

International Public Relations Faces Challenges: The Impact of *Palanca* in Shaping Mexico's Public Relations

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Abstract

As people of the world become more and more interdependent, public relations plays a critical role in shaping international political affairs and business. Public relations can help countries and organizations develop positive images among their counterparts around the world. The powerful communication profession can greatly help the world avoid conflicts or war, help organizations work effectively together, maximize utility, and minimize costs to benefit people worldwide. However, among the challenges facing international public relations are cultural barriers.

Based on our previous research (Hackley & Dong, 2001; Hackley, Dong & Howard, 2007; Howard, Hackley & Dong, 2008), this proposed project will focus on the high-context/collectivistic Mexican culture by investigating how *palanca* (a Spanish term for “lever” as the literal translation or use of personal influence or having connections in figurative terms) shapes Mexican public relations principles and practice. Different from the previous theoretical and analytic approaches in our investigations, this study will take a case-study approach to examine how *palanca* as a cultural phenomenon influences public relations. The study will use interviews to collect information from both American and Mexican public relations practitioners in Mexico, along with secondary analysis of existing data.

Introduction

The emergence of global public relations signals opportunities and challenges (Hackley, Dong, & Howard, 2006). On the one hand, it creates golden opportunities for countries around the globe to manage issues and solve problems. On the other, it faces many challenges due to differing cultural values (Lee, 2005). Research shows that three major factors shape the landscape of global public relations, including the rapid development of the public relations field, its leading role in assisting the world economy, and the democratization of information worldwide (Wilcox, 2006).

Sriramesh and Vercic (2007) point out that public relations is present and is well-developed and further developing in the Americas, Asia, Australia, and Europe. In particular, Asia has emerged as a developed public relations area. China and India are two leading countries in economic development, and they are adopting Western ways of public relations management (Hackley, Dong, & Howard, 2006). These researchers add that cultural differences pose a critical barrier in implementing American public relations standards in global settings.

“Key to being successful in the global marketplace is to find the right balance between local customs and universal interests and practices” (Howard & Mathews, 2006, p. 157). In fact,

“globalization has presented new ethical challenges for U.S. professionals who must apply Americanized codes of ethics in foreign markets” (Seib & Fitzpatrick, 1995, p. 50). Nelson (2003) noted that the “most common mistake most of us, working in international business, make is to take it for granted that our values, symbols and beliefs are universally shared, acceptable or at least understood” (p. 68).

Molleda and Moreno (2006) indicate that globalization’s diverse political, socioeconomic, and cultural dimensions form an optimum framework for the development and analysis of public relations. They add that the dynamic global context generates an ideal opportunity to advance international public relations across many parts of the world. Studies show that international public relations has advanced worldwide due to adaptation of democratic principles, increasing global interdependence, and advancement of communication technologies (Sharpe & Pritchard, 2004, cited in Molleda & Moreno, 2006). Molleda and Moreno (2006) state that public relations in Mexico has advanced due to the “practices of transnational corporations and the democratization process that motivates openness, greater professionalism and the expansion of public relations across diverse organizations” (p. 104).

The Role of *Palanca* in Mexican Culture

Hofstede (2001) suggest that countries can be identified by four cultural dimensions: individualism/collectivism, uncertainty avoidance, power distance, and masculinity/femininity. Studies suggest that the dimension of individualism and collectivism tends to be observed in many critical social contexts, including family, schools, workplace, and the media. Andersen and Wang (2006) point out that “a culture’s degree of individualism versus collectivism is one of the most extensively researched dimensions of culture” (p. 255).

Andersen (2003) maintains that collectivistic cultures focus more on community, collaboration, shared interest, harmony, tradition, and maintaining face, while individualistic cultures emphasize freedom, personal responsibility, privacy, innovation, and self-expression.

Hofstede (2001) offers a similar definition of individualism and collectivism: “Individualism stands for a society in which the ties between individuals are loose: Everyone is expected to look after him/herself and his/her immediate family only” (p. 225). He adds that “collectivism stands for a society in which people from birth onwards are integrated into strong, cohesive in-groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” (p. 225). In his study of cultural values among more than 50 modern nations, Hofstede (2001) notes that the United States is high in individualism, while Mexico is one of the most collectivistic-oriented countries.

Gudykunst and Ting-Toomey (1988) contend that those countries with individualistic cultures tend to be low context, which promotes a direct and explicit communication style. Countries with high collectivistic cultures tend to be high context, emphasizing an indirect and implicit communication style. One of the key constructs that influences individualism and collectivism is self-construal. People from individualistic countries tend to have independent self-construal, depending more on their own selves for decision making, while those from collectivistic countries tend to have interdependent self-construal, relying more on others for decision-making.

Collectivistic cultures tend to focus on group orientation and employ avoidance, third-party intermediaries, or other face-saving techniques. Samovar, Porter, and McDaniel (2007) point out that collectivism is contextual, finding that in Mexico, harmony and cooperation in

learning are stressed instead of competition. One Mexican saying illustrates the point well: “The more we are, the faster we finish” (p. 144).

Lindsley and Braithwaite (2006) write that each country shares a set of cultural norms and patterns, and these cultural patterns are viewed as “core concepts” (p. 281). Lindsley and Braithwaite summarize five core concepts that reflect the basic values held by most Mexicans: *confianza*, *simpatia*, *palanca*, *estabilidad*, and *manana*.

Confianza refers to trust, which is the key to developing and maintaining good relationships. Mexican culture focuses on trust-based interpersonal relationships. Hodges and Daymon (2008) suggest that “central to beliefs of Mexicans is the importance of placing trust with great care” (p. 6). Research shows that trust is heavily emphasized in collectivistic countries such as Japan, China, and Mexico.

Simpatia is emotional support for the benefit of the group. Lindsley and Braithwaite write that “being *simpatia* is something to strive for in organizational relationships and is demonstrated through communication behaviors that show positive emotional connection with others” (2006, p. 282). The cultural script on communication focuses on commitment to harmony and cooperation, observed commonly in collectivistic countries.

Palanca can be viewed as “a person providing a favor, or the action of providing a connection or favor” (Starr, pp. 30). Starr points out that it is very hard to find an equivalent translation in English for this concept, and it must be understood in a collectivistic cultural context. Since *palanca* plays a critical role in shaping interpersonal relationships as well as relationships within and between groups, this concept has a significant impact on the practice of public relations in Mexico.

Estabilidad refers to stability (Lindsley & Braithwaite, 2006, p. 283). Because Mexicans put an emphasis on the stability of their country, Mexican personal and organizational roles tend to overlap. The desire to maintain a stable environment can be observed through a wide range of behaviors, including asking questions about colleagues’ families, discussing personal matters before business, taking action to promote employees’ personal well-being (Lindsley & Braithwaite, 2006). According to Hofstede (2001), Mexico, as well as Japan and China, rank high in uncertainty avoidance.

Manana literally refers to tomorrow. Lindsley and Braithwaite (2006) write that “Most Mexicans use time clocks but also consider time to be more interpersonally negotiable, and what counts as being ‘on time’ can be mediated by unexpected events beyond one’s control” (p. 284). The father of intercultural communication, Edward Hall, proposed two classifications of time: monochronic vs: polychronic. People who are using monochronic focus on time as lineal and take time commitments seriously. While people who are using polychronic tend to be flexible in managing time, and they change their plans often and easily. The concept of *manana* shows a flexibility of time management, and Mexican people tend to follow the polychronic notion of time.

In summary, all five core concepts of *confianza*, *simpatia*, *palanca*, *estabilidad*, and *manana* present unique Mexican cultural characteristics. These core concepts indicate that Mexican culture is collectivistic, with an emphasis on relationships, family stability, and emotional support. Since this paper focuses on the practice of public relations in Mexico, it is the authors’ belief that *palanca* tends to pose the most challenge to the practice of public relations in Mexico, as do *guanxi* in China, and *wasta* and *shabaka* in the Middle East. *Palanca*, which focuses more on personal, in-group, and favor-based relationships, becomes a significant contrast to American public relations,

which focuses more on public, open, ethically guided, and professionally oriented working relationships.

The Impact of *Palanca* on Public Relations

Understanding networking with the overlay of cultural tradition is essential for anyone entering the global public relations arena. *Palanca* in Mexico and Latin America, for example, dictates how personal networks function in the cultures of Latin America. Such interpersonal networking focuses more on trust, less on legal systems, more on relationship, and less on principles (Hackley & Dong, 2001).

“One of the cultural concepts that must be considered in social and business transactions within Latin American cultures is the concept of *palanca*” (Starr, 2003, p. 30). Starr contends that “*Palanca* facilitates transactions and interactions in organizational relationships through an individual’s legitimate authority and the network of relationships he or she possesses,” adding that “*palanca* revolves around relationships, rather than monetary or business goals” (Starr, 2003, p. 33).

In some ways, *palanca* is akin to the American concept of reciprocity, the relationships associated with “I’ll scratch your back if you scratch mine.”

***Palanca*’s Catholic Roots**

Catholicism is an integral component in the lives of most Latin Americans; indeed, more than half the world’s 1.1 billion Catholics live in Latin America (Cevallos, 2004). The Roman Catholic Church is not only the seat of religious power and spiritual guidance, but also serves as the foundation for personal and business ethics (Markkula Center for Applied Ethics, 2007).

Palanca in large part derives from the ancient Greek concept of *agape*, or brotherly love (Internet Encyclopedia of Philosophy, 2009). The early Church fathers, who were schooled in the writings of Aristotle (lotsofessays.com, 2009), saw *agape* as higher and purer than *eros* (passion) or *philia* (friendship), two forms of love discussed by the student of Plato in his *Nicomachean Ethics* (Salim, 2007).

In its most lofty manifestation, *palanca* can be seen in acts of compassion and generosity toward one’s fellow man without any explicit demand or suggestion of reciprocity. The giver is simply giving out of the goodness of his heart.

In the practice of public relations, this can be most easily seen in philanthropic work that is done by a firm for the benefit of the community in which it operates. Of course, cynics are always quick to suggest that all acts are self-serving (Philosophy Forum, 2007) and that even funds or services that are made available for the greater good are done so in order to enhance the reputation and improve the credibility of the sponsoring entity. All this goodwill directly benefits the company—in short, all efforts are aimed at generating “good PR.”

It is important in such a discussion, however, to separate primary objectives from positive outcomes that arise from those objectives. There is, in other words, a difference between setting out to generate “good PR” as the primary or even sole objective for undertaking a project that will benefit others and aiming to help others and in the process reaping positive outcomes for oneself. If the former course is taken, this is not *palanca* in its *agape* sense. If, however, the latter course is adopted, one is acting out of a love for his fellow human beings and, consequently, good may return to him tenfold.

Understanding networking with the overlay of cultural tradition is essential for anyone entering the global public relations arena. *Palanca* in Mexico and throughout Latin America, for example, dictates how personal networks function. Such interpersonal networking focuses more on trust, less on legal systems, more on relationships, and less on principles (Hackley & Dong, 2001).

In order to better understand one of the critical cultural phenomena in Mexico, this study poses the following research question: To what extent does *palanca* affect public relations practice in Mexico?"

Methods

This study employs a qualitative approach to study effects of a cultural phenomenon on shaping public relations practice in Mexico. This case study is investigated through a mixed convenient survey and telephone interviews, with both American public relations practitioners who have experiences in Mexico and Mexican public relations practitioners who are doing public relations in their own country.

Researchers used two key directory sources to select subjects for the study: O'Dwyer's Directory of Public Relations Firms---2008 and Directory.com.mx. All of the 19 firms under multicultural markets and six firms under Mexico in the O'Dwyer's list were contacted via

email and fax. All 14 firms listed under Directory.com.mx were contacted via both email and fax. In addition, researchers also used personal contacts, public relations regional chapters, and other networks to seek assistance in reaching out to potential respondents.

Sample

Thirty-nine questionnaires were emailed and/or faxed to public relations practitioners working in Mexico, both American-born and Mexican professionals. Of these, 23, or 59%, responded. Four of the 23 provided detailed answers. Further research with larger sample size and more respondents are needed.

Measurement

The same questionnaire was prepared and sent to both American public relations practitioners working in Mexico and Mexican public relations practitioners working in Mexico. The questionnaire has eight questions, with an introduction to invite subjects to participate in the study. These questions ask respondents to comment on the influence of culture on public relations practice and, specifically, the impact of *palanca* in shaping their practice and suggestions for those practicing public relations in a different cultural context.

Findings

Through the respondents' sometimes detailed answers, a nuanced understanding of *palanca* emerges.

Gene Bigler (personal communication, February 19, 2009), a former U.S. diplomat and a professor of international relations who has lived and worked in a dozen Latin American countries including Mexico during stays totaling approximately 20 years, describes his vision of *palanca* "in a socio-economic context, ...[as] leverage, influence, or the crucial resource, whether a tool, an approach, an argument, a strategic advantage, or some other mechanism that enables you to get some difficult work done or achieve the outcome you seek in working

with other persons. It is definitely a concept that applies broadly to the conduct of interpersonal relations in a Latin American context.”

According to Bigler (personal communication, February 19, 2009), “*Palanca* relates to a type of influence that is possible because of the achievement of a relationship that goes beyond

rapport or...professional courtesy typical of Anglo-American society and is rooted in a sense of obligation/duty/bonding to the other person.”

But *palanca* is far more complex and potentially involves far more people than the American notion of “I’ll scratch your back, you scratch mine,” as “the service, kindness, favor, benefit that created the linkage often was not actually earned by the person asking the favor but by a third person to whom the asker and the prospective giver are both interrelated” (Bigler, personal communication, February 19, 2009).

Though “the relationship is a little along the lines of a friend of my friend is a friend of mine” (Bigler, personal communication, February 19, 2009), *palanca* is more than simple friendship with concrete benefits. In Mexico, *camarillas*--interlinked political cliques and social brotherhoods--can trace their roots to networks that developed in medieval Spain and Portugal and were brought to the Americas.

Zerene Kahan (personal communication, February 14, 2009), an executive vice president and director at the multinational Edelman Public Relations who oversees health and consumer practice operations in Mexico and throughout Latin America, maintains that “serious and ethical and largely international PR firms would not deal with *palanca*. However, many local boutique firms do.”

According to Kahan (personal communication, February 14, 2009), locally based firms are often very successful, since they are headed by former government officials or those who have served government officials. Hence, they enjoy a significant network of contacts. But international firms doing business in Mexico, Kahan maintains, “are not affected by *palanca*, since processes are in place to be transparent and ethical.

As such, *palanca* may pose a disadvantage to companies that wish to uphold American business and ethical practices, as local firms tend to secure business based on who they know, thereby stifling competition. As an example, Kahan (2009) states, “You may go to a brief only to find out that it has been ‘pre arranged’ to a certain firm.”

Diego Bonilla (personal communication, February 20, 2009), a Mexican national and professor of communication studies, says that, through an exchange of favors, past and present, *palanca* helps one avoid roadblocks and facilitates expediency: “If you have *palanca*, you have access; you can sit at the table.”

Santiago Hinojosa (personal communication, February 17, 2009), president and CEO of public relations giant Burson-Marsteller’s operations in Latin America, maintains that *palanca* is “different things to different people” and admits that it could have “negative monetary connotations,” a.k.a. bribes.

Hinojosa (personal communication, February 17, 2009) is adamant that Burson-Marsteller “does business the same way in every country in which we operate, providing ethical PR in every country.” For example, even though it is a common practice with some agencies to pay editors and reporters for favorable coverage, his company does not pay for stories to be published. Rather, it builds trust with journalists over many years and by so doing, accomplishes what it is setting out to do without compromising its ethics. “This makes it easy to conduct business,” he contends, since the rules are set.

When it comes to lobbying, *palanca* has a deeper meaning, granting one a seat at the table if one knows the right people who know the right people. “*Palanca* is a relationship to get in front of someone.” (Hinojosa, personal communication, February 17, 2009).

Discussion & Conclusion

Clearly, *palanca* is a key component of relationships, both personal and business, in Mexico. As such, any public relations practitioner working in Mexico must, at the very least, be aware of the importance of *palanca* and how it will come into play in the day-to-day business of relationship building and maintenance.

Fortunately, one does not have to formulate a code for behavior or decide matters on a case-by-case basis. Instead, 10 principles for conducting public relations in a foreign land have already been established by Hackley, Dong, and Howard (2007):

- Understand the local culture, language, customs, business protocols, and government relations.
- Develop cultural sensitivity.
- Respect others’ cultures and practices while maintaining American public relations ethical principles.
- Overcome ethnocentrism.
- Increase knowledge of global cultures.
- Develop trust to establish and maintain relationships.
- Be open-minded to a new cultural environment.
- Adapt to and cooperate with the new culture.
- Practice empathy in other cultural environments.
- Assess what has been accomplished and what can be done better.

Though the above cognitive framework was designed for the practice of public relations in any country, these 10 principles may also be applied to the specific cultural phenomenon of *palanca*. By slightly rewriting these principles and focusing on *palanca* rather than on the entire milieu of a foreign land, the American PR practitioner working in Mexico will have a solid foundation on which to build business relationships:

- Understand the local culture, language, customs, business protocols, and government relations as they relate to *palanca*.
- Develop cultural sensitivity to *palanca*.
- Respect others’ views and practices of *palanca* while maintaining American public relations ethical principles.
- Overcome ethnocentrism in regards to *palanca*.
- Increase knowledge of global cultures, many of which practice some form of *palanca*.
- Develop trust to establish and maintain relationships, whether or not *palanca* is practiced.

- Be open-minded to displays of *palanca* in the business environment.
- Adapt to and cooperate with others who may practice *palanca*.
- Practice empathy, the highest expression of *palanca*.
- Assess what has been accomplished and what can be done better through the ethical use of *palanca*.

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Appendix: Cover Letter and Questionnaire

Dear PRSA Member:

As a team of three professors from two universities in northern California, we are conducting an international public relations study to examine how cultural phenomena affect the practice of public relations in Mexico. Specifically, we would like to investigate to what extent palanca shapes and influences public relations practice. We thank you very much for your assistance. The following are a few questions we hope you will answer:

1. Based on your international public relations experience and practice, how do you believe culture affects in Mexico?
2. Please share any examples you may have about cultural impact or influence on public relations practice?
3. Based on your international public relations experience and practice, please share 3-5 principles or guidelines to help those new to the practice in Mexico?

4. Please name the key principle for them to use in dealing with a different culture.
5. Please share examples of practicing public relations in different cultural contexts?
6. How do you view and identify palanca as a cultural phenomenon in Mexico?
7. Specifically, to what extent does palanca influence public relations practice? Examples?
8. What are your suggestions to get people prepared to practice public relations in a different cultural context?

Thank you very much. If you have any questions, please send them to Professor Carol Ann Hackley, Ph.D.: tchackley@yahoo.com

Table 5.5: Importance of Relationship Building (RB) as an Organizational Strategy and Length of Relationship with Donors/Volunteers

Importance of RB	Importance of RB	Length of relationship
		.035

* Correlation is significant at the 0.05 level (2-tailed).

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

Table 5.6: Summary of Linear Regression Analysis for Variables Predicting an Organization's View of Relationship Building

Variable	B	SE B	β
Annual Revenue	.173	.264	.173
Age	-.142	.098	-.147*
Number of Employees	9.230E-03	.086	.011

* p < .05