

OUTSOURCING PR SERVICES AND OUTLINING A PROFILE OF PR PRACTITIONERS: COMPANIES AND PR AGENCIES IN CLUJ-NAPOCA

Paul-Alexandru FĂRCAȘ

Abstract

In order to meet specific public relations activities, companies can choose between three options: create their own structure of public relations, collaborating with an external service provider or preparing a PR executive. In this context, the research aims to analyze the feasibility of the outsourcing process for the local companies and outlining a profile for the PR practitioner. After analyzing the interviews it can be said that both PR specialists within companies and agencies, they know the key reasons for outsourcing and the benefits of this process, but there is a tendency to internalize public relations activities. Between the two PR specialists there are similarities and differences at specific tasks and skills level. Most of the companies are small and medium size, they belong to the „services”, „trade and tourism” domain of activity and they rarely outsource PR activities.

Keywords: public relations, PR practitioner, PR agency, the outsourcing process, outsourcing PR.

Paul-Alexandru FĂRCAȘ

Babeș-Bolyai University, Faculty of Political,
Administrative and Communication Sciences,
Department for Communication and PR,
Cluj-Napoca, Romania
Email: farcasp@yahoo.com

Introduction

Located in an extremely competitive environment, the organizations begin to pay increasingly higher attention to public relations in order to create and maintain an image as good as possible. This necessity of public relations needs no debate. The diversity of situations and current issues determines the operators to engage in public relations activities regardless of the size and scope of activity. Considering the global economic recession and the fact that Romanian society is facing problems of transparency, we could say there is an urgent need for communication

specialists to effectively advise the socio-economic actors in the scene. In order to meet specific public relations activities, companies can choose between three options: creating an own public relations structure (as service/ office/ PR department), collaborating with an external PR services provider (independent consultant or PR & Advertising agency) or preparing an executive director (e.g. marketing or human resources director) to perform specific public relations tasks.

This paper starts with a debate about the public relations activities within a company or contracting an external service provider using the outsourcing process of the PR services. Given the fact that in the United States over 55% of media content is provided by public relations firms, this research aims the feasibility of the locally outsourcing process of the PR services.

Outsourcing refers to entrust certain activities to an external supplier. This can involve a whole custody process including manufacturing of certain goods or transferring an important business function to an external provider. Outsourcing has become a common practice for companies in all economic sectors and is commonly used when the competitive advantage can not be maintained. In this situation, any function or service performed internally by their own employees is transferred to an external provider. The process applies both to secondary activities (e.g. cleaning, security) and to certain services used by itself, called business services. In this case we refer in particular to information technology services (IT), but also to consulting services, research and development, human resources, advertising, public relations, etc. The reasons behind outsourcing are numerous: access to resources and knowledge, reduced cost, focusing on core competencies, improvement of the IT processes and more. The main motivating factor for many operators remained cost reduction. However, outsourcing begins to evolve from financially motivated initiatives to a higher stage where initiatives are based on strategic motivation. Outsourcing is a complex process that in addition to benefits present certain risks: loss of control of certain activities, inappropriate selection of a supplier, increasing certain costs, loss of some capacities.

Outsourcing PR services is a must for companies who can not afford a service / department specialized in communication and public relations or face certain situations that cannot be managed within the corporate PR officers. This specific type of outsourcing involves contracting a specialized provider of PR services which may be a PR agency or a full service Advertising agency offering PR services as well. Depending on the specific needs and internal resources companies can outsource activities such as event planning, media monitoring, corporate and brand communication, crisis management. Outsourcing decision process for PR services is a developed one and takes into consideration a number of factors in selecting an agency: quality and price of services, recommendations coming from business partners, customers' portfolio, the way the agency manages the relationship with the client.

This paper treats the concept of outsourcing in general and outsourcing of public relations specifically. From a practical point of view this research aims to highlight

the way the PR services are perceived and used by the economic operators in the city of Cluj-Napoca and their perceptions regarding the outsourcing of PR services. In this context, the research work has as its starting point two general questions:

- To what extent can we talk about using the outsourcing process of the Pr services in the course of the local economic operators?
- What is the profile of PR practitioners in companies and agencies?

Therefore the research has two major directions. On the one hand, the analysis of the outsourcing process and its specific elements: reasons, benefits, risks, the outsourcing decision, choosing a supplier. On the other hand, the research seeks to outline a profile of the PR practitioners based on specific tasks and skills.

Based on general questions raised above, this paper calls for four sets of more specific research questions. These sets of questions refer to the perception of PR officers within local companies on public relations activities, the existence of a PR department in the firms, the manner and frequency of operators' outsourcing, similarities and differences between PR practitioners from companies and those from agencies.

The four sets of specific research questions are the following:

1. Which is the perception of local business representatives regarding public relations activities?

- a. To what extent do local operators use public relations activities to achieve organizational goals?
- b. What are the public relations activities in which the local firms are involved?

2. To what extent, depending on the size of the company, can we talk about the existence of a PR department?

- a. Are there local businesses within an office / department that deal exclusively with communication and public relations?
- b. Under what name can the PR service be found in local economic operators?

3. To what extent do local financial operators use the outsourcing process of the public relations services?

- a. What is the frequency with which local companies choose to outsource certain activities of public relations?
- b. For what type of services does a company uses the outsourcing? Can we talk about a preference for outsourcing a particular type of service depending on the size of the company?
- c. What are the main reasons for which local companies turn to outsourcing the PR service?
- d. Who makes the decision to outsource within local companies?
- e. How the decision to outsource is made?
- f. Is there a relationship between the size of the company and the frequency with which local companies outsource certain types of public relation services?
- g. What are the selection criteria used by local companies in choosing a PR services provider?

4. Are there any major similarities or differences between PR officers within local companies and PR specialists in PR and Advertising agencies in Cluj-Napoca?

- a. To what extent do PR officers within local companies meet certain public relations activities?
- b. What are the main skills that a PR practitioner should have?

This research as a case study focuses on city of Cluj-Napoca due to a set of reasons. First of all, in terms of economic growth, Cluj ranks second on a national level. According to statistics of the Chamber of Commerce and Industry Cluj, in 2010 there were 30,547 companies that submitted balance sheets and the local economy grew by 2.2 million lei, to the value of 22.2 billion Ron. Under this circumstances Cluj-Napoca can be a space where the need of using PR services and the possibility of outsourcing certain services becomes a feature of most financial operators. Second city of Cluj-Napoca has a very important resource by an educated workforce. Being a university town with a large number of students, the city is attractive to many investors. Thirdly, the choice of this case study was motivated by personal factors. Note that, selecting a single case allows a thorough and detailed analysis of a business environment with unique features.

The theme of this work is challenging because it proposes to review a topical issue and little discussed so far in Romania, that of outsourcing public relation services. Moreover, based on the results of this research we could make empirical arguments to influence the decision to outsource local firms. The main reason for choosing this theme is that public relations outsourcing could lead to a professionalism of local business, regarding the PR and communication services market. The involvement of more than one PR specialist can also lead to generating better and more attractive documented media content on the local economic players. Outsourcing the PR service is also a controversial topic and this is a way the study may offer some interesting perspectives. The purpose of this paper is to bring new elements to clarify certain aspects of outsourcing in terms of theoretical arguments and the results of the practical part.

Given the above we can also talk about the relevance of this theme from a scientific and economical point of view. Due to the fact that the current paper deals with a topical subject for scientific activity in Romania and elsewhere, and studies on outsourcing PR are few, we can talk about the scientific relevance of this theme. Moreover, the chosen case study for the research could also be implemented in other cities and could offer new research perspectives. Regarding the economic relevance of research, it starts from the reality and finality of the process of outsourcing: reducing costs of certain activities and obtaining some benefits for the organization.

Based on the selected case we'll be pursued to provide answers to questions about how PR officers within local companies perceive the PR outsourcing, which are the public relations activities that they outsource, the reasons for the outsourcing, the entity that makes the outsourcing decision and how the adoption of these decisions are made, and what selection factors are considered for choosing a PR service provider.

In terms of methodology, this paper is based on mixed methods research in which data was collected and analyzed by using quantitative and qualitative tools. More specifically, the research design includes two sets of semi-structured interviews and sociological investigations. The role of semi-structured interviews is to analyze the specific attributes of PR practitioners, to discuss the reasons and criteria for selecting outsourcing service providers PR and to outline a profile of PR practitioners, highlighting similarities and differences between them. The sociological investigation not only seeks the perception of the PR specialist across the PR activity, the perception of the outsourcing process, but also a characterization from the socio-demographic point of view of the financial operators involved in the research and the respondents. By applying the two research methods we aim to create an image more complex on the process of outsourcing and the public relations practitioner profiles. In this sense, we not only try to highlight the views of PR professionals involved in communication and public relations services market, but also to find solutions regarding the choice of the PR service providers.

The paper is divided in two large parts. The first part is a theoretical insight in which the main topics are discussed: public relations, PR departments and PR agencies, the outsourcing process, and outsourcing of public relations. The second part of the paper is the theoretical part, describing the methodological and empirical approach throughout with conclusions about the use of the outsourcing services process in Cluj-Napoca and the PR practitioner's profile of local companies and PR agencies.

Public Relations

Public relations is a controversial area, which over time had to face criticism and still can give rise to confusion, especially in the definition of the term. Rex F. Harlow, one of the leading theorists and practitioners who actively participated in shaping the field wrote in an article published in *Public Opinion Quarterly*: “Everyone talks about public relations, but it appears that few know the meaning of this term.” This first chapter aims to clarify the notion of „public relations” and to provide as many theoretical arguments to support the usefulness of this domain.

Public relations are interpreted differently from one company to another, depending on its field of activity, top management's perception of the phenomenon, and organizational culture. Some managers have the ability to understand the full spectrum of public relations activities, others only confuse the phenomenon or they reduce it to one or two basic activities (eg. media relations, events).

Public relations activities are a challenge for both PR professionals working in communication, PR departments or marketing departments as well as those working in advertising and PR agencies. In recent years public relations has evolved considerably, becoming increasingly visible, and companies began to realize the importance of PR in creating and implementing strategies that lead to organizational goals.

Initially, theoretical incursion in public relations, brings into question the main definition of the phenomenon called „Public Relations”. The short term, used by most specialists in the field is the “PR” (short we will use throughout this paper). In the past, “the term PR” was an abbreviation of the phrase press relations, the main business of public relations from their inception”, according to Sam Black, author of several books on public relations and public relations consultant in the United Kingdom. The translation of “public relations” has given rise to confusion to those Romanian people whom are not familiarized with this field. Therefore the term *public relations* is confused with something like *relations with the public*, which is something else. To avoid this confusion, when referring to relations with the public, an image can be associated with a person who provides certain information at a counter, with specific functions covered by law. “*The problem of translating the term Public Relations is not just a linguistic problem, it is also a cultural problem*”, says associate Professor doctor Dumitru Borțun. This is due to primarily the ignorance and the misunderstanding by Romanians of what the public sphere means – “the space in which the debates are about the public interest, which leads now to the fact that there aren’t mental categories such as those of “*public sphere*”, “*public interest*”, “*public*”, “*public information*” or “*public communication*”. Joe Marconi brings into question another aspect of misunderstanding the term of public relations; the confusion with *public information (publicity)*, “*in the way that public relations professionals are press agents or produce public information materials and their only reason to be is to generate media attention.*” The relationship with the media is an important part of public relations, but the coverage of this new field is much higher. Under the umbrella of this phrase can be found: community relations, relations with customers and employees, issues management and crisis management plus a variety of specific activities: writing and editing of messages and speeches, counseling, research, establishment of contact with various audiences.

After presenting aspects that makes it difficult defining this area, we aim to achieve an overview of the most popular definitions offered for the public relations. Throughout history there have been many attempts to define public relations, from “*art and science*”, “*technical*” to “*social philosophy*” and even “*a state of mind*”. One of the first german researchers, C. Hundhausen in 1937 defines public relations as “*the art of creating their own company or its products and services a positive public image, using the read or written word, the transaction (negotiation) or visible symbols.*” Dennis Wilcox, along with his colleagues presents the book “*Public Relations Principles and Strategies*” and provides us some of the definitions of public relations organizations, national and international, used as reference points for those who study this field.

“*Public relations is an effort deliberately planned and supported to establish and maintain mutual understanding between an organization and its publics (British Institute of Public Opinion, whose definition has been adopted by several Commonwealth countries.)*”

“Public relations is the management, through communication, of perceptions and strategic relationships between an organization and its internal and external partners.” (Public Relations Institute of South Africa).

“The practice of public relations is the art and social science that analyzes trends, predicting their consequences, advises leaders and organizations and applies planned action programs, which serve the interest of the organization and the public sector.” (Definition approved by the World Assembly of Professionals in Public Relations, from Mexico City, in 1978, supported by 34 national organizations of public relations).

Lately, researchers have tried to reach simpler ways of defining public relations, which do not involve a large number of words. Thus, some of them rather than build a definition in itself, have tried to identify key words that describe how to apply public relations. *“A study conducted among educators and those involved in the field from the United States identified four words associated with this profession: strategy, management, tactical, sense.”*

The difficulty of understanding the term of public relations can be seen from several angles. In the Romanian author's view – Remus Pricopie – there are four elements which together make it difficult to answer the question “What is public relations?” These elements are: **internal dynamics**, **interference with other areas**, **the diversity of action**, and **defining ways**.

Public relations face some difficulties in terms of achieving a clear distinction from other areas. The complexity of how public relations act involving among other promotion, research and planning, sales support, and management of certain problems, creates some confusion especially between public relations, advertising and public relations – marketing.

In general, we must distinguish public relations as a scientific discipline from the PR activity, relating to the practical application of public relations. The first is a purely theoretical, the second, a practical tool. It goes without saying that public relations is based on theoretical foundations.

If the PR work was once limited to media relations and events (Event Planning), in modern organizations they are only essential services of public relations. Specialized services are added as internal business communication (Internal Affairs), external communication (External Affairs), public affairs and policy advice (Public Affairs), financial advice and banking (Investor Relations), crisis communication or risk and crisis management, CSR (Corporate social Responsibility) and others.

Cristina Coman provides an overview of factors that characterize the development of public relations, as follows:

- *The increased number of public relations programs in economics, social and political life, (...);*
- *The explosion of publications devoted to public relations (...);*
- *The development and growth of training forms;*
- *The internationalization practices and standards of this profession;*
- *The increasing professional accountability.*

The highly competitive business environment forces business to constantly engage in PR activities. The ultimate goal is to win the trust of the target audience and create an image as pristine as possible for the organization.

Profile of public relations practitioner

Larry Tye said when he wrote the biography of Edward L. Bernays that his number one rule was: “Public relations is also like a two-way street. On one hand the PR man interprets customer needs and desires for the general public and on the other hand decodes what the public wants and what he needs and communicates it to the executive directors of companies.”

A person who wants to work in public relations can have a career in many fields due to the expansion of this phenomenon, but to meet the multitude of activities will need to have more „talent” and a broad skill set. In this chapter we will consider personality traits, skills and the main conditions to be met for success in the field.

Because of this, many qualities need to be possessed. Some of them are common to all PR professionals but others can develop over time depending on the area where the public relations function is exercised. The literature talks about the different qualities that a general public relations practitioner must have. Based on three fundamental roles of the individual (general social, historical and social professional practice), Jacob and Cismaru say the role of a professional public relations practitioner is based on two components:

- a. general human skills and specific-historical ones;
- b. proper skills.

Each of them is based with more capabilities: the first refers to the capacity of knowledge and skills related to the use of rational speech and skills related to specific historical and cultural understanding of the historical era in which the individual lives and works, and the second component is based on the knowledge and skills to influence individuals, groups or organizations, communication skills and capacity within the authority turning communication contexts.

Bernard Dagenais, another author concerned with the PR practitioner profile, describes in detail other skills needed to succeed in this profession. Thus the personal qualities include:

- General solid education, coming to support the many fields in which the profession can be materialized, and the multitude aspects to be taken into account in the PR strategies that are based on solid knowledge of different fields;
- An imagination that can cause spectacular points of differentiation in the company in which is the practitioner;
- Spirit of analysis, creativity;
- Dynamism, ubiquity;
- Interpretation;
- Knowledge of foreign languages, and so on.

Public Relations departments. Companies and PR agencies

To perform public relations activities, organizations have to choose between two options: creating a service / office / own department of public relations or engaging an external consultant, represented by a PR agency (or Advertising) or by a freelancer. Jim Dunn suggests a third option, namely: *“the nomination and preparation of a director (executive) to manage public relations activities.”* The ideal solution is a mix of two of the three options, but the choice is largely influenced by how the company perceives the importance of PR activities to achieve objectives. There are organizations (especially in the public sector) who place a minimum importance on PR activities referring to a person who deals strictly for certain activities, such as the relationship with the press. In this case, a press officer and a spokesperson will not participate in developing PR strategies or certain decisions. Closely related to the importance of PR activities is allocating a budget for such activities. Contrary to the saying: “PR does not cost” companies must allocate a budget for public relations, whether they choose collaboration with an external consultant or a specialist that commits internal PR.

PR departments

A PR department which is well managed will be respected internally and win allies who will help to achieve goals. A department which is well regarded from the outside will be trusted, consulted and will be an asset to the company.

There are situations in which PR services are performed by a single person responsible for PR (PR adviser), and in this case we cannot discuss about a PR department. Also, the PR services are organized in various forms: public relations office, communication and marketing department, marketing department and PR, and public relations service. Next we will show the role and function of public relations in organizational structures, the various other names under which these departments are found, the importance and necessity of such a department, and the PR department relations with other departments (there are differences).

PR Companies and agencies. Consulting firms and PR agencies Sector

According to a study by O’Dwyer’s magazine in the U.S. in 2006, only five of the top 140 PR firms had more than 200 employees. Most of the PR companies included in that study had for less than 30 employees. Most companies / PR Agencies have fewer than 10 employees, many of which consist of only of 1-2 people. Making an X-ray of the sector is made increasing difficult by several factors: appearance and disappearance of agencies / companies, agency mergers name changes and so on.

The PR consultancy concept was born in the U.S. a century ago. Its beginnings are often confused with the release agent’s era that also creates publicity (publicity - used to mean information / dissemination of information) for various forms of entertainment, in press. The emergence and development of huge companies created the need for proactive PR (public confidence, creating a positive image, etc..) and reactive (crisis management due to strikes or poor management) PR. Under these

conditions emerged specialists such as: Ivy Lee, Edward L. Bernays, and John W. Hill (father of Hill & Knowlton - one of the largest PR agencies in the U.S.). They were the first to realized that they can earn more money and attract more attention around them, by advising several organizations, not just one.

The first companies / PR agencies were built around these figures, even carrying their names. In this first stage, the “owner” of the agency hired a plethora of people and had direct contact with major clients. By the mid-twentieth century, some of these small agencies developed into larger companies such as Burson-Marsteller and Hill & Knowlton (now located in one of the largest PR firms in the U.S.). They began to expand outside the United States, especially in Britain, where public relations were just beginning.

In the ‘80s PR consulting firms increased their activity to coincide with the rise of the IT industry, a matter which has led to the increasing number of consultants in the field. Thus PR consultants along with IT consultants have contributed significantly to the emergence of new publications, and also to increase the number of items and their density, in press. Because of the need to get more and more IT-related information, journalists are increasingly resorting to PR consultants, the IT companies, which led to an increase in the importance of PR agencies. Under these conditions, the PR consulting firms industry turned into a international business.

In the late ‘90s, the PR consultant agency began to take the shape it has today: brand personalities have left the PR firms that they have founded or sold them to international conglomerates of marketing services. Today, the largest and best-known PR companies are held by such international groups that offer a wide range of marketing, adverteng, and public relations services.

In this paper we use both names: “PR firm” and “PR agencies”. In the book “*Public Relations - strategy and tactics*”, the authors make a distinction between the term „public relations firm” and „public relations agency”, considering that the name of the agency is rather used for advertisers, which also act as agents that buy time and broadcast space for the client.

The Outsourcing process

One of the most frequently asked questions in business today is: how can we become more competitive and stay in the competitive field in which we operate? In general, the answer may come from two directions: within the company, which includes improvement of internal and external performance, or appeal to certain services provided by the external environment. The second direction refers to a very known and used process in the United States of America, called *outsourcing*. Currently, most organizations outsource various services: software development, the innovation and research as much as functional parts of the company (marketing, public relations, human resource management, finance and accounting).

„Organizations have to plan to off-load significant functions where competitive advantage cannot be maintained. This will be the way modern enterprise manage

increased complexity. More complexity leads to more specialization. This leads to more outsourcing. The cycle becomes self-reinforcing” .

A few years ago it was hard to believe that the organizations would outsource research and development, but it now is a common practice. The reason is simple: an organization prefers to seek help in the external environment or to form alliances with various companies mature, if it can take advantage of value added practices „mature”. *„Outsourcing is not necessarily new. From the 1600’s and earlier, the British have had work done for them abroad, even if it was simply the processing of sugar in Antigua”. „The concept itself of „outsourcing” is not new. It was first used in 1970 by manufacturing executives and was gradually adopted by the executives of most companies. Outsourcing is not entirely new: in 1985 Opel Cars in Germany outsourced the entire IT operations to EDS. In 1989, Kodak shifted its IT to IBM. Basically, the entire industry of professional services provided by accountants, lawyers, consultants, advertisers are based on the concept of „outsourcing” .*

Outsourcing is made up of two words – ‘out’ and ‘sourcing’. Hence, to define outsourcing we must first be clear on the meaning of ‘sourcing’. Sourcing refers to the act of transferring work, responsibilities and decision rights to someone else. Why do we engage in outsourcing? We must source out work because there are others who can do it cheaper, faster, better and because we have other, more important, demands on our resources.

The most complete definition of the outsourcing concept that I know of is: *“... the transferring of an internal business function or functions, plus any associated assets, to an external supplier or service provider who offers a defined service for a specified period of time, at an agreed but probably qualified price”*. The term outsourcing can cover many areas, including the outsourcing of manufacturing as well as services. The term ‘outsourcing’ is most commonly used in relation to the switching of the supply of product or service activities to external suppliers.

Outsourcing can involve the transfer of an entire business function to a supplier.

Simpler than that, Rob Aalders defines outsourcing as follows: *„Outsourcing is fundamental a corporate process by entrusting another organization, for example: IT systems management and chart a company’s health insurance”*. The same author notes that some companies perceive the rapid growth of outsourcing in different types of processes (especially those of IT) as a dissolution / annulment of corporate responsibility management, while others perceive the phenomenon as a smart way to make fixed- costs (high) in lower-costs (variable) in order to improve services and achieve competitive advantages.

Bharat Vagadia, author of one of the most popular books on outsourcing, *„Outsourcing to India - A Legal Handbook”* defines outsourcing as follows: *“Outsourcing is essentially an elaborate description for an arrangement whereby a company carves out certain services that it has been providing internally and retains a third party to provide these services”*. The author also gives rise to a distinction being made between *„outsourcing”* and *„offshore”* because there are some authors who use the two terms to describe the process of outsourcing.

Offshoring is sometimes described as outsourcing to service providers in other countries. Generally, offshoring tends to imply that a company simply moves its operations overseas – something which is quite separate to contracting with another entity overseas.

Factors driving the need to outsource

Outsourcing has moved from initiatives that were financially motivated to the current stage of being strategically motivated. Financially motivated outsourcing efforts have been around since the early days of commerce. Manufacturing work, such as garment production, has long been outsourced to locations in South East Asia. The goal of these efforts was to get the best financial deal in terms of lowest cost of production. These efforts were mainly one-sided; information and requirements moved from the client to the vendor who would then construct the product and/or service and deliver this back to the client. Strategically driven outsourcing efforts are capability- and competency. The focus here is to tap into specialized expertise, knowledge, processes and capabilities found outside the organization.

According to the authors Mark J. Power, Kevin C. Desouza, Carlo Bonifazi there are several factors that are influencing firms to consider outsourcing as a business strategy: Access to resources and knowledge, Cost savings, Focus on core competencies, Global diffusion of knowledge, Increased sophistication of IT, Rise of global knowledge workforce.

The Outsourcing's benefits

At the organizational level, outsourcing represents a basic restructuring of businesses away from a model designed for the industrial age toward one that is more appropriate for today's information age. At the same time, each outsourcing decision an organization makes is a discrete transaction. Strung together, these transactions change the overall shape of the business, but each transaction has to be understood and justified in terms of its individual impact on the business's current and near-term performance.

The benefits of outsourcing are: cost reductions, ability to focus on core business competencies, improved quality, superior skills and capabilities, reduced time to market and competitive advantages.. Along with this we can nominate: risk sharing, transfer of certain property, obtain resources not available within the company, the management of certain functions that are difficult to control from the inside.

The traps and barriers of Outsourcing

According to Power, Bonifazi and Desouza there are ten common traps of outsourcing: Lack of management commitment, minimal knowledge of outsourcing methodologies, lack of an outsourcing communications plan, failure to recognize outsourcing business risks, failure to tap into external sources of knowledge, not dedicating the best and brightest internal resources, rushing through the initiative, not appreciating cultural differences, minimizing what it will take to make the vendor productive, poor relationship management programs.

Types of outsourcing services

Outsourcing has become an important feature for the global economy. Both globalization and technological advances have allowed companies, to transfer information technology, human resources, accounting, and legal services, to local and foreign suppliers. In order to maintain competitiveness, organizations develop strategies to reduce risks and to gain some benefit from outsourcing certain services. The developed economies, such as the United States, Germany, France, and also the ones that are in the process of developing, assist at a dramatic increase in the transfer of services. The service sector has become the main engine of the global economy. One peculiarity services „refers to the intangible nature of the outcome of the work, meaning that the output services cannot be tested, palpated, appreciate the quality, before being purchased, as can be done with material goods”. However, one of the problems related to services refers to the measurement of results. To measure the speed of a call center answering phones, require planning in advance unless otherwise you keep in mind only with estimates and impressions.

The author Mclvor Ronan states in his book „*Global Outsourcing Services*” that services can be categorised into those used by individual consumers and those used by businesses – referred to as business services. Business services can be divided into information technology (IT) services and the rapidly growing area of IT-enabled services (these include professional serviceslike: legal, accountancy,market research, technical, engineering, advertising, human resources and consultancy), research and development, recruitment agencies and call centres.

The forms of Outsourcing

Dr. Bharat Vagadia brings into question the two types of process outsourcing approach. They are:

- **Information Technology Outsourcing (ITO)** – In an ITO (e.g. desktop management, network management, server management, application development), the customer’s primary goal tends to be cost savings. The service provider generally tends to offer a commoditised solution across a large set of customers with the same or similar needs. For example, network management, server management, application development. This is called outsourcing a specific task oriented (task-orientated outsourcing) and requires the supplier carrying out tasks such as data entry or customer support.
- **Business Process Outsourcing (BPO)** – In a BPO (e.g. HR administration, finance & accounting, market research and analysis), the customer may seek cost savings, but typically it also targets other value added objectives. The solution offered to the customer tends to be far more tailored to the customer’s particular needs. For example: managing human resources, finance and accounting, market research and analysis.

The Outsourcing decision

Outsourcing business process begins by discussion with customers and service users and by identifying their specific needs. This means understanding customer needs and then examining their points of intersection. The company should consider how to use business process outsourcing, skills, resources and capabilities outside expert teams to deliver valuable products / services to their customers. In this way the outsourcing decision should be seen as a process connected to the customer needs. In this process it should be considered the typical elements of the decision weighed against outsourcing and motivating factors, benefits and possible risks.

Stages of outsourcing

Outsourcing should be treated like a process that follows the traditional stages of rigorous planning. Regardless of the nature of the outsourcing arrangement, whether it is functional or competency-based, the steps in the process need to be followed to ensure that you are being diligent in the management of the outsourcing relationship. While the components of the outsourcing process do not change over time or between projects, one thing that should change is the effectiveness and efficiency of the process. Through practice, experience and time an organization should increase the maturity and sophistication of how it goes through the various stages of the outsourcing life cycle.

The authors Power, DeSouza and Bonifazi, design of outsourcing life cycle is made up of the following stages:

- strategic assessment;
- needs analysis;
- vendor assessment;
- negotiation and contract management;
- project initiation and transition;
- relationship management;
- continuance, modification or exit strategies.

Outsourcing PR Services

The question that is supposed to be answered in this chapter is: Which version is better? An „in-house” PR department or hiring an external consultant? The answer is: depends! We will see that many companies take the option that combines the two possibilities and involves collaboration between the department and the PR agency or the PR firm. The basic idea is this there is not a key for success in the internalization or outsourcing PR. In an article recently published in the journal PR News, Dan Simon recommends that managers of different companies to conduct a thorough analysis of the needs of the organization (the present and future) and define the purpose and objectives they want to achieve through a public relations program, before making an important decision.

Outsourcing PR has become a popular method and it was borrowed by the great majority of the companies. As we have seen in the previous chapter, the main reasons for outsourcing are: to cost reduction, core competency focus, technological development, and global competitiveness.

In the last few years there is a noticeable and increasing trend towards outsourcing public relations activities. Wilcox et. al. call into discussion several studies conducted in the U.S., on the Top Fortune 500 companies, that offer an insight into how PR departments are structured, how they distribute their budgets for promotion and the types of PR activities that are outsourced by companies. „*A study of Bisbee & Co. and Leone Marketing Research shows that 73% of those surveyed, (employees of public relations departments) they outsource public relations activities*”.

An indicator of how PR departments' budgets are distributed, in the year 2000 is a study by Thomas Harris & Company and Impulse Research. The study reveals that „41% of all public relations activities are now outsourced to public relations firms” and the highest increasing areas of outsourcing are: online communication (11%), public affairs (7%), media training (5%) and organizational reputation management (3%).

PR Week has conducted a national study in 2001 showing that „*on average, 43.3% of the public relations companies is spent on PR services provided by public relations firms; the percentage is higher for high-tech company (66.3% of their budget); meanwhile the non-profit sector spent only 38.6% of their PR budget*”.

According to a Deloitte study, conducted in 2008, which sought satisfaction regarding the process of outsourcing, 60% of the Canadian companies surveyed, said they are satisfied with the outsourcing arrangements that were made while the global average of that survey was 70%.

Currently, an overwhelming percentage of the promotion activities of different companies are conducted by PR and Advertising agencies instead of in-house public relations departments.

Reasons for Outsourcing PR and the benefits of this process

In a Highly competitive environment, in which most of the companies operate, there is a realization that they cannot perform certain actions / operations of the organizational process, within superior quality parameters. B. Michael Patrick quotes Peter Drucker (a management „guru”) in one of his articles, which claimed that „outsourcing is driven by the need to increase productivity in knowledge and service industries. If we do not increase the productive of our workers we are dealing with economic stagnation and in the last phase, social reversal”. Continuing the Drucker's theory, Patrick says that „*there are very few chances that senior management to be interested or care about the work that is outside the core business activities of the organization*”. This means that activities such as public relations, accounting, and human resources are potential areas for outsourcing. During periods of changing, these functions could not join the organization's most pressing priorities.

The organizations realize that to be successful long term they need to find the best ways to reduce costs and improve services while keeping a high level of quality. B. Michael Patrick argues that most organizations (national and regional) have at least one person trained in the strategic planning. That person's responsibility is to manage public relations activities, to help the company define different policies and to manage the problems within the organization. The remaining activities of PR, starting with internal communication and up to writing press releases, investor relations, community relations, can be done outside the organization. The benefits of outsourcing, stated by the author are the following:

- reducing the overall cost of salaries;
- reduced benefits and lower costs for employee pensions;
- The high level of expertise of people in public relations firms that can provide an objective perspective on the organization. These include: managers specializing in the fields of environmental, corporate, investor relations, community relations;
- PR Consultants have a broader background given by the interaction with various clients.

Selecting a PR agency

Once a company has decided to outsource public relations efforts and has clearly defined objectives and expectations of the provider, it must take into account factors that influence the selection process of a PR agency. Mike Beard identifies the key steps in selecting an external consultant:

- Identify the essential needs
- Generate a long list of candidates
- Invite to presentation only the certified candidates
- Choose a short list
- Provide a detailed brief
- Compare the final presentations
- Establish remuneration.

AN EMPIRICAL INSIGHT

The research methodology

This part of the paper represents a brief overview of theoretical sociological research. The concept of „*methodology*” means „*the science of methods*” and refers to human socio-empirical research. From the view of Septimiu Chelcea, the oldest task methodology, but also the current one „*intends to clarify the concepts, their proper definition and the analysis of utilized language*”. Regarding the choice of research methods, the author adds that the choice depends on the „*availability of methods and techniques, the existence or inexistence of appropriate investigative tools, financial resources, the available time that we have for the study*”.

This paper is based on mixed research methods, in which the data ~~are~~ was collected and analyzed by using quantitative and qualitative tools. Tashakkori and

Teddlie have defined multiple method designs as a research in which it is used more than one method or more than one approach. The same authors have identified in the literature, the following names for this type of research: a) multi-method research, b) mixed research method, c) mixed model research. This new field of mixed methodology or, third methodological movement (the first being quantitative methodology and the second the qualitative methodology) has emerged and evolved through debates and controversies: quality vs. quantity. Mixed Methodology is a new trend and it is becoming increasingly used in order to solve practical research problems. Researchers that are using mixed methodology are more centered on research questions that they have, rather than all sorts of philosophical discussions about complex issues. Using this type of method provides a clearer understanding of the studied phenomenon

The methodological approach will start by analyzing semi-structured interviews applied to in-house PR specialists from companies in Cluj and to PR specialists within the local PR agencies and Advertising agencies. These interviews aim to identify the specific activities of PR specialists, and their views on the outsourcing process. Through semi-structured interviews, this paper aims to highlight the types of PR activities, performed internally („in-house”) and those that are outsourced. Also the research aims, to outline the profile of the two practitioners, and analyze the differences and similarities between the two.

The analysis will continue with a sociological investigation of the business environment in Cluj-Napoca. The sociological investigation will attempt to provide a vision of how local firms perceive the phenomenon of public relations and how they choose to outsource certain PR activities.

Outsourcing PR in the PR specialists' opinion

General analysis of interviews

This chapter aims to capture perception and the practices that are used in the outsourcing PR process, and also their role inside the organizations and the PR/ Advertising agencies. The analysis aims to highlight both differences and similarities regarding the specific activities of the two categories of specialists and to state their perceptions on outsourcing. Interviews were conducted during April-June 2011.

Two different interview guides were formulated, both containing common questions. The common topics that were addressed to the groups of specialists included the following: the main tasks of the company / agency, views on the outsourcing process, reasons for outsourcing certain PR activities, how to select a PR provider, skills of a PR specialist, and professional experience in the field and in the company / agency. Differences between the two interview guides were minor. Thus, if the PR professionals within the companies were asked how often they use outsourcing and what causes them to resort to this method, PR specialists within Advertising and PR agencies responded to questions about their activity inside the agency and how they collaborate with PR practitioners within the local firms.

In addition to the interviews with the PR officers within the firms and local agencies, an interview was conducted with a PR specialist from a multinational company. The only purpose of this interview was to obtain a reference point related to the complex activity of an in house PR specialist from a multinational brand. The interview guide applied was identical to that used for other PR professionals inside local companies, and responses were analyzed in parallel with the other responses of PR responsible within the companies.

Outsourcing PR in the internal PR responsible' opinion

Regarding interviews with the PR responsible within companies there were nine such interviews conducted, plus the PR representative of a multinational company involved in this research. We mainly use the term „PR responsible” because the majority of the participants in the interview do not necessary have a specific PR position within the companies. In Romania, many organizations do not have a department / office specializing in public relations. In this case, most of the PR officers are working in the marketing department. In our case, five of the respondents are working directly in the marketing department, occupying the following positions: marketing manager, director of marketing and PR, marketing communications specialist and Head of Customer Service and Sales. Alongside them, three experts were interviewed who worked in the PR department: a PR officer, a PR manager and Head of PR Service. Only the last three of them are integrated into a department heavily engaged in PR activities. Last person in the list of respondents held the position of deputy of one of the best known local companies. The interviewee in question deals with activities such as marketing and everything that involves traditional promotional activities, including public relations tasks.

Following the analysis of interviews with PR managers within companies, the result were that they are performing traditional public relations activities such as: media relations, event management, internal communication, implementation of PR strategy of the company. Although they are not specialized in certain activities, they do not engage much into the process of outsourcing PR services. Taking into account this situation, the PR managers recognize the benefits of outsourcing and managed to identify the reasons for using this process but there is a reluctancy at the company level.

Outsourcing PR in the opinion of PR specialists within PR and Advertising agencies

During the interviewing process with the PR specialists within local agencies we follow to select some particular persons certified to provide answers about the local market public relations services as well as perceptions of the process of outsourcing from the position of PR services providers. Six interviews were conducted with the representatives of the main PR and Advertising agencies in Cluj-Napoca.

The information received from these interviews were filled with some interesting aspects of their work within the agency and how they perceive the outsourcing PR

process. First, PR professionals engaged in the local PR and Advertising agencies cover a wide range of activities, from PR strategies for the agency and clients, media relations, to traditional PR activities such as organizing events and internal communication. To cover all of these activities requires a specialization in several areas of PR professionals within agencies. Second, emphasizing the need for outsourcing process, they provide several solid reasons sustaining the outsourcing PR process. These reasons include: cost reduction, the need for specialists in certain situations (e.g. crises, image issues), workload, access to a larger number of contacts with the media and the need for objective opinions coming from the outside.

A comparative summary of semi-structured interviews

This part of the paper aims to highlight the views of two groups of PR practitioners in terms of: specific tasks, perception regarding the process of outsourcing PR services and specific abilities. Although the interview guides used during the research were different, but adapted to each category of PR practitioners, the views of respondents have succeeded to highlight both similarities and differences between the two categories.

Despite the fact that it is considered a viable alternative and even has some benefits, outsourcing PR stays an issue that requires a deepening further, at least from the representatives of local companies. We can conclude by saying that PR practitioners within companies are able to meet many of the functions of public relations, but for a certain type of PR activity they still have to resort to the outsourcing process. Achieving these interviews we were able to reveal the opinions of the PR practitioners on their main tasks, but also their vision regarding the process of outsourcing PR services.

Outsourcing PR and the public relations activities in the eyes of representatives of local economic operators

This part aims to capture the perceptions and the practices that are used in the outsourcing PR process in the vision of the representatives of the local economic operators.

The main question of this research methodology is whether and to what extent, companies in Cluj-Napoca turn to outsourcing PR? Moreover, the paper aims to analyze the frequency with which local companies turn to outsourcing and what are the main issues and reasons that motivate the local firms to resort to this process.

In this context, the research hypotheses are the following:

- H1.** Representatives of local firms, within there are conducted communication and public relations activities, appreciate in a positive manner, the local market of PR activities.
- H1.1.** The high level of involvement in PR activities determine an increase of appreciation regarding public relations.
- H2.** Large companies tend to build up their own PR departments.

H3. Most of the small companies outsource PR activities.

H3.1. The more often companies engage in outsourcing their PR services, the more these services are rather related to planning and organizing events.

H3.2. The more often companies choose to outsource PR services, the more these services are related to the lack of specialists for a certain type of PR activity.

H3.3. The outsourcing PR decision is taken most often by the top management rather than members of the PR department (if any).

H3.4. The larger the company, the more the selection criteria used in choosing an agency is related to the quality-related services offered by the agency, the agency's reputation and how the agency manages their client relationships.

The sample is composed exclusively of economic operators in Cluj-Napoca, which are members of the Chamber of Commerce and Industry Cluj and they had notable economic and financial performance in 2010. The type of sampling is not probabilistic and the selection was made according to the economic and financial performance of local operators.

The general mechanism used to establish the sample was as follows: from the total of 283 companies awarded by the Chamber of Commerce and Industry, there were eliminated 70 companies that had the headquarters in other cities (e.g. Turda, Dej, Huedin). Under these conditions the final sample consisted of 213 operators. However, due to a relatively high number of refusals and non-responses, the final analysis was conducted on a sample of 86 firms.

Taking into account the number of employees, the companies were distributed into four categories: micro and small enterprises, they have less than 50 employees and representing a rate of 38%, medium enterprises, that have between 20 and 250 employees - 40.8%, large and very large in proportion of 21.2%. Between large and very large, 8.5% have between 251-500 employees and 12.7% said they have over 500 employees.

Respecting the domain structure made by the Chamber of Industry and Trade Cluj, companies were grouped into five main areas of activity: Research and Development and High-Tech - 10.5%, Industry - 22.8%, Construction - 7.1%, Services - 31%, Trade and tourism - 28.6%.

In the context of reflecting the opinion of representatives of local economic operators, this part of the paper aims to characterize the PR managers and the companies in which they are in terms of perception of the outsourcing process. It also aims to identify relationships between different variables. Unfortunately, due to the novelty of the outsourcing process and lack of information about certain aspects of outsourcing, many of the results are not very relevant. Moreover, the low representation of large companies and large non-response rate on outsourcing PR, influenced the data emerged from analysis of variables. However, the present research provides some interesting explanatory guidelines and directions that can be taken into account for the frequent use of outsourcing, both locally and nationally.

Considering the data obtained from the research, it can be said that local operators are involved heavily in public relations activities such as: communication with business partners, marketing and brand communication, media communication. Meanwhile, representatives of companies, within companies that are involved in PR tend to appreciate the PR market. Thus, one it can be said that the first hypothesis of the second hypothesis is validated in the sense that by high level of involvement in PR activities results in increasing assessments on public relations.

Despite the fact that most operators (57%) said they did not have their own PR department it can be noticed a greater tendency for the formation of such a department in the medium-sized enterprises than for large enterprises. Thus, based on these data we can say that the second hypothesis of the research is not valid. One of the aspects that contributed to the distortion of this result is related to the fact that there is not equal representation in the sample of all categories of companies.

As regards the frequency with which companies resort to outsourcing, although, theoretically, small businesses should be most interested in this process, they rarely use / never use this process. Under these conditions the third hypothesis is not valid

When companies outsource certain PR activities, they are most often linked to corporate and brand communication and internal communication. In this context, secondary hypothesis, that the more often companies choose to outsource PR services, the more services are related to planning and organizing events, is not valid. If the companies still choose to outsource PR services, the main reason is lack of specialists at the expense of financial reasons. In connection with the main reason for outsourcing is the decision to outsource PR activity, which belongs to management rather than members of the PR department. With these data we can say that the second and third secondary hypothesis is valid.

Summarizing all these results we can say that the process of outsourcing PR services is seen only as a possible solution for companies to improve their public relations activities and to obtain certain benefits. The data confirms that there is a high level of local firms displayed reticence in regard to outsourcing PR, probably due to a lack of information on the possibility of using this process.

Conclusions

This paper had as its starting point the reality according to which the business environment is extremely competitive and companies must have the resources to maintain efficiency and profitability. In these circumstances, there is a question that needs to be answered: how can a company become competitive and remain competitive in its operating field? One of the answers to this question may come from within the company, by improving some internal processes or external through the outsourcing process of services. In this context, the present research aimed to explore how public relations outsourcing can be an additional alternative to public relations activities conducted in-house. Moreover, this paper tried to capture the way in which the outsourcing process is perceived and used in the vision of PR officers within local

operators and PR practitioners in the PR and Advertising agencies in Cluj-Napoca. It is important to mention that in the background the research also aimed to outline a profile of PR practitioners from local businesses.

The research questions of this paper concern the following aspects. First, to outline an overview of the public relations services market, we wanted to analyze the perception of those responsible for PR within companies and identify the specific public relation activities in which they got involved. Second, given the lack of organized public relations structures within firms, we aimed at identifying these structures or the PR officers. Also, a point of interest was related to the names under which these public relation services can be found. Thirdly, the central theme of this paper refers only to aspects of the outsourcing process. As a matter involving both companies and PR service providers, we went for applying some interview guides and a questionnaire. The research took place exclusively in the city of Cluj-Napoca. In this framework there have been applied two sets of semi-structured interviews to PR officers within important local firms and to PR practitioners of the major PR and Advertising agencies. This approach followed the drawing of several specialized views on the outsourcing process, but also the specific skills and competencies of PR practitioners. Following these interviews we tried to outline a profile of these practitioners, focusing on similarities and differences between them.

The main themes that were pursued in the sociological investigation referred to: the perception regarding the PR services market, the existence of a PR department, the outsourcing process, and the responsibilities and skills of a PR practitioner. The research methods used to collect data were semi-structured interviews and sociological investigations.

Throughout the paper we have pursued some main aspects of the outsourcing process, based on the benefits, reasons for outsourcing and criteria for the selection of service providers. Theoretical arguments in favor of the outsourcing process support the need to use this process, bringing into question the main benefits of outsourcing: cost reduction, access to resources, innovation, and quality improvement. These benefits are complemented by a set of reasons that causes organizations to rely increasingly more on this process. Financial reasons are the main key motivational factor because most companies pursue outsourcing to reduce certain costs. Among other reasons given by outsourcing companies include: lack of specialists in certain areas, lack of expertise, and lack of staff for certain activities; all this leads to a growing trend of outsourcing services. In this context, outsourcing should be treated as a process that meets rigorous planning steps and must be integrated into company's business strategy.

Also, the literature has shown that the process of outsourcing is widespread throughout the world, India and China being the main destinations for those who outsource, especially IT services and the production part of certain goods. With regard to our country, literature devoted to this subject is poorly represented. A possible explanation for this could be related to the novelty of the subject and lack

of understanding of this phenomenon, especially for small firms. Romania, seen as a potential „supplier” draws attention to multinational companies, especially by educated workforce (particularly in the IT field) for providing services at low prices.

With regard to strictly outsourcing PR, this has become a very popular and adopted practice, especially by large companies. Specialized studies, conducted in the United States shows that in recent years there is a growing trend of PR activities. In this regard, more and more employees of large companies PR departments outsource certain activities of PR and a part of public relations budgets are directed towards companies / PR Agencies. The main arguments supporting the outsourcing of these types of activities are related to the reduction of wages, low cost of paying pension insurance to PR staff, high level of expertise of PR agencies, the opportunity to have access to certain resources that the company lacks inside, and the need to supplement staff at certain times. According to the same studies, the most common outsourced items/services are drafting written materials, media relations, planning and organizing events.

The selection of a PR service provider is developed based on analysis of several factors: the quality of services provided, compliance with deadlines, price of services, client-relationship management, client portfolios, and agency reputation.

Starting from the theoretical arguments outlined above we will highlight the main empirical results obtained from analysis of the collected data. Thus, regarding the analysis of semi-structured interviews, the PR officers who have expressed their opinion consider that outsourcing can be beneficial for the company while bringing many benefits such as: additional staff, outside perspective, increase and quality of media-relations, higher focus on certain projects, and cost reduction. However, some respondents acknowledged that the company they belong to is not outsourcing PR services. PR officers have invoked the following reasons for outsourcing: getting a national audience, lack of expertise, targeting a new audience, time-consuming activities, and inability to handle certain situations.

Interviews with PR practitioners within PR and Advertising agencies in Cluj-Napoca have brought some additional information about the process of outsourcing. Thus, as providers of PR services, the representatives of agencies identified one of the barriers in the outsourcing process: the lack of a PR department/specialist within the firm to to manage the entire process. PR practitioners from agencies also bring into discussion cost reduction, expertise, and access to the media. Reasons cited for outsourcing are the following: time consuming activities, the emergence of crisis situations, workload and economic reasons.

Based on the analysis of the responses from the review of these interviews it can be said that both of the specialists are aware of the key reasons for outsourcing and benefits, however there is still a tendency to internalize public relations activities. Even if they know that they can gain many advantages through outsourcing, companies still prefer to distribute PR specific tasks to other departments (especially the marketing department). Another explanation for the low level of outsourcing is the main factor related to a decision - the Executive.

Moreover, after analyzing the responses of practitioners we were able to outline a profile of the PR practitioners within companies and agencies. Thus, the PR practitioner within a company has a rigorous program and is bound by the company hierarchy, however the decision depends on several factors, ergo he/she knows the company very well, the specific market and at the same time he/she can focus his/her creative vision into the business. PR practitioners within an agency have a wide range of specializations due to interaction with different customers, and have greater freedom and creativity, but are subject to constant time pressure and customer obligations.

Coming as a complement to the results of interviews, the sociological investigation provides solid data in the research by involving local operators. Following the analysis of the questionnaires showed that most firms participating in research conduct largely PR activities to achieve objectives, although they do not have a specialized PR department. These specific PR functions are integrated in the marketing department. Regarding outsourcing PR, most companies tend not to engage in this process very often. If they do outsource however, the main reason is the lack of specialists for certain types of activities and the decision to outsource is often made by the Executive. Although outsourcing can bring multiple benefits, there is also a reticence from the part of the firms to use a greater extent in this process.

In conclusion, using mixed methods of data collection, using qualitative and quantitative tools, the present research sought to identify perceptions and attitudes towards general local public relations firms and create an overview of the outsourcing process. Also, the paper aims to outline a profile of PR practitioners. Moreover, the research opens several directions of investigation on how public relations are used in local business. At the same time, outsourcing PR services can be seen as a way to increase the effectiveness of certain PR activities and to increase the profitability of the company.

Limits and research perspectives

Like any research, this paper presents several sets of shortcomings. These limits can be grouped into the following categories: shortcomings related to the choice of the case study, shortcomings related to the choice and application of the research methods, and limits referring to the perspectives used in this research. Taking into account these limits we will draw some research perspectives to improve results.

Limits of research will be analyzed and discussed as it follows:

- Limits related to the choice of case studies – the research considers only operators which are located and operating in Cluj-Napoca, therefore, the results of this analysis cannot be generalized to other cities. In the same vein, the results are valid only for companies involved in the research. Decisive factors that determined this choice were: space (the city of residence), the high level of economic development, and the social and technological investments that have been made in recent years. Accordingly, the Chamber of Industry and Trade statistics on Cluj ranked the city as second at a national level taking into consideration economic growth. The

local economy grew by 2.2 million Ron in value of 22.2 billion. Moreover, this paper aims only to investigate how they are perceived and utilized the public relations services by the local companies and PR practitioners.

- Limits related to the choice and application of the research methods – Referring to the sociological investigation – the sample is not representative but it is one of convenience. The results of this research cannot be generalized, they can only be applied to participating companies. The questionnaire was applied both online and through the field operators. Response rate was low (40.37%) due to the negative perceptions that representatives of the companies have regarding this instrument and their lack of availability. Another limit is related to some of the interviews PR practitioners which were sent via e-mail.
- Limits related to the socio-political context in which this research was developed – Crossing time of global economic crisis, many companies have reduced their budgets for promotion, and salaries for PR professionals. Consequently, many companies have abandoned some of the activities of PR and probably have excluded the possibility of outsourcing these activities. The topic could be approached in terms of legislation, but in Romania there are no laws requiring private companies to respect certain rules in terms of outsourcing certain services. Private companies have complete autonomy when facing a decision to outsource a particular service or not. State Institutions however are quite different, there are rules and regulations, a legal process which defines outsourcing and conditions under which it can be done.
- Another limitation of the research could be linked to the concept itself – outsourcing- and the fact that some of the communication and PR professionals are not familiar with the process.
- One of the last limits of this study could be related directly to Romanian literature that does not separately discuss the outsourcing of public relations

Research perspectives

Given the limitations of the research presented above, the present study may provide a research perspective, leading to a clearer picture of how companies choose to outsource PR services. Research started in Cluj-Napoca can be a benchmark for PR services market in this city, and may be a starting point to achieve a similar research at a national and, perhaps even an international level. The data obtained from these studies can be used for comparative studies between the PR markets in various cities or countries. Also, research instruments used in this research can be replicated.

Moreover, the results of a national study on outsourcing PR services would be in favor of the PR agencies which could adapt their offerings, according to the market requirements and the selection criteria nominated by PR representatives of the companies

The second aspect of this research is related to the outline of a PR practitioner profile within a company and PR practitioner within an agency. From the answers obtained after the application of interview guides it can outline this profile. If the

number of these interviews will be broadened and interview guides will be applied to other PR specialists in the country it could result in a guide to the PR practitioners from companies and agencies with: tasks, activities, similarities, differences, and advantages and disadvantages of working in a PR department or an agency. This would be extremely useful for the graduate student, who will know what type of PR practitioner suits them; and what the demands and benefits are that they can expect.

References

Books and scientific articles (published in international journals or in conferences)

1. Aalders Rob. 2001. *The IT outsourcing guide*, Chichester: Ed. John Wiley & Sons.
2. Alexander M., Young D. 2000. *Strategic Outsourcing*, Long Range Planning, Vol. 29, nr. 1.
3. Alexandru Jivan. 1998. *Managementul serviciilor*, Timișoara: Ed. Editura de Vest.
4. Bakar Abu. Razak. 2001. *Does Outsourcing PR really works?*, apărut în Business Times, Kuala Lumpur, 21 mai, ProQuest Central.
5. Baker J. Michael. 1998. *Macmillan Dictionary of Marketing & Advertising*, London: Ed. Macmillan Business.
6. Balaban Delia, Abrudan Mirela. 2008. *Tendințe în PR și publicitate*, București: Ed. Tritonic.
7. Baskin O., Aronoff C., Lattimore D. 1997. *Public Relations: The profession and the practice*, Madison: Ed. WI: Brown&Benchmark.
8. Beard Mike. 2001. *Running a public relations department*, Second edition, London: Ed. Kogan Page.
9. Borțun Dumitru. 2005. *Relațiile Publice și noua societate*, București: Tritonic.
10. Bowness Suzannei. 2009. *Bring in the pros: the Magazine for Canadian entrepreneurs*, Profit, Vol. 28, nr.2, ProQuest Central.
11. Broom M. G., Smith D. G. 1979. *Testing the Practitione'r impact on clients*, Public Relations Review, vol.5 nr. 3.
12. Butler Janet. 2000. *Winning the outsourcing game. Making the best deals and making them work*, Boca Raton: Ed. Auerbach.
13. Chelcea Septimiu. 2004. *Metodologia cercetării sociologice. Metode cantitative și calitative*, București: Ed. Economică.
14. Coman Cristina. 2000. *Relațiile publice și mass-media*, Iași: Ed.Polirom.
15. Coman Cristina. 2001. *Relațiile publice. Principii și strategii*, Iași: Ed.Polirom.
16. Coman Cristina. 2004. *Relațiile Publice și mass-media*, Iași: Ed. Polirom.
17. Corbet F. Michael. 2004. *The Outsourcing Revolution. Why it makes sense and how to do it right*, Chicago: Ed.Dearborn Trade Publishing.
18. Curtin A. Patricia, Gaither Kenn T. 2008. *Relații publice internaționale, negocierea culturii, a identității și a puterii*, București: Ed. Curtea Veche.
19. Dagenais Bernard. 2002. *Profesia de Relaționist*, Iași: Ed.Polirom.
20. Dennis F. Wilcox, Glenn T. Cameron, Phillip H. Ault, Warren K. Agee. 2009. *Relații Publice.Strategii și tactici*, București: Ed.Curtea Veche.

21. Dominguez R. Linda. 2006. *The manager's step-by-step guide to outsourcing*, New York: Ed. McGraw-Hill.
22. Dunn Jim. 1993. *Successful public relations.. The insider's way to get successful media coverage*, London: Ed. Hawksmere.
23. Gillis M. Tamara. 2006. *The IABC Handbook of Organizational Communication – A Guide to Internal Communication, Public Relations, Marketing and Leadership*, San Francisco: Ed. Jossey-Bass A Willey Imprint.
24. Grunig E. James. 1995. *Excellence in Public Relations and Communication Management*, New Jersey: Ed. Lawrence Erlbaum.
25. Grunig E. J., Hunt T. 1984. *Managing Public Relations*, New York: Ed. Rinehart and Winston.
26. Gruning A.L., Grunig E. J, Dozier M. D. 2002. *Excellence Public Relations and Effective Organizations – A study of Communication Management in Three Countries*, New Jersey: Ed. Lawrence Erlbaum Associates.
27. Guth W. D., Marsh C. 2000. *Public Relations: A Value – Driven Approach*, Boston: Ed. Allyn and Bacon Publ.
28. Harlow F. Rex. 1976. *Bulding a Public Relations Definition*, Public Relations Review, vol.2, nr.4.
29. Harlow F. Rex. 1976. *Public Relations at the Crossroads*, Public Relations Quarterly, Vol. 8 nr. 4.
30. Hendrix A.J. 1995. *Public Relations Cases*, Belmont :Ed. Wadsworth Publishing Comp.
31. Heywood J. Brian. 2001. *The Outsourcing Dilema. The search for competitiveness*, London: Ed. Financial Times Prentice Hall.
32. Hindle T. 1998. *Pocket Strategy. The Economist Newspaper*, London: Ed. Profile Books.
33. Kakadadse A. Nada. 2000. *Critical Review – outsourcing: A paradigm shift*, The Journal of Development Management, vol. 19, nr. 8, ProQuest Central.
34. Kremic Tibor, Tukul Icmeli Oya, Rom O. Walter. 2006. *Outsourcing decision support: a survey of benefits, risks, and decisions factors*, Supply Chain Management: An International Journal, vol. 11, nr.6.
35. Leinemann Ralf, Baikalteva Elena. 2007. *Eficiența în relații publice*, București: Ed. comunicare.ro.
36. Lordan J. Edward. 2003. *Essentials of Public Relations Management*, Chicago: Ed. Burnham Inc.
37. Marconi Joe. 2007. *Ghid practic de relații publice*, Iași: Polirom.
38. Mclover R., Humphreys P.K., Wall A.P., McKittrick A. 2009. *A Study of performance measurement in the outsourcing decision*, Oxford: Ed. Cima.
39. Mclover Ronan. 2010. *Global services outsourcing*, New York: Ed. Cambridge University Press.
40. Mclvor Ronan. 2005. *The outsourcing process, strategies for evaluation and management*, New York: Ed. Cambridge University Press.
41. Newsom Doug, Turk Judy Vanslyke, Kruckeberg Dean. 2003. *Totul despre Relații Publice*, Iași: Ed. Polirom.

42. Nichol Betsy. 1997. *When hiring a PR agency makes sense*, Franchising World, vol. 29, nr.5, Proquest Central.
43. Olaru Delia Silvia, Soare Robertina Cătălina. 2001. *Managementul Relațiilor cu publicul și maniere în management*, București: Ed. Luminalex.
44. Olaru Delia Silvia, Soare Robertina Cătălina. 2001. *Managementul Relațiilor cu publicul și maniere în management*, București: Ed. Luminalex.
45. Oliver Sandra. 2009. *Strategii de relatii publice*, Iași: Ed. Polirom
46. Patrick B. Michael. 1994. *Outsourcing has many potential benefits for PR Firms*, în Public Relations Quaterly, Vol.39, nr. 1, ProQuest Central.
47. Platz A. Leah, Temponi C. 2008. *Defining the most desirable outsourcing contract between customer and vendor*, Management Decision, Vol. 45, Nr. 10.
48. Power J. Mark, Desouza C. Kevin, Bonifazi Carlo. 2006. *The Outsourcing Handbook, How to implement a successful outsourcing process*, London: Ed. Kogan Page.
49. Prahalad C., Hamel G. 1990. *The core competence of the corporation*, Harvard Business Review, March/April.
50. Pricopie Remus. 2005. *Relații Publice, evoluție și perspective*, București: Tritonic.
51. Reber H. B., Harriss C. 2008 . *Building public relations definitions: Identifying definitional typologies among practitioners and educators*. Paper presented at the annual meeting of the Association for Education in Journalism and Mass Communication, Kansas City.
52. Rogojinaru Adela. 2010. *Relațiile publice, fundamente interdisciplinare*, București: Ed. Tritonic.
53. Rus Flaviu Călin. 2002. *Introducere în știința comunicării și a relațiilor publice*, Iași: Ed. Institutul European.
54. Rus Flaviu Călin. 2004. *Relații publice și publicitate*, Iași: Ed. Institutul European.
55. Schein H. Edgar. 1969. *Process consultation*, Boston: Ed. Addison-Wesley Pub. Co.
56. Seitel F. 1992. *The Practice of Public Relations*, New York : Ed. MacMillan Publishing Comp.
57. Simon Dan. *Tip Sheet: PR Crossroads: Stay in-house or hire an Agency?*, PR News, vol. 67, nr. 34, 2011, ProQuest Central.
58. Șerb Stancu. 2005. *Relații publice și comunicare*, București: Ed. Teora.
59. Tashakkori Abbas, Teddlie Charles. 2003. *Handbook of mixed methods in social & behavioral research*, Thousand Oaks: Ed. Sage Publications.
60. Theaker Alison. 2008. *The Public Relations Handbook*, 3rd edition, Londra: Routledge.
61. Toader Larisa. 2010. *Secretele relației cu presa. Sfaturi practice și studii de caz*, București: Ed. Universul juridic.
62. Trevor Morris, Goldsworthy Simon. 2008. *PR-A persuasive industry? Spin, Public Relations and the shaping of the modern media*, New York: Palgrave Mcmillan.
63. Tunstal N. Thomas. 2007. *Outsourcing and Management. Why the market benchmark will topple old school management styles*, New York: Palgrave Macmillan.

64. Tye Larry. 2002. *The Father of Spin, Eduard L. Bernays&the birth of public relations*, New York: Ed. Crown Publishers.
65. Vagadia Bharat. 2007. *Outsourcing to India – A Legal Handbook*, Berlin: Springer.
66. Weiner Mitch. 2000. *How to choose an outsourcing vendor*, Today, Vol 22. Nr. 2, ProQuest Central.
67. Wilcox Dennis, Cameron T. Glenn, Ault H. Phillip, Agee K. Warren. 2009. *Relații Publice , strategii și tactici*, București: Ed. Curtea Veche.
68. Williams R. 2003. *Logistic Answers*, Journal of distribution.
69. Zamfir C., Vlăsceanu L. 1993. *Dicționar de sociologie*, București: Ed. Babei.
70. *Topul firmelor membre 2010* editat și printat de către Camera de Industrie și Comerț Cluj.

On-line resources

71. „Statement of work. SOW Writing Guide. Companion document to the Canadian Institute for Procurement and Material Management (CIPMM) Course:”*How to write better RFP Statements of work*”, disponibil la adresa: http://www.rfpsolutions.ca/files/SOW_Writing_Guide2.pdf , 14.06.2011.
72. http://nku.edu/~turney/prclass/readings/pr_names.html, 12.07.2011.
73. <http://www.impulseresearch.com/harris/harris2004.pdf>, 24.07.2011.
74. <http://www.amicom.ro/index.php/en/library/articles/144-publicitate-vs-relatii-publice-un-decalog-al-diferentelor>, 18.03.2010.
75. <http://advertising.about.com/od/careersource/a/10advpr.htm>, 18.03.2010.