

## CORPORATE GOVERNANCE AS A COMMUNICATION POLICY IN TWO-WAY SYMMETRICAL PUBLIC RELATIONS MODEL

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### Abstract

When considered from a historical perspective, it is seen that the activities in public relations are formed parallel to socio-economic developments such as advance in communication technologies, institutionalization of democracy and globalization of competition. In the light of these developments and changes, the public relations applications are approached referring to four basic models which are produced by Grunig and Hunt and acknowledged widely. These models are The Press Agency / Publicity Model, The Public Information Model, The Two-Way Symmetrical Model and The Two-Way Asymmetrical Model. Public relations models have different features. The general purpose of public relations is to proceed communication between corporate and the target public based on trust, positive intent and tolerance. The Two-way symmetrical model coincides with corporate governance which emphasizes principals such as transparency, accountability, responsibility and equality in respect to application and principals. In this study, it is aimed to analyze the similar aspects of public relations and corporate governance with regard to principles and applications as a communication politics.

**Keywords:** Public Relations, Public Relations Models, Communication Politics, Corporate Governance.

**JEL Classification:** D83, G34, M37

## İKİ YÖNLÜ SİMETRİK HALKLA İLİŞKİLER MODELİNDE İLETİŞİM POLİTİKASI OLARAK KURUMSAL YÖNETİŞİM

### Özet

Tarihsel açıdan bakıldığında halkla ilişkiler faaliyetlerinin ve uygulama alanlarının iletişim teknolojilerindeki gelişmeler, demokrasinin kurumsallaşması ve rekabetin küreselleşmesi gibi sosyokültürel ve ekonomik gelişmelere koşut olarak biçimlendiği görülmektedir. Bu gelişmeler ve değişimler ışığında halkla ilişkiler uygulamaları, Grunig ve Hunt tarafından ortaya konan ve genel kabul gören dört temel model ekseninde ele alınmıştır. Bu modeller Basın Ajansı-Tanıtım Modeli, Kamuyu Bilgilendirme Modeli, İki Yönlü Simetrik Model ve İki Yönlü Asimetrik Model'dir. Halkla ilişkiler modelleri; farklı özelliklere sahiptir. Halkla ilişkilerin temel amacı, kurum ya da kuruluşun hedefkamuları ile arasında güven, iyi niyet ve hoşgörüyeye dayalı ilişkileri kurup geliştirmek için çeşitli iletişim faaliyetleri yürütmektir. İki yönlü simetrik model, bu anlamda kurumsal açıdan hedef kitleler nezdinde, şeffaflık, hesap verebilirlik, sorumluluk ve eşitlik gibi ilkeleri vurgulayan kurumsal yönetim ile uygulama ve esaslar bakımından örtüşmektedir. Bu çalışmada bir iletişim politikası olarak halkla ilişkiler ve kurumsal yönetimin, ilke ve uygulamalar bakımından benzer yönleri üzerine teorik bir analiz yapılmaya çalışılmıştır.

**Anahtar Kelimeler:** Halkla İlişkiler, Halkla İlişkiler Modelleri, İletişim Politikaları, Kurumsal Yönetişim.

**JEL Sınıflandırması:** D83, G34, M37

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## **INTRODUCTION**

Planned and systematic communication activities carried out in a mutual understanding, tolerance, trust and consent axis with the target audience of corporations or institutions are among the most competent approaches for the concept of contemporary public relations. The followed policy in public relations based on bilateral communication is one of the most distinctive features of this approach. This approach is now known as The Two-way Symmetrical Public Relations Model.

Public relations models can be considered as a reflection of the practice and understanding of public relations showing the historical sense of change and development. Social, economic, cultural and political developments had influence on the practice and understanding of public relations; in result, public relations models with different goals and practices have emerged. The Press Agency Model is the first created public relations model. The main objective of this model is to manipulate public opinion in the framework of a specific purpose.

Communication is unilateral and public relations unit is perceived as a newspaper or a publicity agency. The Public Information model which appeared in the later period was defined as The Craft Public Relations by Grunig and Hunt in reference to its similarity to the former model in terms of communication policy. The main purpose of this model is to try to influence the public by giving information about the organization's activities. According to Grunig and Hunt public relations models are mainly comprised of The Two-Way Asymmetrical and The Two-Way Symmetrical Models in professional sense. Both models qualify as professional approaches in public relations because the communication policy adopted in these models is bilateral. Although a bilateral flow of information exists between the institutions/ organizations and the target audience in the asymmetrical model, the information obtained from the audience is used in order to affect the audience. The Two-Way Symmetrical Public Relations Model contains bilateral communication, however; in the light of information obtained from the audience, the institutions/ organizations can go through some modifications by reviewing their activities. The Two-way Symmetrical Public Relations Model, by proposing a bilateral communication between the institution and the target audience, aims at reciprocal interaction and helps to ensure compliance in terms of mutual objectives and expectations.

The two-way symmetrical model reconciles this feature with corporate governance which supports mutual cooperation and coordination between manager and managed. The two-way symmetrical public relations approach and corporate governance suggest applications that support mutual understanding, tolerance and interaction between the institution and the target audience along with an emphasis on similar points in the determination and implementation of communication policies.

## **I.RESEARCH SIGNIFICANCE**

In public relations, different communication policies were applied periodically since the early 1900s when it was implemented in a professional manner. Public relations is a combination of activities for establishing positive relationships between the organizations and their target audiences based on bilateral, mutual tolerance, goodwill and understanding. However, some changes both in terms of communication policy and communication approach were noticed since the first years of application.

When taken into account in the communication policy axis, it would not be wrong to state that public relations practices tend to adopt bilateral communication, openness, accurate information and

common responsibility as basic principles. In this sense, the most competent public relations practices are discussed in the two-way symmetrical model. The Two-way Symmetrical Public Relations Model has similar aspects with corporate governance practices and approaches in the direction of the adopted communication policies.

In this study, it is aimed to attain different dimension and perspective to public relations practices by highlighting common and similar aspects of the two-way symmetrical model and corporate governance in terms of communication policies.

## **II. SUBJECT**

### **II.I. Historical Perspective Axis Models Of Public Relations**

It is possible to observe very earliest examples of various activities with such purposes as public information/formation, image-making, publicity and persuasion even before the term 'Public Relations'(PR) was firstly coined. Besides being recognized as a phenomenon of the 20th century, public relations, in the true sense, is known to have a history dating back to ancient times because of its power to be considered by the public administration in every age of time (Peltekoğlu, 1998: 56).

Thomas Jefferson, as the Third President of the United States, first used to term 'Public Relations' regarding US foreign relations in 1807. In 1882, Dorman Eaton first coined the term more closely to its contemporary meaning in his work entitled '*The Public Relations and Duties of the Legal Profession*' in reference to an organization's role of expressing the public interest (Peltekoğlu, 1998: 56-57). According to a definition, 'public relations' is a managerial-based art of persuasion in convincing the public to view specific attitudes or to follow a particular route of administration. Public relations comes into prominence with the implementation of creative activities, while benefiting from scientific techniques in strategic planning and measurement (Bıçakçı, 2003: 93-94).

Public relations is a communication management activity with various different definitions in accordance with different perspectives. The common results of the definitions made about public relations can be grouped under the following headings: Public relations is reciprocal. The related audience is given somethings and somethings are taken from it. The benefit hoped by the establishment in relations with the public is to gain the target audience's trust and interest. All efforts will be made to gain this trust and interest. If the assessment of trust and interest is made, it would reveal to what extent the impacts of studies are useful.

The more effective ways of working can be reached by removing errors and omissions in new methods and activities. The objectives of public relations are to influence the target audience and to forward to certain belief and action. In this context, there is a mutual and constant flow between the transmitter and the recipient audience. The aim is to impress, to persuade the target audience to be directed toward an action through the honest way (Tortop, 1998: 5-6).

Within the historical perspective, the main models would explain the transformation of public relations in terms of communication environment, civic, social, cultural and technological developments. These models are The Press Agency/Publicity Model, The Public Information Model, The Two-way Symmetrical Model and The Two-way Asymmetrical Model. Those four public relations models posed by Grunig and Hunt are redesigned by Grunig in terms of two continua: 'Craft Public Relations' and 'Professional Public Relations'. The Press Agency/Publicity and The Public Information Models form a continuum of Craft Public Relations, while The Two-ways Models make up a continuum of Professional Public Relations has called Two-Way Asymmetric and Symmetric as models are models. While heavily press-oriented activities are to be performed in public relation in terms of the craft public relations models, in terms of public relations; it is noted that the concept of public relations appeals to a more advanced and wider audience along with the professional public relations model. Although the professional public relations is rather understood as a strategic

communication, the craft public relations includes the objectives of communication techniques used in public relations activities (Okay and Okay, 2005: 84).

#### **a. Press Agency/Publicity Model**

The Press Agency/Publicity is the first of the public relations models posed by Grunig and Hunt and the main purpose of this model is to draw the target audience's attention by making presentation on any topic. The most important practitioner of this well-known model is P.T. Barnum. This model has had been effectively used since 1850 until the early 1900's. The Press Agency/Publicity model involves organized efforts which have taken place in the news media and been carried out for introduction of an idea, product, opinion, place or individual to the public. In other words, it is intended to occupy significant place in public opinion for a short period of time with the instrument of exaggerated sentimentality, show effects and cheap humor in association with promotional or subjective applications (Okay and Okay, 2005: 105-104).

Throughout the 19th century, every possible actions for the sake of gaining public opinion were utilized and the press agencies had become practitioners of the influence technique named manipulation used for political campaigns and demonstrations. Press agency representatives, without hesitating to spread partially fictitious news, tried to influence and attract public opinion with publicity (Peltekoğlu, 1998: 59-60).

#### **b. The Public Information Model**

From the 1900s to 1920, the public information model was extensively used until the emergence of the two-way asymmetrical model of public relations. The main objective of the model is transmission of information associated with the activities of the organization to the target audience the media. Representative of the model is Ivy Lee. "Businesses' mere interest in profitability regardless of health and social security issues as if they are seen to condone the loss of thousands of their workers' lives rather than taking measures for possible accidents resulted in the formation of a negative image about the business world" (Peltekoğlu, 1998: 61).

The need of new legislation for the business world and the harsh criticism from the press has rendered public relations mandatory to inform the public. The principles of Ivy Lee which became the essence of the public relations profession and the public information model can be summarized as follows (Grunig and Hunt, 1998: 63):

*"This is not a secret press bureau. All our work is done in the open. We aim to supply news. This is not an advertising agency; if you think any of our matter ought properly to go to your business office, do not use it. Our matter is accurate. Further details on any subject treated will be supplied promptly, and any editor will be assisted most cheerfully in verifying directly any statement of fact. ... In brief, our plan is, frankly and openly, on behalf of business concerns and public institutions, to supply to the press and public of the United States prompt and accurate information concerning subjects which it is of value and interest to the public to know about."*

According to the model of public information, it is impossible to ignore the public. The public should definitely be aware of the events in the community, the press relations should be conducted with great precision for it. Such relationships should also contribute to the development of the services supported by the services of a qualified understanding (Ertekin, 2000: 12).

The main features are as follows: Consideration of environmental compliance and cooperation for information distribution objective, existence of a unilateral but actual message flow from the source to the recipient, and the importance of performing research (Budak and Budak, 2004: 71-72).

### **c. The Two-Way Asymmetric Public Relations Model**

Persuasion of the public with the help of scientific data is the basic policy of the two-way asymmetrical model. The public relations departments of the organizations are considered as consultants in this model (Lindeborg) where a variety of research methods is used to generate persuasive messages (Okay and Okay, 2005: 121-122). The most important representative of this model is Edward Bernays. The two-way symmetrical public relations model, being based on reciprocal but unbalanced communication between the organization and the public, had been implemented since the 1920s. The basic philosophy of the model is that the public is to be convinced by being harmonized with the starting point of the organization. The asymmetrical model in public relations is “the efforts of the institutions or the organizations in order to realize whatever they want without changing their attitude or approach and without any compromise” (Geçikli, 2008: 30).

According to Bernays who is accepted as the most successful representatives of the Two-way Asymmetrical Model, public relations practitioners are obligated to provide the society with information on the organization by increasing the public interest in social, economical and political virtues; opinions and suggestions of the target audience should be transferred to senior administration. In this model, besides the scientific methods of persuasion, research studies carried out in favor of social science methodology and the principles and policies adopted by public institutions are also of great importance.

The main features of the two-way asymmetrical public relations model are as follows (Budak and Budak, 2004: 72-73):

- i. Pursuit of Scientific Persuasion Objective,
- ii. Consideration of Environmental Control as The Corporate Objective,
- iii. Establishment of a Bilateral Communication between The Source and The Recipient,
- iv. Formative Nature of the Performed Research,
- v. Emphasis on Behavioral Analyses.

The model is named “two-way”, because a bilateral flow of information exists between the organization and the target audience. The reason for the asymmetrical nature of this communication is the usage of data related to public obtained by the institution or the organization for affecting the public.

### **d. The Two-Way Symmetrical Public Relations Model**

It is not an easy task to determine the representative of the two-way symmetrical public relations model considering its broad application field and various number of practitioners (Peltekoğlu, 1998: 81-82). According to Grunig, however, supporters of the two-way symmetrical model are more likely to be consisted of theorists and educators. By implementation of this model, research results in public relations appear to be more important than ever before. Two-way symmetric model is based on the improvement of openness, tolerance and trust within the axis of mutual interaction between the organization's managers and their target audience. In this model, the institutions and the target audience have the opportunity to interact and distribution is balanced.

By courtesy of communication based on openness, tolerance, trust and kindness; both sides have the ability to make necessary changes for their attitude and behavior. This model differs from the previous ones due to the fact the interaction between the organization and the target audience would lead to a mutual harmonization process in which both sides intend to alter their attitudes and behaviors.

Despite the craft public relations concept aiming at providing information and publicity with a simple way of using mass media and other communication channels, the two-way symmetrical model is described as the practice of professional public relations with the purpose of utilizing effective

scientific knowledge. In this sense, public relations serves a strategic purpose on behalf of the organization (Davis, 2006: 128-129).

Institutions or organizations implementing the two-way symmetrical model utilize research and dialouge in order to manage the conflicts and to enhance mutual understanding with their target audience. In this model, both organizations and their target audiences may be obligated to alter their attitudes and behavior, and they may be persuaded on this issue (Grunig, 2005: 52).

**Table 1. Public Relations Models**

<b>Characteristics</b>	<b>Press Agency</b>	<b>Public Information</b>	<b>Two-Way Asymmetrical</b>	<b>Two-Way Symmetrical</b>
<b>Objectives</b>	Propaganda	Dispensing Information	Scientific Persuasion	Mutual Understanding
<b>Organizational Targets</b>	Public Opinion Manupulation	Gaining Public Support	Public Opinion Manupulation	Compatibility with The Public Opinion
<b>Role of Public Relations</b>	Consulting	Distribution of Information	Consulting	Mediator
<b>Communication Type</b>	Unilateral: Truth is Insignificant	Unilateral: Truth is Significant	Bilateral: Unbalanced effects	Bilateral: Balanced
<b>Communication Model</b>	Source to Recipient	Source to Recipient	Source to Recipient and Feedback	Intergroup and Feedback
<b>Research Type</b>	Invests Less Time in Research	Little; readability, readership	Attitude is evaluated before and after the research	Mutual understanding between the organization and the public is evaluated
<b>Prominent Followers</b>	P. T. Barnum	Ivy Lee	Edward Bernays	Bernays, Public Relations Trainers and Professionals
<b>Contemporary Fields of Application</b>	Sports, Theatrical Shows and Sales Improvement	Governments and especially Non-Profit Organizations, Firms	Competitive Environments and Agencies	Strictly Regulated Business Environments and Agencies

Source: (Theaker, 2006: p.27)

## **II.II. Communication Policy In Public Relations**

### **a. Politics as The System of Corporate Principles**

According to Daver stating that the originally Greek terms, namely, ‘policy’ and ‘politics’ are used in the similar sense, the term ‘policy’ mainly stands for “the affairs of Polis (the city-state) and Site” in Ancient Greece (Daver, 1993: 5).

The term ‘politics’ corresponding to “horse training”, however, can be defined as “management of the country, state and the people” in the most common common sense (Daver, 1993: 6).

Policy as an expression for the consideration of a government, company, institution, organization or individual in terms of its purpose and attitude also refers to the implementation of an

action plan in direction of an opinion, philosophy or objective. Policy is also an array of determined principles. It refers to a system of principles that guides the administrators to success in making decisions for putting their activities into practice.

In corporate point of view, policies are put forward in line with the desired goals and objectives to be achieved, and the tactics and strategies are developed to be compatible with them. By courtesy of policies, the institutions find the opportunity to act in a more systematic manner and can follow a course of action in all kinds of activities (Arklan and Akdağ, 2010: 3).

When considered in terms of public relations, organizations also attain their own policies to pursue in different areas of their activities. These policies are main determinants of organizational goal achievement and instrument preference. It is essential for an organization to set their priorities in various issues such as advertising, human resources, sales and communication; so that they would assume a planned, disciplined, and consistent stance.

## **b. Corporate Communication and Its Policies**

From a conceptual point of view, the term ‘communication’ is derived from the Latin word ‘communis’ which means “common, shared, and jointly owned”. The concept of communication used in all areas of daily life can be defined in different ways depending on the area of use. In its simplest form, communication can be defined as “the dispersion of news, information or culture among human communities” (Kaya, 1985: 1).

Basically all the people tend to communicate with each other in order to be together with other people, to understand them, to tell others about themselves. Beyond that, individuals afford themselves the opportunity to define and to interpret other personalities via communication (Williams, 1979: 282).

Within a social and cultural point of view, it is possible to describe communication as “proclamations of attitude, judgment, idea and sentiment realized in a society of which consisted individuals who share common life experiences and feelings in the presence of similar phenomenon, subjects and problems” (Oskay, 1982: 7).

A communication process, either with a complex structure performed by the mass media or with an unmediated way, requires three major elements even in the most basic level. These three key elements of the communication process are “the sender(source), the recipient(target), and the message itself” (Oskay, 1992: 16).

Also, freedom of action at the point of decision-making should not be constrained considering in terms of institutional view. Therefore, when making policies it is an important point that personal initiative right of the governed should not be overlooked (Bingöl, 1998: 47).

Otherwise, policies would tend to do more harm than benefit; in a sense, they would restrict managerial mobility. Therefore, the highest degree of precision should be attained while designing a corporate policy. In this context, the following are the main principles to be considered in the preparation of a coherent policy (Yalçın, 2002: 24-25):

- i. A policy should be clear and in an understandable manner,
- ii. A policy should be consistent,
- iii. A policy should be proportionate and sufficiently flexible,
- iv. A policy should acquire a complementary nature in terms of coordination,
- v. A policy should be prepared sufficiently comprehensive.

### **c. Public Relations as Corporate Communication Policy**

The creation of public relations policy, in terms of organizational point of view, necessitates the evaluation of several issues by institutions or organizations. Those issues would be summarized as follows (Akyürek *et al.*, 2005: 83):

- i. What would the sensitive audience of the institution think? How good is the institution's reputation? What are their expectations of the institution and what would they be?
- ii. What is the place of the institution in economic life? What would it be in the future? How can one contribute to the specified activities under the public relations policy?
- iii. How can one be better off in comparison with the competitors?
- iv. What are the expectations of the organization's target audience? How well is the communication between the organization and its target groups? What can they do about these issues of public relations?

The basic functions of public relations within corporate structure which can be classified under different groups are as follows (Bıçakçı, 2003: 96-97):

- i. Programming (the analysis of problems and opportunities, the proposal and planning of the activities),
- ii. Relationship Management (establishing and maintaining relationships with the public),
- iii. Publishing and Broadcasting (preparing reports, booklets, product catalogues, press releases, etc.),
- iv. Announcement (developing relations based on mutual respect and cooperation with the media to ensure corporate communications),
- v. Creating Communication Products (various publications, film and multimedia programs),
- vi. Organizing Special Activities (press conferences, exhibitions, special shows and anniversary celebrations),
- vii. Human to Human Communication (usage of face to face communication skills),
- viii. Research and Evaluation (Evaluation of program planning and implementation of the event).

## **III. FINDINGS AND DISCUSSIONS**

### **III.I. Governance**

It is apparent that the concept of governance had been first used in the Northern Europe before it spreaded all over the world. Origins of this concept dated back to the 16th century, and it is believed to flourish in the 17th century along with the efforts to ensure a compromise between government and civil society in France (Yüksel, 2000: 147).

The concept of governance has been observed to be improved worldwide accompanied by the democratization phenomenon which emerged in Latin America in the 1980s and spreaded to Africa in the 1990s. Neoliberal theorists during this period adopted a more constructive and more political approach, then began to focus on governance as a model and concept (Yüksel, 2000: 153).

Governance can be interpreted as a process which coordinates different structures consisted of somewhat interconnected actors either with or without common interests (Cope *et al.*, 1997: 447).



Because, governance has come to the fore as a guidance or supervision tool stemming from the interaction among the economic, social and cultural actors in society. Therefore, governance is a process arising from the interaction of different actors (Tekeli, 1996: 52-53).

When a historical comparison between governance and management, is made, it would be possible to assert that governance has caused highly drastic changes in management philosophy of the 21st century. With all these changes; centralism, unitary, rigid bureaucracy, and hierarchy are replaced with subsidiarity, federalism, participation, and accountability, respectively (Özer, 2015: 5).

### **III.II. Corporate Governance**

Corporate governance describes, in general, the fulfillment of all managerial activities by a team. Corporate governance is also seen as a management technique that tries to figure out by whom the elements of the organizational structure such as strategy, mission, vision, culture and leadership style would be determined and regulated (İşcan and Naktiyok, 2005: 127).

The process of 'Corporate Governance' prioritizes certain issues such as, of whom the board is consisted, how they make decisions, when and which information to be declared, with which stakeholders (government, public, employees, shareholders, financial institutions, etc.) to be interacted (Baraz, 2004: 764).

### **III.III. Communication Policies in Public Relations**

Considering in terms of historical development, the current practice of public relations is considered as a two-way symmetrical model. Governance, on the other hand, aims to achieve an interaction of mutual understanding and tolerance by including different segments of society to the process in a managerial sense. A parallelism is detected between the principles/objectives of governance and the two-way symmetrical public relations in corporate sense. Corporate governance principles and policies are transparency, accountability, responsibility and equality. Those principles and policies are also utilized by the organizations and their target audience within the two-way symmetrical public relations understanding. The basic principles and policies of the two-way symmetrical public relations model also includes openness, bilateral communication, providing accurate information, plausibility and common responsibility (Sabuncuoğlu, 1998: 87-98).

#### **a. Establishing Bilateral Communication**

While presenting the necessary and sufficient information to the public consistent with a public relations campaign, public expectations of the institution should be well understood. It is necessary for the public and the organization to recognize each other via establishment of profound communication channels between both sides to provide interactivity.

#### **b. Providing Accurate Information**

Honesty is the essential principle in public relations. Public relations practitioners should believe in the integrity and the benefit of their activities more than anyone else. Facts are obliged to be shared clearly with the public. The way how the hidden facts would submerge matters more than even if they would submerge at all. When they do, public trust may be lost. Therefore, doing nothing to hide, so that acquiring the characteristic of 'Glass House' in the nature of the institution is one of the basic principles of public relations. Ivy Lee emphasized the importance of accurate information and honest implementation in public relations activities by saying that "the best way to build public relations is to qualify for it".

**c. Plausibility**

Plausibility, in application and transmission of messages to the public, is one of the fundamental principles of public relations. In public relations, prepared messages should be clear, understandable, realistic and accurate. Even the words used in the message must be carefully selected.

**d. Common Responsibility**

Public relations activities are not required to be performed merely by a public relations department or a specialist. In this sense, responsibility in public relations would be devolved on each units of the institution. All of the company's employees should feel responsible in public relations.

**e. Openness**

Information about the institution such as corporate objectives, organizational structure, financial and economic situation, market structure, products and social debates should be shared with the target audience without any hesitation, distortion or obstruction. This behavior would increase the trust and support towards the institution.

**III.IV. Principles and Policies of Corporate Governance**

Increase in market share and market value of the the organizations which adopted the principles of corporate governance has resulted in the increase in the interest and importance of corporate governance. The accepted principles in terms of corporate governance understanding are transparency, accountability, responsibility and equality. Brief explanations of these principles are as follows:

**a. Transparency**

It refers to sharing of corporate information, the commercial secrets being excluded, completely with the public in a timely, clear and accurate fashion.

**b. Accountability**

An institution's board of directors is first accountable to the stakeholders.

**c. Responsibility**

It is the process of monitoring compliance of the activities that have been carried out on the institution's behalf with legislations, statutes and internal regulations.

**d. Equality**

It refers to fairness of the Board of Directors towards all shareholders and stakeholders in all activities of the institution. Those targets to be reached in accordance with these principles are as follows:

**i.** Determining the mutual rights and responsibilities of all stakeholders,

**ii.** Ensuring transparency in the management,

**iii.** Increasing the trust for the management,

**iv.** Achieving steady growth and high profitability by increasing performance of the institution (Tanrıverdi, 2006: 7).

The corporate governance objectives can be summarized as follows (Aktan, 2014: 7-8):

**i.** Prevention of arbitrary use of power and authority owned by the top management of the institution,

- ii. Protection of the rights of investors,
- iii. Provision of fair and equitable treatment towards the shareholders,
- iv. Protection and safeguarding of the rights of stakeholders who are directly connected with the institution,
- v. Ensuring transparency and public disclosure regarding the institution's operational and financial condition,
- vi. Clear definition of the responsibilities of the board of directors,
- vii. Ensuring the accountability of the institution's top management towards the shareholders and stakeholders regarding their actions,
- viii. Minimization of agency costs,
- ix. Prevention of the big shareholders from seizing the minority shares,
- x. Reduction of capital costs for the long-term corporate investors and ensuring trust,
- xi. Controlling the conflict of interest between the risk-taking investors and the decision-making professionals.

## **CONCLUSIONS**

It is possible to attribute the history of public relations practices to very ancient times. However, a professionally planned public relations which is carried out in the framework of a consistent process dates back only the beginning of the last century. Four public relations models developed by Grunig and Hunt cover the approach which summarizes the history of public relation in the most competent manner. The first two of those models are called as the craft public relations. The fundamental objective of the Press Agency / Publicity model is to improve the environmental control and domination of the organization and to make its propaganda presentations. While there is a unilateral communication (from source to recipient) in this model pioneered by P. T. Barnum, research studies are seen as negligible in the preparation of messages.

The second model within the context of craft public relations model is called the Public Information Model and is pioneered by Ivy Lee. The essential objective of this model is to ensure environmental adaptation and cooperation by transmitting the fact about the institution to public without distortion. This model is known to be efficient in terms of governments and non-profit organizations. Public relations models which benefit from bilateral communication in order to provide environmental control and adaptation are referred as the professional public relations. The first one of these models is called The Two-way Asymmetrical Model which characterized as bilateral, supportive, but unbalanced in order to ensure scientific persuasion and environmental control.

The main reason for having an unbalanced communication policy in this model is the usage of feedbacks obtained from the audience to influence the target audience more successfully rather than creating change in the organization or institution. The Two-way Symmetrical Model is the second one of the professional public relations models, including the latest applications.

The main objective of this model, which based on a bilateral and balanced communication policy, is the promotion of mutual understanding and adaptation between institutions or organizations their target audience. These preferences and principles are the communication policies of public relations. The two-way symmetrical model, being the latest and the most widely accepted public relations model, is based on mutual understanding and tolerance in order to provide environmental compatibility and positive interaction.

In this model, communication is bilateral; messages are prepared based on research studies carried out in a certain planning program; feedbacks obtained from the target audience are effective in deciding whether or not to change the organization's public relations policy. Governance perceives the target audience as partners rather than a community that should be guided in the light of the institution's policies such as transparency, accountability, responsibility and equality. Corporate governance also benefits from communication policies of public relation by adopting a management approach with harmony and cooperation in direction of similar purposes and principles. Communication policies adopted by the two-way symmetrical public relations model are establishment of bilateral communication, provision of accurate information, plausibility, common responsibility and openness.

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