participating parties” (Thomlison, 2000, p. 183). Its purpose, therefore, is to “establish dialogic communication” (Thomlison, 2000, p. 199). Broom, Casey and Ritchey (2000) base their theoretical framework on the systems theory in stating that the interdependence of elements in a system form the basis of all interactions and relationships.

Toth (2000) approaches the management of relationships from an individual-organisation perspective in associating the interpersonal communication attributes of trust and credibility to the process. Toth (2000) proposes that just as the “end goal of interpersonal communication is to establish and maintain successful relationships” (p. 217), so should communication in organisations be used to develop and build relationships between organisations and their publics. Furthermore, the elements of “mutuality of understanding, trust, credibility, emotion, intimacy and similarity, immediacy, and dominance-submission” (p. 218) should be taken into account, and all contribute to the understanding of relationships.

Wood (1995) conducted an extensive review of relational literature, and isolated the following four dimensions: trust, commitment, investment, and comfort with relational dialectics. The theory of relational dialectics refers to the many paradoxes and contrasting forces that work in relationships in terms of being autonomous or being connected (Griffin, 2003). This theory explains that relationships are always in flux and there are always ongoing struggles and dichotomies between connectedness and separateness. The interpersonal theory of social exchange centres on the dimensions of investment and commitment and compares with the marketing model of economic exchange of goods or services for rewards (Ledingham & Bruning, 1997). This view of relationships is transac-

tional in the same way as marketing views have traditionally been transactional (Sheth & Parvatiyar, 1995). However, as Sheth and Parvatiyar (1995) point out, it seems that “this transaction orientation in marketing is giving way to the return of relationship orientation in marketing” (p. 414).

Many of these interpersonal communication variables of relationships have been used as inputs for the development of a relational model for public relations; specifically, the variables of trust, commitment, mutual benefit, investment, and relational power structures.

The public relations model of relationship management

Broom et al. (1997) developed a three-stage model after reviewing the relationship literature from the fields of interpersonal and inter-organisational communication, psychotherapy, and systems theory. This consisted of relationships concepts, antecedents to relationships, and consequences of relationships.

Following the lead of Broom et al. (1997), Grunig and Huang (2000) have also developed a theoretical model for the process of relationships in terms of the antecedents of relationships, development and maintenance strategies for relationships, and outcomes of relationships.

Table 3: Theoretical model of relationships: stages and forms of relationships

Situational antecedents	Maintenance strategies	Relationship outcomes
<ul style="list-style-type: none"> Types and nature of relationships Relationships between single and multiple publics and organisations that affect each other 	<ul style="list-style-type: none"> Symmetrical communication Disclosure (openness) Assurance of legitimacy Participation in mutual networks Shared tasks Integrative negotiation Asymmetrical communication and distributive negotiation 	<ul style="list-style-type: none"> Control mutuality (power symmetry) Commitment Trust Mutual satisfaction Goal attainment

(Adapted from Grunig & Huang, 2000)

The antecedents of Grunig and Huang (2000) correspond with the antecedents described in the relationship marketing literature. However, in Grunig and Huang all the change pressures from the environment were incorporated and considered situational, that is, “stemming from the behaviors of both the organization and publics” (Grunig & Huang, 2000, p. 35). All these relationships are based on behaviour, and are “implicit in concepts such as interpenetrating publics and in the loss of autonomy that organizations face when they enter into relationships” (p. 35). This model includes relationships between single and multiple publics, and organisations that affect each other.

The maintenance strategies of Grunig and Huang’s model (2000) focus on the communication variables that influence the outcomes of relationships. The first of these dimensions is the construct of ‘positivity’, described in

terms of the symmetrical model of public relations: “dialogue, negotiation, listening, and conflict management” (Grunig, 1992, p. 231), as well as openness, interdependence, team work and a caring attitude (Grunig, 1992). This maintenance dimension compares well with the variables of open communication, conflict resolution, and interdependence identified by the relationship marketing literature.

The second dimension of maintenance is described as openness or disclosure. This equates to ethical conduct (Grunig, 1992) in terms of transparency and open communication. This again compares well with the variables of open communication from relationship marketing literature.

Assurances of legitimacy relates to the parties’ acceptance of each other in terms of shared values and behaviours (Grunig, 1992) and is the third maintenance variable mentioned by Grunig and Huang (2000). The relationship

marketing literature also refers to shared values and power equality as an important relationship concept under maintenance variables.

The fourth maintenance variable refers to shared networking with the same groups of people (Grunig & Huang, 2000), as well as participation. In the field of relationship marketing, participation in decision-making about product development and sales strategies is also considered an important factor in the maintenance of relationships with customers (Sheth & Parvatiyar, 1995).

The fifth variable is the sharing of tasks, which is related to participation and refers to the collaboration of all parties in order to solve problems of interest to both (Grunig & Huang, 2000; Sheth & Parvatiyar, 1995).

The rest of the maintenance variables refer to the conflict management strategies followed by parties in relationships. Grunig and Huang (2000) differentiate between integrative strategies (understood as integrity and cooperation in a relationship), distributive strategies (efforts to maximise gains and minimise losses), and dual concern strategies that manage both the concerns of the organisation as well as those of the publics (win-win strategies). These variables correspond with the co-operation variable from the relationship marketing literature. The variables of relationship investment and benefits in the field of relationship marketing are the only ones not specifically included in this part of the public relations relationship model of Grunig and Huang (2000).

All the maintenance strategies have an influence on and are indicators of the relationship outcomes described in the next dimension of the model. Grunig and Huang (2000) suggest that the relationship process should be continuously monitored and observed.

The final stage in the relationship model of Grunig and Huang (2000) is the relationship outcomes stage. The key relational outcomes pertinent to quality relationships between organisations and publics are trust, control mutuality, commitment and satisfaction:

- **Trust** refers to the belief that the other party will not exploit one's good will, and that there is a willingness to open up (Grunig & Huang, 2000, p. 43; Grunig et

al., 2002, p. 553). In organisational terms, trust means that the business keeps its commitments, does not disadvantage its stakeholders, and communicates in an open, timely and honest manner (MacMillan, Money, & Downing, 2000, p. 71).

- **Control mutuality** refers to the "the degree to which partners agree about which of them should decide relational goals and behavioural routines" (Stafford & Canary, 1991, p. 224). It implies equality in power; but where power is not equally distributed (as often happens in reality), a norm of reciprocity may lead to a good relationship (Grunig & Huang, 2000, p. 43; Grunig et al., 2002, p. 553).
- **Relational satisfaction** refers to the extent to which both parties have a favourable affective response to the relationship (Grunig & Huang, 2000, p. 45). It refers to both parties receiving equal rewards that outweigh the costs to the relationship (Grunig et al., 2002, p. 553). These include material benefits (value for money, pay, holidays, training, etc.), as well as non-material benefits, such as emotional elements in the form of recognition or identification with an organisation (MacMillan et al., 2000, p. 72).
- **Relational commitment** encompasses a desire to continue with the relationship in supporting the goals and values of the organisation, and putting in the effort to maintain the relationship (Grunig & Huang, 2000, p. 46; Grunig et al., 2002, p. 553; MacMillan et al., 2000, p. 71). A further dimension pertains to calculations of the possible costs incurred by leaving the organisation.

Numerous studies have shown high inter-correlations among these four dimensions of relationships (Grunig & Huang, 2000, p. 47; Ledingham, 2000, p. xiii). The relationship indicators of Grunig and Huang (2000) were used, for example, to provide an indication of the varied relationship outcomes when different change management strategies are applied (Ströh, 2005). These indicators appear consistently in interpersonal and organisational literature and compare well with the four indicators identified by the relationship marketing litera-

ture mentioned earlier. The only difference is that 'conflict resolution' is cited in the marketing literature as one of the indicators of relationship outcomes, and 'power symmetry' is mentioned as a maintenance variable in the marketing literature, as opposed to a relational outcome in the public relations literature.

Conclusion

Support for the development of the study of relationships comes from the fields of marketing, interpersonal relationships, and public relations theory. Students need to understand the differences between the fields yet in research often a postmodernist interdisciplinary approach is called for where all fields of study are applied in understanding phenomena and there are no borders to prevent so called 'encroachment'. Ongoing research needs to consider the inputs from various disciplines and domains because new findings may impact on current views of relationships (Hallahan, 2007). For example, studies such as Hibbard et al. (2001) in relationships marketing, have warned that positive effects of relationships diminish over the long term, which raises serious concerns because this is a field whose central focus is on relationship building. Knowledge development needs to be shared between all disciplines concerned with the theories and practice of relationships. That is the only way the field of relationship management can grow and contribute fully to strategic management of organisations.

In this paper the role of relationships were explained in terms of public relations, relationship management and marketing. In the management of organisations, effectiveness is achieved when organisations attain goals that are appropriate in relation to the organisation's environment. If this does not occur, strategic constituencies within that environment will keep the organisation from achieving its goals and, ultimately, its mission. Communication management helps the organisation achieve its goals by identifying and building healthy relationships with strategic constituencies. The healthier these relationships, the more likely it is that the organisation will achieve what it sets out to achieve. The quality of these relationships determines

the effectiveness of the public relations function within the organisation.

In the postmodern era, true long-term value for an organisation is in focussing on the process of relationship building rather than on the outcomes of those relationships (Sheth & Parvatiyar, 1995). As is revealed in relationship marketing, the shift in focus, that is, from outcomes of an exchange (transaction) to process of relationship engagement and enhancement, means boundaries in organisations are broken down and the roles of the marketing actors are enmeshed and blurred. These cooperative relationships eventually have little to do with the exchange of products, services, or even values, but become "a process of value creation through co-operative and collaborative effort" (Sheth & Parvatiyar, 1995, p. 414).

The educational function of public relations teachers is thus to build an understanding and knowledge of the contribution of both terrains to the importance of relationships. We should place less focus on communication and more focus on the importance of relationships in public relations. We should increase our own as well as our students' research skills so that we truly measure and manage our central tenet of communication. We should also emphasise the strategic importance of public relations in organisations and support all business education so that students may acquire a holistic approach to their education in communication and relationship management. This is argued to be an example of an evolution towards a postmodern approach.

It would therefore be to the benefit of the field of public relations to shift the focus from measuring outputs (or even behavioural outcomes) to the relationship processes, that is, of engagement and enrichment through constant dialogue, debate and discourse. This is the making of true values, not only for the organisation, but also for its environment and, ultimately, for society as a whole. The well-known business philosopher Charles Handy (2002) believes that running an organisation should be a moral issue. Many organisations have lost the trust of their stakeholders because their stakeholders suspect they are immoral in that they have no purpose other than themselves. Organisations will have healthy relationships by being good

citizens and by leading in areas such as environmental and social sustainability. In this sense, an organisation should be good by doing good (Ledingham, 2003).

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