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**Submission to Journal of Communication Management
And
Alan Rawel CIPR Academic Conference**

Public relations professional practice and the institutionalisation of CSR

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ABSTRACT:

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Research paper

Purpose

This paper presents the findings of a longitudinal case study into the professionalisation of public relations practices and the institutionalisation of corporate social responsibility as a legitimate social and business arrangement. In doing so, there are implications for the dynamic relationship between practices and the professionalisation of public relations.

Methodology

A qualitative longitudinal study is used to examine the social construction of social responsibility in the Australian banking industry from 1999-2004 across two levels of analysis – societal expectations as institution, and practices of banking and public relations as action.

Findings

The study shows that the case organisations shifted their public relations and communication practices during the period of the study. In response to the demands of publics, there was a central shift from a one-way perspective where organisations sought to influence and persuade publics of the appropriateness of thier actions towards a two-way perspective where organisations needed to consult, negotiate and engage with publics. In doing so, this study suggests that there was a shift in the profession of how public relations was practiced, but also highlighted the changes to institutional arrangements about the legitimacy of social responsibilities of large organisations.

Research limitations/implications

The study uses an interpretive perspective to understand the role and impact of public relations practice on societal change.

Practical implications

This research examines the role of public relations practice in achieving longer term changes for organisations and society. This contributes a first step towards developing a theoretical understanding of the contribution of public relations practice to organisational success and therefore evaluation.

Originality/value of paper

This paper makes two central contributions. Firstly, institutional theory and the social construction of societal and business standards of legitimacy are used in a public relations context. Secondly, this paper shows the effects of the micro-level of analysis of public relations practices on the macro-level of the profession.

Public relations professional practice and the institutionalisation of CSR

Introduction

In this paper we extend existing discussions of public relations as a profession to consider public relations practices and their contribution to processes of professionalisation and institutionalisation in terms of duality of structure (Giddens, 1984a). We investigate how the practices of public relations both shape and are shaped by the demands of publics. In doing so, the profession of public relations as an institution is also shaped.

Existing studies focus on public relations as a profession in terms of a somewhat static goal state of body of knowledge, ethics and certification (Cutlip et al., 2006, Grunig and Hunt, 1984). This conceptualisation views the profession as an institution that defines and controls. Much attention is paid by public relations professional associations and educators to achieve this state (Pieczka and L'Etang, 2001b). In this paper, our focus is on practices in the process of professionalisation, and therefore institutionalisation. We do this is two ways: firstly by considering how practices influence processes of institutionalisation; and secondly, in how institutional processes change practices. This is achieved in the context of a longitudinal study of how corporate social responsibility has been institutionalised within the Australian banking industry through public relations practices, setting the foundations for CSR as a legitimate business practice in that country.

We begin by reviewing the literature on professions. We then frame our approach to professions as communities of practice. Public relations as it is involved in a process of professionalisation is introduced. In the second section of the paper, we present our longitudinal study and findings about professionalisation and institutional change processes. We finish with a discussion of findings and a conclusion.

Professions, institutions, and change

The study of professions has a long history in the social sciences, dating back to Weber (1978) and Durkheim (2004). The salience of professions as social institutions is that they represent a 'third logic' to manage the division of labour in society (Freidson, 2001) alongside organisational hierarchies (Weber, 1964) and markets (Williamson, 1975). This third order of professions is founded on the specificity and specialization of professional work which imply that it cannot be adequately controlled through either the logics of hierarchical authority or the high-powered incentives of markets. Instead, professionals control their own work, and professional ethics provide the warrant for society's trust in the work of professionals (Evetts, 2006).

The notion of professions as self-controlled groups in society led early research on the sociology of professions to focus on the institutional structures that characterized stable and established professions such as law and medicine. This lead to depict professions following ideal-typical traits, including: an identified specialist competence involving a common body of knowledge, transmitted through specific intellectual and practical training, certified by an organisational association tasked with enforcing standards and professional conduct, a legal monopoly on the provision of certain services justified by the argument that the profession is providing a form of public service, and a fiduciary relationship with clients founded on a code of ethics (Elliott, 1972, Wilensky, 1964). This early view led to conceiving professionalisation

as the socio-economic project of occupational groups seeking greater autonomy, status, and power in society (Larson, 1977, Johnson, 1972). In turn, this argument suggests that professions could be plotted on a virtual scale graduated from not professionalised at one extreme to fully professionalised at the other (Abbott, 1993).

This early literature acknowledged macro-processes of professionalisation through which work occupations gradually acquired a social licence and mandate to operate as a profession (Hughes, 1971) and claimed legitimate jurisdiction over a set of professional tasks (Abbott, 1988). In this way, professions and professionalisation are conceived as agents for change. However, the focus of this literature (Hughes, 1971; Abbott, 1988) to deal with was on the structures and attributes of work occupations as professions, and limited attention was devoted to the micro-processes of institutionalisation through which social legitimacy is constructed. This blind spot can be explored by two complementary strands of research: one on how professional institutions could act as agents for institutional change (Reed & Anhony, 1992), the other on how discourses on professionalism could be mobilized as triggers for occupational change (Lounsbury, 2002; Greenwood, Suddaby & Hinings, 2002).

Research on the role of professional institutions as agents of change focuses on successful and unsuccessful attempts at institutional change through professional institutions and professionalisation practices. Reed and Anhony (1992) attributed the failure of the professionalisation of British management in the 1980s through the institutionalisation of management education towards standardized, competence-based technical qualifications to a lack of reflexivity and insufficient attention to the social world in which managerial work is embedded. As such, this research contributes to challenge the professionalisation-as-project perspective by highlighting the processes of social construction of legitimacy which rest on dialogue and rhetoric. Lounsbury (2002) and Greenwood, Suddaby & Hinings (2002) highlight the role of professional associations in articulating and promoting new logics that shape institutional change in organisational fields over long periods. In this process, professional institutions behave as institutional entrepreneurs (Fligstein, 2001) mobilizing resources of discourse and rhetoric to effect institutional change (Suddaby and Greenwood, 2005a).

Discourse as a resource for change can also be mobilized to *impose* change on a profession or work occupation. In this perspective, professionalism is invoked as a 'rational myth' or shared meanings of how things should be (Meyer and Rowan, 1977b) to impose controls, processes and structures on the work of 'professionals', thus subjecting them to a 'discipline' (Fournier, 1999; Hodgson, 2002, Hodgson, 2005). This post-modern interpretation of professions and professionalisation processes highlights power relationships in society and organisations, and suggest that institutional change is not the exclusive province of professionals and their associations. Rather, organisational hierarchies and market customers can also harness the resources of discourse to impose institutional order 'from above' (Hodgson, 2002, Evetts, 2006).

Compared to the early research on professionalisation, these contemporary approaches emphasize the study of structuration processes over the study of structures assumed to be stable and immutable, and the investigation of the institutional work of knowledgeable agents over the analysis of the workings of institutions (Lawrence and Suddaby, 2006). In doing so, this perspective introduces a concern about practices in studies of institutional processes, including professionalisation.

Studying professions as communities of practice

The early research on professions and professionalisation acknowledged the specificity of professional practices, and indeed the management of professional knowledge was a central concern for it helped to establish the legitimacy and autonomy of the profession (Freidson, 2001, Abbott, 1988). This early research highlighted how specialist professional knowledge is aligned with the division of labour in society, but scant attention was paid in this line of inquiry to the social processes involved in the construction and legitimation of professional practices as instantiations of professional knowledge. In this paper, we investigate how processes of social construction lead to change in professional practices, and how professional practices are mobilized as resources for institutional change in the context of the debate about corporate social responsibility in the Australian banking industry. Following this line of inquiry leads us to conceive of professions as communities of practice (Brown and Duguid, 2001).

The literature on communities of practice originated in the context of research on the management of technology, knowledge and innovation in and across organisations (Jarzabkowski, 2005, Brown and Dugaid, 2001). One of the central arguments of this body of literature is that communities of practice provide an efficient device to manage knowledge because their members share a common background of experience and technical/professional know-how which enables them to make sense of the largely tacit knowledge being exchanged (Tywoniak, 2007). In other words, communities of practice are involved in the production, re-production and generation of knowledge based on taken-for-granted conventions about professional roles, work processes and methods. Communities of practice therefore deal with social institutions and institutionalisation processes, and the emergence of new practices as institutions is the outcome of a process of structuration effected by knowledgeable agents (Whittington, 2006, Giddens, 1984b, De Certeau, 1984).

According to Squires (2001) who borrows from Aristotle, professions as sets of practices can be defined in terms of *poiesis* (instrumental doing) and *technè* (knowledgeable agency). *Poiesis* refers to specific activities and occupations which aim to achieve defined outcomes, such as building a house or treating a patient, using identifiable tools and artefacts. *Technè* refers to the mastery of knowledge that enables problem-solving and adaptation to contingencies. Together, *poiesis* and *technè* point to three aspects of professional practices. First, they are instrumental "in the sense that they exist in order to have some kind of effect or impact on the world" (Squires, 2001: 475). Second, they are contingent: professional work is a matter of judgement rather than the simple application of a rule –"the answer to many professional questions is 'it depends' " (Squires, 2001: 475). Finally they are procedural, not in the sense that professional practices involve the careful application of a well-defined process, but in the sense that professionals mobilize resources of experience and know-how (Ryle, 1949) to solve contingent problems: "professional disciplines involve some means of doing what they do" (Squires, 2001: 476).

Defining professional practices in terms of their instrumentality and contingency imply processes of collective reflexivity on the part of professionals: their work is embedded in social action, and due consideration must be given to the needs of stakeholders inside and outside the profession (Spender, 2007). The dimensions of contingency and processuality point to the necessary plasticity of practices to adapt to circumstances, and to their construction over time: studying professions *qua* practices requires understanding their social construction and suggests the presence of change processes. Conceiving of professions as communities of practice thus leads to think of professionalisation as a reflexive process of

structuration in which professionals as knowledgeable agents mobilize social resources, including professional practices as problem-solving instruments, to create and re-create the institutional structures of their profession, and in doing so construct their legitimacy[1].

Professionalisation in public relations

As a work occupation, public relations is positioned in a paradoxical situation. On the one hand, much of public relations work is predicated upon processes of legitimation, institutionalisation, and professionalisation where scholars suggest the role of public relations is to facilitate legitimacy for organisations (Metzler, 2001, Boyd, 2000, Giaradelli, 2004, Jensen, 1997, Grunig et al., 1992, Cheney and Ashcraft, 2007). On the other hand, public relations practitioners are facing the challenge of legitimizing and defining themselves as professionals (Pieczka and L'Etang, 2001). This makes public relations a salient site in which to study processes of professionalisation and institutional change.

Historically, public relations scholarship has been focused on practices: how public relations is practiced (Cutlip, 1994) and what public relations practitioners do (Gower, 2006) are traditional themes in the literature. Therefore, public relations lends itself well to our practice-oriented approach. Some of the clearest examples of public relations practices that contribute to institutionalizing legitimacy are seen in practices that lead to introducing and building acceptance (legitimacy) for new ideas and concepts (Rao et al., 2003, Hannan et al., 1995) and repairing and maintaining legitimacy when an organisation's practices are being challenged (Elsbach and Sutton, 1992, Elsbach, 1994). Public relations practices also focus on lobbying and advocacy work (Smith and Ferguson, 2001), and on relationship management (Ledingham and Bruning, 2002). All these types of public relations activities contribute to building and maintaining the legitimacy of new ideas, products and organizations.

Methodology

We therefore draw on this literature review to suggest that discourse plays an integral role in changing institutional arrangements of professions (Phillips et al., 2004, Suddaby and Greenwood, 2005b). When professions are viewed as communities of practice, discourse facilitates instrumentality and contingency through the reflexivity of the public relations practices of organisations and stakeholders (Lawrence, 1999). In order to examine this phenomenon empirically, we draw on a longitudinal case-study of corporate social responsibility in the Australian banking industry to examine the relationship between public relations practices emerging from communities of practice and the professionalisation of public relations that occurred as a result of these practices becoming institutionalised as accepted ways of conducting public relations work.

To overcome criticisms that structuration conflates action and institution, the process of structuration and institutionalisation were examined over time and using longitudinal data (Barley and Tolbert, 1997). A temporal bracketing strategy (Langley, 1999) was used to analyse the data across two levels of analysis over time providing comparative units of analysis for exploration and replication of ideas within the case (Langley, 1999). Central to the temporal bracketing strategy is that data is

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[1] The authors acknowledge that there are various sociological explanations for the relationship between knowledge and practice. The perspective taken in this article is informed by Giddens theory of structuration (1984) and an institutional theory perspective on profession (DiMaggio and Powell, 1983)

organised into a series of 'periods' to describe and structure activities (Langley, 1999). The periods identified in this process are determined by continuity in the activities within each period and discontinuities at the frontiers (Langley and Truax, 1994). Data in this study is analysed in three periods across two levels of analysis – 'rational myths' or shared meanings seen in latent content of the data, and the practices employed and communicated. The periods were named periods of dissent, acknowledgement and endorsement. The six cases resulting from this treatment allow for comparison of data across time and levels of analysis meaning that phenomena can be considered in one broader case study (Denis et al., 1996).

Media coverage, historical organisational documents and retrospective interviews are suggested as suitable sources of data to study processes of institutionalisation (Selznick, 1957, Barley, 1986, Barley and Tolbert, 1997). In this study, evidence is collected from three main sources: 1) content analysis of 1257 print media articles about social responsibility issues related to the four banks in the study; 2) 28 organisational documents including annual reports, social impact reports, and speeches over a six year period; and 3) five semi-structured in-depth interviews. Organisational documents and interviews provide a secondary source of evidence to add further insight into the phenomena observed in the media coverage and provide a source of triangulation (Barley and Tolbert, 1997, Pettigrew, 1990, Denzin and Lincoln, 2005). Media data are sourced from Australian print media over a six year period from July 1998 to June 2004. Barley and Tolbert (1997) suggest data from newspaper articles offer rich sources of data on institutional matters such as collective action, legal violations and sanctions and the formation of organisations which can be useful for studying institutional and structuration processes (p. 101).

Media data were analysed to identify the key issues of concern in the media and the key stakeholders involved in the public discussion of social responsibility in the banking industry. The most frequently discussed issue for each year was identified as a 'structuring moment' (Durham, 2005, Giddens, 1990) during which social construction of shared meanings was accelerated because of the attention to issues in the media coverage. These structuring moments provided rich sites for examining the dynamic relationship between practices and professionalisation. For each structuring moment, the discourse of the key stakeholders involved in the issue was examined. A Toulmin's (Toulmin et al., 1979) analysis of each stakeholders' claims about the issue were identified from the media data.

Findings

The case

The four major Australian banks constituted the case organisations – ANZ, Commonwealth, National and Westpac. These four organisations were used to investigate these phenomena because they are the largest financial organisations in Australia and became the focus of public concerns about the banking industry. By the late 1990s, public condemnation of the social impacts of bank operations was at a peak. If intelligence about public opinion can come from popular culture including the media (Ferguson, 2000), evidence of the intensity of public discontent with the banks was prominent.

The social impacts of the banks emerged as a public issue following deregulation of the Australian banking industry in 1983. One of the key rationales for deregulation was to improve the competitive position of the licensed banks and to offer customers a wider range of products and services with more favourable interest rate pricing (Singh,1992). Financial success for the major banks arising from

deregulation came at the price of social acceptance. On the one hand, the banks benefited financially from deregulation, with market capitalisation increasing from A\$4.5 billion in 1983 to more than A\$200 billion over a 20 year period. However, the promised benefits to consumers from deregulation also led to concerns about the social impacts of the changes for communities and individuals. One commentator noted that banking was the first industry in Australia to face the global challenge to acknowledge and address social concerns in a public and systematic way (Moullakis, 2003).

Analysis of the media data identified a series of seven issues that dominated the public discussion of social responsibility in the banking industry across the six years of the study. These issues which served as 'structuring moments' for deeper analysis were: access to banking; social accountability; cost of banking; employee impacts; environmental impacts; executive salary; and transparency of governance. 'Jolts' that marked discontinuities at the frontiers of the three periods were identified late in 2000 and 2002. These jolts indicate observable shifts in the practices and myths in this study. The structuring moments across the study and the jolts that mark the three periods of analysis are presented below in Table 1.

Table 1 Issues, periods and jolts in this study

	Year	Issue	Key events that facilitate structuring moment	Periods marked by jolts
A	1999	Access to banking	Parliamentary inquiry into rural banking	Period of dissent
B	2000	Social accountability	Cash-for-comments affair	
				JOLT
C	2001	Cost of banking	Parliamentary inquiry into the cost of banking	Period of acknowledgement
D	2002	Employee impacts	Union campaign against banks	
				JOLT
E	2003	Environment	Introduction of reporting guidelines	Period of disclosure
F	2003	Executive salary	Crisis over executive payouts	
G	2004	Transparency (governance)	Crisis over foreign exchange scandal	

The periods of change

Activities occurring during each of the periods led to observable changes in institutional arrangements about social responsibility in the Australian banking industry and also the practices of public relations. These changes were most clearly reflected through the events surrounding the jolts that were identified. Firstly, we here provide a description presentation of the change process in order to examine how the discourse around the issues in the structuring moments constructed changes in practices.

The two key issues during the period of dissent were access to banking and social accountability. Access to banking became an election issue and therefore the focus of much public and political discussion. One event was that the Government held a Parliamentary inquiry into the issue. Despite the amount of public discontent about the social impacts of the banks' activities, the finding of the inquiry suggested that customers and communities had overall benefited from the activities of the banks. However, within months of these findings being published, the banks faced a crisis when it was revealed in the media that the Australian Banking Association had paid more than A\$1million to a prominent radio announcer to make positive comments about the banks. The so-called "cash-for-comments" affair increased the amount of stakeholder dissent about the banks' practices which subsequently led to the

Government threatening the banks with re-regulation if they did not meet their social obligations. This government intervention provided the first jolt identified in the study.

During the period of acknowledgement, the banks' rhetoric began responding to stakeholder demands for banks to meet their social responsibilities. Cost of banking and employee impacts were the two most prominent issues during this period. The stakeholders most prominent in the discourse during this period were consumer advocacy groups and unions who were active in contributing to the construction of what constituted socially responsible banking practice. Government and regulators played a monitoring role in the discourse by reminding the banks of the threat of re-regulation when their initiatives were met by public outcry. Towards the end of the period, however, the banks were taking a pro-active role in engaging with stakeholders to develop practices to address their concerns. The Australian Banking Association for example, launched a revised Code of Banking Practice which specified the type of communication to take place between banks, customers and communities when changes were planned that would impact them. Around the same time, the Global Reporting Initiative (GRI) was released, and a variety of governance regulations, such as Sarbannes-Oxley in the USA (Pub. L. No. 107-204, 116 Stat. 745), the Combined Code in the UK (The Combined Code on Corporate Governance) and the CLERP9 (Corporate Law Economic Reform Program (Audit Reform & Corporate Disclosure) Act 2004) in Australia were launched to address governance issues arising post-Enron. These interventions marked the second jolt in the study.

During the period of endorsement, the banks were proactively transparent and accountable in their dealings and engagement with stakeholders. The banks' communication practices were focused on introducing such initiatives and reporting on their community engagement programs. The media played a 'watch dog' role in revealing any potential concerns about compliance with the governance regulations. However, overall there was less public dissent about the banks' practices overall. The banks' annual reports addressed social and financial matters and a number of social impact reports were also released by the banks in the study. It remains to be seen what jolt might mark the end of this period.

Emergence of corporate social responsibility as a public issue

While these issues about the social responsibility of the Australian banking industry were prominent in the media coverage, social responsibility was emerging as a public issue world wide (De Bakker et al., 2005). Corporate social responsibility is described as societal expectations of corporate behaviour that appear to further some social good, beyond the interests of the firm and that which is required by law (McWilliams and Siegel, 2001). This focus on social responsibility has occurred at global, national and industry levels and its practices seen in the development of reporting guidelines and frameworks, assessment devices and international standards, industry codes and legislation.

In 2002, the Global Reporting Initiative (GRI) was introduced to provide international guidelines for organisations to report and measure their social responsibility practices. The GRI initiative sought to provide a common platform of standards to guide organisations around the world in setting standards of practice and reporting their compliance to stakeholders. This provided a major advancement in the emerging need to conceptualise what corporate social responsibility means at a practical level and to develop some common understandings and reporting

frameworks to guide organisational practice. This study examines this case from 1999 when the first discussions about the Global Reporting Initiative guidelines began.

The study tracks media coverage for a period of six years in order to examine the social construction of social responsibility as a legitimate and institutionalised social expectation in relation to the four major Australian banks. We now consider the practices of public relations across the three periods of the study.

Professionalisation of public relations practices

Examining the public relations practices used throughout these periods – dissent, acknowledgement, and endorsement - provides insights to the process of institutionalizing public relations. This is an integral part of the process of constructing the professionalisation of public relations. In this section, we examine the discourse in the media coverage across the three periods. This is done in two ways: firstly, by showing how public relations used discourse as a resource; and secondly, by showing how stakeholders used discourse to influence public relations practices.

Period of dissent

There were two key types of public relations practices seen in the data during the period of dissent – publicity and relationship building. In 1999, the banks made submissions to a Parliamentary banking inquiry that described the steps the banks took to engage with concerned stakeholders. Media coverage of the banks' practices were presented as publicity events to highlight their commitment to customers and communities. This publicity also defended the banks' existing position. Westpac's submission to the Inquiry was reported in the media as:

> "schmoozing with the mayor and the local Member and listening closely to the concerns of residents. In the town hall at a joint press conference with the National Farmers Federation, the leader launches a new package for primary producers, promising a better deal." Major Banks' Focus is Clear – by a country mile Australian Financial Review 28 July 1998.

The banks also made public comments about the importance of the way they developed relationships with customers, even when there was little other evidence of this activity taking place. The Commonwealth CEO said:

> "… bank customers are demanding something more, a cultural shift in the way banks balance *their various relationships* (author's italics)… Ultimately a bank with poor customer relationships fails its other responsibilities by making poor profits, and deservedly so." (Banks seeking thanks should think again, The Australian, 23 October 1998).

The cash-for-comments affair drew attention specifically to the public relations practices used in the way that banks dealt with the communication and relationships with their stakeholders and the community in general. In fact, it was the paying for editorial, which could be seen as a public relations practice that was the substance of this crisis. The Chair of the subsequent Parliamentary inquiry noted that banks were:

> 'using publicity rather than addressing issues related to community concerns'. (Laws row worsens as MPs intervene, The Australian, 17 July 1999).

The banks also acknowledged that the 'rational myths' (Meyer & Rowan, 1977) or shared meanings, about their social responsibility had shifted during the

period of dissent. This included shifts in the use of public relations practices that are aligned with being a socially responsible organisation. This was seen in comments made by National bank which acknowledged this change:

> Australia's banks would need to change their behaviour, not just their public relations tactics, if they were to rebuild trust and confidence. … (Cicutto on the wages of sin, Australian Financial Review, 2 July 1999*).

and also provided solutions as to how this should be done and why:

> Unless the industry is more successful in its community dialogue, we will rapidly move from a situation of light regulation to one of overt, politically inspired regulation." Give us a fair go, pleads banker The Age 10 May 2000.

These findings suggest that public relations practices are linked to changing institutional arrangements and to practices of socially responsible organisations.

Period of acknowledgement
The analysis of media coverage during the period of acknowledgement provided insights into a shift in public relations practices during this period. There were two key discussions observed in the media data: a move towards seeking mutual understanding of expectations; and of publicising actions.

There were various comments made in the media which reflect moves towards managing expectations and understanding about social responsibility. At first, this formed part of the claims banks made as they showed compliance such as when National's CEO noted that 'understanding' and expectations were the central problem related to the legitimacy issue being disputed in the media:

> I am fully aware that a major challenge for the National, and indeed the banking industry, is to manage community understanding and expectations about the value of our activities," Mr Cicutto (National CEO) said. (NAB has record profit, points to social good The Age 3 November 2000).

This concept of mutual understanding was also seen in terms of the banks seeking to understand the needs and expectations of their stakeholders. This was seen in practices such as using research and surveys to understand the needs of stakeholders and their satisfaction with their relationship with the banks. These activities led to shifts in banks' behaviours to respond to stakeholders' interests.

> The ANZ has further upped the ante by internally releasing the results of an annual staff satisfaction survey, showing a rise in the number of contented workers. (Union chases bank ceasefire The Australian, 24 October 2001)

It was also seen in the approach to communicating with stakeholders. Media coverage reported on a number of activities where the banks were publicly signalling their commitment to engage with stakeholders. There appeared to be a shift to symmetrical communication (Grunig, 1984) with specific stakeholders in engaging and negotiating needs:

> "There is certainly antagonism out there… (now) we do engage in dialogue, I think we can head that off." (Banker warns of public rage, Courier Mail 6 November 2001)

> The banking sectors concerted effort to lift its battered image was taken to a new level yesterday as Westpac and National went to considerable lengths at their AGMs to stress their commitment to listening and responding to the concerns of disgruntled

customers. (Banks: We have a heart, really we do Australian Financial Review 14 December 2001)

This approach that sought to develop mutually beneficial relationships was also acknowledged publicly by stakeholders who were engaged in the new type of communication and dialogue with the banks. The difference in attitude towards stakeholder groups that reflected the shift from defying demands to acknowledge social expectations towards engagement was noted in the following extract:

"The code is part of a sea change in the bank's attitudes. Other manifestations of this attitudinal change have been the banks' voluntary decision to introduce low-cost account options for the disadvantaged…," said Catherine Wolthuisen ACA financial policy officer. (Banking code still an enigma Australian 17 August 2002).

The other major change in public relations practices was that the banks used media publicity to demonstrate their organisational practices that aligned with the emerging new rational myths about social responsibility. This publicity was used to indicate compliance with rational myths (Meyer and Rowan, 1977a). The media coverage showed this in a number of areas of their coverage.

A big four insider put it more forcefully: "We have a sense it has gone beyond whether banks have social obligations, to how these are fulfilled," he said. "It has passed the platitude stage and we need to be doing something." (Branch warfare-banks in fear The Australian 11 November 2000)

Australia's largest bank has bowed to community pressure and introduced a fee-free account for pensioners and health-care cardholders. (NAB offers fee-free account The Age 25 May 2001).

During the period of acknowledgement, it appears that the banks were publicly acknowledging their social responsibilities and signalling their willingness to engage and communicate with stakeholders.

Period of endorsement

The claims made in the period of acknowledgement and the public relations practices used were largely focused around the need for engagement and consultation between organisations and stakeholders. This view was expressed in various ways by all the stakeholders identified in the study.

One of the first activities the incoming CEO of National took after a major crisis involving a foreign exchange scandal was to signal the need to engage with stakeholders. This is a specific public relations communication activity that eschews publicity. As the extract presented earlier in this section noted, the new CEO would be:

"…listening to National's various stakeholders before making changes" (Cicutto timing adds to concerns, The Age, 3 February 2004).

Regulators also were including engagement and direct communication between shareholders and organisations on matters of accountability. While the legislation was designed to have companies make transparent certain practices, it was done as a means of ensuring shareholders had access to information as a basis for being involved in decision making on certain governance matters. As this extract noted, this reference to facilitating this type of two-way engagement, rather than simple disclosure, is overt:

A government proposal to give shareholders a say on top executive pay packages, due for release next month, is likely to heat up the simmering debate over payout to Australia's corporate elite. In draft legislation for its corporate reform package CLERP 9, due in October, the government is expected to give investors the right to register a non-binding vote on top executive pay, as in the United Kingdom. (Mixed views on investors' say over pay Australian Financial Review 29 September 2003).

The comments made by journalists in framing the importance of governance related matters also highlighted the importance of such an approach. Journalists also highlighted that this engagement was not intended to have publicity as its outcome, but that rather it had a more important purpose in meeting expectations of accountability.

The challenge of image is of an altogether different order. It is not marketing or branding, although these are important. The financial services sector faces the challenge of having to be more transparent, better governed and more congenial just to appear equal. (Industry must handle attacks on credibility Australian Financial Review, Andrew Cornell 9 February 2004)

These insights from the media coverage data suggest that the type of public relations practices of the organisations in this study, and of accountable companies, are central to achieving transparency.

These myths about shared meaning shaped the claims and practices of both organisations and stakeholders during each period. Table 2 below summarises the main claims made in the discourse by the various stakeholders during each period. During the period of dissent, regulators and customers claimed that the banks were not socially responsible because they were not responsive to customer and community needs. The banks claimed that they were addressing stakeholder needs by making profits and contributing to the community. During the period of acknowledgement, consumer groups and regulators guided the construction of myths about social responsibility in banking by making claims about the types of practices which would recognise social responsibilities. The banks' discourse was focused on how their actions recognised stakeholder needs so that bank profits were in everyone's interest. A further shift in discourse and claims was seen during the period of endorsement when bank discourse was based on claims that their social obligations were as important to them as their legal and financial obligations. Regulators and journalists used discourse in media coverage to control the banks' practices to ensure compliance with the new rational myth of social responsibility, transparency and accountability to stakeholders.

Table 2 Claims made by stakeholders

Stakeholder	Claims identified in media coverage	Backing
	Period of dissent	
Regulators	Banks should be responsive to customer and community needs Banks must meet social responsibilities	Government has the power to impose regulatory requirements on business
Customers	Banks betraying customers	Social exchange principles that business makes money from customers who have appropriate service provided

		'mutual obligation'
Banks	We are subject to political beat-up but we are concerned about customers, shareholders and responsibilities to the community We contribute to the community Our community contribution is based in economic success	We are in the business of making profits and meeting shareholder interests
Period of acknowledgement		
Consumer groups Unions	Banks need to provide low cost banking for disadvantaged in community Staff pay the price for management decisions	Banks made enormous profits and can afford to meet these obligations
Regulators	Consider impact of your practices on community (or we will regulate)	We have the power to impose regulatory interventions
Banks	We are taking actions to recognise the needs of a range of stakeholders – "perception is reality" We are improving conditions and culture for our staff	Our profits make significant contributions to the community – in taxes, jobs, dividends. Making profits are in everyone's interest
Period of endorsement		
Banks Banks (on environment)	We are not required by law to comment or report on such matters Consulting ensures we address the variety of concerns of stakeholders Organisations have responsibility to address environmental issues	We meet legal requirements Meeting social obligations is as important and legal and financial obligations
Regulators	Legislating disclosure promotes transparency and accountability in governance	Regulated disclosure makes companies honest
Journalists	Banks must set standards on disclosure, transparency and accountability in governance	Journalists are community watchdogs and advocates

These findings suggest that the claims made by the banks and by stakeholders both shaped and were shaped by rational myths about what constituted social responsibility. Across the three periods, the rational myths changed as well as the communicative public relations practices.

Implications of professions and institutions for professionalisation
During the period of dissent, bank ceremonies, as seen in the annual reports, reflected the focus on bank profits with little recognition of community impacts. The topic of conversation for stakeholders that was seen in the media coverage was that communities were being disadvantaged by the bank practices. The public relations practices that were observed through the data were focused on publicity approaches. For example, the banks announced policies and held media conferences when they made submissions to the rural banking enquiry. The "cash-for-comment" payment of A$1 million to a radio announcer represented another form of publicity that sought to influence opinions about the banks and their practices. As the data showed, the cash-

for-comments affair instead galvanised networks of support against the banks, and led to the government threatening the banks with re-regulation. In this way, the banks' public relations practices were under scrutiny and condemned. It also led to the government and other social actors signalling a shift in the institutionalised arrangements of legitimacy about bank practices.

During the period of acknowledgement, this shift in institutionalised legitimacy that banks need to recognise their social as well as economic obligations continued to be negotiated into practices. For example, by publicizing the Code of Banking practice the banks acknowledged their social obligations. In doing so, both the rational myth of banking and related practices continued to be legitimised and institutionalised. On one hand the banks ceremonially displayed that they acknowledged this shift, seen in a range of initiatives and policy statements in annual reports including the announcement of Customer Charters, for example. At the same time, stakeholders were active in continuing to shape the practices adopted. Public relations practices that were seen during this time shifted to a focus on stakeholder engagement as the banks sought to engage stakeholders to determine the appropriate practices which would meet the emerging rational myth of social responsibility in banking. These public relations practices were therefore used specifically with the aim to achieve both legitimacy of the banking practices adopted as well as to achieve alignment with the acceptable way of conducting business.

During the period of endorsement, legitimated and regulated frameworks emerged to guide practices that constituted being 'socially responsible'. This was driven by two factors. The banks themselves were instrumental in developing innovative new ways to engage with communities and publicised these extensively through media coverage, annual reports and social impact reports. At the same time, there were a range of initiatives driven by government (such as CLERP9 and Sarbannes-Oxley disclosure requirements) as well as by international CSR associations (GRI reporting initiative) and the Australian Banking Association (Code of Banking Practice). The banks' practices were therefore aligned with social expectations of businesses being proactive and transparent. The public relations practices inherent in this approach were embedded in community consultation and disclosure. By taking a proactive and open approach to engaging with stakeholders, the banks' public relations practices had the effect of achieving legitimacy for those organisations.

These findings suggest that the type of public relations practices inherently drawn on by the case organisations changed across the time of the study. Early on, publicity was used as a way to deal with stakeholder demands. Over time, these stakeholders required organisations to engage in dialogue and to accommodate their concerns. By the end of the study, engagement and transparency became the focal and legitimated public relations practices used by the Australian banks. This suggests that practices, institutions and also professions changed through a collective process. Public relations was used by the banks in an instrumental way, for example in the submissions to the banking inquiry. The banks also demonstrated contingent adaptation, for example by responding to stakeholder demands during the cash-for-comments affair which triggered a change in practices towards greater engagement.

Conclusion and discussion

In this paper, we used a longitudinal case study to examine how discourse about legitimate practices in public relations led to changes in professional practices. This discourse forms part of the initial stages of the process of professionalisation by

making early attempts to legitimate practices and claiming jurisdiction. These examples of how practices emerged out of social construction between organisations and stakeholders indicate that professionalisation is a two way process.

The case makes two specific contributions to understanding the relationships between professions, institutions and change. Firstly, the case provides a rich site to investigate the role of the duality of the structures where professions and institutions influence each other through the legitimacy of practices of that profession. Following (Barley and Tolbert 1997), Giddens' theory of structuration (Giddens, 1979, Giddens, 1984b) was used as framework for understanding the translation of the public relations practices as processes of that profession to the institutionalisation of CSR practices and the relationships between normative, coercive and mimetic pressures and legitimacy. This case shows the concurrent shift in the profession of public relations and in the institutional arrangements related to CSR that were triggered when the typical practices of public relations were challenged when the social responsibility of these organisations was questioned. This reflects a global concern with the social responsibility and accountability of large organisations in the late 1990s and into the 2000s. The study shows that the case organisations shifted their public relations and communication practices during the period of the study and there is evidence towards the end of the study (in 2004) that the new public relations practices were becoming accepted as the more legitimate or appropriate way to deal with stakeholders. A central shift demanded by social responsibility was from a one-way perspective where organisations sought to influence and persuade outsiders of the appropriateness of an organisation's actions towards a two-way perspective where organisations needed to consult, negotiate and engage with stakeholders. In doing so, this study suggests that there was a shift in the profession of how public relations was practiced, but also highlighted the changes to institutional arrangements about the legitimacy of social responsibilities of large organisations.

The second contribution is that this study has turned the focus to practices. This provides an additional entry point to understanding institutions by studying institutional processes. Previous studies have examined institutions and discourse and their impact on practices (Rao et al., 2003, Suddaby and Greenwood, 2005b). Here, we studied the practices and what they revealed about discourse and institutions.

Therefore, this study has moved conceptualisations of professions as stable institutions that are reflected in traits, codes and other normative restraints. This study has shown that the practices of professions are not stable. Instead they are constantly updated, renewed and adapted in a dynamic relationship between those enacting the profession and contingent on the demands of a range of stakeholders. In that way, the professions are constantly being constructed and reconstructed through their practices. Far from being stable institutions, professions are dynamic and the changes to professions as institutions can be observed in their practices.

These insights have implications for future research. Much public relations research is focused at the micro-level and what public relations professionals do (Gower, 2006). While there is some recognition of the societal level implications of public relations practice (van Ruler and Vercic, 2005), the macro-level of analysis is largely unexplored. There is also value in engaging research at a more macro-level to understand professions, institutions and change through considering the impacts of public relations practice on social arrangements.

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Table 1 Structuring moments and jolts investigated in this study

Table 5.6 Structuring moments and jolts investigated in this study

	Year	Issue	Key events that facilitate structuring moment	Periods marked by jolts
A	1999	Access to banking	Parliamentary inquiry into rural banking	Period of dissent
B	2000	Social accountability	Cash-for-comments affair	
				JOLT
C	2001	Cost of banking	Parliamentary inquiry into the cost of banking	Period of acknowledgement
D	2002	Employee impacts	Union campaign against banks	
				JOLT
E	2003	Environment	Introduction of reporting guidelines	Period of disclosure
F	2003	Executive salary	Crisis over executive payouts	
G	2004	Transparency (governance)	Crisis over foreign exchange scandal	

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