

Trust management through discourse:

Power and persuasion in financial services

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Ethics: Power and persuasion

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The globe's corporate power elites view trust as indispensable to economic growth (Tyler and Stanley, 2007; DeVita, 2007; Korczynski, 2000). They also view the loss of trust as a cost or 'tax' to business (Murphy, 2003; Rendtorff, 2008; Khodyakov, 2007). Consequently, corporate elites use their capitalist power to socialise trust (Kincaid, 2006) in order to increase profits. Corporate elites acquire power through specialised knowledge that ordinary consumers find difficult or impossible to fathom. Elites then leverage their knowledge/power by taking on more and more risk on behalf of consumers (Rendtorff, 2008), and packaging that risk in products and services. In response, consumers employ trust as a way to reduce uncertainty and complexity when purchasing those products and services. Hence consumers accept the power of corporate elites and other authorities in global capital systems (Rendtorff, 2008).

In public relations' ongoing quest for professionalisation, it has taken advantage of the inextricable link between professional authority and trust (Gilbert, 2004). The move to position public relations as managers of trust began in earnest during the ethical debate that followed the collapse of Enron in 2001. In 2003, a US group calling itself the 'PR Coalition' lobbied for a consistent methodology to measure public trust in organisations in order to "assess the success or failure of efforts to improve or enhance relationships with key constituents" (Murphy, 2003; 9). The PR Coalition's report on 'Restoring Trust in Business' asserted that "the measurement of trust can demonstrate success that equates to the bottom line" (Murphy, 2003; 10). Edelman, the world's largest independent public relations firm (Edelman, 2007) took up the Coalition's challenge, producing a global methodology for measuring trust. The Edelman Trust Barometer of global opinion leaders has now become a widely-cited annual survey measuring trust in private and public sector organisations as well as NGOs.

Edelman's ninth and latest Trust Barometer found that, while business held virtually the same trust levels over its previous annual survey, product quality and company trust and identity have become increasingly inseparable in the global marketplace (Edelman, 2007). Technology emerged as by far the most trusted sector in every region of the world, while companies in the media sector and the insurance sector emerged the least trusted overall. Edelman launched the 2008 edition of its Trust Barometer at the World Economic Forum in Davos, the 'annual general meeting and health check' for globalisation (Edelman, 2007). The very site and scope of the launch of the Trust Barometer suggests an intent to forge a link between public relations and trust management in the minds of corporate power elites who purchase public relations services.

Critical approaches to public relations are centrally concerned with issues of power (Motion and Weaver, 2005). The task for critical public relations scholars is to investigate how public relations practice uses particular discursive strategies to advance hegemonic power of particular groups and to examine how these groups attempt to gain public consent (Motion and Weaver, 2005), that is to say, how these groups persuade. In recent years, public relations scholars and practitioners have concentrated on fostering public relations' professional authority in respect of trust in a series of simultaneous activities. A global alliance came together to declare a protocol on ethics standards for public relations (Valin et al, 2002).

Debate focused on locating public relations at the ethical core or 'conscience' of organisations (L'Etang, 2003). At least one national public relations coalition called for a methodology to measure trust on behalf of organisations followed by the production of the Edelman Trust Barometer. However, neither scholars nor practitioners have examined the inextricable link between trust and power, particularly in global capital systems.

The post-structuralist Foucauldian view is that power is always a discursive relation rather than something that people or groups wield or bear (Foucault, 2002; Weaver et al, 2006). Foucault argued that power and knowledge are inter-related and therefore every human relationship is a struggle and negotiation of power. He theorised that discourse is a medium for power which produces speaking subjects (Strega, 2005; Motion and Leitch, 2007). Discursive rules are strongly linked to the exercise of power because the effect of discursive practices is to make it virtually impossible to think outside them; to be outside them is to be irrational or 'mad' (Hook, 2001). Trust is associated with power and therefore produced through discourse.

Public relations scholars – Motion, Leitch and Weaver – are among those constructing a discursive theory of public relations. Motion and Leitch (1996) found that while discourses may be contested, resisted or transformed by any discourse actor, this work often falls to public relations practitioners. A Foucauldian view suggests that public relations practitioners play an integral role in the discursive process as discourse technologists, inviting and sustaining trust. Practitioners therefore play a vital role in helping global corporate elites remain powerful (Motion and Leitch, 1996). As discourse technologists, public relations practitioners produce and distribute or 'deploy' texts, advocating particular meanings and understandings by separating out from among all the statements that are possible, those that will be acceptable (Motion, 2005). Organisational routines that produce press releases and other public documents are discursive practices (Weaver et al, 2006).

A discursive hegemonic conceptualisation of public relations makes it difficult to separate public relations activity from persuasion or propaganda (Weaver et al, 2006). Practitioners deploy discourse to determine and reconfigure complex groups of power relations, so the use of public relations is never disinterested. Public relations gains hegemonic advantage for organisations engaged in discursive struggles by ensuring that certain ideas and practices become established and understood over others (Weaver et al, 2006). For any one discourse to dominate over others requires that it be sanctioned as 'the truth'. However, Weaver et al (2006) argue that discursive theory holds additional value because it allows for the possibility that public relations discursive struggles might fail. This paper will deconstruct just such a failed discursive struggle leading to the collapse of Equitable Life, the world's oldest mutual life insurer.

Although critical scholars have argued that discourse theory provides valuable insights into public relations practice, Motion and Weaver (2005) found that prior to their own study, no one had actually demonstrated how that practice can be deconstructed through critical research. The collapse of Equitable Life in 2000 involved a complex discursive struggle of trust surrounding opaque and risky products. Equitable Life's discursive struggle aimed at persuading stakeholders that it was more scientific in its product design and, as a mutual society, more committed to its customers. Since Equitable Life was the fourth largest life insurer in the UK, consumers, at least, were persuaded (O'Brien, 2006). But once the company's performance weakened, consumers and other actors began to lose trust, questioning the science behind Equitable Life's product design and ultimately bringing the

insurer to its knees. Equitable Life's public relations activity set out to persuade customers to support its case as various actors in the trust discourse adopted positions of resistance. This paper will deconstruct selected texts to explore resistance to Equitable Life's persuasive efforts; identify alternative sources of power in the discourse and seek out three trust discourse practices set out by Gilbert (2005): acting reflexively, anticipating change and identifying risk.

Public relations practitioners and scholars alike have identified the management of trust as a feasible route to professionalisation. It has been established here that trust is associated with power, hence produced through discourse. It has also been established that public relations practitioners play an integral role in the discursive process and that they engage in persuasion by producing and deploying texts. This paper will add to public relations' current understanding of trust by examining public relations' discursive strategies to advance Equitable Life's hegemonic power through trust. The paper will deconstruct the discursive struggle that resulted in a loss of trust between this highly-regarded Victorian firm and its stakeholders. The selected case involves public relations practice within the insurance sector, identified as one of the least trusted sectors in the 2008 Edelman Trust Barometer. An analysis of public relations practice within a discourse of trust will build public relations expertise and professional authority on one of the most critical factors in an organisation's reputation.

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