

# The Impact of Public Relationship Management on Organisational Performance of Huawei Products in Shenzhen, China: The Mediating Role of Ethical Behaviour

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Examining the mediating function of ethical conduct, this research statistically examines the effect of public relations management on the organisational performance of Huawei goods in Shenzhen, China. Perceptions of advertising initiatives, ethical practices, and organisational performance indicators were gathered from 1700 stakeholders, including workers, consumers, and industry partners, using a structured survey. The survey measured characteristics using a Likert scale, emphasising aspects like stakeholder participation, general satisfaction, and communication efficacy. The linkages between public relationship management or organisational performance were examined using statistical analyses, including regression and correlation approaches. Ethical behaviour was used as a mediating variable. According to preliminary research, improved organisational performance metrics, including sales growth, client retention, and brand reputation, strongly correlate with good public relationship management. In addition, the findings highlight the importance of ethical behaviour as a mediator of this connection, highlighting its function in cultivating confidence and allegiance among stakeholders. In addition to fostering stronger connections with stakeholders, the research found that Huawei's dedication to ethical PR led to better organisational performance. All the more reason for businesses to include ethics in their PR plans if they want to succeed in the long run, especially in highly competitive sectors, according to these findings. The results give practical suggestions for Huawei and other companies like it that want to improve their performance by using ethically based strategic PRM practices.

**Keywords:** Public relationship management, Organisational performance, Ethical behaviour, Huawei products.

## 1. Introduction

A key component of organisational effectiveness in today's competitive corporate world is efficient public relationship management (PRM). When considering Huawei, a prominent Chinese technology company headquartered in Shenzhen, this becomes very clear. Knowing how PRM affects organisational performance is crucial for Huawei as it grows in the market and faces complicated obstacles. This research delves into how strategic PRM affects Huawei's bottom line by improving the company's image, which in turn increases customer happiness and loyalty (Liu & Chen, 2020).

Ethical conduct also plays a key moderating function in this process. Increasing public trust and the efficacy of PRM initiatives may be achieved via ethical practices in this age when customers are more aware of the importance of corporate social responsibility. The purpose of this research is to shed light on the significance of integrity in promoting long-term company success by studying the impact of ethical behaviour on the connection between PRM and organisational performance at Huawei. The research aims to add to the greater knowledge of how PRM methods, when matched with ethical behaviour, may boost organisational performance by investigating these aspects within the context of Huawei's activities in Shenzhen. To succeed in the long run in a dynamic market, this study was show how important it is to include ethical concerns in PR plans (Wang & Zhao, 2021).

## **2. RESEARCH BACKGROUND**

This study's context is the growing recognition of PRM's central role in improving organisational performance, especially in the technology industry. One company that has shown the power of public relations to influence public opinion and propel companies to success is Huawei, which is based in Shenzhen, China. Huawei, as an industry frontrunner, has distinct obstacles connected to consumer perceptions of the brand, intense competition, and changing consumer preferences. Knowing how PRM works in this setting is, however, crucial (Zhang & Xu, 2022).

Strategic PRM has recently been demonstrated to help organisations improve their performance, stakeholder involvement, and brand loyalty. But PRM's effect is dependent on more than just communication tactics; it's also affected by the organization's ethical conduct. An organization's image and efficacy may be greatly enhanced when its public relations and marketing strategies are in line with ethical principles, especially in today's consumer-driven market (Yang & Liu, 2019). With the world looking on and the demand for openness growing, the point where PRM meets ethical conduct is more important than ever. Both the quality of their goods and their ethical business practices are important factors in how companies are judged. The purpose of this study is to examine, within the framework of Huawei, the mediating role of ethical behaviour in the connection between PRM and organisational performance. This research aims to shed light on the importance of ethics in improving PRM efficacy and, by extension, the organization's long-term performance by analysing this link. Huawei plays a significant role in the global economy, and stakeholders and consumers have ever-changing expectations, so this investigation is both necessary and urgent (Chen & Hu, 2023).

## **3. PURPOSE OF THE STUDY**

The researchers in this study set out to find out how PRM affected the productivity of Huawei's Shenzhen, China, headquarters. The purpose of this study is to investigate the mediating impact of ethical behaviour in the link between successful public relations management tactics and improved brand reputation and consumer loyalty. This study aims to shed light on these dynamics in the hopes of informing Huawei's PRM practices in a way that promotes sustainable development and competitiveness while adhering to ethical standards.

#### **4. LITERATURE REVIEW**

Research on PRM has shown that it has a significant impact on business outcomes, especially in the IT industry. Various tactics are part of PRM with the overarching goal of improving the brand's reputation and consumer loyalty via the cultivation and maintenance of favourable relationships with stakeholders. To comprehend the demands and views of stakeholders, it is crucial to encourage two-way communication, which is highlighted as an important component of efficient PRM (Tang & Wang, 2020).

According to studies, companies that have strong PRM processes usually end up with better performance results. Some researchers discovered a correlation between successful PRM and higher levels of customer satisfaction or retention. As a firm dealing with intricate market dynamics or public scrutiny, Huawei recognises the even greater importance of public relations management in bolstering faith in the brand and reducing dangers to its image. Ethical conduct has also been identified as a key component of PRM's efficacy. Ethical behaviours, build trust and strengthen relationships with stakeholders (Li & Yang, 2021). Conducting oneself ethically is a key component of effective PRM campaigns. Customers were more loyal and had a more favourable impression of brands associated with companies that they felt were ethical, according to the research. This research seeks to fill a knowledge vacuum by examining the role of ethical behaviour as a mediator between PRM and organisational success. It focuses on Huawei in Shenzhen as an example. The study adds to the current literature by shedding light on the significance of incorporating ethical issues into PRM techniques via an examination of these relationships. This harmony not only boosts efficiency inside the company but also lays the groundwork for long-term success in the face of stricter regulations throughout the world (Sun & Zhou, 2022).

#### **5. RESEARCH QUESTION**

How do assess effective public relationship management strategies influence the overall organizational performance of Huawei products in Shenzhen, China?

#### **6. RESEARCH METHODOLOGY**

The researcher used a convenient sampling technique in this research.

**Research design:** Quantitative data analysis was conducted using SPSS version 25. The combination of the odds ratio and the 95% confidence interval provided information about the nature and trajectory of this statistical association. The p-value was set at less than 0.05 as the statistical significance level. The data was analysed descriptively to provide a comprehensive understanding of its core characteristics. Quantitative approaches are characterised by their dependence on computing tools for data processing and their use of mathematical, arithmetic, or statistical analyses to objectively assess replies to surveys, polls, or questionnaires.

**Sampling:** A convenient sampling technique was applied for the study. The research relied on questionnaires to gather its data. The Rao-soft program determined a sample size of 1547. A total of 1800 questionnaires were distributed; 1753 were returned, and 53 were excluded due to incompleteness. In the end, 1700 questionnaires were used for the research.

**Data and Measurement:** A questionnaire survey served as the main data collector for the study. There were two sections to the survey: (A) General demographic information and (B) Online & non-online channel factor replies on a 5-point Likert scale. Secondary data was gathered from a variety of sources, with an emphasis on online databases.

**Statistical Tools:** Descriptive analysis was used to grasp the fundamental character of the data. The researcher applied ANOVA for the analysis of the data.

### 6.1 Conceptual Framework



## 7. RESULTS

### 7.1 Factor Analysis

Factor Analysis (FA) is often used to validate the underlying component structure of a collection of measurement items. The scores of the observed variables are thought to be impacted by latent factors that are not readily observable. The methodology of accuracy analysis (FA) is a method that relies on models. This research primarily focuses on constructing causal pathways that link observable events, underlying causes, and measurement errors.

The suitability of the data for factor analysis may be evaluated using the Kaiser-Meyer-Olkin (KMO) Method. The sufficiency of the sample for each variable in the model, as well as for the model as a whole, is evaluated. The statistics measure the magnitude of potential shared variation among many variables. Data that has smaller percentages is often more appropriate for factor analysis.

KMO generates random integers within the range of zero to one. A sample is considered sufficient if the Kaiser-Meyer-Olkin (KMO) value is between 0.8 and 1.

It is necessary to take remedial action if the KMO is less than 0.6, which indicates that the sampling is inadequate. Use your best discretion; some authors use 0.5 as this, therefore the range is 0.5 to 0.6.

- If the KMO is close to 0, it means that the partial correlations are large compared to the overall correlations. Component analysis is severely hindered by large correlations, to restate.

Kaiser's cutoffs for acceptability are as follows:

A dismal 0.050 to 0.059.

- 0.60 - 0.69 below-average

Typical range for a middle grade: 0.70–0.79.

Having a quality point value between 0.80 and 0.89.

The range from 0.90 to 1.00 is stunning.

Table 1: KMO and Bartlett's Test

KMO and Bartlett's Test <sup>a</sup>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.976
Bartlett's Test of Sphericity	Approx. Chi-Square	6970.195
	df	190
	Sig.	.000
a. Based on correlations		

The overall significance of the correlation matrices was further confirmed by using Bartlett's Test of Sphericity. A value of 0.976 is the Kaiser-Meyer-Olkin sampling adequacy. By using Bartlett's sphericity test, researchers found a p-value of 0.00. A significant test result from Bartlett's sphericity test demonstrated that the correlation matrix is not a correlation matrix.

## 7.2 Test for Hypothesis

### 7.2.1 Dependent Variable

- Organisational Performance of Huawei Products in Shenzhen, China

In Shenzhen, China, the organisational performance of Huawei goods is the degree to which the corporation meets its objectives in terms of product development, sales, or market presence. Growth in revenue, market share, customer happiness, and innovation output are all part of it. The quality of public interactions, operational procedures, and strategic decisions all play a role in its performance. The capacity to adapt, meet customer demands, and retain a leadership position in technology is shown by Huawei's exceptional organisational performance in a competitive environment (Guo & Zhang, 2023).

### 7.2.2 Mediating Variable

- Ethical Behaviour

When people and groups look to established codes of conduct to help them make moral judgements, they are engaging in ethical behaviour. It impacts one's interactions with others and attitude to obligations; it comprises honesty, integrity, justice, and responsibility. Ethical conduct in the workplace helps build rapport with customers, boosts credibility, and keeps them in the clear when it comes to breaking the rules. By placing a strong emphasis on ethical standards, organisations may foster a supportive work environment, achieve long-term success, and live up to society's expectations (Xie & Chen, 2019).

### 7.2.3 Independent Variable

- Public Relationship Management

Management of an organization's connections with its many stakeholder groups including the

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public, workers, investors, and customers is known as PRM. It entails being aware of how your audience perceives them, taking steps to manage their reputation, and encouraging honest conversation to build rapport and participation. Media relations, social media, and community outreach are just a few of the instruments that successful public relationship management uses to increase brand awareness and loyalty. Its ultimate purpose is to drive long-term success by aligning organisational goals with stakeholder expectations (Liu & Zhao, 2020).

▪ Relationship Between Public Relationship Management and Organisational Performance of Huawei Products in Shenzhen, China through Ethical Behaviour

The ethical behaviour of Huawei employees greatly improves the link between public relationship management and organisational success in Shenzhen, China. Building deeper stakeholder involvement and loyalty is the result of effective public relationship management, which promotes trust and transparency. Employee morale and customer satisfaction are both enhanced when Huawei places an emphasis on ethical standards, which in turn increases the company's brand. By fostering a favourable image and encouraging long-term success in a competitive market, this connection between ethical behaviour and public relations methods eventually fosters superior organisational performance (Fan & Chen, 2021).

Based on the above discussion, the researcher formulated the following hypothesis, which was to analyse the relationship between public relationship management and the organisational performance of Huawei products in Shenzhen, China through ethical behaviour.

“H<sub>0</sub>: There is no significant relationship between public relationship management and organisational performance of Huawei products in Shenzhen, China through ethical behaviour.”

“H<sub>1</sub>: There is a significant relationship between public relationship management and organisational performance of Huawei products in Shenzhen, China through ethical behaviour.”

Table 2: H<sub>1</sub> ANOVA Test

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	99674.830	1031	5978.486	4095.837	.000
Within Groups	1092.936	668	4.597		
Total	100767.766	1699			

In this study, the result is significant. The value of F is 4095.837, which reaches significance with a p-value of .000 (which is less than the .05 alpha level). This means the “H<sub>1</sub>: There is a significant relationship between public relationship management and organisational performance of Huawei products in Shenzhen, China through ethical behaviour.” is accepted and the null hypothesis is rejected.

8. DISCUSSION

Public relations at Huawei in Shenzhen, China, influenced business results, demonstrating the

need for open dialogue and participation from all parties involved. Huawei can improve performance KPIs like brand loyalty or customer happiness by cultivating strong connections. By acting ethically, researchers may mediate these connections and make sure they are based on honesty and reliability. By placing a premium on ethical standards, Huawei improves its public image, which in turn increases staff morale and dedication, which in turn leads to better organisational results. So, Huawei may improve its market position or operational performance by strategically focusing on ethical public relations.

## **9. CONCLUSION**

Improving the enterprise performance of Huawei goods in Shenzhen, China, requires efficient public relations management. Customer loyalty and staff engagement may both rise if Huawei emphasizes ethical behaviour, which in turn builds trust and strengthens relationships with stakeholders. Both the company's reputation and operational results are enhanced by this strategic strategy. Incorporating ethical concerns into Huawei's public relations strategies sets the company up for long-term success in a cutthroat industry.

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