

**2005 Atlas Award Lecture
on International Public Relations**

*Do As The Romans Do;
The Romans Are Going Global ...*

by

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2005 Recipient
Atlas Award for Lifetime Achievement
in International Public Relations



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The fact that I have been honored with the PRSA Atlas Award is probably because I lived in Egypt during the Second World War, my grandmother was French, my ancestors came from Mecca, and I grew up as a “Young Turk.” Therefore, my knowledge of other cultures is probably greater than that of many international persons.

I am pleased to have this opportunity to share with you my perspective on the importance of public relations in developing workable, successful communication strategies for global or international corporations.

Let me begin with a personal reflection on the most recent corporate definitions of international, multi-national and global. When used by a company today, the adjective “international” is over-simplified. *The New Oxford Dictionary* says “it covers relations between two or more nations.”

Two nations might mean an English company doing business with France or Belgium. That would not be considered “international”; that would be “natural.” What about Turkey and Armenia or Egypt and Libya? I would call that good politics. What about Russia and the Turkic Republics? That would be “nostalgia.”

My objective in this White Paper is to analyze the significant role of public relations in companies that conduct business in at least two to three dozen countries. Therefore, “international” is not good enough as an adjective.

By comparison, “multi-national” organizations operate in several countries. However, they may not necessarily link effective communication or marketing strategies from one country to another.

More recently, global corporations are increasing in number and strength. As modern transportation and communication systems improve, going global has an attractive outlook. *To be “global” is to see the world as an immense marketplace with more standardized products and services moving across countries.* The result is a growing homogenization of world markets.

In fact, some brands have also managed to incorporate the image of the country of origin. Take a look at Coca-Cola. Its corporate culture directs the flow of communication. In fact, annually, corporate headquarters of global companies plan all of the corporate strategic communication messages. They construct the annual vision for the companies. For example, in 2005, the accepted message has been “corporate governance.” Another year, the focus might have been on the environment or sustainable development.

This approach means that the worldwide Coca-Cola workforce, as directed by the executives, delivers messages designed directly by company headquarters. I would argue that public relations professionals working for Coca-Cola might encounter difficulties if the spokesperson answers all issues with the same corporate messages, sometimes lacking a degree of sincerity or sensitivity to the part of the world in which the message is being delivered.

I have had firsthand experience with this global messaging approach. I once ended a contract with a global company when one of its local general managers, an expatriate, answered my questions about an approaching staff issue with the template messages that had been prepared for use with the media and the outside world. He was not being honest and he evaded the serious and very real staff-related issue. The result was that, soon afterward, the global company’s staff went on strike locally. Had the employees experienced direct, open communications based upon their particular situation, the crisis might have been avoided.

Because global corporations have various businesses and provide services in different countries, they all employ numerous managers with operational responsibilities. Naturally, all actions must fall within the chosen global strategic direction – a direction that is not always straightforward.

In each region, environmental forces must be analyzed from an economic, social and cultural viewpoint. Technological and political factors must also be considered. Equally important, repatriation of capital, profit, fees, tax issues, limits on convertibility of local currency and licensing agreements can all cause unexpected issues.

LEARN FROM THE ROMANS

Be they international, multi-national or global, an endless parade of corporations now makes up our world. To get a true sense of the size and scope of this movement, examine the number of transnational organizations eager to begin operations in China.

Corporations hold enormous economic power but may choose not to be necessarily identified with a particular country, for obvious political reasons. A government might show enmity toward importing a product that originates from a place that has negative connotations for the importing nation. For example, Turkey put an embargo on Italian goods when Apo – who is now serving a life sentence - was given asylum in Rome.

As corporations cross geographical boundaries, they often buy local companies to produce and distribute their goods. They take this operational approach in order not to jeopardize the parent company's profitability should the host country, for example, apply importation limits. In fact, this year, Toyota's local plant has broken all records in Turkey; the country of origin of the manufactured product does not matter. It is the Toyota brand and reputation that are of interest to the consumer.

What about the importance of politics in those countries where these global corporations operate? The predominant issues that interest investors are those related to political stability. For example, even if a state or government favors nationalization, the country may still welcome foreign investments, as the privatization process means income. *As public relations professionals, it is essential that we keep current with the politics and the economy in every jurisdiction touched by our clients.*

ALONGSIDE THE ROMANS

In the old days, countries did not boast of having too many cities. Rather, they had sites in constant flux, being re-created after many different acts of destruction. *A city may mean different things to different societies at different times. It is shaped by inventions of which power, wealth and technology are the instruments.*

Although we can talk about the cultural aspect of a city, a "site" may become a "city" because of the thousands of employees working in a plant that is a part of a global corporation. Not only is there an immense flow of labor, there is also an immense flow of capital, information, and power.

To be seen as a "good" corporation is vital. Therefore, one of the first decisions the global company will make is to employ local people. These new employees live in the vicinity of the plant and the community feels satisfied.

The now-established global corporation frequently implements corporate social responsibility projects to maintain or improve its political relations with its new hosts. In fact, the company prefers initiating projects that can focus upon the local community instead of getting involved with broader programs that might draw the attention of wider political circles.

Developing partnerships with community organizations gives a positive perception to the company's local relations. As corporations enter into partnerships with local NGOs, this also opens many advantageous routes essential to solving communication issues. *It is all about being there and being accepted as part of the community.*

Over the years, it has been my experience that specifically including community relations programs on the calendar of events for a company's annual strategic communication plan gets the plan approved faster. A community focus pleases everyone from the in-country executives to the line employees, their families and the host-country politicians.

At this point, I would like to review one very successful community and environmental investment program, specifically the Baku – Tbilisi and Ceyhan Pipe Line to be built by a consortium led by BP.

For Turkey, Georgia, and Azerbaijan, the three respective countries in the pipeline route, community projects have been designed in consultation with a wide range of stakeholders including individual landowners, communities along the pipeline route, government bodies, non-governmental organizations, environmental specialists, archeologists and other academics. The resulting inter-related programs concentrate on strengthening rural and agricultural systems as well as strengthening community capacity and access to training and education. This approach demonstrates clearly that the *consortium recognizes the importance of promoting sustainable social and economic development within the communities affected* by the pipeline construction. For additional information, please see www.caspiandevlopmentandexport.com.

PROBLEMS WITH THE ROMANS

As “going global” is the trend, I think it is important to consider the difficulties that can hamper us as public relations professionals. We have to learn by experience.

Let us start with the elementary, not the high-tech: put simply, language difficulties. During contractual discussions, how many times has the vocabulary used by both sides and their supposedly skillful interpreters resulted in stern-faced executives? Envision the positive outcome if the corporation’s team included bilingual public relations executives, armed with psychological knowledge, able to recognize the symptoms of anger, preferably professionals holding master’s degrees in international relations, history, traditions and/or religion.

I once met with a general manager of a global corporation based in Turkey for whom neither English nor Turkish was his native tongue. He had a problem with one of his shareholders. He foresaw the situation developing into a court case and becoming “show time” for the press. A serious issue, certainly, but I simply could not understand a word the manager attempted to communicate until the company’s Turkish lawyer explained it all once more in Turkish.

Many misunderstandings occur when executives do not address or solve a problem as fundamental as language proficiency. After all, the game is called “global.”

LISTEN TO THE ROMANS

Let us now touch on the global company’s infrastructure: its systems, values, procedures, and people, including its expatriate executives. Once more, I refer to *The New Oxford Dictionary*. “An expatriate is a person who lives outside his country.” The archaic definition is “a person expelled from one’s native country.”

We can all relate to the American in London and we like that definition. What about living in Tehran, Benghazi or Mumbai? Cultural differences in local day-to-day life are serious, but what about other issues? For example, consider bureaucracy, the unknown hand of corruption, nepotism, kickbacks, strange connections and the networking of favoritism.

I would like to offer a profile of expatriates who used to come to our part of the world. I am using the *past* tense. Better news will come later. The male expatriate either was sent as a savior to change things for the better because company objectives had not been met, or he had been sent into exile. In some cases, Mr. Expatriate had not been very successful at the home office. However, instead of being fired outright, he has been given another chance. The third possibility was the worst. He thought he had been exiled, so he had a slight case of depression.

During 40 years in my profession, I've seen them all ...

Many years ago, while teaching "business ethics" at Istanbul Bilgi University, I was surprised as I reviewed a new textbook to read the expression "When in Rome, do as the Romans do." That is to say, if an action or activity is ethically correct for the people with whom you do business, don't protest too much. I thought this attitude would create uncertainty in the mind of any prospective investor or executive in a global corporation. The chapter also referenced cases on "relativism." I discussed this with a senior Turkish executive of a multi-national company that was branching out into the Middle East and Asia. His answer was even worse: "Moses is Moses and Business is Business."

Fortunately, yesterday's business mistakes lead to tomorrow's commitment to integrity. Increasing interest in "reputation" and the risks these corporations were witnessing made them listen – at long last – to their communication directors and/or consultants.

Though we as public relations professionals applauded the change, we realized we faced other problems. Global companies respected, and unilaterally relied upon, the views of their public relations directors – individuals who probably had never been to our part of the world. To these headquarters' public relations practitioners, cultural differences in local customs were simply part of a motto they favored: "think global, act local". Ask yourself this question – *How could they – at a geographic and psychological distance – perceive or protect cultural, social, or environmental changes if the local public relations professional's perspectives were not taken into consideration?*

One of our agency's clients went through a terrible crisis when a New Year's card, designed by our client's central communications department, included a map of Turkey with unacceptable mistakes. Similarly, the company had unknowingly distributed travel books to press members visiting Istanbul – books that contained biased information against Turkey. We were only consulted for damage control after the Turkish press got wind of the situation.

At this point, I must take a moment to thank all my colleagues for their perseverance in explaining to expatriates the importance of a communication strategy that is based on local knowledge.

INCLUDE THE ROMANS ...

Years ago, public relations agencies would present their credentials to the purchasing departments of companies. Now, we have been promoted to interacting with the sales and marketing officers. This is simply not good enough.

The ideal strategic place for the communication director is either reporting to the board or actually being on the executive team. We are getting there, but we're not there yet. We must not become lethargic. I was shocked to learn that only 30% of global companies operating in Turkey today have their in-house public relations executive reporting directly to the chief executive officer.

So, we must follow the trends, absorb them and keep working to ever improve our high standards. If not, we will surely fall behind the requirements and expectations of our profession. When we can communicate directly with the senior team, the organization will experience the benefits. It is in this way that public relations professionals will guide companies, governments and NGOs alike through the complex minefields of communication. Protection of the reputation is easier and communication with the stakeholders is ensured. Naturally we would not want to boast, but relations with the media is rarely a problem.

One of the challenges for global companies headquartered in the Western Hemisphere is to modify their way of working in the rest of the world so as not to end up with a U.S. or European "centric" organization. *Today, we believe in global corporations that have diverse businesses and diverse work forces.* The objective is to have a "truly global meritocracy." The plan is to recruit the most talented people from local communities with development potential.

When in Rome, use the good Romans, as they will know all the historical hiccups; the good, the bad and the ugly that the future might hold.

Relations will get better within government circles as well as with stakeholders. The challenges we face are to set high governance and ethical standards to protect reputations, but at the same time to welcome the diversity that the global presence brings.

Finally, I wish to thank the Public Relations Society of America and its International Section for selecting me to receive this prestigious Atlas Award. The recognition will help me and all my colleagues to move more and more to the top tier of global management.

However, the *onus* to raise the status of our profession lies with us. If we are to be considered seriously as a key element of the board or executive team, we must ensure that

we warrant this sign of respect. *We must raise our own profile and ensure that we have a commitment to education that acknowledges changing business trends and developments within the profession.* With our support, the routes of an understanding of the world's issues will stay open. This is just the beginning.

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The Atlas Award for Lifetime Achievement in International Public Relations

Established in 1995 by the International Section of the Public Relations Society of America (PRSA), the Atlas Award recognizes individuals who have made extraordinary contributions to the practice and profession of public relations on a global scale. Recipients have demonstrated, through a substantial body of work, their leadership in international public relations for employees, clients, institutions, governments, agencies or other organizations, and are selected by the Executive Committee of the International Section in consultation with colleagues in international practice. The Award is presented at the PRSA Annual Conference. The Atlas Award Lecture on International Public Relations was inaugurated in 1997 as part of the Conference program.

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