

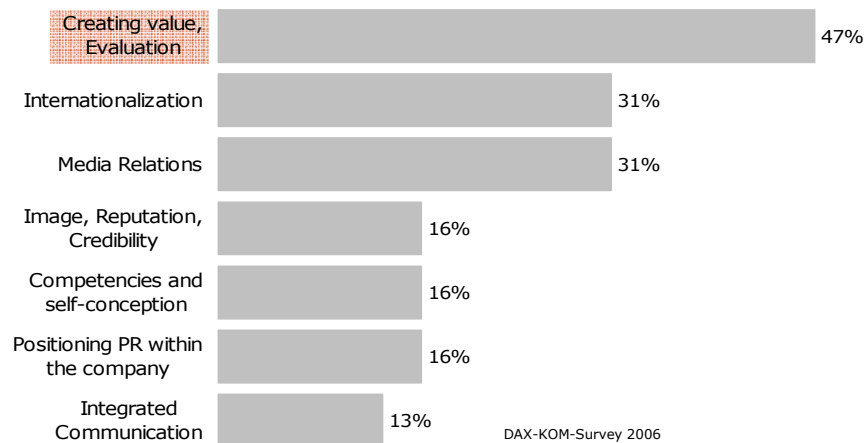
Corporate Communications revisited:

**Introducing an Advanced Theory of the Firm
and Value Based Management into
Public Relations Theory**

Ansgar Zerfass

56th Annual Conference of the International Communication
Association (ICA), Dresden, June 2006

**Creating economic value is the main challenge for
public relations practitioners in the future**



Source: Prof Dr Claudia Mast, University of Hohenheim,
in: Pressesprecher (2006), No. 4, p. 34

The theory of the firm as a starting point for theorizing about corporate communications

An advanced theory of the firm

Corporations are institutions acting in an environment that is defined both by

- legal rules (economic system) and cultural rules (social values)
- Those rules and structures are reproduced, but also modified and changed in everyday's business life (Anthony Giddens)

Value based management

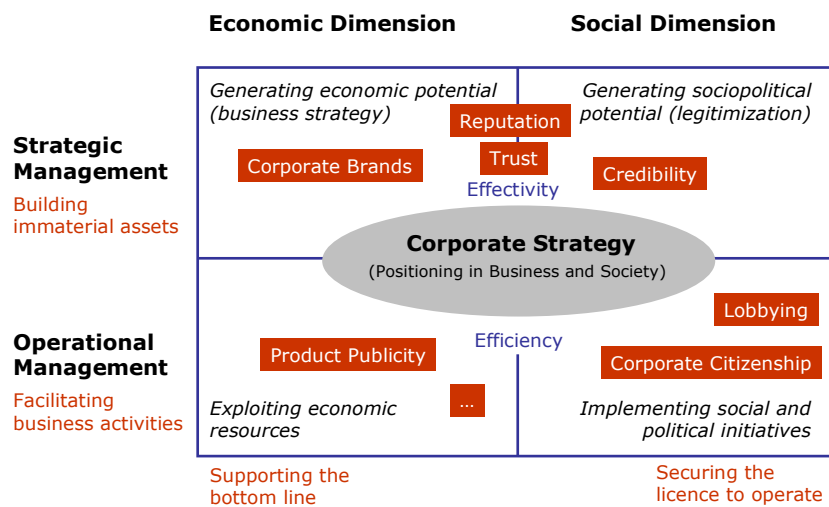
- develops strategies and coordinates business activities in order to maximize value for shareholders and stakeholders



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Cf. Ansgar Zerfass, Unternehmensführung und Öffentlichkeitsarbeit, 2nd edition, Wiesbaden 2004, pp. 241-269, pp. 394-406

Corporate strategy and communication



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How communication creates value

Communication

_ **facilitates business activities** that create economic value, e. g. by motivating employees, generating public attention, influencing preferences

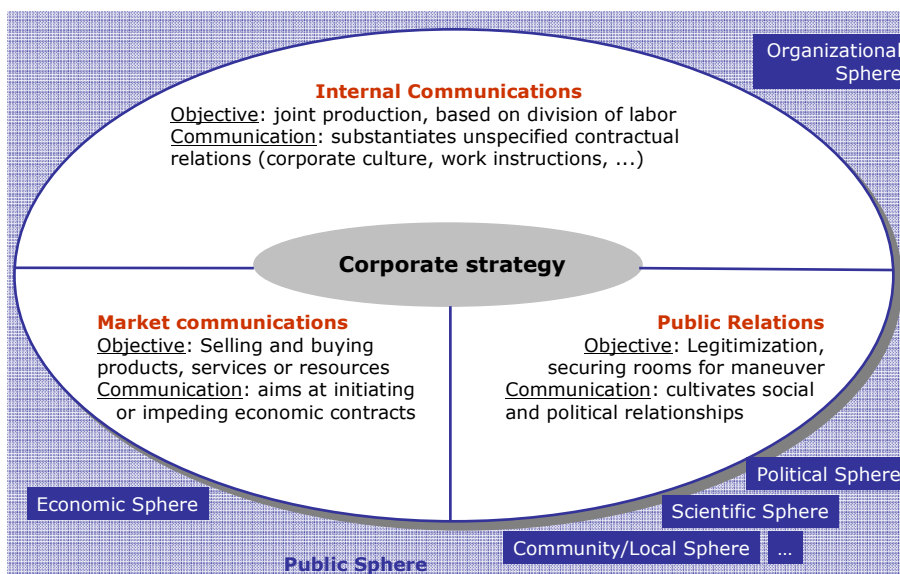
→ profit and loss account (short-term)

_ **builds up potentials and immaterial assets** as a basis for future success, e. g. by establishing corporate cultures, reputation, corporate brands

→ balance sheet (long-term)



Corporate Communications revisited



Fundamental propositions

Strategic Communication

- _ planning, implementing and evaluating measures that contribute both to the bottom line and to legitimization and corporate citizenship

Integrated Communication

- _ implementing campaigns and programs that orchestrate internal communications, market communications and public relations

Situational Communication

- _ using a broad set of approaches, channels, and tools according to the relevant spheres and publics



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Selected areas of research

Value Based Communication

- _ Developing a framework and new measures for Communication Controlling
- _ Corporate Communications Scorecard

Innovation Communication

- _ Combining new approaches in innovation management with communication theory
- _ INNOVATE 2004/2006 surveys and case studies: www.innovationcommunication.net

Corporate Communications in the Google World

- _ Exploring new technologies (Social Software, Web 2.0, Weblogs, Podcasts, Wikis) and communication cultures
- _ EUROBLOG 2006 survey and symposium: www.euroblog2006.org

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Ansgar Zerfass

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- Member of the management board at MFG Baden-Württemberg, a company working as a think tank and innovation agency for the state government in Stuttgart, Germany, and Honorary lecturer (Privatdozent) at the University of Erlangen-Nuremberg (until June 2006)
- Academic background: university degree and doctorate in business administration (Dipl.-Kfm., Dr. rer. pol.); postdoctoral lecture qualification (Dr. habil.) in communication science
- Professional experience: press officer, management consultant and political adviser for more than 10 years
- Publications: 13 books and more than 100 articles dealing with Corporate Communications, Theory of Public Relations, Interactive Communication, E-Content and E-Business. Several awards and honours, e. g. German Public Relations Award 2000, German Multimedia Award 2005, PR head of the year 2005
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