

THE MANAGEMENT OF COMMUNICATION IN STATE INSTITUTIONS – FROM MANAGEMENT OF THE RELATIONS WITH THE CUSTOMERS TO MANAGEMENT OF RELATIONS WITH THE CITIZEN

MUSCALU EMANOIL

DOCTOR OF SCIENCES, PROFESSOR, FACULTY OF ECONOMICS,
"LUCIAN BLAGA." UNIVERSITY, SIBIU, ROMÂNIA,
e-mail: emanoil.muscalu@ulbsibiu.ro

Abstract:

Regardless of the nature of the organization, public communication has become one of the key strategic elements. In this context the emergence and development of customer relationship management can decisively influence organizational performance by maintaining closer relationships with consumers, with different audiences.

The study reveals that the specificity of the public domain claims by their essence a special focus on their core image of the institution, on the confidence of services destined for the citizen, in this context the management of his satisfaction has created a new managerial approach – the management of the relation with the citizen.

Key words : public communication, customer relationship management (CRM), citizen relationship management (CiRM), public service, customer satisfaction

JEL Clasification: M31, M39,

1. Introductory considerations to public relations as specific and essential elements of the communication process

The objective of this study is to develop understanding of the peculiarities and the role of the managers of court and to outline a profile of the top manager in the field of justice in order to provide solutions regarding how executive leaders can develop to create a proper working climate and to increase performance in judicial organizations.

The current reality demonstrates irrefutably that the main strategic instrument of competitive organizations is efficient managerial communication. Communication management includes complex issues related to the process of change not only in internal communication with employees, but also external communication with suppliers, investors, and especially with customers.

In addition to adequate internal communication, organizations must find new ways to develop external communication among fundamental noticeable changes that can be noticed in behavior and requirements of the public organization, customers, suppliers, partners, the media, namely:

- emergence of highly complex problems (ex. the responsibility of the organization for the environment);
- the need for transparency in the decision;
- the need to communicate promptly and completely;
- internal and external credibility of the management organizations;
- the need to change the stakeholders' perception towards the organization;
- need for partnership with trade unions.

In this context a new type of communication is foreshadowed, the public communication covering its own objectives: who the organization is, what it wants to do, what it can do and what the organization does and especially the principles of the organization in relation to the public.

A well-planned communication with the public and restrained consumer is needed for several reasons: to influence the perception of the institution by the organizational targets, public power, financial media and by its own staff; to build its own personality; to enhance the credibility inspired by the organization.

Public organizations must act as true stakeholders, social actors, to express their views on major issues of society and to communicate effectively with all those concerned. As sociologists say, we live in a society of communication and not communicating means not existing.

2. The concept of „public relations”

The concept of public relations was used in the United States in the mid-nineteenth century, when, due to practical needs, a new conception occurred, establishing and maintaining relationships between companies producing and consumers, the concept of "public relations" being increasingly used in the Romanian public management.

Despite their great variety, definitions of terms express, obviously in different ways, a new concept about how organizations need to create relationships with people, to maintain and develop them.

According to the International Association of Public Relations (1978): "The practice of public relations is the art and social science of analyzing trends, to anticipate their consequences, advising leaders of an organization and the implementation of action programs that will serve both the interests of the organization, as well as public interests."

"Public relations is the management function which evaluates public attitudes, approaches the policies and procedures of an individual or an organization of public interest, plan and execute a program of action to earn public understanding and acceptance." (Public Relations News, 1994)

Caluschi Caesar (2006): "Public relations are those methods of communication that help to several categories of objectives, such as the prevention and solution of crises, refining methods for obtaining and maximizing profits, creating, changing or polishing the image of an organization".

According to professor M. Regneală, specialist in information science, public relations is a management function that allows an organization to define and preserve identity by improving internal and external communication.

Public relations in an organization, phrase very often confoundable due to wrong translation of the terms - relations with the public- or misunderstanding its meaning, contain a number of specific activities such as:

- permanently informing the public about the services and activities offered;
- public consultation and harmonization the activities with the customer wishes;
- guaranteeing transparency and access to information;
- work to promote general human values;
- develop and maintain the organization's image;
- collaboration with other institutions;
- working with collaborators from other services;
- conviction by rational arguments to win trust;
- ensure effective communication.

Therefore, public relations is a universal activity, which is based on two main benchmarks - information and communication. What is essential is that the recipient would get precisely the information it needs to form or change attitudes towards the organization.

Public relations also exercise a social role, which is expressed by replacing ignoring the other with knowledge and mutual understanding of the it (to put it in other words, PR helps the organization to understand the requirements and aspirations of its customers and adapt itself continuously to its customers, simultaneously with the creation of the mentality of different external audiences, of a representation about the organization's staff as friendly as possible. [14])

In conclusion, the concept of Public Relations without being confused with advertising phenomenon could be synthesized as a special form of managerial communication, a set of tools, means and methods used by an organization to create a climate of trust and sympathy among public and its staff.

3. Management of customer relationships, a conceptual delimitation

The multiplicity of definitions and meanings on the concept of customer relationship management demonstrates that this area is still in a phase of exploration and development of its essence. Common to all these definitions is underlining the importance of effective customer relationship management for a sustainable development of the organization.

Becker notes that many theorists and practitioners perceived CRM as a technical solution rather than as a complex and multidimensional issue that requires a holistic approach. This strictly limited perspective on information technology may have the effect of reducing the effectiveness of strategies developed due to the high risk of neglecting the major objectives that the organization must meet in terms of developing and maintaining customer relationships. In this context, Coltman (2007) argues that insufficient customer relationship management is not completely understood, an integrated new approach is under development.

It is estimated that the success rate of IT projects in the field of CRM, for the implementation of software solutions for customer relationship management, does not exceed 30% (Hoekstra, 2001). The main cause of many failures was that an appeal to IT solution is not able to generate the desired results, as long as the organization has not created a philosophy and a culture focused on customer-oriented on a long-term development of client relationships. Increasing customer loyalty is only possible when all resources and processes have the customer as their center, his needs and expectations.

From another perspective CRM is an essential business strategy that integrates internal processes and functions with external networks to create and deliver customer value target in terms of profit. It is based on customer data that have a high quality and on information technology. [5]

According to another definition, customer relationship management is a strategic approach that consists in creating superior shareholder value by developing appropriate relationships with key customers and customer segments. CRM unites the potential of information technology and relationship marketing strategies to create profitable relationships on the long run. An important aspect is that CRM provides increased opportunities for data use and information, both to understand customers and to better implement relationship marketing strategies. This implies a trans-functional integration of human resources, processes, operations and marketing know-hows, which is improved by information, technology and applications. [10]

This approach is the most comprehensive and appropriate, emphasizing at the same time on the intrinsic link between the generation of value for the customer, the existence of a strategy, and of long-term relationships and the use of information technology. In conclusion, CRM should not be confused with specialized computer solutions for managing information about customers, that become a support to better understand customer's expectations and needs, their behavior in order to design strategies capable of generating value for the customer.

Therefore, customer relationship management involves the consideration of the following coordinates:

- a. The strategic character. CRM is a business strategy. Customer relationship management is relevant and profitable for the organization only if they contribute to the objectives of the organization and generates value for the customer and the organization.
- b. The role of IT solutions. Information technology contributes to the development and implementation of strategies capable of meeting the organization's objectives regarding the development of client relationships and their loyalty. Also, CRM solutions help to measure performance in implementing the strategies and programs in the field of customer relationship management.
- c. CRM purposes. Develop and implement strategies to develop customer loyalty and developing a profile of the organization preferred provider for applying CRM strategies aimed at creating value for both major partners of the relationship, supplier and customer. To be recognized and adopted by the client, the amount must be significant and relevant from his perspective.[2]

4. The specificity of communication in public domain. Management of the public organization's image.

A distinctive feature of public organizations is the specific approach of the relationship with customers from public services, with citizens. Private sector organizations must realize the need in terms of customer focus and stimulating understanding of their needs and act accordingly structuring the products and services targeted to consumer preferences. Unfortunately the public domain organizations are not primarily oriented towards the production of services at competitive prices and high quality levels, while not sufficiently concerned with the perception of citizen satisfaction. According to Warin (1999), satisfaction of users of public services must become an imperative public performance indicator. This is a novelty for the public sector while measuring customer satisfaction has long been part of practices in the private sector.

At the same time a characteristic of public organization is their responsibility for the citizen as a customer of public services, the most treasured value is now the human being. Furthermore, it is believed that a public service is not just a service provider, but also contributes to the cohesion of society. According to Chevallier (2005), "while private organizations are "introverted", find their purpose in it themselves, public organizations are "extroverted", that serve the interest above them.

In this context, public communication as displaying the organization's values, practices and managerial communication, the organizational culture and effectiveness gain special value. Beyond the purely theoretical assertions on the concept of representation is a fact with profound meanings public relations plan: the image of the organization.

Through communications with citizens and its image the organization transmits data and information organization to gain the trust and goodwill of different audiences. The image of the organization depends, ultimately of its ability to influence the public in the process of building representations about public institution, about its products and the services by issuing messages according to the expectation horizon, its values and beliefs. To avoid erosion of the image and the consequences of this, the organization must be continuously preoccupied to answer questions such as: "What displeases?" "Why?" "What elements are negatively perceived?"

Image formation can be achieved by applying a policy related, on the one hand, with the management style of the leaders of the organization and, on the other hand, with the work done by "employees".

In practice, this policy translates into a series of concerted public relations activities broken down over time, which are meant to shape, change and maintain the image of the organization. The central activities can be concisely presented as follows:

- Development of a high performance management at the organizational level, efficient activities are essential in shaping the image of organization.
 - Development of advertising campaigns for accurate information of the customers.
 - Use partnerships to support the organization's image, it is known the fact that properly managed, is a way of improving perception.
 - Establishing strict requirements regarding the staff, hiring well-trained people with decent behavior, and replacing those who do not meet the requirements, the image being closely linked to the quality of employees.
 - Maintaining a good cooperation with the media, on the basis of an open and transparent relationship.
- For an increased efficiency, state organizations must give due weight to public communication, and always identifying ways to improve it.

5. The respect for customers of public services and the transition from CRM to CiRM

While effective management of customer relationship has become a top strategic issue for many firms (Becker, 2009), identifying and retaining the most profitable customers in a commercial sense can not be the objective of public sector for CRM (Rocheleau 2002), but delivering high quality citizen oriented public services. In fact, the psychology of the citizen as a customer of public services is poorly understood in comparison to the consumer.

The concept of public services client is complex and multidimensional. Citizens may be beneficiaries of services partners in providing services or simply taxpayers. Citizens have competing expectations and engage in different types of relationships with public organizations. A CiRM system allows employees of public services to have access to citizens profiles due to contacts with them thus building other databases. In this way, they can provide more customized information more specialized services and also identify possible emerging issues. [9]

Therefore, Citizen Relationship Management (CiRM), can be defined as a strategy, enabled by technology, with broad citizen focus to maintain and optimize relationships and encourage citizenship. Since we are currently in the early stages of emerging CIRM, this is a working definition. CIRM could be part of the NPM as TQM either as an addition to the Government frame.

6. Directions of CRM for public sector

Technology is not needed to improve the citizen orientation in the public sector. Changing office hours, the redesign of the waiting areas or the opening of one-stop service centers are just some examples that have had an impact on citizen satisfaction/citizen orientation. [3]

Recent empirical studies suggest that CRM technology has only a moderate impact on the overall success of efforts to strengthen relations of public organizations with citizens. However, introducing data processing concomitant with the implementation CiRM can make a difference, opening new opportunities. However, the success rate of CRM in the private sector is limited. If we consider the experience of the private sector, the success rate is not very high, ranging between 30 and 70%. The organizational challenges inherent in any CRM initiatives and the diversity of people involved is another threat that public organizations should also take into account. Many projects fail due to a lack of coordination between strategy and processes. Public administrations should use the experience of CRM, of the private sector and analyze all processes abolishing those measures meant to fail due to human resource constraints.

Specific for public sector activities is the interaction with citizens, which has as an immediate consequence the causal relation between the quality of public service and the treatment of citizens by employees of the institution they come into contact. Consequently, the perception of the citizen about public organization services, his satisfaction and confidence in institutions is dependent on the orientation degree of the employee towards customer, citizen.

Despite the importance of this aspect studies on the concept of citizen-employee orientation (customer orientation of service Employees (COSE) and the impact in determining the success of the organization, are relatively few and not properly applied in practice. The New Public Management (NPM), paying attention to special performance core value in public sector organizations therefore seeks improvement of the recruitment, selection, payroll. It should be emphasized that changing traditional benchmarks and implementing the new values of NPM is a lengthy process, depending on how successful organizations of the public sector will be able to keep some of the core values of traditionalist model, namely: professionalism, impartiality, high ethical standards, absence of corruption and harmoniously integrate part of the core values of NPM.

Conclusions:

Customer Relationship Management is a holistic management approach, boosted by technology, with a broad focus on client designed in order to attract and retain consumers, the ultimate goal being to optimize the supporting organization's profitability. Management of the relations with citizens, CiRM, should be regarded as a particular approach to customer relationship management, an imperative of public organizations, characterized as a strategy, enabled by technology, with broad citizen focus, to maintain, optimize and strengthen relations of citizenship. While there are many arguments justifying the use of CiRM, based on experience from the private sector, it is very important for the public organizations to avoid a simple analogy with the private sector governed by other values such as profit and to conduct a detailed assessment of the concept and features. An undeniable advantage of strengthening the concept is bringing to the forefront new ways of thinking about public services and general government citizen relationship. On the other hand, the risk of failure is very high in the context of a knowledge gap and different approach of governmental staff regarding services offered and the importance of citizen perception as a consumer of public services.

Bibliography:

- [1].Almagir, M., Shamsuddoha, M., *Customer Relationship Management (CRM) Succes Factors: An exploratory Study*, Ecoforum ,Volume 4, Issue 1 (6)/ 2015,p. 54, <http://www.ecoforumjournal.ro/> , 2015
- [2].Bălan, C. (coord.), , *Marketing. Aspecte conceptuale și operaționale*, Editura ASE, București, 2004
- [3].Becker, J. U., Greve, G., Albers, S., *The impact of technological and organizational implementation of CRM on customer acquisition, maintenance, and retention.*, *International Journal of Research in Marketing* 26 (3): 207-215, 2009
- [4].Bogumil J. *Vom Untertan zum Kunden? Möglichkeiten und Grenzen von Kundenorientierung in der Kommunalverwaltung*, Berlin, 1997
- [5].Buttle, F., *Customer Relationship Management. Concepts and Tools*, Editura Butterworth Heinemann, 2006
- [6].Caluschi, C., *O noua frontieră - comunicarea directă*,–Ed Polirom, Iași 2006,
- [7].Chevallier, J. , *Le service public*, Presses Universitaires de France, Paris, 2005
- [8].Hoekstra, J.C., *Direct Marketing*, Ed. a IIa, Editura Wolters Noordhoff, Groningen, 2011
- [9].Laing, A.(2003). "*Marketing in the public sector: Towards a typology of public services*", *Marketing Theory*, 3, 4, 427-445, 2003
- [10].Payne, A., *Handbook of CRM. Achieving Excellence in Customer Management*, Editura ButterworthHeinneman, 2006
- [11].Regneală, M., *Vocabular de biblioteconomie și știința informării - vol.I-II, - Asociația Bibliotecarilor din Învățământ - România, București, 1995-1996*
- [12].Reinartz, W. J., Krafft, M, Hozer, W. D, *Measuring the customer relationship management construct and linking it to performance outcomes*. Working Paper Serier of the Teradata Center for Customer Relationship Management, Duke University,2006
- [13].Rocheleau, B. / WU, L., "*Public versus Private Information Systems - Do They Differ in Important Ways? A Review and Empirical Test*", *American Review of Public Administration*, 2002,
- [14].Stoica, D. , *Comunicarea publică. Relații publice*, Editura Universității A.I.Cuza, Iași, 2004
- [15].Warin, P., *La performance publique : attentes des usagers et réponses des ministères*, *Politiques et Management Public*, 17, nr 2.,1999