

TONY JOSEPH'S VIEWS ON THE RELATIONSHIP BETWEEN MEDIA AND PR

Media and PR...the conflict

One of the earliest proponents of public relations, Ivy Lee, recognised that "crowds are led by symbols and phrases". Success in dealing with crowds... rests upon the art of getting believed in.

He was right, companies today try hard to manage appearances, to build credibility and reputation, by regularly deploying resources to influence the thinking of key constituents. Especially influential in shaping the way we come to judge companies are media organisations, through which companies advertise their wares and on which reporters comment on the activities of companies.

Dealing with the media in all its forms is one of the most important and difficult aspects of a communications professional's role. Perhaps they have had bad experiences with reporters in the past. Sometimes there exists a mutual feeling of mistrust between journalists and corporate communications professionals.

Contrary to popular culture, the core of media relations and press communications is not the "spin doctoring" of messages. Communication that best helps an organisation achieve its goals is based on a foundation of accuracy, honesty, completeness and candor.

The communications professional should view reporters as customers and realise that giving access to reporters provides their companies with a forum to tell their side of the story.

If every company led good, transparent lives, would they need less PR?

However, both PR and media professionals need each other and hence should work out a relationship, which respects differences and roles. There are strong forces operating today which will reduce the areas of conflict between both parties. Eventually, enlightened media and PR professionals will find common ground as we go along.

If every company led good, transparent lives, would they need less PR? Just as we run to doctors without looking at our life styles, the media has the impression that many corporates use public relations companies to manage their image without critically looking at their work styles. Very often organisations ask their PR companies to ward off bad publicity.

Narayana Murthy & Infosys...an image that sends out a certain message without the PR push....

Business World carried a cover story on Infosys a while back. I made a request to meet Narayan Murthy at his residence, which was complied with. Mr. Murthy, a man worth Rs. 700 crore then, lived in the by-lanes of a middle-class locality of Bangalore called Jayanagar. It was the first time I was at an industrialist's house that was so modest and I was quite surprised.

My story began like this: " Murthy in his modest house began talking about taking on the world in the controlled but confident passion that he has....."

This image got repeated in many newspapers – and the image of Narayana Murthy and Infosys began to take shape as we see it today! The point to note from this is that even in those days there was no public relations push for his personal lifestyle, nobody was asking me to write on Murthy's modest lifestyle and work style which is different from everyone else.

At Infosys, the PR bonanza was just a by-product of a different kind of work style that they had adopted for themselves. The message Infosys sent to its investors, especially foreign investors, was that it was a company that was careful about the way it spent its money - also, that the company was a very dependable one.

Openness and transparency... also be the first...

Infosys is an image conscious company – they undertook certain measures deliberately in the most interesting manner to create news:

- As part of the duties of a CFO – the finance department created innovations in the financial report which would reflect total transparency one step ahead of other organisations
- One particular year, they came out with their annual report before anyone else, and the following year were the first to start quarterly reports following international norms

The point here is that none of these things required dramatic imagination. It is common knowledge that the standard of openness of Indian companies is well below international standards. When Infosys talked about these measures the media lapped it up. Infosys thus went ahead with their objective, "to become the most respected company in India"

The first man on the moon makes news, the second one gets a glance and the third one is lucky if he is not ignored...

How can an organisation get noticed?

The company which makes its top management compensation fully transparent, and links it to performance. Certain information is difficult to source like the

compensation of Indian CEOs and top managers. If a company comes forth and declares the pay of its top managers and says that it is linked to performance, it is my understanding that *that* particular company will automatically get media mileage.

The company which announces its results every month.

With the help of current technology, it is possible to cross books every day. If a company announces that they are going to come out with their results at a frequency higher than a quarterly frequency...it would not only make news in India but all around the world.

don't just dress up – shape up

Today, in the Information Technology industry in India, there is only one patent and that is registered by Wipro. Are there benchmarks set for getting international patents? There are newer areas to conquer, areas which will make sense, attract attention and make companies stand out.

What needs to be stressed here is that if you are concerned about your image – don't just dress up – shape up. Two decades ago, physical appearance was not a major concern. Today, you cannot become a superhero unless you show your muscles! That's what transparency does! This analogy holds true in the world of business - if your company does not have a strong body to show, then don't blame anyone else if the rest of the world is not interested.

Drivers of transparency...

Two things drive greater transparency: Markets, and Technology

Market Cap...

Market Cap has become far more important in the last decade in the lives of companies. Earlier we only looked at sales and profits while ranking companies. Today we look at market capital. It is the new currency for corporate acquisitions and the new shorthand for a company's power.

Investor 'sentiment' determines the market cap. What the market thinks about your company and what they think about you depends on how transparent the company is. What investors demand above all else these days is transparency. They need to know ahead what is happening. If there is a quarter inch movement from your projections your stock will be dumped overnight. Furthermore, if there is a gap between promise and result, they can take the company to court.

Avoid mismatch between promise and performance. In foreign countries, practice allows the investor to take you to court in such a case, and such forces will soon begin operating in India

Technology... The second is technology and more specifically the Internet. An investor or journalist requiring information on particular company just needs to surf the Net – it contains all the news - good news, bad news, praise and criticism. There is no place to hide anymore.

Adapt and change to survive... The starting point for all those who are serious about handling image is to understand that nothing will remain hidden for too long. Image strategies will have to be built around the belief that everything will be transparent rather than a belief that a smart public relations practitioner can selectively hide and show parts of your company.

Too much hype can hurt Public relations practitioners have to make sure that the public expectations of the company are close to what is achievable by the company. They need to be worried about hype as much as negative publicity. A good example of the negative impact of too much hype is of ZEE.

Zee TV, about two years back was the toast of the country and Subhash Chandra was receiving entrepreneurial awards along with Narayana Murthy. But Zee's image building got ahead of reality – in the beginning just slightly out of step and then out of step in a very big way.

Zee managers were under the impression that the greater the hype, the better the image, and the better for the company. But when reality caught up Zee lost a lot of credibility because it did not understand that the new game in town was managing expectations.

Don't promise more than you can deliver instead promise less and deliver better...this is a fundamental shift.

What has been driving this realisation in the last decade are three factors:

- Greater transparency factors
- Importance of markets, investor, market cap
- Hiring good talent - most critical success factor and talent flows only to companies with good reputation

Blueprint for a PR strategy

- ***Substance, rather than Style***
- ***Shaping Up, rather than Dressing Up***
- ***Work style, rather than Talk style***

QUESTIONS AND ANSWERS

How much is too much?

Tony Joseph replied that one just needs to be honest. There must be a yardstick. Zee is a great example – while the ratings were up during its issue, investment bankers were advising Kalanidhi Maran of Sun TV to go public. He refused, as he knew that in time the evaluation would be crazy and unsustainable and would eventually come down.

Three years back, Narayan Murthy and Azim Premji did not hesitate in talking about China, and the threat India could face from China in the near future. Some companies hesitate talking about what could go wrong. There is no downside on talking about the dangers – in the long run it works better being closer to truth.

Is dissatisfaction of readers due to exposure to global standards? Has the reader's patience for a newspaper diminished?

Tony Joseph said that he did not agree totally – even today there are continuous efforts in introducing new streams of competence. Indian media is capable of being the best in the world.

Reader patience has certainly changed – there are many other entertainment options today – bowling, TV, Internet, pubs, etc. and definitely the reading habits have changed.

"Code of conduct" why do only corporates have a framework – what about the media?

Tony Joseph replied that in Business World they had formulated a policy decision whereby the magazine would run the story only when they had got all the data required and further confirmed that the facts were accurate.

(Excerpted from the presentation made by Tony Joseph, Former Editor, Business World, at PR Pundit's workshop, held in Mumbai on June 14, 2001)