



AN EMPIRICAL RELATIONSHIP BETWEEN PUBLIC RELATIONS AND BUSINESS CLIMATE IN INDIA

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Abstract

Public relations are uniquely in an operational mode to manage these chattels, creating a stage for a growing role in a variety of strategic areas further than media hype. As an essential module of the marketing mix, PR is imperative in edifice trustworthiness, significance, belief and lasting associations. To attain gradually more fragmented spectators, marketing public relations is one of the most cost effective approaches to have successful sales in the market.

Key Words: Consumers, Internal And External Stakeholders, Fragmented Spectators.

1. Introduction

In the business world to regain the trust of any corporate sector, the company must provide a seat to a PR professional in an executive level management when a crisis arises. Consumers view the Executive directors for their wrongdoing stocks, market fall, layoffs which have elucidated their anger and the company comes under the microscopic view for their negative appearance through various channels of communication like newspapers, electronic and digital media. So to conceal the negative news there is an increase in demand of strategic PR professionals to cease the negative publicity in the market which will not only give a negative appearance it also de-motivates the internal and external stakeholders. Public relations are uniquely in an operational mode to manage these chattels, creating a stage for a growing role in a variety of strategic areas further than media hype. During catch 22 situations PR professionals are called upon to help the management to coach or to deliver company statements to the press. Public relations will also support marketing goals, driving sales, through specialized marketing PR. When publicity paves the way for marketing, such as advertising, it will make the customers give attention to an advertisement three times faster than when advertising has no public relations support. Public relations have the influential skill to convey profound information that customers insist, which is impracticable to convey in a 30-second television spot. As an essential module of the marketing mix, PR is imperative in edifice trustworthiness, significance, belief and lasting associations. To attain gradually more fragmented spectators, marketing public relations is one of the most cost effective approaches to have successful sales in the market.

2. Literature Review

Robert I. Wakefield (2014) This paper enlarges stakeholder management exercise by integrating thoughts from the issues management process model. Grounded model by Jones and Chase's issues-process model delivers three steps (1) stakeholder identification and analysis, (2) development and implementation of stakeholder management strategies, and (3) stakeholder management evaluation.

Marlene S. Neill, Ph.D., APR(2015) This article highlighted about the internal communication is growing in its importance and possessions due to generational shifts as experts leave and fresher's arrive. With respect to the 32 interviews with executives in marketing, public relations and human resources, this study finds about the communication encounters and prospects accessible for internal communicators.

Juan-Carlos Molleda, SarabKochhar, Angeles Moreno and Gabriel Stephen(2015) This quantitative research study says the prospect of public relations exercise and learning is discovered through the lens of professionalism and social roles. Precisely, this study assesses the association between professionalism and social roles of public relations specialists.

Vilma Luoma-aho(2015) This articles explains that the stakeholder commitment has increased on the public relations itinerary lately typically due to the starter of social media and innovative fusion methods of marketing, advertising, and public relations. The new technologies have made it conceivable for organizational communications to have straight stakeholder spectators admittance but only if they are accessed appropriately.

Sherry Jean Holladay, William Timothy Coombs(2013) - This article presents the notion of public relations mastery and advises that public relations knowledge should be endorsed to authorize customers of public relations' movements and posts and to rise the responsibility of specialists.



Chris Wilson(2016)In this study the administrations nowadays look the trial of chasing their duties and accomplishing their objectives while retaining equally advantageous associations with a diversity of investor assemblies that request clearness believe legitimacy and are authorized over new media to move organizational status and conduct.

Dean E. Mundy(2016) This paper assessment the multiplicity-absorbed the study in public relations to distinguish the crucial conclusions, developments, outstanding gaps, and best performs concerning how public relations theory and preparation can better reproduces a variety in motivation.

Yang Cheng (2016)this investigation discovered the experiences, process, and implications of news coverage in the 2014 General Motors (GM) recall. This is to assess causativeness; a Vector-Auto Regression (VAR) model was essentially to review relations among GM press releases, media attention on GM and its auto subsidiary goods, communal awareness, stake worth, and economic cursors such as job capability.

Marlene S. Neill (2016)The key purpose of the study was to realize internal communicators' part in beliefs and employer branding. Endorsing a corporation or establishment's principal standards is an actuality greeted as a modest benefit as portion of an effort in the promotion and human resources grounds called employer branding.

Cayce Myers (2016)Symbol is one of the chief influential approaches of balanced assets as it sentinels an establishment's appearance (e.g. logo, trade name, packaging, color scheme) and can perhaps last insistently. Public relations show an energeticportiontogether in the creation and conservation of brand.

2.1. Research gap

After reviewing the national and international literature pertaining to public relations, regarding organizations it is found that nobody acknowledged the crucial factors responsible for smooth public relations. At the same time there were no evidences and traces for the implications of public relations in terms of empirical approach. These two above mentioned gaps induced the researcher to venture on the present innovation.

2.2.Objectives of the study

The main aim of the research work

1. Is to study the crucial factors directly correlated with public relations in private sector organisations.
2. To analyse the impact of smooth public relations on business climate among private sector companies.

2.3.Hypothesis

There is no significant influence of public relations on organisational effectiveness.

3. Methodology

The present research is based on both primary and secondary data. The primary data is collected through a well-structured questionnaire. The responses for the questionnaire are obtained for the top level executives and middle level managers in the private sector companies. The questionnaire comprises three parts the first part aimed to obtain organisational details of top level executives and middle level managers in the private sector companies. The second and third parts are aimed at ascertaining the responses regarding public relations and organisational effectiveness. The responses are obtained in likerts five point scale which ranges from strongly agree to strongly disagree.

The study is restricted to the private sector companies spread across over Chennai, Kanchipuram and thiruvallur district. The researcher circulates 200 questionnaires over 100 private sector organisation across the three districts. This attempt yielded only 160 responses for the research through convenient sampling method. Hence the sample size of research is 160.

4.Data analysis

The researcher applied both univariate and multivariate statically techniques on the primary data. Fact analysis, linear multiple regression analysis, T-test and analysis of variants are subsequently to analyse the data.

4.1.Analysis and discussion

The researcher applied independent one sample t-test to exactly ascertain the perception of employees towards public relations. The following table explains the employee's perception towards these aspects.



4.2. Table: One-Sample Statistics for employee perception on public relation

	Mean	Std. Deviation	Std. Error Mean
PR1	3.3167	.82048	.03531
PR2	3.5315	.72392	.03115
PR3	3.4333	.83810	.03607
PR4	3.3574	.83302	.03585
PR5	3.1370	.87626	.03771
PR6	3.4093	.71110	.03060
PR7	3.5611	.93279	.04014
PR8	3.3204	.99682	.04290

From the above table it is found that the mean values are above three which implies the employees of the different organisations. Strongly agree that the public relations are very important for the growth of the organisation. It creates goodwill of the company and also paved the way for easy information for the public in the form of marketing mix. It transparently expresses the organisational effectiveness and also apparent notions of public causes. Similarly the t-test is applied for the variables of business climate and the tables are presented below.

4.3. Table: One-Sample Test for employee benefits and compensation plan

Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
	Lower	Upper	Lower	Upper	Lower	Upper
PR1	8.969	499	.000	.31667	.2473	.3860
PR2	17.061	499	.000	.53148	.4703	.5927
PR3	12.015	499	.000	.43333	.3625	.5042
PR4	9.970	499	.000	.35741	.2870	.4278
PR5	3.634	499	.000	.13704	.0630	.2111
PR6	13.374	499	.000	.40926	.3491	.4694
PR7	13.979	499	.000	.56111	.4823	.6400
PR8	7.468	499	.000	.32037	.2361	.4046

From the above table it is formed that the employees of the different organisations strongly agree that the existing business climate depends upon corporate social responsibility of the organisation, appropriate advertisements, attractive marketing mix and public share holdings. In order to relate public relations and business climate the researcher applied linear multiple regression analysis and the results are presented below.

From the above table it is found that the r – square values f- values, t- values are statically significant. This implies the independent variables public relations create deep impact over the business climate.

5. Findings and Conclusion

This paper empirically proved there is a significant relationship between public relations especially advertisement, marketing mix, corporate social responsibility create optimistic business climate over the organisations. This intern creates a consistent growth for any organisation in the democratic setup in India. It is further concluded that business climate in India is being successfully created by the government policies which intern depends upon public relations. A successful business climate is found to have consistent operational systems involved in the public relations. A module of marketing mix indicated that the demand and supply involved in business climate is always a direct consequence.

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