

Capstone

by

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The Role of Public Relations in Socially Responsible Corporations: Case Study of MTS Armenia

Introduction

In contemporary society, where everything develops rapidly, corporations need better forms of communication strategies and management. With this in mind, the role of public relations becomes crucial because PR has various communication models and strategies which can be applied to different types of corporations, including profit and nonprofit organizations. Though the development of PR has shown that organizations can boost their reputation by establishing good and sustainable relationships with the public, something more needs to be achieved by corporations. A concept that started to guide organizations in their internal and external management system appeared several decades ago; corporate social responsibility (CSR) not only improves the company's reputation with its employees, stakeholders and investors, but it also spreads trust and credibility among the public. A vivid example of an organization that combines the strategies of PR and CSR, thus, attempting to shape a positive public opinion about the company is one of the leading telecommunication companies in Armenia, named MTS Armenia (older name MTS Armenia). It is the first company, which introduced the concept of CSR to Armenian market. MTS Armenia has been operating for more than ten years and in that short period the company has become the leading mobile operator in Armenia with 2.1 million subscribers (Newsletter, 2010).

Public relations is accepted as a valuable asset for managing corporate reputation. On the other hand, there are studies done that argue and cast doubt on the role of PR as a managing and executing tool in corporate social responsibility. In fact, company's social responsibility can become an innovative strategy with the aim to improve its image by solving social problems. Harold Burson, the founder chairman of the largest public relations agency in the world, Burson-Marsteller, remarked that the role of public relations is critical to fulfilling the corporation's social obligations (Burson, 2008). Indeed, PR departments of socially responsible companies use various public relations models not only to ensure effective communication with the stakeholders, including the public but also for implementing social

investments programs. PR professionals work along with the CSR specialists aiming to contribute positively to the development and success of the corporation. Thus, an effective promotion of company's social responsibility through PR models can support to shape a positive corporate image within the public.

Taking into account the fact that no studies have been done about the relationship and roles of PR and CSR in Armenian business corporations, this study will be the first to identify how PR models can work on behalf of the company's CSR strategy in the frame of its social investments programs through a case study of MTS Armenia. The focus of this study is to reveal and examine how the combination of PR models can affect MTS Armenia's reputation and ensure its high position not only among its competitors but also in society as a socially responsible business.

Literature Review

History of PR: Models and Theories

Public Relations (PR) has gone through different stages of development, becoming a critical and popular profession. Today PR not only ensures communication for an organization's success but it plays a vital role in the management of relationships and responsibilities within a corporation. With this in mind, the emergence of PR was beneficial especially for business corporations (Bernays, 1971). Indeed, PR can serve as a liaison for managing organization-public and organization-stakeholders relationships.

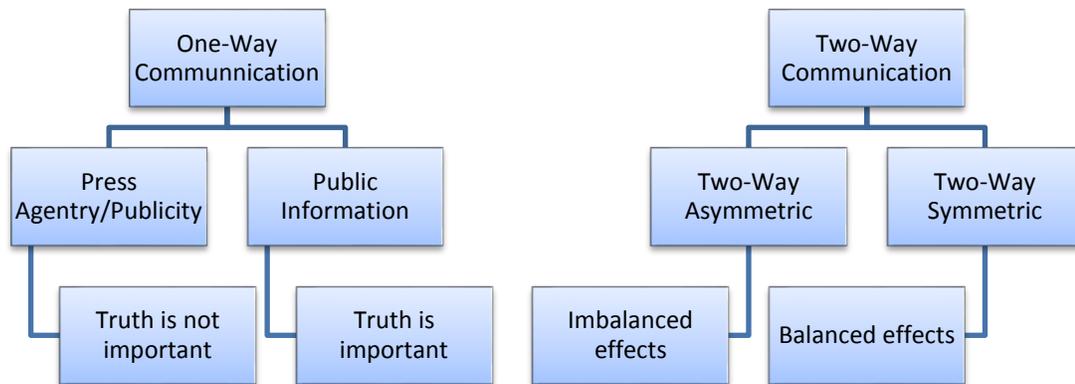
Edward Bernays had an enormous contribution to the development of PR in the United States. As he argued, the major goal of public relations is to research and learn more about the public opinion by applying social science techniques (Bernays, 1971). He (1971) explained the history of PR through an approach, called "engineering of consent," which defines the ways how public relations problems should be solved (p.297). The approach consists of several stages, including defining goals, research of public opinion, strategy, planning, and timing (Bernays, 1971). PR started to develop in the early 20th century in America (Bernays, 1971). However, World War II affected the final establishment of PR, furthering its acceptance by society and business. From 1950-1980s, the leading PR practitioners were among 75,000 Americans who could stand out with their practice while working for the Office of War Information (Lattimore, Baskin, Heiman, & Toth, 2012). They started to establish PR agencies, which aimed to build public support and change public opinion. Thus, the necessity of gathering public opinion is a key success for the development of PR (Lattimore, Baskin, Heiman, & Toth, 2012).

Grunig and Hunt (1984) described the history of PR in four models: press agency/publicity model, public information model, two-way symmetric model, and two-way asymmetric model (see Figure 1). Apart from discussing the history and evolution of PR, these models also reveal the nature of communication that is managed between public and organizations even until today. Caroline Black (2014) referred to the four models theory by Grunig & Hunt, as "an up-to-date theory" that plays a crucial role in

the development of public relations' and communication's strategies for the organizations (p. 22). The most popular and widely used source of communication is public information model. It is estimated that 50 % of organizations practice this model today (Grunig & Hunt, 1984).

The first two models, press agency/publicity and public information models always provide a one-way communication. In other words, the organization is the owner and sender of the message, while public always takes the role of the recipient or listener. Nevertheless, these two models differ concerning the accuracy and truthfulness of the information that public receives. The press agency model is used in sports and theater production companies, and the public information model is widely practiced in the government sector, nonprofit associations and business corporations (Grunig & Hunt, 1984).

Figure 1 Four Models of Public Relations (Grunig & Hunt, 1984)



Black (2014) highlighted the two-way communication's model, as an ultimate goal for crowdsourcing. Specifically, the idea behind it is to gather information from the public (including audiences and stakeholders) by using its intelligence and knowledge in order to manage the organization's task (Black, 2014). Today social media is a great example of crowdsourcing. However, the two-way asymmetric (one-sided) model's specialists make sure that the information they send to the public is always beneficial for the organization (Grunig & Hunt, 1984). In other words, they plan how to change the attitudes and behavior of the public on behalf of the organization. In this case, the communication received by the public is usually called "feedback" (Grunig & Hunt, 1984). As Grunig and Hunt (1984) state, today the term "feedback" is widely used as a synonym for the two-way communication. However, it has never

been its original meaning (p. 23). According to the cybernetic theorist Wiener (1948), “feedback is the chain of transmission and return of the information” (p. 96). In other words, feedback is a way of communication which helps to control the receiver’s (in this case public) behavior. In contrast to the two-way asymmetric model, the two-way symmetric model ensures balanced dialogue, rather than an imbalanced monologue in communication between public and organization (Grunig & Hunt, 1984). Consequently, both public and organization are welcome to affect the change in each other’s attitudes and behaviors.

The four models of PR help the companies to attract different audiences and create a strong communication with the public.

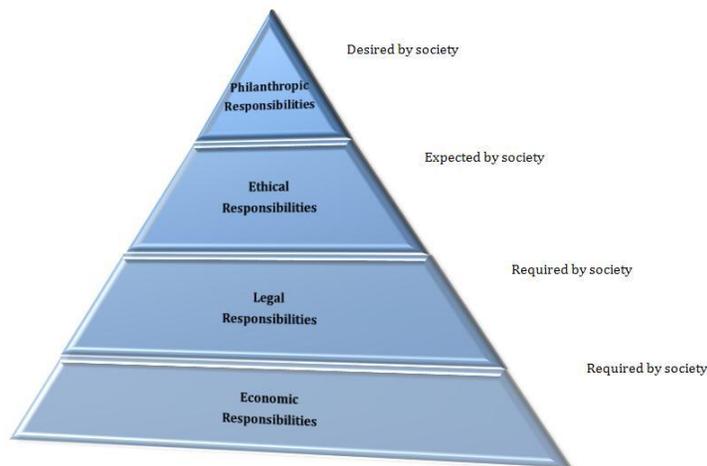
History of CSR: Social Investments in the Frame of CSR

Defining corporate social responsibility (CSR) and understanding its nature has become an issue for an on-going debate and a topic for academic study for many years. Because of its subjectivity, it doesn’t own a globally recognized single definition. The European Commission defines CSR as a responsibility obtained by companies which aim to make an impact in society. More specifically, CSR integrates social, ethical, environmental, consumer and human rights concerns as part of a business strategy (Commission, 2016). According to the Center for Ethical Business Cultures (2005), the practice of CSR goes back to 1945 and even to earlier decades. To illustrate, Morrell Heald (1970) discussed the social responsibilities related to business in the period of 1900-1960s. In contrast, Katsoulakos, Koutsodimou, Matraga and Williams (2004) presented a history overview discussing the phases of development of CSR and suggested that the concept of CSR was put into circulation after the 1960s. Throughout that period, prominence was given to the environmental issues bringing the attention of lots of well-known environmental protection agencies to those problems (Katsoulakos, Koutsodimou, Matraga, & Williams, 2004). Whether coincidence or not, numerous scholars include the responsibility towards the environment as a core value in defining CSR.

Nowadays, lots of business corporations and firms pay serious attention to their social responsibilities. But what does it mean to be socially responsible or towards whom should they be responsible? As Crowther and Aras (2008) suggest, CSR “is concerned with the relationship between a corporation and the local society in which it resides or operates” (p.10). In a broader context, local society can be referred to individual citizens, stakeholders, and governments. Taking into account the broad nature of CSR, the concept is always being redefined by various corporations. As for MTS Armenia, CSR works on behalf of the company's status by increasing its value in society and positioning its role as a significant asset that acts for the benefit of the country and nation (K-Telecom, 2016). Many successful corporations, including MTS Armenia, use ISO 26000 (International Organization for Standardization) (2010) international standard as a guide, which helps companies to act in a responsible way towards the society (including customers, employees, stakeholders, etc.) and the environment. Among the core subjects of social responsibility of ISO 26000 are organizational governance, human rights, labor practices, the environment, community involvement and development, etc. (ISO, 2010). An essential element that is associated with CSR and attracts the public, stakeholders and employees are the social investments made by the company, which boost its reputation and corporate image. The term “social investments” is discussed in the “community involvement and development” core subject in ISO 26000.

One of the famous CSR models by Carroll (see Figure 2), a framework in the form of a pyramid was developed in 1991. It addresses questions referring to CSR from four different perspectives: philanthropic, ethical, legal and economic (Carroll, 1991).

Figure 2 Carroll's Four-Part Model of CSR (1991)



Many practitioners continue to debate about the similar meaning of CSR and philanthropy. In fact, they are different concepts (Seferian, 2010). As Carroll states, usually companies use philanthropy in order to demonstrate their good citizenship, which she further defines as “corporate citizenship”, and it aims to enhance the company’s reputation. Seferian (2010) reflects on CSR as “an important strategy for the whole business model”. Principles of CSR are included in the Corporate Social Performance (CSP) Model designed by Wood (1991). As he argues, CSR is proof that business and society are woven together. Thus, society has some expectations towards corporations’ behavior and actions (Wood, 1991). The three-dimensional model consists of the following categories: principles of corporate social responsibility, processes of corporate social responsiveness and outcomes of corporate behavior. On the one hand, Sethi (1979) has conducted a valuable research by assessing the CSP Model, though he didn’t provide any definition for it. On the other hand, some other scholars, including Carroll (1979), Wartick and Cochran (1985) suggested a definition for the CSP model. All in all, the CSP model is widely used for identifying and measuring the CSR strategies used in corporations.

Connecting PR and Social Responsibility

As discussed above, there have been numerous studies and works developed separately in PR and CSR fields. However, comparatively fewer studies have been done in revealing the possible connection or

interdependence that may exist between these two critical concepts. “Public relations practitioners' personal ethical values seem to be a significant factor in how they view their role regarding CSR practices” (Kim & Park, 2011, p. 640). Keeping this in mind, several scholars have questioned and argued the ethical fit of CSR into Public Relations' practice. To illustrate, one of them is Jacquie L'Etang (1994) who suggested that using CSR on behalf of PR practice will bring into several moral issues within the context of human relationships which will have its negative effect on the motivation of employees. In contrast, Grunig argued that “Public Relations is the practice of social responsibility” (Grunig & Hunt, 1984, p. 47). With this, he concluded that “responsibility to publics is an important premise of public relations” (p. 47).

The term PR was firstly used by a lawyer Dorman Eaton in 1882 meaning “to look out for public's welfare” (Grunig & Hunt, 1984). Similarly, Davis (1975) noticed that social responsibility is important for decision makers, as it contributes to the welfare of society along with their interests. Additionally, PR enables organizations to raise their voice with the aim to empower the public in organizational decision-making (Grunig, 2011). In understanding the connection between PR and CSR, it is important to understand the role of CSR communication. As Hall (2006) found through his research, communication about CSR can affect enormously the development of a relationship with the public (Hall, 2006). Thus, to complete the responsible task of communicating CSR to public, organizations will need the support of public relations' practitioners. CSR has the power to make a great contribution to the reputation of corporations, shifting from one-way communication to two-way communication (Bortree, 2014). Taking this into account, both PR and CSR can significantly affect the success of organizations and well-being of the society because the increasing interdependence between two concepts makes the connection stronger and stable.

To conclude, while some ideas support that integration of PR and CSR can violate the moral beliefs and values of corporations and human relations, many scholars argue that with the help of CSR,

PR can have a significant impact on the society's welfare and success of companies. It is worth mentioning that no literature is published in Armenia about the role of PR in CSR, specifically for business corporations, like MTS Armenia. Taking into account that MTS Armenia is the first company to introduce CSR to Armenia, this study will attempt to find the exact use of PR models that are used to represent the company as a socially responsible business. Thus, it will be the first to identify and reveal how MTS Armenia is perceived as a socially responsible business based on its social investments programs and activities with the use of PR models.

Research Design and Methodology

Research Question and Hypothesis

This capstone project aims at studying the role of public relations in implementing social investments projects in the frame of Corporate Social Responsibility. This is a case study of MTS Armenia, an Armenian telecommunication company. The research questions are as follow:

R.Q.1: What kind of role do social investments play in the company's PR strategy?

R.Q.2: What types of PR models does MTS Armenia employ to portray a socially responsible image?

R.Q.3: What kind of role does the general manager of MTS Armenia play in communicating social investments projects to the public?

H₁: Companies make social investments as part of their PR strategy.

H₀: Companies do not make social investments as part of their PR strategy.

Social investment is about investing in people. It means policies designed to strengthen people's skills and capacities and support them to participate fully in employment and social life. Key policy areas include education, quality childcare, healthcare, training, job-search assistance and rehabilitation. (European Commission)¹

Social Responsibility is the practice of producing goods and services in a way that is not harmful to society or the environment. (Cambridge)

To be **socially responsible** means acting in an ethical and transparent way that contributes to the health and welfare of society. (ISO 26000)

¹ <http://ec.europa.eu/social/main.jsp?catId=1044>

Public Relations models are designed by Grunig and Hunt. The *Public Relations* or *PR* helps in shaping the image of the organization with its prospective customers in such a way that a favorable response is created. It includes 4 models: press agency (publicity), public information, two-way symmetric and two-way asymmetric.²

Research Methodology

To address the questions above and examine whether MTS Armenia implements social investments projects in the frame of CSR as a part of its PR strategy, this study used a triangulation method by combining both qualitative and quantitative research methods in an exploratory sequential design. The study started with a quantitative content analysis, followed up by interviews and survey.

Content Analysis

Content analysis was performed based on news media monitoring of MTS Armenia and on the analysis of MTS Armenia's Social Investments 2015 and 2016 reports. **Walizer and Wienir** (1978) define content analysis as any systematic procedure which aims at examining the content of collected data; **Krippendorf (2004)** defines it as a research technique which helps the researcher to make coherent and valid references from recorded information to the researcher's content. The objective of media monitoring was 1) to determine the amount of online media³ news related to social investments programs implemented by MTS Armenia, 2) to compare the amount of news related to social investments programs and commercial-related activities of MTS Armenia, and 3) to identify the key areas of social investments programs implemented by MTS Armenia on which the online media coverage is concentrated. The

² <http://businessjargons.com/models-of-public-relations.html>

³ Online/Digital media is a type of a medium, where all materials including texts and visuals are distributed over the Internet, which are either non-copyrighted or copyrighted materials provided either freely or for a fee. **(BD, n.d.)**.

purpose of examining latest social investments reports of MTS Armenia was to disclose the key areas of the social investments programs.

The online newspapers were chosen based on a journalistic objectivity to make sure that no bias or prejudices exist in the news articles. Five online newspapers that fell within the highest circulations in Armenia were randomly selected for inclusion in the study. Four online newspapers (“Tert.am”, “Panarmenian.net”, “News.am”, “1in.am”) have a national scope and audience and the news are usually published in Armenian language. The fifth online newspaper (“Noyan Tapan), which mostly targets the international audience, including Diaspora publishes its news in English. Online articles were collected for the period of two years from January 1, 2015 to December 31, 2016. The keyword used for collecting the online articles was “MTS Armenia”.

The search generated 1123 online articles. “News.am” generated 162 online articles, followed by 89 online articles from “1in.am”, 310 online articles from “Tert.am”, 238 online articles from “Noyan Tapan” and 324 online articles from “Panarmenian.net”. For the further analysis, the articles were divided into two main categories: social investments-related and commercial-related news. Based on the objective of this research only social investments-related online news was examined.

As Walter Lindenmann (2006) defines, content analysis is the process of examining and tracking the written content, afterwards, translating the studied qualitative data into quantitative material through specific counting approach, which involves coding and classifying of key messages. Thus, in order to be able to classify the media content of social investments news, a separate category system was developed. The category system was developed through priori coding, which established the categories before the data were collected (Wimmer & Dominick, 2006). The online articles were put into 8 categories based on their content: 1) education, 2) healthcare, 3) sport, 4) community development, 5) culture, 6) environmental protection, 7) information and communication technologies, 8) Ralph Yirikian. [The

categories, except Ralph Yirikian, are the same as most of the areas used in MTS Armenia “Social Investments” reports.

Interviews

As a continuation of content analysis of news and reports, semi-structured interviews were conducted. In semi-structured interviews the researcher standardizes the questions by order. This kind of interviews help the researcher to collect detailed information by digging thoroughly into the topic to understand all the answers provided (Harrell & Bradley, 2009). The sample of the interview included two PR Unit specialists and two CSR Unit specialists to identify the connection between Public Relations and CSR in the company, particularly putting an emphasis on social investments programs implemented in the frame of the company's CSR strategy. In addition, with the help of the interviews the communication channels and PR models through which the news is communicated to the public were determined. The interviews were analyzed through the content analysis of the transcripts.

The questionnaire for the interviews was designed ahead comprised of 15 questions. During four interviews the same list of questions in a particular order was provided. The analysis of the interview was divided into three sections based on the results of the content analysis of news media and Social Investment reports. The first section was concentrated on PR history, PR models and PR strategy of MTS Armenia. The second section was focused on the relations between PR and CSR in the company. Taking into account that the communication of social investments activities of MTS Armenia is generally communicated to the public through the company's General Manager, the third section of the questionnaire was focused on the role of the General Manager in the company's PR and CSR activities.

Survey

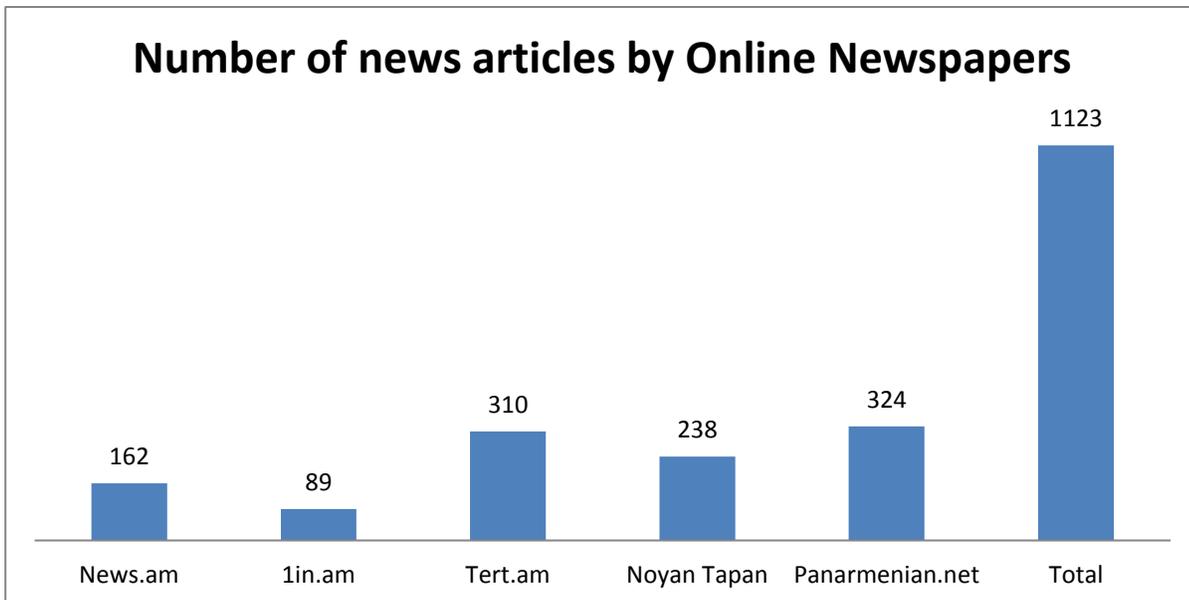
For this survey non probability convenience sampling was used. This is a type of non-probability sample in which whoever is available at a given time period is included in the sample (Lindenmannv, 2006). The sample size of the study included 302 respondents living in Armenia and using at least one Armenian mobile operators. This survey used self-administered questionnaires, which is a method when respondents complete the survey themselves (Babbie, 1945). The survey was distributed to the public with the aim to reveal their perception on MTS Armenia as of a socially responsible business. The questionnaire of the survey was developed based on the results of content analysis and semi-structured interviews. The data collected from the survey was analyzed using SPSS. The analysis used three tests on SPSS, chi-square, .This test was used to determine the likelihood of an observed bivariate relationship that might differ significantly from what might have occurred by chance (Lindenmannv, 2006). Correlation was used to find out if any association or relationship exists between specific variables.

Research Finding and Analysis

Media Monitoring

The overall number of online articles found with the keyword “MTS Armenia” in the period from January 1, 2015 to December 31, 2016 from five online newspapers was 1123, out of which 162 online news were found in News.am, 89 news in 1in.am, 310 news in Tert.am and 324 news in Panarmenian.net (see Figure 1). The theme of 1123 online articles included both social investments-related news and commercial-related news. Commercial related news included all the news related to MTS Armenia products, tariff plans, business offers, technology production and outage-related announcements, while social investments-related news included all the news related to investment programs in different areas for the development of Armenia.

Figure 3 Publications from Online Newspapers



From the total 1123 online news derived from the five online newspapers, 742 online news were related to social investments, and the other 381 online news were related to commercial and technological services. Thus, as it can be seen from the Chart 1 within the period from January 1, 2015 to December 31, 2016, 66

% of the media coverage of the five online newspapers contained news related to the social investments

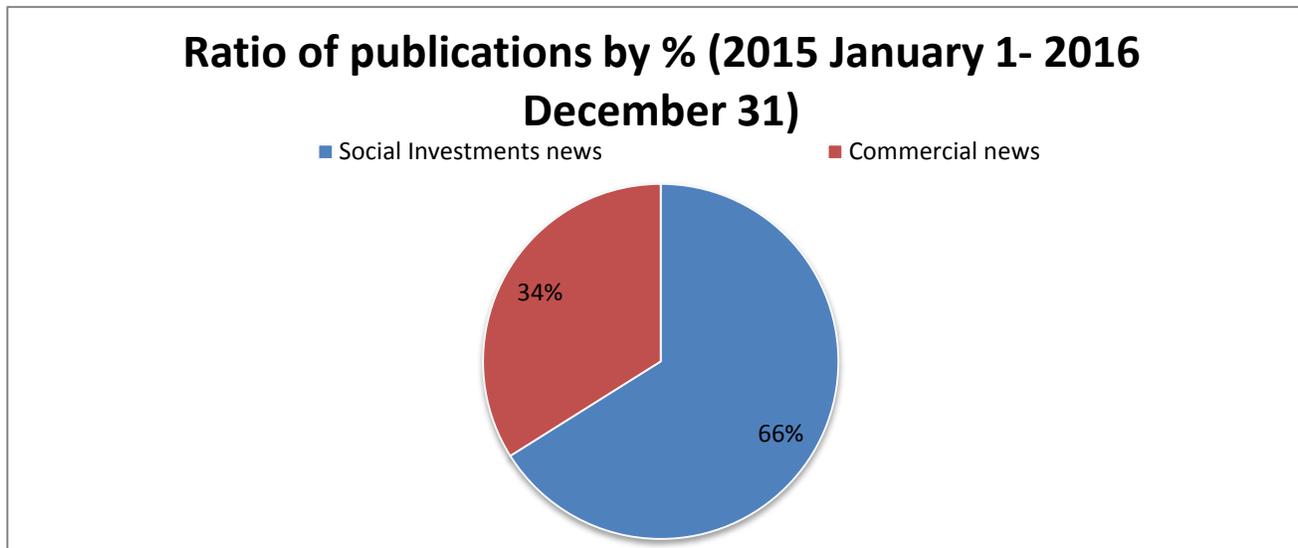


Chart 1 Distribution of Online News

programs implemented by MTS Armenia, and 34 % was about commercial activities and news.

After revealing the ratio between commercial and social investments related news in media coverage, aiming to narrow down the further analysis, the content analysis of all the commercial-related news were excluded because this study was primarily focused on the systematic analysis of news that referred to social investments programs implemented by MTS Armenia. Thus, a total amount of 742 relevant articles were remained after the exclusions which were further examined, including 85 online news from “News.am”, 59 online news from “1in.am”, 213 online news from “Tert.am”, 167 online news from “Noyan Tapan” and 218 online news from “Panarmenian.net”.

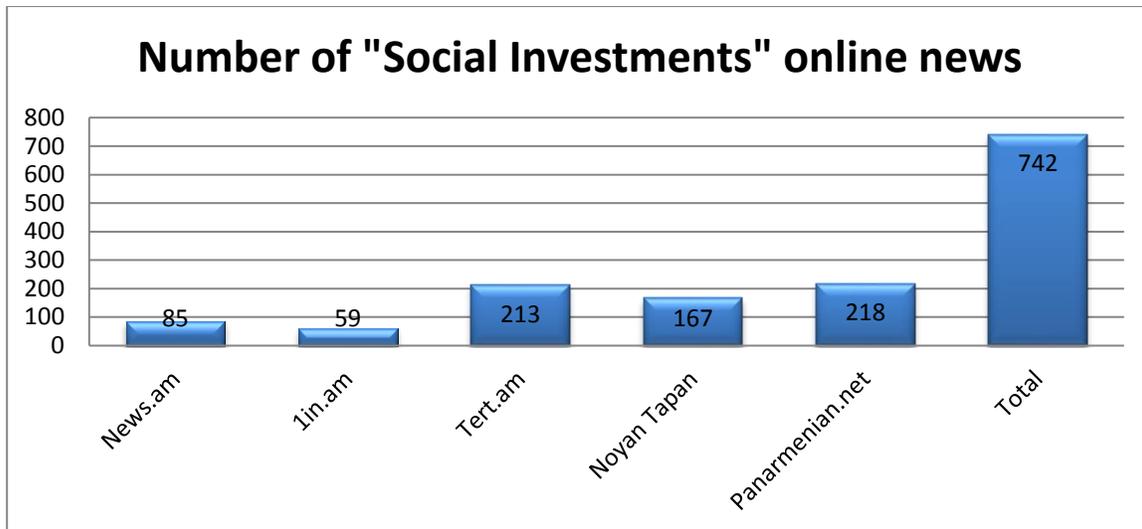


Chart 2 Social Investments Publications

In accordance with the international standard ISO 26000, Core subject: Community involvement and development Issue 7: Social Investment, MTS Armenia has been actively involved in implementing social investments projects throughout Armenia. In 2015 and 2016 social investments included 9 different areas: culture, education, healthcare, environmental protection, information and communication technologies, volunteering and other. According to Social Investments reports presented by MTS Armenia, in 2015 the telecommunication company implemented 71 projects as part of its CSR strategy, where the 3 core areas were culture, education and environmental protection. In 2016, the total number of implemented projects was 54, where most of the projects include culture, followed by healthcare & information and communication technologies with equal amount of projects.

Content Analysis of Reports and Online News

In this phase of the media monitoring and content analysis, the online news and social investments reports of MTS Armenia were analyzed using the categories and descriptors developed through priori coding. The analysis focused on key areas of social investments projects that have been communicated to the public through online media coverage. The documents selected for the content analysis in this phase

included: 742 online articles from five online Armenian newspapers (4 in Armenian, 1 in English) and the Social Investments reports presented by MTS Armenia in 2015 and 2016.

Below is a table summarizing the findings from the content analysis completed for identifying the key focus areas of social investments projects which MTS Armenia communicates to the public through press agency one-way communication model. The main key areas of those projects covered through online media are presented in Table 1 according to the disaggregated descriptors. Table 1 summarizes the findings from the content analysis completed for identifying the key areas of online media focus related to the social investments projects implemented by MTS Armenia. The online articles were categorized into 9 categories and the frequency mean of all the news articles was counted. Frequency mean is the number of categories/descriptors (given messages) during a particular period of time. The frequency mean of all the descriptors has been counted in a following way: the number of the category repeated in the whole document was divided into the overall number of pages including the 742 online news articles.

<i>Descriptors/Categories</i>	<i>Frequency Mean</i>
Focus areas of Media in SI news	
Culture	0.36
Education	0.73
Healthcare	1.09
Sport	0.03
Environmental Protection	0.55
Information and Communication technologies	0.58
Community development	1.58
Ralph Yirikyan	1.77
Table 1- Content Analysis of Online news from 5 Online Newspapers listed above	

<i>Descriptors/Categories</i>	<i>Frequency Mean</i>
Focus areas of MTS Armenia in SI reports	
Culture	0,25
Education	0,24
Healthcare	0,08
Sport	0,06
Environmental Protection	0,13
Information and Communication technologies	0,1
Community development	0,25
Ralph Yirikyan	0,02
Table 2- Content Analysis of Social Investment Reports 2015 & 2016	

Under the **culture** descriptor are included all social investments programs related to the development and preservation of cultural life of Armenia, including support to film festivals, concerts, music festivals, exhibitions, etc. For instance, support was given to Armenian National Philharmonic Orchestra, “Hover” State Chamber Choir. In this field MTS Armenia has implemented overall 28 projects in 2015 and 2016. In the result of a media monitoring, it was revealed that the media coverage by the five online newspapers has focused on social investments programs related to culture (Frequency mean 0.36) not very often compared to other areas of coverage.

Sport includes all the news related to social investments implemented for the support of Armenian football, tennis championships, Olympic committee, and chess federation. Overall in 2015 and 2016, MTS Armenia has implemented 7 projects in the area of sport. Social investments projected performed in the area of sport (Frequency mean 0.03) have the least focus of online media coverage.

Taking into account that mostly all online news related to social investments included mentions about **Ralph Yirikyan** (Frequency mean 1.77), the General Manager of MTS Armenia, he plays a significant role in presenting news to the public. He is the key focus area of media coverage based on the analysis. This means that the vast majority of news related to SI activities of MTS Armenia are being communicated to the public through company’s General Manager.

Under the **education** (Frequency mean 0.73) category, the news included programs related to Open Doors which are organized in MTS Armenia aiming to invite different students from different educational institutions to the headquarter of MTS Armenia and become acquainted with the process of work. Furthermore, it included educational programs which provided internships opportunities, supported “Luys” foundation for giving scholarships to Armenian students, supported with organization of conferences and educational programs, etc. The media coverage on topics related to educational programs is relatively high with the focus on “Open Doors”. The overall number of projects implemented by MTS Armenia in 2015 and in 2016 in the education sphere is 13 and 6 respectively. Compared to 2015, in 2016 the number of educational projects has decreased by 7.

Community development category refers to social investments projects implemented in the regions and rural communities of Armenia Based on the media monitoring, this mostly included the house building, housewarming, water supply projects in the regions and rural communities. The frequency mean of 1.58 shows that in all online news articles related to social investments programs implemented by MTS Armenia, community development had the highest frequency of mentions presented by the online media coverage. This means that the key area through which MTS Armenia creates a high outreach through online media coverage is concentrated on social investments projects implemented in regions of Armenia for a community development purposes. In Social Investments reports of MTS Armenia, there is no separate area of community development. Instead the area is called regions.

Healthcare involves projects implemented for the improvement of healthcare system in Armenia. The projects covered through media mostly included the coverage about the introduction of new technologies in hospitals, financial support to daycare centers, support to medical congress in Armenia, etc. According to the media monitoring, healthcare (Frequency mean 1.09) area is the third most focused

area of the five online newspapers. In 2015 and 2016, MTS Armenia has implemented 12 projects in healthcare sphere.

Under **Information and Communication Technologies (ICT)** descriptor (Frequency mean 0.58), MTS Armenia has implemented 13 project in 2015 and 2016. The online news covering ICT mostly focused on covering projects, such as MTS Armenia's support to the Robotics Lab in the "Ayb" high school, FabLab project, ICT educational pilot project implemented in five high schools of Armenia.

Environmental protection category was covered in the media by focusing on projects implemented in cooperation with the Foundation for the Preservation of Wildlife and Cultural Assets (FPWC). Those project included tree planting, "Sun Child" festival, Wildlife rescue center in Urtsadzor, etc.

So, according to media monitoring and content analysis of the online news, the least number of publications through online media coverage were noticed in the areas of sport and culture. The highest coverage is mentioned in community development, healthcare and education. And as an important PR asset for communicating SI-related news to the public Ralph Yirikyan has the highest number of mentions in the online media coverage presented by the five online newspapers. The name of Ralph Yirikyan has appeared in more than 700 out of 742 online news articles.

Nevertheless, a big difference occurred while analyzing the online media coverage and Social Investments reports of MTS Armenia. The differences rose up while counting the frequency mean of each descriptor in both documents. In online media, the key focus is put by order on:

1. Ralph Yirikyan
2. Community development
3. Healthcare

4. Education
5. Information and Communication Technologies
6. Environmental Protection
7. Culture
8. Sport

In SI reports in 2015 and 2016, the key focus is put by order on:

1. Culture
2. Community Development
3. Education
4. Environmental Protection
5. Information and Communication Technologies
6. Healthcare
7. Sport
8. Ralph Yirikyan

The greatest difference is given to the role of Ralph Yirikyan and culture. The amount of online news about cultural related news is really low, while the focus on culture in SI reports is extremely high. Respectively, according to Table 1, in online media Ralph Yirikyan has the highest mean of frequency, while in SI reports he has the lowest. This means that online news which is communicated to the public through online newspapers give a high importance to the presence of Ralph Yirikyan mostly in each news article. However, SI reports do not focus much on the presence of Ralph Yirikyan but they mostly focus on reporting and describing the overall projects implemented for the specific year. This results in assuming that Ralph Yirikyan plays a significant role in communicating the social investments projects to the public through the press agency one-way communication model.

Interviews

Four semi-structured interviews with two PR unit specialists and two CSR unit specialists were conducted between March and April 2017. Interviews with PR and CSR specialists helped to identify the stake of PR for ensuring a public outreach of social investments projects implemented by MTS Armenia, which might be an important factor for opinion and perception shaping regarding MTS Armenia as a socially responsible business. Interview transcripts were coded and highlighted through emergent coding. According to **(Wimmer & Dominick, 2006)** in case of emergent coding categories are established after preliminary data examination and is based on common themes, which derive from the data. As a result of the data examination, commonly used and repetitive words and phrases were noted. This helped to have a better understanding of the main concepts and key argument and statements which later were determined through several readings and repeatedly listening to the transcripts. The average time for an interview lasted for 50 minutes. Based on the questionnaire, interviews were put into themes, and the further analysis of the interviews went based on those categories. Please see below the categories based on which the analysis of interviews was done:

1. PR in MTS Armenia

1.1 PR Strategy for Telecommunication Company: role and objective

Having a PR strategy is a key player for any company's success. All the interviewees agreed that having a PR strategy is very crucial for the telecommunication company. Specifically, for two of the interviewees the main objective for having a PR strategy is to understand where do companies begin their path and what direction they are supposed to undertake for achieving short-term and long-term goals. However, one of the interviews saw the role of strategy less justified in terms of its obligatory effect. Thus, according to the explanation, having a PR policy rather than a strategy is more important because policy is about values and morals, while strategy is usually put into limits. Another interviewee was persuaded that PR strategy

itself can be very flexible stating that anyways, strategy does not give the acquired freedom for deviation.

One interviewee underlined the core objective behind the PR strategy:

“It is due to PR, as a tool that today public recognizes MTS Armenia”.

To continue, one of the interviewees acknowledge that being a telecommunication company, which provides services to different market segments, including the consumers, as well as stakeholders, the company needs to constantly communicate its activities to the public through communication channels. For this reason, a complex of various activities are undertaken which are summarized in a strategy form. MTS Armenia’s strategy has been established by the company’s PR, CSR and Advertising units and the General Manager in 2006. As two of the interviewees agreed, it is better to develop the PR strategy. Another specialists interviewed qualified MTS Armenia’s strategy as a responsible management model. over time based on the needs and assessments of the market.

1.2PR Communication models

Below is presented the table which highlighted the types of communication models used in MTS Armenia mentioned by interviewees.

All four interviewees gave a high importance to print, TV, online media and social media. One of the interviewees qualified social responsibility as another PR tool used by the company.

Type of the Communication Model	Number of Interviewees
Social Media	4
E-mail/Mail	1
Print Media	4
TV (News/Reportages)	4
Press Conferences	1
Word of mouth/Face to Face Communication	3
Surveys	4
Online	3
Press Releases	1
Telephone communication	2

Outdoor Advertising	2
Position Statement	1
Announcement	1
Focus groups	1

As it is presented in the table below, MTS Armenia uses both one-way and two-way communication models for communicating its activities to the public. However, the big preference is given to print, TV and online media. Ralph Yirikyan was also mentioned when talking about the communication models, as very often he also responds to public inquiries. Surveys (Net Promoter Score) and needs based assessments are also part of the company’s communication model for getting a feedback and revealing the public opinion. Face to face communication and word of mouth transmission of information through employees is another important tool for communication. As one of the interviewees mentioned, the work of the PR specialist continues even at home as a sender of information about the company’s activities and news.

One-Way Communication Model	Two-way Communication Model
Print, Media TV (News/Reportages), Announcement, Social Media, Online Media, Outdoor Advertising, Position Statement, (Press Releases)	Focus groups, Telephone communication, Social Media, Press Conferences, Word of mouth/Face to Face Comm ,E-mail/Mail

While some of the interviewees were satisfied with the means of the communication for communicating their activities with the public not only through one-way but also through two-way communication, one of the respondents stated that currently the company does not acquire any strong two-way communication model for interacting with the public. The point was illustrated by an argument that to some point the

company needs to communicate its CSR activities through stakeholder engagement, participation in conferences without the interference of the PR unit and use of press releases.

1.3 PR specialists

PR specialists of MTS Armenia play an important role in the creation and communication of the content. The pre-organization is made and managed by PR specialists. They have the role of a content developer. Although, officially the general manager communicated messages to the public, PR specialists often help the media for conducting their interviews by answering their questions by phone. Although PR specialists do not have an executing role in the company, they are always present in all kind of events related to the company. In a great essence, the roles of PR specialists includes building and maintaining relationships between media.

2. Roles of PR and CSR

2.1 Social Investments and PR

One of the interviewees stated that definitely social investments are part of VivaCell-MTS PR strategy. Another interviewee noted that everything is to be considered a PR. Although, the third respondent kindly rejected the fact that social investments are part of PR stating that these projects are mostly part of CSR unit and activity, later it was mentioned that they both are much interconnected and can't act without one another.

“It's not that PR and CSR are just interconnected. But they have become one body. Without the interaction of PR, the opportunities of CSR are limited. Of course, CSR can act without PR, however, whatever takes place in terms of social investments, and PR has a great role. “

2.2. PR and CSR specialists

The relationship between PR and CSR specialists is very connected, because most of the activities are implemented in the result of both units cooperation. As mentioned, CSR provides the content for news, while PR decides the ways of communicating the content to the public. In other words, CSR comes up with the social investments projects in the company, while the coverage of the programs is supervised by the PR unit.

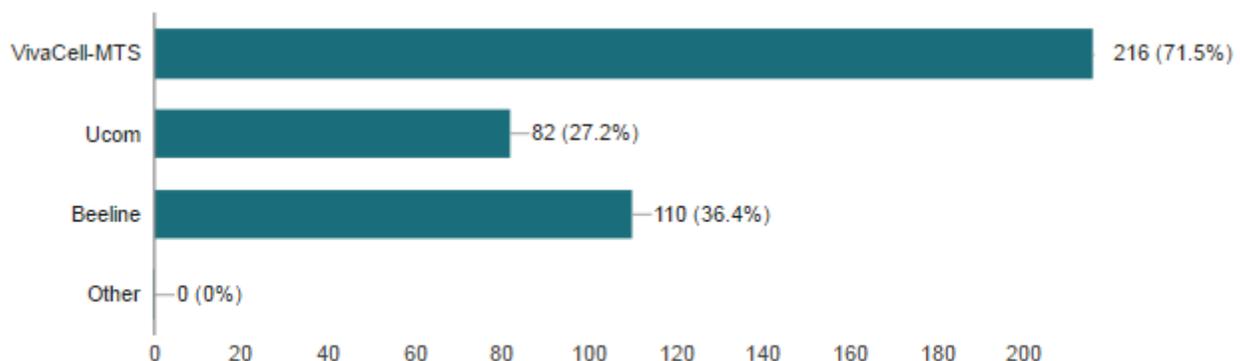
“CSR is the content, and PR has the power to communicate that content. CSR is the company’s management model. While the role of PR is to correctly transmit it to the public.”

3. Role of the General Manager

One of the interviewers very often described the General Manager of MTS Armenia as a leader, by stating that all the approaches that he uses in managing the company are due to his strong leadership skills. The role of the GM is very exceptional not only as a company manager who is respected by his employees, but as all four of the interviewees mentioned Ralph Yirikyan is the “walking PR” for the company. Ralph Yirikyan is the only official speaker of the company, and that is part of the PR strategy. The interviewees mentioned that there is no need for MTS Armenia to assign any other speakers because no one can do it better if not Mr. Yirikyan.

Survey

Non probability convenience sampling was used to conduct a survey with a sample size of 302 respondents. The input of survey data, as well as the further analysis was done through SPSS. The data



analysis was done through descriptive analysis, frequencies, T-test, correlations and chi-square test.

Overall, out of 302 respondents 74.8 % were female and 25.2 were male. The age range of the population was from under 18 to over 55. The highest level of education was PhD and the lowest was secondary education. The vast majority of the respondents were MTS Armenia (older name VivaCell-MTS) subscriber (see Figure 4). As it can be seen VivaCell-MTS has the highest number of subscribers, followed by Beeline and Ucom. One of the most crucial parts of the survey was revealing the public's understanding about Corporate Social Responsibility, awareness about social investments programs implemented by MTS Armenia, and their perception about the General Manager of MTS Armenia, Ralph Yirikyan. As a result, 85.8 % of respondents heard about the social investments programs implemented by MTS Armenia (See Chart 3).

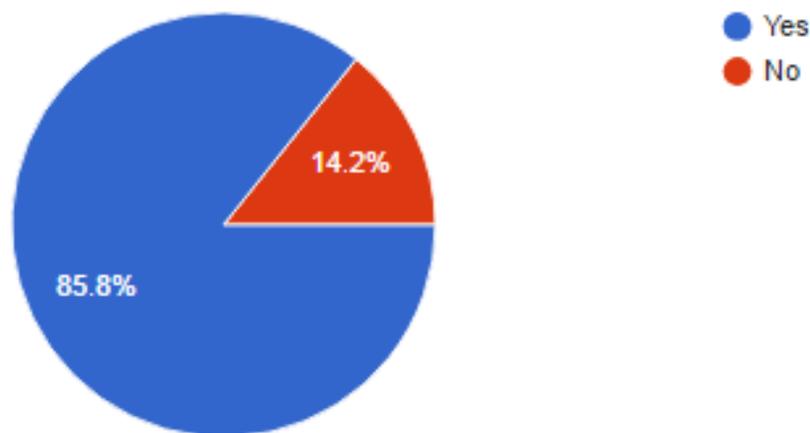


Chart 3 Respondents' familiarity with the social investments program

Using crosstabs test, the analysis found out that female respondents are more likely to consider VivaCell-MTS as a socially responsible rather than male representatives.

Table 1

Crosstabulations					
		In your opinion is VivaCell-MTS a socially responsible business?			Total
		Yes	No	I don't know	
What is your gender?	male	47	8	18	73
	female	169	6	44	219
Total		216	14	62	292

To continue, with the help of correlation was identified the relationship between respondents' age and their perception about Ralph Yirikyan as a tool for creating a good corporate image for VivaCell-MTS. In the result, it was found that the data was statistically significant. In other words, it turned out that in fact there was a significant relationship between the age group and their perception about Ralph Yirikyan as a corporate image maker. Pearson Correlation coefficient indicated that the correlation strength was negative, which means that when one variable increases, the other decreases and vice versa. So, elder people disagreed that Ralph Yirikyan created a good corporate image for VivaCell-MTS, while younger people agreed on the corporate image maker role of Ralph Yirikyan in the company: $r=-1.97$. $N=302$, $p=0.002$.

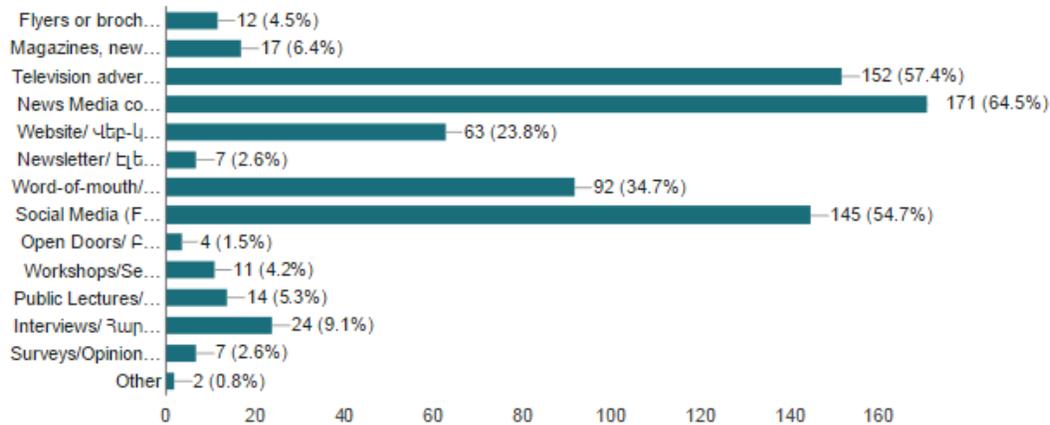
Table 2

Correlations			
		What is your age?	Do you agree or disagree with the following statements? R. Y. Good Corporate Image
What is your age?	Pearson Correlation	1	-.197**
	Sig. (2-tailed)		.002
	N	302	253
Do you agree or disagree with the following statements? R. Y. Good	Pearson Correlation	-.197**	1
	Sig. (2-tailed)	.002	
	N	253	253

Corporate Image			
**. Correlation is significant at the 0.01 level (2-tailed).			

Keeping in mind the results of interviews, where the emphasis of communicating social investment

Table 3



related news to the public was mostly put on TV, print and online media, Table 3 indicates the communication models that most of the respondents get informed from.

As it can be seen in Table 3, the biggest source of information from where public get informed of social investments news is news media coverage (64.5 %). News media coverage belongs to one-way press agency communication model. The second most commonly used communication model is TV advertisements followed by social media.

Table 4

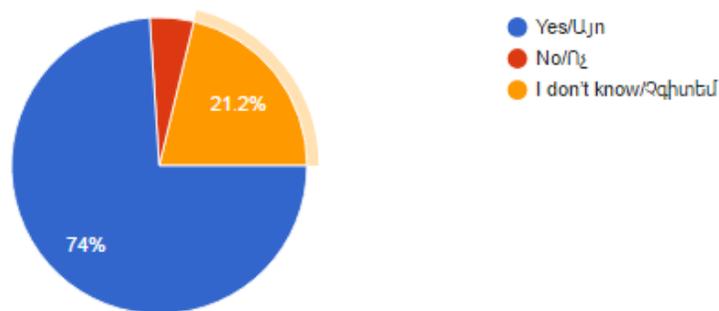
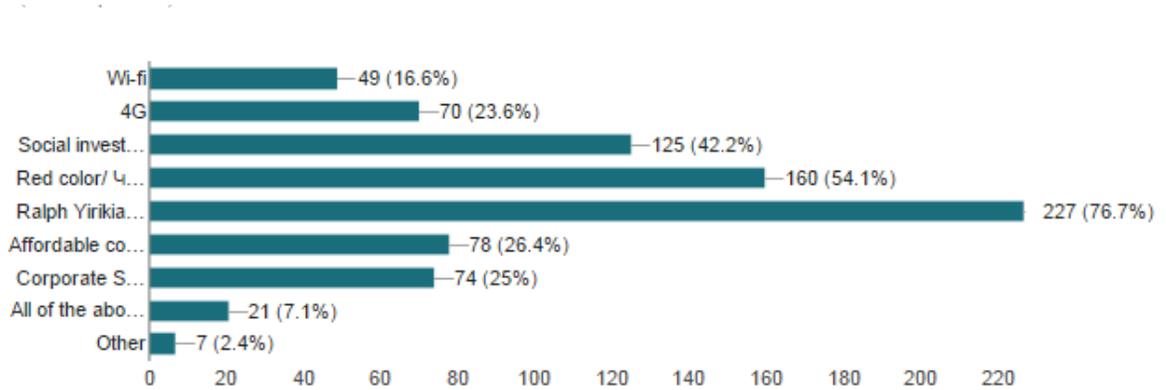


Chart 4

74 % of respondents considered MTS Armenia as a socially responsible business. Furthermore, the three main associations regarding MTS Armenia among the public were Ralph Yirikyan, red color and social investments.

Limitations

Due to time constraints, the analysis of more articles/or more years of diversified newspapers, including print was precluded. Furthermore, one of the key limitations for this study is that survey was conducted through non probability convenience sampling. Also, this study did not include a diversified range of interviews. It would be of a great importance to include stakeholders, of social investments projects in regional communities, other employees and the general manager of MTS Armenia.

Conclusion

This study was intended to explore the role of Public Relations in MTS Armenia, which in the frame of its CSR strategy implements social investments programs. Those programs are continuously being communicated to the public through PR models. The main objective of PR is to create a reputation and positive corporate image for the company. Thus, social investments programs play important part in the reputation building and positive image making process of the company. In the result of the interviews it was revealed that PR is the source of communication, while social investments are source for the content. Furthermore, it was explored that in MTS Armenia there is a thorough bond between PR and CSR specialists whose daily work is strongly dependent on each others' activities. As an illustration for the results of the interviews, the content analysis of online media news found out that the biggest part of the news constitutes the social investments programs rather than the business related products and commercial news. Furthermore, the main emphasis is put on the coverage of community development projects. Another important thing that was revealed through content analysis was the appearance and essential role of Ralph Yirikyan in communication process of the company's messages to the public. This shows the commitment and responsibility of the company to create trust between the public and Ralph Yirikyan. This argument is justified based on the results of the survey, according to which more than 88% of the respondents were familiar with Ralph Yirikyan and very often he was qualified as a philanthropist and a kind man who cares about others. This was further certified by the interviewees who agreed that Ralph Yirikyan is an important PR asset for the company because of his great leadership, management and communication skills. Thus, to answer the third research question, Ralph Yirikyan can be considered as an important PR asset for MTS Armenia not only in communicating company's social investments to the public, but also in reputation and awareness building for the company.

According to the interviews, the main four communication models that were used for distribution of SI related news were print, TV, online and social media. The survey results showed that public mostly gets informed from news media coverage, TV, Social media and word of mouth. So, MTS-Armenia tries to combine one-way and two-way communication models while interacting with the public. However, a greater importance is given to one-way communication models, particularly by putting an emphasis on press agency model. Although, today lots of companies are keen on communicating their activities to the public through this model, as it was mentioned in the very beginning, the success of communication of business companies lies in developing two-way communication models. In the developing world, social media has the ability to provide both one-way and two-way communication. Thus, it can be one of the solutions for gradually shifting from one-way to two-way communication model because it will ensure a balanced dialogue, rather than an imbalanced monologue in communication between public and organization, especially in the developing era of social media where crowdsourcing has become of a crucial importance.

In summation, the first hypothesis that considers social investments projects to be part of MTS Armenia PR strategy **is accepted**. It is said that to “complete the responsible task of communicating CSR to public, organizations will need the support of public relations’ practitioners. CSR has the power to make a great contribution to the reputation of corporations, shifting from one-way communication to two-way communication”.

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