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# Ch 2

## Business And Public Issues



# From this chapter study will make you aware

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- ▶ 1. Is strategic management based on macroeconomic environmental analysis?
- ▶ 2. How do expectations of those involved with the organization affect the organization and management?
- ▶ 3. What is the life cycle of public problems?
- ▶ 4. How does the organization have a mission and aim for public work?
- ▶ 5. What are the strategies that organizations use to manage public issues?
- ▶ 6. What are the activities used regarding management systems?

The internet is part of an important strategy. Is both a promotional tool and a tool to meet social issues At present, business organizations use the internet to communicate with customers. Various social issues which are of public interest can be distributed quickly via the internet

▶ 1 Why is public issues important

No organization can ignore the needs of those involved. Because it will affect the operation of the business organization in the long run. The first is those involved with the business organization Whether the business owner, the employee or the owner of the production factor 2 Ignoring those involved Considered as a risk



Macroeconomic environment (Macro environment) is a society in which all organizations coexist. And including all environments outside the business

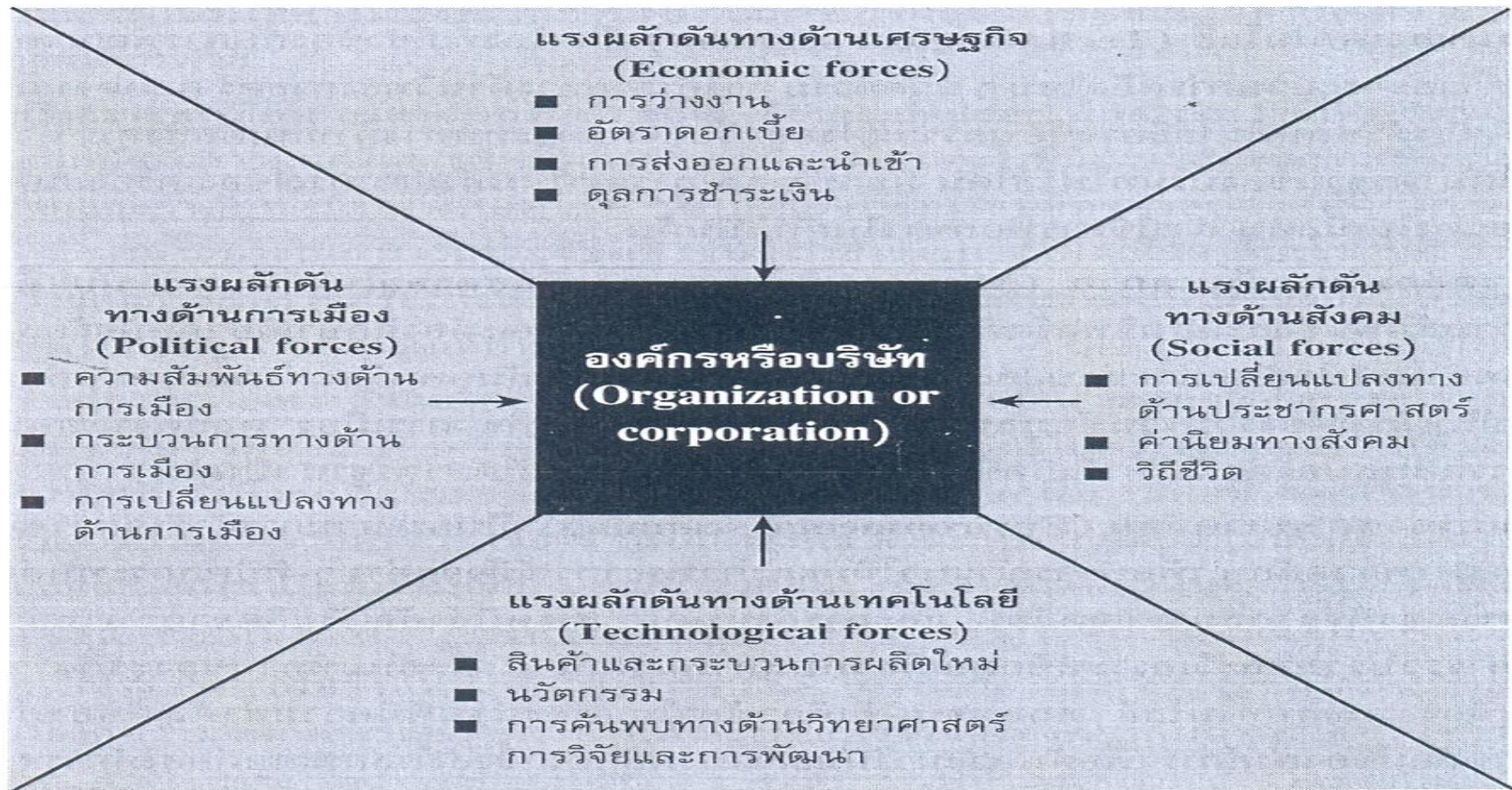
The macro-business environment (The macro environment business) consists of a lot of data. Including facts, trends, issues, as well as concepts In which each part shows information of things that are focused and important to all businesses

The macro level environment of a business consists of 4 important parts: (1) Social (2) Economic (3) Political (4)

Technological Follow 2.1

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รูปที่ 2.1

(The Macro Environment of business)

▶ 2. Moderation of the environment (Environmental scanning) is a process to explore the external environment and obstacles from the environment. To consider trends and forecasting various factors Affecting the organization by analyzing business opportunities from the environment and determining the major obstacles arising from the environment to find trends and the driving force which affects the organization

1. Trend analysis (Trend analysis) is a data analysis of relevant things. To predict future events error trend analysis may cause negative results for financial planning which may cause damage to the organization



- ▶ 2. Problem analysis (Issues analysis) is an assessment of the various things that the organization has. Or things that may affect the organization Which must mainly consider social issues
- ▶ 3. Analyzing business-related people (Stakeholder analysis) is a focus on people. Group of people and organizations Which is an external factor By trying to understand what is first and foremost in relation to business organizations

The emergence of public problems (Emergence of public issues) Business organizations must establish good relationships with those involved. When public problems occur.

The gap between expectations and reality (The performance-expectations gap) is a gap that arises due to the difference between the true operation of the organization and the expectations of those involve



การดำเนินการขององค์กร  
(Corporate  
performance)

การคาดหวังของผู้ที่เกี่ยวข้อง  
กับองค์กรธุรกิจ  
(Stakeholder expectations)



ช่องว่างกว้างขนาดไหน?  
(How wide is the gap?)

- การดำเนินการที่แท้จริง
- ผล (Outcomes)
- ผลลัพธ์ (Results)
- ผลกระทบอื่นๆ

- การคาดหวังให้บริษัทดำเนินการ
- สิ่งที่ผู้ที่เกี่ยวข้องต้องการ
- ความพึงพอใจ
- ความไม่พอใจหรือความโกรธ

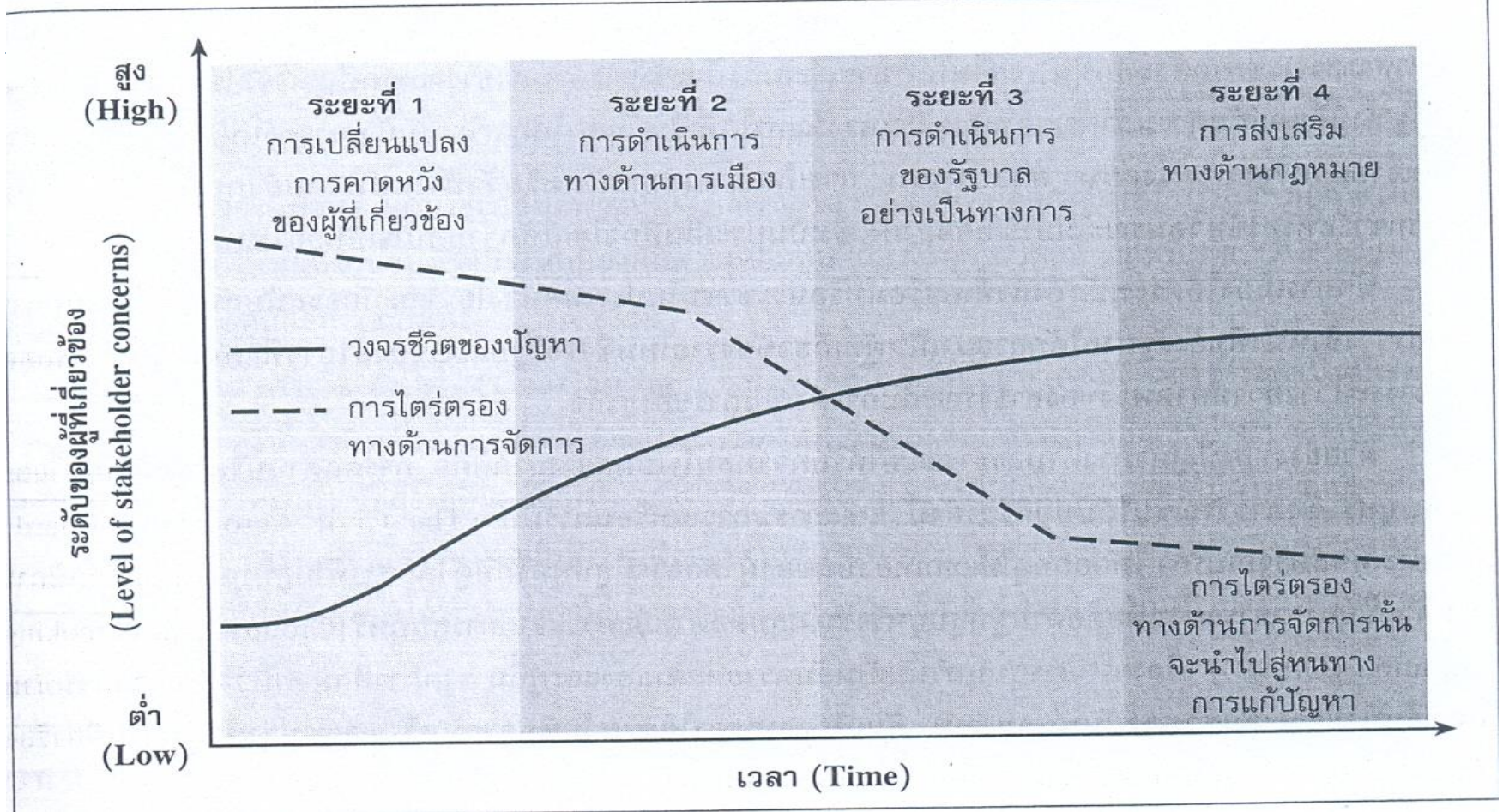
รูปที่ 2.2 (The performance-expectations gap)

### ▶ 3. Life cycle about public issues

Public problems arise when there is a gap between the expectations of those involved in a particular institution and the operation of a business or government representative. As well as non-profit organizations

From Figure 2.3, it can be seen that the life cycle of public problems consists of 4 phases, namely (1) Changes in expectations of those involved (2) Political operations (3) Official government action (4) Legal Promotion . Which management should take action to resolve the problem from the early warning signs before that problem reaches a critical point which is detailed as follows





รูปที่ 2.3 (The public issue life cycle)

▶ Phase 1 Changes to expectations of those involved

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(Changing stakeholder expectations) Public problems will arise when the expectations of those involved do not meet their needs. Beginning with a small point and gradually expanding

Industrial problems, some industries have legal gaps, for example, Philip Maurice feels is not fair to the government. As it is the protection of non-smokers alone. In fact, both smokers and non-smokers should receive equal rights and protection

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Phase 2 Political Operations (Political action) Government needs to be involved as public problems expand

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Phase 3 Official Government Action (Formal government action ) When many public are involved in conflict problems The government needs to take formal action to resolve that problem. By legislation or enforcement rules

Phase 4 Legal Promotion (Legal implementation ) Finally, the government will enact legislation to resolve, limit, and control public problems that arise. If the relevant parties comply with the law well That problem will be alleviated. But if the person involved ignores or neglecting the problem will occur again make create new spaces

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#### ▶ 4. Roles and duties for public work

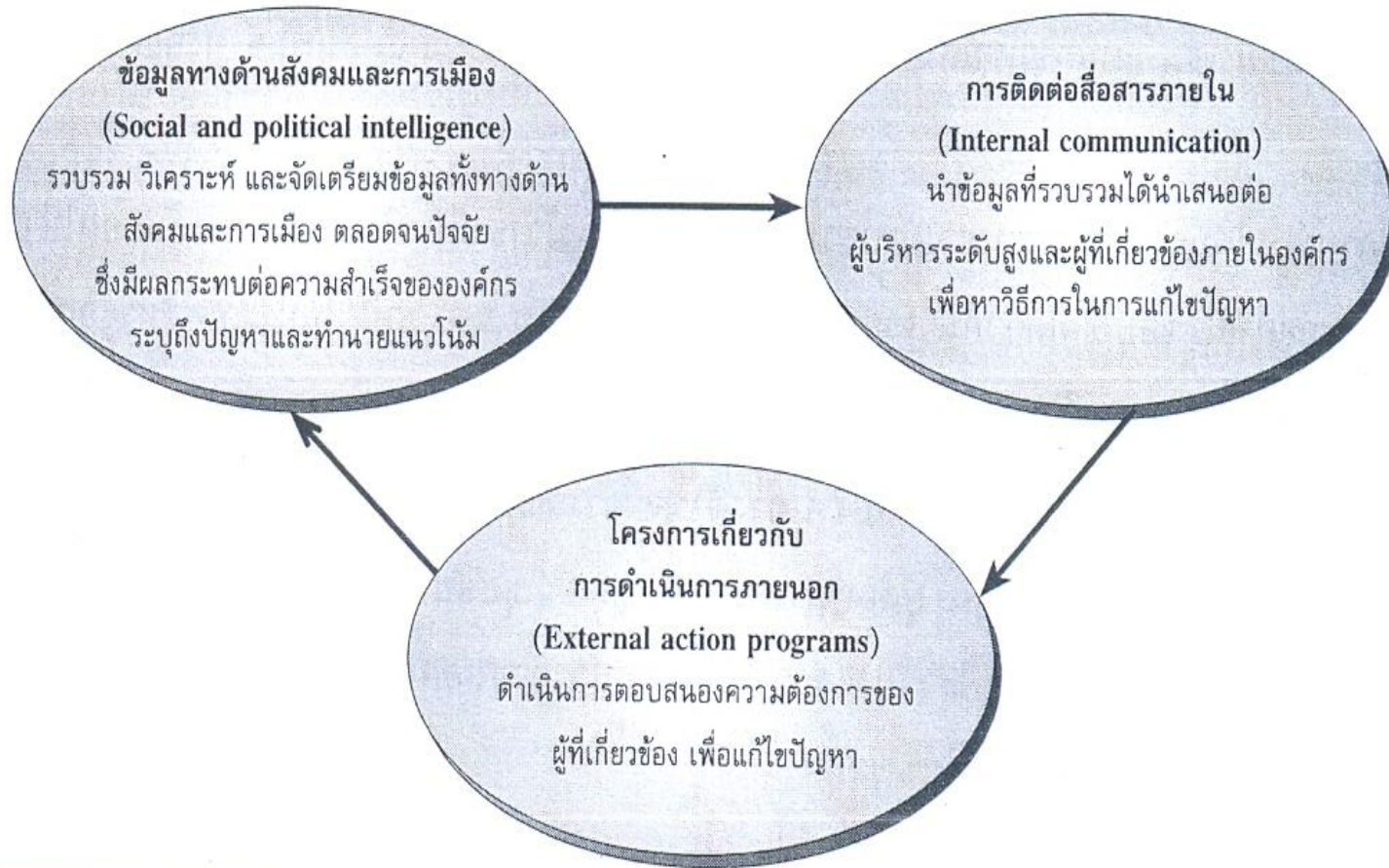
Public work management (Public affairs management ) means management of external relations. Especially the relationships about those involved outside, for example, government, representatives, regulators, as well as communities, which are sometimes referred to as external work (External affairs) or work on relationship organizations (Corporate relations)



## ตารางที่ 2.1 (Corporate public affairs activities of 250 companies)

กิจกรรมงานทางด้านสาธารณะของบริษัท	
<ul style="list-style-type: none"> <li>❑ ความสัมพันธ์กับรัฐบาลกลาง [Federal government relations (87%)]</li> <li>❑ ความสัมพันธ์กับรัฐบาลในมลรัฐ [State government relations (83%)]</li> <li>❑ ความสัมพันธ์กับชุมชน [Community relations (61%)]</li> <li>❑ ความสัมพันธ์กับองค์การการค้า [Trade association relations (84%)]</li> <li>❑ ความสัมพันธ์ของรัฐบาลท้องถิ่น [Local government relations (79%)]</li> <li>❑ การช่วยเหลือขององค์กร [Corporate contributions (73%)]</li> <li>❑ การจัดการสำหรับมวลชนในท้องถิ่น [Grassroots management (81%)]</li> <li>❑ การจัดการเกี่ยวกับปัญหาต่างๆ [Issues management (83%)]</li> <li>❑ คณะกรรมการจัดการการดำเนินการปฏิบัติการทางการเมือง [Political action committee (75%)]</li> <li>❑ ความสัมพันธ์ของกลุ่มที่มีความสนใจเกี่ยวกับงานสาธารณะ [Public interest group relations (58%)]</li> </ul>	<ul style="list-style-type: none"> <li>❑ งานทางด้านกฎระเบียบต่างๆ [Regulatory affairs (55%)]</li> <li>❑ งานประชาสัมพันธ์ [Public relations (54%)]</li> <li>❑ ความสัมพันธ์กับสื่อ [Media relations (54%)]</li> <li>❑ การติดต่อสื่อสารกับพนักงาน [Employee communications (49%)]</li> <li>❑ ความสัมพันธ์ทางการศึกษา [Educational relations (35%)]</li> <li>❑ โครงการอาสาสมัคร [Volunteer programs (40%)]</li> <li>❑ การโฆษณา [Advertising (28%)]</li> <li>❑ งานด้านสาธารณะระหว่างประเทศ [International public affairs (43%)]</li> <li>❑ งานเกี่ยวกับสิ่งแวดล้อม [Environmental affairs (22%)]</li> <li>❑ ความสัมพันธ์กับผู้ถือหุ้น [Stockholder relations (18%)]</li> <li>❑ ความสัมพันธ์กับสถาบันผู้ลงทุน [Institutional investor relations (13%)]</li> <li>❑ งานที่เกี่ยวข้องกับผู้บริโภค [Consumer affairs (13%)]</li> </ul>

Public work will be responsible for (1) Social and political information (2) Internal communication (3) Project on External operations Details as follows



รูปที่ 2.4 แสดงหน้าที่ความรับผิดชอบของการจัดการงานทางด้านสาธารณะ

1. Social and political information (Social and political intelligence ) public work will be responsible for collection . As well as analysis and preparation of both social and political information As well as factors that affect the achievement of goals, strategies and objectives

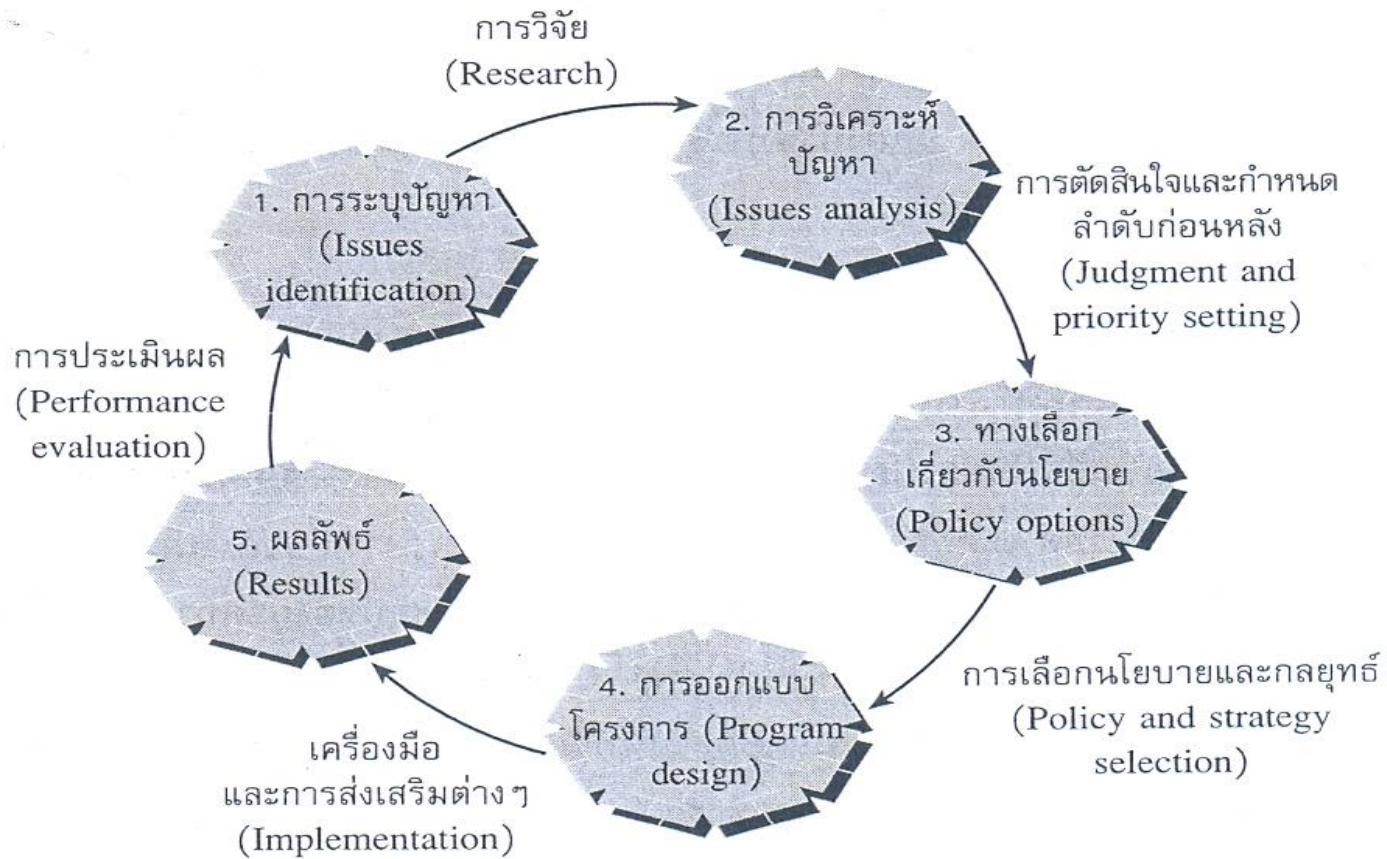
2. Internal communication (Internal communication ) The data collected will be presented to senior management (CEOs) as well as senior management (Senior effective) and those involved in the department. various

## ► 5. Problem management

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Problem management (Issues management) is a systematic management process. In order to prepare effective response to public problems by having the least negative impact or resulting in the most positive results for the interests of the organization In which the problem management process has 5 The procedure consists of (1) problem identification (2) problem analysis (3) policy options (4) project design (5) Results. As in Figure 2.5





รูปที่ 2.5 (The issues management process)

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1. Problem identification (Issues identification) is finding information from sources such as newspapers, radio, television, internet, expert opinions. As well as public interest To identify public problems

2. Problem analysis (Issues analysis) after the problem has been identified, problems must be analyzed. To answer two important fundamental problems: (1) Impact of problems (2) Probability that public problems are related to the steps in the range the latter of the life cycle

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3. Policy options (Policy options) The impact and probability of what will happen will tell management about the complexity of the problem to the organization

4. Project design (Program design) . Once the policy has been selected, appropriate project design is required. And proceed with the project laid down

5. Evaluation of results (Evaluation of results ) . Once the project has been  
▶ implemented, the company needs to study

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▶ 6. Management of problems

Public problem management is the responsibility of the business organization. The organization will have a management team about the problem. Which has a shared responsibility to find solutions

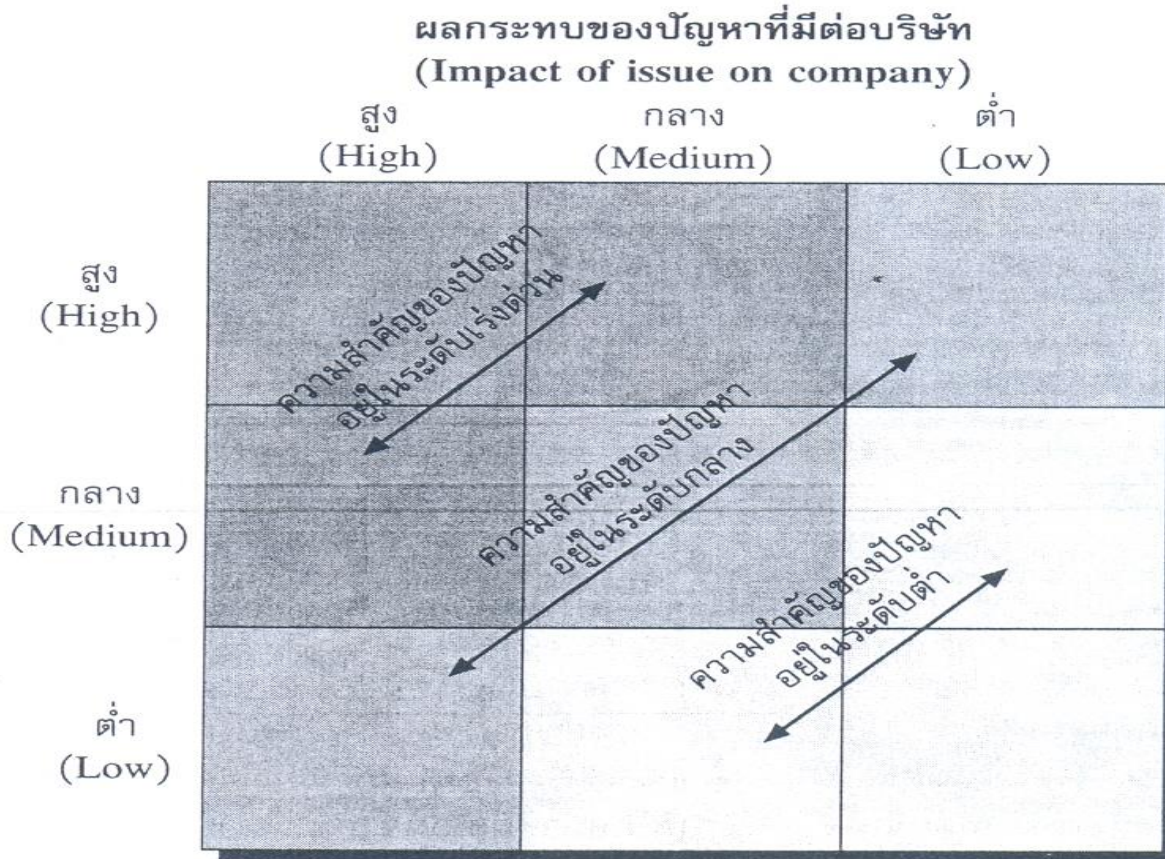
Management of multiple problems (Managing multiple issues) must be considered as the most important or most impactful to the organization. By using the table showing the sequence before the back of the problem

Crisis management (Managing crisis ) is a process that

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▶ companies use to respond to short-term severe shocks. Or

ความน่าจะเป็นของปัญหาที่จะมีการพัฒนาต่อไป  
(Probability of issue's continued development)



รูปที่ (The issues priority matrix)

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▶ 7. Defining strategies for public problems

Strategic management methods regarding external relationships. 3 methods consisting of (1) Crisis management (Crisis management ) using response methods as an important strategy in Action (2) Problem Management (Issues management ) for problems that are important to the organization Executives will also need to take time to determine how to implement. (3) Strategic Planning ( Strategic planning) is a focus on medium and long-term plans. Executives will take the time to collect data efficiently. And have established relationships

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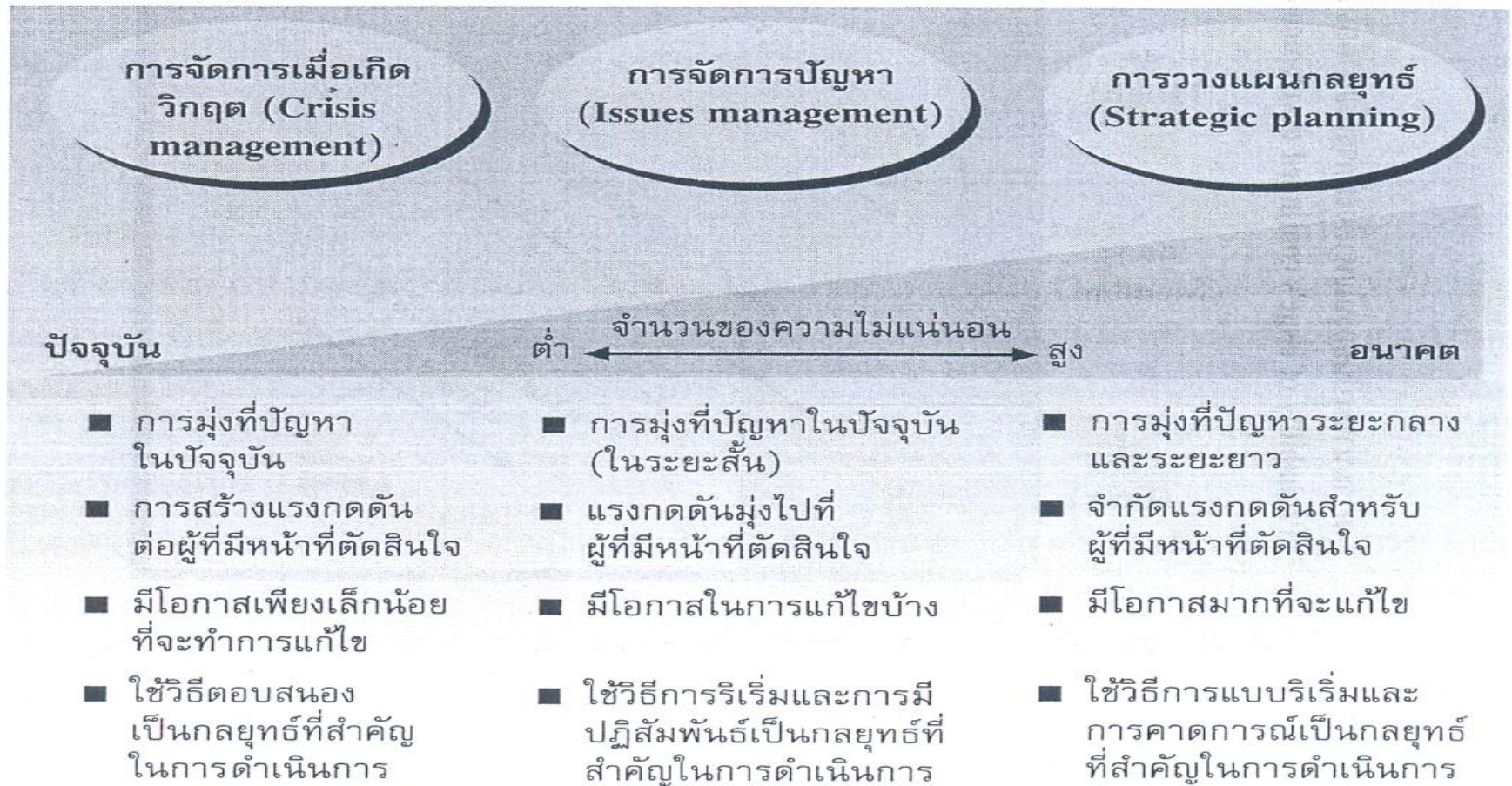
▶ Effective public solutions, organizations and executives must prepare for important problems in each situation. Which has recommendations to help prepare the situation for the following things

1 Executives must be aware of those involved with business organizations and have knowledge about the right to participate in decisions. Which affects them

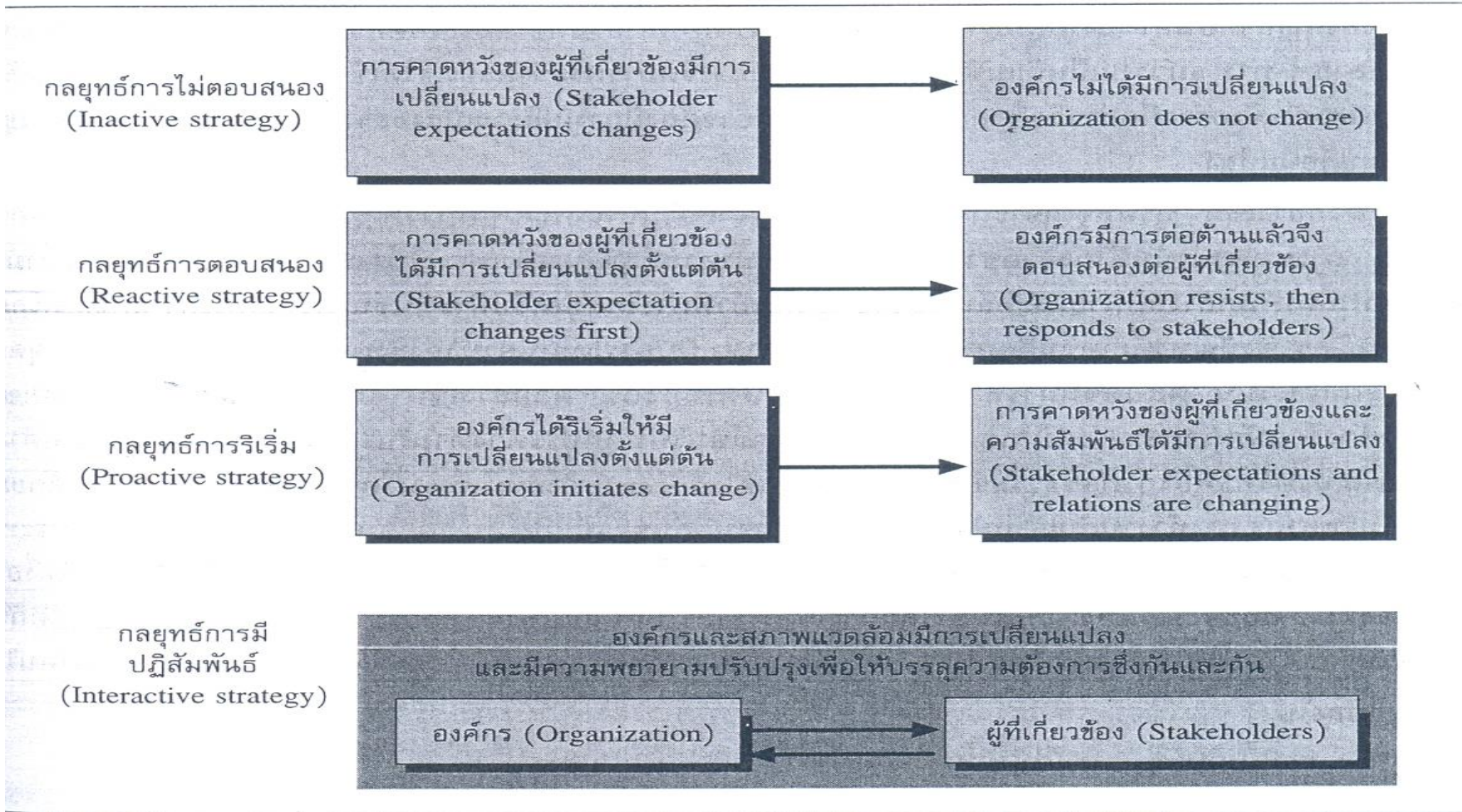
2. The organization must have initiatives regarding planning

3. The organization must deal with the problem carefully and carefully





รูปที่ 2.7 (Strategic management approach to managing to external relations)



รูปที่ 2.8

(Four basic strategies of response to stakeholder issues)

▶ From the picture shows the 4 basic strategies that business organizations use to respond to the problems of those involved as follows

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1. The non-response strategy (Inactive strategy) is that the organization still adheres to its own plans

2. The response strategy (Reactive strategy) is the change in organization when forced to act by external pressure

3. The initiative strategy (Proactive strategy) is an attempt by the organization to change those involved in the direction the organization wants

4. Interaction Strategies (Interactive strategic) is an organization and environment change and efforts are made to improve. To

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▶ achieve mutual needs

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**The End**

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