Beyond the news desk – the embeddedness of business news

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Abstract
The relations between the media and their corporate sources have become increasingly routinized and organized. In contrast to traditional perspectives on news making this article introduces an embeddedness perspective on business journalism and reports on the findings from a study of the way the major Swedish corporations and financial analysts contribute to and participate in the production of business news. Through a qualitative analysis of two cases we show that such production is organized and carried out in a stream of continuous and well-coordinated activities and structured interaction settings – that is, in a system of recursive mediation. Our analysis further illustrates how this system is maintained through the technological, relational and situational embeddedness of the activities and settings. Through our studies we show how news production has developed outside the journalistic domain. One implication of our findings is that the possibility of individual actors influencing the content of the news is likely to be limited. Instead, it is the actors’ ability to join the organizational and technological settings in which news material is generated that gives them the opportunity to actively participate in news production.

Keywords
business news, embeddedness, financial analysts, news production, public relations, qualitative research

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The rapid expansion of business news media, whether in print, on air or online, has changed the way corporations are perceived and how the information that they disseminate is evaluated. Not only has the amount of information increased but also the content has changed. Increasingly, corporations are personified, that is, portrayed as individuals, and business media reporting has come to deal with their social responsibilities and accountability for such responsibilities. Thereby the business media have influenced the economic, political and moral settings in which the corporations conduct their business activities (cf. Davis, 2005; Duval, 2005; Hearn et al., 2009; Ihlström and Henfridsson, 2005; Kjaer and Slatta, 2007; Solove, 2007). The intensified coverage and the new issues have also increased the risk of negative media exposure, with a consequent loss of legitimacy (Deephouse, 2000; Jonsson et al., 2009; Rindova et al., 2005). The events connected to financial crises and corporate scandals underscore the global circulation and impact of such news. Corporate media activity is therefore central not only for short-term publicity, but also for strategic development and long-term viability (Goodman, 2009; Power, 2009).

At the same time, the relationships between media, corporations and other actors involved in news production, such as PR and management consultants, have become increasingly professionalized (Mazza and Alvarez, 2000; Tyllström, 2010). A number of different professionalized actors participate in media/business interactions (see Chouliaraki and Morsing, 2010; Pallas and Fredriksson, 2011), such as corporate PR practitioners, financial analysts, industry associations and politicians, who contribute – both jointly and individually – to news production (Grafström et al., 2006; see also Davis, 2005; Erjavec, 2005; Fröhlich, 2008; L’Etang, 2004). There is thus a need for studies investigating the way in which businesses and the media deal with each other in light of an increasing professionalization and complexity in their relationships.

This article offers a fine-grained qualitative analysis of news production beyond the news desks of the business media, as carried out by major Swedish corporations and financial analysts. We will also argue for a perspective on business news production as embedded, through technologies, relations and organizations, in inter-organizational contexts. Thereby we expand our knowledge about the cooperation and coordination between the actors involved in news production, and their role in how business news is written, distributed and published.

The Scandinavian context is well suited to such studies. Hallin and Mancini (2004) describe journalism in the Scandinavian countries as following the democratic corporatist model, with close ties and relations between the media and social organizations such as political parties and businesses (see Ström bäck and Luengo, 2008). At the same time, the democratic corporatist model leads to increased professionalization in information exchange and news production, which gives rise to organized and formalized settings in which such exchange takes place (Hallin and Mancini, 2004:145; see also Lau, 2004; Schudson, 1989).

The rest of the article is organized as follows. The next section looks at how an embeddedness perspective can replace a traditional perspective on news production, in order to achieve a view that takes the complexity of social context (e.g. the multitude of actors and how processes interlock) into account. We then present our research methods, followed by two case studies. One deals with how businesses organize their interaction with
media and the other with how financial analysts are involved in news production. A comparison of the cases leads us to discuss what forms of news are created and how such production comes about. Finally, we discuss some of the implications of the embeddedness perspective on news production.

The professional, organizational and technological embeddedness of news production

The embeddedness concept was first used to explain how markets and economic action are embedded in social relations (Granovetter, 1985). With a widening application it has been used to show that a great number of structural, cognitive, cultural and political mechanisms are active in embedding actions (Zukin and DiMaggio, 1990). As Dacin et al. (1999) show, analyses of embeddedness need not stay on the traditional *inter-actor tie* level, instead a broader range of forms of embeddedness should be considered, such as *cross-level embeddedness*, which may deal with individuals in organizational cultures, or *temporal embeddedness*, which deals with how time plays a role in shaping social relations and social setting. In his work on markets Fligstein argued for the importance of organizational embeddedness in such an analysis, since the analysis of markets demands an understanding of ‘inter- and intraorganizational politics and the specification of cultural frames that define the social relations between actors’ (2001: 146). Embeddedness can thus be studied as both relational patterns of interaction as well as the understandings of actors. We will use this concept to offer a new understanding of the literature on news production.

Traditional studies of news production commonly assume that news production is the domain of journalists and are focused on the traditional news-making organizations (Hout and Jacobs, 2008). The studies in this tradition argue that the processes and working routines in news production have their origins in the professional practice of journalism (cf. Gans, 1979; Boyer and Hannerz, 2006). A consequence of this view is that news desks, as well as specific journalists, are seen as actors embedded in a system of professional values and norms regarding their work, such as the criteria for newsworthiness, news selection, or the way texts should be written and organized (Hadenius and Weibull, 2003; Johansson, 2008). The traditional perspective implies that media operate under conditions of professional autonomy and under the reign of news ideology (Hvitfelt, 1989) or, in the words of Altheide and Snow, media logic (1979). Constraints such as limited financial resources, time limits and technological and organizational interdependencies are viewed as external to the media and their news-producing activities (Johansson, 2008; see also Hvitfelt, 1988; Hanitzsch, 2004). News production is then understood (1) as a process that emerges in newsrooms; and (2) as based in professional journalistic assessments that, even if influenced and constrained by the surrounding conditions, are relatively autonomous.

Recent contributions challenge this view and open the field for a more complex application of the embeddedness perspective. These deal with the professional norms and the organization of news production. The work on *professional norms* brings forward a view of news production as a process that is based in systems of taken-for-granted norms and values that reside in social systems that are considerably broader than journalistic ones.
(Cook, 1989; Evetts and Aldridge, 2003; Grafström et al., 2006; Raviola, 2010; Witschge and Nygren, 2009). These norms, values and logics are derived from the totality of activities and interactions between the media and other actors involved in news production, such as the shareholders of corporations and professional consultancies, as well as academia and industry associations (Grafström and Windell, 2012). It follows that these actors are not passive recipients of the media logic guiding the production of business news (cf. Ericson et al., 1989; Pallas, 2007). Organizations involved in news production are staffed with well-educated and experienced PR practitioners who are active in generating and disseminating their ideas about what news should be produced and how, and how it should be disseminated. The news material produced in accordance with the standards of news practice is fashioned so it can be easily disseminated, interpreted and reused by other organizations (Grafström and Windell, 2011; Shoemaker and Reese, 1996; Pallas and Fredriksson, 2011). Taken together, the professional norms guiding news production are formed by a multitude of actor groups rather than individual actors or a single profession (Bourdieu, 2005). This underscores the cognitive and cultural embeddedness of the business news production.

Other studies address the organizational and technological embeddedness of news production. Czarniawska (2009) demonstrates that news is generated in a circular fashion through highly organized cooperation between a news agency and its customers, which are mainly other news-producing organizations (see also Kepplinger, 2002). Czarniawska’s (2009) study shows that news production is similar to manufacturing processes, where devices as Reuters’ news screens, press release databases, websites and blogs contribute to creating and reinforcing the organizational and technological interdependencies. These are central to the dynamic exchanges in which news content is created and recreated. Other studies similarly demonstrate that news production is a highly organized process where journalists and their sources are interconnected through organized practices, including standard operational procedures and technical equipment (cf. Shoemaker and Reese, 1996). The organized, formalized, technologically mediated interactions between the actors in the news-making system creates a situation where even dramatic and unexpected events can be managed by way of following predefined templates, production schedules and distribution routines (Olsson, 2009; Ryfe, 2006).

The work on professional norms and the organizational embeddedness of news production shows that it is not an autonomous activity based in an individual (news) organization. Rather it is an institutionally embedded process where professional, organizational and technical interdependencies constitute the environment in which the business news is initiated, produced and re-produced (cf. Ericson et al., 1989; Johansson, 2008; Lund, 2000; Sallot and Johnson, 2006).

**Methods**

Our aim is to understand the embeddedness of news production in the social setting of organizations. The research strategy we have chosen is qualitative and ethnographic. This allows the researcher to gain an understanding of both social organization and the meanings and understandings of the participants in such social settings (Silverman,
Uzzi used such methods early in his seminal research on the social embeddedness of economic activities since ‘it enables the researcher to understand the causes, consequences, and mechanisms by which social structure affects economic outcomes’ (1996: 677). It is also a strategy that is well suited to understanding complex social processes that unfold simultaneously in multiple settings (see Czarniawska, 2007).

The data we draw on comes from two sites where news production takes place outside the news rooms of traditional media. What holds constant between the sites is the event becoming news, namely the release of quarterly figures for Q3 from corporations traded on the Stockholm Stock Exchange in 2006.

The cases were chosen because they represented two influential actors in the release of quarterly reports. The company is the very starting point of news production since it feeds information into the marketplace and its activities are concerned with projecting its image. The financial analysts are at the receiving end of the information flow from firms (together with, for example, investors and the business press). The primary goal of the analysts’ work is to provide relevant information to investors who could choose to trade through the bank’s brokers, in short, to attract trade. The analysts also handle information on large numbers of corporations. The two sites, the company and the financial analysts, thus represent two very different settings in which news production takes place.

When conducting our studies the primary method for data collection was through ethnographic methods. During one week in September 2006 the company and the financial analysts were observed simultaneously. The data on news production based on quarterly reports was also covered in a study where we examined the news production of companies in greater detail. During the three months of observation and in-depth interviews with leading PR practitioners we focused on settings, activities, relations and interactions norms that were at play when business news emerged in different contexts. The ethnographies also involved interviews with actors in and around the studied organizations, reading news material that was produced, and participating in media-oriented events, such as press conferences.

A backbone of the analysis was to divide the activities that characterized news production at the two sites (the company and the financial analysts) into three stages – preparation, release and follow up. This allowed us to compare the activities at the two sites. It also lets us understand how the two organizations organize and contribute to the news production process. In the analysis of the material we also searched for practices, values and the organizations’ members’ perspectives and views on what it is that they do when they handle the information that arises in connection with the release of quarterly reports. When conducting the analysis it became clear that there were many activities that were similar in both cases. We were also alerted to how the organizations created the setting for interactions. Thus activities and interaction settings became the central concepts of our analysis.

**The corporation as news producer**

To enter a corporate communications department in connection with the release of quarterly reports gives the instant feeling that corporate news activities are not stochastic. The activities do not passively follow the agenda set by the media. Rather, every activity
that we observe follows well-defined patterns and structures. The physical appearance of
the department’s premises supports this impression of structure. At the centre we find TV
screens, newspaper stands and terminals showing news flashes from the main news
agencies. Around these screens the handful of corporate PR professionals (called the
corporates below) have placed their tables. These arrangements are not so different from
that of an editorial office at any newspaper. And the department is connected to all major
business intelligence systems, such as Bloomberg, and distribution platforms through
which media material is gathered, analysed and distributed.

Media activities around the quarterly report are partly sequential and we can distin-
guish between preparation, release and follow-up stages. But we see that these phases
also run parallel as they constitute and create conditions for each other. In the following
account we focus on how these phases unfolded in detail. In particular we illustrate how
the corporation throughout the different phases is embedded in a net of relations, struc-
tures and technologies that influence the corporate involvement in news production con-
nected to the quarterly report.

Preparation

When preparing for the release the corporates gather material that serves as a stockpile
for the upcoming news production. This material is not only generated internally by the
corporates themselves but is also based on texts and oral inputs provided by external
sources like the PR consultants, business analysts and business journalists, as well as by
other organizations that have their own interest in the corporation (e.g. the Swedish
Shareholders’ Association). The corporates analyse this material calmly and in a highly
organized manner re-write and transform it into formats such as press releases, commu-
niquéés and press clips, thus adding to the stockpile of texts. Through the transformation
the texts are shaped using formalized templates in order to fit the production and distri-
bution systems to which both media and financial organizations are connected.

Content-wise, the texts are constructed so that they illustrate and explain the business
performance of the corporation. They also provide the historical context that frames the
main message. With historical references and future estimates in mind, the corporates
compare their material with and adjust it to what journalists and financial analysts have
predicted in their news coverage and reports. The corporate production of news material
is adapted to what has been written previously about related companies, sectors and
industries in the major newspapers or news channels like Bloomberg, CNN and TT.
Through their continuous contact with journalists and financial analysts, the corporates
systematically tailor and re-shape their own news production. One of the corporates told
us: ‘Our news material needs to fit into the news work of the very people that provide us
with inputs and comments on our company.’ The executive responsible for releasing the
quarterly reports added: ‘Press releases covering financial information […] take fairly
long time to complete. The texts have to be checked, authorized and commented [on] by
several [internal and external] persons or bodies before they return to the department for
publication […]’.

In contrast, the activities that are related to the content of the report are undertaken
quietly and discreetly. Since the reports include information that may affect the share
price the central parts of the report must be kept secret until the report is released to all market actors simultaneously. Thus, during this phase, or the ‘silent period’ as it is often referred to, the corporates are officially not allowed to share any information concerning the content of their reports with the media or with any other actors (Nasdaq OMX, 2011). Nevertheless, as we saw, the news flows between the different parties do not stop entirely. Instead of distributing texts the corporation informally provides the media with suggestions or ‘hints’ as to what to focus on once the report is released. In disseminating such news material the corporate PR professionals rely on informal relationships with selected journalists, analysts or other experts. As explained by one of the communication executives: ‘It’s always better if you can turn to specific journalists. Especially if it’s a case of releasing or commenting on important issues, you need to talk to someone you can trust.’

**Release**

With the release of the report the second phase takes off. The timing of this release and the scheduling of the interviews and the press conference that follow are fundamental for the entire news production process. The release date of the report is known several months in advance so both the corporates and the other news-producing actors have a fixed timeline to follow. At the set time the company releases the report through central distribution systems, such as those provided by Stockholm Stock Exchange or a variety of information brokers. The release is immediately followed by two press conferences, one for the analysts and one for the media and general public, where the report is presented in more detail and the most central aspects are emphasized from the perspective of the two audiences.

The conferences include Q&A sessions where members of the senior management team, supported by the corporates, respond to questions and comments. These sessions are well planned and the order in which the questions are raised and answered follows a predefined structure. First come the most influential media channels and analysts groups, followed by journalists from local newspapers and those having specific focus such as environment or social responsibility.

The distribution systems and the two press conferences constitute a hub that connects the corporation with all the different actors that use the company’s news material in their work. The hub is a platform that everyone can access and in this way it stabilizes and formalizes the release and the information exchanges from which the initial news coverage of quarterly reports arises.

But after the official release of the report the corporates differentiate their news work. Press conferences, analysts meetings, interviews and background material are all carefully planned to secure a clear and consistent message that can be used directly in the media’s coverage or in the reports and statements of financial analysts. The agenda for the major news coverage is relatively pre-set through the informal contacts during the preparatory phase so the company knows what to focus on. The corporates also keep in close personal contact – mainly via phone calls, email and informal meetings – with the journalists and the analysts in order to catch and deal with possible deviations from the planned coverage. Or, as the head of Corporate Communications comments: ‘We need to be sure that there were no misunderstandings in what is said.’
After the release the corporates focus on re-editing and tuning the news material that they prepared in the previous phase. They change the material so it fits better with the expectations and requirements of the targeted news media, financial analysts or other relevant audiences. The challenge here is to do this without losing the materials’ original meaning. For example, the analysts are offered technical and detailed explanations that connect the historical and current performance of the corporations in such way that it supports the analysts’ work with projections, estimates and recommendations. For journalists the corporates prepare texts that are more suggestive and dramaturgically interesting by including interpretation frames, news angels, clarifications and even ready-to-use formulations that fit the media logic.

**Follow up**

In the follow up informal contacts dominate. Instead of disseminating news material the corporates interact with the media and the analysts to clarify and update the news and pictures that are already in circulation. The corporates thereby focus their effort on ‘managing’ the news rather than on producing. They actively respond to incoming inquiries and work intensively on spreading their own interpretations of the material published earlier. During the previous stages the company was able to influence the content and form of news material by way of steering when and to whom the material was made available. The strategy in the follow-up phase is to offer the media and the analysts an opportunity to develop their own reporting. By way of comments, suggestions, additional or complementary material, and exclusive interviews the corporates subtly shape the development of the stories of journalists and analysts. However, this involvement in the ongoing news coverage is challenging. Partly because of the extensive diversity in topics and spin-offs the initial coverage has generated, partly because the company’s news material meets competition from other corporations that are about to release their reports. If they don’t measure up, the next quarterly report, annual general meeting or other important event is usually not far away so the corporate PR professionals can focus on regaining initiative in organizing the next round of news-making activities.

**Corporations as providers of the publishable**

Since much of the information that circulates about the company’s financial reporting is not perceived as news in a traditional sense, the corporation strives to replace the criterion of ‘newsworthiness’ with that of ‘publishability’. The corporation not only follows the established journalistic principles of how news stories should be written and designed to fit the production processes of the media, it also produces material that can be used in the news work of other actors – such as the business/financial analysts. This is done by way of organizing their own news production into the three phases discussed above. These phases are organized and structured in such a way that they meet requirements connected to specific news coverage at the same time as they support the general ability of the different actors to produce news.
Financial analysts are the oracles of the financial markets. They forecast future profits and share prices, their forecasts are compiled to estimate market expectations and, in the business press, they are interviewed and comment on both past and future performance. On closer examination the financial analysts’ work is similar to that of journalists in many ways. In fact, the logic governing the production of analysts’ recommendations is based on a process that is largely editorial and follows the same logic as that of the corporates.

The analyst’s working environment is, like the corporates’, similar to that of an editorial office at a large paper: a large room with rows of desks filled with screens. The space is organized on the basis of the analysts’ specialization, such as telecoms or engineering. The immediate impression is that work is proceeding at full speed. Some analysts are anxiously anticipating reports to be released, others are working with new information that has just been released which needs to be quickly converted into advice and recommendations, and some are in the process of calling customers to tell them about their new analyses. The work reflects a well-structured process.

Preparation

The primary goal of the analysts’ work, as mentioned, is to provide relevant information to investors who could choose to trade through the bank’s brokers, in short, to attract trade. But the analyst also provides information to the bank’s brokers. The information that the analyst produces is concentrated, structured and often brief. When the release of a company’s quarterly report approaches the analyst starts by collecting earlier data, considering what results might be expected (that is, they make an estimate), and preparing a spreadsheet to input the new information the quarterly report will provide. Companies have generally made it clear well in advance when the quarterly report is to be released. Yet sometimes delays do happen, which creates both irritation and eager anticipation. The latter since a delay may indicate that something unexpected is happening at the board meeting that precedes the release of the report. In the preparatory phase, analysts are often called by journalists who want to know about their expectations and concerns regarding companies’ upcoming reports.

Release

Once the report is released, the analyst has to work quickly. First, the prepared spreadsheet needs to be completed with the just-released figures. If there are surprises these are immediately communicated via a loudspeaker announcement to the trading floor. Immediately after the release of the report journalists begin to call the analysts to ask for comments on the report.

The analyst’s first step in report writing is the production of a ‘first comment’, which is sent to the bank’s customers. With the help of standardized templates a very neat document is created in half an hour. When the first comment is finished the analyst then reads and analyses the quarterly report more in depth. The analyst also participates in conference calls and analysts’ meetings where company management staff present the report and
answer questions. At these events it becomes clear how closely the production process of the business press and the analysts follow each other, which is reflected in how journalists and analysts are given the opportunity to pose questions to top managers. Such questions may deal with how management looks at developments in specific markets or focus on detailed issues relating to economic measures, such as the size of inventories. Obtaining this kind of hard data makes these meetings important to attend, but the meetings also create added value in that participants gather softer data: does management exude confidence, is the chief executive officer (CEO) persuasive and can the chief financial officer (CFO) answer difficult questions? The highly personal evaluation of such issues is something that is passed on to brokers and customers by the analyst.

The meetings with journalists and analysts are particularly exciting for the participants when the release of major news is expected. During the observation period there were indications that there would be ‘great news’ in connection with the report from a large Swedish company. The time for disclosure had been moved forward an hour and several news conferences were planned. One of these would be near one of the company’s production units. The analyst referred to having read in a major Swedish business daily that this particular unit was to be closed, which ‘we have hoped [for]’. After the corporation’s press conference the bank’s analyst was interviewed by national television and asked for his view. In the broadcast the interview was not shown, however. The day after the analyst at the bank speculated that the interview was cut because the view that it was proper to close the production unit did not accord with the editorial considerations of what was proper to broadcast.

All the gathered information constitutes the basis for the analyst to write the report. It is a task that is completed on the day of the quarterly report’s release. When the analyst has finished his input to the report then the next stage in the production process is of an editorial character and involves several specialized staff members. First, the report is checked by proofreaders and language editors to review the language. From this the report is forwarded to a unit responsible for the graphic design and formal content of the report (this includes the disclaimers). The report is then distributed via email and also posted on the bank’s website to which customers have access. Work to increase efficiency in the production of the report continually goes on at the bank. There are, for example, staff members who specialize in the development of the templates used by analysts to write their texts and comments.

The analysts reflect on the value the reports have for their customers. They are well aware of the fact that the important investors whose trade they are trying to attract receive reports from a great number of analysts. The analysts believe that the investors hardly have time to read such material. Therefore the analysts at the bank have tried to make their reports shorter. It is also extremely important that the main conclusions of the analysis are formulated in three brief points. Characteristic of the reports is of course the analysts’ recommendation: buy, sell or hold.

**Follow up**

In order to market the bank’s analysis, it is the analysts’ job to phone around major customers (who are ranked according to importance in a database) and explain and discuss
the main points of the report. Thus, analysts’ reports differ distinctly from traditional news media by the fact that the text is supplemented by personal communication. Many such calls were listened to during the observation of the analysts. In these calls the analysts must quickly convey that they have some particularly interesting information to give. An example is the analyst who in his calls highlighted that the media overemphasized the analysed company’s problems in Britain. If the investors do not answer the analysts’ calls it is common for the analysts to leave messages on their voice mails noting the most important points. Contacts with customers also take place at the so-called roadshows organized by the bank. These are events at which investors are invited to meet with management from a company, listen to a presentation and ask questions. At these meetings, the analysts act as hosts. Since the meetings take place in close connection with quarterly reports they are also an opportunity for the analyst to promote the services of the bank.

**Analysts – making news by being different**

The criterion that determines whether something is interesting in the financial market is whether there is new information content. However, the observation from the bank shows that the novelty of information is constructed in part by the way that analysts’ reports are written and promoted. The role of the analysts in making interpretations that are original is underscored by a statement that was sometimes heard during the observation: ‘Dare to Deviate’. Thus, analysts should try to say something original and different from the crowd. That is, to create a piece of news.

**Analysis: news production beyond the news desk**

The activities of the corporates and the analysts are the same or similar, although they occur in different phases of the news production process, that is, there is a differing sequential organization of the process. The activities are presented in Table 1. In both cases the stages are predictable and have routinized activities associated to them. A central activity is that of producing texts, which is in line with editorial logics and the production of news. In both cases we saw the adaptations that are made to the different audiences of the texts, judgements that are made about the newsworthiness of information, and editorial procedures that are used in the production process. Both the corporate staff and analysts use formalized templates in their news work – that is, templates that fit with the prevailing production and distribution systems to which both the media and other news-producing organizations are connected. Frequent and standardized contact with these organizations (including the media) is another common activity in which the corporates and analysts were involved. These contacts underscore that producing news is a collaborative process (Hout and Jacobs, 2008; Pallas, 2007). But these contacts took place at different stages in the news-producing process. For example the interactions between journalists and analysts were more frequent when forming expectations prior to release of a report, while the company deals with the media mainly during or directly after the publication of the reports. Finally, both the analysts and the company are involved in organizing events in which the news is distributed and discussed. As the
news production process unfolded, the analysts and corporates organized associated events at which their news was launched and discussed. For the company this occurred primarily in connection to the presentation of the quarterly report, for example the press conferences or meetings with analysts. The analysts, on the other hand, were involved in activities such as roadshows that took place in the follow-up phase of the process.

**Interaction settings**

The fact that both the company and the analysts organized events led us to pay attention to the fact that the settings for interactions have a critical role in the entire process of news production (cf. Czarniawska, 2012; Ericson et al., 1989). The different settings not only constitute contexts for the production and exchange of news, as for example in interactions between the analysts and investors, or between the company and the media, they also offered the company and the analysts the potential to influence the very content and form of the news as it finally appeared in the media. In our study we have identified three distinct interaction settings: production settings, launching settings and one-on-one settings.

Starting with production settings, it becomes obvious that the layout of the facilities in which both analysts and company produced news material are reminiscent of newsrooms. There are screens that provide data from a multitude of information sources, including news channels, news agencies, financial and business analysts and others. The routines for production are also very clear, with well-specified deadlines and stringent editorial logics. The company PR staff and the analysts made detailed plans for publications, including precise dates and times. The production settings also emphasize efficiency and smoothness in internal communication enabling fast and timely production of news material.

### Table 1. Comparing the activities of the corporates and the analysts

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<th>Corporate PR practitioners</th>
<th>Analysts</th>
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<td>Interactions with analysts and journalists</td>
<td>Interacting with journalists and corporations</td>
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<td><strong>Follow up</strong></td>
<td>Managing the news</td>
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The news is not only published as texts or images. Intrinsic to the news produced by analysts and the company is that it is tied to public events specifically organized for presenting the news. We call these launching settings. The design of the launching settings is influenced by the audience they are aiming to engage. The launching setting may be either direct, as in a conference facility, or mediated, such as in teleconferences or webcasts. The event is often published – for example on the company’s webpage – and thereby becomes a form of news in itself. The way that news is presented in the launching settings follows well-defined scripts. There are always presentations made by the CEO or CFO, which are followed by Q&A sessions. These settings underscore the importance of using dramaturgy in presenting news material in the otherwise mechanistic exchange of information. The corporation is literally put ‘onstage’ and the performance is open for interpretation by corporate PR practitioners and the analysts. Such interpretations may be to do with a CEO’s confidence or depth of knowledge. Unexpected questions from the audience can also add an element of unpredictability, which adds to the potential of creating news.

Finally there are the one-on-one settings that, in strong contrast to the launching setting, are characterized by extensive seclusion. The corporate PR practitioners work more intimately with journalists in the preparation phase whereas the analysts call investors and arrange personal meetings between investors and corporate management during the follow-up phase. The one-on-one settings presuppose trust and well-established relations between individuals as they provide the opportunity for personal and sometimes even sensitive exchange of news material. These settings also provide opportunities for persuasion and negotiations, as we have witnessed for example during the ‘silent periods’. In the one-on-one settings the content of news can be decided upon by excluding the formal and structured procedures of the other interaction settings.

**Embeddedness**

The analysis of activities and interaction settings provides an understanding of news production as embedded in technologies, relations and organization (Uzzi, 1996). We will discuss these in turn. Technological embeddedness structures the social context in which news is produced and distributed (Grafström and Windell, 2012; Pavlik, 2000). In our cases (the company and the analysts) we saw how the technologies that were used when handling the quarterly reports’ information shaped the news that was created from them, for example, the templates for analysts’ reports. The analysts as well as the corporate PR practitioners have production processes, time schedules, professional values and expectations around which news production is organized and performed. This also includes a technological convergence: the increasing use of common technologies such as distribution systems, information databases and mobile phones. This convergence forges stronger links between the news work of the corporations and the analysts with the media. The technological embeddedness is also seen in how the texts have become standardized, thereby enabling the organizations to link their respective production systems to each other. The technologies thus both enable circulation and drive it.

Relational embeddedness permeates both the technical and organizational conditions for the interaction between corporations, analysts and the media. The cases showed that
developing and maintaining relations and interactions was an important activity in news production (Sallot and Johnson, 2006). The relations were shaped by the interaction settings, which created the conditions for establishment and development of new or existing relations between the different actors. The relational embeddedness involves a paradox. In one sense the roles of the actors are highly standardized and the relations are a mere vessel for exchanging (trading) news material efficiently. On the other hand the relations are trust-based with covert interaction, and include the active interpretation of the others’ attitudes (Pallas and Fredriksson, 2011).

News production is also organizationally embedded (Raviola, 2010; Tuchman, 2002). Production is strongly dependent on structure, planning and standardization regarding news is created by analysts and corporate PR practitioners. The cases demonstrated the importance of the timing of reports, the format for how meetings are held and the presence of templates for news formats. In many ways the production of news is a machine-like process. The organizational embeddedness also forms the basis for cooperation between the different news-producing actors since it creates stability and continuity (Grafström et al., 2006). In our cases this led the corporations and the analysts to focus on the predictable and expected, that is to say events such as quarterly reports, annual general meetings and other periodic financial reporting.

Business news – recursive mediation

This article has shown that corporate PR professionals and financial analysts are two active actors in an organized process of business news production. The production process is neither linear nor unidirectional. Rather, the business news production builds on what we want to call recursive mediation. That is to say – we understand business news production primarily as a circulation of news material that is constantly used and reused. In this mediation individual texts are of secondary importance. Although they might sometimes act as building blocks in news production, they rarely constitute it on their own. What makes up the foundation of news production is the continuous and structured exchange of these texts. As argued at the beginning of this article, we sought to introduce a perspective on business news production as embedded in inter-organizational contexts. Technologies, relations and formal organizing are essential for our understanding of the way business news is produced and circulated. This leads us to the conclusion that business news is to be understood as continuously reconstructed in highly organized interactions between interested actors.

Our main question considered the characteristics of business news production. As for the routines, practices and organizational processes through which businesses and media interact, we wish to argue that the coordination of the various actors and their news work, including tight deadlines and mutual interdependencies, requires a joint production logic. This logic is based on formalization and standardization of the way the actors interact with each other and the way the news material is produced, circulated and used. Differently, the production of business news is based on fundamental ideas and standards that keep production organized and ongoing, and the actors involved all have an interest in maintaining these ideas and standards. The relational properties of interactions between the different parties and the dominant values, ideas and models guiding news
production are different from the traditional notion of media logics (Altheide and Snow, 1979; Asp, 1986). Obviously, the different actors adjust their news work to the established journalistic values and standards. But these ‘new media people’ also bring knowledge, experience and technologies that have the capacity to alter the prevailing media logic (see Lounsbury and Crumley, 2007).

The embeddedness view of news production has several managerial and societal implications. The first of the two implications that we want to emphasize concerns the importance of understanding business news production as an embedded process where opportunities to directly influence news agenda or to introduce production innovations are likely to be limited. Rather, it is by way of being embedded in the organizational and technological settings through which the business news emerges that the different actors might alter the content and form of the news. It is not difficult to imagine that such embeddedness can also be found in other types of news production and outside the Scandinavian context. For example the works of Carroll and Deephouse (forthcoming), Czarniawska (2012), Grafrström and Windell (2012), and Raviola (2010) clearly illustrate that such processes and interdependencies are a central aspects of news production. They are not only present beyond the scope of business news production (news agencies, general print media, online outlets), but can also be found in different cultural and national contexts. These and many other studies also suggest that more explicit attention should be paid to the way the organizing of news production evolves in relation to the emergence and expansion of social media and online journalism, where spatial, temporal, technical and relational constraints lose their former character and importance.

Second, results from our study suggest that organizations (private as well as public) must reframe their perceptions of media. Traditional media are not the primary news-makers and the reframed media strategies should be oriented towards the whole news production system, which includes the activities and technologies that bind the actors within the system together. It is by way of altering the social, relational and technological embeddedness of news production that individual actors might be successful in long-term news management.

References


