

**AN ASSESSMENT OF PUBLIC RELATION PRACTICE IN
THE CASE OF WOGAGEN BANK**

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Creating proper public relation is one of the vital factors that determine the competitiveness of a specific organization and create a better image in the mind of both internal and external customers. The importance of the role of public relation in the service sector is to develop commitment, motivation and morale among people to enable them to function under different circumstances (banik, 2004:38).The bottom line of public relation practice is in the results that come from putting theories and principles to work in a way that benefits the organization issuing the paycheck and the society of which that organization is apart (allen; 2002:1).

According to Banik, (2004:39) public relation is a deliberate, planned and sustained effort to establish and maintain mutual understanding and goodwill between an organization and its publics. Public relation is an effort to identify and interpret policies and programs of an organization with the objective to establish a bridge of understanding and goodwill between an organization and its publics (Banik, 2004:4). Public relations provide a service for a company by helping to give the public and the media a better understanding of how he company works. Public relations also help a company to achieve its full potential.

Public relation defined as an applied social and behavioral science which measures evaluates and interprets the attitudes of the various relevant publics (kaul; 1988:14).the scale of activities to promote good public relation may vary considerably according to the size and nature of interested parties but the philosophy, the strategy and method will be very similar weather the public relation program is designed on relevance of international understanding or to improve relation between a company and its customer agent and employee(black 2004:3).

Wegagen Bank engaged in the financial sector which started operations on June 11, 1997 with a subscribed capital of Birr 60 million and a paid up - capital of Birr30 million.

The number of shareholders reached 2,130 while the total capital (including paid-up capital, share premium and legal reserves) reached over Birr 1.5 Billion as of March 31, 2012.

Wegagen Bank has a network of 63 branches of which 28 are in Addis Ababa and the remaining 35 are located in other towns of the country. Expansion of the network of branches will be pursued appropriately.

Wegagen Bank is governed by the Board of Directors consisting of a Chairman, a Vice Chairman and seven Directors. The overall management is entrusted to the management team

which comprises the President/Chief Executive Officer, who is appointed by the Board of Directors, two Vice-Presidents and twelve Department Managers.

As of March 31, 2013, the number of permanent employees of the Bank stood at 2,158 of which 1,377 were clerical, professionals & semi-professionals, holding diploma and first & second degrees.

1.2 Statement of the Problem

Public relation is an effort to identify and interpret policies and programs of an organization with the objective to establish abridge of understanding and good will between an organization and its publics (Banik; 2002: 39).

Public relation recognizes a long term responsibility and seeks to persuade and to achieve mutual understanding by securing the willing acceptance of attitude and ideas. The main reason for the company's poor image and in the mind of the society is the gap of mutual lines of communications, service and social events understanding acceptance and cooperation between an organization and its publics. Some of the problems related with the public relations are limitation of decision making due to unclear structural setup of the organization and not having clear distinguish goals between departments and limited public relation services offered by the department due to shortage of manpower and facility, and budget limitation (Kotler; 2002: 605).

The problem that the student researcher observes from the Wogagen's bank public relation practice are the following; the company public relation department is small relating to the bank's size and standard so they don't practice public relation appropriately. And the company only uses sponsorship tool from the public relation tools and it's has four employees in the public relation division so that the student researcher has gained problem in terms of these practice of the company. But they don't use public relations tools appropriately such as community service, counseling, and press relies because of that the company loses its competitive advantage. This is a tentative gap in which the company doesn't take remedial measure it may lose its reputation which is one source of competitive advantage. After conducting the research it might be found as true or not.

1.3. Basic Research Questions

1. What does the public relation practice of the company looks like?
2. How the bank measures its public relations activities?
3. What are the major factors that affect the public relation practice of the bank?
4. What measures are taken by the bank to avoid the problem with regards to its public relation practice?

1.4. Objective of the study

1.4.1. General Objective

To assess the public relation practice of the case Wegagen bank.

1.4.2. Specific Objective

- To describe the public relation practice of the bank.
- To point out the company's public relation practice measurement.
- To assess the major factors that affects the public relation practice of the bank.
- To analyze the measures that the bank take to avoid the problems with regards to its public relations practice.

1.5. Significance of the Study

First and foremost this study will be important to the student researcher in doing the cross match of the theoretical aspect with the real marketing practices. It will also be useful for others researchers who may be interested to conduct research in similar topics. In addition to this the study will have an importance to Wegagen Bank as an input for decision making.

1.6. Delimitation of the Study

The study is delimited to public relation practice in the case of wegagen bank. Due to the branch of the bank are scattered throughout the country the research gives emphasis on Addis Ababa branches and head office current status only.

Because of time, place cost and other factors the student researcher uses the data available from 2009 to 2013.

1.7. Research Design and Methodology

1.7.1. Research Design

In order to answer the above basic research questions, the student researcher uses descriptive research method. Descriptive research method helps to describe the research setting as it is and also allows the use of both qualitative and quantitative approach.

1.7.2. Population and Sampling Techniques

The student research has included customers, employees and managers of the bank as target population of the study. The student researcher uses non probability sampling, particularly convenient sampling technique, and used Malhotra's (2006; 329) suggestion of 150 respondents customers as representative sample in order to have sufficient and reliable data and enable the student researcher to meet the respondents on their availability.

1.7.3. Types of Data Collected

The student researcher aims to use both primary and secondary data. The primary data is to be collected from customers and head of the bank's public relation department. Secondary data will be gathered from documents of the bank, reference books, internet and previous researches.

1.7.4. Method of Data Collected

The student researcher use both open and close ended questionnaire, and interview to collect primary data. Questionnaires will be distributed to customers while they are coming to the bank for service.

Interview is taken personally with the head of the wegagen bank public relation department. The secondary data is gathered through referring different text books, internet and unpublished data of the corporation; related with subject matter.

1.7.5. Method of Data Analysis

The study will use both quantitative and qualitative data analysis techniques. The responses that will be collected from questionnaires are analyzed by quantitative approach; tabulation and percentage are used. Responses are obtained through interview are narrated qualitatively.

1.8. Organization of the Study

The research paper tries to classify this study in to four chapters. Chapter one introduction which includes background of the study, statement of the problem, methodology, significance of the study and scope of the study. Chapter two includes the literature review. Chapter three includes data analysis and presentation. The last part of the paper includes conclusion and recommendation.

CHAPTER TWO

REVIEW OF RELATED LITRATURE

2.1 Definition and Meaning of Public Relation

Public relation can be defined as the development and maintenance of positive relationship between an organization and its publics. The development place the responsibility on the organization and the world maintenance identifies public relation as an on-going and continuous process (Milner, 1995: 184).

Public relation is one of the major promotional tool and it build good relation with the companies various publics by obtaining favorable publicity, building up good corporate image and handling or heading of unfavorable rumor, stories and events (Kotler, 2006: 477-478).

Create proper public relation is one of the vital factors that determine the competitiveness of specific organization and create a better image in the mind of both internal and external customers and public relation is used to promote product, people, place, idea, activities, organization and even nation. Public relation is a management tool designed to favorably influence attitudes towards an organizations this promotional tool is typically a step child relegated for behind personal selling, advertising and sales promotion (Etzel and other, 2001: 561).

The practical public relation (Banik, 2004: 5) defined as the establishments of two ways communications to resolve conflict interests and the establishment of understanding based on truth, knowledge and full information from this perspective pubic relation requires execution of communication program designed to bring public acceptance and common understanding.

Many companies do not take the task of public relations seriously for various reasons; firstly the term public relations have not been defined properly. Different firms draw different mining out of it and make use of it in several ways, when they are unable to draw desirable results out of it they start neglecting it. Secondary most firms have a compact organizational structural in which there small public relations department whereas this task should be undertaken by the marketing department that is versify enough to make public dealings. Thirdly till recently many firms didn't realize the value of public relation. For them it was a wasteful activity after the economy become open, they felt the need for it and started taking it seriously (Monga, 2003: 491).

(Cooper and Heinbig 2000: 364) forwarding their idea on public relation; the act of evaluating public opinion and identifying organizational policies and practice with interest of the audience, followed by the development and execution of plans that earn public awareness, understanding acceptance, support and action, in addition to they also suggest that; in practice public relation is a multi-strategy, multi tactical means of reaching various external and internal target audiences called “ publics” by practitioners, public relation enables peoples to deliver message that inform, educate and create or change opinions, attitudes and actions that have an impact on objectives.

Relationships may be between an organization and it stake holders. An organization communicates with various stake holders, both internal and external public relations efforts can be directed toward any and all of this firm stake holders can include customers, suppliers, employees, stake holders, the media, educators, potential investors, government officials and society in general public relations can be used to promote people, place, ideas, activities and even countries. It focuses on enhancing the image of the total organization (Pride, 2005: 477).

Public relation is the use of publicity and other non-paid forms or communication designed to present firm and its products positively they also suggest that public relation can be used to establish the social responsibility of a good corporate citizen. Because of the typical content and source or messages it is possible to reach upscale opinion leaders who in turn spread the message (frazier and Harrell, 1995:455)

On the above definitions we can understand that public relations is effective way of communication in order to get better solution and to create better image in the mind of publics that results good will for an organization.

2.2 Overview of Public Relation

This portion of literature review gives emphasis on the public relations historical background and will try to vivid its functions

2.2.1 History of Public Relation

Public relation have a relatively short history and a very long way to go (Banik 2004:10) elaborates that public relations in the past has been practiced as an information and publicity tool of the government he also clearly categorized the phase of history banik explained that public relations in the past has been practiced as an information and publicity tool of the government he also clearly categorized the phases based on the Indian history as the era of propaganda the era of publicity and the modern public relations. All of the above three phases have their definite communication objectives the phase of propaganda techniques used to preserve the government rule and keep an eye on the intrigues of their enemies the era of publicity of public relations facilitate information availability to the public the modern public relations becoming an integral part of management process in the business activity. It establish credibility become a strategic

resource to the management unlike any other profession modern public relations demand a high degree of ethical conduct credibility knowledge and creativity (Banik 2004:10).

2.2.2 Public Relation and Social Responsibility

In today rapidly changing business markets the business is expected to build the management structure and the operations of the company which meet the competitive environment (Banik, 2004:20)

Further banik strengthen this idea by saying the business should clearly indicate that the business and the community have a profound effect on each other perhaps the concept of social responsibility is developing in the minds of the management the general public etc.

According to bank the business should realize that it has the responsibility towards customer's community media action groups and the general public.

2.2.3 Function of Public Relations

Public relation has general objectives to establish and maintain appositive image of the company among its various publics (Blech, 2004:23) therefore the public relation target to create a conductive work environment for the company and its objective public relations develops and implements program to meet organizations objectives by maintaining sustainable image bridging customer loyalty and other relevant publics including employees, suppliers, stockholders, government labor groups citizens action groups and the general public(belch; 2004:95).

According to Kotler (2006:475) public relation department may perform any or all the following functions

- Press relations /press agency – creating and placing news worthy information in the news media to attract attention to person, person, product or service.
- Product or service publicity- publicizing specific products.
- Public affairs building and maintaining relation with legislators and government officials to influence legislation and regulation.
- Counseling- spends time counseling top management to adopt positive program and to eliminate questionable practice so that negative publicity doesn't arise in the first place.
- Investor relations- maintaining relationships with shareholders and others in the financial community.
- Development- public relation with donors or members of not for profit organization s to gain financial or volunteer support.

Objectives and aims of public relation

The main objective of public relations department is to enhance a company's reputation

According to Black (2004:18) the practical applications of public relation practice can be summarized under three main heading of public relation practice can be summarized under three main headings.

- ✓ Positive steps to achieve good will: - these consist in arousing and maintain good will and public interest in the activities of an organization in order to facilitate the successful operation and expansion of those activities.
- ✓ Action to safe guard reputation: - it is equally important to look inward at the organization and to eliminate customs and practices which through legitimate, are likely to offend public opinion or interfere with mutual understanding.
- ✓ Internal relationship:- using public relation techniques internally in order to that the staff and employees of the organization shall be encouraged to identify their own interests with those of the management

2.3 Elements of Public Relation

- 1) The message to be transmitted
- 2) An independent third party endorser to transmit
- 3) A target audience to motivate
- 4) Medium (television, radio, etc.) to transmit the message

2.4 Public Relations for Internal and External Public

From the point of view of management there are two aspects of public relations internal and external. As banik explained in his book of effective public relation in public and private sector (Banik, 2002:40-46) the modern management of any business has to enlist objectives winning confidence and trust of its shareholders, clients, and suppliers and public at large there by fulfilling its internal and external obligations

2.4.1 Internal public of public relation

The modern management of a business has to enlist to participation and support of its workers to realize its objectives winning confidence and trust of its shareholders clients and suppliers and the public at large there by fulfilling its social obligations

The employees are the internal public of both public of both public and private sector companies they are important because they participate in its operation, production and formulation of its ideas effective communication between management and employees is of great importance

The objective of an internal communications programs should be the creation of an atmosphere of understanding and merited support of co-ordinate inter change of high morale and high efficiency communications as a practicing art has to be developed as a culture and philosophy so that every employee function as an effective communicator or as a change agent employees these days expect more information on what's happening to the company and how it will affect them. The internal communication program must be tailored to communicate with the employee's facts, figures and beliefs taken from the corporate policies, objectives and achievements

An organizations internal image and the moral of the work force depend a great deal on the flow of communication the organizations which refuse to communicate with their internal constituents and take them for granted fails to effectively handle the flow of internal communication and on many occasions are compelled to face undesirable consequences (banik, 2004:40-41)

2.4.2 External Public of Public Relation

External public relation as the name suggests, is concerned with people outside the organization since it is necessary to communicate with different groups of people in public relation the target population has to be defined it is very important to carefully identify the people to reach them effectively otherwise it may be difficult to achieve the desired objectives and result in undesirable consequences

The private sector companies are owned by individuals or shareholders and the external public for these organizations are:-

- Customers
- Shareholders
- Opinion leaders
- Mass media
- Community at large
- Civic and government bodies
- Financial institutions
- Citizens action groups and
- Public at large (banik, 2004:41-42)

2.5 The Role and Impact of Public Relations

According to kotler (2006:467) public relations can have a strong impact on public awareness at much lower cost than advertising can the company does not pay for the space or time in the

media rather; it pays for a staff to develop and circulate information and to manage events if the company develops an interesting story. It would be picked up several different media having the same effects as an advertising that would have more credibility than advertising

Public relations activities are needed to deal with local government, media, trade associations and the general public. The role played by public relation is not just to help the company sell its product or service but also to present the firm as a good corporate citizen concerned about the future of the country often public relations are needed to deal with specific problems accompany faces it takes responsibility to maintain mutually beneficial relationships between the organization and its public (Belch and Belch; 2003: 694)

In addition (Shri and Shri; 2004:12) public relations play an important vital role in enhancing image of organization in the eyes of the public relations is not projecting the negative as positive public relations in the organization existing and with whom the organization functions

2.6 Major tools of public relations

To communicate with internal and external customers and also the public a company's public relation department must use appropriate tools depending up on the nature of activities public relation tools as majors:-

- Publications – companies rely extensively on published materials to reach and influence their target markets these include annual report, brochures, articles company news, letter magazines and audiovisual material (Kotler, 2002:606).
- Events – companies can draw attention to new products or other company activities by arranging special events like news conferences, seminar, outings exhibits contests and competitions anniversaries sport and cultural sponsorships that will reach the target publics (Kotler, 2002:608).
- News – one of the major tasks of public relation professionals is to find or create favorable news about the company. Its products and its people news generation requires skill in developing story concept, researching it and writing après release but the public relation persons skill must go beyond preparing news, stories, getting to media to accept press releases and attend press conferences call for marketing and interpersonal skills (Kotler, 2002:608).
- Speeches – can also create product and company publicity increasingly company executives must field questions from the media or give talks at trade associations or sales meeting and these events can either build or hurt the company's images (Kotler, 2002:608).
- Public services activities – companies can build good will by distributing money and time to good causes. Large companies typically ask executives to support community affairs. In other instances, companies will donate an amount of money to specified cause. Such

cause related marketing is growing number companies to build a public good will (kotler, 2002:608).

- Corporate identity – can help create a corporate identity that the public immediately recognize logos, stationary, brochures, signs, business forms, business card, buildings, uniforms and company cars and trucks all become marketing tools when they are attractive distinctive and memorable. Finally, companies can improve public good will by contributing money and time to public services activities (kotler, 2002:608).

2.7 Advantage of public relation

Public relations have both advantage and disadvantage (Belch, 2006:576) specified these elements as follows

Advantage

1. Credibility – because public relations communications are not perceived in the same light as advertising that is the public does not directly or indirectly paid for them they tend to have more credibility.
2. Avoidance of clutter – they are typically perceived a new items public relation messages are not subject to the clutter of advertisement
3. Image buildings – effectives public relation help to develop appositive image for the organization a strong image is insurance against inter misfortunes
4. Cost – in both absolute and relative terms, the cost of public relations is very low
5. Leading generation – information about technological innovations and the like may results the firm some quality sales leads
6. Ability to reach specific groups – if the company does not have the financial capability to engage in promotional expenditures, the best way to communicate to these groups is though public relations

2.8 Factors Affecting the Effectiveness of Public Relation

There might be many factors which have an influence on the practical public relations activities of any organization. Hiebing and cooper (2003:383) recommend the following factors should be considered prior to any public relations activities implemented these activities are setting public relation objectives identifying the company target group identifying the appropriate public relation tools activities shall be specific setting standards selection of personnel of public relations department and availability of technology.

2.9 Practice of PR in Banks

Public perception is the key to the success of any bank. In the liberated market economy and a more competitive environment with more players and innovative products in banking industry, a question arises how we build public relations on banks. It is through customer- friendly approach based on two-pronged strategy:-

- a) Customer friendly products and honest services.
- b) A public relations communication strategy (redid, 2010:228)

Some public relations are deterrent factors in improving the reputation of individual bank or financial institutions to build up enduring relationships with the people inside and outside the bank. Banks deal with the public money, are the repositories of peoples savings, serve people with financial services, have to maintain good relations with stakeholders, have to liaise with other financial institutions and government and non-government bodies, have to deal with media for effective communication, have to provide information under the right to information act, etc. are few to quote functions that justify the need for public relations in the banking industry (redid; 2010: 229)

2.10 Dimensions for Public Relations in Banks

➤ Employees relations

Employees are one of the public that have to be cared for by public relations as they provide services to customers. Though employees of the bank are the constituencies for public relations department, the management expects that public relations must be directed towards external publics. A research in the area of customer services shows that customers can be satisfied if and only if employees are themselves satisfied. The main business of the bank is to satisfy customers and only asatisfied employee is capable of delivering the quality service expected by customers. House journals are the key tools of employees relations (redid, 2010:232)

➤ Relation with customers

A bank customer is broadly defined as apotential users of banks service. Ensuring his/her satisfaction is of paramount importance to a banker. The concept of customer satisfaction, therefore, has gained renewed emphasis in the present-day context.

Today, customer awareness grown and therefore, they are more demanding. The mass media, the consumerism and media exposure have raised the levels of expectations and this trend will continue. In the current scenario when banks have very little difference in interest rate, the only differentiation and most powerful weapon they have is customer service. A customer evaluates the bank on the basis of his/her past experience, awareness and above all his/her perception of the banks service quality (Reddi, 2010:233).

➤ Service survey

Customer service is an important arm in the public relations exercise of any bank. Public relations in terms of customer service are performance, followed by recognition. If the bank staff and authorities do not perform, then its negative image will be built rather than a positive image (Reddi, 2010: 2010:235).

➤ Media relations

Since media is the conduit of reaching publics of the bank, public relations is expected to create and maintain good media relations for getting fair coverage in both print and electronic media. Tactics, such as press kit, press conference, news photograph, press discussions are utilized for getting good coverage of banks activities, and also reaching the target audience (Reddi, (2010:235).

2.11 Challenges of Public Relations

As Weiner, (2006:21-29) discussed; public relations faces numerous challenges on a number of different levels. From within the organization, public relation budgets have always been given great scrutiny-meaning, kept as small as feasible and sometimes smaller and yet the expectation is that public relation will provide a return on investment for every dollar spent. Public relation is under pressure to deal effectively with the proliferation of new media and new media categories and globalization. Finally, from within the public relations profession places obstacles in its own path, such as loosely defined professional standards, generally inadequate levels of professional education and talent development.

Internal Challenges

The internal challenges include conventional marketing wisdom that often boxes public relation efforts into old formulas, constrictions of funding and resource, and uncontrollability of information.

- **Conventional Marketing Wisdom**

Conventional marketing wisdom often keeps public relation on periphery (side-line). Within most organizations, public relation is regarded as great for interacting with the media, writing and distributing press releases, and helping with special events, but not much else. However, the sphere and potential of public relations is much greater than top management often perceives. Whether it is raising awareness among prospective hires about a company's being a desirable place to work or Wall Street as being a worthwhile investment, or creating marketing momentum

to accelerate the scale of goods and services, public relation is capable of some very heavy lifting.

- **Resource and Funding**

Generally speaking, one of public relations key benefits is that it is intrinsically less costly than advertising. Public relation requires no money-back offers and no media buys, so even its most ardent practitioners want it to have a smaller budget. That being the case, it would be unrealistic to expect that public relation would ever have the same budget as advertising. But still, even as marketers begin to recognize public relations abilities, public relations is grossly underfunded when compared to other marketing forms. To properly deliver consistent and effective public relations results, public relation programs must be properly funded.

External Challenges

Public relations practitioners also face greater external challenges than ever before, including back of control of the media, greater media attention to corporate behavior, and the risk of new forms of media, especially on the internet.

2.12 Measuring the Effectiveness of Public Relation

According to (Belch, 2004:577), to determine if the public relations program is working the firm must measure the effectiveness of the public relation effort as with the other promotional relation elements. It is important to evaluate the effectiveness of the public relation effort. In addition to determine the contribution of this program element to attaining communications objectives, the evaluation offers other merits.

- It tells management what has been achieved through public activities.
- It provides management with a way to measure public relations achievement quantitatively
- It gives management away to judge the quality of public relations achievements and activities Simon in (Belch;2004:578) suggests additional means for accomplishing this evaluation process, including the following:
 - Personal observation and reaction- personal observation and evaluation by ones superiors should occur at all levels of the organizations.
 - Matching objectives and results- specific objectives designed to attain the overall communications objectives should be related to actions, activities or media coverage.
 - The team approach- one way of evaluating public relation activities especially in internal public is the degree that results from public relations in creating term approach to meet the overall objective of an organization.

Therefore by doing the above others the company can make effective public relation activities.

2.13 Evaluating Public Relation Effectiveness

One approach to measuring the effectiveness of publicity based on public relation is to count the number of exposures in the media to determine which releases are published in print media and how often, an organization can hire a clipping service, a firm that clip and sends news releases to client companies. To measure the effectiveness of television coverage , affirm can enclose a card with its publicity releases, requesting that the television station record it is name and dates when the news items is broad cat (pride, 2005:480).

The evaluation step in public relation program is essential. It permits the practitioner to assess the effectiveness of the effort, demonstrate that effectiveness to management and plan for future efforts. It also gives an opportunity to adjust tactics while the campaign is progress all this means that competent evaluation demonstrates the value of public relations to management.

Evaluation techniques may include impact analysis, audience coverage, audience response, campaign impact, and environmental assessment.

CHAPTER THREE

DATA ANALYSIS, INTERPRETATION, AND PRESENTATION

This chapter of the study deals with presentation, analysis, and interpretation of data's obtained from sample respondents of Wegagen Bank customers by the means of questionnaire. A total of 150 questionnaires were distributed to customers, in three branches found in Ledeta area, Alem Bank area and the head office found around Bole area however, out of the 150 customers from all branches only 132(88%) from ledeta area branch of wegagen bank 43, from Alem Bank area branch of wegagen bank 42 and from Bole area branch of wegagen bank 47 of them cooperated in filling and returning the questionnaire the rest 18(12%) were not able to return the questionnaire due to unknown inconveniences.

3.1. Analysis of respondent's characteristics

Table 1 Background information of respondents

Item No.	Item	Description	No of Respondents	Percentage (%)
1	Gender	Male	74	56
		Female	58	44
		Total	132	100
2	Age	18-25	22	16
		26-33	42	32
		34-41	34	26
		42-49	24	18
		Above 50	10	8
		Total	132	100
3	Educational level	12th complete	20	15
		Certificate	18	14
		Diploma	28	21
		First degree	42	32
		Master and above	24	18
		Total	132	100
4	Occupation	Student	16	12
		Government employees	37	28
		Retired	20	15
		Merchant	59	45
		Others	-	-
		Total	132	100

The data shown in the above table shows background of respondents, 74(56%) of respondents are male, 58(44%) of respondents are female. This shows that most of the company's customers are male. In terms of age indicated in item 2 of the same table the majority of the respondents,

42(32%) are in the range 26-33, 22(16%) are in the range 18-25, 34(26%) are in the range 34-41, the rest 24(18%) and 10(8%) are in the age of 42-49 and above 50. This shows most of the company's customers are adults.

Item 3 of table 1 shows educational level of respondents. From the total respondents 42(32%) are first degree holders, 28(21%) are diploma holders, 22(14%) are certificate holders, 20(15%) are 12th complete, the rest 24(18%) are master and above. This shows that most of the company's customers have completed tertiary level of education.

Item 4 of the same table shows occupation of respondents, 16(12%) of respondents are students 37(28%) of respondents are government employees, 20(15%) are retired; the majority 59(45%) of respondents are merchants. This shows that most of the company users are merchants.

3.2. Analysis of questions directly related with the study

Table 2 Company's image

Item No.	Item	Description	No of Respondents	Percentage (%)
1	How do you rate the level of the company's image in the minds of customers?	Very high	25	20
		High	56	42
		Average	43	33
		Low	7	5
		Very low	-	-
		Total	132	100
2	How strong do you think the company works to create and maintain a favorable image in the minds of customers?	Very strong	17	13
		Strong	50	38
		Medium	65	49
		Weak	-	-
		Very weak	-	-
		Total	132	100

As it is shown in the above table, 56(42%) of respondents chose high, 43(33%) chose average, 25(20%) chose very high, and the rest 7(5%) chose low, regarding the company's image in the minds of customers. The majority of respondents chose high only 7 respondents chose low, this indicates the company's strategy in positioning is well implemented.

In item 2 of the same table respondents were asked to rate the strength of the company's in working to create and maintain a favorable image in the minds of customers. The majority of respondents, i.e. 50(38%) rated it as strong, 17(13%) rated it as very strong, the rest 65(49%) rated it as medium. None of the respondents chose low or very low, which indicates the company works to create and maintain a good image in the minds of its customers however the effort

exerted by the company's public relation department is not up to the expectation of the majority of its customers which have rated the effort as medium.

In contrast to this the public relation department manager of the company in the interview session stated that the company strives to have a good relation with its customers and is successful in doing so.

Table 3 company's public relation practice

Item No.	Item	Description	No of Respondents	Percentage (%)
1	How do you rate the company's public relation practice in comparison with competitors?	Very high	31	23
		High	37	28
		Average	54	41
		Low	10	8
		Very low	-	-
		Total	132	100
2	How is the acceptance of the company's public relation practice?	Very high	36	27
		High	59	45
		Average	31	23
		Low	6	5
		Very low	-	-
		Total	132	100

As it is indicated in item 1 of the above table 10(8%) rated the company's public relation practice in comparison to competitors as low, 31(23%) as very high, 37(28%) as high, the majority of respondents (54 in number, 41 in percent) rated the company's public relation practice as average. Not only the majority respondents chose average but also most of the respondents chose average and above, only 10(7%) chose low. This indicates that the company has a competitive advantage over its competitors and is being noticed and appreciated by customers.

Item 2 of the same table shows how customers rated the acceptance of the company's public relation practice, out of the total respondents 36(27%) rated it as very high, 59(45%) rated it as high 31(23%) rated it as average, 6(5%) rated it as low. The majority of respondents chose high indicating the company's public relation department is effectively carrying out its duties.

The public relation manager was asked to express the company's public relation practice in comparison to competitors; he indicated the public relation department uses different mechanisms that allow the company to be upfront in the industry and is successful in doing so.

Table 4 Communication strategy

Item No.	Item	Description	No of Respondents	Percentage (%)
1	How do you rate the company's effort in making information available for customers?	Very high	18	14
		High	41	31
		Average	53	40
		Low	12	9
		Very low	8	6
		Total	132	100
2	The company works to create a common understanding with the public.	Strongly agree	23	17
		Agree	40	30
		Neutral	26	20
		Disagree	30	23
		Strongly disagree	13	10
		Total	132	100

As it is indicated in item 1 of table 3, 53(40%) respondents rated the company's effort in making information available for customers as average, 41(31%) rated it as high, 18(14%) as very high, and the rest 12(9%) and 8(6%) rated the effort as low and very low respectively. This indicates the company's effort in availing information for customers is at an average level; however, there are also those respondents who chose low and very low which indicates there is communication gap between the company and its customer.

Item 2 of the same table shows that from the total respondents, 30(23%) disagreed, 40(30%) agreed, 26(20%) chose to be neutral, 23(17%) agreed strongly, and the rest 13(10%) disagrees strongly to the statement "the company works to create a common understanding with the public." The majority of respondents disagreed to the statement. This implies the company usage of different public relation tools is not up to the desired level.

In contrast in the interview conducted with the public relation manager he stated the company uses different public relation tools to create a common understanding with the public. This shows the company is not aware of the gap that exists with the public.

Table 5 handling comment

Item No.	Item	Description	No of Respondents	Percentage (%)
1	What is the extent of the company's effort to address customers comment and grievance and corrective action?	Very high	24	18
		High	32	24
		Average	55	41
		Low	7	5
		Very low	3	2
		Total	132	100
2	How do you see the company's effort in working to get feedback about its public relation practice from customers?	Very good	32	24
		Good	51	39
		Medium	37	28
		Bad	10	8
		Very bad	2	1
		Total	132	100

As it is shown in item 1 of table 5, the company's effort in addressing customers comment and grievance and taking corrective action was rated as very high by 24(18%) of respondents, 32(24%) rated it as high, 20(15%) rated it as low, 3(2%) rated it to be very low, whereas the majority respondents (55in number 41 in percent) rated the effort as average. This indicates that the company's effort in addressing comment and grievance and take corrective action is well established since most of the respondents rated it as average and above.

Item 2 of the same table shows customers response on the company's effort in working to get feedback about its public relation practice from customers. Out of the total respondents only 10(8%) and 2(1%) chose bad and very bad, 37(28%) chose medium, 32(24%) chose very good, and the majority that is 51(39%) chose good indicating the company highly engages in gathering feedback from customers which is an indication of good public relation practice.

In the interview session held with the public relation manager of the company the manager replied the company has a department called complaint management which specifically operates to collect and handle any comment or grievance a customer has about the company.

Table 6 Public relation tools

Item No.	Item	Description	No of Respondents	Percentage (%)
1	The company uses published materials as a means of sharing information with customers	Strongly agree	32	24
		Agree	47	35
		Neutral	38	29
		Disagree	9	7
		Strongly disagree	7	5
		Total	132	100
2	How do you rate the company's level of participation in fund raising?	Very high	27	20
		High	38	29
		Average	42	32
		Low	15	11
		Very low	10	8
		Total	132	100
3	How do you rate the company's effort to participate in sponsoring different events?	Very good	41	31
		Good	65	49
		Medium	26	20
		Poor	-	-
		Very Poor	-	-
		Total	132	100

As it is shown in item 1 of table 6, 32(24%) of the total respondents strongly agrees, 47(35%) respondents agrees, 38(29%) respondents chose to be neutral, 9(7%) respondents, 7(5%) disagrees to the statement "the company uses published materials as a means of sharing information with customers." the majority of respondents specifically 49(36%) agreed to the statement indicating the company does indeed make use of published materials as a means of sharing information.

Item 2 of the above table shows how respondents rated the company's level of participation in fund raising, out of the total respondents 27(20%) rated it as very high, 38(29%) rated it as high, 42(32%) rated it as average, 15(11%) rated as low, 10(8%) rated it as very low. The majority of respondents rated it as average; in comparing the number of respondents that chose below and

above average, respondents that above average takes the lion share indicating the company usually participates in fund raising.

Item 3 of the same table shows how customers have rated the company's past experience in sponsoring different events. The majority of respondents (65 in number and 49 in percent) rated it as good, the rest 41(31%) and 26(20%) rated it as very good and medium respectively. This indicates that the company highly uses sponsorship as a means of reaching its target customers.

In addition to this the public relation department manager has emphasized that the company uses different public relation tools such as fund raising, publication, press release, speeches, sponsorship, and the likes. He further underlined that the company mostly engages in sponsorship.

Table 7 Company relation with society

Item No.	Item	Description	No of Respondents	Percentage (%)
1	The company has good relationship with the society.	Strongly agree	27	20
		Agree	38	29
		Neutral	54	41
		Disagree	13	10
		Strongly disagree	-	-
		Total	132	100
2	What is the level of the company's effort in being a part of social activities?	Very high	28	21
		High	36	27
		Average	51	39
		Low	17	13
		Very low	-	-
		Total	132	100

As it is shown in item 1 of the above table, 27(20%) agrees strongly, 38(29%) agrees, 54(41%) Chose to be neutral, 13(10%) disagrees to the statement "the company has a good relationship with the society." Even though the majority chose to be neutral respondents that agreed indicates that the company is effective in creating a good relationship with the society.

Item 2 of the same table shows how customers rated the company level of effort in being a part of different social activities. Out of 132 respondents, 28(21%) rated it as very high, 36(27%) rated it as high, 51(39%) as average the rest 17(13%) respondents rated it as low. The majority of respondents rated the company's effort as average. This shows that customers expect the corporation to enhance its participation in social activities.

Table 8 handling problem

Item No.	Item	Description	No of Respondents	Percentage (%)
1	Have you ever faced a problem regarding the company's public relation practice?	Yes	71	54
		No	62	46
		Total	132	100
2	If your response to the above question is "yes" did you inform the company?	Yes	47	66
		No	24	34
		Total	71	100
3	If you answered "yes" for the above question how fast did the corporation give you solution?	Very fast	-	-
		Fast	17	36
		Average	26	55
		Slow	4	9
		Very slow	-	-
		Total	47	100

As it is shown in item 1 of the above table, 71(54%) of respondents have faced a problem regarding the company's public relation practice, the rest 62(46%) of respondents have faced a problem. The majority of respondents have faced a problem. This implies the company's public relation practice and customers' expectation is not in the same page.

In item 2 of the same table respondents who have had a problem were asked whether they have informed the company or not. Out of 71 respondents 47(66%) choose "yes", 24(34%) choose "no". the majority of respondents choose yes which indicates the company welcomes customers comment,

In item 3 of the same table, those respondents who have informed the company about the problem they faced were further asked how fast the company gave them solution. accordingly, 17(36%) of respondents received solution fast, 26(55%) received solution at an average speed and the rest 4(9%) received slow solution. This indicates the corporation speed in giving solution .

CHAPTER 4

SUMMARY CONCLUSION AND RECOMMENDATION

This chapter of the study deals with summary, conclusion, and recommendation. The findings stated in chapter 3 are summarized and based in the summary made conclusion is driven; last but not least possible recommendation is given.

4.1. Summary

In this section of the chapter major implications discussed in previous chapter about the public relation practice of Wegagen Bank is summarized.

- In relation to background of respondents, the majority of them may covering (56%) of the total respondents are male respondents based on age the majority(32%) of respondents are in age range of 26-33. regarding educational background the majority(42 in number 32 in percent) first degree holders. 45% of the respondents are merchants.
- Image the company has in the minds of customers is average as rated by (41%) of the total respondents. however the company's efforts to maintain this favorable image is at a high level rated by (45%) of the respondents.
- The company's public relation practice was evaluated based on two questioners. according to (44%) of respondents the company's public relations practice in comparison with competitors is at an average level. as for the acceptance of the company's practice it is at a high level rated by (43%) of the respondents.
- The company's effort in making information available is at an average level rated by (40%) of the respondents. Similarly the companies effort in addressing customers comment and grievance is as a same level rated by (41%) of respondents.
- The research finding also shows the company's usage of public relation tools like fund raising; sponsorship is rated at a big and good level respectively. The company relation with the society was related based on being a part of social activates is at an average level as rated by (39%) of the social respondents.

Generally the overall public relation practice of the company is at an average level rated by most of the respondents in different questionnaires with different approach.

4.2. Conclusion

In this Particular section of the study ,conclusion is presented below.

- From the findings of the research it can be concluded that most of the company's customers are well educated and run their own business (merchants).
- Image the company in the mind of customers is high. However the company's effort is to maintain this image is not as fruitful as it should be.
- The company's public relation acceptance is high.
- Another conclusion that can be drawn from the study is that the company's public relation practice is average compare to other competitive company's.
- The company's is not using sufficient tools in making information available as well as create ongoing relationship with the public.
- The company's public relation department participation in social activity was rated by most of the respondents as having an average level. The conclusion is that the company does not participate in social activates up to the desired level.
- The research also shows there is a gap between the company's actual performance and customer's expectation of the public relation practice.

4.3. Recommendations

- The Bank should strive to maintain the favorable image it has by making a detail analysis of its public relation practices actual performance and the expectation of its customers and keep up with their expectation.
- The company should make enhancement in its overall public relation practice because in a growing competitive industry change inevitable so in order to stay in business the company should make use of different techniques and create a competitive advantage over its competitions.
- As indicated by different authors participation in social activity is a vital public relation tool that could allow a company to have a good relationship as well as create a favorable image. In the case of Wogagen Bank, participation in social activities is in average desired level. The company should engage in more social activities that it currently does.
- The company should make use of sufficient communication tools to keep the external public up to date in new information's about the company like media relation, which can be used by public relation department to create and maintain a two way communication with the public.
- The company should give more attention through making research in creating a common understanding with the external public and make sure an ongoing relationship has been established.

ST, MARYS UNIVERSTY

FACULTY OF BUSINESS

DEPARTMENT OF MARKETING MANAGEMENT

Questionnaire to be filled by customers

This questionnaire is prepared by a prospect graduate student of St, Mary's university in the field of marketing management for the partial fulfillment of a senior essay in order to assess the public relation practice and its challenges of Wegagen Bank. Your answer will be concrete base for this student's research paper. Please fill all answer dedicatedly and honestly just by talking a few minutes of out of your precious time. All information you provide to this study will be kept strictly confidential thank you in advance for filling this questionnaire

General direction

- No need to write your name
- Please put “√” mark on the boxes that mostly explains your answer
- Please write short and precise answer or additional opinions if any, in the space provided

I. General questions

A. Personal information

1. Sex A) Male B) Female
2. Age A)18-25 B) 26-33 C) 34-41
- D) 42-49 E) Above 50

B. Educational back ground

- A) 12th complete B) certificate C)diploma D) 1st degree
- E) master and above

C. Occupation

- A) Student B)Government Employee C)retired D)merchant

If it is other than this please specify.....

Questions Directly Related to the Study

VH- Very High H- High A- Average L- Low VL- Very Low

VS- Very Strong S- Strong M- Medium W- Weak VW- Very Weak

Company's Image

Item No	Description	VH	H	A	L	VL
1	How do you rate the level of the company's image in the minds of customers?					
Item No	Description	VS	S	M	W	VW
2	How strong do you think the company works to create and maintain a favorable image in the minds of customers?					

Company's Public Relation Practice

VH- Very High H- High A- Average L- Low VL- Very Low

Item No	Description	VH	H	A	L	VL
3	How do you rate the company's public relation practice in comparison with competitors?					
4	How is the acceptance of the company's public relation practice?					

Communication Strategy

Item No	Description	VH	H	A	L	VL
5	How do you rate the company's effort in making information available for customers?					
Item No	Description	SA	A	N	D	SD

6	The company works to create a common understanding with the public.					
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Handling Comment

VH- Very High H- High A- Average L- Low VL- Very Low

VG- Very Good G- Good M- Medium B- Bad VB- Very Bad

Item No	Description	VH	H	A	L	VL
7	What is the extent of the company's effort to address customers comment and grievance and corrective action?					
Item No	Description	VG	G	M	B	VB
8	How do you see the company's effort in working to get feedback about its public relation practice from customers?					

Public Relation Tools

Item No	Description	SA	A	N	D	SD
9	The company uses published materials as a means of sharing information with customers?					
Item No	Description	VH	H	A	L	VL
10	How do you rate the company's level of participation in fund raising?					
Item No	Description	VG	G	M	B	VB
11	How do you rate the company's effort to participate in sponsoring different events?					

Company Relation with Society

Item No	Description	SA	A	N	D	SD
12	The company has good relationship with the society.					
Item No	Description	VH	H	A	L	VL
13	What is the level of the company's effort in being a part of social activities?					

Handling Problem

Item No	Description	Yes	No
14	Have you ever faced a problem regarding the company's public relation practice?		
15	If your response to the above question is "yes" did you inform the company?		

VF- Very Fast F- Fast A- Average S- Slow VS- Very Slow

Item No	Description	VF	F	A	S	VS
16	If you answered "yes" for the above question how fast did the corporation gave you solution?					

17, other suggestions on the public relation practice of the bank (if any)

.....

APPENDEIX B
ST, MARYS UNIVERSITY
DEPARTMENT OF MARKETING MANAGEMENT
INTERVIEW CHECK LIST TO BE FILLED BY PR MANAGER

1. What does the public relation practice of the company looks like?
2. How the company measures its public relations activities?
3. What measures are taken by the company to avoid the problem with regards to its public relation practice?
4. How do you express the company's public relation practice in comparison to competitors?
5. Did the company use different public relation tools?
6. Is there the any measurement that the company take in order to listen customer complaints?
7. Which kind of public relation tools did the company use?

DECLARATION

Advisee's Declaration

I, the undersigned, declare that this senior essay is my original work; prepared under the guidance of **Ato Zelalem Tadesse** All sources of materials used for the manuscript have been duly acknowledged.

Name: Yared Tesefaye

Signature: _____

Place of Submission: St. Mary's University Department of marketing Management

Date of Submission:- _____

Advisor's Declaration

This paper has been submitted for examination with my approval as the University advisor.

Name: _____

Signature: _____

Date: _____