

News as a commercial product

why journalistic freedom may be good business

Mogensen, Kirsten

Published in:
Business research yearbook

Publication date:
2002

Document Version
Early version, also known as pre-print

Citation for published version (APA):
Mogensen, K. (2002). News as a commercial product: why journalistic freedom may be good business. In J. Biberian, & A. Alkhafaji (Eds.), *Business research yearbook: global business perspective* (pp. 627-631). University Press of America. <http://business.nmsu.edu/~dboje/conferences/IABD2002callforpaper.html>

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain.
- You may freely distribute the URL identifying the publication in the public portal.

Take down policy

If you believe that this document breaches copyright please contact rucforsk@kb.dk providing details, and we will remove access to the work immediately and investigate your claim.

NEWS AS A COMMERCIAL PRODUCT: WHY JOURNALISTIC FREEDOM MAY BE GOOD BUSINESS

Kirsten Mogensen, University of Roskilde, Denmark; and Louisiana State University

ABSTRACT

Researchers have shown that journalists want a higher degree of journalistic autonomy. This study argues economic interests of media owners are enhanced by supporting the journalistic call for freedom, particularly through improvements in the productivity, creativity and reliability of media products. Building on existing research and theory from different academic traditions, the author analyzes the basic conflict between journalistic values and business goals.

I. INTRODUCTION

Freedom in the U.S. is seen as a foundation for economic growth, and history has so far proven that assumption right. Nowhere is the living standard higher than in countries with freedom of speech and the right to compete. When it comes to freedom of the press, the U.S. has very actively advocated freedom in international organisations such as UNESCO (Nordenstreng and Hannikainen, 1984). Organizations representing journalists and editors refer traditionally to the important role of a free press in a democracy.

However, editors have increasingly felt the pressure from Wall Street analysts who expect media to turn out good revenue and care less about journalistic values. This in return has lead media management to treat news as a commercial product like any other. As a result, journalists are often expected to support special interests of their companies (Rosenstiel et al, 2001) rather than to serve the public.

In this study journalistic autonomy will be defined as the freedom of journalists to select, research and tell stories in accordance with professional ethics and values such as integrity, truth, fairness and honesty and in harmony with their personal values and ethics. The purpose of this article is to examine the fundamental conflict between journalistic values and economic values in the media in hope to find Aristotle's golden mean for the benefit of the journalist profession as well as the media owners.

II. LITERATURE REVIEW

Gardner et al (2001) interviewed more than 100 journalists, primarily well-known figures, who had been nominated by other experts in the domain. Morality and ethics plays an important role in good work, supporting the fulfillment of individual potential and simultaneously contributes to the harmonious growth of others. Among the journalists, half spontaneously expressed a primarily commitment to informing the public about events important for their lives, and 92% talked about the importance of traditional journalistic standards such as truth, fairness and avoiding conflict of interests. But more than 60% of all participants perceived a decline in professional values and ethics and were pessimistic about

the state of journalism because of a growing demand to comply with the business goals of the news industry.

Northwestern University's Readership Institute (2000) reported an Organizational Culture Inventory completed by nearly 5,500 employees at 90 newspapers. Similar to the findings above, less than half the employees felt that their newspaper's culture helped them achieve or provided opportunities for self-actualization. Many felt the newspaper culture failed to reward success but punished mistakes. As a result many employees tried to avoid mistakes, and were unwilling to take decisions or to take a risk in solving a problem.

Linsky (1997) interviewed 14 top media managers and found these leaders wanted to secure the stockholders a high return and at the same time create a culture where journalists could develop. However they felt that journalists were negative towards changes, especially if they involved sacrificing traditional values. Linsky wrote about the leaders:

Their cynicism towards their own employees mirrors their reporters' attitude towards them, and suggests that neither perspective is even heard by the other....The gap between them is huge.

III. CONCEPTS OF NEWS

Part of the conflict described in the research mentioned above has to do with the four different ways in which news traditionally is viewed:

1. News is any person's expression in any media including homepages on the Internet and papers distributed by clubs, churches, schools, etc., and they have no broader public responsibility. Liberals emphasize equal freedom for all citizens to participate in the exchange of ideas (Mill, 1859; Gardner, 2001, pp. 194-201)

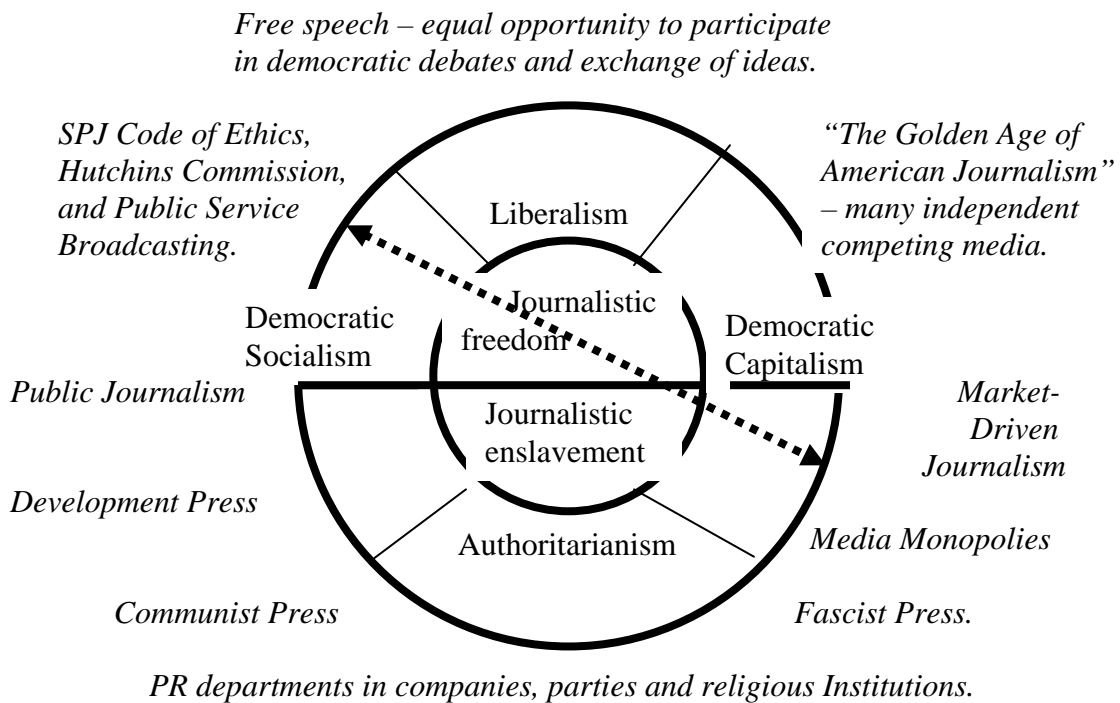
2. News is a commercial product, which can be freely produced and sold. The media contribute to public welfare when they pursue their own self-interests, and they have no special responsibilities to society. Capitalists accept concentration of influential media in conglomerates that control the flow of news worldwide (Friedman, 1982; McChesney, 1999; Grossman, 2000).

3. News is a necessary provider of information, a mediator of democratic debate and a critical watchdog for democracy, which means that the media must be free from serving other interests and cannot be controlled by the government. The media may be granted certain rights such as access to public officials and the right to keep sources anonymous, and they in return are expected to be responsible to democracy and to the society as a whole (Hutchins Commission, 1947; Society of Professional Journalists, 2001).

4. News is a public resource of strategic importance and may be used by the government to help develop society, such as is the case in some third world countries (Lenin, 1972; Nordenstreng and Hannikainen, 1984). A similar viewpoint is represented by so-called "public" journalism, where representatives of the public may assume authority for selecting and framing the news, and where media are supposed to advocate for social actions and reinforce community solidarity (Gardner, 2001).

The following figure (inspired by Merrill, 1974) shows the relative freedom of journalists, as it is seen in the media ideologies mentioned above, and the relationship to fundamental political and economic philosophies. The dotted line illustrates the conflict between traditional journalistic values and those values enforced by market-driven conglomerates.

Figure 1



As research has shown, journalists are increasingly frustrated because the ethics of their profession seem to lose in the permanent conflict with the interests of shareholders. Money has by nature no ethics, so if journalists will argue for journalistic autonomy from Wall Street, they must show that it will eventually lead to success. One term understood by the business community is productivity.

IV. PRODUCTIVITY

Productivity is the outcome divided with the costs. The outcome can be measured in qualitative as well as in quantitative terms:

$$\text{Productivity} = (\text{quality})(\text{quantity}) / (\text{cost})$$

Quality means different things to different professions and to people in various societies. In the knowledge society of the 21st century, machines will do much of the work which laborers used to. Quiet a large part of the population is expected to have creative jobs, often with a high degree of autonomy (Jensen, 1999), and they will require news they can trust as a basis for their own business decisions and as a source of inspiration. Media managers need to envision how

they can use their core competences and journalistic values to serve this future market. According to the ideas of strategic management, what is needed is a creative and flexible planning (Hamel and Prahalad, 1994).

Creative solutions are best developed in the free exchange of ideas, and that requires a newsroom culture where journalists are willing to take risks when trying to solve a problem (Nonaka and Takeuchi, 1995). Creative people are individuals with their own unique visions. They are not other directed and they do not always behave they way others would like them. This was true with some of the best journalists in history: Daniel Defoe upset the establishment so much that he had to spend days in pillory (West, 1997); Benjamin Franklin ran away from home, which was illegal at that time (www.ushistory.org); Henry M. Stanley had no real friend for years in Africa but kept strong because of his mission (Stanley, 1909); and Nellie Bly did not behave like a women of her time (Douglas, 1999).

A recent example is reporter Saira Shah, who made the two documentaries “Beneath the Veil” and “Unholy War” shown several times on CNN in 2001. She worked under cover in Afghanistan, willing to risk her life for a mission she found important because she was an independent reporter. When journalists have the freedom to realize their own ideas the work is better, and it is good business, as Defoe, Franklin, Stanley, Bly, Shah and others all have proved.

Quantity is also affected by the way journalists view their job situation. The Readership Institute in its theoretical model says that if employees feel insecure about their job, if they are not sure what is expected and if they feel stress, the result is negative employee outcomes. On the other hand, if employees know what is expected, are motivated, feel satisfaction and plan to stay in their jobs it has a positive effect. Bottom line, journalists tend to produce more if they can use their energy on the work instead of trying to solve internal conflicts.

Finally, there is the relative prize. Many great leaders are motivated primarily by power (McClelland, 1976), but while journalists also want a good salary the best of them are often motivated by the work itself. As Gardner et al (2001) note:

Creative people are usually driven by curiosity and tend to be more intrinsically motivated...[T]he reason innovators are less concerned with money and power is that they get their reward directly from their work. They are satisfied by the excitement and wonder involved in the process of discovery – a fulfilment no amount of money can buy.

Gardner and his colleagues add that in periods where a profession cannot provide such opportunities, it tends to become less creative because young people become motivated only by financial gain or power rather than intellectual challenges, achievement and moral responsibility.

V. CONCLUSION

This article suggests, that there may be a golden mean between the seemingly conflicting values of the business and journalism traditions. That golden mean says working conditions that free journalists to do excellent creative, intellectual and moral work are good because such conditions seem to improve productivity.

VI. REFERENCES

- Douglas, George H. The Golden Age of the Newspaper. Westwood, CT: Greenwood Press, 1999
- Friedman, Milton. Capitalism and Freedom. Chicago: The University of Chicago Press, 1962, 1982.
- Gardner, Howard; Csikszentmihalyi, Mihaly; and Damon, William. Good Work: When Excellence and Ethics Meet. New York: Basic Books, 2001.
- Grossman, Lawrence K. "It's Time to Treat Broadcasting Like Any Other Business." Columbia Journalism Review (November/December 2000).
- Hamel, Gary, and Prahalad, C. K. Competing for the Future. Boston: Harvard Business School Press, 1994.
- Hutchins Commission. A Free and Responsible Press. Chicago: The University of Chicago Press, 1947
- Jensen, Rolf. The Dream Society. New York: McGraw-Hill, 1999.
- Lenin, Nicolai. Lenin About the Press. Prague: International Organization of Journalists, 1972.
- Linsky, Marty. The View from the Top – Conversations with 14 people Who Will Be Running Journalism Organizations Into the 21st Century. Poynter Papers, No. 10. St. Petersburg, FL: The Poynter Institute for Media Studies, 1997.
- McChesney, Robert W. Corporate Media and the Threat to Democracy. New York: Seven Stories Press, 1997.
- McClelland, David C., and Burnham, David H. "Power is the Great Motivator." Harvard Business Review (1976), 100-110, reprinted (January-February 1995), 126-139.
- Merrill, John Calhoun. The Imperative of Freedom – A Philosophy of Journalistic Autonomy. New York: Hastings House, 1974.
- Mill, John Stuart. On Liberty. Harmondsworth, England: Penguin Classics, 1974; originally published in 1859.
- Nonaka, Ikujiro, and Takeuchi, Hirotaka. The Knowledge-Creating Company. How Japanese Companies Create the Dynamics of Innovation. New York: Oxford University Press, 1995.
- Nordenstreng, Kaarle, and Hannikainen, Lauri. The Mass Media Declaration of UNESCO. Norwood, NJ: Ablex Publishing Corporation, 1984.
- Readership Institute. The Newspaper Culture Survey. Evanston, IL: Readership Institute, 2000; online at <http://www.readership.org/>.
- Rosensteil, Tom, and Mitchell, Amy. Before and After: How The War on Terrorism Has Changed The News Agenda, Network Television, June to October 2001. New York: Columbia University Graduate School of Journalism, 2001.
- Society of Professional Journalists. "SPJ Missions" online at: http://www.spj.org/spj_missions.asp, referenced 7 January 2002.
- Stanley, Henry M. The Autobiography of Sir Henry Morton Stanley. Boston: Houghton Mifflin Co., 1909.
- West, Richard. The Life and Strange Surprising Adventures of Daniel Defoe. New York: HarperCollins Publishers, 1997.