Organization–public relationships: An exploration of the Sundre Petroleum Operators Group[☆]

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Abstract

This study explored the organization–public relationship (OPR) within the context of the Sundre Petroleum Operators Group (SPOG) and the local community in Sundre, Alberta, Canada. A qualitative orientation was adopted because of the case study's focus on the individual experience of the relationship and the interest was to explore how the relationship was perceived by the people involved. Key relational elements such as trust, transparency, dialogue, control mutuality, commitment and satisfaction were examined in relation to the importance for relationship building and maintenance. In-depth interviews were conducted with both SPOG industry and community members ($N = 18$). The results indicated that after a crisis transparency was critical for rebuilding trust which was the foundation for the development of the industry–community relationship. Other relational elements were also considered important for maintaining healthy OPRs, but were considered secondary in relation to trust.
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1. Introduction

In the late 1990s public relations research increased its focus on the importance for organizations to build mutually beneficial relationships with their key publics, which had an impact on the organization's license to operate. This relational perspective in public relations was initially discussed as early as 1984 by Ferguson but was not taken up seriously as a research area until a number of key academics started publishing in this area (Broom, Casey, & Ritchey, 2000; Bruning & Ledingham, 1999; Grunig & Huang, 2000; Hon & Grunig, 1999; Huang, 2001; Ledingham & Bruning, 2000).

Theory development and research into the area of organization–public relationships (OPRs) has continued. In 2003 Ledingham proposed the following theory of relationship management as the general theory for public relations which suggests that collaboration is necessary:

> "Effectively managing organizational–public relationships around common interests and shared goals, over time, results in mutual understanding and benefit for interacting organizations and publics." (p. 190).

Academic interest in OPRs mirrored the need in practice for organizations to understand, listen, and develop a dialogue with their important publics so that crises originating from organizational activities were reduced. This 'cost reduction' perspective can be linked with the ideas of sociologist Ulrich Beck (1992, cited in L'Etang, 2007) who proposed that alongside the benefits of industrialization and globalization there were also risks created by organizational activity. Whilst organizations reap benefits from their activities there are also negative as well as positive consequences which may impact their publics and in turn could have implications for the organizations' social license to operate. Within the relationship management perspective the negative consequences of an organization's activity causes tension in the OPR that needs to be addressed in order for the relationship to continue.

Much of the literature and research on OPRs is from the perspective of the organization and has a corporate bias. In this perspective publics that are not supportive of the organization's goals are viewed negatively and the organization is required to 'win them over' or placate them. However, if the OPR is viewed as a collaborative relationship where the parties involved participate in the decision-making processes the public involved is no longer viewed as being problematic but rather as a partner.

The relational paradigm provides an opportunity to shift the perspective away from the organization being viewed as the central point in a stakeholder map and instead focus on relationships which are considered important for maintaining the organization's social license to operate and provide organizational legitimacy.

OPRs have been categorized into different relationship types such as exchange and communal (Clark & Mills, 1993), as well as covenantal, exploitative, and contractual (Hung, 2005). Exchange relationships rely on the relational parties to exchange benefits with each other whereas in communal relationships the relational parties have no expectation of an exchange of benefits but merely provide benefits in an altruistic fashion. An exchange relationship often breaks down because it has degraded into an exploitative relationship where one party takes advantage of the other without the reciprocal exchange of benefits. Whilst communal relationships are an ideal state their existence is doubtful. Contractual relationships are similar to legal agreements in that both parties agree on their roles and responsibilities whereas covenantal relationships are based upon collaboration and cooperation for the common good, with the 'win–win' outcome in mind.

2. Relational characteristics

The public relations literature on relational characteristics has highlighted and defined trust, commitment, satisfaction, control mutuality and dialogue (Hon & Grunig, 1999; Kent & Taylor, 2002; Rusbult, 1983, cited in Stafford & Canary, 1991) as essential characteristics, because without them the relationship degrades. For long-term relationships, trust becomes even more important as there is a higher level of investment involved. It is only when trust has declined due to a crisis or has been eroded over time owing to perceived negative organizational behavior that transparency becomes a 'critical' relational characteristic as it becomes important for rebuilding trust and commitment within the OPR.

Transparency provides a number of outcomes that are beneficial for relationship building. As well as rebuilding trust, transparency can be viewed as a relational condition or variable that promotes accountability, collaboration, cooperation and commitment. When an organization's decision-making and operational processes are transparent accountability is possible as it is clearer where responsibility lies. As organizational transparency increases the level of trust and accountability, collaboration and cooperation becomes possible as the parties involved can both trust and verify the situation (Parks & Hilbert, 1995, cited in De Cremer & Dewitte, 2002; Jahansoozi, 2006). Once levels of trust have been developed within the OPR the other relational elements such as dialogue, control mutuality, commitment and satisfaction can be developed.

Relational dialogue ensures the OPR strengthens and possibly leads to a long-term relationship as it is central for conflict resolution. Kent and Taylor (2002) clarify the concept of dialogue in public relations and describe it as "one of the most ethical forms of communication and as one of the central means of separating truth from falsehood" (p. 22) and is applicable for building and maintaining relationships.

Control mutuality was defined by Stafford and Canary (1991, p. 224) as: "the degree to which partners agree about which of them should decide relational goals and behavioral routines". Ideally relational parties should feel they have the ability to influence each other, otherwise the relationship breaks down. Research on relational commitment indicated it was positively associated with satisfaction and long-term investment in the relationship (Rusbult, 1983, cited in Stafford & Canary, 1991, p. 224). High levels of commitment are explained by the relational parties having a sense of satisfaction with the relationship and that it is worth investing in because of the cost–benefit analysis.