such as cyber scanning, systematic interviews with boundary spanners within the organization, qualitative research on activists, and personal contacts.

Lauzen (1995) examined the formality of environmental scanning in 16 organizations and concluded that organizations with formal environmental scanning systems monitored more issues in the environments for a relatively shorter period of time, compared to organizations with informal systems. She also argued that organizational culture and environmental complexity were influential factors for organizations' scanning efforts, with stronger influence from the former.

Environmental scanning can help an organization identify emerging issues and problems from outside perspectives and respond to them before they evolve into crises. Previous studies show that organizations with formal environmental-scanning systems monitored more issues than organizations with informal systems (Lauzen, 1995). The issues, problems, and attitudes and behaviors of publics detected through environmental scanning may be important driving factors or topics of scenarios, which will be examined in detail later.

Issues Management

Issues management is a method for linking the public relations function and the management function to help an organization understand its internal and external environments and foster a participative organizational culture. Chase (1984) defined issues management as "the capacity to understand, mobilize, coordinate, and direct all strategic and policy planning functions, and all public affairs/public relations skills, toward achievement of one objective: meaningful participation in creation of public policy that affects personal and institutional destiny" (pp. 1- 2). According to Heath

(1997), issues management "supports strategic business planning and management by understanding public policy, by meeting standards of corporate responsibility expected by key stakeholders, and by using two-way communication to foster understanding and minimize conflict" (p. 9).

The concept and function of issues management emerged in the past century as managements of large corporations made a strategic approach to the government, asking for public policies that are beneficial for their organizations (Heath, 1997). According to Heath and Nelson (1986), it was not until the mid-1970s, when Chase (1984) created the term, that "issues management" (p. 12) was recognized as a specialized area in organizations. Since then, organizations with a sophisticated issues management function have monitored issues, improved business strategies and plans, expanded their operations, and communicated in ways intended to build and strengthen relationships with key publics.

Issues management also is the process whereby organizations use information collected by boundary spanners to know and understand organizational environments and to interact effectively with their environments (Wartick & Rude, 1986). Ewing (1987) maintained that issues management would contribute to early intervention of issues development and allow organizations to participate in the issues development process effectively. Organizations without issues management functions often wait passively until they find themselves being able to do nothing about the issues at the end of the process. Issues management also helps organizations gain harmonious relationships with their stakeholders under turbulent environments; therefore, issues managers are responsible for the response to these issues for decision making (Heath, 1997).

Heath (1997) argued that issues management is a comprehensive and integrated process that combines planning, management, and communication. According to him, issues management contributes to strategic management because it helps organizations 1) interconnect public opinions based on the results from systematic issues identification, scanning, monitoring, and analysis; 2) be proactive toward the issues; 3) conduct sufficient experimental and qualitative analysis to solve problems; and 4) institute two-way communication with constituencies collectively with a long-term view. As a part of assessing an organization's environmental-situational position, he suggested that issues managers get involved in stakeholder identification, stakeholder analysis, and the analysis of business-economic trends and forces, as well as public policy trends and forces. Managers also can play the role of facilitators who harmonize an organization's interests with those of its stakeholders. However, to accomplish these tasks, Heath (1997) also pointed out that issues managers need to have executive-level authority and receive budgetary support from organizations. Similarly, Lauzen (1994) maintained that issues management facilitated defining and accomplishing an organization's strategic plan.

Process of Issues Management

In general, the issues management process consists of issue identification, issue analysis, issue change strategy options, issue action programming, and evaluation of results (Chase, 1984; Jones & Chase, 1979; Lauzen, 1997). The issue identification stage begins with consideration of trends, such as accelerating social, economic, and political changes, which come before issues. Chase (1984) defined an issue as "a unsettled matter that is ready for decision" (p. 38). Because organizations cannot identify every issue simultaneously, they need to identify and sort out the issues with significance to their

50

current situation. At this stage, managers put initial priorities on emerging issues based on their type, impact, geography, span of control, and salience (p. 41). In other words, this is the process of separating the wheat from the chaff.

After issue identification, the issues that are most important to the organization become the subjects of research in the next step, issue analysis. Managers at this stage determine the origin of the issue and the major sources or forces that influence that issue. Chase (1984) pointed out the need to review the organization's experience in terms of social, economic, and political changes; no problem or issue is isolated from the real world where the organization has existed. Research on internal and external experiences should be based on both qualitative and quantitative methods. In so doing, managers obtain clear ideas of the origins and development of issues. At this stage, managers also need to conduct research on their present situation through various methodologies, such as surveys of opinion leaders, media content analysis, and legislative trend analysis. Based on the combination of the analyses, managers identify the strengths and weaknesses of their organizations on the issue and decide what actions are to be taken.

In the third step, managers select alternatives for basic decisions they made as a response to issues at the previous stage. An issue change strategy option is "a choice among carefully selected methods and plans for achieving long-term corporate goals in the face of public policy issues, a choice based on the expected effect of each method of employment, cost, sales, and profits" (Chase, 1984, p. 56). Organizations often feel uncertain about their management decisions when they face changes in the environment. Consequently, Chase maintained that organizations might develop alternative strategies in three categories--reactive, adaptive, and dynamic.

Through these steps, issues managers identify, monitor, and analyze trends in key publics' opinions. If nothing is done about issues during this process, the issues develop into public policy and regulatory or legislative constraint of corporations. However, the fundamental goal of issues management is not to avoid legislation or regulation; rather, it seeks balance among the interests of all segments of the community so that each group can get satisfied with the proper amount of reward or benefit corresponding to the cost. Issues management requires efforts to attain understanding and increase satisfaction between parties and to negotiate their exchange of stakes.

Issues Management and Public Relations

As Lauzen and Dozier (1994) stated, issues management is a means for linking the public relations function and the management function to advance the organization's efforts to interact with the factors in the external environment and to maintain a participative organizational culture. They found that outer directed issues management, based on proactive public relations and participative organizational culture, increased public relations' involvement in the dominant coalition.

J. Grunig and Repper (1992) also suggested thatissues management is a joint function of a planning department and a department carrying out one or more public relations functions. Public relations managers who help strategic planning through the issues management process may gain access to management, which eventually enables them to contribute to strategic decision-making (Heath, 1997). However, as Renfro (1993) pointed out, although public relations practitioners are increasingly involved in forecasting the future in the planning process, they often find it difficult to connect these

forecasting activities with monetary values, or the bottom line, because of the complexity in measuring its effectiveness.

Lauzen (1997) maintained that the use of two-way public relations is positively related to issues management, based on an examination of the relation among the type of public relations practice, the type of issues management practices, and the outcomes connected with those practices. In her study of the relation between public relations and issues management, Lauzen argued that the knowledge and use of two-way public relations allow managers to gather and analyze information that would influence effectiveness. She added that involvement in issues management would provide public relations practitioners with opportunities to participate in strategic decision-making. Consequently, the involvement in decision making would enhance the excellence of public relations programs.

Issues management links the public relations function and the management function and helps an organization understand the internal and external environments through issues identification and examination. It helps an organization gain harmonious relationships with its stakeholders by using two-way communication to foster understanding and minimize conflict (Lauzen, 1997). Public relations practitioners are increasingly involved in the process of looking at the future through analyzing stakeholders, business-economic trends, and public policy trends. By facilitating this proactive approach toward issues, public relations practitioners can become involved in the strategic decision-making process (Heath, 1997; Renfro, 1993).

Lauzen (1997) examined the relation between the type of public relations practiced, the type of issues management practiced, and the outcomes associated with

these practices. She found that the use of two-way public relations has positive relation to steps in the issues management process: formal environmental scanning and active sense-making strategies. These two steps enable early issues detection along with accurate issue diagnoses. Her research also showed that two-way public relations practices are directly related to early issues detection and accurate diagnoses. According to Lauzen, environmental scanning and issues analysis are the first part of the process wherein managers create organizational responses to environmental forces. After scanning and identification, they detect and diagnose the specific issue. In conclusion, public relations contributes to issue analysis by helping decision makers in organizations understand issues and make strategic decisions. In so doing, organizations respond to issues with appropriate action and communication strategies that allow them to manage relationships with key publics. In another study, Lauzen and Dozier (1994) also found that public relations practitioners who are involved in issues management were strongly and positively related to the dominant coalition's decision making.

The Situational Theory of Publics

In the discussion of strategic management of public relations, the importance of identifying and segmenting publics was briefly mentioned. This section reviews related theory and examines how it is relevant to this study. I first outline the basic concept and variables of the theory and expand it to the communication strategies for different types of publics and activist publics in particular.

Understanding the concept of a public is crucial in public relations by definition. A public is a group of people who face and recognize a similar problem and organize for action (J. Grunig, 1984). A public is distinguished from the mass; a public is