# **Effects of Strategic Public Relations on Organization** Performance: A Case Study of Kenya Red Cross Society

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Abstract- Public relation is very relevant in organizations today since it has become the most powerful tool to express the image of an organization to the public. Public relations are often key strategic enablers in today's highly competitive business environment. Well-articulated Public relations strategies will always provide a good working strategy aimed at improving the company's image to the public. Public relations strategy is seen to be the outcome of a strategic thinking process by senior management mainly to improve on strategic management in order to have a better company's image communicated to the public. Strategic Public relations provide the top level management with vast means of communication to the public in order to be in touch with its clients.

This study was conducted through a case study of Red Cross Kenya. The main objective of the study is to examine the effects of strategic Public relations in organisation performance. The study used primary data obtained through questionnaires provided to employees of Red Cross Kenya.

Literature was reviewed from various sources on the effects of strategic public relations in organization performance. Data collected was analyzed using descriptive statistics to describe the population. The findings indicated that there is a significant effect of strategic public relations on organization performance.

Index Terms- Strategic Management, Public Relations, Strategic **Public Relations** 

## I. Introduction

Background to the Study

An indication of the growing importance of communication to the corporate world is that reputation is seen more and more as a sound asset that companies must preserve. Reputation, writes Rahul Jacob (1995) "defines a company and motivates its people." "In the knowledge economy, a company's reputation and the generally held sense of identity take on heightened value." Quality committed organizations need a bond between organization and individuals. It gives that extra energy that is necessary to do everyday tasks.

James (2006) defined public relations as the management of communication between an organization and its public.

" public relations" has become a catchphrase in the discipline of public relations (J. Grunig& L. Grunig, 2000). There is an increasing consensus among industry scholars and practitioners that public relations should move beyond its technician role to one that contributes to strategic management. What do these experts mean when they discuss strategic management? What role can public relations play in the strategic management of an organization thus organization performance? Organizations do not exist in a vacuum. They influence and are influenced by diverse factors within the environment. Specific problems and issues, along with different publics arise and recede around organizations. Large organizations, especially multinational corporations and NGOs face a variety of concerns and challenges all over the world.

Increasing globalization, alongside the rapid development of media and technology, has resulted in a situation that nobody could accurately predict. The internet has become a primary channel for publics to get together in cyberspace for communication; it has given the population opportunities to speak out. All the same, this electronic sounding-board has become a good place to detect problems and issues as soon as they arise. For example when clients have a problem, they may go to the organization's web site to complain or look for chartrooms and discussion groups to converse with other people who have similar complaints and issues. Advances in technology have brought the world closer together and hastened communication. Consequently, organizations need communicate faster than ever with a growing number of audiences.

Organizations including Non-Governmental Organizations have been increasingly aware of the importance of understanding what is going on in their environment, among the sponsors and the communities. They employ various methods for gathering this information such as monitoring news media or conducting surveys. However, these forms of research are not comprehensive enough to fully understand the environment. More over a number of public relations scholars and professionals have maintained that organizations should make more efforts to discover problems in their initial stages, before they affect the organizations. Otherwise, these problems can evolve into issues, possibly crises, which may be critical to the organization's survival (J. Grunig, 2000). By carefully observing and scanning their environment, organizations can identify problems early so that they can be proactive in managing them.

#### **Strategic Management**

An overview of strategic management helps the researcher to have a deeper understanding of this research topic. Strategic management is the process by which an organization manages relationships with its external environment while following its organizational mission J. Grunig and Repper (2002) maintained that it was to keep the balance between internal activities and strategies to manage responses to external factors, or the environment.

Rowe et al 1994 also defines strategic management as the decision process that aligns the organization's internal capability with the opportunities and threats it faces in its environment. This therefore means Red Cross Society's management is left with the role of identifying the organizational capabilities with the opportunities and threats affecting its environment. With this, the management would be in position to identify what they are expected to do so as to ensure that they serve the community as required.

In this case, strategic decisions are basically concerned with the scope of the society's activities, matching of the society's activities to its environment, resource capability, the allocation and reallocation of major resources in an organization in order to improve on the performance of the organization.

In linking strategic management to public relations, it is advisable for the Red Cross Society to assign responsibilities to competent staff (Gray, 1998). Top management, key business executives and PR-oriented business managers play a highly influential role in shaping the public relations agenda of the organization. They understand the value of communicating key organizational objectives, environmental obligations and community outreach programs to diverse stakeholders. Top executives often offer key inputs and suggestions to fine-tune annual public relation plans and even allocate budgets for promotional campaigns to seek funding from donors. They are ready to take up speaking engagements and other external assignments that would boost the organization's image.

#### **Public Relations**

Broom & Tucker, (2008) defines public relations as the management process whose goal is to attain and maintain accord and positive behaviours among social groupings on which an organization depends to achieve its mission. Its fundamental responsibility is to build and maintain a hospitable environment for an organization.

Public relations and marketing may be done by the same or different people. However, success in one may be offset by failure in the other. Both need attention. Both deal with relationships that are prior to the survival of the organization: public relations builds and maintains a hospitable environment for an organization. Marketing builds and maintains a market for the organization's products and services. Nonprofit making organizations like Red Cross Society do have public relations but do not have marketing department.

#### **Scenarios and Strategic Public Relations**

To develop a method of scenario building, it is crucial to first understand the concept of strategic management in general and of the strategic management of public relations in particular. Using a situational theory of publics, public relations can help an organization identify and segment strategic publics that influence the organization's survival. Issues management and environmental scanning provide a framework for detecting problems and issues that will possibly need scenario-building approaches to be resolved. The scenario-building technique used in strategic management is another important concept. Scenario-building is a process that helps an organization better understand its environment so that it can make strategic decisions based on that knowledge. During the process, the members of the

scenario-planning team recognize environment drivers and their effects on the organization; patterns found from an organization's past are accumulated and become an organization's database and resources for future strategies (Schoemaker, 1995; Von Reibnitz, 1998). Scenario building from a public perspective allows an organization to take the behaviours and attitudes of its publics into account in its decision making.

#### **Organization Profile**

Kenya Red Cross Society is a humanitarian relief organization that was created through an act of parliament on 21<sup>st</sup> December 1965. Before its official launch as a Kenyan organization, it operated as a branch of the British Red Cross between 1939 and 1965. The international committee of the Red Cross (ICRC) recognized the Kenya Red Cross in 1966. Apart from being a member of the ICRC, the organization has also been formally recognized by the International Federation of Red Cross and Red Crescent Societies since 1967.

The Kenya Red Cross is an organization of volunteers and has about 69,000 members operating through a network of 58 national branches. Membership is open to all with no discrimination based on race, sex, creed, religion, class, political affiliation or nationality.

Kenya Red Cross vision is to be the most effective, most trusted and self-sustaining humanitarian organization in Kenya. Its mission is to work with vigor and compassion through its networks and with communities to prevent and alleviate human suffering and save lives of the most vulnerable.

Kenya Red Cross has had a positive influence on the lives of millions of vulnerable people affected by diseases, natural and man-made disasters countrywide. By choosing not to discriminate in its service provision and constantly in the media, the Kenya Red Cross brand has been able to endear itself to Kenyan from different socio-economic classes through its good public relations.

In 2005, Kenya Red Cross received the internationally recognized SGS Certification, the highest achievement of excellence for a Non-Governmental Organization. This certification placed the organization on a par with the best in the world at providing world-class services through transparency, accountability, integrity, good governance, leadership and management.

The Kenya Red Cross has developed a communication policy to improve the effectiveness of its communication strategy. With this policy in place, the body has been able to maintain good media relations that have ensured an immense media coverage and thereby high visibility for the brand both locally and internationally.

The Kenya Red Cross has divided its humanitarian mission into three core products that are reflected in its organizational structure.

- Disaster Preparedness and Response- This caters for disaster preparedness, disaster response, tracing services and logistics.
- Health and Social Services This includes first aid, blood donor, HIV/AIDS, water and sanitation (WatSan), disease prevention and control and social services.

 Organizational Development – This includes youth, branch development and the Lake Victoria Programme.

The Kenya Red Cross relies on external resources and its own local mobilization efforts to finance its programmes. Its total expenditure in 2005 was approximately Ksh. 300 million. Of these, external donors provided 74% while 26% came from local resources. This has been a great improvement from the days when the organization was fully dependent on external donors. The branches are moving closer towards being self-sustaining by meeting their own operational costs. This shall be possible by implementing income generating projects. One such project has been implemented at the organization's Nairobi headquarters. This was the construction of a Disaster Management Training Center.

The Kenya Red Cross does not use much of traditional communication methods such as advertising. Its greatest asset in keeping the brand on the national and international radar has been its superior public relations. Through highlighting its various humanitarian projects in the media, Red Cross Society brand has maintained a high level of visibility in both national and international media.

#### **Problems Statement**

Public relations is a powerful management tool if approached with strategic integrity, alignment and focus. An organizational performing with coherence and its energy focus on a specific goal is far more effective than one that allows confused and inconsistence messages to disseminate from management. A well-managed, sustainable and consistence public relations agenda or initiative can reap long term benefits for the organization (JounghwaChoia and Yoonhyeung Choi, 2009)

The problem prompting this study to be carried out is that at the time of this research proposal, Red Cross Society experienced calamities and disasters in Kenya. They ranged from droughts, IDPs and the recent Jomo Kenyatta International Airport (JKIA) fire tragedy. Red Cross Society was responsible in all these disasters through its public relations linking with the public.

How should the organization identify and detect those problems? What should they do with the results of those activities? Which internal function would be responsible for helping the organizations be prepared? This study attempts to provide answers to those questions by maintaining that public relations is the function responsible for these tasks. It is upon this that this research strives to find out the effectiveness of public relations on organization performance of Red Cross Society to enhance sustainability since there no prove of any written research has been done on the same. Hence this study aims to find out the effects of public relations on organization performance.

## Specific Objectives of the study

However, the study specifically seeks to:

- i. To identify the effects of organizational alignment in organization performance.
- ii. To assess the effects of crisis management in organization performance.

- iii. To find out the effect of media relations in organization performance.
- iv. To identify the effects of donor relations in organization performance.

#### II. LITERATURE REVIEW

#### Theoretical Framework

Strategic public relations has become a popular among public relations practitioners (J. Grunig& L. Grunig, 2000). Although the concept does not have an explicit definition, most discussions of strategic public relations refer to the plans, objectives and evaluation of public relations programs that should be within the frame of organizational objectives (J. Grunig&Repper, 1992). From the strategic management prospective, effective public relations must be part of strategic management at the organizational level, while it manages its own program strategically. It seeks to balance internal activities with strategies that deal with the external environment to achieve an organization's mission and goals. Public relations contribute to organizational effectiveness as part of strategic management; it develops good relationship with stakeholders that can constrain or help the organization achieve its mission.

Some public relations scholars have pointed out that the role of public relations is not well recognized in strategic management. For instance, J. Grunig and L. Grunig (2000) maintained that only a few of these scholars have recognized or described the role of public relations, although writers on strategic management have discussed the environment and list important components. The authors argued that public relations plays a critical role in strategic management by helping the organization to identify the most important components of the environment and building good relationships with them through communication. In so doing, an organization can become effective and competitive. The organizational manages the interdependencies with its strategic constituencies that support or constrain it.

Strategic management theory differentiates between enterprises, corporate, business, functional and operational strategy. Based on these strategy levels, public relations strategy is conceptualized as a functional strategy, providing the vital link between the enterprise/corporate/business strategies and the public relations strategy. Public relations strategy is formulated in the redefined role of the "Public Relations Manager" and is mainly derived from/influenced by the organization's enterprise strategy and also delivers inputs into the enterprise strategy (Gray, 1998).

As a functional strategy, the public relations strategy provides focus and direction for an organization's communication with stakeholders, building symbolic and behavioural relationships with its strategic stakeholders. It is the thinking and logic behind the public relations function's actions—determining what should be communicated rather than how it should be communicated. It is therefore not the same as communication plans but provides the framework for the communication plans necessary to carry out the strategy.

Public relations strategy is developed within the context of the organization's vision, mission, corporate culture, policies and strategies (the internal environment), but focuses on an assessment of the external environment (Charles, 1996).

#### **Public Relations as a Strategic Function**

Today, the public relations profession is focusing a great deal of attention on how public relations strategies can produce a positive return on investment (ROI) (Grunig, J. E., 2006). While it is difficult to place a monetary value on relationships with publics, in practice there are numerous examples of how good relationships have reduced the cost of litigation and negative publicity; gained from lobbying towards favourable regulation or legislation; or increased revenue through the sale of products and services to relevant stakeholders (Grunig, J. E., 2006). The extensive research currently being conducted on relationships may, in time, demonstrate relationships as the most important intangible asset to an organization, thus reinforcing the value, and ROI, public relations provides (Bayon& Bauer, 2002; Crosby & Johnson, 2004; Grunig, J. E., 2006). Relationships provide a means for evaluating for evaluating both the long- and short-term contributions of public relations programs and of the overall function to organizational effectiveness (Hon &Grunig, 1999; Huang, 2004; Ki & Hon, 2007) through the measurement of such factors as trust, control mutuality, satisfaction and commitment as key components of high quality relationships and the organization's reputation. Such factors are essential for organizations working within both favourable and unfavourable operating environments.

When features (political, social, regulatory, economic and competitive conditions) of an organization's operating environment are favourable, strong relationships with key stakeholders assist in further maximizing the organization's position within its industry. In a volatile operating environment, when social, political, regulatory or economic trends are working against the organization, or if competition increases; an organization looks to such relationships to survive in a turbulent, unpredictable or changing environment.

The time an organization benefits most from the contribution public relations makes through building relationships is when it is dealing with a volatile environment: when such outcomes as trust, satisfaction, commitment and the organization's reputation not only provide a return on investment, but are key components in safeguarding the investment itself.

#### Effectiveness of Public Relations.

Public relations professionals and scholars have long been searching for key concepts to assess the value of public relations. According to J. Grunig and Hung (2002), "Throughout the history of public relations, practitioners and scholars have attempted to identify and name a single concept that defines the value of public relations." Likewise, L. Grunig J. Grunig and Dozier (2002) also said: "For at least 25 years, public relations professionals and researchers have struggled to develop measures that would establish that public relations is effective or adds value."

Public relations professionals have attempted to measure public relations effectiveness as they increasingly have faced the challenge of demonstrating the value of public relations to their organizations (Hon, 1997). For example, Kim (2001) described practitioners' challenge from their organizations as follows:

"CEOs' demands for accountability (of public relations) have become more tenacious than ever" because of recent budget cuts in the public relations industry. Ledingham and Bruning (1998) put it as follows: "Scholars have luxury to deliberate the nature of public relations but practitioners deal on a daily basis with the immediate problem of justifying the value of their programs."

However, despite the critical nature of demonstrating public relations value at the organizational level, a common belief is that the value of public relations is difficult to measure since most of its elements are intangible. Moreover, the function of public relations traditionally has been considered to be a means of reducing costs rather than as a means of generating organizational revenues.

L.Grunig, J. Grunig and Dozier (2002) describes the dilemma of assessing public relations value in detail: the question of the value of public relations has been of great concern to professional communicators for many years because of the perception among both communicators and other managers that public relations is an intangible management function in comparison with other functions whose value can be described, measured and evaluated through systematic approach. Because of this intangibility, public relations often has been believed to suffer at budget time and particularly during financial crises, because there is no way to demonstrate its worth.

Griffin (2002) and Hutton et al. (2001) have pointed out that public relations professional have widely embraced reputation management to demonstrate the economic viability of the public relations function. Specifically, Kim (2000, 2001) maintained that the accountability of public relations at the organizational level could be demonstrated well by showing the effect of reputation on financial performance of the organization.

Indeed, public relations practitioners advocate reputation management more than professionals in any other field. According to Hutton et al (2001), "... major international public relations agencies have embraced the concept of reputation management in varying degrees.

## **Public Relations in Organizational Alignment**

Organizational alignment relates to the degree to which the components of an organization are arranged to optimally support the intent, objectives and goals of the organization. The components of the organization that must be aligned include: the work being completed (i.e. key business projects and work processes; the goals, skills and capabilities, and the hearts, minds and behaviours of both the people doing the work and the organizational leaders; and the plans (e.g. learning and development/human capital plans), tools and technologies and resources (including budget) that support the work being completed (Krone, 1987).

Without alignment, the best strategic plan will never be fully achieved because organizational alignment is the glue that makes strategy execution excellence happens. An aligned organization works together as a unit in a new way (i.e. more efficiently, effectively and dynamically) on the right things that deliver the greatest business value. An aligned organization gets things done faster, with less effort and with better results, and is more agile and responsive to changing business conditions (Aaker, 1991). Organizational alignment is both a process and an outcome. Building and ensuring organizational alignment

requires focused action and is an ongoing activity. In addition, the outcome of these organization alignment efforts- the degree of organizational alignment present- can be assessed in an organization at any point in time. Organizational alignment is critical when implementing changes or improvements geared towards maximizing shareholder value (Gray, 1998). Value is created by earning a return on invested capital greater than the opportunity cost of capital; the more an organization can invest at returns above the cost of capital, the more value it creates.

Understanding how the organization will measure value is the first step in creating organizational alignment. Creating value requires an organizational focus on long run cash flow returns, not quarter-to-quarter changes in earning per share. It requires a willingness to adopt a dispassionate, value-oriented view of corporate activities that recognizes organizations for what they are. Organization alignment starts with a thorough understanding of how an organization is measuring value.

The second step in organizational alignment involves implementing improvements or changes that unleash value trapped within the organization. This requires management to develop and institutionalize a managing value philosophy throughout the organization. This involves establishing priorities based on value creation; gearing planning, performance measurement and incentive compensation systems towards shareholder value; and communicating with all stakeholders in terms of value creation. This can be accomplished in a series of smaller steps to achieve higher levels of performance (Charles, 1996).

Define what the strategy is and what it looks like in action. Organizational alignment is built on business strategy so it must begin here. To be effective, the business strategy must clearly define the primary value proposition, future results destination, and the values and behaviours that will guide actions on the journey to business results achievement (Riel, 2007). While this content is important, it is also critical to describe the actions in the form of strategic objectives; the organization must focus on to get from the present to the future destination. A strategic plan that provides a specific but flexible roadmap for action serves as the guiding star for the organization and its alignment efforts moving forward.

Public relations Strategy. The organization/people can't align with the business strategy if they don't know what it is. Strategy public relations is critical, ongoing requirement in the drive to build organizational alignment. Communication must be frequent and two-way at all levels of the organization using multiple communication vehicles and a variety of targeted messages. It is important to remember that there is no such thing as over communication or too much business leader involvement when striving to create an aligned organization (Balmer, 1997).

#### **Public Relation in Crisis Management**

Coombs (2007) synthesized several definitions and perspectives of the term "crisis" and defined it as "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes." There are three key elements to this definition. First, a crisis is a perception. Even if an organization does not believe that a crisis exists, ultimately the public's perception is the reality of the situation,

and if the stakeholders believe a crisis exists, then a crisis exists (Seeger, 2006; Coombs, 2007). Penrose (2000) studied the role of perception and concluded that the public's perception of the crisis is a critical element in crisis planning and will affect crisis outcomes. Second, while a crisis is unpredictable, it is not unexpected (Coombs, 2007; Cloudman and Hallahan, 2006). Organizations that effectively plan for crisis can better anticipate when a crisis hits, and therefore can lessen the damage of a crisis. Crisis management is public relations responsibility - that is, handling situations in which public awareness of a particular issue may dramatically and negatively impact the organization's ability to achieve its goals. For instance, when drought was rampant here in Kenya, Red Cross Society embarked on providing food items and clothing to the affected people. There was also a programme entitled "Kenyans for Kenya" whereby Kenyan donated money, food and clothing to the Red Cross. It was later discovered that maize that was imported from South Africa had aflatoxins and hence harmful for human consumption. The toxins were discovered after maize had been distributed to a large number of people. The general public tainted the society's name as corrupt and "not putting the poor people's interest at heart." The public relations team had to ensure that the general public did not thereafter automatically associate Red Cross Society with the infected maize. Other public relations activities include lobbying, advertising management about public issues and planning community events.

There have been countless public relations crises in the past and there are five steps that should be executed in order to properly manage a crisis. First, the organization in crisis should be prompt, addressing the public immediately following the discovery of the crisis. Second, the organization in question should maintain honesty because the public is more willing to forgive an honest mistake than a calculated lie. Third, it is important to be informative because the media as well as the public will create their own rumors if no information is given to them by the organization in crisis. Rumors can cause significantly more damage to the organization than the truth. Next, it is important to be concerned and show the public you care because people will be more forgiving if it is clear that the organization cares about the victims of the crisis. Finally, maintain two-way relationships. This is important because the organization can learn a lot about the status of public opinion by listening. These five steps are necessary in order to manage any crisis public relations. With that having been said, each crisis situation is unique and therefore, requires a tailored response. There are six types of responses and they range on a continuum from defensive to accommodative. First, organizations can attack the accuser attempting to eliminate the attacker's credibility. Second, organizations can us denial claiming that no crisis exists. The third response is justification where the organization claims no serious damage was done or that the victim was at fault. Fourth, the organization can use ingratiation to appease the public, such as giving away coupons. Next, organizations can use corrective action to right their wrongs. Finally, the organization can give a full apology asking for forgiveness for their mistake. All six responses have been used in the past with varying results. If chosen properly, one of the six responses can help mitigate damage.

#### **Public Relations in Media**

Integrated communication strategies are more likely to break through media coverage and make the organization's name or brand heard and remembered than ill-coordinated attempts would. Through consistent messages an organization is more likely to be known and looked upon favorably by key stakeholders/donors. Organizations have therefor increasingly put considerable effort into protecting their image by rigorously aligning and controlling all communication campaigns and all other contact points with stakeholders (Gray, 1998).

Organizations also realized that messages in various media can complement one another, leading to a greater communication impact than any one single message can achieve. Because of the increasing costs of traditional mass media advertising and the opportunities afforded by the internet, many organizations have therefore re-examined their media presence and how to control it. As a result of these developments, organizations now tend to look at media in a much broader sense and across the disciplines of marketing and public relations (Krone, 1987). Organizations have also become more creative in looking beyond corporate advertising to other media for communicating with stakeholders. Many organizations today use a range of media, including corporate blogs and internet communication such as websites, banners and sponsored online communities.

Two factors stemming from social media affect corporate communication policies. Social media has a significant democratizing effect which organizations find problematic to manage in the pursuit of corporate goals Aaker, 1991). The implications of democratization effect have not yet been investigated in the research literature. The second factor is the unpredictability of emergent situations arising from the complex communicative processes of the many different actors who form the social media participants. Similar to the democratization effect, organizations will find it problematic to harness these emergent situations to create business value unless they develop appropriate ways of designing the use of social media (Charles, 1996).

Public relations department determine the branding and advice on devising communication strategies. The role can extend to advising on corporate mission and strategy. NGOs invite the media whenever they are sponsoring a certain issues in the community to gain more trust from the public and donors. Kenya Red Cross Society is now a brand through media coverage and their involvement in humanitarian projects within the country.

The media and the public relations practitioners often must work with each other to meet their goals. Journalist want information to write articles about that the public will read and PR agents want their information told to the public. While these goals do not always coincide with each other, it is possible for a mutually beneficial relationship to exist between PR practitioners and the media.

There are however, many cases where one agent of the parties attempts to gain control over the other for their own benefit. One way this is done is known as access journalism, a term used to describe when journalists are coerced in altering their work by an article entity (Access Journalism & Self-Censorship). Journalist can be pressured by threats to withholdadvertising dollars, not receiving advanced copies of

products to review, or simply withholding information. Access journalism is a method used to try and control the media.

#### **Public Relations in Donor Relations**

If we accept Grunig and Hunt's (1984) definition of public relations as, "the management of communication between an organization and its public," then we are led to conclude that the management of donor constituencies is a specialized form of public relations. The significance of this conclusion is that public relations is usually well integrated as a management function both at the branch level and the parent organization. Its practitioners tend to be well informed of the mission and the goals of the organization and operate consistently with the activities of the leadership. Fundraising professionals, in many instances, are not considered integral to the management team and as such may not be as knowledgeable about the mission and goals of the organization. This is especially true if the organization does not direct the fund-raising professionals on the fundraising campaign.

"All sources of donors – foundations, corporations and individuals – have the potential for infringing on the autonomy of charitable organizations through their gifts" (Kelly, 2001). Given this propensity for donors to influence the institution through their gifts, it places a greater responsibility on fundraising professionals to be cognizant of potential infringements on the autonomy of the organization receiving the gifts.

A more significant example of infringement on the donor autonomy or a distortion of organizational goals would be where a donor proposes funding for projects in a field dear to the heart of the donor, but a field in which there is no program to direct such an interest. Donors are the stakeholders in Non-Governmental Organizations and their characteristic is the linkage with the organization resulting from consequences, or "stakes" (Clarkson, 199); Coombs, 2000 and Daft, 2001) pointed out that stakeholders and an organization are linked because "they and the organization have consequences on each other." J. Grunig and L. Grunig (2000) defined stakeholders as those who are affected by the decisions of an organization or those who affect the organization by their decisions. Similarly, daft (2001) defined a stakeholder as any group within or outside an organization that has a stake in the organization's performance. About the implications of donors for an organization's management, Coombs (2000) said as follows: "It is taken for granted in the management literature that organizations have donors and that the management of these donors affects the organization's viability."

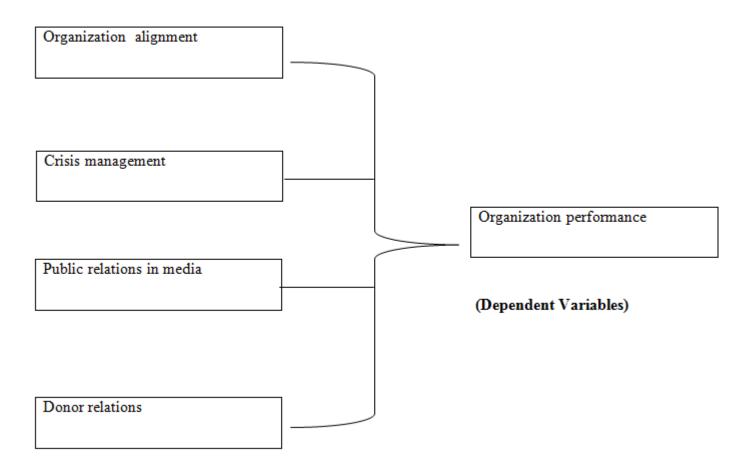
#### **Conceptual Framework**

The model of the study is determined in figure 2.1 below. It shows the independent variables; effects of public relations as a strategic function, effectiveness of public relations, public relations in organizational alignment, public relation in crisis management, public relations in media and public relations in donor relations.

The dependent variable is the effect on strategic management. If the public relations strategy is well implemented, it can result to enhanced reputation of the organization, competitive edge, employee motivation, stakeholders (donors and Government) trust in the organization among others. Also if

public relations is poorly implemented, it results to crisis, absenteeism and lack of cooperation among others. reduced donor funding, reduced performance, employee

Figure 2.1 Conceptual Framework



(Independent Variables)

#### III. RESEARCH METHODOLOGY

#### Research Design

According to Michael S. Carriger (2000), Research Design is the strategy, the plan and the structure of conducting a research project. A research design is the plan and structure of investigation so conceived to obtain consumers to the research questions. Phillips (2002) noted that research design constitute the blue print for collection, measurement and analysis of data. According to De Vaus (2001), the function of the research design is to ensure that the evidence obtained enables us to answer the initial question as unambiguously as possible.

The research was descriptive survey research design. This is because the researcher took raw data and summarizes it in a useable form. This allowed the researcher to obtain information that describes phenomena as it exists by asking the individuals about their attitudes, behavior and values.

## **Sample Size and Sampling Procedures**

Kerlinger (1967) defines sampling as taking of any portion of the population or universe as are preventative of that population or the Universe.

To identify the target population the researcher visited Ukunda, Mombasa and Kilifi branches of Red Cross Society and collect a list of employees in each branch to get the sample size. The researcher chose this sample size since these branches are accessible and fall in the coastal region. Other factors that led to this sample size are lack of enough time and money to facilitate a bigger size sample.

Stratified sampling was used to obtain a representative sample from each branch containing subjects with similar characteristics so as to get the sample population.

Table 3.1. Sample Size

Branch	Total Population	Sample Size	Percentage
Ukunda	28	10	25%
Mombasa	54	18	45%

Kilifi	36	12	30%
Total	118	40	100%

(Source: Researcher)

# RESEARCH FINDINGS AND ANALYSIS Response Rate

The table below shows demographics of the respondents' rate.

**Table 4.1: Response Rate** 

Category	Questionnaires distributed	Questionnaires received	Percentage
Ukunda	10	8	20%
Mombasa	18	15	37.5%
Kilifi	12	7	17.5%
Total	40	30	75%

The researcher distributed 40 questionnaires to the respondents and received 30 of them back. This therefore indicates that the response is reliable since more than 50% of the feedback was received. Response rate was 75%.

#### **Demographic Information of Gender**

Table 4.2: Information about respondents' gender

Gender respondents	of	Frequency	Percentage
Male		18	60%
Female		12	40%
Total		30	100%

The researcher received a total of 18 responses from the male and 12 from the female. This was a positive feedback since there was a fair representation of the gender. However, the ration of male to female as per the level of response indicates that there is no gender balance in Red Cross Society.

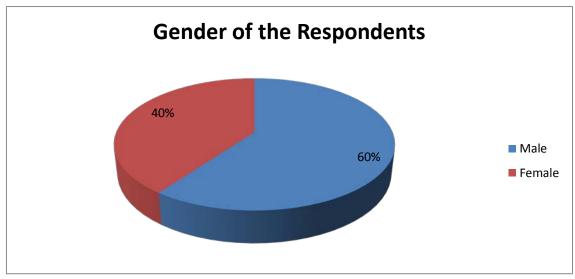


Figure 4.1 Demographic Information of gender

## Demographic Distribution of respondents' level of education

The table below shows demographics of the respondents' level of education.

Table 4.3: Demographic Information about the respondents' level of education

Respondents' level of education	Frequency	Percentage
Secondary School	2	6.7%
College Diploma	5	16.7%
First Degree	11	36.7%
Master's Degree	12	40%
Total	30	100%

From the researcher's collected data, it is evident that Red Cross has approximately 76.7% of its employees as either degree or masters holders. Only 6.7% (N=2) were form four leavers. However, 5 respondents (16.7%) were diploma graduates.

This therefore means that Red Cross Society consists of elite staff hence offering better public relations to the citizens. The elite class is expected to impact their learned knowledge into practical use.

## **Demographic Distribution of Respondents' Marital Status**

The table below shows demographic of the respondents' marital status.

Table 4.4 Demographic Information about the respondents' marital Status

Respondents' Marital Status	Frequency	Percentage
Married	12	40%
Single	13	43.3%
Divorced	3	10%
widowed	2	6.7%
Total	30	100%

Out of the data collected as shown in table 4.4 above, 40% (N=12) of the respondents were married, 43.3% (N=13) were single, 10% (N=3) were divorced and 6.7% (N=2) were widowed. The fact that most of the respondents were single seemed to make employee management quite easy as single staffs are believed to be flexible. The married group brought on board a mature way of thinking.

## **Demographic Distribution or Respondents Years of Service**

The table below shows demographics of the respondents' years of service at Red Cross.

Duration of Working in the	Frequency	Percentage
Organization		
Less than 3 years	5	17%
3-5 years	13	43%
6 – 10 years	10	33%
Above 10 years	2	7%
Total	30	100%

On average, most of the staffs seemed to have been working with Red Cross Society for three to five years. This therefore means that there is job security in the institution. With regard to this research topic, it implies that the collected data is relatively accurate since the respondents have worked with the organization for quite some time.

## **Public Relations in Crisis Management**

Public relations have positive effects in the organizational performance during a crisis. This therefore means that public relations help the management to resolve organizational disputes with stakeholders and donors. With regards to deep heat that was raised by general public as a result of criticisms of spoilt maize from South Africa. Public relations helped to contain the situation. The public were well informed about the crisis ranging from drought and calamities through public relations.

#### **Public Relations in Organizational Alignment**

Public relations play a very big role in organizational alignment. All the respondents agreed with some parameters that affects this topic that contributes to motivation by providing a coherent frame of reference by aligning strategic messages with those more closely related to the specifics of an individual's working environment, building a shared understanding among employees about organizational goals, improve job satisfaction throughout the organization, disseminate information about corporate activities, supports the culture of an organization, enables employees to understand the vision and direction of the organization while at the same time support management and HR initiatives in equipping personnel with the knowledge and motivation to perform their roles effectively.

#### **Public Relations in Media Relations**

From the gathered data, media relations is seen to have a very great impact on public relations. This therefore means that whatever is to be communicated in the media or whatever has been communicated by the media tends to frame the way the bank's management frame it communication messages.

With regards to the effects of public relations in media relations, respondents quoted that it enables organizations to send out press releases on news media wires to publicize organizations' strategic plans, leadership appointments and other company news. Respondents also said that it promoted the positive use of social media whilst managing its adverse effects, or more generally emergence, planned social media and to help achieve corporate strategy. By enabling the organization use a range of media, including corporate blogs and internet communication such as websites, banners and sponsored online communications as through consistent messages.

On the aspects of organization insights, 60% of the respondents agreed public relations enables media personnel to contact senior executives for interviews that offer insights into the latest trends in their industries while 40% felt that public relations enhances better communication with the donors. Therefore, from the gathered data, it is evident that public relations has a great effect on media relations in Red Cross Society.

#### **Public Relations in Donor Relations**

From the questionnaire, the respondents agreed that public relations has effects on donor relations. All respondents said that it enhances communications to donors through annual reports, quarterly updates, stock news, board meeting minutes and financial reporting. They also felt that it 100% enables organization send its donors industry updates, which can include media coverage the organization has received – negative or positive. This creates positive relationship with key financial donors and beneficiaries.

On the other aspects of public relations effect in donor relations 100% said that it enables organizations adapt to the growing demand for information and stakeholder insight through policies of consistency, that is, by formalizing all communications and pursuing uniformity in everything they say or do.

## IV. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

## **Research Summary of the Findings**

## 1. Public Relations in Crisis Management

The findings of the study on crisis management indicated that the perception is that it prevents further damage to organizations image, enhances donor confidence and plays a critical part in building, maintaining and protecting organization reputations. This is due to role of crisis management of enhancing reputations of the organization, a tool used as overall assessments of organizations by their stakeholders and being aggregate perceptions by stakeholders of an organization's ability to fulfill their expectations. The study found out that, in crisis management, public relations enhances deliverance of customer service by responding to customer comments and complaints, minimizes discrepancies between the organization's desired identity and brand features and enhances building of trust with citizens, donors and beneficiaries with organization critics, through commitment to good results and societal reporting.

## 2. Public Relations in Organizational Alignment

The study found out that organizational alignment is enhanced in strategic management by providing a coherent frame of reference by aligning strategic messages with those more closely related to the specifics of an individual's working environment, a shared understanding among employees about corporate goals and improves job satisfaction throughout the organization through dissemination of information about corporate activities.

## 3. Public Relations in Media Relations

The study found out that media relations in organizational performance is mainly the message the organization intends to put through to the intended group as it enables organizations to send out press releases on news media wires to publicize company news and anything else that appertains to the public. The focus enables the organization use a range of media, including corporate blogs and internet communication such as websites, banners and sponsored online communications. The study found out that it enables media personnel to contact senior executives for interviews that offer insights into the latest trends in their organization and that media relations enhances effective content management of corporate websites and/or other external touch points.`

## 4. Public Relations in Donor Relations

The study found out that impact of donor relations in organizational performance is that it enhances communications to donors through annual reports, quarterly updates, board of trustees meeting minutes and financial reporting.

The study found out that the role of the organization in donor relation is to integrate the economic resources, political support and special knowledge each stakeholder offers, transforming it into financial and social wealth, not because it is socially responsible to do so, but because it offers better services to the beneficiaries.

#### Conclusion

The study aimed to discuss possible effects of the public relations on organizational performance with a focus of identifying the effects of crisis management, organizational alignment, media relations and donor relations.

### **Public Relations in Crisis Management**

The study found out that, in crisis management, corporate communications enhances deliverance of customer service by responding to customer comments and complaints, minimizes discrepancies between the company's desired identity and brand features and enhances building of trust with stakeholders, employees, beneficiaries and organization critics, through commitment to good practice and societal reporting.

## **Public Relations in Organizational Alignment**

The study found that public relations makes the communication function relevant in the strategic management process through its focus on communication with strategic stakeholders and aligning communication goals to the organizational mission, enhances mobilization of internal and external support for corporate and keeps employees informed about promotional opportunities, industry trends and best practices through its concern with learning, showing the corporation to itself and as a role model of organization for both external and internal environments and having a dominant role in achieving organizational growth.

#### **Public Relations in Media Relations**

The study found out that it enables organizations to send out press releases on news media wires to publicize organizational news both internal and external.

#### **Public Relations in Donor Relations**

The study found out that organization in donor relations integrates the economic resources, political support and special knowledge each stakeholder offers, transforming it into financial and social wealth.

## Recommendations

To create effective public relations in crisis management and image management, an organization need to formulate a strategy. Public relations strategy that can be seen as a pro-active capability to adapt the organization changes in stakeholder expectations and opinions.

To have an effective impact of organizational alignment, a public relations strategy should be developed within the context of the organization's vision, mission, corporate culture, policies and strategies but focus on an assessment of the external environment. This enables the employees to understand the vision and direction of the organization.

Proper detailed enquiries should be done on media relations because it is the thinking, the logic behind the public relations function's actions in determining what should be communicated rather than how it should be communicated.

Due to the growing demand for information and stakeholder insight, the organization policies should be consistent by formalizing all communications and pursuing uniformity in everything they say and do. This enhances ability of organizations to recognize the need for an inclusive and balanced stakeholder management approach that involves actively communicating with all stakeholder groups upon which the organization depends and not just beneficiaries, thus leading to

creation of well-managed, sustainable and consistent public relations agenda or initiative.

#### **Suggestions for Further Research**

Although the study had some limitations and constraints, the finding of the research has to be a subject to be discussed and applied in a profit making organization and business activities. For this point of view, new research has to be done using other sampling methods and on different organizations both profit making and nonprofit making. With these new researches it will be easier to compare and to discuss similar findings of studies with those provided in this study.

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