COURSE GUIDE

MAC 333
MEDIA STATION MANAGEMENT AND OPERATIONS

Course Team Onagwa Godfrey Ife (Course Developer/Writer) -ABU
Dr. Jonathan E. Aliede (Programme Leader) –NOUN

NATIONAL OPEN UNIVERSITY OF NIGERIA

National Open University of Nigeria
Headquarters
University Village
Plot 91, Cadastral Zone
Nnamdi Azikiwe Expressway
Jabi, Abuja

Lagos Office
14/16 Ahmadu Bello Way
Victoria Island, Lagos

e-mail: centralinfo@nou.edu.ng
URL: www.nou.edu.ng

Printed 2021

ISBN: 978-058-723-0

CONTENTS **PAGE**

INTRODUCTION

Media Station Management and Operations (MAC 333) is a one-semester 3-credits unit course. It is designed to acquaint students with the knowledge, principles and skills of broadcast station organization, management and operations.

The course highlights the general philosophy of electronic station management and operational requirements and theories, and their practical applications in contemporary media organizations, drawing examples from Nigeria.

Media Station Management and Operations, as a core course, is an advanced discipline in the field of mass communication, as it builds on the supposition that the essential ingredients of mass communication, such as concepts and components of broadcast media, have been taught and understood by students taking it. The course thus gives a concise and appreciable understanding of the concept and operations within a mass media organization. It is packaged on a global scale, with a view to positioning the student on a pedestal that would make him or her at par with any professional entrant into operations and management of mass media outfit anywhere in the world. But in agreement with the philosophy of academic and professional training, it draws many of its examples from the Nigerian orientation.

Moreover, attempts are made often to balance radio and television stations' operational and management dimensions of the discipline. The course content is packaged with the understanding that most of the readers are not professionals, but are prospective materials, in the field of broadcast communication; that is, the treatment is with the view that students are mostly beginners who are first-year undergraduates in the university.

This course should, however, be taken as a comprehensive guide which aims to give the student the required information about radio and television station management and operations.

AIMS OF COURSE

- The course aims at empowering the beginner or prospective professional in the field of broadcast media with the rudimentary knowledge of the complex activities involved in media station management and operations. Moreover, it also aims at exposing the student to the nature, processes, and logistics involved in station management and operations, towards building a holistic career in the broadcast media sector of mass communication.

COURSE OBJECTIVES

At the end of the course, the student should have been:

- Generally exposed to the basics of media station operations and management.
- Fully acquainted with the nature, structure, functions, philosophies and other complex characteristics of media station management and operations.
- Been somewhat physically exposed to a fully functioning radio and/or television station and its workings.

WORKING THROUGH THIS COURSE

To successfully complete this course, you are strongly advised to:

- Read the study units provided as a course material, as well as the recommended texts. The recommended texts give a broader perspective and good understanding of the course;
- Do the self-assessment exercises which come up immediately after certain sections of each unit;
- Submit written assignments listed under the Tutor-Marked Assignment (TMA) section of this course material. The TMA constitutes your Continuous Assessment for the course. You will be told which of these is to be submitted at a particular time.
- Write a final examination at the end of the course.

COURSE MATERIALS

The major components of the course are:

1. Course Guide
2. Study units
3. Textbooks
4. Assignment File
5. Presentation.

In addition, you must obtain your copy of the materials. They are provided by NOUN. In some cases, you may be required to obtain your copy from the bookshop. In case you have any problem in obtaining your materials, you may contact your tutor.

STUDY UNITS

MAC 333 is a three unit course, packaged in six (6) modules of twenty-four (24) units.

These modules and units are listed below:

Module 1 Introduction to Electronic and Broadcast Media

Unit 1 An overview of electronic media
Unit 2 Nature and Characteristics of Radio Station
Unit 3 Nature and Characteristics Television Station
Unit 4 The Digital Revolution and Broadcast Management

Module 2 Basic Station Operations and Management

Unit 1 Organizational Structures and Operations of a Station
Unit 2 Production Operations
Unit 3 Transmission Requirements and Operations
Unit 4 The Production Studio and Studio Hands

Module 3 Managing in Electronic Media Station

Unit 1 Concept of Management in the Media
Unit 2 Theories of Management
Unit 3 Personnel Management
Unit 4 Ethical Issues in Station Management

Module 4 Programming Strategy and Distribution

Unit 1 Concept of Programming in the Electronic Media
Unit 2 Radio and Television Programming
Unit 3 Legal Issues in Programming
Unit 4 Importance of News in Programming

Module 5 Marketing and Financial Management

Unit 1 Concept of Marketing in the Electronic Media
Unit 2 The Station as Media Marketplace
Unit 3 Priority of Financial Management in Station Operations
Unit 4 Budgeting and Financial Performance Monitoring

Module 6 Media Station's Operating Environment

Unit 1 Informal Regulations
Unit 2 Formal Regulations

Unit 3 Media Unionism
Unit 4 Technology Use

Each unit is accompanied by a number of self-tests which are drawn from the materials the student has already gone through. The tests are designed to keep the student abreast of what he/she has studied from the course materials. If properly utilized, the excellent combination of self-tests with tutor-marked assignment will in non small measure lead to the achievement of the overall objectives of the course.

TEXTBOOKS AND REFERENCES

Aina, S. (2002). *Modern Media Management*. Nigeria: Ebensun Publishers.

Albarran A. B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G.

Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry.* Boston: Allyn and Bacon.

Albarran, A. B., and Dimmick J. (1996). Concentration and economies of multiformity in the communication industries. *Journal of Media Economics,* 9(4), 41-50.

Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon.

Barnouw, Erik. (1990). Tube of Plenty: The Evolution of American Television. Rev. ed. Oxford University Press.

Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Broadcasting and Cable Yearbook (2010). Radio Broadcast. RR Bowker: New Providence, NJ.

Cloud, Stanley, and Lynne Olson. (2006). *The Murrow Boys: Pioneers on the Front Lines of Broadcast Journalism*. Houghton Mifflin.

Douglas, S.J. (2011). Listening In: *Radio and the American Imagination*. Crown. USA.

Dunning, John. (1998). On the Air: The Encyclopedia of Old-Time Radio. Oxford University Press.

Engelman, Ralph. (2006). *Public Radio and Television in America: A Political History*. Sage.

Eze, F.C. (2006). Human Resource Management in Nigeria (Second Edition). Enugu: De-Verge Agencies Publication.

Federal Communications Commission Rules Part 73 (1997). Rules Service Company: Rockville, MD.

Gibilisco, Stan. (1999). *Handbook of Radio and Wireless Technology*. McGraw-Hill; NY.

Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

Keith, M. C. (1987). *Radio Programming: Consultancy and Formatics*. Focal Press: Boston.

Keith, M. C. and Krause, J. M. (1989). *The Radio Station*. Focal Press: Boston.

Maltin, Leonard. (2005). *The Great American Broadcast: A Celebration of Radio's Golden Age*. NAL; USA.

Nisbett A. (1994) *Use of Microphones*, 4th ed., Stoneham MA; Focal Press.

Nwodu, L.C. (2006). Journalism practice : News Aesthetics, Ethics and Laws. Enugu: Rhyce Kerex publishers.

Nworgu, K.O. (2011). Understanding Mass Communication concepts and Applications. Owerri: Ultimate Books.

Nwosu, I.E. (2004). Conflict Management, Communication and Mass Media: A Conceptual, Theoretical and Introductory Analysis, in Nwosu, & Des Wilson (ed.) Communication, media and conflict Management in Nigeria. Enugu: Prime Targets Ltd.

O'Donnell, L. M., Hausman, C., Benoit, P. (2011). *Radio station operations: Management and employee perspectives*. Wadsworth: Belmont, CA.

Obeleagu, C.G. Emejulu G. & Onubogu, A. O. (1997). Contemporary Business Management. Onitsha: Baset printing & Publishing Ltd.

Ogbuoshi, L.I (2010). Understanding Newspaper Management and production. Enugu: Linco Enterprises Ltd.

Ogunsiji, M.A. (19890. Introduction to Print Journalism, Lagos: Nelson Publishers. Okafor, L.C & Udu, A. AU (2005). Essentials of Business Management. Enugu: Rhyce Kerex Publishers.

Okarfor, L.C. et al (2011). Elements of Managment. Enugu: Rhyce Kerex Publishers

Pitts, Gregory G. The Radio Broadcasting Industry. Allyn & Bacon, 2000. A study of the radio industry's evolution and resilience.

Reese D.E. and Gross L.S. (2001) *Radio Production Worktext*. 4th ed., Stoneham MA; Focal Press.

Rutland, David. (1994). *Behind the Front Panel: The Design & Development of 1920's Radios*. Colorado University Press.

Winship, M. (2008) *Radio*. Random House; New York.

Zettl H. (2009) *Television Production Handbook*, 10th ed., Wadsworth; Belmont, USA.

ASSIGNMENT FILE

In the Assignment File, you will get the details of the work you are expected to submit to your tutor for marking. The marks you obtain for these assignments will count towards the final mark you obtain in this course.
Further information on the assignment will be found in the Assignment File itself and later I this course guide in the section on assessment.

ASSESSMENT

There are two aspects to the assessment of the course. First are the tutor-marked assignment; second, there is a written examination.
In tackling the assignments, you are expected to apply information and knowledge acquired during this course.

The assignments must be submitted to your tutor for formal assessment in accordance with the deadlines stated in the Assignment File. The work you submit to your tutor for assessment will count for 30 percent of your total course mark.
At the end of the course, you will need to sit for a final three-hour examination. This will count for 70 percent of your total course mark.

TUTOR-MARKED ASSIGNMENT

There are twenty two tutor-marked assignments in this course. You need to submit all the assignments. The best four (i.e. the highest four of the

fifteen marks) will be counted. The total marks for the best four (4) assignments will be 30 percent of your total course mark.

Assignment questions for the units in this course are contained in the Assignment File. You should be able to complete your assignments from the information and materials contained in your textbooks, reading and study units. However, you are advised to use other references to broaden your viewpoint and provide a deeper understanding of the subject.

When you have completed each assignment, send it, together with TMA (tutor-marked assignment) form to your tutor. Make sure that each assignment reaches your tutor on or before the deadline given to the Assignment File. If, however, you cannot complete your work on time, contact your tutor before the assignment is done to discuss the possibility of an extension.

FINAL EXAMINATION AND GRADING

The final examination of MAC 333 will be three hours' duration and have a value of 70% of the total course grade. The examination will consist of questions which reflect the type of self-testing, practice exercises and tutor-marked problems you have come across. All areas of the course will be assessed.
You are advised to revise the entire course after studying the last unit before you sit for the examination. You will find it useful to review your tutor-marked assignments and the comments of your tutor on them before the final examination.

PRESENTATION SCHEDULE

The presentation schedule included in your course materials gives you the important dates for the completion of tutor-marked assignments and attending tutorials. Remember, you are required to submit all your assignments by the due dates. You should guard against falling behind in your work.

COURSE MARKING SCHEME

This table shows how the actual course is broken down.

Table 1: Course Marking Scheme

Assessment	**Marks**
Assignments 1-22	22 assignments, best four marks of fifteen count at 7.5% (on the averages) = 30% of course marks
Final Examination	70% of overall course marks 100% of course

COURSE OVERVIEW

This table brings together the modules, units and the number of weeks you should take to complete them, and the assignments that follow them.

Unit	Title of work	Week's Activity	Assessment (End of
	Course Guide		
	Module 1: Introduction to Electronic and		
1	Unit 1 An overview of electronic media	1	Assignment
2	Unit 2 Nature and Characteristics of Radio	2	Assignment
3	Unit 3 Nature and Characteristics Television	3	Assignment
4	Unit 4 The Digital Revolution and Broadcast	4	Assignment
	Module 2: Basic Station Operations and		
1	Unit 1 Organizational Structures and	5	Assignment
2	Unit 2 Production Operations	6	Assignment
3	Unit 3 Transmission Requirements and	7	Assignment
4	Unit 4 The Production Studio and Studio	8	Assignment
	Module 3: Managing in Electronic Media		
1	Unit 1: Concept of Management in the	9	Assignment
2	Unit 2 Theories of Management	10	Assignment
3	Unit 3 Personnel Management	11	Assignment
4	Unit 4 Ethical Issues in Station Management	12	Assignment
	Module 4: Programming Strategy and		
1	Unit 1 Concept of Programming in the	13	Assignment
2	Unit 2 Radio and Television Programming	14	Assignment
3	Unit 3 Legal Issues in Programming	15	Assignment
4	Unit 4 Importance of News in	16	Assignment
	Module 5: Marketing and Financial		
1	Unit 1 Concept of Marketing in the	17	Assignment
2	Unit 2 The Station as Media Marketplace	18	Assignment
3	Unit 3 Priority of Financial Management in	19	Assignment
4	Unit 4 Budgeting and Financial Performance	20	Assignment
	Module 6: Media Station's Operating		
1	Unit 1 Informal Regulations	21	Assignment
2	Unit 2 Formal Regulations	22	Assignment
3	Unit 3 Media Unionism	23	Assignment
4	Unit 4 Technology Use	24	Assignment
	Revision	25	
	Examination	26	

HOW TO GET THE MOST FROM THIS COURSE

In distance learning, the study units replace the university lecturer. This is one of the great advantages of distance learning; you can read and work through specially designed study materials at your own pace, and at a time and place that suit you best. Think of it as reading the lecture instead of listening to a lecturer. In the same way that a lecturer might set you some readings to do, the study units tell you when to read your set books or other materials, just as a lecturer might give you an in-class exercise, your study units provide exercises for you to do at appropriate points.

Each of the study units follows a common format. The first item is an introduction to the subject-matter of the unit, and how a particular unit is integrated with the other units and the course as a whole. Next is set of learning objectives. These objectives let you know what you should be able to do by the time you have completed the unit. You should use these objectives to guide your study. When you have finished the units, you must go back and check whether or not you have achieved the objectives. If you make a habit of doing this, you will significantly improve your chances of passing the course.

The main body of the unit guides you through the required readings from other sources. This will usually be either from your set books or from other materials.

Reading Section

Remember that your tutor's job is to help you. So, when you need help, don't hesitate to call and ask your tutor to provide it.

1. Read this Course Guide thoroughly.
2. Organise a study schedule. Refer to the 'Course Overview' for more details. Note the time you are expected to spend on each unit and how the assignments relate to the units. Whatever method you chose to use, you should fashion out your own convenient schedule for working on each unit.
3. Once you have created your own study schedule, do everything you can to stick to it. The major reason that students fail is that they get behind with their course work. If you get into difficulties with your schedule, please let your tutor know before it is too late for help.
4. Turn to Unit 1 and read the introduction and the objectives for the unit.
5. Assemble the study materials. Information about what you need for a unit is given in the 'Overview' at the beginning of each

unit. You will almost always need both the study unit you are working on and one of your set books on your desk at the same time.

6. Work through the unit. The content of the unit itself has been arranged to provide a sequence for you to follow. As you work through the unit you will be instructed to read sections from your set books or other articles. Use the unit to guide your reading.
7. Review the objectives for each study unit to confirm that you have achieved them. If you feel unsure about any of the objectives, review the study material or consult your tutor.
8. When you are confident that you have achieved a unit's objectives, you can then start on the next unit. Proceed unit by unit through the course and try to pace your study so that you keep yourself on schedule.
9. When you have submitted an assignment to your tutor for marking, do not wait for its return before starting on the next unit. Keep to your schedule. When the assignment is returned, pay particular attention to your tutor's comments, both on the tutor-marked assignment form and also on what is written on the assignment. Consult your tutor as soon as possible if you have any questions or problems.
10. After completing the unit, review the course and prepare yourself for the final examination. Check that you have achieved the unit objectives (listed at the beginning of each unit) and the course objectives (listed in this Course Guide).

TUTOR AND TUTORIALS

There are 12 hours of tutorials in support of this course. You will be notified of the dates, times and location of these tutorials, together with the name and phone number of your tutor, as soon as you are allocated tutorial group.

Your tutor will mark and comment on your assignments, keep a close watch on your progress and on any difficulties you might encounter and provide assistance to you during the course. You must mail your tutor-marked-assignments to your tutor well before the due date (at least two working days are required). They will be marked by your tutor and returned to you as soon as possible.

Do not hesitate to contact your tutor by telephone, e-mail, or discussion board if you need help. The following might be circumstances in which you would find help necessary.

CONTACT YOUR TUTOR IF:

+ You do not understand any part of the study units or the assigned readings,
+ You have difficulty with the self-tests or exercises,
+ You have a question or problem with an assignment, with your tutor's comments on an assignment or with the grading of an assignment.

You should try your best to attend the tutorials. This is the only chance to have face to face contact with tutor and to ask questions which are answered instantly. You can raise any problem encountered in the course of your study. To gain the maximum benefit from course tutorials, prepare a question list before attending them, you will learn a lot from participating in discussions actively.

SUMMARY

MAC 333 is designed to acquaint you with the knowledge of the principles, practice and skills of media station management and operations. Upon completion of the course, you would have known the following:

- Meaning of management
- Functions of management
- Purpose of mass media station and its operations
- Qualities of a good media manager
- Station Managerial skills
- Management theories and Media Station Operations
- Media organisational structures
- Departments in media organizations
- The Nature of media organisations
- Communication process in media organizations
- Personnel Management and in Station Operations
- Media Marketing
- Financial management in media operations
- Legal Issues in station management
- Modern trends and operational concerns in station management
- Ethics and social responsibilities in station management, etc.

SUMMARY

MAC 333 is written for students who need to learn basic concepts in the discipline of broadcast media (radio and television). Thus, you will acquire the basic knowledge about the communication field. The course equally

empowers you to join intellectual discourses on the nature, functions and effects of mass communication in the society. By this course, therefore, students will gain the basic understanding of broadcast communication as a form of human communication and the functions and components of its various media. Upon completion of the course, you should be able to answer the following questions among others:

- What is s media station?
- What are the operations in a media station?
- What are the functions and characteristics of station managers?
- What management theories are relevant in today's station organizations?
- What is programming and programming schedules in station management.
- What is media marketing and marketplace
- What are the types of media ownership and control
- What are the challenges of station management in this era new information technologies?
- What ethical challenges confront today's station managers?

COURSE GUIDE

CONTENTS

MODULE 1 INTRODUCTION TO ELECTRONIC AND BROADCAST MEDIA

UNIT 1 AN OVERVIEW OF ELECTRONIC MEDIA

1.0 INTRODUCTION

At first glance, the title of this Unit may seem misleading. But this is not; and for the purpose of this course, we shall deliberately leave it this way. Generally, electronic media are those that use electronics or electromechanical energy for the end-user (audience) to access the content. This is in contrast to static (mainly print) media, which today are most often created electronically, but do not require electronics to be accessed by the end-user in the printed form. The primary electronic media sources familiar to you, or the general public, are better known as video recordings, audio recordings, multimedia presentations, slide presentations, CD-ROM and online contents. Most new media, including mobile telephony, are in the form of digital media. Also, electronic media may be in either analog or digital format.

Although the term is usually associated with content recorded on a storage medium, recordings are not required for live broadcasting and online networking especially with regard to station management. Any equipment used in the electronic communication process (e.g. television, radio, telephone, desktop computer, game console, handheld device) may also be considered electronic media. Having said this, you should know that this introductory unit is to present an overview of the broadcast media

(that is, radio and television) only, stressing their importance of place in today's society. This means that it is not designed to be as in-depth as a general course on electronic media, but is with the intent of situating electronic media station management and operational issues in the context of the general milieu of broadcasting.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- Define electronic media and explain their relationship to broadcasting, either in your own words or in the words of scholars who are grounded in the field.
- Discuss the role and place of the Internet in expanding the frontiers of conventional broadcast media.
- Give a brief history of broadcast media in Nigeria.
- Explain the implications of the new and emerging media for today's broadcast management.

3.0 MAIN CONTENT

3.1 Broadcasting and Electronic Media

Electronic media are media that use electronics or electromechanical energy for the end-user (audience) to access the content. This is in contrast to static media (such as print media), which today are most often created electronically, but do not require electronics to be accessed by the end-user in the printed form. The primary electronic media sources familiar to the general public are better known as audiovisual (video and/or audio recordings), multimedia presentations, slide presentations, CD-ROM and online content. Most new media are in the form of digital media. However, electronic media may be in either analog or digital format.

All electronic media take advantage of electronic technology. They may include television, radio, Internet, fax, CD-ROMs, DVD, and other media that require electricity or digital encoding of information. You must thus note that the term, 'electronic media', is often used in contrast with print media. In other words, the term may include all equipment used in the electronic communication process (such as computers, game consoles and handheld devices).

The use of electronics makes human life easier. Today, without certain electronics, such as a mobile phone, life would become somewhat boring and lonely, because a lot of interaction and relationships depend on electronics.

Advantages of electronic radio and television in broadcasting include wide audience reach, diversified to fit many different audiences, carriage of several channels and networks which can allow viewers a choice, and the fact that they are efficient and quick in spreading information and

provoking dialogues. Of course there are also disadvantages, such as the lack of constant electricity, and eye strain (for television audience). But overall, the advantages far outweigh the disadvantages.

Communication and electronic media go hand in hand. In today's technology-oriented world the use of electronic communication is inevitable. The role and importance of electronic communication cannot be overlooked. Electronic information interchange is necessary for today's everyday survival. Information has severally been said to be the backbone of the economy of a nation. And the electronic media, being the main channels of information dissemination, has improved communication in numerous ways.

3.2 Importance of Electronic Media

Man has a nature of curiosity. He always engages with doing something unique. In the past centuries, he explored in many field. There were times when a man could hardly think about the unbelievable development that is within reach now. In the 1800s, man could hardly think of electronic media the way they are today. Media are generally a mean of transmitting messages, thoughts, opinions and view points. In the beginning, man used horses and other animals to send the message to the receiver. It took time to deliver the message and the probability of spoiling the message was high. Today, however, man has entered the age of science and technology. He has explored the farther space, achieving tremendous achievement in many field, as well as in electronic media. Thus we live in the era of electronic media today. None can avoid and escape from them and their profound effects on living, education, information, politics and other social activities.

The electronic media occupy an important place in any modern society. In addition to providing audiences with a variety of entertainment and information products, they influence culture and help define social reality (Albarran, 2002; 2004; McQuail, 1994). No doubt today, the electronic media have become an important component of the economic system. For instance, in the United States and other developed countries, most of the radio and television stations operate in the private sector, that is, as private broadcasting houses, and thus deliver their contents and services for profit (Albarran, 2002). Therefore, as in other profit-oriented businesses, managers in the electronic media stations must maintain efficient, profitable operations to meet the expectations of owners and stockholders.

Broadcasting is a global phenomenon. As an essential aspect of any nation's social and cultural life, its significance cannot be overemphasized. Combining audio, vision and motion, the broadcast media's effectiveness in communicating information with speed and accuracy to heterogeneous audiences has been proven over the years. Moreover, the broadcast media have helped the individual to share ideas not only within his immediate environment but also beyond his social milieu. So that by means of broadcasting the individual can partake of

ideas and experiences that can enrich his life and help him live in a complex, dynamic and humane society. Now students have a great opportunity to enhance their knowledge through accessing the Internet. All the information in all topics is far beyond one touch of a button.

Moreover, the electronic media has entirely changed the mode of advertisement. Different types of tricks are employed to attract and attend the valuable customers. Sometimes an innocent client is really confused in making a decision. On the other hand, they give extensive options for selecting a desired product. In this mix of pros and cons, therefore, electronic media have revolutionized the information system.

So many radio and TV stations/channels and Internet websites have justified the importance and advantages of electronic media, giving everyone the freedom to exchange his view point freely. Even domestic and international politics are greatly influenced by the electronic media—so much that it is often said that 'who wins the media war would definitely win in elections'. Some have thus argued that to be dominant in the world, we will have to accept the challenges of electronic media, otherwise we will be limping and looking at others.

In the same vein, electronic communications removes the power of communication gatekeepers to both positive and negative effects. Most organizations are used to controlling the messages that go out to its constituents through managers, spokespersons and others. But with the Internet, constituents have begun to talk among themselves, requiring new approaches and a new emphasis on listening and reacting, not just talking.

With the Internet, you have the ability to transmit and receive large amounts of information quickly to and from individuals and workgroups around the world. This changes the way activists, for example, can galvanize communities, inform legislators and change public opinions. It changes the sources and depth of a constituent's knowledge level. It also lets a constituent reach you with new kinds of communications it may never have attempted before.

3.3 The Internet, Social Media and Electronic Media Management

The Internet is a part of electronic media; and it has immensely helped in communicating and management. There are a lot of new websites coming in each day, each hour. Emails are an efficient and economical mode for communication with no time restraints and geographical borders. More and more people use emails to communicate and spread information. These characteristics of electronic communication have a *tempting* effect on studio managers to carry on their businesses more efficiently. In fact, any station or its affiliate organizations not using the Internet facilities, such as the World Wide Web, as both internal and external communications tools to enhance team work (Deitel &and Deitel, 2011) would barely make it in today's world of competition. With regard to programming and studio production, for instance, many individuals at

different locations can work on the same documents or programme, hold meetings and integrate ideas and research.

Perhaps the greatest contribution of the Internet to communication and the broadcasting industries is the introduction of social media. Today, radio and television stations interact with their various employees, audiences and clients differently, depending on the nature of the message, the goals to achieve and the strengths (and weaknesses) of the available media. Social media add powerful new channels that not only change how we use this mix of options, but help create entirely new ways to interact. They let you combine numerous media— text, graphics, sound, video, etc— into a single message. This results in far more meaningful communication tailored to the nature of a particular audience.

Electronic communication media are interactive, engaging audiences in active, two-way communications. One implication of the new media for conventional station management is that there is now the need for new ways of thinking about advertising copy and handling of public relations. The pay-offs include self-selected audiences, which engage and actively participate in the communication process.

Two-way communication is nothing new in the management of electronic media stations, such as the use of telephony on phone-in live programmes. But social media create a new form of many-to-many communications that lets geographically distributed groups communicate interactively and simultaneously through text, sound and video (Deitel and Deitel, 2011). You can hold inexpensive video conferences or press conferences from your desk, or conference with people at several desks located across the world.

Furthermore, one of the burgeoning phenomena of the Internet is businesses and organizations sponsoring, supporting and moderating discussion groups about issues, products, strategies— anything of interest to the organization and its constituents. Advertisements and sponsorships are also solicited for popular resources, such as indexes and other Internet search tools, and these provide a further communications and marketing opportunities for station management.

3.4 Electronic Media versus the ‘New’ Media

The twenty-first century is the era of information technology. Some have argued, therefore, that the ‘old’ and conventional method of providing information, such as through radio and television, is gradually losing its importance in contrast to the computer. Indeed quite rapidly, it is giving way to computers and the Internet, which have also come to be included in the electronic media. Operation of the new media, for example, does not need a static station and all its huge running costs (Crook, 2009). Not only do the new advances spread news and information at the speed of lightening, they also store detailed information and millions of facts and theories. There are various kinds of computers for handling all this work

and they are not just being used in offices by businessmen and industrialists. Children, housewives and educational institutions also use the media. With the turn of a key or by pressing a button, the sophisticated machines can give you detailed information on and about anything in the universe onscreen.

With the widespread acceptance and use of the web in Nigeria today, radio and television stations are beginning to ask certain questions. Like it happened to mainstream education and the medical sector, certain issues are being brought to the fore by the Knowledge Revolution, popularised by the Internet and wireless technology. Such issues include: how can we meet audiences' and clients' basic needs quickly and with interaction? Partly to answer this, stations run parallel 'channels' online, where audio (radio) and audiovisuals (television) can be streamed. Social media or networks, such as Facebook and Twitter are being used to link different categories of television and radio audiences on areas of mutual interest with regard to information on life, work and entertainment.

Today's web (or Web 2.0) is a second-generation of web development and design that facilitates rapid communication and information-sharing, cooperation and collaboration on the Internet (CTA and IIED, 2009). The term deals mainly with web design and the interconnection of everyday objects with the Internet; it envisages the widespread use of portable web-ready devices, thus associating the platform with applications that facilitate interactive and systemic communication, interoperability, user-centred design, and developing the worldwide web that would bring the globe into a village setting where everyone hears his neighbour's bedroom conversation (Buolos and Wheeler, 2007).

This means that today, social media have come to be a part of our everyday life. Note that all social media are part of electronic communication, but not all electronic communication tools are social media tools. Social media are electronic media that transform passive audiences into active participants in the communication process by allowing them to share content, revise content, respond to content, and/or contribute new contents. Social media are about conversations supported by online tools, such as Facebook, YouTube, Twitter, LinkedIn, Flickr, and Delicious. Also, there are voice-over internet protocols (VoIPs), which are free or low-cost online voice and video call services; they also enable you to make conference 'phone calls' from one computer to another. Skype, Google+ and Yahoo Messenger are examples of VoIPs.

Interestingly, scholars have found that the average user spends 15 minutes a day on YouTube and that more video is uploaded to YouTube in 60 days than all 3 major US networks created in 60 years (Deitel and Deitel, 2011). A recent survey suggested that video company profiles on YouTube have more measurable impact than company profiles on Facebook, LinkedIn, and other prominent sites; and that 75% of

Americans and 66% of the global Internet population visit social networks at least once in two days.

Let us take a quick look at one of this social media tool, blog. A blog (short for 'web' and 'log') is an online, website-like journal. It refers to a simple webpage consisting of brief paragraphs of opinion, information, personal diary entries, or links (called posts), arranged chronologically with the most recent first, in the style of an online journal (Anderson, 2007; Doctorow, 2004). Radio and television staff can maintain individual blogs, departmental blogs or programme-specific blogs. Also, members of management can keep their blogs and, through these, discuss and air issues and manage feedback.

Blogging consists of a 'posting and commenting' process as a platform for exchanging views between a primary author (say, a station manager) and a group of secondary contributors (other managers and staff of the station, stakeholders, researchers, communications commission, news agencies, etc). It enables individuals and groups to 'write to their web pages in journal form on hourly, daily, weekly bases for free, unlike the web page culture that preceded it, which was slow-moving and expensive' (Boulos and Wheeler, 2007: 217).

3.5 Computer and Internet- Integrated Broadcasting

As online computer systems become more popular, broadcasting and computers are increasingly being integrated. Such technologies combine the capabilities of personal computers, radio, television, DVD players, and in some cases telephones, and greatly expand the kinds of services that can be provided. For example, computer-like hard drives in set-top recorders automatically store a TV programme as it is being received so that the consumer can pause live TV, replay a scene, or skip ahead. For programmes that consumers want to record for future viewing, a hard drive makes it possible to store a number of shows. Some set-top devices offer Internet access through a dial-up modem or broadband connection. Others allow the consumer to browse the World Wide Web on their TV screen. When a device has both a hard drive and a broadband connection, consumers may be able to download a specific programme, opening the way for true audio/audiovisuals on demand.

Personal computers have also taken on television-like functions. Webcasting includes the broadcasting of audio and video contents over the World Wide Web. Broadcast programmes and other types of media can be heard or viewed (that is, streamed) from websites. Streaming allows a live broadcast signal to be played as it is sent over the Internet in small packets of data. Archived programmes can be accessed on-demand or downloaded to a computer. Small, handheld portable media devices with radio capability can also play radio and television programmes or other formats as downloaded podcasts. Some devices can also receive television broadcasts and wireless Internet. Consequently, consumers

may soon eventually need only one main system or device, known as an information appliance, which they would use for entertainment, communication, shopping and banking in the convenience of their home.

3.6 A Brief on Broadcast Media in Nigeria

Having discuss a little on electronic media generally, let us not veer off into broadcast media, as they pertain to Nigeria. To really understand how broadcasting came to the country, we must cast our minds back to the pre-independence era. That was when radio and television stations were wholly and solely government-owned (federal and state), with the concomitant stranglehold on the stations and their personnel (NBC, 2010). No doubt, freedom of expression was stifled, access was not guaranteed, and right of reply, which is now universally accepted and practised, was denied. What gave birth to 'private' radio and television has come to be known simply as the 'denial of right of reply' to the late Chief Obafemi Awolowo, then Premier of Western Nigeria, by the colonial masters, following a grave allegation (NBC, 2010) in the late 1950s. In a nutshell, this painted the picture of the essence of private broadcasting which was to be introduced more than four decades later.

Thus the beginning of what can be termed as proper television station management and broadcasting in Nigeria, that is, the ability to originate and disseminate indigenously programmes of local contents and under the management and operation of Nigerians is traced to the middle of the late 1950s. On 1 April 1957, the National Broadcasting Commission (NBC) was established as a statutory department of government with the responsibility of putting in place and running extensive radio network capable of providing programmes to any member of public in Nigeria who had access to either a wireless receiving set or a box (Obazele, 1996). What hitherto had passed as station broadcast in Nigeria was the rediffusion services of the British Empire. Then, the post and telegraph department was the sole authority responsible for distribution of programmes to subscribers in Lagos, Kano and Ibadan.

Under the rediffusion programming system, programmes were distributed via landlines (cables) from the single-line studios to the various listening boxes for which the subscribers paid a token fee (Nwuneli, 1985). However, the emergence of NBC witnessed a major departure from this, as rediffusion stations were transformed, first, into fully operational radio stations and, then much later, into television stations. This development marked the entry into service of the first broadcasting commission's of its kind in any British colonial territory in Africa. By its character, the NBC was a non-profit making organization, with the express responsibility of carrying on the service as a means of disseminating information, educating and entertaining provided that such programme contents were not contrary to the avowed national interests of the country.

For television, the Western Region of Nigeria established and managed the first indigenous television station in Africa in 1959. And by April 1976, under Decree (24) of 1977, which also established the Nigerian Television Authority (NTA), the numbers of broadcast stations reached ten (Obata, 1994) namely:

1. Western Nigerian Television, Ibadan (WNTV)
2. Eastern Nigerian Television, Enugu (ENTV)
3. Radio-Kaduna-Television, Kaduna (RKV)
4. Nigerian Broadcasting Commission's Television, Lagos
5. Mid-West Television, Benin (MTV)
6. Benue-Plateau Television, Jos (BPTV)
7. Rivers State Television, Port-Harcourt (RSTV)
8. Kano State Television, Kano (KSTV)
9. North West Television, Sokoto
10. Eastern Nigerian Television, Aba

Of course, new ones were established and managed in the decades that followed. But by early 1990s, private broadcasting took root in the country. The process of massive economic restructuring that was inevitable in the 1980s produced the policies of deregulation. These policies had far reaching effects on the broadcast media in the years to follow. In 1992, the National Broadcasting Commission deregulated the broadcast industry and brought to an end government monopoly of the media. As will be discussed later in this Module, the NBC is empowered to issue, renew and revoke broadcast licences, among other functions.

Two remarkable developments of the 1990s had immense implications for media station ownership and control in Nigeria. These are the deregulation of the broadcast media by the federal government in 1992 and the annulment of the 12th June 1993 presidential election. The deregulation of the broadcast media brought to an end government's monopoly of the media and the emergence of independent broadcasting stations. The situation led to greater political awareness and the presence of a committed courageous press.

In 2004, Nigeria had nearly 50 federal government-controlled national and regional TV stations— NTA (Nigerian Television Authority) and over 40 radio stations— under the control of FRCN (Federal Radio Corporation of Nigeria). These television and radio stations ran networks on national, regional, and state basis. Also, all 36 states and the FCT operated TV stations and radio stations. And there were several private TV stations operational; cable and satellite TV subscription services were also available (CIA, 2005). In addition, there were roughly 40 state-government radio stations typically carrying their own programmes except for news broadcasts. To set the record straight, the NBC (2011) website stated that as at 2011, there were 187 radio, 109 television, 36 cable and 13 direct to home and direct broadcast satellite stations on air

in Nigeria. Moreover, there were also 49 non-functional stations at the time.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you define electronic media and explain their relationship to broadcasting?
2. Discuss the role and place of the Internet in expanding the frontiers of conventional broadcast media.
3. In your own words, explain the implications of new and emerging media for today's broadcast management.

5.0 SUMMARY

This Unit introduced us to the concept of electronic media, which is an integral part of this course. It stated that broadcast station management is a subset of electronic media management. It also explains conventional media (radio, television, telephone, etc) as well as new media as being complimentary. One issue it tended to emphasise, however, was the Internet and its complex web of tools, such as the social media. Thus in the end, we can conveniently conclude that despite the new twist in information and communication media brought about by the Internet, both old and new media can continue to exist in a mutually inclusive relationship.

6.0 CONCLUSION

Therefore, electronic media managers and students should note that the Internet, with its changing communication landscape, has come to stay. Social media, for example, have come to change, in real measurable terms, the broadcasting and communication milieu. And this is a fundamental shift in the way all of us communicate and manage information. The old communication model, as portrayed by old television and radio broadcasting, was a monologue: 'We talk. You listen' (Anderson, 2007). The new paradigm shift, or communication model, is about 'dialogue'—You talk, I listen. I talk, you listen.' It is transparent, authentic, vibrant, and consumer-driven. The modern broadcasting environment is characterized by 'listening to the client', 'listening to the audience' and 'listening to your competitors'. Effective communication and information management is no longer about broadcasting a tightly controlled message but rather about initiating conversations and participating in conversations started by customers and other stakeholders (Arokoyo, 2005).

And there is more. Not only is the communication model changing, and the broadcast markets redefining their operations and management, what students are learning in typical business communication courses is also changing.

Some first-generation electronic media (radio, television and telephony, for example) are already being supplanted by new social media tools. In fact in many instances, microblogs, blogs, newsfeeds, and social networking sites are replacing e-mails and static website operations. Some five years ago, someone might be tempted to ask 'Who is using instant messaging (IM), blogs, social networks, microblogs, wikis, and so on?' Today, the question is more like, 'Who isn't?' (Crook, 2008). Running a television series today and not following it up with a 'follow us on facebook or twitter...' would look below the standard for the modern audience. Broadcast stations or media businesses that still stick with the old 'we talk, you listen' mode of unilateral communication increasingly find that nobody is willing to listen anymore. Therefore, to succeed in today's broadcast market, station managements must approach their tasks with a new mindset (Albarran, 2002, 2010; Nwachukwu, 2005).

7.0 REFERENCES/ FURTHER READING

Anderson, P. (2007). What is Web 2.0? Ideas, technologies and implications for education. JISC

Boulos, M. and Wheeler, S. (2007). The emerging Web 2.0 social software: an enabling suite of sociable technologies in health and health care education. *Health Inform. and Libraries Journal* 24(1), 2-23.

Castells, M. (2000). The Rise of the Network Society. The Information Age: Economy, Society and Culture. London; Blackwell Publishing.

Crook, C. (2008). Web 2.0 technologies for learning: The current landscape - opportunities, challenges and tensions. Retrieved 21 April 2009 from www.partners.becta.org.uk. CTA and IIED (2009). *Change at Hand: Web 2.0 for Development (Participatory Learning and Action, Issue)*. Russell Press Nottingham, UK.

Day, M. (2003). Collecting and Preserving the World Wide Web. Version 1.0, 25 February, *JISC*: Bristol, UK. Also available online at www.jisc.ac.uk.

Deitel, P.J. and Deitel H.M. (2009). *Visual Basics 2008: How to program*. New Jersey; Prentice Hall.

Ebersbach, A. Glaser M. and Heigl R. (2006). Wiki: Web collaboration. Springer-Verlag: Germany.

Food and Agricultural Organization (FAO) (1998). *Communication for Development: The first Mile of Connectivity*. Rome; FAO.

Food and Agricultural Organization (FAO) (2007). *Web for Development*. Proceedings of International Web 2 for Development Conference, 25 – 27 September 2007, Italy.

Herry, R. and Powel A. (2006). Digital repositories roadmap: Looking forward. Accessed 23 May 2010 from www.ukoln.ac.uk.

Nigerian Broadcasting Commission, NBC (2010). Frequently asked questions. Accessed October 2012 from www.nbc.gov.ng.

Nwachukwu, F.C. (2005). *Media Ownership in Nigeria: Present and future perspectives*. Toronto, Canada; World Association for Christian Communication (WACC).

Omu, F. I. A. (1978) *Press and Politics in Nigeria, 1880-1937*. London: Longman Group Ltd. Uche, Luke Uka (1989). *Mass Media People and Politics in Nigeria*. New Delphi: Concept Publishers.

Technology and Standards Watch. Retrieved July 8, 2009, from www.jisc.ac.uk/media. Arokoyo, T.J (2005) ICT application in agricultural extension service delivery. *Journal of Agricultural Extension in Nigeria* 5(2).

Uche, Luke Uka (1988). Democratic process in Africa and the new information technologies: Theoretical and methodological approaches for communication research in Africa on the emergent dialogue on democratization of the media. Paper presented at the Biennial Conference of the African Council on Communication Education (ACCE), Jos, Nigeria.

UNIT 2 NATURE AND CHARACTERISTICS OF RADIO STATION

CONTENTS

1.0 INTRODUCTION

Arbitron, the United States-based company that reports on radio audiences, defines a radio station as a government-licensed AM or FM station; an HD radio (primary or multicast) station; an Internet stream of an existing government-licensed station; one of the satellite radio channels from XM Satellite Radio or Sirius Satellite Radio; or, potentially, a station that is not government-licensed. This Unit focusses on the peculiar characteristic of a radio station or radio broadcast, making useful illustrations using the Nigerian context. It would also discuss the brief history of radio broadcasting, the various types of radio broadcast there are, their constituents, their advantages and disadvantages, in comparing one to the other.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- Define the concept radio broadcast in your own words and in the words of scholars in the field
- List and explain the constituents of radio broadcasting

- Differentiate between AM radio and FM radios as well as their classes
- Identify the main characteristics of each of satellite, live, community, pirate, public, and commercial radio stations

3.0 MAIN CONTENT

3.1 Concept of Radio Broadcast

Even though this course is not expected to delve into the history of radio, as a system of communication, it would nonetheless be incomplete without a brief on such an important aspect of the development. An although many discoveries in the field of electricity were necessary to the development of radio, you must understand that the history of radio broadcasting really began in 1873, with the publication by the British physicist, James Clerk Maxwell, of his theory of electromagnetic waves (Gibilisco, 1999; Cloud, 2000). Maxwell's theory applied primarily to light waves. Fifteen years later, the German physicist Heinrich Hertz supplied an electric charge to a capacitor, and then short-circuited the capacitor through a spark gap. In the resulting electric discharge, the current surged past the neutral point, building up an opposite charge on the capacitor, and then continued to surge back and forth, creating an oscillating electric discharge in the form of a spark. Some of the energy of this oscillation was radiated from the spark gap in the form of electromagnetic waves. Hertz measured several of the properties of these so-called Hertzian waves, including their wavelength and velocity. This simple discovery thus led to what we simply call today as radio broadcasting (Cloud, 2000).

However, the Italian electrical engineer and inventor, Guglielmo Marconi, is generally credited with being the inventor of radio. In 1895, he developed an improved *coherer* and connected it to a rudimentary form of antenna, with its lower end grounded. He also developed improved spark oscillators, connected to crude antennas. The transmitter was modulated with an ordinary telegraph key. The coherer at the receiver actuated a telegraphic instrument through a relay, which functioned as a crude amplifier. In 1896, he transmitted signals for a distance exceeding 1.6 km and applied for his first British patent. In 1897, he transmitted signals from shore to a ship at sea 29 km away. Consequently, the distance kept expanding at every other experiment. In 1902 messages were regularly sent across the Atlantic, and by 1905 many ships were using radio for communications with shore 'stations'.

Earliest radio stations were simply radiotelegraphy systems and did not carry audio. Some started as experiments, while others as 'child's play'. The first claimed audio transmission that could be termed a broadcast occurred on Christmas Eve in 1906, and was made by Reginald

Fessenden— but whether this broadcast actually took place is disputed (Baudino and Kittross, 1977). While many early experimenters attempted to create systems similar to radiotelephone devices by which only two parties were meant to communicate, there were others who intended to transmit to larger audiences. For example, Charles Herrold started his broadcast 'station' in California in 1909 and was carrying audio by 1910 — this station eventually became KCBS.

For the next decade, radio tinkerers had to build their own radio receivers. In The Hague, the Netherlands, PCGG started broadcasting on 6 November 1919. In 1916, Frank Conrad, an employee for the Westinghouse Electric Corporation, began broadcasting from his Wilkinsburg, Pennsylvania garage with the call letters 8XK. Later, the station was moved to the top of the Westinghouse factory building in East Pittsburgh, Pennsylvania. Westinghouse relaunched the station as KDKA on 2 November 1920, claiming to be 'the world's first commercially licensed radio station' (Atgelt, 1992). The commercial broadcasting designation came from the type of broadcast licence; advertisements did not air until years later. The first licensed broadcast in the United States came from KDKA itself: the results of the Harding/Cox Presidential Election. The Montreal station that became CFCF began broadcast programming on 20 May 1920, and the Detroit station that became WWJ began on 20 August 1920, although neither held a licence at the time (Atgelt, 1992).

Radio Argentina began regularly scheduled transmissions from the Teatro Coliseo in Buenos Aires on 27 August 1920, making its own priority claim. But it got its licence on 19 November 1923 because there was a lack of official Argentine licensing procedures before that date. Radio in education soon followed and colleges across the U.S. began adding radio broadcasting courses to their curricula. Curry College in Milton, Massachusetts introduced one of the first broadcasting majors in 1932 when the college teamed up with WLOE in Boston to have students broadcast programmes (Baudino and Kittross, 1977).

Radio broadcast takes several forms, but mainly AM and FM. There are several subtypes, namely commercial broadcasting, non-commercial educational (NCE) public broadcasting and non-profit varieties, as well as community radio, student-run campus radio stations and hospital radio stations. Many stations broadcast on shortwave bands using AM technology that can be received over thousands of miles (especially at night). For example, the BBC, VOA, VOR, and Deutsche Welle have transmitted via shortwave to Africa and Asia. These broadcasts are very sensitive to atmospheric conditions and solar activity.

3.2 Radio Waves

Radio is a system of communication employing electromagnetic waves propagated through space. Because of their varying characteristics, radio waves of different lengths are employed for different purposes and are usually identified by their frequency. The shortest waves have the highest frequency, or number of cycles per second; the longest waves have the lowest frequency, or fewest cycles per second. In honour of the German radio pioneer, Heinrich Hertz, his name has been given to the cycle per second (hertz, Hz); 1 kilohertz (kHz) is 1000 cycles per sec, 1 megahertz (MHz) is 1 million cycles per sec, and 1 gigahertz (GHz) is 1 billion cycles per sec. Radio waves range from a few kilohertz to several gigahertz. Waves of visible light are much shorter. In a vacuum, all electromagnetic waves travel at a uniform speed of about 300,000 km (about 186,000 mi) per second (Cloud and Olson, 2006; Winship, 2008; O'Donnell et al., 2011).

According to Feldman et al. (2009), radio waves are used not only in radio broadcasting but in wireless telegraphy, two-way communication for law enforcement, telephone transmission, wireless Internet, television, radar, navigational systems, GPS, and space communication. In the atmosphere, the physical characteristics of the air cause slight variations in velocity, which are sources of error in such radio-communications systems as radar. Also, storms or electrical disturbances produce anomalous phenomena in the propagation of radio waves.

Because electromagnetic waves in a uniform atmosphere travel in straight lines and because the earth's surface is approximately spherical, long-distance radio communication is made possible by the reflection of radio waves from the ionosphere. Radio waves shorter than about 10 m (about 33 ft) in wavelength—designated as very high, ultrahigh, and superhigh frequencies (VHF, UHF, and SHF)—are usually not reflected by the ionosphere; thus, in normal practice, such very short waves are received only within line-of-sight distances. Wavelengths shorter than a few centimetres are absorbed by water droplets or clouds; those shorter than 1.5 cm (0.6 in) may be absorbed selectively by the water vapour present in a clear atmosphere.

A typical radio communication system has two main components, a transmitter and a receiver. But between these two components are certain constituents. The **transmitter** generates electrical **oscillations** at a radio frequency, called the carrier frequency. Either the **amplitude** or frequency itself may be **modulated** to vary the carrier wave. An amplitude-modulated signal consists of the carrier frequency plus two sidebands resulting from the modulation. Frequency modulation produces more than one pair of sidebands for each modulation frequency. These produce the complex variations that emerge as speech or other sound in

radio broadcasting (and in the alterations of light and darkness in television broadcasting).

Radio broadcasting and station operations formally began in the United States in the 1920s. Then the radio industry established practices for the rest of the electronic broadcast media by introducing the sale of hardware (receivers), the marketing of commercial time (or advertising), the practice of networking, and the distribution of programming to audience. For instance, the Federal Communications Commission (FCC) of the United States often does the global regulation for radio broadcast. What this means is that when a regulation is given, hardware manufacturers adapt their products to meet such a requirement (Cloud and Olson, 2006; Albarran, 2010). Other nations who are merely buyers and not manufacturers of such hardware are thus forced to concur. Now, let us examine the various constituents of radio broadcasting.

3.3 Types of Radio Stations/ Broadcasts

Radio broadcasting or station operations generally consist of two primary types of services: AM (amplitude modulation) (also called MW or medium wave) and FM (frequency modulation). This means two transmission methods (systems of modulation) are used. AM varies the amplitude (intensity) of the carrier, while the frequency remains the same. FM encodes the sound information by changing the frequency, while the amplitude remains constant. Each system has its advantages and disadvantages. AM is the older of the two transmission systems. FM, the newer system, is now the dominant band. It accounts for more than 75% of radio listeners.

This difference, however, is not in how studio managers operate but in the mechanism for transmission. HD radio is an extension of terrestrial radio. And there is also Internet radio and satellite radio (which are available only through paid subscription); they are also an extension of normal radio station operations. In fact, one radio station can operate in all manner of ways (by transmission), depending on what transmitting mechanisms or infrastructure are available to it.

3.3.1 AM Radio Stations

AM radio traditionally consists of 107 channels operating between 535 and 1705 kilohertz (kHz). AM channels are restricted to 10 kHz of channel space, which severely limits the quality of the signal. The actual channel assignments begin at 540 kHz and repeat every 10 kHz. Since the signals are transmitted through amplitude modulation (or by the varying of amplitude of radio wave), the transmission is known as AM. The Federal Communications Commission (FEC) of the USA authorised, in 1982, AM stereo service but refused to set any technical standard for receivers and transmitters. This lack of standard made it impossible for

AM stereo to be full developed (Klopfenstein and Sedman, 1990; (Cloud and Olson, 2006; Douglas, 2011; Engelman, 2006).

The FCC has established Classes A, B, C and D of AM service to ensure that everyone somehow has access to quality radio broadcast. Class A stations are the most powerful, operating clear channels, but at evening hours only. This means they have exclusive rights to their assigned frequency beginning at sunset. Even though Class B is a strong operating station, it is a secondary station as it must defer to the power and direction of the more dominant station of Class A. Class C stations are regarded as regional operations while D are local stations, restricted to local geographical areas. Class D stations operate at a very low power of transmission.

Unlike what operates in Nigeria or other developing countries, about 38% of all radio stations in the United States are commercial AM radio stations. However, studies have shown that most AM listeners are of the older generation. Also, AM listeners have been found to account for a smaller share of all radio listening. In Nigeria, it is difficult to find a commercial radio station operating in AM.

AM's advantage is that it travels great distances, particularly at night via skywave. Its disadvantage is that it has limited frequency response. AM radio is restricted to 10 kilohertz. This limitation gives it less than the full-range of frequencies needed for ideal fidelity. AM stations are restricted from producing sound above 5,000 cycles per second. This results in a loss of the overtones that provide the richness and warmth that give fullness to sound. This further disadvantages AM stations by reducing their dynamic range, the difference in volume from soft to loud sound.

And because AM transmission varies the amplitude of the wave, it is more susceptible to interference. AM stations broadcast using medium frequency (MF) waves. Music has almost disappeared from AM radio. Successful formats include: News, Talk, (Full Service) and Sports.

Classes of AM Stations

One of the most important things to learn about radio is that not all stations are created equal. According to radio consultant Jay Williams, Jr. 'When two stations offer the same format in a like manner, that is, comparative execution and performance levels, the outlet with the strongest and clearest signal will nearly always garner the largest following' (Keith, 1987). AM stations, as said earlier, are those broadcast stations that occupy the portion of the broadcast spectrum between 535khz and 1705khz (Winship, 2008).

Ordinarily, some scholars classified AM stations into clear, regional and local channels. A clear channel is one on which stations are assigned to serve wide areas, such as we have with FRCN, BBC and VOA, for example. These stations are protected from objectionable interference within their primary service areas and, depending on the sub-class of station, which is their secondary service areas. Stations operating on these channels are sometimes classified as Classes A, B, and D. Class C is regarded as a local channel.

Regional and local stations, as their names imply, concern how much coverage they have on audiences. Thus, some other scholars grouped all AM stations based on their coverage levels.

A **Class A station** is an unlimited time station that operates on a clear channel and is designed to render primary and secondary service over an extended area and at relatively long distances from its transmitter. Its primary service area is protected from objectionable interference from other stations on the same and adjacent channels, and its secondary service area is protected from interference from other stations on the same channel. The operating power shall not be less than 10kw nor more than 50 kW.

On each of the following channels, one Class A station may be assigned, operating with the power of 50kw; 640, 650, 660, 670, 700, 720, 750, 760, 770, 780, 820, 830, 840, 870, 880, 890, 1020, 1030, 1040, 1100, 1120, 1160, 1180, 1200 and 1210 kHz. In the USA, these frequencies can be used by class A stations subject to certain conditions (Albarran, 2002, 2010).

A **Class B station** is an unlimited time station which is designed to render service only over a primary service area Class B stations are authorized to operate with a minimum power of 0.25kw (or, if less than 0.25kw, an equivalent RMS antenna field of at least 141 mV/m at 1 km) and a maximum power of 50kw, or 10kw for stations that are authorized to operate in the 1605-1705kHz band. To each of the following channels there may be assigned Class A, Class B and Class D stations: 680, 710, 810, 850, 940, 1000, 1060, 1070, 1080, 1090, 1110, 1130, 1140, 1170, 1190, 1500, 1520, 1530, 1540, 1550 and 1560 kHz (Winship, 2008; Feldman et al., 2009; O'Donnell et al., 2011).

A **Class C station** is a station operating on a local channel and is designed to render service only over a primary service area that may be reduced as a consequence of interference. The power is not often less than 0.25kw, nor more than 1kw. This does not mean that there are no class C stations that are licensed to operate with 0.1kw power or less. Within the conterminous 48 of the US states, for example, the following frequencies

are designated as local channels, and are assigned for use by class C stations: 1230, 1240, 1340, 1400, 1450 and 1490 kHz (Cloud and Olson, 2006; Feldman et al., 2009).

Moreover, a **Class D station** operates either daytime, limited time or unlimited time with nighttime power less than 0.25kw (or, if less than 0.25kw and an equivalent RMS antenna field of less than 141 mV/m at 1km). Class D stations operate with daytime powers not less than 0.25kw nor more than 50kw. Nighttime operations of class D stations are not afforded protection and cannot be protected as classes A and B operations during nighttime hours. New class D stations that have not been previously licensed in the US, for example, as class B are not usually authorized. Classes A, B and D stations could generally be assigned on 540, 690, 730, 740, 800, 860, 900, 990, 110, 1050, 1220, 1540, 1570 and 1580 kHz (Feldman et al., 2009; 2008).

Take note that on a regional channel, classes B and D stations may operate and serve principal centres of the population and the rural areas contiguous to them. The following frequencies are designated as regional channels (and are assigned for use by classes B and D stations for this purpose) in the US: 550, 560, 570, 580, 590, 600, 610, 620, 630, 790, 910, 920, 930, 950, 960, 970, 980, 1150, 1250, 1260, 1270, 1280, 1290, 1300, 1310, 1320, 1330, 1350, 1360, 1370, 1380, 1390, 1410, 1420, 1430, 1440, 1460, 1470, 1480, 1590, 1600, 1610, 1620, 1630, 1640, 1650, 1660,1670, 1680, 1690 and 1700 kHz.

Moreover, a local channel is one on which stations operate unlimited time and serve primarily a community and the suburban and rural areas immediately contiguous to them. This category of stations include campus radio and/or community radio.

3.3.2 FM Radio

This radio format operates at a much higher frequency than AM, between 88 and 108 megahertz (MHz)— your knowledge of computer terms should tell you that while kilo applies to thousand, mega applies to million (and giga to billion). So while AM is operated in kilohertz, FM is in megahertz. Each FM channel is allocated 200 kHz for broadcasting, which is 20 times the capacity of an AM channel, giving the potential for outstanding quality (Cloud and Olson, 2006; O'Donnell et al., 2011; Douglas, 2011).

FM channel assignments begin at 88.1 MHz and continue through 107.9 MHz. Frequency modulation (FM) means that th frequency of the radio wave is varied while being transmitted. FM stations also differ from AM in that the signals follow the curvature of the earth. In all, the height of the

station's antenna and the power of the transmitter affect the range of coverage.

To the average listener, FM's obvious advantage is stereo. In FM stereo, the right and left channels are transmitted on separate subcarriers. Stereo receivers detect both signals and reproduce right and left channels. The mono signal (combined left and right) leaves the transmitter as a single signal. In addition to stereo, FM benefits from having a wider bandwidth than AM, 200 kilohertz vs 10 kilohertz. This wider bandwidth gives FM a frequency response that extends from below 10 Hertz to 15,000 Hertz. As a result the listener hears a truer representation of sound. Most music formats are now heard on FM. Talk and news, formats popular on AM in developed nations, are now mostly heard on FM in Nigeria. Wazobia, Cool FM, Sport FM are a few popular FM stations in the country.

One of FM's other major advantages is a built in resistance to interference. Unlike AM, FM transmission varies the frequency of the signal, keeping the amplitude constant. Static interacts with the amplitude of radio waves. This results in FM being relatively interference-free.

However, FM does have disadvantages with respect to AM. It occupies the VHF band (or Very High Frequency band). Signals at these high frequencies attenuate quickly and travel line-of-sight, no further than the horizon. FM signals are also prone to multipath interference. This happens when a bounced signal interacts with the original signal inside your receiver.

FM Station Classes and Requirements

The FM broadcast band consists of that portion of the radio frequency spectrum between 88 megacycles per second (MHz) and 108 MHz. It is divided into 100 channels of 200 kHz each. For convenience, the frequencies available for FM broadcasting (including those assigned to noncommercial educational broadcasting) are given numerical designations in table 1.1. But for the purpose of allotments and assignments, for instance, in the United States, FM Stations are divided based on three zones (Winship, 2008).

Zone 1 FM stations consist of the portion of the United States located within the confines of the following lines drawn on the United States Alberts Equal area Projection Map (based on the standard parallels 29 1/2 and 45 1/2; North American datum); Beginning at the most easterly point on the State boundary line located at North Latitude 3749' and West Longitude 80 12' 30'; thence westerly along the southern boundary line lines of the States of West Virginia, Ohio, Indiana and Illinois to a point at the junction of the Illinois, Kentucky, and Missouri state boundary lines; thence northerly along the western boundary line of the State of

Illinois to a point at the junction of the Illinois, Iowa, and Wisconsin state boundary lines; thence easterly along the northern state boundary line of Illinois to the 90th meridian; thence north along this meridian to the 43.5-parallel; thence east along the parallel to the United states-Canada border; thence southerly and following that border until it again intersects the 43.5 parallel; thence east along this parallel to the 71st meridian; thence in a straight line to the intersection of the 69th meridian and the 45th-parallel; thence east along the 45th parallel to the Atlantic Ocean. When any of the above lines pass through a city, the city shall be considered located in Zone 1 (Feldman et al., 2009; Engelman, 2006).

Zone II FM stations consist of Alaska, Hawaii and the rest of the United States which is not located in either Zone I or Zone IA. The rules applicable to a particular station, including minimum and maximum facilities requirements are determined by its class. Possible class designations depend upon the zone in which the station's transmitter is located. Allotted FM station classes are A, B1, B, C3, C2, C1 and C. The stations must operate with a minimum effective radiated power (ERP) as follows (Broadcasting and Cable Yearbook, 2010; Lackmann, 2000):

- The minimum ERP for Class A stations is 0.1kw
- The ERP for Class B1 stations must exceed 6kw.
- The ERP for Class B stations must exceed 25kw
- The ERP for Class C3 stations must exceed 6kw.
- The ERP for Class C2 stations must exceed 25kw.
- The ERP for Class C1 stations is 100kw.
- The minimum ERP for Class C stations is 100kw.

Class C stations must have an antenna *height above average terrain* (HAAT) of at least 300 metres (984 feet). No minimum HAAT is specified for Classes A, B1, B, C3, C2, or C1 stations.

Table 1.1: Summarize requirements of FM stations by classes

Station Class	Maximum ERP	HAAT (metres)	Contour (feet)
A	6kw (7.8 dBk)	100 (328)	28
B1	25kw (14.0 dBk)	100 (328)	39
B	50kw (17.0 dBk)	150 (492)	52
C3	25kw (14.0 dBk)	100 (328)	39
C2	50kw (17.0 dBk)	150 (492)	52
C1	100kw 20.0 dBk)	299 (981)	72
C	100kw 20.0 dBk)	600 (1968)	92

Source: Albarran, 2010.

3.4 Satellite Radio Broadcast

Satellite radio broadcast is relatively new form of radio broadcasting. This kind of radio broadcasting is digital, it is broadcast via a communication satellite that gives a wider broadcast range. Here, in this article we will give you brief information on satellite radio broadcast. This type of radio broadcasting offers different channels that air commercial free music. These channels are not regulated by FCC.

As about satellite radio broadcast, we have already mentioned that this radio has different broadcasting channels, and these wide of range of channels that are available to listeners continues to be a key factor for subscribing both XM and Sirius. On Sirius radio, varieties of programmes regarding music, sports, news and talk as well as different entertainment programmes are available. They also offer a great number of stations that are not offer in every city which includes country, Christian, Jazz as well as classical and international music (Albarran, 2010; Douglas, 2011 Feldman et al., 2009).

Considering satellite radio broadcasting channels relating to news programmes, you will find great varieties including politics, global and financial news, also regarding public radio as well as religion. Some of the most well known networks include CNN, the BBC, the Weather Channel, and more. These channels are usually available on one or more of the satellite radio channels. Other well known satellite radio broadcast channels are talk and entertainment channels. These channels are broadcast uncensored to listeners (Cloud and Olson, 2006; Winship, 2008; O'Donnell et al., 2011).

As we move further with the details on satellite radio broadcast, we came to know that there are some satellite channels that are available on both XM and Sirius. However, there are also others that provide exclusive programming. In general, it is the exclusive programmes that are offered via each network that makes a listener select one over the other. Usually, there are also listeners that subscribe to both providers so that they can gain access to all available channels (Broadcasting and Cable Yearbook, 2010). However, the merger of both XM and Sirius will enable listeners to get the best of both networks. One can pick the one that interests them the most, buy the receiver, and start enjoying their new satellite radio or satellite radio broadcast.

3.5 Live Radio Broadcast on PC

With the advancement of technology, people can now have or create live radio broadcast on PC. They can broadcast when they want and what they want to talk. With live radio broadcasting from PC, people now can broadcast from the convenience of their own homes and talk about

different topics. However, getting started with live radio broadcasting on PC is quite simple. First you need to check whether your computer is compatible for broadcasting. It is also essential to have a sound card installed on your computer which is known as audio card. This allows individuals to receive and send audio information.

For live radio broadcast on computer, you have to find a website that will host your radio broadcasting. The next step is sign up for an account. In fact there are also many free sites that offer free radio broadcasting. You will also find many sites that take sign up fee. Some of the sites that enable PC live radio broadcast include Live135, AOL radio, Voice America, and Blog Talk radio. These sites may sometime require certain software which is to be downloaded from the sites itself. Almost all the sites you give a phone number that enables people to call in. Moreover, there will also be a special number to give to your audience (Albarran, 2010; Cloud and Olson, 2006; Feldman et al., 2009).

The next step for live radio broadcast on PC is decide the time to air the show, after you have taken decision you can send mails or post your air time on your site. If you are broadcasting live on PC, it is essential that you plan your scheduled for airing, also know what exactly what you are going to talk about for the day. One can also play music during their air time but it is essential have your music organized.

Before going live on the air or before live radio broadcast on PC, it is essential that you get use to online broadcasting. One should get familiar with everything that will be required to them. It is also important that you call into the station before you prepare to go live on the air, this will ensure you a time slot. Always keep in mind that there are millions of other people that may be aiming for the same time as you.

3.6 Public Radio Broadcast

Public radio broadcast is a kind of radio broadcast that receives some or all the funding from public. Public radio broadcasters usually get their funding from people via voluntary donations and from the state. In this article we will share complete information on public radio broadcast. The extent to which public radio broadcasters can be considered ‘non-commercial’ varies from one country to another. In the United States most public radio or public radio broadcasting is licensed as non-commercial broadcasters, yet many stations transmit underwriting spots in exchange for corporate contributions. In some other countries public broadcasters are permitted to transmit commercials (Keith and Krause, 1989; Keith, 1987; Lackmann, 2000).

About public radio broadcast, it has been revealed that this it may be operated nationally or locally. However, it does depend on the particular

country as well as the station. There are countries that public radio broadcasting is generally conducted by a single organization including the BBC in United States and the Australian Broadcasting Corporation in Australia. However, there are also countries that usually have various public radio broadcast or public broadcasting organizations operating regionally or in several languages (Cloud and Olson, 2006; Winship, 2008; O'Donnell et al., 2011).

Details on public radio broadcast further reveal that during earlier times, public radio broadcast was a dominant form of broadcasting in many countries of the world. However, majority of the countries around the world now exist commercial broadcasting. With the coming of commercial radio broadcast in many countries, public radio broadcasting substantially declined. It started declining during the later part of the 20th century (Broadcasting and Cable Yearbook, 2010; Feldman et al., 2009; Engelman, 2006; Keith and Krause, 1989; Keith, 1987).

As mentioned earlier, public radio broadcast usually receive their funding from public. In fact public broadcasters also get funding from general tax revenue. They don't depend on advertisement as a source of revenue to the same degree as commercial broadcasters. This enables public broadcasters to transmit programmes that are usually less saleable to the mass market including radio documentaries, public affair shows and educational programmes.

3.7 Pirate Radio Broadcast

When we say pirate radio broadcast, it simply refers to illegal as well as unregulated radio transmission. The etymology of pirate radio broadcasting can usually be pursued to the unlicensed nature of transmission. The term pirate radio simply refers to describing illegal broadcasting for entertainment as well as political purposes. However, it is also sometimes used for illegal two-way radio operation.

As mentioned above, pirate radio is often used for illegal two-way radio operation; basically the rules and regulations will differ widely from one country to another. For instance, in United States and many of the countries in Europe, there exist many kinds of licences (Albarran, 2010; Broadcasting and Cable Yearbook, 2010; Douglas, 2011). And the term pirate radio broadcasting or pirate radio usually describes the unlicensed broadcasting of FM radio, AM radio or else short wave signals over a wide range.

Considering further about pirate radio broadcast, there are some cases that radio stations are deemed legal where the signal is transmitted but illegal where signals are received particularly when the signals move beyond the national boundary. In some other cases, radio broadcasting may be

regarded as pirate radio broadcast because of the nature of its content, its format of transmission or the transmit power of the station even if the transmission is technically legal including web cast or amateur radio transmission (Albarran, 2002; Douglas, 2011; Cloud and Olson, 2006; Lackmann, 2000).

Pirate radio stations are often termed as bootleg stations, this term is basically associated with two-way radio. Moreover, pirate radio stations are also sometimes known as clandestine stations or Free Radio stations. The interpretation of the pirate radio broadcast varies considerably since the laws and regulations vary from one country to another country. Different questions have been raised regarding certain kinds of broadcasting carried out by national governments against the interests of other national governments, which have in turn created radio jamming stations transmitting noises on the same frequency for destroying the received of the incoming signal.

3.8 Community Radio Broadcast

Community radio broadcast is a kind of radio broadcasting or service that provides a third model of radio broadcasting which is just beyond commercial as well as public broadcasting. In simple words, this community radio broadcast or stations can usually serve or assist geographic communities as well as communities for interest. These stations generally broadcast content that is quite popular to a local or specific listeners or audience but which may often be overlooked by commercial or mass-media broadcasters. Read on to collect a precise information on community radio broadcast.

As we know this community radio broadcasting or stations are generally operated, owned or craven by the communities they serve, at the same time they are not for profits. Talking further about community radio broadcast, this radio offers a mechanism to facilitate individuals, groups as well as communities to share their own diverse stories, tales or to share experiences for becoming active creators and contributors of media.

In different parts of the world, community radio broadcasting actually serves as a vehicle for the community as well as voluntary sector. Additionally it also serves a vehicle for civil society, certain agencies, NGOs and citizens to work for developing the communities as well as with broadcasting aims. Details on community radio broadcast further reveals that in many countries of the world, there has been considerable legal definition of community radio as a discrete broadcasting sector. These countries may include France, Argentina, South Africa, Australia and Ireland (Broadcasting and Cable Yearbook, 2010).

As we consider about modern day community radio broadcast, it often serve by offering a wide range of content that is not usually offered by the bigger commercial radio stations. Community radio broadcast may include news and detail information regarding local area especially immigrant or minority groups that are poorly served by other major media outlets. More specialized musical shows are also often a feature of many community radio stations. Community radio broadcast or stations typically avoid content found on commercial outlets.

3.9 Commercial Radio Broadcast

Commercial radio broadcast is a kind of radio broadcasting or programmes on radio that are owned by private corporate media, opposing to state ownership. This commercial radio broadcasting is totally based on airing advertisements for profits. However, it is contrast to public media which avoid most or all paid advertising. In United States, there exist completely advertisement free commercial radios. Let us gather brief information on commercial radio broadcast in the following article.

When we consider about commercial radio broadcast, it is often controversial for various reasons. One of the main reasons behind the controversial nature of commercial radio broadcast is the perceived lack of quality and risk in programming. However, there are also other main reasons behind the controversial nature of commercial radio broadcast (Douglas, 2011). One of them also includes an excessively high ratio of advertising to programme time. The other reason is the perceived failure to serve the local interest because of media consolidation.

As we move further with the details on commercial radio broadcast, we came to know that commercial radio broadcast is usually attacked for perceived homogeneity in programming. It is also attacked for secret politicized censorship of content, as well as desire to reduce costs at the disbursal of giving the station a recognizable personality. Another point to consider in commercial radio broadcast is politics, as we know politics is a major and driving force in media criticism, with an ongoing battle particularly in US as to what moral standards, if any, are to be applied to the airwaves.

In United States, commercial radio broadcast is one of the dominant kinds of broadcasting. When consider about Europe, commercial radio broadcasting or commercial TV broadcasting is generally coexisted alongside with public broadcasting, where programming is hugely funded by broadcast receiver licenses, public donations, or governments' grants. In case of Asia, one of the best well known commercial broadcasting or services was the oldest radio station in the region, Radio Ceylon.

4.0 TUTOR-MARKED ASSIGNMENT

1. Define and discuss the concept radio broadcast in your own words and in the words of scholars in the field.
2. AM and FM radio stations are different setups. Discuss.
3. What are the main characteristics of satellite, live, community, pirate, public, and commercial radio stations?

5.0 SUMMARY

This Unit has traced the history of radio as a system of communication, from 1873, when the British physicist, James Clerk Maxwell, discovered the theory of electromagnetic waves (Gibilisco, 1999; Cloud, 2000); down to the German physicist, Heinrich Hertz, who then supplied an electric charge to a capacitor, and then short-circuited the capacitor through a spark gap. Hertz then measured several of the properties of the so-called Hertzian waves, including their wavelength and velocity. This simple discovery led to what we call today as radio broadcasting.

We also learnt that radio broadcast takes several forms, but mainly AM and FM, with their subtypes (commercial broadcasting, non-commercial educational, public broadcasting, community radio, student-run campus radio, etc). The classes of and FM broadcast were also discussed and differentiated; their operational requirements and as well as those of satellite broadcast, live broadcast on PC.

6.0 CONCLUSION

You will notice that no particular type of broadcast was emphasised over the other. All forms of radio operations (satellite, terrestrial, community, public, private, or even pirate radios) could be managed ‘profitably’ for the good of the society. Public radio broadcast receives some or all the funding from public, but it must be run at least to break even. So whether publicly funded or through donations from individuals, corporate bodies or the state, the manager of a station must make it profitable. For instance, the extent to which publicly funded radio can be considered ‘non-commercial’ varies from one country to another. In the United States most public radio or public radio broadcasting is licensed as non-commercial broadcasters, yet many transmit underwriting spots in exchange for corporate contributions. In Nigeria also, public radio, such as (Radio Nigeria, or Broadcasting Corporation of Oyo State, BCOS) are permitted to transmit commercials. Moreover, the fact that a radio is termed ‘pirate’ does not mean its work are necessarily sinister. There are cases that radio stations are deemed legal where the signal is transmitted but illegal where the signals are received, particularly when the signals move beyond the national boundary. In some other cases, radio

broadcasting may be regarded as pirate radio broadcast because of the nature of its content, its format of transmission or the transmit power of the station even if the transmission is technically legal including web cast or amateur radio transmission.

7.0 REFERENCES/ FURTHER READING

Barnouw, Erik. (1990). Tube of Plenty: The Evolution of American Television. Rev. ed. Oxford University Press.

Broadcasting and Cable Yearbook (2010). Radio Broadcast. RR Bowker: New Providence, NJ. Cloud, Stanley, and Lynne Olson. (2006). *The Murrow Boys: Pioneers on the Front Lines of Broadcast Journalism*. Houghton Mifflin.

Douglas, S.J. (2011). Listening In: *Radio and the American Imagination*. Crown. USA.

Dunning, John. (1998). On the Air: The Encyclopedia of Old-Time Radio. Oxford University Press.

Engelman, Ralph. (2006). *Public Radio and Television in America: A Political History*. Sage.

Federal Communications Commission Rules Part 73 (1997). Rules Service Company: Rockville, MD.

Feldman L., Watson-Watt R.A. and Zworykin V.K. (2009) Radio Communication. Microsoft ® Encarta 2009. © 1993-2008 Microsoft Corporation.

Gibilisco, Stan. (1993). Amateur Radio Encyclopedia. TAB. Covers shortwave listening; antennas and wave propagation.

Gibilisco, Stan. (1999). *Handbook of Radio and Wireless Technology*. McGraw-Hill; NY.

Keith, M. C. and Krause, J. M. (1989). *The Radio Station*. Focal Press: Boston.

Keith, M. C. (1987). *Radio Programming: Consultancy and Formatics*. Focal Press: Boston. Lackmann, R.W. (2000). The Encyclopedia of American Radio: An A-Z Guide to Radio from Jack Benny to Howard Stern. 2nd ed. Facts on File.

Maltin, Leonard. (2005). *The Great American Broadcast: A Celebration of Radio's Golden Age*. NAL; USA.

O'Donnell, L. M., Hausman, C., Benoit, P. (2011). *Radio station operations: Management and employee perspectives*. Wadsworth: Belmont, CA.

Pitts, Gregory G. The Radio Broadcasting Industry. Allyn & Bacon, 2000. A study of the radio industry's evolution and resilience.

Rutland, David. (1994). *Behind the Front Panel: The Design & Development of 1920's Radios*. Colorado University Press.

Winship, M. (2008) *Radio*. Random House; New York.

UNIT 3 NATURE AND CHARACTERISTICS OF TELEVISION STATION

CONTENTS

1.0 INTRODUCTION

Television broadcasting is the system of sending and receiving pictures and sound by means of electronic signals transmitted through wires and optical fibres or by electromagnetic radiation. These signals are usually broadcast from a central source, a television station, to reception devices such as television sets in homes or relay stations such as those used by cable television service providers. Television is the most widespread form of communication in the world. Though most people will never meet the leader of a country, travel to the moon, or participate in a war, they can observe these experiences through the images on their television.

2.0 OBJECTIVES

At the end of this Unit, you are expected to:

- Understand fully the concept and constituents television broadcasting
- Discuss the various constituents television broadcasting
- Differentiate between the various types of television broadcast operations

3.0 Main Content

3.1 Concept and Constituents of a Television Broadcasting Station

A television programme is created by focussing a television camera on a scene. The camera changes light from the scene into an electric signal, called the video signal, which varies depending on the strength, or brightness, of light received from each part of the scene. In colour television, the camera produces an electric signal that varies depending on the strength of each colour of light.

Three or four cameras are typically used to produce a television program. The video signals from the cameras are processed in a control room, then combined with video signals from other cameras and sources, such as videotape recorders, to provide the variety of images and special effects seen during a television program.

Audio signals from microphones placed in or near the scene also flow to the control room, where they are amplified and combined. Except in the case of live broadcasts (such as news and sports programmes) the video and audio signals are recorded on tape and edited, assembled with the use of computers into the final programme, and broadcast later. In a typical television station, the signals from live and recorded features, including commercials, are put together in a master control room to provide the station's continuous broadcast schedule. Throughout the broadcast day, computers start and stop videotape machines and other programme sources, and switch the various audio and visual signals. The signals are then sent to the transmitter.

The transmitter amplifies the video and audio signals, and uses the electronic signals to modulate, or vary, *carrier waves* (oscillating electric currents that carry information). The carrier waves are combined (diplexed), then sent to the transmitting antenna, usually placed on the tallest available structure in a given broadcast area. In the antenna, the oscillations of the carrier waves generate electromagnetic waves of energy that radiate horizontally throughout the atmosphere. The waves excite weak electric currents in all television-receiving antennas within range. These currents have the characteristics of the original picture and sound currents. The currents flow from the antenna attached to the television into the television receiver, where they are electronically separated into audio and video signals. These signals are amplified and sent to the picture tube and the speakers, where they produce the picture and sound portions of the program.

In digital television broadcasting, the video and audio signals are digitally compressed as sets of numbers. These numbers are carried by the

broadcast signal but must be decoded by a digital receiver to be translated back into video and audio signals. Digital information takes up less bandwidth than an analog signal and greatly reduces interference and other problems. Picture and sound quality can be much clearer and more detailed than with analog signals. Multiple digital signals can be sent at the same time.

3.1.1 Encoding

The first constituent of television broadcasting is the concept of encoding, which in a way ultimately begins with the television camera. Most cameras have three basic elements: an optical system for capturing an image, a pickup device for translating the image into electronic signals, and an encoder for encoding signals so they may be transmitted.

The optical system of a television camera includes a fixed lens that is used to focus the scene onto the front of the pickup device. Colour cameras also have a system of prisms and mirrors that separate incoming light from a scene into the three primary colours: red, green, and blue. Each beam of light is then directed to its own pickup device. Almost any colour can be reproduced by combining these colours in the appropriate proportions. Most inexpensive consumer video cameras use a filter that breaks light from an image into the three primary colours.

The pickup device takes light from a scene and translates it into electronic signals. The first pickup devices used in cameras were camera tubes. The first camera tube used in television was the iconoscope. Invented in the 1920s, it needed a great deal of light to produce a signal, so it was impractical to use in a low-light setting, such as an outdoor evening scene. The image-orthicon tube and the vidicon tube were invented in the 1940s and were a vast improvement on the iconoscope. They needed only about as much light to record a scene as human eyes need to see. Instead of camera tubes, most modern cameras now use light-sensitive integrated circuits (tiny, electronic devices) called charge-coupled devices (CCDs).

When recording television images, the pickup device replaces the function of film used in making movies. In a camera tube pickup device, the front of the tube contains a layer of photosensitive material called a target. In the image-orthicon tube, the target material is photoemissive—that is, it emits electrons when it is struck by light. In the vidicon camera tube, the target material is photoconductive—that is, it conducts electricity when it is struck by light. In both cases, the lens of a camera focuses light from a scene onto the front of the camera tube, and this light causes changes in the target material. The light image is transformed into an electronic image, which can then be read from the back of the target by a beam of electrons (tiny, negatively charged particles).

The beam of electrons is produced by an electron gun at the back of the camera tube. The beam is controlled by a system of electromagnets that make the beam systematically scan the target material. Whenever the electron beam hits the bright parts of the electronic image on the target material, the tube emits a high voltage, and when the beam hits a dark part of the image, the tube emits a low voltage. This varying voltage is the electronic television signal.

A charge-coupled device (CCD) can be much smaller than a camera tube and is much more durable. As a result, cameras with CCDs are more compact and portable than those using a camera tube. The image they create is less vulnerable to distortion and is therefore clearer. In a CCD, the light from a scene strikes an array of photodiodes arranged on a silicon chip. Photodiodes are devices that conduct electricity when they are struck by light; they send this electricity to tiny capacitors. The capacitors store the electrical charge, with the amount of charge stored depending on the strength of the light that struck the photodiode. The CCD converts the incoming light from the scene into an electrical signal by releasing the charges from the photodiodes in an order that follows the scanning pattern that the receiver will follow in recreating the image.

In colour television broadcasting, the signals from the three camera tubes or charge-coupled devices are first amplified, then sent to the encoder before leaving the camera. The encoder combines the three signals into a single electronic signal that contains the brightness information of the colours (luminance). It then adds another signal that contains the code used to combine the colours (colour burst), and the synchronization information used to direct the television receiver to follow the same scanning pattern as the camera. The colour television receiver uses the colour burst part of the signal to separate the three colours again.

In order for television to work, television images must be scanned and recorded in the same manner as television receivers reproduce them. In the United States, broadcasters and television manufacturers have agreed on a standard of breaking images down into 525 horizontal lines, and scanning images 30 times per second. In Europe, most of Asia, and Australia, images are broken down into 625 lines, and they are scanned 25 times per second. Special equipment can be used to make television images that have been recorded in one standard fit a television system that uses a different standard. Telecine equipment (from the words television and cinema) is used to convert film and slide images to television signals. The images from film projectors or slides are directed by a system of mirrors toward the telecine camera, which records the images as video signals.

The scanning method that is most commonly used for analog television is called interlaced scanning. It produces a clear picture that does not fade. When an image is scanned line by line from top to bottom, the top of the image on the screen will begin to fade by the time the electron beam reaches the bottom of the screen. With interlaced scanning, odd-numbered lines are scanned first, and the remaining even-numbered lines are scanned next. A full image is still produced 30 times a second, but the electron beam travels from the top of the screen to the bottom of the screen twice for every time a full image is produced.

Digital television uses progressive scan, the same as most computer monitors do. The image is produced 60 times a second, with odd and even fields scanned every 0.6 seconds. The higher scan rate can produce a better picture than analog.

3.1.2 Transmission

Audiovisual signals of television are broadcast through the air by a transmitter. The transmitter superimposes the information in the camera's electronic signals onto carrier waves. The transmitter amplifies the carrier waves, making them much stronger, and sends them to a transmitting antenna. This transmitting antenna radiates the carrier waves in all directions, and the waves travel through the air to antennas connected to television sets or relay stations.

The transmitter superimposes the information from the electronic television signal onto carrier waves by modulating (varying) either the wave's amplitude, which corresponds to the wave's strength, or the wave's frequency, which corresponds to the number of times the wave oscillates each second. The amplitude of one carrier wave is modulated to carry the video signal (amplitude modulation, or AM) and the frequency of another wave is modulated to carry the audio signal (frequency modulation, or FM). These waves are combined to produce a carrier wave that contains both the video and audio information. The transmitter first generates and modulates the wave at a low power of several watts. After modulation, the transmitter amplifies the carrier signal to the desired power level, sometimes many kilowatts (1 kilowatt equals 1,000 watts), depending on how far the signal needs to travel, and then sends the carrier wave to the transmitting antenna. Read more of transmission requirements in Module

3.1.3 Decoding (Reception)

In reception, the television receiver (box in the house) translates the pulses of electric current from the antenna or cable back into images and sound. A traditional television set integrates the receiver, audio system, and picture tube into one device. However, some cable TV systems use a separate component such as a set-top box as a receiver. A high-definition television (HDTV) set integrates the receiver directly into the set like a

traditional TV. However, some televisions receive high-definition signals and display them on a monitor. In these instances, an external receiver is required. Read more on this in Module 2.

3.2 Public Television Broadcast

The first public broadcasting of television programmes took place in London in 1936. Broadcasts from two competing firms were shown. Marconi-EMI produced a 405-line frame at 25 frames per second, and Baird Television produced a 240-line picture at 25 frames per second. In early 1937 the Marconi system, clearly superior, was chosen as the standard. In 1941 the United States adopted a 525-line, 30-image-per-second standard.

The first regular television broadcasts began in the United States in 1939, but after two years they were suspended until shortly after the end of World War II in 1945. A television broadcasting boom began just after the war in 1946, and the industry grew rapidly. The development of colour television had always lagged a few steps behind that of black-and-white (monochrome) television. At first, this was because colour television was technically more complex. Later, however, the growth of colour television was delayed because it had to be compatible with monochrome—that is, colour television would have to use the same channels as monochrome television and be receivable in black and white on monochrome sets.

3.3 Colour Television

It was realized as early as 1904 that colour television was possible using the three primary colours of light: red, green, and blue. In 1928 Baird demonstrated colour television using a Nipkow disk in which three sets of openings scanned the scene. A fairly refined colour television system was introduced in New York City in 1940 by the Hungarian-born American inventor Peter Goldmark. In 1951 public broadcasting of colour television was begun using Goldmark's system. However, the system was incompatible with monochrome television, and the experiment was dropped at the end of the year. Compatible colour television was perfected in 1953, and public broadcasting in colour was revived a year later.

Other developments that improved the quality of television were larger screens and better technology for broadcasting and transmitting television signals. Early television screens were either 18 or 25 cm (7 or 10 in) diagonally across. Television screens now come in a range of sizes. Those that use built-in cathode-ray tubes (CRTs) measure as large as 89 or 100 cm (35 or 40 in) diagonally. Projection televisions (PTVs), first introduced in the 1970s, now come with screens as large as 2 m (7 ft) diagonally. The most common are rear-projection sets in which three CRTs beam their combined light indirectly to a screen via an assembly

of lenses and mirrors. Another type of PTV is the front-projection set, which is set up like a motion picture projector to project light across a room to a separate screen that can be as large as a wall in a home allows. Newer types of PTVs use liquid-crystal display (LCD) technology or an array of micro mirrors, also known as a digital light processor (DLP), instead of cathode-ray tubes. Manufacturers have also developed very small, portable television sets with screens that are 7.6 cm (3 in) diagonally across.

3.4 Home Recording

In time, the process of watching images on a television screen made people interested in either producing their own images or watching programming at their leisure, rather than during standard broadcasting times. It became apparent that programming on videotape—which had been in use since the 1950s—could be adapted for use by the same people who were buying televisions. Affordable videocassette recorders (VCRs) were introduced in the 1970s and in the 1980s became almost as common as television sets.

During the late 1990s and early 2000s the digital video disc (DVD) player had the most successful product launch in consumer electronics history. According to the Consumer Electronics Association (CEA), which represents manufacturers and retailers of audio and video products, 30 million DVD players were sold in the United States in a record five-year period from 1997 to 2001. It took compact disc (CD) players 8 years and VCRs 13 years to achieve that 30-million milestone. The same size as a CD, a DVD can store enough data to hold a full-length motion picture with a resolution twice that of a videocassette. The DVD player also offered the digital surround-sound quality experienced in a state-of-the-art movie theater. Beginning in 2001 some DVD players also offered home recording capability.

3.5 Digital Television

Digital television uses technology that records, transmits, and decodes a signal in digital form— that is, as a series of ones and zeros. This process produces much clearer picture and sound quality than analog systems, similar to the difference between a compact disc recording (using digital technology) and an audiotape or long-playing record. It also permits additional features to be embedded in signals including programme and consumer information as well as interactivities. Early digital equipment included digital television receivers that converted analog signals into digital code. The analog signal was first sampled and stored as a digital code, then processed, and finally retrieved. ATSC digital tuners designed to decode purely digital signals are now standard on new televisions.

There are three types of broadcast digital television (DTV), each with progressively better picture and sound quality: standard-definition TV (SDTV), enhanced-definition TV (EDTV), and high-definition TV (HDTV).

The high-definition television (HDTV) system was developed in the 1980s. It uses 1,080 lines and a wide-screen format, providing a significantly clearer picture than the traditional 525-and 625-line television screens. Each line in HDTV also contains more information than normal formats. HDTV is transmitted using digital technology. Because it takes a huge amount of coded information to represent a visual image—engineers believe HDTV will need about 30 million bits (ones and zeros of the digital code) each second—data-compression techniques have been developed to reduce the number of bits that need to be transmitted. With these techniques, digital systems need to continuously transmit codes only for a scene in which images are changing; the systems can compress the recurring codes for images that remain the same (such as the background) into a single code. Digital technology is being developed that will offer sharper pictures on wider screens, and HDTV with cinema-quality images.

A fully digital system was demonstrated in the United States in the 1990s. A common world standard for digital television, the MPEG-2, was agreed on in April 1993 at a meeting of engineers representing manufacturers and broadcasters from 18 countries. Because HDTV receivers initially cost much more than regular television sets, and broadcasts of HDTV and regular television are incompatible, the transition from one format to the next could take many years. The method endorsed by the U.S. Congress and the FCC to ease this transition is to give existing television networks a second band of frequencies on which to broadcast, allowing networks to broadcast in both formats at the same time. Engineers are also working on making HDTV compatible with computers and telecommunications equipment so that HDTV technology may be applied to other systems besides home television, such as medical devices, security systems, and computer-aided manufacturing (CAM).

The Congress of the United States has mandated that all over-the-air television broadcasting become digital, although the date for the end of all analog broadcasting has been changed a number of times. After the conversion date (now set as February 2009), viewers with analog televisions will need special converter boxes to watch over-the-air broadcasts.

3.6 Satellite Television Station

The first satellite television signal was relayed from Europe to the Telstar satellite over North America in 1962. The first geosynchronous

communication satellite, Syncom 2, was launched in 1963. The world's first commercial communication satellite, called Intelsat I (nicknamed Early Bird), was launched into synchronous orbit on 6 April 1965. And the first national network of satellite television, called Orbita, was created in the Soviet Union in 1967, and was based on the principle of using the highly elliptical Molniya satellite for re-broadcasting and delivering of TV signal to ground downlink stations. The first commercial North American satellite to carry television was Canada's geostationary Anik 1, which was launched in 1972.

Satellite television is television programming delivered by the means of communications satellite and received by an outdoor antenna, usually a parabolic reflector generally referred to as a satellite dish, and as far as household usage is concerned, a satellite receiver either in the form of an external set-top box or a satellite tuner module built into a TV set. Satellite TV tuners are also available as a card or a USB peripheral to be attached to a personal computer. In many areas of the world satellite television provides a wide range of channels and services, often to areas that are not serviced by terrestrial or cable providers.

Direct-broadcast satellite television comes to the general public in two distinct flavours: analog and digital. This necessitates either having an analog satellite receiver or a digital satellite receiver. Analog satellite television is being replaced by digital satellite television and the latter is becoming available in a better quality known as **high-definition television**.

When satellite television first hit the market in the early 1990s, home dishes were expensive metal units that took up a huge chunk of yard space. In these early years, only the most die-hard TV fans would go through all the hassle and expense of putting in their own dish. Satellite TV was a lot harder to get than broadcast and cable TV. Today, you see compact satellite dishes perched on rooftops all over Nigeria. Drive through rural even areas beyond the reach of the cable companies, and you will find dishes on several houses. The major satellite TV companies are luring in more consumers every day with movies, sporting events and news from around the world and the promise of movie-quality picture and sound. Satellite TV offers many solutions to broadcast and cable TV problems. Though satellite TV technology is still evolving, it has already become a popular choice for many TV viewers. Conceptually, satellite TV is a lot like broadcast TV. It is a wireless system for delivering television programming directly to a viewer's house. Both broadcast television and satellite stations transmit programming via radio signals.

Ordinary broadcast stations (that is, terrestrial TVs) use a powerful antenna to transmit radio waves to the surrounding area. Viewers can pick up the

signal with a much smaller antenna. The main limitation of broadcast TV is range. The radio signals used to broadcast television shoot out from the broadcast antenna in a straight line. In order to receive these signals, you have to be in the direct line of sight of the antenna. Small obstacles like trees or buildings are no problem; but a big obstacle, such as the earth itself, will reflect these radio waves. This means that if the earth were perfectly flat, you could pick up broadcast TV thousands of miles from the source— such as picking up signal of MBC (US) in Ibadan. But because the planet is curved, it eventually breaks the signal's line of sight. The other problem with broadcast TV is that the signal is often distorted, even in the viewing area. To get a perfectly clear signal like you find on cable, you have to be pretty close to the broadcast antenna without too many obstacles in the way.

Satellite TV solves the problems of range and distortion by transmitting broadcast signals from satellites orbiting the earth. Since satellites are high in the sky, there are a lot more customers in the line of sight. Satellite TV systems transmit and receive radio signals using specialized antennas called satellite dishes. Early satellite TV viewers were explorers of sorts. They used their expensive dishes to discover unique programming that were not necessarily intended for mass audiences. The dish and receiving equipment gave viewers the tools to pick up foreign stations, live feeds between different broadcast stations, and even NASA activities and a lot of other stuff transmitted using satellites.

Some satellite owners even in Nigeria still seek out this sort of programming on their own— usually with the help of rogue traders of, say, Alaba Lagos. But today, most satellite TV customers get their programming through a **direct broadcast satellite** (DBS) provider. The provider selects programmes and broadcasts them to subscribers as a set package. Basically, the provider's goal is to bring dozens or even hundreds of channels to your TV in a form that approximates the competition.

Unlike earlier programming, the provider's broadcast is completely digital, which means it has much better picture and sound quality (see How Digital Television Works for details). Early satellite television was broadcast in C-band radio -- radio in the 3.7-gigahertz (GHz) to 6.4-GHz frequency range. Digital broadcast satellite transmits programming in the Ku frequency range (11.7 GHz to 14.5 GHz).

There are five major components involved in a direct to home (DTH) or direct broadcasting (DBS) satellite system: the programming source, the broadcast center, the satellite, the satellite dish and the receiver. **Programming sources** are simply the channels that provide programming for broadcast. The provider doesn't create original programming itself; it pays other companies (HBO, for example, or

ESPN) for the right to broadcast their content via satellite. In this way, the provider is kind of like a broker between you and the actual programming sources. (Cable TV companies work on the same principle.)

The **broadcast center** is the central hub of the system. At the broadcast center, the TV provider receives signals from various programming sources and beams a broadcast signal to satellites in geosynchronous orbit. The **satellites** receive the signals from the **broadcast station** and rebroadcast them to earth. Then the viewer's **dish** picks up the signal from the satellite (or multiple satellites in the same part of the sky) and passes it on to the **receiver** in the viewer's house. The receiver processes the signal and passes it on to a **standard TV**.

3.7 Terrestrial Television

This is a mode of television broadcasting which does not involve satellite transmission or cables — typically using radio waves through transmitting and receiving antennas or television antenna aerials. In the US, the term is referred to as broadcast television or sometimes over-the-air television (OTA TV) and requires a tuner to view content. Terrestrial television broadcasting dates back to the very beginnings of the broadcast television system as a medium itself with the first long-distance public television broadcast in Washington DC on 7 April 1927. The BBC began broadcasting television to the public in 1929, and had a regular schedule of television programmes in 1930.

In a layman's terms, terrestrial TV refers to the ordinary television broadcast which makes us of UHF and VHF. However, there are two main different types of terrestrial television broadcasting: analog and digital. Digital terrestrial television (DTTV or DTT) is the technological evolution of broadcast television and an advancement of analog television. DTTV broadcasts land-based (terrestrial) signals. The purposes of digital terrestrial television, similar to digital versus analog in other platforms such as cable, satellite, and telecommunications, reduced use of spectrum and to provide more capacity than analog, provide better quality picture, and to lower operating costs for broadcast and transmission (after the initial upgrade costs). A terrestrial implementation of digital television (DTV) technology uses an aerial to broadcast to a conventional television antenna (or aerial) instead of a satellite dish or cable television connections.

4.0 TUTOR-MARKED ASSIGNMENT

1. Drawing from your previous and present learning experiences, discuss the concept of television broadcasting.
2. Encoding, transmission and decoding are three important constituents of television broadcasting. Discuss.

3. Differentiate between the concepts of public, digital, satellite and terrestrial television.

5.0 SUMMARY

The process of television production involves encoding, transmission and reception of audiovisual signals. The programme itself is created by focussing a television camera on a scene. The camera changes light from the scene into an electric signal, called the video signal, which varies depending on the strength, or brightness, of light received from each part of the scene. This means that TV production is mainly a work between lighting and camera use. Of course there is also the sound, which is picked up by a microphone attached to or made separate from the camera. Therefore, the place of camera and lighting use cannot be overemphasised when discussing television production or station management. The Unit also discussed the various characteristics of television production and management, such as digital, analog, colour, terrestrial, satellite, high-definition television, among others.

6.0 CONCLUSION

Electronic media managers must understand that competing variants of broadcast television systems are used around the world, by both developed and developing countries. Advanced Television Standards Committee created the ATSC standards that use an ATSC tuner in North America and South Korea—an evolution from the analog National Television Standards Committee (NTSC) standard. Integrated Services Digital Broadcasting (ISDB-T) is used in Japan, with a variation of it being used in most of South America. DVB-T is the most prevalent, covering Europe, Australia, New Zealand, Colombia and Africa. DMB-T/H is China's own standard (including Hong Kong, though Hong Kong's cable operators use DVB); the rest of the world remains mostly undecided, many evaluating multiple standards. The choice often depends on the system prevalent where the operations are carried out. What is paramount now, however, is that majority of countries, including Nigeria, have switched from analog to digital terrestrial television, as well as digital satellite and/or cable television.

7.0 REFERENCES/FURTHER READING

Antonoff, M. (2009) *Television Broadcasting*. London, McGrawl Hill.

Blumenthal, Howard J., and Oliver Goodenough. This Business of Television. 2nd ed. Watson-Guptill, 1998. The inner workings of the television industry.

Fisher, David E., and Marshall Jon Fisher. Tube: The Invention of Television. Harcourt Brace, 1997. Technological history of the invention of television.

McNeil, Alex. Total Television: The Comprehensive Guide to Programming from 1948 to the Present. 4th ed. Viking Penguin, 1996. Includes reviews on thousands of series and syndicated shows, with Nielsen's Top Twenty, Emmy and Peabody Award winners, an index of television personalities, and more.

Newcomb, Horace, and others, eds. Encyclopedia of Television. 3 vols. Fitzroy Dearborn, 1996. Covers television programmes and people, primarily in the United States, Canada, Britain, and Australia.

Smith, Anthony, and Richard Paterson, eds. Television: An International History. Oxford University Press, 1998. Describes television from its technical conception in the 19th century through the multimedia developments of the present. Includes illustrations.

Swann, Phillip. TV dot COM: The Future of Interactive Television. TV Books, 2000. A look at how interactive television will radically alter our domestic lives; based on interviews with industry insiders. Broadcasting, Radio and TV

Barnouw, Erik. Tube of Plenty: The Evolution of American Television. Rev. ed. Oxford University Press, 1982, 1990. History of radio and television broadcasting; based on the author's standard three-volume work.

Cloud, Stanley, and Lynne Olson. The Murrow Boys: Pioneers on the Front Lines of Broadcast Journalism. Houghton Mifflin, 1996. Study of CBS radio correspondents hired by American radio and television executive Edward R. Murrow before and during World War II; also discusses the postwar period.

Dunning, John. On the Air: The Encyclopedia of Old-Time Radio. Oxford University Press, 1998. American radio shows from their beginnings in the 1920s to the early 1960s.

Engelman, Ralph. Public Radio and Television in America: A Political History. Sage, 1996. History of public broadcasting in America from the 1930s.

Maltin, Leonard. The Great American Broadcast: A Celebration of Radio's Golden Age. Dutton, 1997. Behind-the-mike voices tell the inside story of radio's golden years.

Newcomb, Horace, ed. Museum of Broadcast Communications Encyclopedia of Television. 3 vols. Fitzroy Dearborn, 1997. Information and analysis on individuals, programmes, networks, specialty channels, and more.

Ritchie, Michael. Please Stand By: A Prehistory of Television. Overlook, 1994. Illustrated early history of television from the 1920s to 1948.

Wakin, Edward. How TV Changed America's Mind. Lothrop, Lee & Shepard, 1996. Examines news and documentaries to show the significance of television in American history from the 1950s to the 1990s; for middle school to adult readers.

Winship, Michael. Television. Random House, 1987, 1988. History of an extraordinary revolution, with interviews and photographs.

UNIT 4 THE DIGITAL REVOLUTION AND BROADCAST MANAGEMENT

CONTETNS

1.0 INTRODUCTION

Many scholars have concluded that the broadcast media of the 21st century would greatly be shaped by the digital revolution. Social media, smart TV, realtime radio and television, interactive broadcasting and integrated web-content sharing platforms are but a few of the concepts that would shape the scene. You are warned, however, not to confuse this Unit with the last Unit of the Course Guide (that is, Unit 4 of Module 6), which deals with trends in technology and the implications for broadcast management—this last unit deals with content generation, production, broadcasting and reception, as well as the devices for all these. A comparison of the two Units will show this difference. Specifically, this Unit introduces you to the changing face of media electronics and broadcasting, and how this would soon impact on station management.

2.0 OBJECTIVES

After studying this Unit, you are expected to:

- Understand fully the concept of the digital revolution and how this affects broadcasting
- Define in your own words and in those of scholars the trend in radio production and management
- Define in your own words how the trend in television production is impacting the broadcast industry

- Explain the concepts of time-shifting, realtime social car radio, social TV and smart TV

3.0 MAIN CONTENT

3.1 The Digital Revolution

Research into digital recording began in the early 1970s. In 1978 the Sony Corporation introduced the use of videotape recorders to store the digital data of recorded sound and video. Digital editing systems also were developed that year. Sony and Philips Electronics NV agreed on a compact disc (CD) format in 1981, and in 1983 CD playback technology was introduced.

MIDI (musical instrument digital interface) was developed by a consortium of equipment manufacturers in 1982. This 'computer language' allowed synthesizers of any manufacturer to talk to any other synthesizer, and to control or 'perform' another synthesizer remotely. This development led to MIDI sequencers on computers that allowed many synthesizers to be performed by a computer running 'sequencing' software. MIDI sequencers have become important components of digital audio workstations.

Multitrack recording in both analog and digital media continued development through the 1980s, with 24-track analog and 32-track digital recorders (to tape) becoming industry standards. Mixing consoles had also grown to keep up with the demands to mix more tracks and to route signals. High-end mixing consoles could have 60 or more inputs and high quality electronics, and cost hundreds of thousands of dollars. Recording studios cost millions of dollars to build properly and to equip with state-of-the-art equipment.

By the mid-1990s a new trend began to emerge. The home studio began to be more feasible. Starting as primarily MIDI-based, synthesis studios, the home studio market spurred the development of quality, smaller, less-expensive mixing consoles for these studios. This shift to smaller studios, in homes and in smaller commercial settings has continued. The advent of digital mixing consoles and the development of digital audio workstations in the 1990s ensured recordings of high technical quality could be crafted in this environment.

3.2 The Internet and Music Piracy

Commercially recorded music has been available online since the mid-1990s, when the MP3 format made file-sharing feasible over the Internet. MP3 files can be easily copied and transferred from one user to another. However, illegal downloading and sharing of such files have led to copyright infringement and intellectual property lawsuits. Among the

most publicized was that of *A&M Records v. Napster* (2000-2001), which resulted in the Internet company Napster being fined and forced to shut down in its original form. Napster provided software and a website that allowed users to post MP3 files of music that other users could download. The company was sued for facilitating Napster users in the illegal copying and distribution of copyrighted property, referred to as 'music piracy.'

Major court cases up though the Supreme Court have addressed the issue of 'fair use' and copyright infringement, and the US Congress has passed laws such as the Audio Home Recording Act (AHRA) of 1992 and the Digital Millennium Copyright Act (DMCA) of 1998 that place restrictions on the copying and distribution of intellectual property in digital formats—including recorded music. Current copyright law allows a consumer to make a copy of a commercial CD for personal use, including encoding as MP3 files for use in their own MP3 player, but it is not legal for the person who the purchased a CD to give or sell a copy of a copyrighted song or any other CD content to another person.

The legal controversies over file-sharing on the Internet have made record labels hesitant to sell music as data files—whether MP3 or another format—over the Internet. In 2003 Apple Inc. established the online iTunes Store to allow owners of its iPod players to download music files legally. However, over 70 percent of commercial music recordings are distributed globally by four major companies: Universal, Sony BMG, Warner, and EMI. These companies would only allow Apple to license the rights to distribute their music legally over the Internet if Apple would guarantee to protect their music from being illegally copied.

Apple's solution was to envelop each song purchased from the iTunes store with a secret software element so it cannot be played on unauthorized devices. This is a 'digital rights management' system (DRM). Apple has an agreement that should the DRM system (that Apple calls 'FairPlay') be compromised so people can make unauthorized copies, Apple will have to fix the problem within a few weeks. Users who purchase songs from iTunes Store can play their DRM-protected music on up to five computers and on an unlimited number of iPods. CDs do not contain this DRM, and they can be freely encoded into AAC or MP3 formats in a series of steps, then transferred to an iPod.

Other companies have set up online stores to sell protected music files for their own MP3 players, computers, and other devices. However, the files have different digital rights management (DRM) systems that make them incompatible with devices manufactured by other brands. The software designed to protect the music from theft restricts how the files can be transferred from one device (or person) to the next. As a result, the music purchased on Microsoft's Zune store will only play on Zune players, music

purchased from Apple's iTunes store will only play on iPods, and music purchased from Sony's Connect store will only play on their players.

CDs do not have DRM codes. Songs on CDs can be posted on the Internet and downloaded freely. This has led to widespread exchange of music files between individuals, but most significantly from Internet sites that allow users to download music illegally. This practice was very widespread during the late 1990s and early 2000s, and still exists. The illegal sharing of music from CDs has apparently contributed to the current poor economic health of the recording industry, along with other problems.

In addition to being a means of sharing or downloading music files, the Internet has become a venue to provide all kinds of performances or broadcasts in audio and video form. Users of the World Wide Web can listen to or view personal podcasts, online video postings, personal websites, online radio, online television and motion pictures, archived music and video performances, and other kinds of Webcasts. Different types of royalties are paid to performing artists, composers, publishers, and record labels when songs or recordings are broadcast on television and on the radio, when songs or recordings are used to accompany motion pictures and television programmes, and when songs or recordings are performed on stage. There is currently no clear agreement about how to pay royalties on copyrighted music or performances listened to or viewed over the Internet.

Music consumers have changed their listening and buying habits because of the Internet and other digital technology. Some people have also accepted the ready availability of 'pirated' music recordings. As a result, the commercially recorded music industry has seen significant drops in profit. The downturn has affected both record labels that produce and distribute commercial music and the retailers who sell recorded music in the form of CDs. It has also become more difficult for young artists to break onto the music scene, for young people to enter the recording industry, and for people to make a living making music. Ultimately pirated music limits the health of the industry, and the opportunities it provides for careers. The people who create, produce, and distribute music deserve to be compensated, to recoup their investments, and to make a living from their efforts.

3.3 Radio Trend and Implications for Station Management

The radio industry even in Nigeria finds itself in a familiar yet precarious position entering 2013— traditional revenues are sustainable enough to continue with decent returns, but there is not enough money to invest in the digital transition without re-evaluating some fundamentals of the business. The result is that the emerging trends will not be revolutionary

so much as evolutionary, and the key will be finding those points where traditional methodologies and digital extensions converge most effectively. Below are five of these points.

First is the **prioritization of gathering and organizing listener data**. While radio has historically been about broadcast, at the centre of current digital development, from mobile to social media, to streaming and advertising, is the unique user. That disconnect will start to be addressed by broadcasters. Gathering, identifying, and communicating with radio listeners at a one-to-one level will be the centerpiece of radio's — indeed, all of media's — future.

The second point is that local **advertisers would start demanding digital accountability**. More than anything, this will focus radio's attention on digitalization. John Wanamaker's famous quote 'Half the money I spend on advertising is wasted. The trouble is I don't know which half' will start to haunt radio soon. This is because digital publishers and advertising networks are already saying 'you do not need to guess anymore' — and local advertisers are listening. They will only pay for the half which works. Radio's shotgun approach to advertising will look more and more inefficient and not worthy of premium rates (Douglas, 2011; Broadcasting and Cable Yearbook, 2012). For radio managements, this will require working with their digital assets. This will entail everything from targeted advertising in audio streams to coupon deals presented in similar fashion to groups.

The third is that **user-level advertising targeting** would begin to redefine the value of streaming. This is closely related to implication number one and two above. Digital agencies have partly ignored streaming in previous years and traditional agencies offered marginal CPMs (cost per thousand impressions, see Module 5). The addition of user-level advertising targeting will take CPMs to compelling levels — advertisements targeted to specific users based not only on demographics, but their actual interests and behaviour.

Fourth, radio would significantly **embrace location-based mobile services**. Radio somehow got left behind when services like Foursquare and Gowalla were out looking for media partners in the developed countries. But that will change in a big way even in developing countries in the coming years. The ability for a radio station to go to an advertiser and utilize a digital platform to send their huge reach into stores is a huge opportunity.

And the fifth is the **expanded competitive landscape** that will be created. Business advertising and consAmer demographics drive demand. The profitability of individual radio station depends on advertisement volume,

programming mix, and efficient operations/ management. Large stations and networks, such as FRCN, have advantages of market dominance, often owning the only radio stations in a geography. Small stations can compete effectively with special programming or broadcasters who attract large audiences— you must know that the broadcast industry is concentrated: the 50 largest companies account for about 75 percent of revenue (Douglas, 2011; Broadcasting and Cable Yearbook, 2012).

Car Radio: Classical Case of Radio Evolution

Major radio product lines would be broadcasts (air time) and programming, production, and postproduction services. Other products include programme rights, merchandise sales, equipment rental, and sales of website advertising space. Air time, which includes advertising and network compensation, provides over 90 percent of industry revenue. In this section, I intend to provide a classic case of changes in radio design and management. With regard to these products and trend in designs, Broadcasting and Cable Yearbook (2012) lists six major issues that would change the car radio platform and its management outlook 'forever'.

The first is the **democratization of radio**. Right now, we take it for granted that we can only access radio stations that exist in the places where we live. Local radio is local because we do not have the ability to tune into much else. In as soon as four years' time (say in 2017), experts argue we will see 'near saturation' in the connected, Wi-Fi-enabled car market. What this means is that the tyranny of geography that defines the current radio landscape will be lifted indefinitely. Listeners will gain access to stations on the web and across the country. The amount of options available will be unprecedented. Given how rigid most single-format local stations are, those without a connection to their audience will *die*. All stations will be at war, everywhere. And they will steal listeners from each other.

The second concerns **in-car music app revolution**. In-car radio is a fact of life. The few competitors to challenge the mindshare of traditional radio have been the cell phone, the social phenomenon of the iPod, and satellite radio. The connected car will bring forth the availability of apps (short for applications) like Pandora and MOG, as well as, ones that we have not even anticipated yet. Once traditional radio is just another app, rather than a standby, it shifts the landscape. The selling point of radio has always been that it is free, it works, and it is just there. In the future, that proposition would not hold as strongly in the minds of listeners. The notion of tuning into a personally irrelevant and banal local station will seem dated and contrived once listeners have more personalized experiences available to them. News and weather updates, as well as celebrity gossip can be delivered more efficiently through other in-car

apps. Once the personalized, on-demand music experience takes hold, traditional radio will increasingly lose listener interest.

The third issue concerns **personalized music experience**. There is nothing better than hearing a personalized music experience while driving. Something about the act of driving – and our built-in expectations of what it entails – heightens the pleasure derived from hearing a personalized playlist. Hearing song after song of music that we love has a certain blissful, euphoric feeling to it. We usually feel excited whenever one of our favourite songs is played on the radio; but a few people only have the chance to choose which of their favourite songs is played on radio. Today, a person can create a playlist or shuffle their iPod. This randomness and the discovery elements are what make the personalized music experience so special. Our brains have a prediction mechanism, so that when a song that we love is played— even though this was not quite anticipated— it is flooded with dopamine. It is like winning a lottery.

Playlist music does not often have that effect. There are no pleasant surprises. The second thing to consider is that the data that can be collected to determine the nature of a personalized music experience is vaster. Voice recognition can pick up on a listener's tone, such as mood, GPS knows their location, and in-car apps know what the weather is like. All of this can be used to create a unique playlist. Added to this is also the fact that personalized, ad-supported services will take user profiles into the car and serve up highly targeted advertisements (or ads). Rather than being hit with ads from car dealers and insurance providers, listeners will hear targeted ads that are relevant to them. At present, traditional radio cannot offer these things.

The forth is **e-commerce on four wheels**. Every song played on radio will be available to be purchased while people drive. It will download directly to their car. No driving to the store, or visiting iTunes. You hear a song you like and purchase it at the moment of discovery. By the time things get to this point, some have argued that listenership will have shifted from an ownership to access model. Even though there is some truth to this, you must know that everything changes when everything is for sale. When a song can be bought mindlessly with a single voice control or press of a button, listeners will buy.

The identity of every song will be known and various types of dynamic pricing can be integrated. At various times of the day, a song may cost ₦50 or it drop to as low as ₦10. When every single listener is a potential buyer, when every recommendation is more personalized, it changes the entire face of music marketing. For a fee, listeners may be able to send songs to their family members and friends during their morning

commuting. Once everything is for sale, radio stations could evolve into the largest, most profitable affiliate marketers.

The fifth will be **real-time listener analytics**. Tim Westergren, the founder of Pandora, imagines a day when every car has 'Thumbs Up' and 'Thumbs Down' buttons installed on the steering wheel. And if you think about it, traditional radio hopes for the same thing too. Not only would such a feature provide real-time listener analytics, but it also would help prevent listener turnover. When a listener puts effort into making a station better and feels like their votes matter, they will be much likely to stick with a station when a song comes on that they do not like.

Instead of calling a station to request a song, voice recognition will analyze a listener's request and send it to a station in real-time. This will be the first time that traditional radio will gain insight into their listening audience. Stations will know more quickly when a song is falling out of favour and when a new one is on the rise. Once traditional radio transitions into a user-controlled format, rather than a data-driven spreadsheet, stations and their management will be expected to adjust playlists daily.

And finally, there will be **infinite creative destruction**. Now, stop and connect the dots. What happens after all the above? Radio war. I have told you above that a handful of corporations control what listeners hear today. They decide what programmes receive syndication, since they own hundreds of stations, billboards, and venues. But all these would soon lose value. Once anyone can launch a station from anywhere, make it available on the web, and listeners can access it in their connected cars and homes, the entire landscape of radio would shift. And the start-up costs of a radio station would plummet; waves of would-be radicals and entrepreneurs would rethink and recreate radio formats— of course, licensing will be a barrier for some, but with the right strategy, they can rise from the bottom-up.

In conclusion, you should note that radio is a legacy institution. No one has been able to challenge its dominance in broadcasting, even with today's Internet and other communication technologies. You cannot beat radio at its own game; but once the rules change, you can create a new one. Once the barriers fall to offering in-car, in-home and personalized programming, an era of infinite creativity, market opportunities, and consequently, creative destruction will commence.

3.4 Trends in TV Design and Broadcast

The television set, the box – however you want to call it— is one of the most important technological advancements ever. I had stated above that television transmission and reception make use of radio waves. Thus,

most of the changes expected of radio in the coming years (discussed above) would definitely happened in the sphere of television broadcasting and management. What is discussed here are mere addition to the observations on radio above.

Early in 2012, it was reported that Dish Network and Viacom were discussing the prospect of partnering on an Internet TV service that bundled networks into smaller, lower cost packages, designed to cater to the interests of different demographics (Jacob, 2012). Though this method of delivery has been slow, many see it as the presumptive favourite for the 'future of TV' mantle. This means that these recent developments may force even the most obdurate television station managers to read the writing on the digital wall.

Media giants, Apple and Microsoft, enjoy a special status among media providers in that they do not just capitalize on trends, they create them (Douglas, 2011). But it is hard not to raise an eyebrow when you hear that the two giants have both been scheming, seeking out content deals from television networks. More interesting still is what they plan to do with the content they accrue. Multiple reports have both Apple and Microsoft working on building their own Internet-based TV subscription services (Jacob, 2012; Broadcasting and Cable Yearbook, 2012). Though Microsoft has been a bit reluctant when it priced such an endeavour out, Apple seems to be fully involved. In fact, it is already working on an Apple television (which may or may not be imminent) that would feature its own Smart platform, and possibly its state of the arts subscription service. The broadcast industry, especially station managers, must thus take this challenge seriously, for if the TV world has learned anything from the music world, it is this: when

Apple comes knocking, best batten down the hatches. Adding even more momentum to this brewing revolution is that these technology giants have the support of one very important group: the consumers or media audiences. People are suddenly beginning to ask why they are paying a premium for sports they do not watch, or for stations like Home & Garden TV, when they feel it is tantamount to a sedative. If you are not interested in half of the package deal, say from a DStv bouquet, then it is not really a package deal. Or is it?

However, this is still a complicated situation. Much of the industry is still dug in on the idea of packaged, take-it-all-or-leave-it-all type cable, and box-less Internet TV still represents an unexplored frontier. Content providers have not developed an effective way to measure every single viewer on the net, a reality that makes it more difficult to sell advertisements, or to assess the viability of certain programmes. But this

means, too, that we are finally already seeing the threshold at which future investment in TV and radio broadcasting will overtake that of the past.

Once that threshold is crossed, it is just a matter of time before TV, especially, like most other entertainment, is subsumed by the driving force of 21st century life – the Internet.

A number of major trends for TV broadcast are evident:

1. *TV/Web Integration* – it gives consumers what they want – the best of broadcast TV along with their favourite content from the Internet. Google TV is doing this now by providing shows/movies available online as well as through cable/satellite when a consumer searches for a show.
2. *TV Everywhere* - today's society has produced a people 'on the go.' Having to sit down in one room to watch your DVR recorded shows is not always easy. If you are watching a show in the family room and want to see it where you left on in the bedroom, would that not be great? This is possible today. But what about continuing to watch that same show while waiting at the dentist office, or watching it while you are waiting for your car to be fixed or washed? This will be possible in the near future through the use of your tablets, laptops, and mobile phones.
3. *Personalization* - with the expansion of available content and shows through cable/satellite and the Internet, it is getting incredibly harder to find precisely the show you are looking for. A number of TV stations and networks are working to make it easier for consumers to search for their favourite shows by showing them when the show is scheduled through broadcast and if the show is available on the spot through services like Blockbuster and Netflix.
4. *Social Network's Role in the Future of TV*. Today, you can get Facebook and Twitter on Internet-enabled TVs, but the features are limited in what you can do with them. How would you like to see if other Facebook friends are watching the same show as you and communicate to them in real time? How would you like to participate with brands during a show to play a relevant interactive game or try to win a contest? These features are coming.
5. *3D TV is here to stay*. A lot of people were skeptical of 3D TV since it introduced at the Consumer Electronic Show in the US in 2012. After all, who wants to pay the extra cost for the TV or wear the glasses? And how many movies/TV shows have actually already been developed in 3D to watch? But due to ESPN's adoption of 3D TV, consumers are beginning to see the beauty of having their favourite sports heroes 'pop' out of the screen. In a study conducted by CBS Vision and Nielson, they found that of consumers exposed to 3D TV, 48% were interested in having a 3D set in their home

(Jacob, 2012). As price points continue to decline and more innovative 3D shows are prevalent, it appears likely that 3D TVs will become popular. The next biggest hurdle is the glasses – there are indications that consumers would not enjoy wearing them. So what is the solution? A couple of manufacturers have figured ways to create a 3D TV without the need of glasses.

Some other scholars have argued that the future trends of TV broadcast, especially with regard to social broadcasting, will be in the areas of:

- Specialized social TV services for better user experience compared to Facebook, Twitter etc.
- Genre-specific social TV services: sports, reality TV, news etc.
- Continuation of second screen domination.
- Social TV services that filter user-generated web contents (like Tweets) using other services as a platform and raw data providers and adding a social layer on top by connecting the like-minded.

Time-Shifting and Realtime Social TV

There has been an interesting dynamic in the TV industry over the last few years. One of the biggest trends which has reshaped the industry has been the emergence of 'time shifting', whereby viewers are increasingly watching their favourite shows at the time of their choosing, as opposed to gathering around the TV at the time of initial broadcast. This dynamic would naturally lead to TV becoming less social— people now have less impetus to gather around the 'water cooler' to discuss the previous evening shows. Technology, in the form of DVRs and on-demand services, have enabled a more personalized and thus personal experience. But again, technology has given birth to another explosive trend that seemingly acts as a counter-force to time shifting— the huge surge of people commenting and engaging with one another in realtime on social networks such as Twitter and Facebook. The realtime nature of services, such as Twitter, feeds on a shared realtime viewing experience. This trend of socially engaging through status updates has been particularly prevalent around live broadcast events such as the soccer matches and even the Oscars and the Big Brothers' shows and has most likely been a major force behind the ratings resurgence of live events on TV. Shared TV events are much more enjoyable when you can share the experience with friends and strangers alike.

I advise you as a communication scholar, that if you are interested in understanding some of the high-end theory behind social TV, you should read up on a field of study called **limbic resonance**. In simplistic terms, the limbic part of the brain is where we develop our social senses and limbic resonance is a mutually responsive emotional exchange. It turns out that humans actually have a positive physiological reaction when

sharing an experience. Thus watching a movie in a crowded cinema is a more enjoyable experience than watching the same film at home alone. This is why many soccer fans prefer to watch their favourite clubs and matches in viewing centres. And this is why the laughter track exists in comedies on TV— the simulated shared experience actually makes it funnier.

It is expected that the **secondary screen** will gain more acceptance with consumers as it seems a more natural fit, plus the only requirement to hook-in is a connected tablet. It is expected that the iPad and the new flood of Android-based tablets will play a central role in shaping the social TV landscape. So we should expect a wide range of social TV apps that can be simply installed on a tablet, allowing you to engage and interact with others around TV content and to, perhaps, interact with others in spinoff games or experiences that extend the show. This is already happening today and there already exists social TV apps. But we expect to see more refined and targeted experiences once content creators get on board.

Smart TV: Classical Case of TV Evolution

Indeed, it is clear that television is changing, transforming into a more customizable, personalizable experience; both in design and programming. For example, in the area of design, we now have what is simply called a smart TV. A smart TV, sometimes referred to as connected TV or hybrid TV (not to be confused with IPTV, Internet TV, or Web TV), describes a trend of integration of the Internet and Web 2.0 features into television sets and set-top boxes, as well as the technological convergence between computers and these television sets/ set-top boxes. The devices have a higher focus on online interactive media, Internet TV, over-the-top content, as well as on-demand streaming media, and less focus on traditional broadcast media than traditional television sets and set-top boxes.

Smart TVs are beginning to realize their potential as they dual-wield the powers of connectivity and computation, and provide the consumer with a myriad of entertainment options that extend beyond plain old cable. This kind of maturation, however, may only be the tip of the iceberg. For now, Smart TV mostly takes advantage of a pre-set, on-demand cache of TV shows and movies. While these represent an enticing entertainment option, they are not a substitute to live TV, but rather a supplement. Recently, however, we have begun to see the next steps plotted out. Similar to how the Internet, Web widgets, and software applications are integrated in modern smartphones, the name ‘smart TV’ is akin to ‘smart phone’.

The technology that enables smart TVs is also incorporated in devices such as set-top boxes, Blu-ray players, game consoles, hotel television systems, and other devices. These devices allow viewers to search and find videos, movies, photos and other content on the Web, on a local cable TV channel, on a satellite TV channel, or on a local storage drive.

4.0 TUTOR-MARKED ASSIGNMENT

1. In what way would you say the electronic media has experienced a revolution and how does this affect broadcasting?
2. Discuss the various trend in radio or TV production and management
3. Explain the concepts of time-shifting, realtime social car radio, social TV and smart TV

5.0 SUMMARY

Social media, smart TV, realtime radio and television, interactive broadcasting and integrated web-content sharing platforms have become part and parcel of today's world. Those who witnessed the diskette days would no doubt tell you of the changing face of media electronics and broadcasting and how it is impacting on modern station management. The Unit thus discussed the components and/or instruments of this change, chief among which is the Internet, which is bridging the wide gap between the listener and the station, between the manager and his employer, sponsors, advertisers, and other stakeholders.

We also discussed certain concern of, for example, TV broadcast, with regard to social broadcasting; that there will be 3D TVs, specialized social TV services for better user experience compared to Facebook, Twitter etc; genre-specific social TV services: sports, reality TV, news etc; continuation of second screen domination; and social TV services that filter user-generated web contents (like Tweets) using other services as a platform and raw data providers and adding a social layer on top by connecting the like-minded.

6.0 CONCLUSION

The implication of the changing media landscape is such that any station manager who refuses to 'diversify' in the world of broadcasting would sooner be unable to remain in the business. Thus, to successfully manage a station, one must utilized the rich media resources available almost free of charge to be able to get a substantial share of the market. A station must have a functional, frequently updated website, social media platform for interaction even during live events, web-integrated TV (audiovisual) or radio streaming, etc. These all means that the manager must prioritize the

gathering and organizing of listener data; understand that advertisers would start demanding digital accountability; that user-level advertising targeting would begin to redefine the value of streaming, the need to embrace location-based mobile services, and thereby expand its competitive landscape.

7.0 REFERENCES/FURTHER READINGS

Anderson, P. (2007). What is Web 2.0? Ideas, technologies and implications for education. JISC Technology and Standards Watch. Retrieved July 8, 2009, from www.jisc.ac.uk/media. Barnouw, Erik. (1990). Tube of Plenty: The Evolution of American Television. Rev. ed. Oxford University Press.

Boulos, M. and Wheeler, S. (2007). The emerging Web 2.0 social software: an enabling suite of sociable technologies in health and health care education. *Health Inform. and Libraries Journal* 24(1), 2-23.

Broadcasting and Cable Yearbook (2012). Radio Broadcast. RR Bowker: New Providence, NJ. Castells, M. (2000). The Rise of the Network Society. The Information Age: Economy, Society and Culture. London; Blackwell Publishing.

Crook, C. (2008). Web 2.0 technologies for learning: The current landscape - opportunities, challenges and tensions. Retrieved 21 April 2009 from www.partners.becta.org.uk. CTA and IIED (2009). *Change at Hand: Web 2.0 for Development (Participatory Learning and Action, Issue)*. Russell Press Nottingham, UK.

Douglas, S.J. (2011). Listening In: *Radio and the American Imagination*. Crown. USA.

Feldman L., Watson-Watt R.A. and Zworykin V.K. (2009) Radio Communication. Microsoft ® Encarta 2009. © 1993-2008 Microsoft Corporation.

Gibilisco, Stan. (1999). *Handbook of Radio and Wireless Technology*. McGraw-Hill; NY.

Herry, R. and Powel A. (2006). Digital repositories roadmap: Looking forward. Accessed 23 May 2010 from www.ukoln.ac.uk.

Lackmann, R.W. (2000). *The Encyclopedia of American Radio: An A-Z Guide to Radio from Jack Benny to Howard Stern*. 2nd ed.

MODULE 2 BASIC STATION OPERATIONS AND MANAGEMENT

UNIT 1 ORGANIZATIONAL STRUCTURE AND OPERATIONS OF A STATION

CONTENTS

1.0 INTRODUCTION

In order to understand how broadcasting operations are carried out, it is important to understand some basic concepts. A programmer may develop an excellent programme format only to have it crippled by being placed on an AM instead of an FM station. Thus in management structure, there are often issues of content generation, production, transmission, monitoring and feedback— all interlinked with each other based on management structure and departments. These are paramount to understanding how radio and television stations are managed by different cadres of personnel (Meyer, 2011).

You must understand that, first of all, a broadcast station is a business organisation or other enterprise, be it an amateur television operator or a standalone Internet radio that transmits content over terrestrial or cable transmission. Second, there is the operating environment and work rules. Broadcast systems standards are set by the government, and these vary around the world. Some stations broadcasting over analogue systems are typically limited to one channel, for example, while digital broadcasting can transmit via subchannels as well. These all have implications for management structure.

Also, some stations are housed in their own buildings, while others, because of financial reasons or geographic considerations, are in skyscrapers, strip malls, and other locations. For economical reasons, when a media company owns several stations in one city or area, it usually consolidates them into one building. This also has implication for management structure and personnel strength. Internet radio stations, for instance, typically do not require the overhead of a traditional radio station and can be run minimally from a room. But more involved stations that operate for profit obviously require more space for employees, etc. As a starting point, stations usually require a broadcast licence from a government agency which sets the requirements and limitations on it. A licence defines the broadcast range and, sometimes, management structure that the station is limited to, allocates the broadcast frequency of the radio spectrum, limits the types of formats that can be programmed, and requires it to broadcast a minimum amount of certain programmes types, such as public affairs messages, among others.

Many stations do not have their actual transmitter and broadcast tower on the same property as the studios. The signal is sent by microwave to a similar microwave receptor on the grounds where the transmitter and tower are. It is then converted into a signal that is broadcast to the general public. It is common for a station's studios to be located 20 or even 50 kilometres away from the actual transmitter and tower. All these have implications for management structure. Thus, this Unit examines the various management structures put in place in a station to ensure that all of the objectives and legal requirements within the operating environment are met.

2.0 OBJECTIVES

At the end of this unit, you are expected to:

- Discuss the members of a station's top management team
- Itemise the various roles of a station's board of directors
- List and explain at least four key departments in a standard broadcast station

3.0 MAIN CONTENT

3.1 Concept of Organizational Structure

An organizational structure is the typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization. It determines how the roles, power and responsibilities are assigned, controlled, and coordinated, and how information flows between different levels of management. It provides for explicit and implicit institutional rules and policies designed to provide a structure where various work roles and responsibilities are delegated, controlled and coordinated. Organizational structure also determines how information flows from level to level within the company. In a centralized structure, decisions flow from the top down. In a decentralized structure, the decisions are made at various different levels.

A structure depends on the organization's objectives and strategy. In a centralized structure, the top layer of management has most of the decision making power and has tight control over departments and divisions. In a decentralized structure, the decision making power is distributed and the departments and divisions may have different degrees of independence. A company such as Proctor & Gamble that sells multiple products may organize their structure so that groups are divided according to each product and depending on geographical area as well (Bateman and Zeithaml, 2010.

In other words, an organizational structure is the pattern or arrangement of jobs and groups of jobs within an organization. This pattern pertains to both reporting and operational relationships, provided they have some degree of permanence. The individual elements of an organization structure typically include a variety of components that are termed **organizational building blocks**— which are departments or divisions, management hierarchy; and rules, procedures, and goals— and **temporary building blocks** such as task forces and committees (Bateman and Zeithaml, 2010). Ideally, organizational structures should be shaped and implemented for the primary purpose of facilitating the achievement of organizational goals in an efficient manner.

Indeed, having a suitable organizational structure in place—one that recognizes and addresses the various human and business realities of the company in question—is a prerequisite for long-term success. But as Gibson et al. (2009:112) noted:

It is entirely reasonable to acknowledge that in many instances, organization structures do not contribute positively to organizational performance because managers are unable by training or intellect to

design a structure that guides the behavior of individuals and groups to achieve high levels of production, efficiency, satisfaction, quality, flexibility, and development.

Thus, small media business owners seeking to establish a beneficial organizational structure for their enterprise need to recognize that the process is a complex one that requires considerable planning and research. But there are certain keys to erecting an effective structure.

All different organizational structures have been proven effective in contributing to business success. Some firms choose highly centralized, rigidly maintained structures, while others—perhaps even in the same industry sector—develop decentralized, loose arrangements. Both of these organizational types can survive and even thrive. Thus, Schlesinger and Schlesinger (2003: 76) noted that there is no one best way to design an organization, when they clarified that:

Organizational research has shown that the more we know about particular types of organizations, the less we can generalize about the optimal design for an effective organization. Generally, organizational theorists believe that no one structure, set of systems, or method of staffing is appropriate for every organization. Organizations operate in different environments with different products, strategies, constraints, and opportunities.

But despite the wide variety of organizational structures that can be found in the media world, the successful ones tend to share certain characteristics. Indeed, business experts cite a number of characteristics that separate effective organizational structures from ineffective designs. Recognition of these factors is especially important for entrepreneurs and media owners, since these individuals play such a pivotal role in determining the final organizational structure of their enterprises.

3.2 Overview of a Station's Organization Structure

Work and careers in broadcasting can be tasking, exciting, unique and rewarding. As with all forms of businesses, broadcasters seek to recruit qualified individuals who want to learn and grow with the changes of the industry; workers who would learn to work up the managerial cadre to lead others. People who work at radio or TV stations often wear several hats, but they generally fall into one of four categories: management/ administrative; sales/sales support/underwriting; engineering/technical/ computer; and production /programming/news. Below are some general descriptions of the work and management structure in radio and television organizations. For certain reasons, this Unit will not arrange the discourse in the four categories above, but will try as much as possible to reflect the

working (Meyer, 2011; Bateman and Zeithaml, 2010; NASBA, 2010; Joseph, 2010; Baudino et al., 1997; Miller, 2005; Day, 1999).

Finally, certain factors affect a station's management structure. In fact, each station is unique in its staff structure, and no two stations are organized in the same fashion. The size of a station and of the market it serves often dictate the number and types of jobs available, and of course, the management structure it adopts.

The corporate structure of a station depends partly on the size of the market that it serves. Stations in larger markets, such as Los Angeles, Lagos or Johannesburg, may have more levels of bureaucracy or departments than those in small cities. Larger stations also may have programming other than newscasts, and this may have its separate staff. Larger markets also are more likely to require union contracts for certain jobs, which also affects their corporate structure. The ownership of a station may also determine its structure. Independent stations that are owned by private individuals or families could have different structures than stations that are part of ownership groups (or that are owned by broadcast networks). Changes on the corporate level can create, change or remove positions at the owned stations. Public broadcasters, which are owned by nonprofits or government agencies, may also have additional departments that commercial broadcasters would not have, such as a fund-raising department or an education department.

The descriptions below provide an overview of just some of the positions and responsibilities. These descriptions are discussed in two phases: management team (which comprises of a board and top management personnel) and departments. We will not divide the section based on radio or television station categorization, since certain management arrangements and departments or operations are common in both instances. Also, note that what is presented here is not exhaustive but is comprehensive enough for your understanding as a student.

3.3 Management Team

This team comprises of people or groups which plan, organize, supervise, monitor, and coordinate the different areas of the organization for the purpose of achieving defined organizational objectives. The main issue of management concerns managing resources, such as finance and human capital. Corporate management generally involves balancing risk and profitability, while attempting to maximize the station's wealth and the value of its stock. With regard to finance, for example, this generically entails three interrelated decisions. In the first, *investment decision*, management team must decide which projects to undertake. The discipline of capital budgeting is devoted to this question, and may employ standard business valuation techniques or even extend to real options valuation. The

second, *financing decision*, relates to how these investments are to be funded: capital here is provided by shareholders, in the form of equity, creditors, often in the form of bonds, and the station's cash flow. Short-term funding or working capital is mostly provided by banks extending a line of credit. The balance between these elements forms the station's capital structure. The third decision, *dividend decision*, requires management to determine whether any unappropriated profit is to be retained for future investment/ operational requirements, or instead to be distributed to shareholders, and if so in what form (Albarran, 2002, 2010; Miller, 2005; Meyer, 2011).

Most commercial stations are owned independently, but many are either affiliated with a network or are owned-and-operated (O&O) by a network. Another form a station may take is non-commercial educational (NCE) and is considered public broadcasting (Johnson, 2011). To avoid concentration of media ownership of stations, government regulations in most countries generally limit ownership of stations by networks or other media operators, but these regulations vary considerably. Some countries have set up nationwide networks (eg, NTA, FRCN, ABC), in which individual stations act as mere repeaters of nationwide programmes. Here, the local station has no local identity and, from a consumer's point of view, there is no practical distinction between a network and a station, with only small regional changes in programming, such as local news.

This section is divided into two: the board of directors and upper-level management personnel. Even though the two categories seemed to have clear identities of their own, you must understand that they are not mutually exclusive; they are actually intertwined, such that a closer look might tend to 'confuse' you that the two are one and the same— since in most organizations, members of the upper-management level are often members of the board.

3.3.1 *Board of Directors/ Governors*

Generally, the board of directors comprises a group of directors (both executive and nonexecutive) elected by stockholders at the annual general meeting of a company to supervise the running of that company. Executive directors are managers of a company, working full-time and with salaries paid by the company. Nonexecutive directors have no management position and are likely to look after the affairs of the company on a part-time basis. By this arrangement then, the board of directors of a company is often regarded as the highest decision-making body of that organization.

Whether in media stations or other organizations, the top managers of a corporation are appointed or dismissed by a corporation's board of directors, which represents stockholders' interests. However, in practice,

the board of directors is often made up of people who were nominated by the top managers of the company. Members of the board of directors are elected by a majority of voting stockholders, but most stockholders vote for the nominees recommended by the current board members. Stockholders can also vote by proxy—a process in which they authorize someone else, usually the current board, to decide how to vote for them.

In a government-owned station, however, the board of directors are often elected or selected by the government of the day. In other words, the board is mainly constituted by political appointees. Of course, in a government institution, politics cannot ever been ruled out (NASBA, 2010; Joseph, 2010; Baudino et al., 1997; Miller, 2005; Meyer, 2011; Bateman and Zeithaml, 2010).

3.3.2 *Upper-Level Management Personnel*

This group consists of managers, directors, executives and certain senior officers who may come in different nomenclatures. The **general manager** or **managing director**— whichever is used could be mainly due to nomenclature— is often the most senior manager of a company. He is responsible for the day-to-day running of the company, but has a seat on the board of directors. The managing director may also be the chairman of the company, but in large companies, the role of chairman is usually separate from that of managing director. The GM oversees all the departments and is, therefore, held ultimately accountable for all the decisions taken in the station. The general manager or GM is in charge of guiding the people who run the individual departments. The GM is responsible to the company's board of directors (Albarran, 2010; Bateman and Zeithaml, 2010; Schlesinger and Schlesinger, 2003).

While the general manager runs the entire operation of the radio station and can be considered its 'business arm,' he is generally not involved in the station's day-to-day operation, but is responsible for hiring many of the other station management personnel. A **station manager** is the chief operating officer of the station. In large stations, he is quite different from the GM. The station manager must have effective personnel management skills and a thorough knowledge of all aspects of broadcast operation.

The **general sales manager** is the person who hires and supervises the sales staff, reviews programming for the best sales opportunities, develops sales plans and goals, oversees billing, studies and understands the station's market and approves all sales promotion campaigns. Some stations have multiple levels of sales managers, including national, regional and local sales managers who focus on various aspects of sales. A general sales manager is responsible for producing all advertising revenues for a station and for hiring, training and supervising the station's sales staff. A sales manager generates revenue for the station through

working with the station manager to determine revenue goals, then developing and implementing sales and marketing strategies to achieve them (Joseph, 2010; Bateman and Zeithaml, 2010; Gibson et al., 2009).

A **finance** or **accounts executive** of a station sells advertising time and works closely with businesses to help them market themselves to the audience. He is also responsible for planning and monitoring the station's financial year. Ultimately, how the station fares financially, with regard to accounting and book-keeping rests on him. The account executive is the representative of the station who solicits advertising from commercial business. He develops working relationships with local business leaders and with local advertising agencies and client representatives (Day, 1999). In some stations, the account executive is another name for a salesperson who works for the sales manager. He produces revenue primarily through the selling of airtime to local businesses and other sponsors. Once the client is secured, the account executive works with them to develop a marketing strategy through the development of advertisements or 'spots.' The **news director** runs the news department, assigning stories to reporters, monitoring the wire service and identifying the important news issues within the community. The **sports director** is similar to the news director's position. Sports directors often handle the play-by-play coverage of local sporting events.

The **production director** assigns announcers, schedules studios, arranges recording sessions, produces commercials, and directs programmes. The **promotions director** promotes the station's image, programmes and activities. The director works closely with the programme director to create on-air promotions and also with the sales department in securing new clients and maintaining current advertisers (Meyer, 2011).

The **programme director** is responsible for the entire on-air product, and he governs the audiovisual or sound of the station. With control over production, talent, work schedules, and programme schedules, the programme director's objectives support the goals of the general manager and the general sales manager. The programme director or programmer has a large role, and often the sole responsibility, for the content that goes out over the airwaves. In some stations, programmers may select the music/ music video that is played. He will also hire the on-air talent and determine their schedules, as well as determine when other programmes such as news or sports will be aired.

The **traffic director** collects data from other departments in order to prepare a minute-by-minute schedule for the broadcast day. The traffic person is the daily link between the sales department and programming department, keeping up-to-date commercial time availability. However, in small stations, especially in developing countries, this position is often

considered subsumed in the programme director. In radio broadcasting, the **music director** manages the station's music library and works with the programme director in selecting new recordings to be played as they are submitted by record companies (NASBA, 2010; Albarran, 2002; Bateman and Zeithaml, 2010).

Some large organizations have a **business manager**, who is responsible for all financial transactions. Business managers are generally expected to have extensive professional background in accounting and financial management. Some stations have a **community relations director**, who plans, coordinates and executes station's services and programmes that are developed to respond to the needs of the community. Also, the **chief engineer** of a station is often a directorate position, as he heads the technical staff.

3.4 Departments in a Station

Grouping related functions into manageable units to achieve the objectives of the enterprise in the most efficient and effective manner is called departmentalization. A variety of means can be utilized for this purpose. The primary forms of departmentalization are by function, process, product, market, customer, geographic area, and even matrix. In most broadcast stations, these are based on functions. That is, a department is a section or division in a station that has its unique function; it is often responsible for dealing with a specific area of the station's administration. All departments in a station impact how a programme content is presented on the air; they are also responsible for how money is generated to keep the media organization going. As pointed out above, the departments of a station depend on the size of the market served. But common departments include administration, production, engineering, news, marketing/sales/promotion and finance or accounts.

3.4.1 Administration

Each station has a chief operating officer, often referred to as the general manager (GM), who is responsible for the business affairs of that station. The GM manages the business strategy for the station, sets budgets, ensures compliance with the laws that govern broadcasting, and generally serves as the team leader for station employees. In broadcasting generally, the GM often ascends to the job from the advertising or sales department— one argument for this is that 'it is because he ensures that the station is profitable' (Albarran, 2010). The administration department also can include a station manager (like a second-in-command), a business manager/controller, a human resources manager and various executive assistants. Regardless of each station's organizational nuances, all departments ultimately answer to the administration.

3.4.2 Production

The production department puts on air what the news department creates. Production departments often include a director, technical director, audio operator, master control operator and camera operators. This department handles all production and post-production activities, from location recording to studio editing. Productions personnel include wardrobe person (TV) who sees that talents have clothes appropriate to the story and script; audio director or audio technician (who arranges for the audio recording equipment, sets up and checks microphones, etc); continuity secretary (who makes notes on scenes and continuity details); electronic character generator operator (TV), who programmes opening titles, subtitles, and closing credits into a computer-based device that inserts the text over the video; and editors, who use raw recordings to blend the segments together into one production (Day, 1999; Gibson et al., 2009; Fisher, 2007).

3.4.3 Finance

The financial department is that part of a media house that manages its money. The business functions of the finance department typically include planning, organizing, auditing, accounting for and controlling the company's finances. The department also usually produces the station's financial statements.

According to Meyer (2011), Albarran (2002) and Bateman and Zeithaml (2010), the manager responsible for overseeing the financial activities of a station is the finance director (FD) or other nomenclature. The FD's duties include financial planning and monitoring of cash flow. He analyzes the station's financial strengths and weaknesses and suggests plans for improvement. He is similar to a treasurer or controller in that he is responsible for overseeing the accounting and finance departments and for ensuring that the company's financial reports are accurate and completed on time. The FD reports to the General Manager, but has a major say in the station's capital structure, investments and how the station manages its income and expenses.

3.4.4 Sales/ Promotions/ Marketing and Traffic

The public may recognize anchors and reporters from the newscasts, but they do not actually make the station's money. The people who work with advertising truly keep the station afloat, especially if they are good at what they do. A general sales manager or director of sales leads the sales/promotion/marketing department responsible for bringing in new advertisers and keeping existing clients. Some stations have a marketing director who develops nontraditional ways of generating revenue, such as a sponsored segment during a newscast. More and more stations are now looking at nontraditional revenue sources and hiring sales representatives who focus on Internet advertising and event marketing revenue streams.

The sales department generates revenue for the station by getting companies to buy commercial spots. Some other stations operate separate promotions department, which works with companies that buy commercials, creating a concept for the commercial and editing it to create an on-air product (Joseph, 2010; Miller, 2005; Meyer, 2011 and Day, 1999). Employees in the promotions department also create commercials to advertise the station. The sales and marketing staff is responsible for generating revenue for the station. The majority of this comes via on-air advertisements, and employees like the general sales manager, national sales manager, local sales manager and account executives are charged with generating sales leads, delivering sales presentations and closing deals.

Part of a station's image comes from its news and sports programming. For the overall brand image and on-air style, the creative services department or the promotions department handles a station's identity and 'personality.' This comes in the form of on-air promos for shows or featured news stories, events in the community or even advertisements placed in other media. Working under the creative services director (or promotions director), a team of writers, producers, editors, art directors and graphic artists gives a station its visual style. Some of the key functions in this department come from contract workers, such as makeup artists and announcers.

An effective sales staff must have audiences to deliver to advertisers. Generating audiences is one of the primary functions of the promotions or creative services department. No electronic media enterprise can become complacent about its share of the market; there are simply too many alternatives available to audiences. For a total marketing effort to succeed, companies need good promotional campaigns and strategies. Promotions remain strategically important to electronic media management as competition for audiences has intensified.

3.4.5 Engineering

Broadcast stations must maintain millions of dollars of complex, digital equipment. That task falls to the engineering department, often led by a chief engineer (or a director of broadcast operations and engineering). This person not only leads a team of trained technical staff to maintain the existing equipment, he also keeps an eye out for new equipment in which the station might want to invest. Within this department, depending on the station, a variety of jobs may exist: building supervisor, camera operators, master control operators, photographer, tape room operators and others.
The engineering department generally takes care of the technical aspect of a newscast and the station itself. When something breaks, they are the people employees in other departments call on. The department is the most capital-intensive in broadcasting. In Nigeria and other developing

countries where power supply is so erratic that it national grid or public power supply is relegated to the position of supplementary provider, the work of this department becomes much more demanding and difficult. In fact, some stations in such operating environment do not connect their studios to the public power supply at all.

The chief engineer, communications engineer, webmaster, assistant engineer and satellite operator work together to ensure the technology of the station is up-to-date and in working order. The chief engineer is responsible for the technology necessary to put the station's broadcast on the air. The engineer works to maintain broadcasting capabilities and provide quick solutions to problems that may arise with the transmitter, tower, satellite receiver and other related equipment.

Maintenance engineers are responsible for the repair, maintenance, installation and modification of all of the electronic equipment in the station. Studio engineers are responsible for operating all of the equipment necessary for the production of a programme. This includes the studio cameras, the audio console, studio lighting, the video switcher, and in some stations, the character generator and the electronic still-storage graphics display equipment. A master control/videotape engineer is responsible for operating the videotape recording and playback equipment for live programmes and during commercial breaks in network and taped shows.

3.4.6 Public Relations and Community Affairs

Much like creative services/promotions, the public relations (PR) or community affairs department must help craft the station's image. However, this has more to do with perceptions of the general public than those of viewers or potential advertisers. The station's PR director— also called a community relations manager or a public service director— speaks for the station to other media. This function is sometimes contracted to outside PR firms. This department also involves the station in community events and organizations through sponsorships, advertiser tie-ins or appearances at public functions. Depending on the station, the PR department may handle requests for station staff to speak at events.

3.4.7 News

The news department gathers, writes and edits the stories for daily newscasts. The department consist of several job titles, including news director, assignment editor, executive producer, producers, reporters, anchors and photographers. Each position is important to providing quality news programming. The department deals with news stories, illustrations, and features. The news staff of a major television station usually include newscasters, reporters, editors, photographers and artists. Most modern stations even in the developing countries now supplement

the work of their news staff with contents provided by news organizations, called wire services, such as Reuters and NAN, or other news agencies (NASBA, 2010; Bateman and Zeithaml, 2010; Day, 1999). Reporters gather information about newsworthy events and write stories that describe them. They also go about with tape recorders and cameras to record such events. Some reporters routinely monitor particular areas of the news, such as the National Assembly, government house, the police department, or the Supreme Court. Generally in media parlance, these are called correspondences. General-assignment reporters cover a wide variety of news events. Investigative reporters search out and expose corruption in government, business, labour, education, and other sectors of the society and economy. Many reporters cover only daily events—meetings of a local government council, press conferences, fires, and accidents—while others work for weeks to develop in-depth analysis of particular events of note.

Next to engineering, news may represent the single largest expense to TV stations (Albarran, 2002; 2010). But news programming often provides the sales team with its biggest inventory of advertising time to sell. At the top of the newsroom is the news director, who sets the journalistic and production standards of the operation. The objective is to create the best newscast possible to draw the largest audience, get the highest ratings and, in turn, sell advertising time at a premium. Supporting the news director in many stations are an assistant news director, managing editor, writers and interns.

Newsrooms use their assignment desk as a tactical hub, responding to breaking news and keeping organized with assignment editors and planning editors (or futures editors). Some stations also have a special projects unit or investigative team that works on more complex pieces, rather than day-of-air news stories. The control room team, responsible for the technical production of live newscasts, may fall under engineering but work in or near the newsroom. And of course, plenty of on-camera staff are within this department, including anchors, reporters, meteorologists and sportscasters--many of whom do more than one job on camera.

3.4.8 Personnel/ Human Resource

The human resource department manages the people in the entire organization. It represents a major subcategory of general management, focussing exclusively on the management of people or human resources, as distinguished from financial or material resources. Human resources management begins with the definition of the required quantities of people possessing particular skills to carry out specific tasks. Thereafter, job candidates are sought, found, recruited, and selected. After hiring, the employees are trained or retrained, negotiated with, counselled,

evaluated, directed, rewarded, transferred, promoted, and, finally, released or retired. In many of these relations, the department head or personnel manager deals directly with their associates or other levels of managers. In stations, however, employees are represented by unions, meaning that managers bargain with representative associations— this collective-bargaining relations are generally described as labour relations.

The department devises and revises organizational structures of authority and functional responsibility and facilitates a two-way, reciprocal, vertical, and horizontal communication; it forecasts personnel requirements in terms of numbers and special qualifications, schedules inputs, and anticipates the need for appropriate managerial policies and programmes; analyses jobs, develops job descriptions and specifications, appraises and maintains an inventory of available capabilities, recruits, selects, places, transfers, demotes, promotes, and thus assures qualified manpower when and where it is needed; assists team members in their continuing personal growth, from pre-employment, preparatory job training to executive development programmes; etc.

3.4.9 Transport and Logistics

According to the Center for Workforce Development (2011), 'transport, distribution and logistics' is a broad industry sector responsible for managing the flow of goods, information, and people between a point of origin and a point of consumption in order to meet the requirements of consumers. As a department in a broadcast station, it involves the integration of these sub sectors, including information, transport, inventory, warehousing, material-handling, and packaging and the movement of people and station resources from one point to another. Logistics itself is the management of the flow of resources between the point of origin and the point of destination in order to meet some requirements, for example, of customers or corporations. The resources managed in logistics can include physical items, such as food, materials, equipment and staff, as well as abstract items, such as information, particles, and energy. The logistics of physical items usually involves the integration of information flow, material handling, production, packaging, inventory, transport, warehousing, and often security. The complexity of logistics can be modelled, analysed, visualized, and optimized by dedicated simulation software. The minimization of the use of resources and time are common motives.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you discuss in your own words the composition and role of a station's board of directors?
2. Engineering is an important department in a broadcast station. Discuss.

3. The various departments in a broadcast station are mutually dependent. How true would you say this assumption is?

5.0 SUMMARY

All broadcast stations are as business enterprises, be it an amateur television station or a standalone Internet radio that transmits content over terrestrial or cable transmission. Also, some stations are housed in their own buildings, while others, because of financial reasons or geographic considerations, are in skyscrapers or other locations. Notwithstanding, the station is held together by a typically hierarchical organizational structure, consisting of lines of authority, communications, rights and duties of individuals, groups and positions. Such a structure determines how the roles, power and responsibilities are assigned, controlled, and coordinated, and how information flows between the different levels of management.

Therefore, this Unit has explained the various management and operational levels in a typical station. These levels of operations and how they relate differ from one station to another. But the few ones we have discussed should suffice for your understanding at this level.

6.0 CONCLUSION

For the purpose of station management, the structure to adopt usually depends on the organization's objectives and strategy. Do you want a centralized structure, in which the top management staff would take most of the decisions and have a tight control over departments and divisions? Or do you want a decentralized structure, in which the decision-making power of the station would be distributed to all levels and the departments and units/divisions may have different degrees of independence? Moreover, certain other factors affect a station's management structure. Hence, each station is unique in its staff structure, and no two stations are organized in the same fashion. For example, the size of a station and of the market it serves often dictate the number and types of jobs available, and of course, the management structure it adopts.

7.0 REFERENCES/ FURTHER READING

Atgelt, Carlos A. (1992). Early history of radio broadcasting in Argentina. The Broadcast Archive. Retrieved 2 October from www.oldradio.com.

Bateman T.S. and C.P. Zeithaml (2010). *Management: Function and Strategy*. Boston: Richard D. Irwin.

Baudino, Joseph E; Kittross J.M. (Winter, 1997). Broadcasting's oldest stations: An examination of four claimants. *Journal of Broadcasting*: 61–82.

Briggs, Asa. *The History of Broadcasting in the United Kingdom* (Oxford University Press, 1961).

Center for Workforce Development (2011) *Transportation, Distribution and Logistics: Industry cluster summary*. CWD; USA.

Day, George. (1999). Aligning organizational structure to the market. *Business Strategy Review*. Autumn.

Fisher, Marc (2007). *Something in the Air: Radio, Rock, and the Revolution that Shaped a Generation.* NY: Random House.

Ewbank Henry and Lawton S.P. (1952). *Broadcasting: Radio and Television*. Harper & Brothers.

Gibson, J.L., Ivancevich J.M. and Donnelly J.H. Jr (2009). *Organizations: Behavior, Structure, Processes*. 8th ed. Boston: Richard D. Irwin.

Halper, Donna L. (2002). John Shepard's FM stations—America's first FM network. Boston Radio Archives www.bostonradio.org.

Joseph C. (2010) TV and radio job descriptions. Accessed 13 October 2012 from www.ehow.com

Lewis, T/ (2008). Empire of the Air: The men who made radio, 5th ed., New York: E. Burlingame Books.

Meyer, K. (2011). Types of jobs in TV and radio. Accessed 2 December 2012 from www.enow.com

Miller, Jeff. (2005). *FM Broadcasting Chronology*. NY; Maxwell.

National Alliance of State Broadcasters Association, NASBA (2010). Career in broadcasting.

Accessed on 10 October 2012 from www.careerpage.or/jobtypes

Russo, A. (2010). *Points on the Dial: Golden Age Radio Beyond the Networks*. Duke University Press; UK.

Scannell, P. and Cardiff D. (1991). A Social History of British Broadcasting, Volume One, 1922- 1939. Basil Blackwell.

Schlesinger P.F. and Schlesinger L.A. (2003). *Designing Effective Organizations. The Portable MBA in Management*. Allan R. Cohen, ed. New York: John Wiley & Sons.

Ray, William B. FCC: *The Ups and Downs of Radio-TV Regulation* (Iowa State University Press, 1990).

Russo, Alexan der. (2010). *Points on the Dial: Golden Age Radio Beyond the Networks* (Duke University Press; 2010) 278 pages; discusses regional and local radio as forms that 'complicate' the image of the medium as a national unifier from the 1920s to the 1950s. White Llewellyn. *The American Radio* (University of Chicago Press, 1947).

UNIT 2 PRODUCTION OPERATIONS

CONTETNS

1.0 INTRODUCTION

The digital era has brought a general convergence of digital audio and video and the necessary production processes, regardless of whether you are working in a broadcast station, digital cinema or independently on small radio projects. Learning the ins and outs of broadcast production allows you to readily adapt to other forms of audio or audiovisual production. However, the major problem with learning broadcast programme production is that to understand the function of one piece of equipment or production phase, you are expected to have known the others. Thus, this unit provides you with an overview of the initial production processes in radio and television programme production and the necessary tools to generate the images and sound—or the standard production equipment and personnel.

2.0 OBJECTIVES

At the end of this unit study, you should be able to:

- Describe in your own words the three phases of media production
- The importance of scripting and budgeting in production
- The various cameras involved in TV production
- The place of the microphone in radio production
- The relevance of editing to the production project

3.0 MAIN CONTENT

3.1 Concept of Production in the Media

Most stations are commercial broadcasting enterprises which are structured in a variety of ways to generate revenue from commercials. They may be an independent station or part of a broadcast network, or some other structure. They produce some or all of their programmes or buy some broadcast syndication programming for or all of it from other stations or independent production companies. This unit is to break down the various production processes so that you get some grasp of the work going on in an average station. Subsequent unit will discuss the transmission processes and requirements. Generally, every station has a sort of studio, which is often used for newscasts or other local programming. There is usually a news department, where journalists gather and analyse news items and other information. There is also a section where electronic news-gathering (ENG) operations are based, receiving remote broadcasts via remote pickup unit or satellite radio/TV. Outside broadcasting vans, production trucks, or sports utility vehicles (SUVs) with electronic field production (EFP) equipment are sent out with reporters, who may also bring back news stories on tapes or other storage devices rather than sending them back live.

The production process is commonly broken down into preproduction, production, and postproduction, which some scholars have roughly characterized as 'before, during, and after' (Ascher and Pincu, 1999; Nicholas, 2009). Regardless of whether you are a part of the nontechnical or technical personnel of a station, or whether you work with a big production crew or all by yourself, you will inevitably be involved in one or all of the three production phases. This unit is built on the assumption that you have learnt about the full radio and TV production processes in some other course; hence, it may not be as detailed as expected. For example, you must have previously learnt of the different production models, which helps you move from the original idea to the finished production and transmission as efficiently as possible. As you should know by now, a model (such as 'effect to cause model') is designed to help you decide the most effective approach to use, to evaluate each production step, and how to finish on time. What concerns this unit and, therefore, this course (MAC 443) is how the station handles the production processes. Hence, what is presented is an overview. You must read the recommendations on bibliography on further reading at the end of the unit so as to get a better grasp of the various processes.

Note that even though no phase of the production process can be said to be more important than the others, there is a saying among certain scholars that preproduction is the foundation, the most important (Albarran, 2010; Zettl, 2009). The importance of this is often more fully appreciated after

things get pretty well messed up during a production and the production people look back and wish they had adhered to this axiom from the start. In preproduction, the basic ideas and approaches of the production are developed and set in motion. It is in this phase that the production can be set on a proper course or misdirected to such an extent that no amount of time, talent, or editing expertise can save it. The prime directive of any media production is to hit the target audience hard enough. In order for the programme to be successful, you must keep in mind throughout each production phase the needs, interests, and general background of the target audience. Thus, according to Cyber College (2012):

In order for your programme to have value and a lasting effect, it must in some way affect the audience emotionally. This assumes both knowledge of the prime directive and the target audience, and it ends up being a key to your professional success.

3.2 Preproduction Phase

This stage involves all the preparations and activities that a station or its personnel carry out before they move into the studio or before they go out into the field on the first day of production (or information/ material gathering). This phase itself consists of two stages. The first involves all activities necessary for transforming an idea into a workable concept or script. The second involves all the production details, such as location, crew, and equipment. Once you know the preproduction activities, you can transform these skills to whatever position you occupy on the production team. To help you maximally in the preproduction, you must focus on programme ideas, proposal, budget and script.

3.2.1 Idea conception

Every media production or communication cycle first begins as an idea in the mind of a person, usually the producer. Everything you see or hear on broadcast station began as an idea. As simple as this sounds and despite the studies developed on the creative process, exactly how saleable ideas are generated remains a mystery. Sometimes, you find that you have one great idea after another; at other time, you cannot even think of anything exciting regardless how hard you try. Hence, most station managers and producers use ‘brainstorm technique’ saleable ideas. In this technique, everybody is allowed to toss out wild ideas in the hope that someone may break through the conceptual blocks and bring an end to the ‘idea drought’. In the end, the idea so generated is evaluated based on its workability and profitability. This is so because whatever programme or activity that a station is involved in should make a difference; it should have some sort of positive influence on someone’s life. Also, whatever the station is involved in should be profitable, in cash or in kind, economic or reward. However, these two attributes are usually rendered as workability and doability; that is, is the idea workable? Is it worth doing?

And then, is the idea doable? Is it practicable? Can it be done or realised as a programme? Can the abstract idea indeed be translated into concrete terms, a programme? These attributes would determine how far up the work would go in the next processes.

3.2.2 Proposal

The second focus is on proposal. A programme proposal is a written document that stipulates what you intend to do. It briefly explains the programme objectives and the major aspects of the presentation. It stipulates, among others, the title, objectives or process message, target audience, format (whether a single show, series or a digital movie), show treatment (including the angles), production methods, and tentative production budget (Zettl, 2009: 28).

3.2.3 Writing a budget

Although you may have come up with a truly great idea for a production — one you are certain will make you famous— unless you can raise the money to get it produced, it will remain simply that: A great idea. So the first question is 'what will it cost to produce?' Even if you have no interest in producing, the better your grasp of this issue, the better your chance of success. Also keep in mind that no station or production company will commit to a production without a reasonable idea of how much it will cost.

This is the tentative programme budget. You must note that the budget suggested here covers all costs to be incurred at the preproduction, production and postproduction phases, regardless of whether the cost is, at least, partially absorbed by the salaries of the regularly employed staff or the normal operating budget. The cost must include those of obvious items (such as scripting, talents, production crew, and even postproduction editing) and also of items that may not be so apparent (such as tapes, memory cards, props, food, lodging, entertainment, transport of talent, production crew and equipment; parking tickets, insurance, and clearance or user fees for location shooting). A station usually presents its budget under the three headings of preproduction, production, and postproduction costs. But in a more professional or traditional way, the expenses a classed under two broad areas: above-the-line and below-the-line.

Although the 'line' blurs at times, **above-the-line expenses** generally relate to the performing and producing elements: talent, script, music, and others; while **below-the-line** elements refer to two broad areas: the physical elements (sets, props, make-up, wardrobe, graphics, transportation, production equipment, studio facilities, and editing), and the technical personnel (stage manager, engineering personnel, recording operators, audio operators, and general labour). However, to cost out a major production accurately, you can go beyond the above-the-line and

below-the-line designations and divide production into at least 15 categories (Zettl, 2009) for TV, for example:

1. preproduction costs
2. studio rental
3. on-location expenses
4. equipment rental
5. on-camera talent costs
6. online and offline editing
7. research and follow-up
8. production crew costs
9. location scouting and related travel expenses
10. sets and set construction
11. video recording and duplication
12. advertising, promotion, and publicity
13. producer, director, writer, creative fees
14. insurance, shooting permits, contingencies, etc.
15. materials, supplies, and miscellaneous expenses

Smaller productions, of course, will not involve all of these categories. You can list these categories in a column on the left side of a computer spreadsheet programme, such as Microsoft Excel. Under each category, you can then add items and their costs; you then add corresponding formulas that will automatically generate totals for each category as you go along, as well as a grand total. Note that one of the categories covers equipment rental. Except for studio equipment that is used every day, it could be more economical to rent equipment rather than buy it, for the following reasons:

- Production equipment becomes outdated quickly. At more than ₦10 million for a top-notch video camera, you might assume you would recoup the cost through several years' use. If you pay cash for a ₦10 million camera and use it five years, the cost breaks down to ₦2.1 million a year, plus repair and maintenance expenses. Even though the camera might still be reliable after five years or more, compared to newer models, it will be outdated. It may even be difficult to find parts. Several different production facilities can use equipment available for rent, however. This means the rental company can write off the initial investment on their taxes more quickly, making it possible to replace the equipment with newer models. Even for consumer grade equipment, the rental cost (which may be only ₦7,500 a day) might make sense if you will use it for just a few days. For a station, this could be impossible, as cameras are expected to be within the studio.
- The rental company, rather than the station, is responsible for repair, maintenance, and updating. If the equipment breaks down during a shoot (TV), the rental company will typically replace it within a few hours.
- Renting provides an income tax advantage. When equipment is purchased, it must be depreciated (written off on income tax) over a number of years. But sometimes, this time span exceeds the practical usefulness of the equipment. This may mean that the station (or production facility) will need to sell the used equipment

in order to recoup some of their initial investment. Note, however, that if you rent non-studio equipment, you can write it off immediately as a production expense. Although rules governing income taxes change regularly, deducting the cost of rentals can represent a quicker, simpler and/or greater tax deduction.

- Moreover, when you rent equipment, you increase the opportunities to obtain equipment that will meet the specific needs of your production. Purchasing equipment can generate pressure to use it, even though at times other makes and models might be better suited to your needs.

Once you figure out the cost of a production, you may need to justify it, either in terms of cost-effectiveness or expected results. There are three bases on which to measure cost effectiveness: cost per minute, cost per viewer, cost versus measured benefits. Cost per minute is relatively easy to determine; simply divide the final production cost by the duration of the finished product. For example, if a 30-minute production costs ₦3 million, the cost per minute is ₦100,000. Cost per viewer is also relatively simple to figure out; divide the total production cost by the actual or anticipated audience. In the field of advertising, CPM (or green dot cost-per-thousand) is a common measure. If 100,000 people see a show that costs ₦5,000 to produce, the CPM is ₦50. On a cost-per-viewer basis, this comes out to be only five kobo a person.

Unlike these other two, cost per measured results is difficult to determine. Here, we must measure production costs against intended results. Suppose that after airing one 60-second commercial, we will sell 300,000 packages of razor blades at a resulting profit of ₦1.5 million. If we spent a ₦1million producing and airing the commercial, we would have to question whether it was good investment.

All of these 'measured results' are easily determined by a calculator. But note that things may not be this simple. For example, it is very difficult to determine the effectiveness of programming on altering human behaviour and attitudes. How do you quantify the return on investment of public service announcements designed to get viewers to stop smoking, 'zip up against HIV/AIDS,' or preserve clean air and water? Even if we conduct before-and-after surveys to measure changes in public awareness, it can almost be impossible to factor out the influence of the host of other voices the public may encounter on that issue.

3.2.4 Scripting

A media script is a written intermediary in the production process which stipulates what the programme is all about, who is in it, what each person says, what is supposed to happen, and how the audience should see or hear the event; it is a critical production component. It is so important that

where a show is said to need no script, a script-like note or notice is distributed to indicate the name of the show, the date, the director, and a remark 'no script' (Zettl, 2004; 2009). Indeed, this script-like note is considered in TV production as a script in itself. Note that, contrary to book and magazine articles, which are published in printed form, an electronic media script is not intended as a piece of literature; in other words, it does not serve the same purpose as a manuscript. Even the most sophisticated script is only an intermediary in the production process.

There are semi-scripted and fully scripted programme production. In the first category are interviews, discussions, ad-lib programmes, and many demonstration and variety shows. These scripts resemble a basic outline, with only the segments and basic times listed. Although scripts for a semi-scripted show may be comparatively easy to write (since there is very little to write), this type of show puts pressure on the director and talent to figure things out as they go and try to bring things together 'on the fly.' Much in contrast, scripts for fully scripted programmes list the complete audio (and video) for every minute. In a fully scripted production, the overall content, balance and timing can be figured out before the production starts so that surprises are minimized.

In scripting content, a logical and linear sequence is the most natural approach, especially when information must be presented in a precise, step-by-step fashion. Often, however, it is not desirable to use a structured, linear presentation. In fact, this approach can end up being a bit predictable and boring. In dramatic productions, the techniques of using flashbacks (momentarily cutting back to earlier events) or presenting parallel stories (two or more stories running at the same time) can add variety and stimulate interest. But whatever you do, be certain to present the materials in a way that will hold the attention and interest of your audience. The script does this by: engaging the audience's emotions; presenting your ideas in fresh, succinct, clear, and creative ways; making your viewers care about the subject matter; using aural and visual variety.

3.3 Production Phase

The production phase is where everything comes together in a sort of final performance. The programme so produced can then be broadcast either live or recorded. With the exception of news shows, sports remotes, and some special event broadcasts, productions are typically recorded for later broadcast or distribution. Recording the show or programme segment provides an opportunity to fix problems by either making changes during the editing phase or stopping the recording and redoing a segment. Television programme production is almost all about sight (picture or graphics) and, sometimes, sound. For radio, it is about sound management. Hence, we shall break down this section into TV and radio production.

3.3.1 Television production and camera handling

Television production is said to be a means of changing patterns of light into electrical signals for storage or transmission and then recreating those patterns on a screen. In order to do this well, the television camera must be presented with properly illuminated scenes. The three important considerations are overall level, contrast range, and colour temperature. The lighting levels for television are generally set by adjusting the incident light, or the light striking the subject. The unit of measure for incident light is the foot candle, which is the amount of light produced by a standard candle at a distance of one foot. Lighting measurements are made using an incident light metre, which has a white plastic cover over the sensing element and a logarithmic scale calibrated in foot candles. To measure the useful incident light for television, the metre is held near the subject and pointed toward the camera.

The single most important component of television production equipment is the motion camera. Although the electronics of TV camera have become increasingly complex, the cameras have also become more user-friendly. For instance, with a modern camcorder, you do not need to be a skilled electronic engineer or university-trained cameraman to produce an optimal image. All you need to do is press the right button within the right lighting environment. All cameras have similar key functions, such as the lens, zoom and focus controls, and the viewfinder. There are, however, different types of cameras for station operations: studio cameras, EFP cameras, ENG/EFP camcorders and digital cinema cameras.

'**Studio cameras**' is used to describe high-quality cameras, including high-definition television (HDTV) cameras. They are used for multicamera studio productions, such as news, interviews, panel shows, commercials, situation comedy, daily serial drama, and instructional shows that require high-quality video. Sometimes, even when the camera itself is relatively small, the big zoom lens and the attached teleprompter make it so heavy that it cannot be manoeuvred properly without the aid of a pedestal or some camera mount. Studio cameras can also be used in such 'field' locations as indoor tennis games, in medical facilities, concert and convention halls. The overriding criteria for using studio cameras are picture quality and control. You must also know that quality is a relative term in production. But in television production in particular, the extra quality and control achieved with studio cameras far outweigh the additional time and expense necessary for operating such equipment. The lens of a studio camera is usually larger (and therefore, more expensive) than the ones for ENG/EFP cameras and camcorders. Its zoom and focus controls are also attached to the panning handles of the studio pedestal and are driven by a servo (motorized) system. Normally, the rocket-type

zoom control is on the right, while the twist control for the focus is on the left.

EFP cameras are high-quality portable, shoulder-mounted field production cameras that must be connected to an external video recorder. EFP means electronic field production. An EFP can also be placed securely on a tripod. The EFP camera is almost never used for ENG (electronic news gathering) but rather for demanding documentary productions and outdoor scenes shot single-camera film-style (that is, where all shots are intended for postproduction studio editing). Today, because of the high quality of most EFP cameras, they are often used in the studio instead of the more expensive studio cameras.

ENG/EFP camcorders are high-quality portable field production cameras with inbuilt recording devices. There are basically two types: large, high-end HDV camcorders and much smaller HD and HDV camcorders. The full sized standard-definition (SDTV) and high definition (HD) camcorder looks much like its analogue predecessor and is operated in much the same way. By now you should have guessed that all large cameras and camcorders are a sort of high-duty video machines. This large camcorder, therefore, has a high-quality, interchangeable zoom lens, a high quality imaging device with three large CCD (charge-couple device, the imaging sensor in a TV camera) or CMOS (similar to CCD but which operates on a different technology) sensors in the megapixel range, a relatively large eyepiece viewfinder and, on some models, an additional foldout flat panel display. The small HD and HDV camcorders operate on the same principle as the digital consumer models. Today, most TV producers prefer this smaller camcorders to the large ones. In fact, this digital consumer model is often upgraded by the addition of better lens, a higher-quality imaging device and a few more video and audio controls. And because of their frequent use by professional ENG and EFP producers (mainly due to their smaller, lighter and much less expensive nature), they are now technically called *prosumer* model (a compound of professional and consumer).

Digital cinema comprises cameras specifically made for the production of digital cinema. In the context of cameras, digital cinema means that you use a TV camera or camcorder to make a movie. Generally, high-end HD cameras with high-quality external video recorders or high-end HD (HDTV) camcorders are used for the acquisition of footages. But when used for cinema, the TV camera is modified to facilitate the specific requirements of the filmic production process. The HD digital cinema cameras have large, multimillion pixel CCDs or CMOS sensors and generally operate in the 1080i or 1080p scanning mode. An important feature of the camera is its lenses, which are specially manufactured for HDTV cameras.

Thus, the development stage preceding actual production include scripting and the producer's preparatory work for directors, key actors, the budget and shooting schedule. There, the director, assistant director, unit production manager, and producer (discussed later in this Module) plan the sequence for shooting the individual scenes. The crew work together to outline the visual look of the production—how the scenes will be staged, set construction and decoration, costumes, makeup and hair design, and lighting.

The technical aspects of the filming process include operating the camera, lighting the scene, and recording the sound. Once the film has been shot, it then must be processed and printed. During this process or after it, special effects can be added to the film to create dramatic visual images. The last step in the production of a movie takes place in the film laboratory, where the visual and sound elements of the final cut are combined into a composite print. When the composite print is run through the projector, action and sound together create for the audience the vision of the story intended by the filmmaking team.

3.3.2 Radio Production and Sound Management

Radio production is about the transmission and reception of sounds. Sound vibrations leave the studio and is received after many processes by the listener in the comfort of his home. The processes are complex but mutually related. Let us see a classical example. A continuity announcer makes an announcement using a studio microphone. The higher the pitch of the sound he makes, the higher the frequency, or number of vibrations in a given amount of time. The sound enters the microphone, where it is converted into a weak electrical signal. The weak signal is amplified so that the wave generator creates a high-frequency radio signal. Then the carrier signal amplitude (height) is altered, or modulated, to reflect changes in the audio signal's amplitude. The signal travels to the antenna, then creates a corresponding electromagnetic field— a radio wave. This wave moves outward in all directions. Then an antenna picks up the radio wave; if the antenna is far from the transmitter, the signal would be weak, as the radio signal is cut in half. Since both halves of the signal hold the same audio information, only half of the signal is needed.

This signal is fed through a filter. This removes the carrier wave from the signal. What remains is the audio signal. The audio signal causes the radio speaker's diaphragm to vibrate, which creates sound waves. And finally, a sound wave equivalent to the continuity announcer's voice radiates from the speaker.

The foregoing implies that radio production begins with sound capturing or recording. To record a sound, a microphone changes the acoustic energy of sound waves in the air into electrical signals. Inside a

microphone is a thin, flat, metallic surface, called a diaphragm, that is suspended in a magnetic field. When a sound wave reaches the microphone, the air pressure changes around the diaphragm, causing the diaphragm to move. This movement within a magnetic field creates an electrical signal. The signal is then moved through a "signal chain" and finally transferred to a storage medium, such as a computer hard disc, a multitrack tape, a compact disc, or a phonograph record.

The signal chain for recording has the signal move from the microphone through a microphone preamplifier to a mixer that can combine the microphone signal with others. It can also send the signal to one or more output channels for stereo playback, and can alter the sound's quality by signal processing. The final signal is then controlled for loudness level and sent to the transmitter. This signal chain has the potential to greatly change original live performance.
At many radio stations, you will have little to say about the selection of the microphone that best suits the pick-up requirements of the moment. Those who have worked at a variety of radio stations often remark that you will find only a handful of microphone models in most radio station. All on-air and production studios at a given station will generally have the same model, though another model may be used for remote and news applications.

Therefore, you do not necessarily need to know all the details of microphone use to do your job in a radio station. A person doing production duties in a small radio station will generally use the microphone that happens to be hooked up to the console. A reporter will use whatever microphone is handed out before going out on assignment. In many production situations, the simplest of miking techniques and arrangements will be used time and time again.

However, you will be able to do even a basic production job better with a good working knowledge of microphones. In some cases, a detailed knowledge of microphone use will help you solve a thorny problem. Moreover, in the more advanced areas of radio production, such as recording live music, you must know microphone use inside and out.

The explanation of this situation is important because many newcomers to radio production become somewhat cynical after plowing through explicit details of microphone use and selection in their textbook but never using the knowledge during the class or in their first few jobs. So even though this knowledge might not seem essential right now, it might prove invaluable later.

With regard to the basics of sound, you should know that the microphone is a **transducer** — that is, it changes the energy of the motion of sound

into electrical energy. Sound itself is a vibration—a specific motion— of air molecules. What happens is this: a sound source causes alternating waves dots and rarefaction through the air. As a matter of fact, the eardrum too is a transducer, as it converts motion energy of vibration into electrical energy in the brain. But how does a microphone do this, and why are certain microphones better than others at reproducing certain sounds? To understand these things, we must understand the pickup pattern of the microphone— omnidirectional, bidirectional, and cardioid. An **omnidirectional** microphone picks up sounds equally well from all sides. The reason that an omnidirectional microphone can be equally sensitive to sounds from all directions is related to the fact that sound is a series of rarefactions and compressions of air molecules. The **bidirectional** microphone accepts sound from the front and rear and rejects it from the sides. The **cardioid** microphone, on the other hand, means that which is 'heart-shaped'.You can visualize this pattern in three dimensions by imagining that the microphone is the stem of a gigantic apple. Often, the cardioid pattern is called **unidirectional,** meaning that it picks up sound from only one direction. A special version of the cardioid pattern is the **supercardioid** pattern, which has a tighter curve in front and a lobe in back. The **hypercardioid** pattern has an even narrower front angle and a bigger rear lobe. Supercardioid and hypercardioid patterns, also called *unidirectional,* are generally used for highly directional applications on booms, such as in television studio work, when it is important to eject unwanted noises.

3.4 Postproduction Phase

In this phase, tasks, such as striking (taking down) sets, dismantling and packing equipment, handling final financial obligations, and evaluating the effect of the programme, are part of the postproduction phase. Even though postproduction includes all of these after-the-production jobs, most people associate postproduction with editing.

During production, there is scene by scene recording, and shot by shot filming (TV). These scenes and shots are not usually done in the order that they appear on the script or in a film. This is because recording depends on factors such as weather conditions, equipment/ actors' availability, and the set-construction schedule. Scenes that involve large, complicated sets often are recorded near the end of the project schedule, because these sets take longer to be completed. In *Titanic,* for example, the filmmakers built major interior rooms such as the grand staircase and dining saloon over a 19 million-litre tank of water (Moylan, 2009). The sets were supported by hydraulic systems that lowered them into the water to simulate the sinking of the ship.

In filming, each shot is called a *take.* For complicated shots such as battlefield sequences, the director may use multiple cameras to minimize

the number of takes. Even with multiple cameras, however, the director may require many takes before he is satisfied. In high-budget productions that involve complicated scenes, it is customary to film an entire sequence in one long *master shot*, which includes all the major action. *Cover shots* are brief shots that, edited into the master shot, give the scene proper dramatic emphasis and meaningful detail from moment to moment.

At the end of the day, the shots that the director likes are printed. The following day, the director, producer, cinematographer, and editor look at these dailies. During these screenings the director and editor begin to assemble shots into scenes and the scenes into sequence. Together, they solve problems. For example, if a shot went out of focus for a moment in a close-up, they may cover the lapse by cutting to a medium shot if they do not have another satisfactory take of the close-up. The finished product is the *final cut.* The film is then ready for sound editing, musical score, and mixing.

Editing is the selective copying of material from one source (or computer file) to another. The process is usually entirely electronic. So in a factual sense, nothing is cut, glued, or pasted. The original is not altered in any way by the editing process. Successful and efficient editing requires some specialized equipment, some knowledge of how the equipment works, and a great deal of planning and preparation both in shooting original footage and in editing itself. Because of the importance of editing to the overall production, some have attributed the entire postproduction process to the work of editing (Zettl, 2009; Moylan, 2009; Albarran, 2002).

In professional audio/visual editing using modern equipment or computer programmes, nothing is impossible. For example, it is not considered much of a problem at all to restructure sentences or even words by precise editing to change the meaning of what someone says. Digital audio files and the audio portion of digital video files can be processed using computers to change not only the sequence of sounds, but volume, pitch, and other characteristics. Once film makers discovered editing, they learned that audiences can see bits and pieces of a complete action and understand what is happening. Editors cut routine and boring parts of the action out of the scene to speed up the pacing. The basic concept is to create an illusion of continuity while leaving out parts of the action that slow the film's pacing. For example, you need to shoot this scene: 'A woman drives up to an apartment house in a car. She gets out. She enters the building and takes the elevator to the 12th floor. She gets out of the elevator. She walks to Apartment No. 1294 at the end of a long hallway. She knocks on the door.' The action takes five minutes in 'real time.' Viewers will get bored watching the woman travel from her car to the apartment house door if nothing meaningful happens during her journey. But with continuity editing, 'real time' is shortened to 'screen time':

LS: Car drives up to apartment house entrance.(10 sec)
MS: Woman gets out of car and walks towards apartment house. (5 sec)
ZOOM: From LS of apartment house to window on 12th floor. (2 sec)
LS: Woman gets out of elevator on 12th floor. (3 sec)
CU: Woman's feet as she walks away from the camera. (2 sec)
MS: Woman knocks on the door of Apt. 1294 (4 sec)
CU: Apartment No.1294 on door and her fist hitting door. (2 sec)

Seven shots (in 28 seconds) in screen time instead of five minutes in real time. Our imagination fills in the gaps — the walk into the building; waiting for the elevator; the elevator ride, etc. Postproduction editing thus compresses 'real time' to screen time' to hide the 'pieces of time' missing from the sequence.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you discuss the importance of preproduction to media production?
2. According to this Unit, discuss the various cameras used in TV production.
3. Editing is one very important component of the postproduction phase. Discuss.

5.0 SUMMARY

This Unit discussed the concept of production in three phases: preproduction, production and postproduction, highlighting from idea conception, through proposal writing and scripting, to field data gathering and studio editing. Most commercial broadcast station produce some or all of their programmes or buy some broadcast syndication programming for or all of it from other stations or independent production companies. Even though the unit explained that in the production activities, no particular phase should be stressed above the other, preproduction should not be taken lightly. We can never overemphasise preparation. Finally, the station manager must know that at the end, ideas and feelings, rather than effects, have a chance of enduring in a media production. Hence, the editor must be guided so as not to confuse the message with the medium.

6.0 CONCLUSION: CONFUSING THE MEDIUM WITH THE MESSAGE

As computer-controlled production and postproduction effects have become more sophisticated, media production has gone far beyond the original concept of simply joining 'segments' in a desired order to impress your audience. Editing, for example, is now a major focus of production

creativity. Thus, armed with the latest digital effects, the editing phase can add much in the way of razzmatazz to a TV production. In fact, it is easy to become enthralled with the special effect capabilities of a given piece of equipment. But then, one must be careful not to confuse the medium with the message.

As fun as all the razzmatazz effects might be to play with, station management must consider high-tech equipment merely as tools for a greater purpose: the effective communication of ideas and information. If this sounds a bit 'academicrophone', you might want to look at things from a broader timeline. For example, today's latest high-tech effects will look pretty lame a few years from now— think of the visual effects in some early films.

In the end, it is only the ideas and feelings, rather than the effects, that have a chance of enduring in a media production. How many times have you seen a movie and forgotten about it almost as soon as you left the theatre? In contrast, some movies seem to 'stick with you,' and you may think about them for days, weeks or even years. Studies have shown that average adults in the US spend more than 150 hours each month watching television. In fact, the average modern US home has more TV sets than people (Cyber College, 2012). The medium you are learning to control/manage can be used either to provide audiences with time-wasting, mindless, but high-tech drivel or with ideas that can make a positive difference in the overall scheme of things.

Thus, on the one hand, one conclusion we might reach with this section of the Module is the impression that effective media productions must involve large crews and impressive equipment. On the other, we must also know that the message is as important as the crew and equipment; for a very simple (and short) production can affect millions of people, even when such programme was done with one camera/microphone and a 'crew' consisting of one person.

7.0 REFERENCES/ FURTHER READING

Albarran, A. B., Anderson, T., Garcia Bejar, L., Bussart, A. L., Daggert, E., Gibson, S., Gorman, M., Greer, D., Guo, M., Horst, J. L., Khalaf, T., Lay, J. P., McCracken, M., Mott, B. and Way, H. (2007). What happened to our audience? Radio and new technology uses and gratifications among young adult users. Journal of Radio Studies, 14(2), 2-11.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry.* Boston: Allyn and Bacon.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran A. B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press. Albarran, A. B., and Dimmick J. (1996). Concentration and economies of multiformity in the
communication industries. *Journal of Media Economics,* 9(4), 41-50.

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston. Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon.

Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

Moylan, W. (2009). Radio Broadcasting. Microsoft Encarta (1993-2008). Microsoft Corporation; USA. Nisbett A. (1994) *Use of Microphones*, 4th ed., Stoneham MA; Focal Press.

Reese D.E. and Gross L.S. (2001) *Radio Production Worktext*. 4th ed., Stoneham MA; Focal Press.

Zettl H. (2009) *Television Production Handbook*, 10th ed., Wadsworth; Belmont, USA.

UNIT 3 TRANSMISSION REQUIREMENTS AND OPERATIONS

CONTENTS

1.0 INTRODUCTION

To broadcast its programmes, a station requires to operate certain technical equipment, such as a transmitter or antenna, which are often located at the highest point available in the transmission area, such as on a summit, the top of a high skyscraper, or on a tall tower. To get a signal from the master control room to the transmitter, a studio/ transmitter link (STL) is used. The link can be either by radio or T1/E1. A transmitter/ studio link may also send telemetry back to the station, but this may be embedded in subcarriers of the main broadcast. Stations which retransmit or simulcast others may simply pick up such stations over the air or via STL or satellite. The licence usually specifies which other stations is it allowed to carry.

Radio transmission is a way of sending messages using radio wave propagation. Before that can happen sound information must be converted into electrical form so that it can be transmitted using electromagnetic energy. The process of turning sound into this form so that it can be transmitted is called transduction. This involves two steps. First, sound is converted (encoded) into an electrical pattern. Second, the electrical signal travels through a channel that allows the encoded sound to reach a

transmission point (transmitter) and then on to a reception point (receiver).

2.0 OBJECTIVES

At the end of this study unit, you should be able to:

- Describe or explain in some details the constituents of TV transmission and reception
- Tell in your own words the differences between terrestrial, cable, microwave and satellite TV transmission systems
- Give a description of the functions of oscillation, modulation and antenna in radio broadcast transmission
- Explain the concepts of distortion and noise in radio reception

3.0 MAIN CONTENTS

3.1 TV Transmission and Reception Matrix

For television, VHF stations often have very tall antennas due to their long wavelength, but require much less effective radiated power (ERP), and therefore use much less transmitter power output, also saving on the electricity bill and emergency backup generators. In North America, full-power stations on band I (channels 2 to 6) are generally limited to 100kW analog video (VSB) and 10kW analog audio (FM), or 45kW digital (8VSB) ERP. Stations on band III (channels 7 to 13) can go up by 5dB(W) to 316kW video, 31.6kW audio, or 160kW digital. Low-VHF stations are often subject to long-distance reception just as with FM.

UHF, by comparison, has a much shorter wavelength, and thus requires a shorter antenna, but also higher power. North American stations can go up to 5000 kW ERP for video and 500 kW audio, or 1000 kW digital. Low channels travel further than high ones at the same power, but UHF does not suffer from as much electromagnetic interference and background ‘noise’ as VHF, making it much more desirable for TV. Despite this in the US, the Federal Communications Commission (FCC) is taking another large portion of this band (channels 52 to 69) away, in contrast to the rest of the world, which has been taking VHF instead. This means that some stations left on VHF will be harder to receive after the analog shutdown. Since at least 1974, there are no stations on channel 37 in North America for radio astronomy purposes.

3.1.1 Terrestrial TV transmission

The audio and video signals of a television programme are broadcast through the air by a transmitter. The transmitter superimposes the information in the camera's electronic signals onto carrier waves. The

transmitter amplifies the carrier waves, making them much stronger, and sends them to a transmitting antenna. This transmitting antenna radiates the carrier waves in all directions, and the waves travel through the air to antennas connected to television sets or relay stations.

The transmitter superimposes the information from the electronic television signal onto carrier waves by modulating (varying) either the wave's amplitude, which corresponds to the wave's strength, or the wave's frequency, which corresponds to the number of times the wave oscillates each second. The amplitude of one carrier wave is modulated to carry the video signal (amplitude modulation, or AM) and the frequency of another wave is modulated to carry the audio signal (frequency modulation, or FM). These waves are combined to produce a carrier wave that contains both the video and audio information. The transmitter first generates and modulates the wave at a low power of several watts. After modulation, the transmitter amplifies the carrier signal to the desired power level, sometimes many kilowatts (1 kilowatt equals 1,000 watts), depending on how far the signal needs to travel, and then sends the carrier wave to the transmitting antenna.

The frequency of carrier waves is measured in hertz (Hz), which is equal to the number of wave peaks that pass by a point every second. The frequency of the modulated carrier wave varies, covering a range or band of about 4 million hertz or 4 megahertz (4MHz). This band is much wider than the band needed for radio broadcasting, which is about 10,000Hz or 10 kilohertz (10kHz). Television stations that broadcast in the same area send out carrier waves on different bands of frequencies, each called a channel, so that the signals from different stations do not mix. To accommodate all the channels, which are spaced at least 6MHz apart, television carrier frequencies are very high. Six MHz does not represent a significant chunk of bandwidth if the television stations broadcast between 50 and 800MHz.

In many countries, including Nigeria, there are two ranges of frequency bands that cover 67 different channels. The first range is called very high frequency (VHF), and it includes frequencies from 54 to 72 MHz, from 76 to 88 MHz, and from 174 to 216 MHz. These frequencies correspond to channels 2 through 13 on a television set. The second range, ultrahigh frequency (UHF), includes frequencies from 407 MHz to 806 MHz and it corresponds to channels 14 to 69. In the US and Canada, channel 37 is used for radio astronomy and medical telemetry equipment, and not for television broadcasting. When the transition to all-digital television broadcasting is complete, channels 52 through 69 will no longer be used for television signals (Moylan, 2009; Zettl, 2009).

The high-frequency waves radiated by transmitting antennas can travel only in a straight line, and may be blocked by obstacles in between the transmitting and receiving antennas. For this reason, transmitting antennas must be placed on tall buildings or towers. In practice, these transmitters have a range of about 120km — approximately the distance between Lagos and Ibadan. In addition to being blocked, some television signals may reflect off buildings or hills and reach a receiving antenna a little later than the signals that travel directly to the antenna. The result is a ghost, or second image, that appears on the television screen. Digital transmission, however, eliminates ghosts and 'snow', since the picture that results is recreated from a digital code, and not from analog waves. Television signals may also be sent clearly from almost any point on earth to any other—and from spacecraft to earth—by means of cables, microwave relay stations, and communications satellites.

3.1.2 Cable and microwave transmission

Cable television was first developed in the late 1940s to serve shadow areas—that is, areas that are blocked from receiving signals from a station's transmitting antenna. In these areas, a community antenna receives the signal, and the signal is then redistributed to the shadow areas by coaxial cable (a large cable with a wire core that can transmit the wide band of frequencies required for television) or, more recently, by fibre-optic cable. Viewers even in Nigeria today subscribe to cable television services, which provide a wide variety of television programmes and films adapted for television that are transmitted by cable directly to their television sets. Digital data-compression techniques, which convert television signals to digital code in an efficient way, have increased cable's capacity to 500 or more channels.

Microwave relay stations are tall towers that receive television signals, amplify them, and retransmit them as a microwave signal to the next relay station. Microwaves are electromagnetic waves that are much shorter than normal television carrier waves and can travel farther. The stations are placed about 50km apart. Television networks once relied on relay stations to broadcast to affiliate stations located in cities far from the original source of the broadcast. The affiliate stations received the microwave transmission and rebroadcast it as a normal television signal to the local area. This system has now been replaced almost entirely by satellite transmission in which networks send or uplink their programme signals to a satellite that, in turn, downlinks the signals to affiliate stations.

3.1.3 Satellite transmission

Communications satellites receive television signals from a ground station, amplify them, and relay them back to the earth over an antenna that covers a specified terrestrial area. The satellites circle the earth in a geosynchronous orbit, which means they stay above the same place on

the earth at all times. Instead of a normal aerial antenna, receiving dishes are used to receive the signal and deliver it to the television set or station. The dishes can be fairly small for home use, or large and powerful, such as those used by cable and network television stations.

Satellite transmissions are used to efficiently distribute television and radio programmes from one geographic location to another by networks; cable companies; individual broadcasters; programme providers; and industrial, educational, and other organizations. Programmes intended for specific subscribers are scrambled so that only the intended recipients, with appropriate decoders, can receive the programme.

Direct-broadcast satellites (DBS) are used worldwide to deliver TV programming directly to TV receivers through small home dishes. The Federal Communications Commission licensed several firms in the 1980s to begin DBS service in the United States. The actual launch of DBS satellites, however, was delayed due to the economic factors involved in developing a digital video compression system. The arrival in the early 1990s of digital compression made it possible for a single DBS satellite to carry more than 200 TV channels. DBS systems in the US operate in the K_u band (12.0-19.0 GHz). The home systems consist of the receiving dish antenna and a low-noise amplifier that boosts the antenna signal level and feeds it to a coaxial cable. A receiving box converts the superhigh frequency (SHF) signals to lower frequencies and puts them on channels that the home TV set can display.

3.2 TV Reception

The television receiver translates the pulses of electric current from the antenna or cable back into images and sound. A traditional television set integrates the receiver, audio system, and picture tube into one device. However, some cable TV systems use a separate component such as a set-top box as a receiver. A high-definition television (HDTV) set integrates the receiver directly into the set like a traditional TV. However, some televisions receive high-definition signals and display them on a monitor. In these instances, an external receiver is required.

The analog tuner blocks all signals other than that of the desired channel. Blocking is done by the radio frequency (RF) amplifier. The RF amplifier is set to amplify a frequency band, 6MHz wide, transmitted by a television station; all other frequencies are blocked. A channel selector connected to the amplifier determines the particular frequency band that is amplified. When a new channel is selected, the amplifier is reset accordingly. In this way, the band, or channel, picked out by the home receiver is changed. Once the viewer selects a channel, the incoming signal is amplified, and the video, audio and scanning signals are separated from the higher-frequency carrier waves by a process called **demodulation**. The tuner

amplifies the weak signal intercepted by the antenna and partially demodulates (decodes) it by converting the carrier frequency to a lower frequency, which further increases the strength of the signals received from the antenna. After the incoming signals have been amplified, audio, scanning, and video signals are separated.

Over-the-air digital television requires a special tuner to receive and decode the digital broadcast signals. These digital tuners must be compliant with standards set by an international body called the Advanced Television Systems Committee (ATSC). When all television broadcasting becomes digital, viewers who watch over-the-air broadcasts on analog television sets that do not have ATSC equipment will need a special converter box to turn the digital signal into an analog signal. Customers of cable or satellite television may also require new equipment to view digital television, though some customers may not be affected. Special additional equipment is needed to decode high-definition digital television sent through cable or satellite, or broadcast over the air.

The analog audio system consists of a discriminator, which translates the audio portion of the carrier wave back into an electronic audio signal; an amplifier; and a speaker. The amplifier strengthens the audio signal from the discriminator and sends it to the speaker, which converts the electrical waves into sound waves that travel through the air to the listener. Digital audio decodes the digital signal and converts it into an electronic audio signal.

3.3 Radio Transmission and Reception Matrix

Radio waves, like other waves are measured by frequency, the number of times a wave varies above and below a zero point. This is represented visually by drawing a horizontal line representing zero. The wave can then be represented by drawing a line up (positive) back down through the zero point and down (negative), then back up to the zero point. One such oscillation on either side of zero is called a single cycle. Radio waves oscillate many times per second.

For the propagation and interception of radio waves, a transmitter and receiver are employed. A radio wave acts as a carrier of information-bearing signals; the information may be encoded directly on the wave by periodically interrupting its transmission (as in dot-and-dash telegraphy) or impressed on it by a process called modulation. The actual information in a modulated signal is contained in its sidebands, or frequencies added to the carrier wave, rather than in the carrier wave itself. The two most common types of modulation used in radio are amplitude modulation (AM) and frequency modulation (FM). Frequency modulation minimizes noise and provides greater fidelity than amplitude modulation, which is the older method of broadcasting. Both AM and FM are analog

transmission systems, that is, they process sounds into continuously varying patterns of electrical signals which resemble sound waves. Digital radio uses a transmission system in which the signals propagate as discrete voltage pulses, that is, as patterns of numbers; before transmission, an analog audio signal is converted into a digital signal, which may be transmitted in the AM or FM frequency range. A digital radio broadcast offers compact-disc-quality reception and reproduction on the FM band and FM-quality reception and reproduction on the AM band.

In its most common form, radio is used for the transmission of sounds (voice and music) and pictures (television). The sounds and images are converted into electrical signals by a microphone (sounds) or video camera (images), amplified, and used to modulate a carrier wave that has been generated by an oscillator circuit in a transmitter. The modulated carrier is also amplified, then applied to an antenna that converts the electrical signals to electromagnetic waves for radiation into space. Such waves radiate at the speed of light and are transmitted not only by line of sight but also by deflection from the ionosphere.

Receiving antennas intercept part of this radiation, change it back to the form of electrical signals, and feed it to a receiver. The most efficient and most common circuit for radio-frequency selection and amplification used in radio receivers is the superheterodyne. In that system, incoming signals are mixed with a signal from a local oscillator to produce intermediate frequencies (IF) that are equal to the arithmetical sum and difference of the incoming and local frequencies. One of those frequencies is applied to an amplifier. Because the IF amplifier operates at a single frequency, namely the intermediate frequency, it can be built for optimum selectivity and gain. The tuning control on a radio receiver adjusts the local oscillator frequency. If the incoming signals are above the threshold of sensitivity of the receiver and if the receiver is tuned to the frequency of the signal, it will amplify the signal and feed it to circuits that demodulate it, i.e., separate the signal wave itself from the carrier wave.

There are certain differences between AM and FM receivers. In an AM transmission the carrier wave is constant in frequency and varies in amplitude (strength) according to the sounds present at the microphone; in FM the carrier is constant in amplitude and varies in frequency. Because the noise that affects radio signals is partly, but not completely, manifested in amplitude variations, wideband FM receivers are inherently less sensitive to noise. In an FM receiver, the limiter and discriminator stages are circuits that respond solely to changes in frequency. The other stages of the FM receiver are similar to those of the AM receiver but require more care in design and assembly to make full use of FM's

advantages. FM is also used in television sound systems. In both radio and television receivers, once the basic signals have been separated from the carrier wave they are fed to a loudspeaker or a display device (usually a cathode-ray tube), where they are converted into sound and visual images, respectively.

3.4 Radio transmitter and its constituents

The essential components of a radio transmitter include an **oscillation generator** for converting commercial electric power into oscillations of a predetermined radio frequency; **amplifiers** for increasing the intensity of these oscillations while retaining the desired frequency; and a **transducer** for converting the information to be transmitted into a varying electrical voltage proportional to each successive instantaneous intensity. For sound transmission, a microphone is the transducer (while for picture transmission in television, the transducer is a photoelectric device). Other important components of the radio transmitter are the **modulator**, which uses these proportionate voltages to control the variations in the oscillation intensity or the instantaneous frequency of the carrier; and the **antenna**, which radiates a similarly modulated carrier wave. Every antenna has some directional properties, that is, it radiates more energy in some directions than in others, but the antenna can be modified so that the radiation pattern varies from a comparatively narrow beam to a comparatively even distribution in all directions; the latter type of radiation is employed in broadcasting.

The particular method of designing and arranging the various components depends on the effects desired. The principal criteria of a radio in a commercial or military aeroplane, for example, are light weight and intelligibility; cost is a secondary consideration, and fidelity of reproduction is entirely unimportant. In a commercial broadcast station, on the other hand, size and weight are of comparatively little importance; cost is of some importance; and fidelity is of the utmost importance, particularly for FM stations; rigid control of frequency is an absolute necessity. In the US, for example, a typical commercial station broadcasting on 1000kHz is assigned a bandwidth of 10kHz by the Federal Communications Commission, but this width may be used only for modulation; the carrier frequency itself must be kept precisely at 1000kHz, for a deviation of one-hundredth of 1 percent would cause serious interference with even distant stations on the same frequency. Quickly, let us take a look at three of these components: oscillator, modulation and antenna.

3.4.1 Oscillator

In a typical commercial broadcasting station, the carrier frequency is generated by a carefully controlled quartz-crystal oscillator. The fundamental method of controlling frequencies in most radio work is by

means of tank circuits, or tuned circuits, that have specific values of inductance and capacitance, and that therefore favour the production of alternating currents of a particular frequency and discourage the flow of currents of other frequencies. In cases where the frequency must be extremely stable, however, a quartz crystal with a definite natural frequency of electrical oscillation is used to stabilize the oscillations. The oscillations are actually generated at low power by an electron tube and are amplified in a series of power amplifiers that act as buffers to prevent interaction of the oscillator with the other components of the transmitter, because such interaction would alter the frequency.

The crystal is shaped accurately to the dimensions required to give the desired frequency, which may then be modified slightly by adding a condenser to the circuit to give the exact frequency desired. In a well-designed circuit, such an oscillator does not vary by more than one-hundredth of 1 percent in frequency. Mounting the crystal in a vacuum at constant temperature and stabilizing the supply voltages may produce a frequency stability approaching one-millionth of 1 percent. Crystal oscillators are most useful in the ranges termed very low frequency, low frequency, and medium frequency (VLF, LF, and MF, respectively). When frequencies higher than 10MHz must be generated, the master oscillator is designed to generate a medium frequency, which is then doubled as often as necessary in special electronic circuits. In cases where rigid frequency control is not required, tuned circuits may be used with conventional electron tubes to generate oscillations up to about 1000MHz, and reflex klystrons are used to generate the higher frequencies up to 30,000MHz. Magnetrons are substituted for klystrons when even larger amounts of power must be generated.

3.4.2 *Modulation*

Modulation of the carrier wave so that it may carry impulses is performed either at low level or high level. In the former case, the audio-frequency signal from the microphone, with little or no amplification, is used to modulate the output of the oscillator, and the modulated carrier frequency is then amplified before it is passed to the antenna; in the latter case the radio-frequency oscillations and the audio-frequency signal are independently amplified, and modulation takes place immediately before the oscillations are passed to the antenna. The signal may be impressed on the carrier either by frequency modulation (FM) or amplitude modulation (AM).

The simplest form of modulation is keying, interrupting the carrier wave at intervals with a key or switch used to form the dots and dashes in continuous-wave radiotelegraphy. The carrier wave may also be modulated by varying the amplitude, or strength, of the wave in accordance with the variations of frequency and intensity of a sound

signal, such as a musical note. This form of modulation, AM, is used in many radiotelephony services including standard radio broadcasts. AM is also employed for carrier current telephony, in which the modulated carrier is transmitted by wire, and in the transmission of still pictures by wire or radio.

In FM the frequency of the carrier wave is varied within a fixed range at a rate corresponding to the frequency of a sound signal. This form of modulation, perfected in the 1930s, has the advantage of yielding signals relatively free from noise and interference arising from such sources as automobile-ignition systems and thunderstorms, which seriously affect AM signals. As a result, FM broadcasting is done on high-frequency bands (88 to 108 MHz), which are suitable for broad signals but have a limited reception range.

Carrier waves can also be modulated by varying the phase of the carrier in accordance with the amplitude of the signal. Phase modulation, however, has generally been limited to special equipment. The development of the technique of transmitting continuous waves in short bursts or pulses of extremely high power introduced the possibility of yet another form of modulation, pulse-time modulation, in which the spacing of the pulses is varied in accordance with the signal.

The information carried by a modulated wave is restored to its original form by a reverse process called demodulation or detection. Radio waves broadcast at low and medium frequencies are amplitude modulated. At higher frequencies both AM and FM are in use; in today's commercial television, for example, the sound may be carried by FM, while the picture is carried by AM. In the superhigh-frequency range, in which broader bandwidths are available, the picture also may be carried by FM.

Digital radio (also called HD or high-definition radio) processes sounds into patterns of numbers instead of into patterns of electrical waves and can be used for both FM and AM broadcasts. The sound received by a radio listener is much clearer and virtually free from interference. The signals can be used to provide additional services, multiple channels, and interactive features. Satellite radio is also a form of digital radio but the signal is broadcast from communication satellites in orbit around Earth and not from local broadcast towers.

3.4.3 *Antenna*

The antenna of a transmitter need not be close to the transmitter itself. Commercial broadcasting at medium frequencies generally requires a very large antenna, which is best located at an isolated point far from cities, whereas the broadcasting studio is usually in the heart of the city. FM, television, and other very-high-frequency broadcasts must have very high

antennas if appreciably long range is to be achieved, and it may not be convenient to locate such a high antenna near the broadcasting studio. In all such cases, the signals may be transmitted by wires. Ordinary telephone lines are satisfactory for most commercial radio broadcasts; if high fidelity or very high frequencies are required, coaxial or fibre optic cables are used.

3.5 Radio Reception

The essential components of a radio receiver are an antenna for receiving the electromagnetic waves and converting them into electrical oscillations; amplifiers for increasing the intensity of these oscillations; detection equipment for demodulating; a speaker for converting the impulses into sound waves audible by the human ear (and in television a picture tube for converting the signal into visible light waves); and, in most radio receivers, oscillators to generate radio-frequency waves that can be ‘mixed’ with the incoming waves.

The incoming signal from the antenna, consisting of a radio-frequency carrier oscillation modulated by an audio-frequency or video-frequency signal containing the impulses, is generally very weak. The sensitivity of some modern radio receivers is so great that if the antenna signal can produce an alternating current involving the motion of only a few hundred electrons, this signal can be detected and amplified to produce an intelligible sound from the speaker. Most radio receivers can operate quite well with an input from the antenna of a few millionths of a volt. The dominant consideration in receiver design, however, is that very weak desired signals cannot be made useful by amplifying indiscriminately both the desired signal and undesired radio noise (see noise below). Thus, the main task of the designer is to assure preferential reception of the desired signal.

Most modern radio receivers are of the superheterodyne type in which an oscillator generates a radio-frequency wave that is mixed with the incoming wave, thereby producing a radio-frequency wave of lower frequency; the latter is called intermediate frequency. To tune the receiver to different frequencies, the frequency of the oscillations is changed, but the intermediate frequency always remains the same (at 455 kHz for most AM receivers and at 10.7 MHz for most FM receivers). The oscillator is tuned by altering the capacity of the capacitor in its tank circuit; the antenna circuit is similarly tuned by a capacitor in its circuit. One or more stages of intermediate-frequency amplification are included in all receivers; in addition, one or more stages of radio-frequency amplification may be included. Auxiliary circuits such as automatic volume control (which operates by rectifying part of the output of one amplification circuit and feeding it back to the control element of the same circuit or of an earlier one) are usually included in the intermediate-frequency stage. The

detector, often called the second detector, the mixer being called the first detector, is usually simply a diode acting as a rectifier, and produces an audio-frequency signal. FM waves are demodulated or detected by circuits known as discriminators or radio-detectors that translate the varying frequencies into varying signal amplitudes.

Digital and satellite radio require special receivers that can change a digital signal into analog sound. The digital signal can carry additional information that can be displayed on a screen on the radio. The title of a music track and the artist can be provided, for example. Some radios can even record songs in MP3 format.

3.6 Concepts of Distortion and Noise in Radio Reception

A form of amplitude distortion is often introduced to a radio transmission by increasing the relative intensity of the higher audio frequencies. At the receiver, a corresponding amount of high- frequency attenuation is applied. The net effect of these two forms of distortion is a net reduction in high-frequency background noise or static at the receiver. Many receivers are also equipped with user-adjustable tone controls so that the amplification of high and low frequencies may be adjusted to suit the listener's taste. Another source of distortion is cross modulation, the transfer of signals from one circuit to another through improper shielding. Harmonic distortion caused by nonlinear transfer of signals through amplification stages can often be significantly reduced by the use of negative-feedback circuitry that tends to cancel most of the distortion generated in such amplification stages.

Noise is a serious problem in all radio receivers. Different types of noise, each characterized by a particular type of sound and by a particular cause, have been given names. Among these are hum, a steady low-frequency note (about two octaves below middle C) commonly produced by the frequency of the alternating-current power supply (usually 60 Hz) becoming impressed onto the signal because of improper filtering or shielding; hiss, a steady high-frequency note; and whistle, a pure high-frequency note produced by unintentional audio-frequency oscillation, or by beats. These noises can be eliminated by proper design and construction. Certain types of noise, however, cannot be eliminated. The most important of these in ordinary AM low-frequency and medium-frequency sets is static, caused by electrical disturbances in the atmosphere. Static may be due to the operation of nearby electrical equipment (such as automobile and aeroplane engines), but is most often caused by lightning. Radio waves produced by such atmospheric disturbances can travel thousands of kilometres with comparatively little attenuation, and inasmuch as a thunderstorm is almost always occurring somewhere within a few thousand kilometres of any radio receiver, static

is almost always present. Static affects FM receivers to a much smaller degree, because the amplitude of the intermediate waves is limited in special circuits before discrimination, and this limiting removes effects of static, which influences the signal only by superimposing a random amplitude modulation on the wave. Digital and satellite radio greatly reduces static.

Another basic source of noise is thermal agitation of electrons. In any conductor at a temperature higher than absolute zero, electrons are moving about in a random manner. Because any motion of electrons constitutes an electric current, this thermal motion gives rise to noise when amplification is carried too far. Such noise can be avoided if the signal received from the antenna is considerably stronger than the current caused by thermal agitation; in any case, such noise can be minimized by suitable design. A theoretically perfect receiver at ordinary temperatures can receive speech intelligibly when the signal power in the antenna is only $4\times10^{-}18W$ (40 attowatts); in ordinary radio receivers, however, considerably greater signal strength is required.

4.0 TUTOR-MARKED ASSIGNMENT

5.0 SUMMARY

This Unit highlighted the various technical equipment and requirements needed for a station to transmit its programmes, for TV (terrestrial, cable and microwave, and satellite) transmission and reception, and radio (such as oscillator, modulator and antenna). Moreover, the concepts of distortion and noise in radio reception were explored. For example, radio transmission was explained as a way of sending messages using radio wave propagation. First, sound is converted (encoded) into an electrical pattern. Second, the electrical signal travels through a channel that allows the encoded sound to reach a transmission point (transmitter) and then on to a reception point (receiver).

6.0 CONCLUSION

It is the duty of a station manager to ensure that the transmission power of his station meets its requirement. Radio frequency power transmission is the transmission of the output power of a transmitter to an antenna. When the antenna is not situated close to the transmitter, special transmission lines are required. The most common type of transmission line for this purpose is large-diameter coaxial cable. At high-power transmitters, cage lines are used. Cage lines are a kind of overhead line similar in construction to coaxial cables. The interior conductor is held by insulators mounted on a circular device in the middle. On the circular device, there are wires for the other pole of the line.

Broadcast systems generally encode or format standards for the transmission and reception of terrestrial television signals. There are three main analog television systems in current use around the world: NTSC, PAL, and SECAM. These systems have several components, including a set of technical parameters for the broadcasting signal, an encoder system for encoding colour, and possibly a system for encoding multichannel television sound. In digital television, all of these elements are combined in a single digital transmission system.

7.0 REFERENCES/ FURTHER READING

Atgelt, Carlos A. (1992). Early history of radio broadcasting in Argentina. The Broadcast Archive. Retrieved 2 October from www.oldradio.com.

Bateman T.S. and C.P. Zeithaml (2010). *Management: Function and Strategy*. Boston: Richard D. Irwin.

Baudino, Joseph E; Kittross J.M. (Winter, 1997). Broadcasting's oldest stations: An examination of four claimants. *Journal of Broadcasting*: 61–82.

Briggs, Asa. *The History of Broadcasting in the United Kingdom* (Oxford University Press, 1961).

Center for Workforce Development (2011) *Transportation, Distribution and Logistics: Industry cluster summary*. CWD; USA.

Day, George. (1999). Aligning organizational structure to the market. *Business Strategy Review*. Autumn.

UNIT 4 PRODUCTION AND STUDIO HANDS

CONTENTS

1.0 INTRODUCTION

Many different people contribute their skills and talents to the making of a television programme. In some instances, there are ‘stars’ and other actors who appear on the screen as part of the story. Indeed, most people involved in the actual visual or audio production do not appear on camera. The most prominent roles behind the scenes are the producer, screenwriter, director, unit production manager, casting director, director of photography, designers, assistant directors, film and sound editors, and, sometimes, music composers. Because every televised programme, including newscast, is a unique project, the roles may overlap or differ, depending on the individuals involved.

2.0 OBJECTIVES

After studying this unit, you are expected to:

- Describe the interior of a TV and/or radio studio and its workings
- Describe the works of the various directors in the media production
- Explain the roles of these studio hands: assistant director, editor, and news anchor

3.1 A Typical TV Studio

A television studio is an installation in a television station in which video productions take place, either for the recording of live television to video tape, or for the acquisition of raw footage for post-production. The design of a studio is similar to, and derived from, movie studios, with a few amendments for the special requirements of television production. A professional television studio generally has several rooms, which are kept separate for noise and practicality reasons. These rooms are connected via intercom, and personnel will be divided among these workplaces. Quickly, let us examine the constituents of a typical TV station.

The studio floor is the actual stage on which the actions that will be recorded take place. While a production is in progress, people composing a television crew work the studio floor. A studio floor has the following characteristics and installations:

- decoration and/or sets
- professional video camera (sometimes one, usually several) on pedestals
- microphones
- stage lighting rigs and the associated controlling equipment.
- several video monitors for visual feedback from the production control room (PCR)
- a small public address system for communication
- a glass window between PCR and studio floor for direct visual contact is usually desired, but not always possible
- the on-screen talents themselves, and any guests - the subjects of the television show.
- a floor manager, who has overall charge of the studio area stage management, and who relays timing and other information from the television director.
- one or more camera operators who operate the professional video cameras, though in some instances these can also be operated from the PCR using remotely controlled robotic pan tilt zoom camera (PTZ) heads.
- a teleprompter operator, especially if this is a live television news broadcast

3.1.1 TV control rooms

A **studio control room** (SCR) is the place in a television studio in which the composition of the outgoing programme takes place. The **production control room** is occasionally also called a studio control room (SCR) or a ‘gallery’ – the latter name comes from the original placement of the director on an ornately carved bridge spanning the BBC's first studio at Alexandra

Palace which was once referred to as like a minstrels' gallery. Master control is the technical hub of a broadcast operation common among most over-the-air television stations and television networks. Master control is distinct from a PCR in television studios where the activities such as switching from camera to camera are coordinated. A transmission control room (TCR) is usually smaller in size and is a scaled down version of central casting. Facilities in a PCR include:

- A video monitor wall, with monitors for programme, preview, VTRs, cameras, graphics and other video sources. In some facilities, the monitor wall is a series of racks containing physical television and computer monitors; in others, the monitor wall has been replaced with a virtual monitor wall (sometimes called a 'glass cockpit'), one or more large video screens, each capable of displaying multiple sources in a simulation of a monitor wall.
- A vision mixer, a large control panel used to select the multiple-camera setup and other various sources to be recorded or seen on air and, in many cases, in any video monitors on the set. The term 'vision mixer' is primarily used in Europe, while the term 'video switcher' is usually used in North America.
- A professional audio mixing console and other audio equipment such as effects devices.
- A character generator (CG), which creates the majority of the names and full digital onscreen graphics that are inserted into the programme lower third portion of the television screen
- Digital video effects, or DVE, for manipulation of video sources. In newer vision mixers, the DVE is integrated into the vision mixer; older models without built-in DVE's can often control external DVE devices, or an external DVE can be manually run by an operator.
- A still store, or still frame, device for storage of graphics or other images. While the name suggests that the device is only capable of storing still images, newer still stores can store moving video clips and motion graphics.
- The technical director's station, with waveform monitors, vectorscopes and the camera control units (CCU) or remote control panels for the CCUs.
- In some facilities, VTRs may also be located in the PCR, but are also often found in the central apparatus room
- Intercom and IFB equipment for communication with talent and television crew
- A signal generator to genlock all of the video equipment to a common reference that requires colour-burst.

There is also the **master control room** (MCR), which houses equipment that are too noisy or run too hot for the production control room (PCR). It

also makes sure that coax cable and other wire lengths and installation requirements keep within manageable lengths, since most high-quality wiring runs only between devices in this room. This can include the actual circuitry and connections between: character generator (CG), camera control units (CCU), digital video effects (DVE), video servers, vision mixer (video switcher), VTRs, and patch panels.The master control room in a television station, is the place where the on-air signal is controlled. It may include controls to playout television programmes and television commercials, switch local or television network feeds, record satellite feeds and monitor the transmitter(s), or these items may be in an adjacent equipment rack room. The term 'studio' usually refers to a place where a particular local programme is originated. If the programme is broadcast live, the signal goes from the PCR to MCR and then out to the transmitter.

A television studio usually has other rooms with no technical requirements beyond broadcast reference monitors and studio monitors for audio. Among them are: one or more makeup and changing rooms; and a reception area for crew, talent, and visitors, commonly called the green room. The control room, which is where the video and audio switchers are located, should be as sound-proof as possible. The people working in the control room need to have the freedom to talk to each other without being picked up on the microphones being used in the studio. For control room to studio communication, a head-set system is used. Everybody wears one so the people in the control room can speak to the crew in the studio. The studio crew usually has to come up with some kind of 'puff code' or 'tap code' so they can answer back without actually making any real noise.

3.2 A Typical Radio Studio

The studio is a room that houses the equipment necessary for radio production work and in which a broadcaster's finished product is assembled is known as the production studio. What may initially appear to be merely a roomful of electronic equipment will become a comfortable environment, once you've become familiar with the space and components that make up the production facility. If your facility has several studios, they may be labelled 'Production 1' or 'Prod. B' or simply identified with a common abbreviation for the production studio, 'PDX.' Today, a streamlined digital 'studio' may merely be a workstation desk setup in the corner of a room with a mix of computer and audio equipment.

Traditionally, however, the radio production setting will be a full-blown studio and most radio facilities have at least two studios. One is usually delegated as the on-air studio and is used for live, day-to-day broadcasting. The others are production studios, used for putting together

programming material that is recorded for playback at a later time. In other words, radio production is whatever isn't broadcast live. This includes such items as commercials, features, public service announcements (PSAs), and station promotional or image spots (promos). Regardless of the actual physical size or shape, the production facility is the creative centre for a radio station or production house. Often the production studio mirrors the on-air studio with the same or very similar equipment configuration and serves as a backup for the on-air room. Some stations also have a studio that is considered a performance studio or announce booth. It usually is smaller than the other studios and houses nothing more than microphones, a table, and chairs. The output is normally sent to a production studio to be recorded, although sometimes it's sent directly to the on-air studio for live broadcast. A performance studio can be used for voice-over work, for taping interviews, for discussions involving several guests, or for putting a small musical group on the air.

Two of the biggest concerns for radio studio design are acoustics and ergonomics. Acoustics refers to how sound 'behaves' within an enclosed space; and ergonomics refers to design considerations that help reduce operator fatigue and discomfort. While you may never build or remodel a broadcast studio, an understanding of the characteristics of the production room can help you assess your facility and suggest ways you can improve the surroundings you'll be working in.

The equipment (by processes) in a typical radio production studio include the following: a **microphone** transforms the announcer's voice into an audio signal. It is not uncommon for a production facility to have one or more **auxiliary microphones** for production work that requires two or more voices. Most production rooms also have two **CD players**, enabling different CDs to be played back-to-back or simultaneously. Many production studios still house a **turntable** so the occasional vinyl record can be played, but some have eliminated this piece of equipment. Audio recorder/player sources often include **reel-to-reel** or **cassette recorders**, although these analog devices, like the turntable, are becoming obsolete. Modern studios utilize digital gear, such as the **MiniDisc** recorder, **personal audio editor**, **CD-R** (compact disc) recorder, or computer-controlled **digital audio workstation**. How many recorders or players are found in the production studio depends on the complexity of the studio and the budget of the station.

All of this equipment feeds into the **audio console**, which allows the operator to manipulate the sound sources in various ways. Signal processing equipment, such as an **equalizer**, **noise-reduction system**, or **reverb unit**, is usually put into the audio chain between the audio console and the **transmitting** or recording **equipment**. Monitoring the sound

during production work is accomplished with studio **speakers** or **headphones**.

3.3 An Overview of Studio Hands

Several personnel contribute to the success of a broadcast studio. Moreover, many people work behind the transmitter. Stations are as diverse as the markets they serve and as fluid as the changing industry in which they operate. The corporate structure of a station, in many ways, looks like any other big business. Employees focus on finance, technology, sales and community relations. It takes all kinds of professionals to make a station work, including many who are never heard or seen.

In television, for example, major dramatic productions have a **wardrobe** person who sees that actors have clothes appropriate to the story and script. The **audio director** or **audio technician** arranges for the audio recording equipment, sets up and checks microphones (microphones), monitors audio quality during the production, and then strikes (a production term meaning disassembles and, if necessary, removes) the audio recording equipment and accessories after the production is over. The **microphone/ camera boom/ grip operator** watches rehearsals and decides on the proper microphones or camera and their placement for each scene. During on-location (out-of-the-studio) shoot, he may need strong arms to hold the boom over the talent for long periods of time.

The **video recorder operator** arranges video recording equipment and accessories, sets up video recordings, performs recording checks, and monitors video quality. In dramatic productions, the **continuity secretary** (CS) carefully makes notes on scenes and continuity details as each scene is shot to ensure that these details remain consistent among takes and scenes. This is a much more important job than you might think, especially in single-camera, on-location production. Once production concerns are taken care of, the continuity secretary is responsible for releasing the actors after each scene or segment is shot.

The **CG Operator** (electronic character generator operator— actually, there are various names for this, including electronic graphics and terms relating to the specific equipment) programmes (designs/types in) opening titles, subtitles, and closing credits into a computer-based device that inserts the text over the video.

Camera operators do more than just operate cameras. They typically help set up the cameras and ensure their technical quality, and they work with the director, lighting director, and audio technician in blocking (setting up) and shooting each shot. On a field (out-of-the-studio, or on-location) production, they may also coordinate camera equipment pickup and delivery.

Depending on the production, there may be a **floor manager** or **stage manager** who would be responsible for coordinating activities on the set. One or more floor persons or stagehands may assist him. After shooting is completed, the **editors** use the video and audio recordings to blend the segments together. **Technicians** add music and audio effects to create the final product. The importance of editing to the success of a station production is far greater than most people realize. An editor can make or break a TV production. Now let us take a teaching tour of the various actors in TV production. Note that the particular order I presented them here does not matter, nor is the list exhaustive. This is just an overview lesson. So I advise you read the recommended text at the end of the unit to get a better grasp of the various production hands.

3.3.1 A Producer

The producer is responsible for turning an audiovisual idea or concept into a successful programme. Where this involves a special production, such as a television serial or soaps, the producer would also seek sponsors to pay for the production, hire actors and the production team or crew, and supervise the production process. If he has obtained financing from a sponsor, that organization may want a representative to be on hand during production. This representative is called the executive producer. In addition, anyone who contributes substantially in any manner to the production—with their time, money, or influence—may receive the credit of associate producer or some similar title. A production assistant works with all production personnel, helping where necessary. A production manager is responsible for all of the details required in the actual production of local programming. The production manager supervised producers, directors, floor directors and stage managers.

3.3.2 Screenwriter

In television station operations, a screenwriter develops original ideas for a production, or he attempts to adapt previously produced pieces of work. Adaptations may come from novels, news items, stage plays, musicals, or other sources. Screenwriters may be sourced from outside the station. In fact, most screen writers prefer to work independently. Thus, they work in two ways. They can be commissioned to write a script or they can write a script *on spec* (short for 'on speculation'), meaning that the screenwriter is hoping that the station would like the independently written script enough to buy the rights to it and arrange for production. Once a screenplay has been purchased, the producer may decide to have it rewritten either by the original writer or by new writers.

3.3.3 Directors

The **programme director** analyzes the script, visualizes how the film should look, and guides the actors and the production crew as they carry out that vision. Many people imagine the director as the person who

controls every aspect of film production, but the director's role is usually not quite this broad. Instead, a film is a cooperative project between the director, the producer, the actors, and the crew members. A good director balances his or her desires with other people's to produce the best film possible, while all the time remaining as true as possible to his or her initial vision.

During the production process, several factors can influence how the director's vision of the film is carried out. If negotiations with an actor break down, then another actor may have to be found for the part. If much of the film takes place outside and the weather does not cooperate, the film's settings may have to be changed. And if a key actor or crew member interprets a scene differently than the director does, the director may ultimately accept that vision of the scene. Ideally, the producer and director share a vision for the film and agree on how to make the film. (If they do not, and the differences are great, the director may be fired from the project.) When the film is ready to be edited, the director supervises the *first cut* (the name given to the edited film). After that, however, the producers can come in and re-edit the film, if they want. Very few directors have the right to approve the final cut of a film.

The **casting director** selects actors and negotiates contracts during the hiring process, although the final choice—particularly when selecting stars for lead roles—usually falls to the director and the producer. When selecting actors for a film, casting directors take many factors into account, such as an actor's suitability for the role, box-office appeal, acting ability, and experience.

Some production have at least one assistant director (AD). The ADs assist the director in almost every task. The highest-ranking AD, called the first AD, has several duties. He or she creates the overall shooting schedule, which lists the days for filming each scene, and manages many of the day-to-day problems that arise on the set. Each day the first AD also submits the following day's *call sheet* (schedule for cast and crew) to the UPM and the director for approval. And the first AD works with the director during shooting, assisting in the preparation for each shot. The second AD assists the first AD by getting the cast and crew to the right places at the right times, looking after *extras* (people who appear in the background to lend reality to a production), and taking care of many of the details involved in preparing for the next day's recording.

3.3.4 Director of Photography (TV)

The director of photography (DoP), also known as the cinematographer, works closely with the director and interprets the action of the story in terms of light, shade, composition, and camera movement. Other responsibilities include selecting the type of lens to be used for a shot,

which influences the appearance of the image, and determining the camera's position and angle. The DoP rarely operates the camera directly; this function usually falls to a camera operator.

3.3.5 Unit Production Manager

The unit production manager (UPM), who reports to the producer, is responsible for scheduling, budgeting, selecting many of the crew members, and arranging for permits from various authorities and owners to record at locations outside the studio. The UPM also oversees the purchase of goods and services, handles the day-to-day business of running the production office, and ensures that the project stays within its budget.

3.3.6 Actors/ Talents (TV)

The actors play the roles of the film. To create believable characters, they rely on the details in the script, the director's vision, and their own sense of the role. In most films, the actor's job is to make the audience believe that the character is a real person speaking unrehearsed lines in a natural setting. An actor normally accomplishes this through voice, movement, and the portrayal of emotion. But other artistic qualities also affect the audience's judgment. These qualities are often difficult to describe or define, but they include charm, depth of feeling, originality, plausibility, and physical appearance.

Acting is a complex art. The mastery of voice projection, various manners of speaking, gesture, movement, and other abilities is only part of the craft. Other basic acting skills include an ability to memorize lines, develop a sense of timing, and express a character's social status, age, and temperament. Many films involve actions that could result in injury. These actions may be as dramatic as jumping off a cliff or as commonplace as tripping and falling down. During many potentially dangerous scenes, specially trained stuntmen and stuntwomen fill in for the actors. This ensures that the stunt will be performed as safely as possible, and that the actors will not risk injury. Nevertheless, some stars, such as Chinese actor Jackie Chan, insist on doing their own stunts. For scenes in which animals must perform, specially trained animal 'actors' appear.

3.3.7 Designers (TV)

The production designer, sometimes called the art director, is responsible for the set designs and the overall look of the film. In some films, creating sets involves a great deal of work. For example, a realistic Western may call for the construction of the façade of an entire main street, along with the interiors of a saloon, hotel, and other buildings. The clothing that the actors wear also contributes to the look of a film, so the costume designer is a key member of the production team. He or she designs appropriate

costumes or searches out vintage clothing in stores or costume houses. Additional designers deal with lighting, makeup, and other visual aspects of the production.

3.3.8 Editors

Television or motion pictures are filmed in hundreds of brief shots, which must be arranged into a final product that fulfills the vision of the director and producer. This responsibility falls to the editor. The editor first screens each day's film footage (called dailies or rushes) for the director and key members of the crew. Preparation of the dailies continues throughout the production period, meaning that the film is being edited at the same time that it is being shot. Screening the dailies enables the director and producer to choose the best shots and to decide if they need to reshoot any scenes for technical or artistic reasons. After the principal filming is done, the editor finishes the editing of the film and supervises optical effects (such as freeze-frames) and titles that are to be inserted into the motion picture.

The director, producer, or editor also may decide that parts of the film have inferior sound quality. A sound editor then re-records the actors' voices in these scenes. The actors speak the lines in the studio while viewing the scene on-screen, in a process called *automatic dialogue replacement* (ADR). Sound editors also add recorded sound effects to complete an environment for the film. For example, if a scene takes place on a city street, the editors may add honking horns and other appropriate background traffic noises. One of the final steps in the editing process is the preparation and mixing of the separate sound tracks so that all the tracks—dialogue, music, and sound effects—are blended together to create a seamless unified sound experience for the audience.

3.3.9 Talents and Others

Foley artists help create background or peripheral noises, such as footsteps. A *gaffer* supervises electrical work and is assisted by the *best boy*. The *key grip* supervises the *grips,* who set up and adjust production equipment on the set. The *production sound mixer* supervises the sound recording during a shoot, and the *sound mixer* puts together all the sound for the final track by adjusting volume, fading noises in and out, and creating any other necessary audio effects. Depending on the genre and budget, a production can require many other professionals, including assistants, carpenters, drivers, etiquette coaches, historical consultants, housing coordinators and medics.

News reporters are the key 'front-line' people in the news department. They are on-the-scene at every kind of event. *News writer's* responsibilities may include monitoring news feeds, preparing news packages for voicing by anchors or reporters, researching story

information, booking guests for live interviews on news shows and producing segments of news programmes. *Announcers* are a radio station's 'voice' and are often those with whom the public identifies. They introduce programmes, reads commercial copies and public service announcements, and are involved in the overall public presentation of the station.

The *graphic artist* (TV) supports all production activities. Computer skills are particularly valuable, as is a background in art and design and radio-television production. The *stage manager* is often the programme director's representative on the studio floor and at the site of any live broadcast. An *assignment editor* is responsible for the gathering of the news that goes into a programme. Usually a team effort, they set news coverage priorities, organize the logistics of crews and reporters, and arrange for the various satellite feeds and live on-scene coverage.

There are different types of writers. For example, once the marketing strategy for a client is determined, the *copywriter* then creates the content for the radio spots. Copywriters are often staff members who write commercial and promotional copies in support of the station's sales, marketing and promotion efforts. There is also the place of *continuity writer*, who writes some of the local commercial and promotional copy. The *composer* works with the director and editor to create a musical score that provides transitions between scenes and an emotional point of view for scenes and the production as a whole. Music is often used to enhance dramatic contents.

There is always the *receptionist*, a position most often ignored by management scholars. This of course is present in all respectable organizations. The duties of the receptionist vary according to the size of the station. And then the most visible on-air staff members of a radio studio/station are *disc jockeys* (DJs). They entertain listeners and discuss music and promotions.

4.0 TUTOR-MARKED ASSIGNMENT

1. There is more than one director in the film-making process. Discuss.
2. Can you explain in your own words the connection between the studio hands you have learn t so far?
3. How would you describe the relationship between the works of a film producer and a film editor?

5.0 SUMMARY

This Unit has succinctly discussed production and studio hands, presenting at first the look of typical television and radio studios. It also highlighted the position and works of a producer, screenwriter, director, director of photography, unit production manager, actors/ talents, designers, editors, talents and others. These constitute the different people that contribute their skills and talents to the making of a radio or television programme. The Unit made it clear that most people (such producer, screen/scriptwriter, director, etc) involved in the actual visual or audio production do not appear on camera.

6.0 CONCLUSION

Stations are as diverse as the markets they serve and as fluid as the changing industry in which they operate. The corporate structure of a station, in many ways, looks like any other big business. Employees focus on finance, technology, sales and community relations. It takes all kinds of professionals to make a station work, including many who are never heard or seen. The work of station management is to oversee all the various hands and coordinate people and resources towards successful production, transmission and reception of their programmes. A studio is an installation in which audio or audiovisual productions take place, either for the recording of live programme, or for the acquisition of raw footage for postproduction. Several personnel contribute to the success of a broadcast studio, with many working behind the scene and/or the transmitter.

7.0 REFERENCES /FURTHER READING

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston.

Albarran, A. B., and Dimmick J. (1996). Concentration and economies of multiformity in the communication industries. *Journal of Media Economics,* 9(4), 41-50.

Albarran A. B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran, A. B., Anderson, T., Garcia Bejar, L., Bussart, A. L., Daggert, E., Gibson, S., Gorman, M., Greer, D., Guo, M., Horst, J. L., Khalaf, T., Lay, J. P., McCracken, M., Mott, B. and Way, H. (2007). 'What happened to our audience?' Radio and new

technology uses and gratifications among young adult *users. Journal of Radio Studies, 14(2),* 2-11.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry.* Boston: Allyn and Bacon.

Albarran, A. B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Ascher, Steven, and Edward Pincus. The Filmmaker's Handbook: A Comprehensive Guide for the Digital Age. Rev. ed. Plume, 1999. A handbook for beginning and more advanced filmmakers.

Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon.

Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Goodell, Gregory. Independent Feature Film Production. 4th ed. St. Martin's, 1998. A comprehensive guide, used in classrooms.

Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

MODULE 3 MANAGING IN ELECTRONIC MEDIA STATION

UNIT 1 CONCEPT OF MANAGEMENT IN THE MEDIA

CONTENTS

1.0 INTRODUCTION

As a starting point, this unit is to give you an overview of what management is and how this applies to the electronic broadcast station. Very simply, managers supervise, monitor, and coordinate the different areas of an organization for the purpose of achieving defined organizational objectives. Financial managers focus on generating and reinvesting finance capital; human resource managers help recruit people

with desirable skills and place them where they are most needed; while marketing managers help sell final goods and services to customers. Management skills refer to the basic competencies needed by electronic media station managers, while management functions refer to the tasks that mangers perform. On the other hand, management roles are the different roles managers adopt as they interact with constituencies, such as employees, owners, consumers, competitors and peers. This unit shows looks at the different functions and roles in station management.

2.0 OBJECTIVES

At the end of studying this unit, you must:

- Have a general overview of the concept and definitions of organizational management, in general, and station management, in particular.
- Understand and define, in your own words, the concept and/or principle of management in a broadcast station.
- Know the differences between management functions, roles and skills

3.0 MAIN CONTENT

3.1 Concept of Management

Discourses in organizational management dates to what was provided by the American engineer, Frederick Taylor, who developed techniques for analyzing the operations involved in production and for setting standards for a day's work (Block, Housely, Nicholls and Southwell, 2001), Hertzberg, 1996). These techniques were later adapted by industrialists to other phases of business, including the employment of qualified workers, and wage incentive programmes either to replace or supplement the piecework system that had previously prevailed. Management experts who succeeded Taylor applied his techniques to a wider range of business problems.

Whether in broadcasting or industrial corporations, management is a term used to describe the techniques and expertise of efficient organization, planning, direction, and control of the operations of a business. In the general theory of organizational management, an organization has two principal aspects: one relates to the establishment of the so-called lines of responsibility, drawn usually in the form of an organization chart (or organogram) that designates the executives of the business, from chief executive officer to the foreperson or department head, and specifies the functions for which they are responsible. The other principal aspect relates to the development of a staff of qualified executives (Hertzberg, 1996).

A single radio cluster in a state in Nigeria may have about five management positions. The programme director is responsible for the on-air sound of the stations. The general manager (sales) is charged with the responsibility of advertising sales. A line or traffic manager coordinates the scheduling of commercial advertisements and other programme materials for broadcast. The chief engineer makes sure every machine works properly from a technical standpoint. The general manager (also called marketing manager in some quarters) monitors and continually evaluates the entire operation and reports to the station owners, stakeholders or board of directors or governors. As managers, each has specific areas of responsibility, supervises coworkers, and contributes to the overall performance of the organization.

3.2 Levels of Management

As I have earlier pointed out, while titles vary, there is wide agreement that most media organizations support three levels of management. A study involving about one thousand five hundred managers found that the responsibilities of first or lower level manager, middle managers and executives at equivalent levels similar, regardless of whether it is a radio or television station (Kraut, Pedigo, McKenna and Dunnette, 1989). One encounters different responsibilities at different management levels. Although tasks and duties vary as a manager moves through these levels, all managers share certain skills, functions and roles.

1. **Lower-level managers**: This group centres on supervision others and monitoring individual performance. In this category is a programme director, who evaluates the on-air staff of a media organization, or a local sales manager, who monitors advertising sold by local account executives.
2. **Middle Managers**: This group typically plan and allocate resources and manage groups of people. An example of a middle manager in a media station is a general sales manager, who must coordinate the activities of the sales department at both the local and national levels.
3. **Top–level or executive managers**: These monitor the entire organizational environment, identifying internal and external factors that impact their operations. General managers for television, radio, cable and telecommunications facilities must keep pace with such diverse factors as local business economics, social trends, the regulatory climate of the industry and the internal activities of their respective operations.

Managerialism is the belief that organisations have more similarities than differences, and thus the performance of all organisations can be optimised by the application of generic management skills and theory. To a practitioner of managerialism, there is little difference in the skills required to run a college, an advertising agency or an oil rig. Experience

and skills pertinent to an organisation's core business are considered secondary. The term can be used disparagingly to describe organisations perceived to have a preponderance or excess of managerial techniques, solutions, rules and personnel, especially if these seem to run counter to the common sense of observers.

3.3 Functions of Management

Management has been defined as a 'process'. The term 'process' describes a series of actions or events marked by change (Albarran, 2010). Most of the time, process is used to define a continuous operation in which many things are happening simultaneously. Management is often considered to be a process because of its ongoing state of operation. Using process to describe electronic media management is especially appropriate. After all, media stations even in Nigeria today operate 24 hours a day, 7 days a week, all year round. Thus, management, programme and advertising contents change constantly. And as you would learn later, programme development, production, and distribution require the many skills, functions and roles of station managers. Furthermore, electronic media management must deal with changing consumer tastes and preferences, as well as social, regulatory and technological trends. Thus, station management is not a static concept but a dynamic, evolving process.

At this juncture in the course, one disturbing question you may want to ask is: So what exactly do managers do? This question is a legitimate one, considering the outline of this course in media station operations and management. According to Bernard (1968), one of the earliest investigations to management functions was done in 1938. The investigation revealed three key management functions, which were:

1. Providing a system of organizational communication
2. Procuring proper personnel
3. Formulating and defining the purpose and objectives of an organization

This categorization was forthwith considered too simplistic for the purpose of academic discourse. There seemed to be so many assumptions, for instance, packed into 'providing a system of organizational communication' as a single function. Therefore, Fayol (1949), a French theorist, specified the functions of management as those of planning, organizing, commanding, coordinating and controlling (which he called the POC3 model). Carroll and Gillen (1987) observed that many management scholars showed a heavy bias towards the Fayol model. Thus later scholars modified this earlier model and replaced the commanding and coordinating with motivating, thus forming the P-O-M-C model.

In the attempts at determining how true the classical functions of Fayol are, different schools of thoughts emerged. For instance, Mintzberg (1975), after identifying ten *distinct* managerial functions, found that most of the POMC functions form part of the folklore that inaccurately describes management. Hales (1986) and Kotter (1982) challenged the validity of the so-called classical model propounded by Fayol. Some others (Kanter, 1989) claimed that acquisitions and divestitures, reduction in personnel and levels of hierarchy, and an increased use of performance-based reward system would invariably create a new managerial work environment with different management functions.

You must note that as divergent as these arguments are, they add to the academic richness of this important organizational issue: management. The seeming conflicting views presented by different scholars could imply an integrated approach to management functioning, combining both classical and modern perspectives, for better outcomes in the management of an electronic media station. The conclusion too is that no matter how many times we argue the functions of management back and forth, certain ingredients are crucial, that is, planning, organizing, motivating and controlling. The three others, according to Albarran (2010), are facilitating, communicating and negotiating. Let us take a look at these functions.

3.3.1 Planning

For certain obvious reasons, most management scholars always come up with planning as the first management function. Planning involves establishing organizational objectives and providing others with the resources needed to accomplishing their tasks. Thus, objectives and aims should be well ahead of any organizational activity. Bot short and long-term objectives need to be established in the planning process. However, it is important to note that both managers and employees share in creating organizational objectives. Gershon (2000) stated that contemporary electronic media management environment leans heavily on strategic planning as an important management tool.

3.3.2 Organizing

The organizing function addresses who is responsible for completing or achieving certain organizational objectives. Operations within a radio or television station maintain specific units or departments (such as operations, sales, engineering and news and current affairs) to handle individual responsibilities. Individual departments need their own planning objectives, budget, and staff to meet necessary goals, which then allows upper-level managers to concentrate on other activities. Managers of individual departments are linked to the overall structure of the organization to create a holistic environment. Tensions may arise between

individual departments over the best way to addressing problems. When this occurs, however, managers mediate to resolve conflict.

3.3.3 Motivating

Numerous theories on motivation exist, but many studies have yielded similar findings: employees want managers to recognise them for their individual achievements and contribution to the organization, and they want opportunities for continued growth and advancement (Maslow, 1949; Buckingham and Coffman, 1999; Herzberg, 1987). Motivating employees to a high level of performance directly helps any media organization to accomplish its goals. On the other hand, if motivation is low, productivity suffers. Certain positions in the electronic media station need less management than others in this regard because the incentives are built in; for example, audience and feedback, the public relations unit, while commissions motivate accounts executives. For other areas such as production, research, and engineering, motivation can be an important managerial function.

3.3.4 Controlling

Controlling, as a management function, involves several areas of responsibility: giving feedback to other managers and employees, monitoring the progress towards completion of organizational objectives, and making changes as situations demand. Feedback takes many forms; for example, written, verbal and electronic (email, text messaging, etc). A common criticism of managers is that they do not offer enough feedback to employees to let them know how they are performing. Positive feedback helps motivate employees. Also, monitoring is essential to the control function. Managers must keep tabs on the progress of organization objectives and help solve related problems. Finally, the ability and courage to make changes is an important control mechanism. Ultimately, such changes impact other personnel and perhaps even lead to their termination. While managers must be sensitive to the needs of their employees, they must also keep the goals and objectives of their operations in view.

3.3.5 Facilitating

Most times this management function is assumed in ‘motivating’. The key ingredient of facilitation, however, is not reward but the provision of the needed resources for achieving organizational objectives. Managers, as facilitators, must empower the employee with the necessary resources to complete organizational tasks. These resources may include personnel, money and equipment. The facilitator function is most prominent at the executive and middle-level management. For individual units or departments to function, managers must provide more than just moral support. They must articulate the needs of their unit when they develop a budget and even seek additional resources as needed on an ongoing basis.

No studio producer in a radio station will produce quality work with bad microphones. Likewise, no producer will produce good outcomes in a television station with archaic and/or faulty modern cameras.

3.3.6 Communicating

This function permeates all areas of the management in any organization. Modern radio and television station managers, in particular, have many ways to communicate with their employees and other collaborators who need and expect them to keep them abreast of information important to their jobs. Formal lines of communication include newsletters, memos, and performance reviews. Informal lines of communication, however, are becoming the more important. As in any field, managers in electronic media stations should not stay isolated in an office on the phone or in front of a computer during working hours. They must regularly visit employees in studios, offices, and other workstations or outstations, and establish a participatory climate beneficial to the organization. They must encourage communication from employees by granting access in diverse ways, through voice and email, regular meetings in which ideas and concerns are shared, and an open-door office policy, as opposed to employee visit by appointment.

3.3.7 Negotiating

Managers in the electronic media stations, most of the time, serve as negotiators in a variety of situations. Negotiation with employees may involve salary and benefit packages, contracts for talents, bargaining with guilds and union, and requests from low and mid-level managers for new personnel. In programme acquisition, the fee for copyrighted materials, licence fees, news services, and local productions are all negotiable. Equipment needs often constitute a third area of negotiation. Managers often bargain for the price of expensive items, such as transmitters and production equipment. Similarly, advertising prices are determined by the available supply of commercial inventory and the demand by advertisers. Other forms of negotiation may involve owners, regulators, community leaders, business organizations and members of the audience or public. In all types of negotiation, managers attempt to seek the best possible solution for their operations.

3.4 Management Skills

Management theorists identified three broad areas of skills needed in the management process, concerning any organization: technical, human and conceptual (Hersey, Blanchard and Johnson, 2008). A technical skill is the ability to use tools, techniques, and specialized knowledge to carry out a method, process, or procedure (Higgins, 1994). Much of the technology that farmers know and can use so well comes under this management skill. Human skills are used to build positive interpersonal relationships, solve human relations problems, build acceptance of one’s co-workers, and

relate to them in a way that their behaviour is consistent with the needs of the organization. Conceptual skills involve the ability to see the organization as a whole and to solve problems in a way that benefits the entire organization. Analytical, creative and intuitive talents make up the manager's conceptual skills. However, some other scholars have added to the three skills what they consider equally crucial to successful media management. These are financial skills and marketing skills (Albarran, 2010).

3.4.1 Human relations or people skills

Successful managers in the electronic media stations exhibit strong interpersonal skills and are particularly adept at leading and motivating employees. Most employees see no other area as clearly as a manager's human relations skills (or what others call people skills). In fact, some managers identify this as the most important skill in the process of management (Hersey et al., 2008). A station manager needs to be dynamic, visionary, and motivated in order to lead the operations effectively and create a spirit of cooperation and participation among all the employees.

3.4.2 Technical skills

The ability to provide hands-on training is an important managerial skill, since employees usually have greater respect for managers with technical expertise (Buckingham and Coffman, 1999; Albarran, 2010). Radio and television station managers need to understand the technical aspects of their operations, for technology and innovation constantly impact the communication industry. While technological advancements make it impossible to keep up with all the changes taking place, managers still need basic competencies in such areas as equipment operation, signal transmission, programme distribution and computer applications.

3.4.3 Conceptual or problem-solving skills

Perhaps there is no other organizational set up were change is more a constant issue than in the electronic media. Hence, managers must understand the complexities of the internal and external environment and make quick decisions based on sound judgement. They must also be able to respond, sometimes, on the spot to these changes in the environment, whether this concerns audience taste and preferences, technology or employee relations. Radio and television station managers must deal with a variety of issues and solve problems efficiently

3.4.4 Marketing skills

Understanding how to use the four Ps of marketing (price, product, promotion and place) in interactions with consumers as well as advertisers is an invaluable management skill. With so many options available for the content of entertainment and information, managers need a strong

understanding of media marketing. They must know how to position their products effectively and know what vehicle to use to create awareness.

3.4.5 Financial skills

A station manager needs strong financial skills to establish and maintain budgets, meet revenue projections and deal with budgetary contingencies. Industry consolidation, staff turnover and a heavily competitive environment place incredible demands on the media manager to be increasingly conscious of the bottom line. Understanding how to interpret financial statement, ratio analysis, depreciation and amortization methods and break-even analysis is critical to managing a media station.

Now, though these skills are common across the electronic media, the degree of skills required at different managerial levels varies. At the entry level, for example, technical skill are crucial to everyday running of the organization, while executives are likely to use conceptual and financial skills more regularly. However, human relations skills are crucial at every management level.

Know that these skills can be developed via education, experience and attendance at managerial seminars and workshops (Bigelow, 1991). Regardless of how they learn, managers in the electronic media need some appreciable knowledge in all five skill areas. Finding people with this range of expertise is a continuing challenge for the media industry, as well as identifying managers that understand supporting industries in this time of worldwide collaboration, consolidation and convergence.

3.5 Roles of a Station Manager

These roles are behaviours associated with or expected of a station manager. In broadcasting, managers perform a variety of tasks and wear many hats in completing these tasks. Mintzberg (1975) identified three main types of roles that managers adopt in their daily environment: interpersonal, informational and decisional. Interpersonal roles are concerned with leadership, while informational roles address communication. Decision roles, on the other hand, involve decision-making. Therefore, three roles best exemplify a contemporary broadcast media station manager: he is a leader, a representative and a liaison in and for the organization.

The station manager serves, first and foremost, as **a leader**, providing leadership for his individual organization or department. Being a good leader involves accepting responsibility for the organization as well as for its employees. Adapting to change, making decisions, maintaining open lines of communication and leading others towards completing organizational goals are essentials qualities of a strong station manager.

Moreover, managers of an electronic media station serve as **representatives** in many settings. To the public and local community, they are figureheads in a variety of contexts. The general manager, for instance, may serve on community boards; the news director may be asked to speak to a secondary school or university class; the sales manager of a station may represent the organization to a number of clients. Managers also represent various trade and professional organizations, such as the Broadcasting Organization of Nigeria (BON), the National Broadcasting Commission (NBC), National Association of Radio and Television Workers Union, National Association of Television Programme Executives, the Nigerian Guild of Editors, among others. Tasks in these organizations may involve serving on committees, consulting with regulators, and working with lobbyists (Albarran, 2010). Today in the media industry, as well as other industries, there is massive collaboration between stations or media houses. Also rampant is the concept of merger or consolidation.

Because of the increasing consolidation efforts among media stations, a majority of radio, television and cable stations or organizations are now being operated under a single umbrella or groups of corporations— this is especially so in the United States, with such corporations as Time Warner Inc., which controls more than fifteen television stations (including TNT and TBS), more than eighteen newspapers and magazines (including Time and Life), several cable/ satellite stations (including CNN and Cartoon Network) and movie production studios in more than a hundred countries (Time Warner, 2009). Therefore, modern executive-level managers often serve as important **liaison** to the their parent company. Accountable to the parent organizations, managers regularly report on progress and problems in their operations. In turn, they filter information from the parent company back to their individual staff. As expected, this role demands strong communication and negotiating skills (Albarran, 2002).

Finally, you must note that the various discussions on media management skills, functions and roles indicate that electronic media managers are unique and talented individuals who work with and through other professionals to accomplish organization objectives for their station.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you discourse the concept of organizational management?
2. What are the various principles of management in a broadcast station?
3. Differentiate between management functions, roles and skills.

5.0 SUMMARY

The text elucidated on the concept of management in the media, explaining the levels, functions, roles and needed skills of station managers. It argued that for anyone to seek to become a station manager, for example, he must have three basic skills: human relation or people skills, technical skills, and conceptual or problem-solving skills; the other addition to these are marketing and financial skills. Frederick Taylor was identified as the one who first developed techniques for analyzing production operations and for setting standards for a day's work; and that these techniques were later adapted by industrialists to other phases of business, including the employment of qualified workers, and wage incentive programmes either to replace or supplement the piecework system that had previously prevailed.

6.0 CONCLUSION

We will conclude this Unit by saying that the major tasks of are to supervise, monitor, and coordinate the different areas of a station for the purpose of achieving defined organizational objectives. Financial managers focus on generating and reinvesting finance capital; human resource managers help recruit people with desirable skills and place them where they are most needed; while marketing managers help sell final goods and services to customers. Whether in broadcasting or industrial corporations, management is a term used to describe the techniques and expertise of efficient organization, planning, direction, and control of the operations of a business. In the general theory of organizational management, an organization has two principal aspects: one relates to the establishment of the so-called lines of responsibility, drawn usually in the form of an organization chart (or organogram) that designates the executives of the business, from chief executive officer to the foreperson or department head, and specifies the functions for they are responsible. The other principal aspect relates to the development of a staff of qualified executives (Hertzberg, 1996).

7.0 REFERENCES/FURTHER READING

Albarran A.B. (2002). *Media Economics: Understanding markets, industries and concepts*. Ames, IA; Blackwell.

Bernard, C.I. (1968). *The Functions of the Executives*. Cambridge; Harvard University Press. Bernard, L.E. (2007). The Foundation of Management Excel. Department of Agricultural Economics, Ohio State University Extension.

Bailey, D., Clary D. and Mitchell, M. (2000, Jul/Aug). Looking for a win-win partnership? Look to the university! *Nonprofit World*, 16, 53.

Bartram, S. and Gibson, B. (2000) The Training Needs Analysis Toolkit, 2nd ed. Amherst, MA: HRD Press, Inc.

BNET Business Dictionary (2007) Staff training. Business Network. www.dictionary.bnet.com. Bigelow J.D. (Ed). (1991). *Managerial Skills: Explorations in practical knowledge*. Newbury Park, CA; Sage.

Buckingham, M. and Coffman C. (1991). *First, Break All the Rules: What the world's greatest managers do differently*. New York; Simon and Schuster.

Carroll S.J. and Gillen D.J. (1987). Are the classical management functions useful in describing work? *Academy of Management Review*, 112(1); 38-51.

Deming K. (2000). Quality management. Bnet United Kingdom. www.findarticles.com.

UNIT 2 THEORIES OF MANAGEMENT

CONTENTS

1.0 INTRODUCTION

Management is the art, or science, of achieving goals through people. Since managers also supervise, management can be interpreted to mean literally 'looking over' – i.e., making sure people do what they are supposed to do. Managers are, therefore, expected to ensure greater productivity or, using the current jargon, 'continuous improvement' (Olum, 2004). More broadly, management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims (Koontz and Weihrich 1990, p. 4). In its expanded form, this basic definition means several things. First, as managers, people carry out the managerial functions of planning, organizing, staffing, leading, and controlling. Second, management applies to any kind of organization. Third, management applies to managers at all organizational levels. Fourth, the aim of all managers is the same— to create surplus. Finally, managing is concerned with productivity – this implies effectiveness and efficiency.

Managing is one of the most important human activities. From the time human beings began forming social organizations to accomplish aims and objectives they could not accomplish as individuals, managing has been essential to ensure the coordination of individual efforts. As society continuously relied on group effort, and as many organized groups have become large, the task of managers has been increasing in importance and complexity. Henceforth, managerial theory has become crucial in the way managers manage complex organizations.

2.0 OBJECTIVES

At the end of this unit, you are expected to:

- Understand the importance of theories to media management
- List and define/ explain the various management approaches applicable to broadcast station management
- Discuss the differences between the Classical, Human Relations and Modern management schools
- Discuss the trend in management approaches in the twenty-first century

3.0 MAIN CONTENT

3.1 Theoretical Approaches to Management

A theory is assumption or system of assumptions, accepted principles, and rules of procedure based on limited information or knowledge, devised to analyze, predict, or otherwise explain the nature or behaviour of a specified set of phenomena or abstract reasoning. A theory is a body of rules, ideas, principles, and techniques that applies to a subject, especially when seen as distinct from actual practice. Hypotheses are the first step in creating a theory. Hypothesis formation, like you will have in your degree project, is discussed in several books under research methods. Falsifiability is the most important feature of hypothesis testing. Methods of testing (falsifying) hypotheses include dialectic, logic, probability, and statistics.

For example, in astronomy and cosmology there is the Big Bang theory, the Steady-State theory, and the Copernican system; in the life sciences, there is the theory of Natural Selection, Conditioning, and Behaviourism; in earth sciences there is the Continental Drift theory, the asteroid theory of Dinosaur Extinction, and the rival theories of Uniformitarianism and Catastrophism; in physics there is Einstein's theory of Relativity, Heisenberg's Uncertainty Principle, the quest for a Unified Field Theory; and of course, in mathematics, computer and information sciences there is the theory of Equations, Automata Theory, Game Theory, and Decision Theory (Edmond, 2009).

Therefore, management, whether in the media or other organizations, is practised under several theories. To understand contemporary approaches to management, it is helpful to review the major historical contributions to management theory. Serious management study began near the start of the twentieth century in the US. This interest coincided with the development of the electronic media in the American society. The characteristics of the different approaches to management are best thought of as schools.

3.2 Classical School of Management

The classical school of management flourished from the late 1800s through the 1920s and it is associated with the Industrial Revolution, which marked a shift from agrarian-based to industrial-based societies. This school of management centred on practical measures, that is, on improving the means of production and increasing productivity among workers. One of the proponents of this school was philosopher Mary Parker Follett (Follett, 1995; Tonn, 2003). Follett began to author a series of papers and books concerned with business conflict, authority, power, the place of the individual in society and the group. Her contributions to management thought and inquiry are now widely recognised as important foundation literature in the field. Three different approaches to management, developed in three industrialised countries, represent the classical school: scientific management in the US, administrative management in France, and bureaucratic management in Germany.

3.2.1 Scientific management

This presented a systematic approach to the challenge of increasing production. This approach introduced several practices, including determination of the most effective way to coordinate tasks, careful selection of employees for different positions, proper training and development of the workforce, and introduction of economic incentives to motivate employees. Each part of the production process received careful scrutiny towards the end of greater efficiency.

Frederick Taylor, a mechanical engineer, is often referred to as the father of scientific management (Taylor, 1991). Scientific management also proposed that workers would be more productive if they received higher wages in return for their labour. The approach viewed the worker mechanistically, suggesting the management could guarantee more output if better wages were promised in return. Later approaches proposed that workers need more than just economic incentives to be productive. Nevertheless, many of Taylor's principles of scientific management are still used in modern electronic media organizations, especially in the areas of detailed job descriptions and sophisticated methods of employee selection, training and development.

3.2.2 Administrative management

Henri Fayol, a French mining executive, approached worker productivity differently from Taylor. As discussed earlier, Fayol introduced the POC3 model, which detailed the functions of management. To aid managers in planning, organizing, commanding, coordinating, and controlling functions, Fayol established a list of fourteen principles of management. He recognised that management principles must be flexible enough to accommodate changing circumstances. In that sense, therefore, he was among the first management theorists to recognise management as a process. The fourteen principles of management are:

1. *Division of work*: Works should be divided according to specialization
2. *Authority and responsibility*: The manager has authority to give directions and demand compliance along with appropriate responsibility.
3. *Discipline*: Respect and obedience is required of employees and the firm.
4. *Unity of command*: Orders should be received from a single supervisor.
5. *Unity of direction*: Similar activities should be under the direction of one leader.
6. *Subordination of individual interest to general interest*: Interests of a single employee do not outweigh those of the organization.
7. *Remuneration of personnel*: Wages are to be fair and equitable to all.
8. *Centralization*: Each organization must find the level of centralization of authority needed to maximise employee productivity.
9. *Scalar chain*: There is a line of authority in an organization, usually top to bottom
10. *Order*: All necessary materials should be located in the proper place for maximum efficiency.
11. *Equity*: Fair and equitable treatment is needed for all employees.
12. *Stability of tenure of personnel*: Adequate time should be allowed for employees to adjust to new work and skills demand.
13. *Initiative*: The ability to implement and develop a plan is crucial.
14. *Esprit de corps*: A spirit of harmony should be promoted among personnel.

3.2.3 Bureaucratic management

A German sociologist, Max Weber, focussed on another aspect of worker productivity—that is, organizational structure. Weber (1947) theorised that the use of an organization hierarchy or bureaucracy would enable the organization to produce at its highest level. Weber called for a clear division of labour and management, a strong central authority, a system

of seniority, strict discipline and control, clear policies and procedures and careful selection of workers based primarily on technical qualifications. His contributions to management are numerous, manifesting in such visible practices as organizational flow charts, job descriptions and specific guidelines for promotion and advancement.
The classical school of management concentrated on ways to make organizations more productive. Management was responsible for establishing clearly defined job responsibilities, maintaining close supervision, monitoring output, and making important decisions. Individual workers were thought to have little motivation to do their tasks beyond wages and other economic benefits. These ideas are, however, challenged by the subsequent approach to management.

3.3 Human Relations School of Management

The notion that workers were motivated only by economic factors began to be challenged by management scholars in the 1930s and 1940s, giving rise to the human relations (or behavioural) school of management. The human relations school recognised that managers and employees were in fact members of the same group and thus shared in the accomplishment of organizational objectives. Moreover, employees had needs other than just wages and benefits; with these needs met, workers would be more effective and the organization would benefit.
Many theories relating to the behavioural aspects of management arose in this era. A number of the theories represent a micro-perspective—that is, they centre on the individual rather than the organization. The various branches of this school of thought are discussed below.

3.3.1 The Hawthorne studies

In 1924, the Western Electric Hawthorne plant in Cicero, Illinois, was used to investigate the impact of illumination (lighting) on worker productivity. The experiments were funded by General Electric, whose real interest was selling more light bulbs to the public. Efficiency experts at the plant used two different groups of workers in an experiment. A control group worked under normal lighting conditions while an experimental group worked under varying degrees of illumination. As lighting increased in the experimental group, productivity went up. However, productivity in the control group also increased, without any increase in light.

After almost two years of study, they concluded that the human aspect of their work affected productivity of employees more than the physical conditions. In other words, the increased attention and interaction with supervisors led to the greater productivity. Workers felt a greater affinity to the company when they felt that managers showed interest in their employees and their work. The term ‘Hawthorne effect’ has come to describe the impact of management attention on employee productivity. The work represents an important benchmark in the development of

management thoughts, that is, recognising employees have social as well as physical and monetary needs.

3.3.2 Maslow's Hierarchy of Needs

If worker's motivation is driven by the existence of unsatisfied needs, then it is worthwhile for a manager to understand which needs are the more important for individual employees. In this regard, Maslow (1954) developed a model in which basic, low-level needs, such as physiological requirements and safety must be satisfied before higher-level needs such as self-fulfilment are pursued. In this hierarchical model, when a need is mostly satisfied, it no longer motivates and the next higher need takes its place (see Figure 2.1).

1. *Physical/ Physiological Needs* are those required to sustain life – these include air, water, nourishment and sleep. According to Maslow, if these needs are not satisfied, then one's motivation will arise from the quest to satisfy them. Higher needs such as social needs and esteem or the need to satisfy organizational objectives are not felt until one has met the needs basic to one's bodily functioning.
2. *Security/Safety Needs* – once physiological needs are met, one's attention turns to safety and security in order to be free from the threat of physical and emotional harm. Such needs might be fulfilled by living in a safe area, having medical insurance, job security and financial reserves. Thus, if a person feels that he or she is in harm's way, higher needs (including organizational needs) will not receive much attention.
3. *Social Needs* – after a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include need for friends, need for belonging, need to give and receive love, etc. This stage of needs is very critical to the performance of an employee in an organization, as work in such a setting requires teamwork rather than individual work. Social needs involve all that makes a person feel belonged.
4. *Ego/Esteem Needs* – once a person feels a sense of 'belonging,' the need to feel important arises (Barrett, 2005). Esteem needs may be classified as internal or external. Internal esteem needs are those related to self-esteem, such as self-respect and achievement. External esteem needs are those such as social status and recognition (Clark, 1999). Some esteem needs are self- respect, achievement, attention, recognition, reputation and so on. At this level, the employer of labour must not only recognise the power of incentives and rewards, he must also, in fact, be seen to committed to such acts.

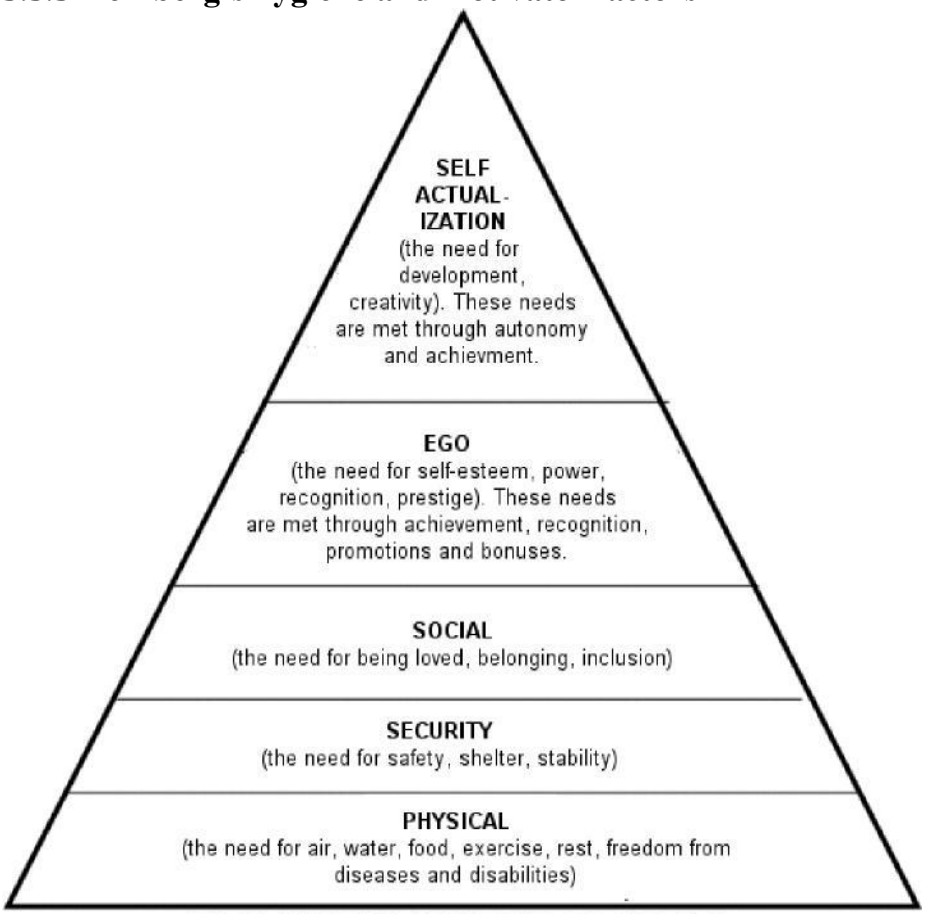
5. *Self-Actualization Needs* – this is the apex of Maslow's hierarchy of needs. It is the quest of reaching one's full potential as a person. Unlike lower level needs, this need is never fully satisfied, as one grows psychologically there are always new opportunities to continue to grow. Self-actualized people tend to have needs such as truth, justice, wisdom and meaning. They have frequent occurrences of peak experiences, which are energized moments of profound happiness and harmony.

If Maslow's theory holds, there are some important implications for management, productivity and retention. There are opportunities to motivate employees through management style, job design, training programmes, company events and compensation packages (Internet Center for Management and Business Administration, 2007) such as:

- *Physiological needs*: Provide lunch breaks, rest breaks, and wages that are sufficient to purchase the essentials of life.
- *Safety Needs*: Provide a safe working environment, proficiency and skill acquisition training, retirement benefits, and job security.
- *Social Needs*: Create a sense of community via team-based projects and social events, which would directly impact on enhanced job experience and, indirectly, on productivity and high retention rate.
- *Esteem Needs*: Recognize achievements to make employees feel appreciated and valued. Offer job titles that convey the importance of the position and train them further to give more room for improved productivity.
- *Self-Actualization Needs*: Provide employees a challenge and the opportunity to reach their full career potential.

Moreover, according to the Internet Center for Management and Business Administration (ICMBA, 2007), while Maslow's hierarchy makes sense from an intuitive standpoint, there is little evidence to support its hierarchical aspect. In fact, there is evidence that contradicts the order of needs specified by the model. For example, some cultures appear to place social needs before any other. Maslow's hierarchy also has some difficulty explaining cases such as the 'starving' newscaster or producer in which case, a person neglects lower needs in pursuit of higher ones. Finally, there is little evidence to suggest that people are motivated to satisfy only one need level at a time, except in situations where there is a conflict between needs (Encyclopaedia Britannica, 2006). Finally, you must note that even though Maslow's hierarchy lacks scientific support, it is quite well-known and is the first theory of motivation to which many people are exposed.

3.3.3 **Herzberg's hygiene and motivator factors**



MASLOW'S HIERARCHY OF NEEDS

Frederick Herzberg, another psychologist, studied employee attitudes through a series of intensive interviews to determine which job variables made workers satisfied or dissatisfied. Herzberg (1966) identified two sets of motivating factors: hygiene, or maintenance factors, and motivators.

The hygiene factors represent the work environment. They include not just technical and physical conditions but also such factors as company policies and procedures, supervision, the work itself, wages, and benefits. Motivators involve aspects of the job such as recognition, achievement, responsibility, and individual growth. Herzberg called this second set of factors 'motivators' to reflect the positive impact they have on employee satisfaction. Not that his hygiene factors have similarities to the three lower levels (physiological needs, safety and affiliation) of Maslow's hierarchy, while the motivators factors represent the two upper levels (esteem and self-actualization). Thus, from the management perspective, Herzberg's work suggests that managers must recognize a dual typology of employee needs (both the hygiene factors and the need for positive motivation) in order to maintain job satisfaction.

3.3.4 Theory X and Theory Y

McGregor (1960) proposed two theories by which to view employee management and motivation. He avoided descriptive labels and simply called the theories Theory X and Theory Y. Both of these theories begin with the premise that management's role is to assemble the factors of production, including people, for the economic benefit of the firm. Beyond this point, the two theories of management diverge. Theory X assumes that the average employee:

- Dislikes work and attempts to avoid it.
- Has no ambition, wants no responsibility, and would rather follow than lead.
- Is self-centred and therefore does not care about organizational goals.
- Resists change.
- Is gullible and not particularly intelligent.

Thus, Theory X assumes that people work only for money and security. Under the theory, management approaches can range from a hard approach to a soft approach. The hard approach relies on coercion, implicit threats, close supervision, and tight controls; it is essentially an environment of command and control. The soft approach, on the other hand, is to be permissive and seek harmony with the hope that in return employees will cooperate when asked to do so. However, neither of these extremes is optimal. The hard approach results in hostility, purposely low-output, and hard-line union demands. The soft approach results in ever-increasing requests for more rewards in exchange for ever-decreasing work output. The optimal management approach under Theory X probably would be somewhere between these extremes. However, McGregor asserts that neither approach is appropriate because the assumptions of Theory X are not correct.

Drawing on Maslow's hierarchy, McGregor argues that a satisfied need no longer motivates. Under Theory X, the firm relies on money and benefits to satisfy employees' lower needs, and once those needs are satisfied the source of motivation is lost. Theory X management styles in fact hinder the satisfaction of higher-level needs. Consequently, the only way that employees can attempt to satisfy their higher level needs in their work is by seeking more compensation, so it is quite predictable that they will focus on monetary rewards. While money may not be the most effective way to self-fulfilment, in a Theory X environment it may be the only way. Under Theory X, people use work to satisfy their lower needs, and seek to satisfy their higher needs in their leisure time. But it is in satisfying their higher needs that employees can be most productive.

McGregor makes the point that a command and control environment is not effective because it relies on lower needs as levers of motivation, but in modern society those needs already are satisfied and thus no longer are motivators. In this situation, one would expect employees to dislike their work, avoid responsibility, have no interest in organizational goals, resist change, etc., thus making Theory X a self-fulfilling prophecy. From this reasoning, McGregor proposed an alternative: Theory Y, in which case, the higher-level needs of esteem and self-actualization are continuing needs in that they are never completely satisfied. As such, it is these higher-level needs through which employees can best be motivated. Theory Y makes the following general assumptions:

- Work can be as natural as play and rest.
- People will be self-directed to meet their work objectives if they are committed to them.
- People will be committed to their objectives if rewards are in place that address higher needs such as self-fulfilment.
- Under these conditions, people will seek responsibility.
- Most people can handle responsibility because creativity and ingenuity are common in the population.

Under these assumptions, there is an opportunity to align personal goals with organizational goals by using the employee's own quest for fulfilment as the motivator. McGregor stressed that Theory Y management does not imply a soft approach. He recognized that some people may not have reached the level of maturity assumed by Theory Y and therefore may need tighter controls that can be relaxed as the employee develops. The main issues are thus: if Theory Y holds, an electronic media station can do many things to harness the motivational energy of its employees, it can:

- decentralize and delegate— for if firms decentralize control and reduce the number of levels of management, each manager will have more subordinates and consequently will be forced to delegate some responsibility and decision making to them.
- Enlarge jobs— broadening the scope of a producer's job, for instance, adds variety and opportunities to satisfy ego needs.
- Encourage participatory management— consulting station staff in the decision making process taps their creative capacity and provides them with some control over their work environment.
- Use performance appraisals— having individual broadcaster or journalist set objectives and participate in the process of evaluating how well they were met.

If properly implemented, such an environment would result in a high level of motivation as employees work to satisfy their higher level personal needs through their jobs.

3.3.5 Theory Z

William Ouchi (1981) used characteristics of both Theory X and Theory Y in contrasting the management styles of American and Japanese organizations. Ouchi claimed that US organizations could learn much from the Japanese model of management, which he called Theory Z. Like Theory Y, Theory Z cites employee participation and individual development as important components of organizational growth. Interpersonal relations between workers and managers are stressed in Theory Z. However, Ouchi also drew from Theory X, in that management makes the key decisions in an organization and a strong sense of authority must be maintained.

A common criticism of Theory Z is that it fails to recognise the cultural differences between US and Japanese firms and how these differences are manifested in business organizations and management efforts. Nevertheless, aspects of Theory Z can be found in many electronic media organizations in such areas as employee training, various types of fringe benefit programmes, and lines of communication with managers (which tent to be more direct).

The human relations school launched a significant change in management thought as the focus moved away from production to the role of employees in meeting organizational goals and objectives. In particular, the ideas of creating a positive working environment and attending to the needs of the employees represent important contributions of the human relations school to the management process.

3.4 Modern Approaches to Management

By the 1960s, theorists began to integrate and expand elements of the classical and human relations schools. This effort, which continues into the twenty-first century (Albarran, 2010), has produced an enormous amount of literature on modern management thought. This section focuses on several areas that illustrate the diverse range of modern school of management, such as management effectiveness, systems approaches to management, total quality management, and leadership.

3.4.1 Management effectiveness

The classical and human relations schools share productivity as a common goal, though they disagree on the means. The former proses managerial efficiency and control, while the latter endorses employee needs and wants. However, nether approach really takes into account the

importance of effectiveness, the actual attainment of organizational goals. Both schools consider effectiveness as a natural and expected outcome. Thus, modern management scholars have questioned this assumption. Peter Drucker (1973), considered the father of modern management theory, claimed that effectiveness is the very foundation of success for an organization, much more critical than organizational efficiency. To this end, Drucker (1986) developed management by objectives (MBO), which involves a particular type of interaction between managers and individual employees. In an MBO system, middle and senior-level managers must identify the goals for each individual area of responsibility and share these goals and expectations with each unit and employee. The shared objectives are used to guide individual units or departments and serve as a way management can monitor and evaluate progress.

An important aspect of the MBO approach is the agreement between employees and managers regarding performance over a set period of time. In this sense, management retains external control while employees exhibit self-control over how to complete individual objectives. The MBO approach has further utility in that one can apply it to any organization, regardless of size. Critics of the approach contend that it is time-consuming to implement and difficult to maintain in organizations that deal with rapidly changing environment, such as the electronic media. Nevertheless, one can find traits of MBO in the electronic media, particularly in the areas of promotion, marketing, and financial planning, where performance objectives are carefully established and monitored.

3.4.2 Systems approaches to management

The systems approach to management follows a macro perspective; that is, the entire organization is examined, and the study includes the environment in which the organization operates (Schoderbek, Schoderbek and Kefalas, 1985). Organizations are similar to one another in that they are engaged in similar activities involving inputs (eg, labour, capital and equipment), production processes (the conversion of inputs into some type of product), and output (eg, products, goods, and services). In the systems approach to management, organizations also study the external environment, evaluating feedback from the environment in order to identify change and assess goals.

Organizations are not isolated entities; they interact interdependently with other objects and organizations in the environment. They systems approach recognises the relationship between the organization and its external environment. Though managers cannot control this environment, they must be aware of environmental factors and how they may impact the organization. For more on the application of systems theory to electronic media station management, you can read Covington (1992).

A related approach to systems theory is the resource dependence perspective, developed by Pfeffer and Salancik (1978). An organization's survival is based on its utilization of resources, both internal and external. All organizations depend on the environment for resources, and media stations are no exception (Turow, 1992). Much of the uncertainty organizations face is due to environmental factors (Pfeffer and Slancik, 1978). Thus, organizations can alter their interdependence with other organizations in one of two ways: by absorbing other entities, or by cooperating with other organizations to reach mutual interdependence.

Finally, you must understand that systems theory and the resource dependence perspective help one appreciate the relationship of the electronic media to other societal systems. The media industry does not operate in isolation but forms part of a larger system that also includes political, economic, technological and social subsystems. Because systems approaches are concerned with responding to and interpreting environmental influences on the organization, electronic media managers at the executive level may find these approaches to management useful.

3.4.3 Total Quality Management (TQM)

TQM can best be described as a series of approaches that emphasize quality in organization, especially in regard to producing products and serving both external and internal customers (Weaver, 1991). In TQM, managers combine strategic approaches to deliver the best products and services continuously improving every part of an operation (Hand, 1992). While management implements and leads TQM in an organization, every employee must be responsible for quality. Used effectively, TQM helps an organization maintain a competitive edge.

A number of management scholars have contributed to an understanding of TQM, which is widely used. Considered the pioneer of modern quality control, Walter Shewart originally worked for Bell Labs, where his early work focussed on control charts built on statistical analyses. Joseph Juran (1988) and Edwards Deming (1982) contributed to Shewart's work, primarily with Japanese industries. Deming linked the ideas of quality, productivity, market share and jobs; Juran contributed a better understanding of planning, control and improvement in the quality process.

The popularity of TQM in the US increased during the early 1980, when US businesses and industry were suffering from issues regarding declined quality. Organizations adopt quality control procedures and strategies to reverse the negative image associated with poor quality product. TQM is still used as a way of encouraging and demanding high quality in the products and services of an organization. TQM has many areas of potential application in the media, from the actual production of media

content and advertising to the use of mission statements and public relations activities.

3.4.4 Strategic management

This is primarily concerned with developing tools and techniques to analyse firms, industries, and competition and developing strategies to gain a competitive advantage. Perhaps the most significant scholar in the area of strategic management is Michael Porter, whose seminal works in 1980 and 1985 represent the foundation literature in this area. In terms of application to media station operations, strategic planning is one outgrowth of strategic management that has found wide application. In its simplest form, strategic planning involves a scanning of the external and internal environments by focussing on a firm's individual strengths, weaknesses, opportunities and threats (a SWOT analysis). Gershon (2000) offers one of the few scholarly reviews of strategic planning for media organizations.

3.4.5 Leadership

The relationship between management and leadership represents further refinement of modern management thought. Leadership, according to Hersey, Blanchard and Johnson (2008:6) 'occurs whenever one person attempts to influence the behaviour of an individual or a group, regardless of the reason.' There is wide agreement that the most successful organizations have strong, effective leaders. Most organisations contain both formal and informal leaders, both those in recognised managerial positions and those not in such positions but who show wisdom and experience.

Bennis (1994) claimed that leadership consists of three basic qualities: vision, passion, and integrity. In terms of vision, leaders have an understanding of where they want to go and will not let setbacks or obstacles deter their progress. Passion is another trait of a good leader. A person who loves what he does is said to be passionate about such a work. Integrity is made up of self-knowledge, candour and maturity (Bennis, 1994:40-41). A good leader also exhibits curiosity and daring. Curious leaders never stop learning about their organization. They also are willing to take risks and are not afraid of failure. Leaders look upon mistakes as a way to learn.

Thus, Bennis (1994) makes several distinctions between someone who is a manager and the one who is a leader. To him, a leader innovates, while a manager administers. Leaders offer a long-range perspective, while managers exhibit a short-range view. Leaders originate, while managers imitate. Bennis then argues that most business schools—and education in general— focus on narrow aspects of training rather than on development of leadership qualities.

One other area of leadership studies involves transactional and transformational leadership. Transactional leadership assumes people are motivated by rewards as well as punishment, and that systems work best with a defined chain of command. Transactional leaders make clear to their subordinates what is required of them and rewards or punishes as needed. Transformational leadership ideally follows transactional leadership; the difference is that the latter is more focussed on management practices, while the former involves vision and passion, and subordinates accept the vision of the leader. Transformational leadership must constantly sell their vision and lead the change needed in an organization (Bass, 1985, 1990; Burns, 1978).

Max De Pree (1989) defines leadership as an art. He claims that liberating people (employees) to do what is required of them is the most effective type of leadership and management possible. He also identifies the leader as a servant in that the person removes obstacles that prevent employees from reaching their objectives. To De Pree, the leader enables followers to realise their full potential.

3.5 Management in the Twenty-first Century

With regard to how management would evolve in the twenty-first century, Drucker (2000) called for a new management model, as well as a new economic theory to guide businesses. He claimed that schools have become antiquated, failing to prepare people for the new managerial environment. In examining management challenges for the twenty-first century, Drucker (1999) argued that given the sweeping social, political and economic changes affecting the world at the end of the twentieth century, there are few certainties in management and strategic thinking. He stated, 'One cannot manage change... one can only be ahead of it' (Drucker, 1999:73). He thus maintained that managers must become change leaders, seizing opportunities and understanding how to effect change successfully in their organizations.

Clearly, electronic media managers would agree with Drucker that in order to be successful, the ability to cope with and use change as a competitive advantage is critical. The challenge is how to embrace change successfully. A critical change issue for managers in the 21st century is determining when to focus on the external environment and when to focus on the internal environment. At the end of the day, management is concerned with working with and through other people to accomplish organizational objectives. In a study of some four hundred companies and eight thousand individual managers across many industries, Buckingham and Coffman (1999) identified four key characteristics of great managers: those who were particularly adept:

- at selecting the right talent,

- defining clear expectations,
- focussing on each individual's strength, and
- helping them find the right fit in the organization.

Therefore, the authors' findings have particular implications for electronic media management, helping to focus attention on the importance of quality employees in meeting organizational objectives.

The different approaches to management reflected in the classical, behavioural, and modern schools all have limitations regarding their direct application to electronic media stations. Although the classical school emphasizes production, its understanding of management functions, skills, and roles remains helpful. The human relations school makes an important contribution by emphasising the needs of employees and proper motivation. And the modern approaches clarify managerial effectiveness and leadership while recognising the interdependency of media and other societal systems. Furthermore, the variability of electronic media stations in terms of the number of employees, market rankings, qualitative characteristics and organizational culture requires individual analysis of each operation to discern what style of management will work best. At best, a synthesis of approaches drawn from the classical, behavioural and modern schools of management seems the most beneficial. Management is a constant, ongoing process subject to refinement and change.

The changing nature of the electronic media industry today and its complex structures preclude the use of a general theory or set of guidelines for management. At best, media station managers draw from all the three schools of thoughts discussed in this unit in developing their own management style and adapt as new situations and experiences warrant change.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you discuss Fayol's contribution to the classical school of management?
2. How would you discuss the differences between the Classical and Human Relations management schools of thought?
3. Having Gone through the various theories in electronic media, which two theories would you prefer the most as a station manager and why?

5.0 SUMMARY

The unit discussed the various theoretical approaches to management; from the classical school (scientific, administrative, and bureaucratic management), through the human relations school (the Hawthorne

studies, Maslow's hierarchy of needs, Herzberg's hygiene and motivator factors, theories X and Y and theory Z) to the modern school of thoughts (management effectiveness, systems approaches to management, total quality management, strategic management and leadership). And of course, we also x-rayed certain aspects of management in the twenty-first century. Management was examined as an art, or science, of achieving goals through people. Hence, managers are expected to ensure greater productivity or 'continuous improvement'.

6.0 CONCLUSION

Managing is one of the most important human activities. From the time immemorial management has been essential in ensuring the coordination of individual efforts. As society continuously relied on group effort, and as many organized groups have become large, the task of managers has been increasing in importance and complexity. Henceforth, managerial theory has become crucial in the way managers manage complex organizations. Note that a theory is a body of rules, ideas, principles, and techniques that applies to a subject, especially when seen as distinct from actual practice. Hypotheses are the first step in creating a theory. Thus, there is no one method of management is the best. The application is often where the differences arise.

7.0 REFERENCES/FURTHER READING

Austin, J.E. (2000, Fall). Principles for partnership. Leader to Leader, 18.

Barrett, S. (2005). Retention versus turnover. Accessed on 2 April 2009 from www.barrett.com.au.

Deming K. (2000). Quality management. Bnet; United Kingdom. Accessed on 12 April 2009 from http://findarticles.com/p/articles/mi_m1094.

Drucker, P. Emerging Partnerships: New Ways in a New World. (n.d.). The Peter F. Drucker Foundation for nonprofit management web site: www.pfdf.org

Edmond, S.A. (2009). Theory. Microsoft Encarta. Microsoft Corporation, USA.

Hudson Highland Group (2008). Retention analysis. Belgium; Hudson Highland Group Inc. Investor's World (2008). Employee: From an online dictionary. Accessed on 12 April 2009 from www.investorworld.com.

New South Wales Consolidated Acts (2000). Industrial Relations Act 1996. Accessed 11 April, 2009 from www.austlii.edu.au/au/legis/nsw.

Robbins, M. (2007). Staff Retention: The Power of Appreciation at Work. Accessed 2 April 2009 from www.cio.com/article/173800.

Rosner, R. (1999, May). Training is the answer ... but what was the question? Workforce, 78, 42-50.

Salary.com (2008). 2006/2007 Employee Satisfaction and Retention Survey. Accessed 3 March 2009 from www.salary.com.

UNIT 3 PERSONNEL MANAGEMENT

CONTENTS

1.0 INTRODUCTION

This unit discusses, among other things, the onerous work of a personnel department and personnel or human resource management in an electronic media station. It also shows how awareness of brand values and mission statements affects a station functioning; how to effectively manage creative people or talents in the station; the challenges of managing creative people and processes; and the challenge of multi-tasking within a small-scale station management.

Earlier, we had defined management as a process in which individuals work with and through other people to accomplish organizational objectives. Personnel management is an essential part of the management process of any industry, but particularly the electronic media, which employs people with a wide variety of creative and technical talents. The quality of the personnel in an electronic media facility often determines its ability to achieve success. Indeed, employees represent the most important asset of any organization. Through careful selection, orientation, training, compensation, and benefit programmes, and by providing a diverse as well as safe and responsible working environment,

managers can directly impact the success of their organizations. Managers who fail to properly manage human resources are constantly forced to deal with problems related to turnover, low morale, inefficient performance, and litigation.

Thus, this unit begins with a discussion of personnel management, including aspects of recruitment and hiring, controlling, performance and reviews, and promotion and termination. There is also the discussion on legal issues involving personnel and changes in organizational structure and their import on communication between management and employees.

2.0 OBJECTIVES

At the end of this unit, you should:

- The importance or place of human resource or personnel management in a broadcast station.
- Explain the functions of personnel to its relationship with staff from the point of hiring to that of promotion or termination of appointment.
- Discuss how certain legal issues relate to the human resource management on staffing.

3.0 MAIN CONTENT

3.1 Personnel Management and Station Staffing

Several individuals manage personnel in an electronic media organization. Department heads or middle managers responsible for individual units recommend the number of individual position needed to accomplish their unit's tasks. One technique is the **force field analysis**, which was developed by social psychologist Kurt Lewin (1951) to help managers determine this number. Force field analysis considers driving and restraining forces as variables that impact effectiveness (Hersey, Blamhard, and Johnson, 2008). Briefly, *driving forces* are positive forces, such as increase: earnings, praise from a supervisor, and competition. *Restraining forces* inhibit the driving forces. They can range from employee apathy and hostility to outdated equipment. Used in the electronic media, force field analysis is a tool that helps managers properly diagnose their environment.

Department heads recommend hiring (or terminating) individual employees, determine wages, consider vacation and other leave requests, and conduct performance reviews at least once a year. Department heads also coordinate any ongoing tr lining and development of employees within their unit. In most operations, the General Manager reviews and

approves personnel recommendations, such as hiring and termination, salary levels, and other departmental priorities as requested by the department heads. The GM also makes sure the organization adheres to all legal guidelines regarding personnel, especially in the areas of hiring, diversity, and compliance with all applicable labour laws. Where required, management handles negotiations with various craft guilds and unions that represent employees. Most medium and large-scale market organizations will have a Personnel Manager (PM) or Human Relations Manager (HRM) whose office maintains records on all employees. The Personnel Manager's responsibilities may include monitoring recruitment for individual positions (deadlines, interview schedules, and so forth), arranging job training, establishing benefit programmes, monitoring changes in labour laws and collective bargaining agreements, educating employees on issues, such as diversity and sexual harassment, and working with the GM on setting wages and salaries for the organization as part of the budgeting process.

As new positions are created and existing positions turn over, managers must identify and properly select qualified new personnel. One of the most important tasks in personnel management, that of hiring, must be handled efficiently and in compliance with federal, state, and local employment guidelines to avoid any problems of litigation.

3.1.1 Hiring

To hire an employee for a new or replacement position, managers need effective recruitment strategies to identify a qualified pool of applicants. Finding potential new employees involves a *variety* of internal and external approaches. Here are a few of the more common means of recruitment:

a. *Recruiting internally.* One of the fastest and easiest ways to recruit personnel is through internal job postings via company bulletin boards, newsletters, electronic mail, or by other forms of communication. Recruiting from within helps build morale among existing employees by showing that management wants to help employees grow andadvance.

b. *Career and job fairs.* Career and job fairs have become an increasingly efficient way to gather a large number of applicants for nontalent positions. Fairs can be conducted on a local, state, or national basis, and can easily be tied to a conference or trade show. Prospective candidates attend career/job fairs for free and can interact with representatives involved in hiring.

c. *Applications on file and unsolicited applications.* Most electronic media organizations maintain application files for several months

from candidates who were not hired for a previous opening or who submitted unsolicited applications.

d. *Advertising*. Job announcements in local newspapers and advertisements on industry websites work well to fill certain types positions. Advertisements in trade publications, such as *NBC Handbook, Television Weekly,* and *Radio and Records,* offer positions requiring particular skills and training. Many media corporations list openings on their corporate websites. Another good source is through broadcasting associations and other local trade groups.

e. *Employment agencies.* Normally found locally, these agencies can be a good source for a number of positions requiring clerical, technical, and general business skills.

f. *Consultants and headhunters.* Commonly used to find upper-level managers, executives, and talents; these firms usually charge substantial fees for their services.

g. *Colleges, universities, and other educational outlets.* Excellent sources for internships and entry-level positions, including two and four-year colleges and universities with programmes in broadcasting, radio/TV/film, telecommunications, journalism, and so forth. Sometimes, it could even include graduate programmes emphasizing communications, business administration, marketing, and engineering.

h. *Word of mouth.* Personal contacts within an organization can alert a potential employee to an opening.

i. *Networking*, the practice or establishing contacts with media professionals, is a common practice in the electronic media. There are free professional networking websites such as Plaxo (www.plaxo.com) and Linkedin (www.linkedin.com) that are excellent ways to build your own network— thus, even as a student of Mass Communication, you are strongly advised to start building your professional network online now.

j. *Internships.* This is another important source of information on entry-level positions; college interns are usually near-graduation and may show promise for full-time employment. Liability laws for many states usually require that students enrol and receive credit, or have a particular grade level such as second-class upper position in order to be an intern. Successful internships often lead to offers of employment.

k. *Other sources.* Recommendations from employers, situation-wanted advertisements in trade publications, and advice from professional organizations and local civic organizations can all help managers fill positions. As part of the equal employment opportunity (EEO) guidelines established by the US Federal Communication Commission (FCC), media organizations are required to provide information on job openings to any institution

(e.g., university, trade associations, and other entities) that requests information in writing. These typically take the form of mailings, faxes, or e-mail.

Once the recruitment process has been completed, the selection process begins. Often, a potential candidate will express interest in a position by providing a brief cover letter and resume as well as an audition tape for a talent position. Companies may also require an applicant to complete a formal application for employment. Such applications usually ask for current information (such as address and phone number) as well as the candidate's educational background, employment history, skills and qualifications, and personal references. In developed countries especially, they also may enquire about immigration status, criminal records, or pending criminal or civil charges. Policies concerning nondiscrimination are also provided in the formal application.

Prior to the interview stage, employers often seek out additional information on the top applicants, or what is commonly called a 'short' list. This may involve verifying educational and employment histories and contacting personal references. Applicants sometimes overstate their qualifications on the application; a check to verify dates and responsibilities will determine if the applicant has provided accurate information. Increasingly, companies are conducting background checks, credit checks, and even searching social networking websites such as MySpace (www.myspace.com) and Facebook (www.facebook.com) for information on individuals they are considering hiring. This means that as a student and a young prospect, you must be very careful what types of photos and blogs you post on the web; you do not want to lose out on a job or an interview because of what could be deemed by a potential employer as unprofessional behaviour or immaturity.

The high mobility of personnel in the electronic media, due to downsizing and consolidation, may hamper efforts to gather information about former employment, particularly if previous managers have moved on to other positions. Employers may hesitate to divulge much information about former employees. Because of possible liability issues, some companies refuse to provide details of previous employment beyond the basics: job title, dates of employment, and responsibilities. Finally, diversity is a critical, overarching component relating to hiring. The workforce must reflect the local community, especially with regard to opportunities for women and people of colour. The broadcast industry offers a number of different programmes and incentives in organizations like the National Association of Broadcasters Educational Foundation (NABEF) to help increase the number of workers and people in the workforce. Maintaining diversity is a management challenge, but one that is critical—and expected— in the twenty-first century.

3.1.2 Interviewing

After the personnel managers select the top candidates for a position, they normally arrange interviews between the candidates and the company. For an applicant, the interview process provides an opportunity to visit the facility, meet prospective coworkers and managers, get a better understanding of the position and its responsibilities, and learn about the philosophy of the organization. For the employer, the interval provides the important interpersonal link to the hiring process. Resumes, tapes, personal website s, references, and other sources of information can only tell you so much about an applicant. Meeting an applicant face-to-face can resolve many questions about th applicant's personal qualities, motivation, and interest in the position.

Time-consuming for both parties, interviewing can also be expensive. Some companies use highly structured interview procedures, while others use a semistructured or completely unstructured process (Kaiser, 1990). The personnel manager, often, clarifies the type of interview procedures that is used as well as the time required. When an applicant is brought in from out of town, the company pays or reimburses the candidate for all travel expenses associated with the interview— although this is not often the case in Nigeria and many developing countries, it is a standard consideration in developed countries.

More than one interview may be required. The initial interview may be conducted with the personnel manager, followed by another interview with the actual supervisor for the position. Interviews may be arranged with other appropriate personnel as deemed necessary, especially for managerial and talent positions. For example, in the hiring of on-air news personnel for a TV station, most general managers prefer to interview the final candidates for key anchor/reporter positions along with the news director and other news managers. Let us take a look at a few questions on what the employer (the station) hopes to learn. They may not be the direct questions to a potential employee, but they are the basis of what the employer intends to find out:

- What do you know about our company?
- Why should we consider you for this position?
- What do you want to be doing five years from now?
- What other job experiences have you had?
- Are you a self-starter?
- What are your interests apart from work?
- What does the company gain by hiring you?

As a candidate, media stations or companies expect honesty in answering these questions. You should be able to articulate what you are best at and areas you are working to improve. Are you goal directed? Or will you be

satisfied with an entry-level position? Have you held a job before? How long have you been working? Did you get along with others? People quick to credit others often work well with others and are not driven by ego. Can you work alone and without direct supervision? If not given a task, are you the type of person who will take the initiative to find something to do? Hobbies, activities, and other interests indicate people who are well rounded and can manage time and work.

Some openings may require a skill assessment as part of the interview process. This assessment is especially needed for office and production-related positions. Many stations also evaluate a candidate's communication skills (both verbal and written) and conduct other types of performance and aptitude examinations as well. Regardless of the type of interview, the station should explain clearly the details regarding the interview and the time required. If it does not volunteer this information, the candidate should ask for the information in order to be properly prepared. By law, companies cannot ask questions related to age, religion, race, or sexual orientation. It is not uncommon for companies to require a drug test before an offer of employment can be made.

The interview process concludes when a candidate accepts an offer of employment. Negotiating the terms of employment often forms part of this final step, particularly for talent positions and managerial openings (Pinkley and Northcraft, 2000). Generally, the higher the pay, the more extensive the negotiations over salary and other perks offered to the employee, depending on the type of position. These may include a number of possible perks: the use of company car, profit sharing or stock options, extra vacation time, travel allowances, or membership in a local guild of editors, although many stations or media outfits have reduced these extra benefits trail, and reserved it for the highest-paid positions. An agent or attorney may represent high-salaried performers during final negotiations. Regardless of the type of position, however, both the station and the candidate maintain a professional manner throughout the negotiation process.

3.1.3 Orientation

The personnel office is responsible for orientating new employees. Introducing the new employee to company policies and other personnel is commonly referred to as the orientation process. Orientation usually occurs during the initial days of employment. The amount of time needed varies, depending on the type of position. A new Account Executive's orientation period may last a month or more, while orientation for a clerical employee may only take a day or less.

As with interviews, orientation procedures differ from media company to company. A Personnel Manager may instruct the new employee on

various policies and procedures concerning such matters as office hours, overtime compensation, sick leave, leave of absence, vacation, substance abuse, and personal appearance. The Personnel Manager or Business Manager will also take care of all paperwork necessary to enroll the new employee in company-sponsored benefit programmes, such as health and dental insurance and retirement plans, as well as payroll deductions for state and federal taxes, insurance, and so on. Many companies also require new employees to sign a form claiming they will not accept **payola**, the illegal compensation from an outside source to promote a particular good or product such as a recording by a particular music artist.

Many companies provide an employee handbook or similar document that explains in detail company policies and procedures regarding personnel. This document includes specific information on nondiscrimination in employment, promotion and advancement, performance reviews, benefit programmes, disciplinary actions, and formal grievance procedures. All employees are expected to be familiar with the contents of the handbook; the organization provides updates as necessary when company policies or provisions are modified.

The Department Manager or supervisor is responsible for orienting the new employee to the specific tasks associated with his or her position. Ideally, the interview process has already offered a realistic preview of the job, thus minimizing the time needed for orientation. In fact, when new hires have not been fully informed of the duties and expectations associated with the position, frustration usually occurs. Academic studies refer to this experience as an *unrealistic job preview* (Jablin, 1984; Wanous, 1980). Unrealistic job previews hurt the organization because they tend to place new employees in a negative environment, affecting their motivation and outlook on their new job. The personnel department ensures that all employees clearly understand their positions before they begin work.

Sometimes, managers include training in the orientation process. When new employees have little direct experience with a specific task or must work with new equipment, their training needs become obvious. Veteran employees who accept a new position may also need training, particularly if they move to a new department. One professional trainer (Rollins, 1991) offers managers the following points for a proper training experience.

- *Approach training with a proper attitude.* Too many managers look negatively on training.
- *Plan out new employee's first day.* Careful planning will ease the transition for the new hire.

- *Consider using a training outline.* This ensures that all relevant points will be covered during the session.
- *Allocate enough time for training of the new employee and avoid interruptions.* Let other staff members know you will be involved in training.
- *Discuss company philosophy, not just policy.* New employees want to know the reasons behind company policy, and training is the best time to discuss them.
- *Utilize outside training resources.* Use as needed to supplement internal training

Personnel departments also promote ongoing development activities for all employees, such as in-house workshops and seminars, meetings of professional associations, both local and national; and credit courses at educational institutions. Development activities provide continuing education and growth for the workforce, as well as many benefits to management. However, as budgets become tighter, many companies have cut back development opportunities for their employees. While this may save travel allowances and registration fees, it is shortsighted, as such media organizations are failing to provide continuing development and growth for their staff.

3.1.4 Performance Reviews

An important part of each employee's overall growth and development is the performance review, which should be conducted at least once a year. The department supervisor, in the prompting of the personnel manager, usually conducts this review. Actually, all department heads have their reviews with the GM, personnel manager or other immediate supervisor. Review procedures vary from company to company. The performance review allows the employer to identify areas where the employee is particularly weak or strong. It also allows the employee to give candid feedback to the employer. A review evaluate not only job performance but also serves as the basis for salary adjustments, merit pay, and promotion.

The media house thus initiates performance reviews. Employees may be asked to provide a written self-evaluation of their performance during the past year, highlighting important information concerning particular projects and outcomes. The actual review is conducted in person, and written copies of each evaluation is offered to the employee, with the original placed in the employee's file.

At the review, the supervisor will discuss the employee's job performance during the past year, noting relevant strengths and weaknesses in an open and honest exchange. The employee should be allowed to discuss his or her feelings about the evaluation given by the supervisor, particularly as to areas of disagreement. At all times, the review should focus on the

specifics of the job and the actual performance of the employee. Further, personnel managers should establish ample time for each review and enough privacy to avoid interruptions.

Employees who believe they have been evaluated improperly or unfairly should be offered an appeal process through which they can challenge the review. These procedures should be outlined in the employee handbook. The employer must make sure all performance reviews are conducted with proper procedures and focus on relevant task-oriented responsibilities. Failure to do so can result in litigation by the employee against the manager and the company. In brief, Reising (1991:18) outlined the following management guidelines for successful performance reviews:

- Allow enough time for the review and eliminate interruptions.
- Stay calm and be objective.
- Be helpful to the employee. Point out areas where performance is poor and offer ideas for improvement.
- At all times be honest.
- State opinions clearly, and do not confuse opinions with facts. As a supervisor your opinions are not relevant in a review.
- Avoid using other employees as an example of positive performance.
- Concentrate only on the employee's performance and expectations.
- Do not stress deficiencies that are hard to overcome.
- Make sure any discussion of behaviour is job related.
- Offer specifics and avoid euphemisms. Examples can help clarify important points.

Let us imagine that as a new graduate of mass communication, you are one of the prospective employees. How do you respond? What is it that your employer, or the personnel manager would not expect you to say? Yates-Garmatz, the HR Manager for NBC Universal/ Telemundo in Dallas, offers five points of advice for new hires in the industry to help them grow in their profession:

- Do not ever say 'that's not my job'
- Develop a proactive initiative
- Dress for the job you want, not the job you have
- Become a subject matter expert (SME) in your job
- Everyone should have a healthy fear of losing their job (*Personal Communication*, March 6, 2008).

3.1.5 Promotion

Positive performance reviews and good working habits often pave the way for promotion. For example, a news reporter with a strong track record may be offered promotion to a weekend anchor position. Internal promotion is common in the electronic media, both with the immediate organization and the larger parent company. Promotion is critical to advancement in the electronic media; most professionals find it necessary to move from market to market to achieve their career goals.

Given the high degree of corporate ownership in the electronic media, it is also common for individuals to be promoted to other stations/operations within the company. Many promotions, especially among managerial positions in larger markets, involve individual moving from market to market. For example, a TV station's General Manager may be promoted from one of the parent company's medium-market stations to a larger market. One often finds their managers in the top markets have served in smaller and medium f markets with the same company.

Increasingly, electronic media organizations continue to reduce the number of personnel to operate more efficiently. Typically, this takes one of two forms. In downsizing, tasks associated with positions that are eliminated are combined and reassigned to existing staff. Outsourcing involves hiring an outside firm or individual to handle specific functions. Some of the more common areas of our sourcing in electronic media involve website design and maintenance, computer repair, engineering support, and office and custodian staffing. Retaining good employees is a continuing priority for managers. Providing adequate training and promotion from within the company will help promote an atmosphere of loyalty to the organization, which in turn can help reduce the high costs associated with job turnover.

3.1.6 Termination of appointment

One type of turnover that occurs regularly in any organization is termination. Employees may voluntarily leave a company to work for another facility or to pursue a different vocation. In some cases, they may be asked to leave. Personnel Managers use disciplinary action to correct employee behaviours detrimental to the organization. The employee handbook should clearly spell out behaviours detrimental to the employee's performance. Common problems include failing to be at work on time, excessive absences or tardiness without excuse, engaging in employment with another company without permission, inability to follow instructions, and contributing to a work environment that is hostile to other employees.

Whenever taking disciplinary action, management must document all charges in writing and notify the employee of the action. Managers have

an obligation to try to prevent disciplinary problems by keeping open lines of communication with all workers (Hughes, 1989). They should deal with problems quickly and not allow them to develop into larger problems. Some companies use a probationary period of between 30 and 90 days to address disciplinary problems with employees. In all, however, repeated disciplinary problems would lead to dismissal. Disciplinary policies and procedures must thus apply to all employees and not be used unfairly or to discriminate.

Managers should take actions to encourage positive performance rather than to create a threatening work environment. However, in some situations, managers may have to fire employees. Though grounds for termination vary among organizations, certain actions often result in immediate dismissal. These include possession, use, or sale of illegal drugs; unauthorized alcohol consumption; possession of a weapon or firearm; theft; insubordination; indecent behaviour; repeated acts of sexual harassment or racism toward other employees; any crime resulting in a felony charge; and any continuous disciplinary problems.

The decision to terminate an employee must be made carefully. To avoid possible legal ramifications, managers must carefully follow all proper procedures. They should review the employee handbook as well as the employee's personnel file to be certain that the reasons for termination follow company policy and have been clearly documented. It is crucial for managers to document all notices, warnings, and other actions involving the employee, as well as areas where the employee has performed positively (Pardue, 1990). This written record becomes important if the station is forced to defend its action regarding a termination.

Termination often follows consolidation. Changes in ownership usually results in some turnover in the workforce. A drop in ratings or changes in the local economy may also lead to personnel cuts. Ideally, companies facing layoffs will help former employees find new employment, not just provide them with a severance package. Employers may help arrange for new job training, employment counselling, and other programmes as a part of the termination process.

3.1.7 Dealing with part-time employees

Electronic media enterprises usually employ a number of part-time employees in a variety of capacities requiring production, clerical or technical skills. Important to the success of an organization, par-timers represent a challenge for managers. Because part-timers usually receive an hourly wage, as opposed to a salary, and receive fat benefits, they may not feel like a true part of the organization. Managers should try to respond to the needs of part-timers with the same attention given to full-

time employees and see that part-timers are integrated into all company-sponsored activities. Part-timers desiring advancement should also be considered for full-time positions a-appropriate.

Job sharing among part-time employees is also becoming common practice. In such cases, an organization might have two people working 20 hours a week, one in the mornings, the other in the afternoon, providing the equivalent of a full-time employee but without the expense of providing full-time benefits. Job sharing i-particularly attractive for certain groups in the workforce such a-mothers with small children, retirees, and students.

3.1.8 Dealing with interns

A large majority of electronic media companies offer internship opportunities through local colleges and universities. In most cases, interns work a limited number of hours for course credit alone, but some are paid. Like part-timers, interns make an important contribution to the operation and present another personnel challenge to management. Three ideas to facilitate a good internship Programme follow. First, interns should not be selected haphazardly. Departments should develop selection procedures that focus on actual tasks. So the intern is not reduced to mundane tasks, such as filing paperwork or making coffee, the company should offer specific responsibilities, making the experience positive for both parties. Second, interns should be evaluated similarly to other employees so the intern supervisor can point out strengths and ways to improve performance. This feedback can help students achieve their career goals. Third, only students enrolled in an actual credit course should be allowed to intern. Regular contact should be maintained with the educational institution regarding the intern's performance. In facilities that use a number of interns, management should designate one person as the contact for internship information and record keeping.

3.2 Legal Issues in Personnel Management

Electronic media organizations must comply with many laws and regulatory guidelines regarding the hiring and treatment of their employees. One of the most important areas of responsibility concerns issues of equal opportunity and nondiscrimination in employment practices. Managers need to be familiar with the requirements equal employment and affirmative action programmes.

3.2.1 Labour laws

a. *Equal Employment Opportunity Guidelines*

Employers are required by the US federal law to provide equal employment opportunities to *all* qualified applicants without *regard to race,* colour, gender, religion, or *national* origin The Federal

Communications Commission oversees policies regarding EEO rules for broadcasting and cable. Over the years, these rules have been continuously challenged and modified. In short, these rules require broadcasters and MVPDs (multichannel video programming distributors such as cable and satellite TV operators) to adhere to three main provisions:

- widely distribute information concerning each full-time (30 hour or more) job vacancy, except for vacancies that need to be filled in demanding or special circumstances;
- provide notice of each full-time job vacancy to recruitment organizations that request notice; and
- complete two (for broadcast employment units with 5 to 1(full-time employees or that are located in smaller markets) or 4 (for employment units with more than 10 full-time employees located in larger markets) longer-term recruitment initiatives within a two-year period. These initiatives can include job fairs, scholarship and internship programmes, and other community events designed to inform the public as to employment opportunities in broadcasting (Federal Communications Commission, 2002).

The rules specify detailed record-keeping and reporting requirements and require the Commission to review the broadcasters' compliance at both midterm and license renewal. The Federal Communications Commission (FCC), or its counterpart in Nigeria, National Broadcasting Commision (NBC), may also conduct periodic audits of broadcasters and MVPDs as further enforcement. EEO polices have changed several times, so it is always best to review the latest rules and any changes to the policies.

b. *Other Labour Laws*

Personnel managers need a familiarity with a number of other labour laws. These laws are briefly reviewed in this section, drawing examples mostly from the United States.

- *Fair Labour Standards Act.* Requires employers to pay the federal minimum wage to employees. Exempt from the provisions of this act are executive, administrative, and professional personnel, as well as outside salespeople. This act addresses overtime compensation; however, Congress adopted new guidelines on overtime in August 2004 (see U.S. Department of Labour. 2004).
- *National Labour Relations Act.* Enacted to establish workers' right to organize and engage in collective bargaining, and to create the National Labour Relations Board.
- *Equal Employment Act.* Prohibits discrimination based on race, colour, gender, religion, or national origin in regard to

employment. Established the EEOC and amended the Civil Rights Act.

- *Age Discrimination in Employment Act.* Prohibits discrimination with respect to employment for citizens between the ages of 40 and 70.
- *Equal Pay Act.* Guarantees that all employees with similar skills and qualifications will be paid the same wage. Prohibits wage discrimination under similar working condition.
- *Americans with Disabilities Act.* Targeted to employers with 15 or more employees, prohibits discrimination against qualified individuals with disabilities who seek employment, promotion, compensation, training, and so forth. The law requires employers to provide reasonable accommodations for a disabled employee's needs.
- *Family and Medical Leave Act.* Companies with 50 or more employees must allow employees to take up to 12 weeks of unpaid leave on an annual basis to care for family members (children, parents, or other close relatives). This act requires the employer to hold the employee's job until return from leave of absence, with out loss of benefits or seniority.

Laws and regulations relating to employment frequently change. Managers must keep abreast of new laws, amendments, and other modifications and how they will impact the organization.

3.2.2 Sexual harassment

Another type of discrimination in the labour force involves sexual harassment. Awareness of sexual harassment became more common during the 1990s as a result of media coverage of high-profile sexual harassment cases. Note that sexual harassment can target men and women equally. The US Equal Employment Opportunity Commission (EEOC) (Code of Federal Regulations, 2003) offers guidelines that clarify the many different forms harassment can take. Unwanted sexual advances, requests for sexual favours, and other conduct of a sexual nature (either verbal or physical) constitute sexual harassment under one or more of the following conditions:

- When submission to such conduct is either explicitly or implicitly a term or condition of an individual's employment.
- When submission or rejection of such conduct by an individual is used as the basis of employment decisions affecting the individual.
- When such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Sexual harassment is a serious problem not only for individuals but also for employers. In 1993 the US Supreme Court ruled that employers may be held liable for monetary damages as a result of sexual harassment, even if employees suffer no psychological harm. The reason is simple—sexual harassment is against the law. Electronic media stations may thus be held responsible for acts of sexual harassment committed by supervisory personnel or its agents even if the station has a written policy forbidding such conduct. Employers can also be held responsible if the conduct in question takes place between employees 'when it knew, or should have known, of the conduct, unless it can show that it took immediate and appropriate corrective action' (Code of Federal Regulations, 2003:116). Because of the detrimental impact sexual harassment has on the work environment, station managers must do their best to prevent harassment from happening in the first place. In short, management must:

- develop clearly defined policies that define and prohibit sexual harassment;
- establish a communication Programme by which all employees are made aware of their rights; and
- establish procedures for employees to report any violations or abuses of those rights (Pardue, 1992).

Additionally, the employer, through its personnel management, should have a system for promptly investigating complaints, usually with the complainant' permission. Outcomes of the investigation should be properly documented, reported to both parties in question, and retained in case of legal action. Moreover, managers need to recognize that victims of sexual harassment need courage to come forward and report such conduct. Many acts of sexual harassment are believed to go unreported in the workplace because of embarrassment or fear of retaliation from the employee (Pardue, 1992). Likewise, managers must ensure that all allegations are substantiated before committing to any action regarding an accused employee. In all, dealing with sexual harassment demands careful, sensitive, and responsible actions on the part of management.

3.3 Organizational Communication Structure and Personnel Management

This final section explores changes in the hierarchical structure within media organizations and examines how these changes impact communication between management and employees. Historically, media management texts have devoted consider able space to discussing the formal structure of a radio, television or cable system through the use of a flow chart. A flow chart graphically illustrates the superior and subordinate relationships among units, workers, and managers, and suggests specific lines of demarcation in terms of duties and responsibilities.

Many companies have recognized that hierarchical structure no longer serve the efficient management of organizations. This phenomenon is known as flattening. Onagwa (2009) and Peters (1992) explained that organizational work has evolved this way because of advances in technology, the emergence of a global marketplace for goods and services, and the need for efficiency in operations.

Peters predicts that many organizations would resist changing to a more ambiguous and open structure; however, such change becomes necessary for survival. Leaner structures, a continuing development and educational Programme for employees, and a move toward self-generated projects as opposed to departmental tasks are all traits of organizations that have moved beyond hierarchy.

Technology has forced many changes in organizational structure, easing communication and interaction between managers and employees. E-mail, instant messaging, text messages, and blogs have eased divisions between upper-level managers and employees, facilitating information exchange and prompt feedback. Employees have instant access to managers without having to arrange formal appointments. Similarly, e-mail, voice mail, and cell phones, and other wireless devices with Internet capability have opened access between electronic media enterprises and the public. Information can flow up, down, and sideways in an open structure, eliminating the top-down flow of communication visualized in flow charts.

Though technology has eased employees' access to management, it will never replace the need for interpersonal relationships. Managers still need to take the time to get to know their employees; interact with them informally during coffee breaks, lunch, and other venues; publicly recognize them for their accomplishments; and work to develop a sense of camaraderie among all employees. Nor will changing and more flexible organizational structures eliminate the need for promoting healthy employee relations through personal notes, company newsletters, bulletin boards, special recognition, company sports teams, annual picnics, and other traditional activities. Successful managers will integrate people skills and technological access for the benefit of all employees and the organization.

Employees are the most valuable assets of any organization, and also the most expensive. In the electronic media, the quality of the personnel directly affects the quality of the organization. In most organizations personnel management is accomplished through several managers; larger operations may employ a personnel manager or human resources director. Personnel management involves many functions, including recruitment, selection, interviewing, hiring, training, performance reviews, promotion,

discipline, and termination. Managing people involves dealing with wages, compensation, benefits, and other employee programmes. Companies should provide an employee handbook that explains clearly all policies and procedures pertaining to employment.

Managers need to be familiar with current labour laws, especially those dealing with equal employment opportunities, diversity, and sexual harassment in the workplace. An understanding of unions and guilds is also critical for managers in the media.

Changes in demographic trends and organizational structure will continue to impact the management of personnel. Workers' represent ever more diverse backgrounds and cultures and will require nontraditional schedules. Organizations continue to evolve from hierarchical structure to one that is more flexible and ambiguous. Technology has made communication easier for employees to interact with management. Nonetheless, interpersonal skills and traditional communication methods remain important in promoting good employee relations.

3.4 Personnel Management and Staff Productivity

Some of the most unpleasant and ineffective meetings we have ever attended bother on station's presenters. In the nature of their work, presenters tend not to be in the office at the same time; some might never even meet at all. Particularly in the early days of commercial and community broadcasting (Block, Housely, Nicholls and Southwell, 2001). The obvious answer appears to be the calling of a regular, perhaps weekly, meeting of all presenters. Often this had to coincide with some pre-recorded programming so they all might attend (Onagwa, 2009).

The experience varied, but in many cases, such meetings were, to say the least, dispiriting and demoralising affairs. Often, it is just as de-motivating for the management as it is for the staff and freelancers attending. By contrast, the sales department would have a weekly meeting where, by design, the staff left the gathering highly charged and with a new found sense of purpose. Why the difference? In order to understand this requires an understanding of individual motivation.

The individual and motivation A programme manager must remember what qualities they look for in a good broadcaster. Radio presenters, particularly on smaller stations, are expected to produce their best work while sitting alone in a soundproof box. For hours on end they must talk 'to just one person' while knowing that their efforts are being subjected to widespread public and professional scrutiny. In short, they must be very personally motivated to work well in those circumstances.

Many top radio performers are not naturally outgoing and socializing. Following his death in 1995 the brilliantly inventive former pirate radio, BBC Radio 1 and Capital Radio DJ Kenny Everett was described by The Independent in his obituary as 'shy and delicate of nature' (Hayward 1995). In completing the late John Peel's autobiography, his wife Sheila comments that, at Radio 1 or Radio 4 he was in his element; 'but put John somewhere new and you could watch him retreat into his shell' (Peel and Ravenscroft 2005:181). She describes arriving at parties where John would search immediately for some task that would excuse him from the awkward formalities of socialising.

The personal motivation of each radio presenter varies from individual to individual, their aspirations vary enormously and the terms and conditions under which they are employed may vary considerably across the schedule. We should not be surprised that, once herded into a single room or studio, their only matters of common interest were the lowest common denominators, such meetings tending to focus on such matters as the state of the studio headphones, the squeaky studio chair and the strange smell from the air-conditioning. Seldom would there be any desire to debate creative and subjective matters of much greater importance to their listeners (Onagwa, 2009).

So how might we influence, manage and control an individual's motivation given that some, for instance sales staff, seem to be encouraged by financial rewards, while others — a presenter like John Peel, for example — appear to have other motivators? According to Abraham Maslow (1943), we all need good, safe working conditions and a meaningful job to feel happy and fulfilled. In order to understand this further, Maslow developed his 'hierarchy of needs' — a sort of sequential ladder or pyramid of human needs ranging from lower to higher order:

7. Higher order needs
6. Self-actualisation (the need to fulfil one's full potential)
5. Self-esteem needs (need for recognition and a belief in one's self)
4. Social acceptance needs (for forming satisfactory affective and support relations)
3. Lower order needs
2. Safety and security needs (need to feel safe and free of fear)

1. Basic physiological needs (need for food, shelter, clothing, warmth)

For Maslow the lower order needs are primary and must be given first priority, starting with the physiological needs, but once these are at least partially satisfied higher order needs may then become important. In order to manage staff effectively a radio station manager needs to consider what

needs are important to the individual and how the manager may affect them. Whilst some individuals may be motivated by financial incentives and rewards this may not be true of all. It should however be noted that whilst money may not motivate in this example, a reduction in salary can be de-motivational and counter productive (Herzberg 1966).

From the hierarchy of needs it seems that some people may well be more motivated by higher order needs such as 'self-esteem' and 'self-actualisation'. Frederick Herzberg (1966) argued that individuals most concerned with lower order needs may focus most on what he termed 'hygiene factors at work, salary, working conditions, quality of supervision and so on. Other people however may focus on what he termed 'motivation factors', a challenging job, recognition and a scope for achievement, growth and development. For the latter a form of 'job enrichment', where the individual is encouraged to develop skills and given increasing autonomy and responsibility is appropriate.

It should be stressed that merely increasing the number of tasks that an individual is given may not be motivational. Indeed if someone is given too many dull, repetitive and stressful tasks then the person may feel overloaded and become de-motivated. Sadly one hears all too often of a job being 'multi-skilled' when all that has occurred is that people are expected to perform a large number of repetitive and very similar tasks. Job enrichment requires that tasks are achievable, reasonable and encourage the development of skills and abilities. Job enrichment should focus on 'multi-skilling' rather than 'multi-tasking'.

Recognising the importance of individual needs, today most experienced programme managers avoid holding group meetings of presenters except where there is a matter to announce of company-wide importance (when there is probably a general staff meeting anyway). They prefer to schedule regular one-to-one meetings with individual presenters, or perhaps with the team responsible for a co-presented show. A programme manager may wish to formally sit down with the presenter of a daily programme every week and perhaps once each month with the presenter of a weekly programme. Such 'coaching sessions' are frequently based around the playback of a recent programme. The programmer can play a sequence, or perhaps a single link, and then spark a discussion on how well it was presented and maybe how it could be improved in future.

To save time it is common to use a recording with any music tracks edited out. To this end some studios have a dedicated recording system set up to run only when the 'microphone-on' light is illuminated. This conveniently provided a ready-made recording without any music, advertisements or other external or pre-recorded items. However they are undertaken, these sessions should be helpful and supportive, rather than negative and

controlling. There is no point in en1couraging the presenter to repeatedly brood over an error or misjudgement, far better to highlight and fix in their mind those elements which worked well, or at least those which make their boss happy. The meeting thus should focus on the higher order needs for acceptance and esteem and so on. For this reason it is often helpful to chose a programme segment at random rather than using this meeting as a post-mortem on the worst of the week's output. Indeed it can be constructive to invite the presenter themselves to choose the segment for review. They may pick a section of which they are particularly proud or they may use the opportunity to benefit from your input on a particularly challenging part of a previous programme.

US programming consultant, David Martin, says the secret of radio coaching is to bring out the best in others: 'the most effective approach is to catch them doing something right– we catch performers doing something right and we recognise and reward that behaviour, that performance' (Martin 2007). Similarly the highly respected US programme consultant Dan O'Day advises programme managers to listen to each programme for at least long enough to hear the talent doing something exceptionally well. Then when they happen to meet that presenter in the corridor, or in the elevator, they can casually comment on how much they liked that moment in the last show. He points out that such casual 'positive reinforcement' can be more effective than any number of formal meetings.

In larger stations a programme producer may be responsible for developing and coaching the presenters. The relationship between a presenter and their producer is complex and can be critical to the success of the programme. John Peel worked for many years at BBC Radio One with producer John Walters and together they were a formidable team. 'They had a closeness that was quite touching to observe,' recounts John Peel's wife Sheila (Peel and Ravenscroft 2005: 251). 'John frequently characterised their relationship as being like a man and his dog, but with each plainly believing the other to be the dog.'

4.0 TUTOR-MARKED ASSIGNMENT

1. Human resource department is very important in broadcast station management. Discuss.
2. Explain the relationship between the personnel department and staffing in a media station.
3. How would you discuss the legal issues of human resource management on staffing?

5.0 SUMMARY

Personnel responsibilities typically include: *Organizing*— devising and revising organizational structures of authority and functional responsibility and facilitating two-way, reciprocal, vertical, and horizontal communication; *Planning* —forecasting personnel requirements in terms of numbers and special qualifications, scheduling inputs, and anticipating the need for appropriate managerial policies and programmes; *Staffing*, or *manning* —analysing jobs, developing job descriptions and specifications, appraising and maintaining an inventory of available capabilities, recruiting, selecting, placing, transferring, demoting, promoting, and thus assuring qualified manpower when and where it is needed; *Training and development* —assisting team members in their continuing personal growth, from pre-employment, preparatory job training to executive development programmes; *Collective bargaining* —negotiating agreements and following through in day-to-day administration of workers; *rewarding* —providing financial and non-financial incentives for individual commitment and contribution; *General administration*— developing appropriate styles and patterns of leadership throughout the organization; and *Auditing, reviewing, and researching*—evaluating current performance and procedures in order to facilitate control and improve future practice.

6.0 CONCLUSION

Personnel or human resource management is the management of the people in working organizations. It is also frequently called personnel management, industrial relations, employee relations, manpower management, and personnel administration. It represents a major subcategory of general management, focussing exclusively on the management of people or human resources, as distinguished from financial or material resources. The term may be used to refer to selected specific functions or activities assigned to specialized personnel officers or departments. It is also used to identify the entire scope of management policies and programmes in the recruitment, allocation, leadership, and direction of employees.

Human resources management begins with the definition of the required quantities of people possessing particular skills to carry out specific tasks. Thereafter, job candidates must be found, recruited, and selected. After hiring, the employees must be trained or retrained, negotiated with, counselled, evaluated, directed, rewarded, transferred, promoted, and, finally, released or retired. In many of these relations, managers deal directly with their associates or other levels of managers. In some companies, however, employees are represented by unions, meaning that managers bargain with representative associations. Such collective-

bargaining relations are generally described as labour relations. Current practice shows wide variation in the range of responsibilities assigned to human resource or industrial-relations departments.

Examples of specific tasks include monitoring grievances and settlements, maintaining safety and accident control programmes, administering employee benefits and services, forecasting future personnel requirements, recommending changes in organizational structures, supervising formal in-house communication, conducting employee attitude and morale surveys, and overseeing compliance with legal requirements for the employment relationship. Individual station's human resource or personnel departments may be assigned varying degrees of responsibility in a few, many, or all of these areas. In areas assigned to them, personnel departments exercise various levels of authority. Some officers and departments create departmental policies and make major decisions and determinations, while others make less significant contributions. The person in charge of human resources may be a member of the station's executive board or committee; if so, he may be expected to lead and assume responsibility for all manpower management policy and programmes. Other personnel departments are essentially 'staff,' or advisory; their activities are restricted to recommending, consulting, and providing such specified technical and professional services as are requested by higher level managers.

7.0 REFERENCES/ FURTHER READING

Block, P., Housely, W., Nicholls, T and Southwell, R., (2001) *Managing in the Media*, London,Focal Press.

Carpenter, H, (1996) The Envy of the World, Fifty years of the BBC Third Programme and Radio 3, London: Weidenfeld and Nicolson.

Code of Federal Regulations (CFR). (2003). Title 29, Section 4. *Guidelines on discrimination because of sex.* Part 1604.11. Washington, DC: US Government Press.

Department of Labour. (2004). Fair pay. Retrieved January 16, 2008, from www.dol.gov Federal Communications Commission. (2002, March 28). Broadcast and cable EEO rules and policies. Retrieved September 29, 2004, from www.ftp.fcc.gov.

Hayward, A. (1995) 'Obituary: Kenny Everett', Independent, 5 April.

Hersey, P., Blancbard, K. H., and Johnson, D. E. (2008). *Management of organizational behaviour* (9th ed.). Upper Saddle River, NJ: Pearson Prentice Hall.

Herzberg, F. (1966) Work and the nature of man. London: Staples Press.

Hughes, B. (1989, November-December). Employee discipline. *Broadcast Cable Financial Journal*, pp. 36-40.

Kaiser, B. (1990, November-December). Hiring smart. *Broadcast Cable financial Journal*, pp.

UNIT 4 ETHICAL ISSUES IN STATION MANAGEMENT

CONTENTS

1.0 INTRODUCTION

Imagine a radio or television host who used foul language to describe an ethnic group in Nigeria, which was considered strong enough to incite unrest in the populace. After much pressure and persuasion that he should tacitly recant his verbal assault, and his subsequent rebuttal, the station fired him, even though he was the best host at the time. He was fired, of course, because certain powerful interests in the organization had been offended. In making this decision, the station manager had a very short time to weigh the pros and cons. But he made it nevertheless. A month later, however, this 'recalcitrant host' was back on air with a rival station. A new audience survey showed that he has the largest listenership in the state. The former employer began to wonder whether he had done the right thing.

In another scenario, a television crew is instructed to pursue a live robbery incident to a conclusion. The team became involved in a hot police chase which ended in tragedy. While they showed the scene live, one of the suspects took his own life, pointing a pistol directly to his head and firing it point-blank, to the horror of the viewers. The second victim was shot several times by a police officer after brandishing a weapon at the officer. For months after this show, viewers shook with horror each time they remember the scenes, and they soon began to blame the station for showing such 'graphic images' that could traumatize the human psychic. The station manager began to wonder if he had done the right thing by not protecting

the viewers from such a sight. These are a few of the many scenarios in a station, depicting critical decision-making of managers. They are examples of the various morals and ethical issues that station managers have to make daily in the course of their business. Worse, they have to make such decisions within seconds because, in broadcasting, time is crucial.

2.0 OBJECTIVES

At the end of studying this unit, you are expected to:

- Know the role or place of ethics and ethical obligations in broadcast media stations
- Understand the factors that complicate making ethical decisions in station management
- Define and explain the differences between a station's ethical codes and ethical statement
- List and explain the various norms used in moral decision making as broadcasters
- List and explain common ethical issues or conflict areas faced by broadcast station managers

3.0 MAIN CONTENT

3.1 Role of Ethics in Decision Making

Every minute of the day, media station managers make crucial decisions, which may involve routine activities such as budget approval, personnel matters and marketing and promotion plans. But not all decisions can be made easily. Certain situations forces managers to confront their own systems of morals and values.

The word 'ethics' is derived from *ethos*, that is, the fundamental and distinctive character of a group, social context, or period of time, typically expressed in attitudes, habits, and beliefs (Goldberg, 2002). Thus, ethics is concerned with the basic questions of what is right and what is wrong, and it involves the character and conduct of individuals and institutions (Jaska and Pritchard, 1994). Day (2006), on the other hand, defines ethic as a branch of philosophy dealing with the moral aspects of live. It reflects a society's norms about what is morally right and wrong. On an individual level, ethics provides one's own understanding of proper conduct based on principles and rules that one considers important. Many laws in a society are derived from the ethics and ethical values regarding acceptable behaviour (Limburg, 1989).

According to Blackburn (2001), ethics includes principles or standards of human conduct, sometimes called morals and, by extension, the study of such principles, sometimes called moral philosophy. Ethics, as a branch of

philosophy, is considered a normative science, because it is concerned with norms of human conduct, as distinguished from the formal sciences, such as mathematics and logic, and the empirical sciences, such as chemistry and physics. The empirical social sciences, however, including psychology, impinge to some extent on the concerns of ethics in that they study social behaviour. For example, the social sciences frequently attempt to determine the relationship of particular ethical principles to social behaviour and to investigate the cultural conditions that contribute to the formation of such principles.

Modern ethics is profoundly affected by the psychoanalysis of Sigmund Freud and his followers and the behaviourist doctrines based on the conditioned-reflex discoveries of the Russian physiologist, Ivan Pavlov (Rosenstand, 2002). Freud attributed the problem of good and evil in each individual to the struggle between the drive of the instinctual self to satisfy all its desires and the necessity of the social self to control or repress most of these impulses in order for the individual to function in society. Although Freud's influence has not been assimilated com pletely into ethical thinking, Freudian depth psychology has shown that guilt, often sexual, underlies much thinking about good and evil.

Behaviourism, through observation of animal or human behaviour, strengthened beliefs in the power to change human nature by arranging conditions favourable to the desired changes. In the 1920s, behaviourism was broadly accepted in the United States, principally in theories of pediatrics and infant training and education in general. The greatest influence, however, was on thinking in the former Union of Soviet Socialist Republics. There, the so-called new Soviet citizen was developed according to behaviourist principles through the conditioning power of the rigidly controlled Soviet society. Soviet ethics defined good as whatever is favourable to the state and bad as everything opposed to it (Chadwick, 2000; Blackburn, 2001).

Note that, with regard to the electronic media operations, there is no universally accepted code of ethics. A station may adopt its own code of ethics, which may be written or simply implied, just like in-house rules or styles. The types of ethical situations vary by department. For example, in the newsroom, the ability to address decisions quickly and responsibly is an important skill. Marketing, promotions and public relations personnel face different ethical situations because they must be creative as well as competitive in dealing with audiences and advertisers. Programmers, producers, scriptwriters and directors reveal their own sense of ethics through the production of strong media contents. The general manager attempts to balance the needs of the market (which includes owners, stockholders and competitors) and the public in the ethical situations the station faces on a daily basis.

3.2 Factors Affecting Ethical Decision in Management

You must also note that where a station's ethical codes exist, conflict may arise between the station's approach and the individual's moral beliefs. This is considered normal. But more often, for the purpose of achieving common organizational objectives, the individual's ethics give way to organizational ethics. Decision making is therefore a challenging process for many reasons. Hosmer (1996) lists six factors that often complicate the making of ethical decisions by station managers:

1. *Ethical decisions have extended consequences*: Managerial decisions go beyond immediate or first-level consequences. Decisions affect others throughout the organization and the society.
2. *Ethical decisions have many alternatives*: Few decisions involve a simple yes or no. managers must consider all options when making an ethical decision. For the media station manager, the pressures of time and deadlines can limit a careful analysis of each possible alternative.
3. *Ethical decisions often have mixed outcomes*: Ethical decision often produce both benefits and costs that managers may or may not foresee. The easiest ethical decisions involve only one outcome but are rare.
4. *Most ethical decisions have uncertain consequences*: Rarely are managerial decisions free of risks or doubt, with clear-cut alternatives. Usually, managers cannot foretell the full consequences of an ethical decision.
5. *Ethical decisions have personal implications*: Ethical decisions are intertwined with the values, beliefs and other personal qualities of managers. In most cases, managers face personal benefits and costs in the ethical choices they make.
5. *Ethical norms provide a means of making informed decision*: Several ethical norms, such as the Golden Rule, the Judeo-Christian ethic, the categorical imperative, utilitarianism, egalitarianism, relativism, social responsibility theory, deontological and teleological ethics are used in making moral decisions.

3.3 Ethical Duties of Broadcast Media

Christians, Rotzoll, Fackler, Mckee and Woods (2005) have identified five ethical duties of the broadcast media and their employees at all levels of management and non-management, as well as different types of institutions. These are:

1. Duty to self: Media professionals need individual integrity and strength to follow thconscience. Balancing career objectives with other duties can be challenging.
2. Duty to the audience: When deciding on a particular course of action, the audience, subscribers or other supporters must be considered. The question is often: how will the decision affect the audience?
3. Duty to employer or station owners: Responsible employees have the sense of obligation to their employers. Duty to the station may outweigh individual duty in certain situations. What is the impact of one's decision on the organization as a whole?
4. Duty to professional colleagues or association: We often consider obligation and loyalty to professional colleagues or body when we make certain decisions. Thus we ask ourselves: to what extent does duty to professional colleagues or professional organization, such as the Radio and Television Workers Union?
5. Duty to society: Many issues call into question a station's duty to society. In news, for example, individual rights to privacy and confidentiality often arise. Media content that contains scenes of sex and violence also directly affect society. Hence, the question often concerns: to what extent does duty to society affect other professional duties and loyalties?

3.4 Norms for Decision Making in the Media

A norm is a standard pattern of behaviour that is considered normal in a society. In psychology, it is the range of functioning that can be expected of members of a population and it is used to determine whether people functioning outside the expected range may need specialist help or support (Goldberg, 2003). Ethical norms thus form the basis of many of our individual and societal beliefs. By way of definition, ethical norms are a set of theories derived from the study of ethics and ethical principles; they are useful becaue they provide a philosophical foundation from which to analyse ethical situations and make intellectually defensible judgement (Day, 2006).

Let us briefly examine seven ethical norms that have been widely used to argue in the case of the media (Christians et al., 2005; Day, 2006; Jaska and Pritchard, 1994). These are the golden mean, the Judeo-Christian ethic, the categorical imperative, utilitarianism, relativism and social responsibility theory.

First, Aristotle suggested **the golden mean**, which stresses moderation as opposed to extremes or excess. Aristotle argued that an individual could achieve strong moral character but must necessarily face difficult choices. By adopting a middle position, therefore, one could avoid both excess and deficiency (Albarran, 2010). This principle is evidence today in station

management, with regard to balance and fairness in reporting. Maintaining objectivity in covering and reporting the news is another way to practice the golden mean.

Second, there is **the Judeo-Christian ethic** which appeared in the scriptures 'Do unto others as you would have them do unto you' and 'Love thy neighbour as thyself'. This ethic emphasises respect and dignity for all people based on a universal love for God. Hence, programmes that degrade or demoralize certain groups, such as women, the minority ethnic groups, violate this ethic.

Third, the German philosopher, Immanuel Kant, argued that ethical decision among managers should be derived from a sense of moral duty or **the categorical imperative**, based on underlying individual actions. This means that in making moral decisions, we must seek what is acceptable to all members of the society, or what can be applied comfortably to all situation. But you must note that the categorical imperative is concerned more with the process of making a decision than with the outcome of that decision. Thus, station managers must ensure that the course of action they intend to take is the most morally defensible to the most people.

Fourth, John Stuart Mill established and promoted the philosophy of **utilitarianism** in decision making situation. Mill claimed that when faced with serious moral decision in station management, one must consider which action will result in the most happiness for the greatest number of people. The maxim is often called 'the greatest good' approach to decision making (Chadwick, 2000). Unlike categorical imperative, utilitarianism is more concerned with consequences of an ethical decision than with the process of decision making. In a democratic setting, this is also referred to as the majority rule. Thus, given this norm, managers would consider the type of programme content and platform that would best serve the needs of the majority of the public. A news director would also focus on stories the public needs or wants to know about, while a sales manager might approach the clients whose products and services provide a benefit for the larger section of their audience.

Fifth, there is the **egalitarianism** theory which asserts that everyone must be treated equally and fairly in situations of making ethical decision. John Rawls, its proponent, introduced the concept as the veil of ignorance, which he also referred to as a hypothetical construct (Day, 2006). By 'wearing' a veil when considering a decision, a station manager eliminates possible biases or discrimination and, therefore, treats everyone equally. Without the veil of ignorance, John Rawls argued, minority viewpoints and those representing weaker points of view may be ignored. In other words, the veil allows decisions to be made impartially,

without biases. In station management, for example, it is expected that in presenting a piece of news, all sides to the case should be fairly and accurately presented. Also, relationships with advertisers should be conducted fairly without showing preference to larger clients.

Sixth, there is **relativism** ethical norm, propounded by John Dewey and Bertrand Russell (Albarran, 2010). Relativists argue that what is best for one is not necessarily what is best for another, even under similar situations. This means that each individual decides what is best from his viewpoint and does not judge others' decisions. This argument gave rise to what is today known as situational ethics, which examines ethical decisions in individual situations. In electronic media stations, a programme director, for example, must decide what type of music to be played on the station. Questionable lyrics or video contents are carefully scrutinized, rejected or restricted, depending on the audience. In TV stations in particular, the programme director decides which types of syndicated programmes to acquire, as well as which type of network programmes to clear. In essence, when confronted with a potentially controversial programme, the manager or director must evaluate it and its impact on the local audience. Seventh, is the **social responsibility** theory, propounded by the 1940s' Hutchins Commission on the Freedom of the Press in America (Day, 2006). The findings of the commission gave rise to the recognition that though individuals in the media cannot correctly determine the exact impact of their decisions, they make them with good intentions. Thus, even though this theory originated in the newspaper industry, it applies to the electronic media. All managers engage in responsible behaviour and expect the same from all its employees, acting on this norm. Therefore, exhibiting responsible behaviours through programming and other areas can enhance the spirit of trust between a media station and its audience.

Ethical norms often fall into two broad categories of philosophical thoughts: **deontological** ethics—those concerned with the process of making decisions based on established principles; and **teleological** ethics—those concerned with the actions or consequences of decisions. The first one was popularized by Immanuel Kant, who emphasized the idea of duty in making ethical decisions. The prefix 'deon' is Greek, meaning duty. Note that because Kant and his followers are not concerned with outcomes, they are often referred to as non-consequentialists (Day, 2006).

However, teleological theories are primarily concerned with consequences and the ability to make the best possible decisions. Ethically correct decisions are those that produce the best consequences. Utilitarianism, with its maxim of the 'greatest good' is the best example of a teleological theory. Though this sets of theories do not ignore the

process of decision making, they do emphasize efforts to produce the best decisions through careful examination of each alternative and its impact on others.

Table 4.1: Summary of Ethical Norms for Decision Making in Electronic Media Stations

SN	*Norm*	*Source*	*Main Idea*
1	The Golden mean	Aristotle	Avoid excess and extremes, seek moderation
2	The Judeo-Christian ethic	The Bible	Respect and dignity for all persons
3	The Categorical imperative	Immanuel Kant	Act on those principles that can be applied universally
4	Utilitarianism	John Stuart Mill	When faced with a moral decision, seek the solution that will bring the greatest happiness to the greatest number
5	Egalitarianism	John Rawls	Adopt a veil of ignorance when making ethical decisions. The veil will allow unbiased and impartial decisions
6	Relativism	John Dewey and Bertrand Russell	Each individual determines his own course of ethical decisions as each encounters different situations.
7	Social responsibility theory	The Hutchins Commission	Journalists generally make decisions that serve society in a responsible manner. Decisions are made with good intentions

Source: Adapted from Albaran (2010).

3.5 Ethical Codes and Mission Statements

Operating ethical codes of conduct and mission statements are two ways electronic media stations publicly identify their business values. Codes of ethics tend to be associated with professional organizations, such as the Radio-Television News Directors Association (RTNDA) of America and the Society of Professional Journalists (SPJ). But mission statements are created by a station to define exactly what the company does (that is, its mission) and to reflect its sense of values.

Codes of ethics are written statements, often presented as creeds of conduct for an electronic media station or any organization and its members. Note that the codes are usually controversial. Some scholars

have argued that codes of ethics avoid the problems of individual interpretations of matters of moral judgement while others have asserted that they are a form of self-censorship and are often too vague and general to address moral issues effectively (Black and Barney, 1986; Day, 2006; Vivian, 2005).

Usually, people found guilty of ethical misconduct are removed completely from the profession. A distinguishing feature of codes relating to the mass media industry is their lack of enforceability. Many people criticize the lack of enforceable codes, as well as the lack of a universal code of ethics in the media. Strentz (2002; p.267) offers four suggestions for a universal ethical standard in journalism to help in decision-making. The suggestions are: to use restraint, know thyself, respect others and be accountable for one's actions.

Moreover, stations and their corporate parents often have defined mission statements, which identify an organizational purpose and values. While not a code of ethics, a mission statement publicly displays the inherent values of an organization. Warner and Buchman (2004) explained that all media organizations should have a mission statement and encourage employees to write their own individual mission statements.

Hit (1990) suggests that a mission statement is the responsibility of ever manager in an organization. An acceptable mission statement defines the purpose of an organization, focuses on the product or service the organization provides, responds to the needs of various publics with interest in the organization, provides direction for making decisions and taking other actions, and energizes all employees. Finally, mission statements should be enduring but not resistant to change.

3.6 Main Ethical Conflict Areas in Media Management

3.6.1 Serving the market or marketplace

Many ethical issues arise in electronic media station management. Natural conflicts arise over the ability of a station to serve the market as well as the marketplace (McManus, 1992). Here, the market represents the clientele, while the marketplace represents the general public or audience of the station. Private radio and television stations are required, for instance, to serve the public interest, without benefit of the guidance provided by the rules and guidelines that existed pre-deregulation eras. Thus, the burden is on management to define what is in the public interest. The removal of requirements for community ascertainment (that is, gathering of information on issues of concern to the community), the fairness doctrine, and requirements for news and public service programming quotas give station manager more latitude in determining their own course of action in serving the public.

Critics of deregulation argue that media stations are no longer concerned with meeting the needs of the audience— know that this criticism is valid with some media stations (Albaran, 2010). But many broadcasters are involved in serving their communities through various types of outreach programmes, recognizing that localism is the major difference between their services and those of competitors. For instance, a radio or television station in Umuahia would be contending with serious ethical problem in scheduling forty percent of its programmes in Hausa or Edo. But even so, broadcasters have a n obligation to their owners and stockholders to maintain a profitable business. In other words, electronic media stations are not in business to lose money. The push for profit, however, can create pressures that may override the needs of the audience. Ethical issues arise when business interest eclipse other obligations (Day, 2006). Thus, the question is: given the fact that a station is supposed to make profit, can its managers effectively balance their decisions on the needs of the market and those of public interest? It is a delicate balancing act. Perhaps the key is to stay actively involved with the community in a variety of ways, and to act responsibly towards the audience.

3.6.2 Ethical conflict over programming

Station managers are confronted with ethical questions related to programming because it is the most visible activity of a media organization (McManus, 1992). Most programming controversies in television broadcasting, for instance, relate to violence, sex and children's programme contents.

a. Violence Content

Several studies have shown that modern television programming contains excessive violence (Gerbner, Gross, Morgan and Signorielli, 1994; Day, 2006; Albarran, 2010). While certain networks have moved away from programmes that feature gratuitous violence, violent content remains, especially among cable/satellite stations. Ultimately, managers must determine which programme the audience they serve will accept. Violence in society, such as tragic school bus shooting at schools and universities, bombing of innocent civilians as protest of political injustice or the hijacking of an aircraft by a group of fanatics, refocuses attention on television and film violence and its potential effects on adolescents and young adults.

b. Sexual Content

The amount of sexual content in television programmes has long generated concerns from audience members, religious organizations and educational groups. Contents which feature nudity, lewdness and profanity, such as those projected by many Nollywood and Hollywood movies, have remain controversial in our society. Sexual situations remain a regular part of may daytime soap operas and, especially Spanish language *telenovellas*.

However, certain networks in developed societies and, generally, cable networks tend to be much more liberal in their use of sexual content– with such channels as Africa Magic and programmes as Big Brother Africa and other reality shows— when compared to the broadcast networks. In the US, renewed concerns over indecency, following the 2004 Super Bowl halftime show incident, tempered broadcasters from pushing the limit regarding sexual content. As a result, the US Congress enacted expensive fines for presenting indecent material in 2006 to $325,000 (approximately ₦48 million).

c. Children's Programming

Advocates for quality children's television have bemoaned the lack of good children programming since the 1960s (Albarran, 2010). In spite of the Children's Television Act of 1990 in the US, controversies continue in the twenty-first century. Such controversies may cause conflicts between a station manager's personal ethics and those of the organization. For example, a manager of television station (say, NTA Kaduna or NTA Ibadan) may have personal moral objections to a cartoon or other children's programme offered by an affiliated network (NTA Lagos). However, the station will, in many instances, air the programme to remain in good standing with the network and advertisers who have purchased time during the broadcast. In such a case, the manager has chosen duty to the organization and customers over his own personal duty.

3.6.3 Ethical conflict in news and public affairs

In the reporting of news and public affairs, many ethical concerns confront the news manager and general manager (Steele, 2004). As in the case of serving both the needs of the market and those of the marketplace, a great deal of pressure exists to remain competitive and be the first to report a major news event, especially at a time when technology enables the presentation of materials in almost an instant manner. Economic pressures come into play for the news department as it strive s to win the news rating war against other stations. In brief, here are the most common areas of ethical concerns.

a. Concern of Technology and Citizen Journalists

Technology has made it possible for anyone with a camera, microphone or microphone-enabled device, cell phone, or laptop with Internet access to share 'newsworthy' contents with the world. Media stations initially resisted consumer-made content. But since 2006, they have begun to embrace the concept, and even encouraged submission of materials for on-air/on-web consideration. With the popularization of social media, such as chats and online messaging (eg, Facebook, Twitter and Google+), there are now real-time news gathering procedures and activities. Note that this is not an avenue to debate whether those who provide such

contents for news purposes are journalists or not; but from what we see daily on local television, especially in Nigeria, many of them seem to lack any formal knowledge of media ethics. Thus, managers should be careful in the use of such materials; they should verify not only their authenticity but should also attempt to maintain integrity of their news operations as well (Loomis, 2008; Albarran, 2010).

b. Concern over Truth and Accuracy

Telling the truth is, no doubt, one of the most important virtues of a person or society; and this is reflected in many ethical codes and creeds in broadcasting. Truth establishes trust, credibility and integrity among institutions (Albarran, 2002). And because every effort must be made to present accurate coverage in all news and public affairs programming, reporters and editors must carefully verify all facts. The staging of news events or other dramatic recreations can, therefore, mislead the audience; hence, many media stations avoid, totally, dramatizations. The American media is often charged with being to biassed in its presentation of news and public affairs, creating questions of credibility with the audience (Goldberg, 2003).

c. Concern over Privacy

The public's right to know should not impinge on another person's right to privacy. News managers, therefore, must be certain that coverage of individuals occurs because of its newsworthiness. Several areas of news reporting are routinely given special treatment by the media; for example, instances of sexual assault (a generally accepted code of ethics prohibits the naming of victims), sexual orientation of potentially newsworthy individuals, identity of people affected by certain deadly diseases, such as HIV/AIDS; details of suicides, identity of juvenile offenders, and treatment by the media of people suffering from personal tragedies. Managers should also question the use of secret cameras and other recording devices to get a story.

d. Conflicts of Interest

Journalists should avoid situations that produce a conflict of interest, compromising their ability to cover a story properly. Station managers may face situations where reporters are offered gifts or other considerations that could impair their ability to report a story accurately. This could be pretty difficult for a station that is having some financial challenges. Moreover, personal relationships may develop with news sources in a way that creates a conflict of interest. The practice of certain news organizations paying sources for information, or what is called 'chequebook journalism', raises similar concerns (Day, 2006). Also, news crews or correspondences attached to economic or political groups or stations (such as government house correspondence, oil and gas

correspondence, etc) could be influenced by the amount of gratifications they receive from such groups when covering their news stories.

e. Concern over Confidentiality of Sources

Sometimes, when a station or its reporters promises anonymity to a news story source, confidentiality becomes a concern—because, sooner or later, they would be asked to reveal their sources of information. In extreme cases, reporters have been jailed for refusing to divulge the names of their sources. One raging debate in Nigeria today is that concerning the freedom of information bill (or FOI bill), which grants certain amount of legal protection to information sources in the country. In the US, most states have adopted the provisions known as 'Shield laws', which protect reporters from having to reveal the names of confidential sources to either the court or investigative agencies. Thus, news managers are often caught between a reporter's effort to maintain confidentiality and external forces demanding the information.

f. Concerns over Pictures/Messages from Advertisers

In modern news stories/ newscasts, corporations and business entities often receive attention. These entities could even be advertising clients of the station or network. The problem that arises is that such advertisers typically object if a story is presented in a negative manner. Let us consider a large-scale corruption case against Nestle Nigeria PLC as a news item, in which the careless packaging of a certain product brand of the beverage company is said to have resulted in the death of over two hundred children in one state alone. The other side of the coin is that Nestle is the station's biggest advertiser in more than a decade, and thus the major financier of the station. The withdrawal of Nestle's advertising could almost cripple operations of the station. The manager could be cut between running the news story and defending Nestle through paid advertisements and announcements so as to maintain the relationship. In the infamous NBC *Dateline* programme, a rigged explosion of General Motors truck which featured. This resulted in a lawsuit against NBC and in a near-loss of the station's biggest advertiser, General Motors (Albarran, 2010). Eventually, business necessity (the market need) triumphed over public interest (need of the marketplace) and NBC apologized to GM. The relationship survived.

4.0 TUTOR-MARKED ASSIGNMENT

1. How will you explain the role of ethics and ethical obligations in broadcast media stations?
2. Explain the differences between a station's ethical codes and ethical statement.
3. In your own words and style, explain the common ethical issues or conflict areas faced by broadcast station managers.

5.0 SUMMARY

This Unit has succinctly explored the role and importance of ethics and ethical standards in media management. Ethics was described as the fundamental and distinctive character of a group, social context, or period of time, typically expressed in attitudes, habits, and beliefs. Hence, it is concerned with the basic questions of what is right and what is wrong, and it involves the character and conduct of individuals and institutions. It is thus affected by extended and uncertain consequences, alternatives, mixed outcomes, and personal implications, among others.

6.0 CONCLUSION

As it is expected in every organization, the media house must operate within certain limits or freedom. Whatever has been published or sent out into the air cannot be retracted. This is why the media manager must ensure that strong ethical standard is maintained in his station. Media ethics is the subdivision of applied ethics dealing with the specific ethical principles and standards of media, including broadcast media, film, theatre, the arts, print media and the internet. The field covers many varied and highly controversial topics, ranging from war journalism to Benetton advertising. The ethics of journalism is one of the most well-defined branches of media ethics, primarily because it is frequently taught in schools of journalism. Journalistic ethics tends to dominate media ethics, sometimes almost to the exclusion of other areas. Topics covered by journalism ethics, for example, include news manipulation— I hope you know that news can be manipulated? Governments and/or the media corporation may manipulate news items or media; governments, for example, by censorship, and the corporation by share ownership. The methods of manipulation are subtle and many; and manipulation may be voluntary or involuntary. Those being manipulated may not be aware of this. But the work of the manager is to ensure that all standards are kept and excesses minimised.

7.0 REFERENCES/FURTHER READING

Albarran A.B. (2002). *Media Economics: Understanding markets, industries and concepts*. Ames, IA; Blackwell.

Bernard, C.I. (1968). *The Functions of the Executives*. Cambridge; Harvard University Press. Bernard, L.E. (2007). The Foundation of Management Excel. Department of Agricultural Economics, Ohio State University Extension.

Bigelow J.D. (Ed). (1991). *Managerial Skills: Explorations in practical knowledge*. Newbury Park, CA; Sage.

Blackburn, S. (2001). *Being Good: An Introduction to Ethics*. Oxford University Press. UK.A sparkling meditation on why humans should behave well.

Buckingham, M. and Coffman C. (1991). *First, Break All the Rules: What the world's greatest managers do differently*. New York; Simon and Schuster.

Carroll S.J. and Gillen D.J. (1987). Are the classical management functions useful in describing work? *Academy of Management Review*, 112(1); 38-51.

Chadwick, R. (ed.) (2000). *The Concise Encyclopedia of the Ethics of New Technologies*.

Academic Press. Examines potential ethical conflicts arising from new technologies. Fayol H. (1949). *General and Industrial Management*. (C. Storrs, trans.). London; Pitman.

Foucault, M. and Rabinow P. (1999). *The Essential Works of Michel Foucault*, 1954-1984. Vols1-3. New Press, US. A collection of the writings of the French philosopher.

Gershon, R.A. (2000). The transnational media corporation: Environmental scanning and strategy formulation. *Journal of Media Economics* 13(2); 81-101.

MODULE 4 PROGRAMMING STRATEGY AND DISTRIBUTION

UNIT 1 CONCEPT OF PROGRAMMING IN THE ELECTRONIC MEDIA

CONTENTS

1.0 INTRODUCTION

Programming is a critical component of successful media management. Radio and television stations would have little attraction without the entertainment and information content they deliver to audiences. Similarly, satellites and cable channels would be useless without the deployment of some sort of superior programming strategy and distribution pattern. With regard station management, programming in the electronic media is an ongoing process, reflecting changes in audience

tastes and preferences and in distribution technologies. Programming also brings about certain managements issues, such as the demand for research, meeting competition for audiences, brand development, and meeting certain programming standards. This Unit shall introduce you to some of these concepts while leaving you with subsequent Units to elucidate onmore concrete terms in programming management.

2.0 OBJECTIVES

At the end of this Unit, you are expected to:

- Understand and explain the several scheduling strategies in programming
- Discuss in your own words the concerns of station management with regard to 'exercise of artistic freedom' and 'children programmes'
- Explains the regulatory concerns of management with regard to programming

3.0 MAIN CONTENT

3.1 Broadcast Scheduling

Broadcast programming or scheduling is the practice of organizing television shows or radio programmes in a daily, weekly, or season-long schedule. Modern broadcasters use broadcast automation to regularly change the scheduling of their programmes to build an audience for a new show, retain that audience, or compete with other broadcasters' programmes. In the United Kingdom, this is known as TV listings.

Television scheduling strategies are employed to give programmes the best possible chance of attracting and retaining an audience. They are used to deliver programmes to audiences when they are most likely to want to watch them and deliver audiences to advertisers in the composition that makes their advertising most likely to be effective (Ellis 2000 p. 136). Digitally based broadcast programming mechanisms are known as electronic program guides (EPG).

At a micro level, scheduling is the minute planning of the transmission; what to broadcast and when, ensuring that every second of airtime is covered. With the beginning of scheduled television in 1936, television programming was initially only concerned with filling a few hours each evening – the hours now known as prime time. Over time, though, television began to be seen during the day time and late at night, as well on the weekends. As air time increased so did the demand for new material. With the exception of sports television, variety programmes became much more important in prime time.

3.1.1 Scheduling strategies

Block programming occurs when the television network schedules similar programmes back-to-back. The concept is to provide similar programming to retain viewership. **Crossprogramming** involves the interconnection of two shows. This is achieved by dragging a storyline over two episodes of two different programmes.

Bridging is being used when a station tries to prevent the audience from changing channels during a junction point - the main evening breaks where all channels stop programmes and shift gear (Ellis, 2000). This is achieved in a number of ways including: having a programme already underway and something compelling happening at a junction point, running a programme late so that people 'hang around' and miss the start of other programmes, or television advertising the next programme during the credits of the previous. **Counterprogramming**, on the other hand, is used when a time period is filled with a programme whose appeal is different from the opponent programme because it is a different genre or appeals to a different demographic.

Dayparting is the practice of dividing the day into several parts, during each of which a different type of radio programming or television programming appropriate for that time is aired. Daytime television programmes are most often geared toward a particular demographic, and what the target audience typically engages in at that time. Depending on the station, for instance, television airtime is divided into various parts, such as: sign-on, early morning news, early morning, late morning, daytime television, early fringe, lunchtime news, early afternoon, late afternoon, early evening, evening news, prime time, late-night news, late night television, graveyard slot, sign-off (closedown), late fringe, post late-fringe (some of these are discussed later).

Hammocking is a technique used by broadcasters whereby an unpopular programme is scheduled between two popular programmes in the hope that viewers will watch it. Public television use this as a way of promoting serious but valuable content.

In **Hotswitching**, the programmers eliminate any sort of commercial break when one programme ends and another begins; this immediately hooks the audience into watching the next programme without a chance to change the television channel between programmes.

Stacking is a technique used to develop audience flow by grouping together programmes with similar appeals to 'sweep' the viewer along from one programme to the next (Vane and Gross, 1994, p. 175). **Stripping** is running a syndicated television series every day of the week.

It is commonly restricted to describing the airing of shows which were weekly in their first run. Shows that are syndicated generally have to run for several seasons (the rule of thumb is usually 100 episodes) in order to have enough episodes to run without significant repeats.

In **tent pole programming** the station programmers bank on a well-known series having so much audience appeal that they can place two unknown series on either side, and it is the strength of the central programme that will bring the others along to victory.

A station can also have special **theming days** (such as for Christmas holiday), or theme weeks, such as Discovery Channel's Shark Week, when all programmes aired have implicit or subliminal themes along the major theme or season.

A typical scheduling strategy used in Argentinian radio and television is called '**pase**' (Spanish for a 'pass', as in a player passing the ball to another player of the same team). A few minutes before the end of a live broadcast show, followed by another live broadcast show, people from both programmes will share some air time together. This may be used for people from the starting programme to anticipate its contents of the day, or to participate in an ongoing discussion in the previous show, or simply for an entirely independent debate or chat that will not be furthered after the 'pase'. On the radio, where newscasts are usually broadcast every thirty minutes, often in coincidence with the end of a show, the 'pase' may take some minutes before the news, and sometimes some minutes afterwards, too.

Alternatively, if there is no 'pase', light jokes or comments can be made in a show involving people of the following show, so that some viewers or listeners might be interested in hearing what the reply will be. Also, when a station has a new show starting, or if it needs to boost its ratings, part of its cast will be featured in other programmes in the same station, inserted in the dynamics of the programme they are in. For example they will participate in game shows, be interviewed by the journalists of the station, make cameos in a series, substitute for the usual staff of other shows in their habitual functions, etc. Additionally, hosts of live programmes may mention repeatedly the new show and its time slot, trying to encourage their own viewers to watch it.

3.2 The Programme Director

The person actually responsible for programming in a radio or television station is the Programme Director or Programme Manager, a mid-level manager who reports directly to the General Manager. In the cable industry, the title Operations Manager identifies the person responsible for programming the system. In this unit, the titles 'programme director' (PD)

and programme manager' are used interchangeably to represent the person responsible for programming across the electronic media stations.

In most cases, only a few employees work in a programming department. Radio stations in smaller markets may have only a single employee, the actual Programme Director, while larger markets may also employ a programme assistant. TV stations and cable systems employ an average of two to four people in their departments. Consolidation has limited the number of programming-related positions the broadcast industry. In television, much of the buying process for syndication now occurs at the corporate as opposed to the station level. In radio, market clusters demand that programming functions become the responsibility of a market programme manager or marketing manager.

Most Programme Directors have several years of experience, .. well as a college degree. The paths to programming vary; many programmers have previous experience in a related area, such as production or promotion. Programme Directors are responsible for mar management tasks, the most common of winch are the following:

- *Budgeting.* Programming represents major expense in the electronic media. Programme directors need skills in creating and administering budgets, amortizing programming and conducting break-even analysis for acquired and scheduled content.
- *Acquisition*. Programming comes from various sources. The PD's job is to acquire programmes, usually in consultation with other managers and corporate executives. Programming can be acquired from a network or other production company, acquired in trade or barter, or produced internally. Acquisition involves negotiating with producers and distributors.
- *Scheduling.* Scheduling is the process of arranging programming to meet strategic goalsand objectives. Numerous strategies and considerations are used in scheduling programming, the most important being how well the Programme will attract audiences and advertisers. Scheduling becomes less critical as more content moved to the Internet and other forms of distribution where it is not necessary to adhere to a linear schedule.
- *Evaluation.* Programme managers use research data and other audience feedback to evaluate programming. The evaluation process determines whether or not a radio station will change format or a television show will be moved to another time period or even cancelled.
- *Interpersonal skills.* The PD's many responsibilities involve interaction with other managers and station personnel, as well as the public at large. Strong verbal and written communication skills are needed, as well as the ability to work with others. Because of

the structural differences among the radio, television, and cable industries, programming and the strategies used to reach audiences differ across the electronic media and its various platforms. The following sections discuss the specific ways each industry handles programming, beginning with radio.

3.3 Management Issues

3.3.1 Programming standards

Radio and television broadcasters have a long and proud tradition of programming to large and small, representing diverse localities and perspectives, and striving to present programming of the highest quality to their audiences pursuant to standards of excellence and responsibility. Management staff do this out of respect for their status as daily guests in the homes and lives of a majority of people and with a sense of pride in their profession, in their product and public service. The starting point of running a good station scheduling operations is the adoption by a station management or its Board of Directors certain principles or codes of standard with regard to programming. The board produces a set of regulatory standards that reflect what it believes to be the generally-accepted standards of radio or television programming. These statements are particularly useful with regard to public concern about such notable issues as violence and drug abuse.

Generally, obscenity is not constitutionally-protected and is at all times considered unacceptable for broadcast. In all, the standard codes encourage that all programming decisions should take into account legal requirements limiting the broadcast of indecent matter. But you must note that no two stations' principles are the same. In fact, a statement of principles of a broadcast station is of necessity general and advisory rather than specific and restrictive. Most times, there is no interpretation or enforcement of these principles. They are not intended to establish new criteria for programming decisions, but rather to reflect generally-accepted practices of the broadcasting milieu. They similarly are not in any way intended to inhibit creativity in or programming of controversial, diverse or sensitive subjects. Specific standards and their applications and interpretations remain within the sole discretion of the individual television or radio station. Suffice it to state that broadcast stations continue to earn public trust and confidence through strict adherence to their sets of programming principles. Such programming statements would include the following areas:

3.3.1.1 *Responsible Exercise of Artistic Freedom*

The challenge to the broadcaster is often to determine how suitably to present the complexities of human behaviour without compromising or reducing the range of subject matter, artistic expression or dramatic

presentation desired by the broadcaster and its audiences. For television and radio broadcast, this requires exceptional awareness of considerations peculiar to each medium and of the composition and preferences of particular communities and audiences.

Each broadcaster is mandated to exercise responsible and careful judgement in the selection of material for broadcast. The station itself is enjoined to be vigilant in exercising and defending its rights to program according to its judgements and to the programming choices of its audiences. This often may include the presentation of sensitive or controversial materials. Thus, in selecting programme subjects and themes of particular sensitivity, great care is paid to treatment and presentation, so as to avoid presentations purely for the purpose of sensationalism or to appeal to prurient interest or morbid curiosity. In scheduling programmes of particular sensitivity, station staff are mandated to take account of the composition and the listening or viewing habits of their specific audiences. This means that all scheduling should generally consider audience expectations and composition in various time periods.

3.3.1.2 *Responsibility in Children's Programming*

By now, you will discover that this issue, as well as those relating to violence and drug abuse, keep coming up with regard to programming. It is because, apart from the heavy legal implication of these issues, they are important to the general perception of a station; and perception largely affects the survival of any broadcast organization. The scheduling standards often specify that programmes designed primarily for children take into account the range of interests and needs of children, from informational material to a wide variety of entertainment materials. Such programmes should attempt to contribute to the sound, balanced development of children and to help them achieve a sense of the world at large.

3.3.1.3 *Responsibility to Special Programme Contents*

Programmes containing violence, drugs, and obscenity/ sexual orientations are often categorised as special. And every station management must show genuine concern for such programmes. Violence, physical or psychological, should only be portrayed in a responsible manner and should not be used exploitatively. Where consistent with the creative intent, organizational codes enjoin station staff the following:

- Programmes involving violence should present the consequences of violence to its victims and perpetrators.
- The presentation of the details of violence should avoid the excessive, the gratuitous and the instructional.

- The use of violence for its own sake and the detailed dwelling upon brutality or physical agony, by sight or by sound, should be avoided.
- Particular care should be exercised where children are involved in the depiction of violent behaviour.

Also, there are statements that the use of illegal drugs or other substance abuse should not be encouraged or shown as socially desirable in programme scheduling. Thus, portrayal of substance abuse should be reasonably related to plot, theme or character development. Where consistent with the creative intent, the adverse consequences of substance abuse should be depicted. There is all effort not to glamorize drug and substance abuse.

Finally, in evaluating programming dealing with human sexuality, the station's standard codes would state that broadcasters should consider the composition and expectations of the audience likely to be viewing or listening to the station and/or to a particular programme, the context in which sensitive material is presented and its scheduling. Therefore, creativity and diversity in programming that deals with human sexuality is encouraged, while programming that purely panders to prurient or morbid interests is discouraged.

3.3.2 Competition for audiences

Today audiences have multiple choices for listening and viewing. These include traditional distribution (e.g., broadcasting, cable, satellite, telco), alternative distribution systems (wireless and Internet), storage devices (VCR, DVD, DVR), and hand-held devices (cell phones, PDAs, etc.). Audience shares continue to fragment as new competitors emerge. These new services provide a digital quality experience for consumers. Given this increasingly competitive environment, electronic media managers are becoming concerned and worried about the tough operating/competitive environment they work today. Thus, it is becoming tougher job to maintain their existing market share.

3.3.3 Demand for research

Increasing emphasis is being placed on audience research so that managers can better understand the audiences they serve. Audience fragmentation is increasing, necessitating data more detailed than just demographic ratings and shares. More lifestyle and psycho-graphic research are needed to pinpoint specific attributes of the audiences served by individual programmes. This will provide not only better efficiency for advertisers but also better targeting and Programme strategies.

Media companies engaged in audience research are also revamping their data collection technologies, such as the introduction of the PPM for radio

(with television eventually to follow suit). Nielsen now measures out-of-home television viewing (hotels, sports bars, etc.) and began C3 ratings to measure programmes on the day of broadcast plus three additional days—designed to capture viewers who watch programming via their DVR or other storage devices.

3.3.4 Brand development and brand extension

Audiences watch programmes, as opposed to channels. Programmes that attract and hold audiences become key brands for the channels or platforms on which they are distributed. All programmers are interested in building brand recognition for their content, in extending those brands into other time periods, and in finding other opportunities to build audiences.

3.3.4 Rising costs of programming

High-quality programming is expensive to produce and distribute, especially as television transitions in to high definition. Managers share concerns about maintaining and controlling the costs of programming at both local and national levels. As costs increase, programming bears greater pressure to generate profits. This pressure is a common concern for local news operations, which often struggle to produce enough revenue to cover their expenses.

One reason why reality programmes, talk shows, and news magazines dominate television fare is that they are relatively cheap to produce compared with sitcoms or dramas. Likewise, fees for professional and local sports rights rise annually. In the radio industry, satellite music formats can often be acquired at a lower cost than employing an entire on-air staff. In general, increasing programming costs represents an area of common concern.

3.3.5 Regulatory concerns

Regulators continue to express concern over certain types of media content, particularly programmes featuring sexual and violent content. The introduction of V-Chip technology, a provision in the 19$^{M'}$ Telecommunications Act, was delayed for a number of political an. logistical reasons. Voluntary Programme ratings have met with controversy as well, with NBC the last network agreeing to participate. As a result of the 2004 Super Bowl halftime show where Janet Jackson's costume experienced the so-called 'wardrobe malfunction' that exposed her right breast, the FCC and Congress increased fines for indecency to $325,000 per incident material. Further, regulators have frustrated producers, directors, and writers over the definition of what constitutes indecent material and the fear of facing fines.

Tragic school shootings and their resultant news coverage raised questions regarding journalistic standards and practices, ethics, and concerns over media content. Many critics feel television broadcasters have failed to live up to the programming requirements of the 1990 Children's Television Act. With the advent of digital channels, policymakers and broadcasters continue to debate what specific public interest requirements for television is needed in a digital world.
Because of its pervasive nature, programming will no doubt continue to be scrutinized by the public and by politicians. Managers must be cognizant of the programming provided by their operations and ideally maintain the community's interests and needs at all times.

3.3.6 The Multiplatform Environment

There is no question that electronic media outlets are evolving in to multiple platform enterprises offering various types of media content to consumers. A listing of the many digital distribution platforms available for electronic media enterprises is found in Table 8-4. The challenge for management is to determine which platforms to offer content and, perhaps more importantly, how to financially support or monetize these efforts through the creation of m w business models.

Traditional electronic media companies find themselves not only in competition with each other but with a plethora of user generated content available from services such as YouTube and social networking websites. You can even find new programming targeted specifically for broadband audiences on the Internet that will never be seen on broadcast television.

Radio has been impacted as well, not only by the iPod/MP3 phenomenon but also by thousands of Internet radio stations, which offer the ability to establish your own favourite music and playlists, not to mention a growing number of podcasts offering a variety of content. We are in an era where traditional media and ‘new’ media platforms will coexist with one another, and the winner will be consumers, who have more choice and control over what they access in the way of entertainment and information. We will not see traditional media like broadcast radio and television die, nor will we see new media completely dominate. But we will see programming and distribution platforms continue to evolve and change as we move forward, adding to the challenges of today's managerial environment.

Programming is vital to the success of an electronic media facility. The Programme Director or Manager plays a major role by acquiring, scheduling, and evaluating programming in consultation with the General Manager, other department heads, and corporate executives (where applicable).

Among the electronic media, programming strategies differ. Radio stations build their programming around a specific format or type of presentation in combination with other programming elements. FM stations tend to be more music oriented while AM stations offer more information and niche formats. Broadcast television programming consists of network programmes, first-run syndication, off-network syndication, ad hoc networks, and local programming. Network affiliates Programme only a few hours a day, while independents must organize an entire schedule. Affiliates try to maintain audience flow between network offerings, independent stations use positioning and counterprogramming strategies to gain market share.

Cable, satellite, and telco programming services occur on t\v levels. At the system level, the operator arranges programming among various tiers of service, using a combination of local broadcast channels, cable networks, PEG channels, and local origination channel -Basic, expanded, premium, and pay-per-view are the typical tiers o: many systems, with digital services the norm. At the national level, these networks tend to position themselves as **either mass appeal** service or a niche service, targeting specific audiences.

Across the electronic media, Programme managers face similar concerns. Increasing competition means smaller audiences for many services and a greater reliance on accurate and improved research data. The number of potential digital platforms to distribute content continues to expand. Rising programming expenses represent another area of concern, along with the possibility of future governmental regulation of programming. All programmers are wrestling with the challenges brought by new technology and increasing platforms and the opportunities it provides for purchased Programme distribution and marketing.

4.0 TUTOR-MARKED ASSIGNMENT

1. Name and explain, in your own words, five scheduling strategies in programming.
2. Discuss in your own words the concerns of station management with regard to ‘exercise of artistic freedom’ and ‘children programmes’.
3. To what extent would you say media research is important in station programming?

5.0 SUMMARY

Programming is critical to media management. In fact, some scholars have argued that the main work of a studio manager is how to draw and maintain a marketable, profitable programme schedule. Hence, this unit

has discussed the all-important role of a programme director, scheduling strategies and management issues regarding programming standards, competition for audience, research, brand development and extension, rising costs, regulation, and the multiplatform environment of modern broadcasting. We however stressed that programming in the electronic media is an ongoing process, reflecting changes in audience tastes and preferences and in distribution technologies. This emphasises the constant need for audience research towards meeting competition for audiences and brand development.

6.0 CONCLUSION

It is necessary to conclude with a succinct definition of and elucidation on the issue of programming scheduling in electronic media management. Programming or scheduling is the practice of organizing television shows or radio programmes in a daily, weekly, or season-long schedule— giving it a timetable sort of outlook. Modern broadcasters use broadcast automation to regularly change the scheduling of their programmes to build an audience for a new show, retain that audience, or compete with other broadcasters' programmes— something we had explained earlier as TV or radio programme listing. This is done using several strategies, such as block programming (when a network schedules similar programmes back-to-back); crossprogramming (the dragging of a storyline over two episodes of two different programmes); bridging (advertising the next programme during the credits of the previous); counterprogramming (when a time period is filled with a programme whose appeal is different from the opponent programme because it is a different genre or appeals to a different demographic), among others.

Due to the above, certain management issues do arise. One of such issues regard the production and maintenance of standard programming while meeting the schedules. The others are regulations, competition for audiences, research, branding and so on. For example, increasing competition means smaller audiences for many services and a greater reliance on accurate and improved research data. The number of potential digital platforms to distribute content continues to expand.

7.0 REFERENCES/FURTHER READING

Albarran, A.B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran A.B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston.

Albarran, A.B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry.* Boston: Allyn and Bacon.

Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon.

Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Eastman, S. T. and Ferguson, D. A. (2002). *Broadcast/ Cable Programming Strategies and Practices* (6th ed.). Belmont, CA: Wadsworth.

Ellis, J. (2000) Seeing Things: Television in the Age of Uncertainty, London: I.B. Tauris.

Hatchen, W. (2000). *The World News Prism* (8th ed.). Ames: Iowa State University Press. Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

Howard H.H. and Kievman M.S. (2004) *Radio and TV Programming*. 6th ed., New York; Macmillan.

Potter, D. and Gantz, W. (2000). *Bringing viewers back to local* TV *news: What could reverse the ratings slide?* Retrieved September 22, 2012 from www.newslab.org.

Reese D.E. and Gross L.S. (2001) *Radio Production Worktext*. 4th ed., Stoneham MA; Focal Press.

Smith, L. K., Tanner, A. H., and Duhe, S. F. (2007). Convergence concerns in local television: Conflicting views from the newsroom. *Journal of Broadcasting and Electronic Media (51)4*, 555-5 ‘’4.

Steele, B. (1997, September). Hidden cameras: High-powered and high-risk. *Communicator.* Retrieved August 6, 2008, from www.poynter. org.

Vane, E.T., and Gross, L.S. (1994) Programming for TV, radio and cable, Boston: Focal Press. Warley, S. (2004, July 29). We're losing our audience, hut we don't have to. Retrieved 25 January 2011from www.tvspy.vom.

Westin, A. (2000). *Best Practices for Television Journalists.* New York: Freedom Forum.

Zettl H. (2009) *Television Production Handbook,* 10th ed., Wadsworth; Belmont, USA.

UNIT 2 RADIO AND TELEVISION PROGRAMMING

CONTENTS

1.0 INTRODUCTION

Audiences commonly identify radio and television stations by the type of format they broadcast. Popular radio formats include country, oldies, classic rock, adult contemporary, news/talk, and those targeting ethnic audiences (eg, Spanish, hip-hop, urban), while those of television include news, music, dramas/soaps, sports, geography/documentary on the wild, etc. This unit throws light on perspectives in radio and TV programming.

2.0 OBJECTIVES

At the end of this unit, you are expected to:

- Explain in your own words the components of radio programming
- Explain in your own words the components of TV programming and strategies
- Discuss freely what network programming and strategies are
- The importance and/or significance of syndication to modern TV broadcasting

- Discuss the concepts of multicasting and multichannel programming in TV broadcasting

3.0 MAIN CONTENT

3.1 Radio Programming Formats

What are the most popular radio formats in the United States among station owners? While popularity of formats varies from region to region and from one demographic group to another, one benchmark is looking at the number of stations that Programme a certain format. Listed here are the top five formats by number of stations programming that format. According to Radio Advertising Bureau (2007-2008), the most popular radio music formats in Nigeria are (from highest to lowest): Nigerian contemporary, news/talk, foreign contemporary music, oldies, and adult contemporary. Selection of a station format should begin with a careful analysis of the marketplace. A good market analysis examines such factor as the number of other radio stations in the marker and their formal ratings of competing stations, demographic characteristics (also called demographics or demos) and retail expenditures. Ultimately, formal decisions often take one of two approaches: (1) stations attempt to capture an existing audience from another station, or (2) stations develop a format to reach an audience not being targeted by a competitor.

3.2 Developing a Niche for Targeting Audiences

Advertisers desire certain types of audiences more than others. In radio, the 18-49 demographic is considered ideal. If one station has a large share of a key demographic group, such as women 18-49 (year-old bracket), another station may attempt to draw female listeners away by using a similar format. Radio audiences tend to be fickle; that is, they rotate stations in much the same way as television viewers. One challenge in radio programming, besides identifying and targeting an audience is maintaining that audience.

An alternative approach to capturing another station's audience is in target an audience not currently being served by an existing station. Niche formats come in many different flavours, ranging from sports- talk to ethnic formats on AM to jazz and classical on FM. Niche formats also represent challenges in terms of marketing and promotion: to be successful, niche formats are found most often in large markets where multiple stations compete (Speyer, 2008). Take, for example, a purely Yoruba radio station, such as Amuludu FM (Ibadan), what originally was primarily a music format has evolved in to many variations of music, and even ventured in to modern Nigerian hip-hop music and talk radio.

3.3 Format Variables

In selecting a format, management must consider many other variables. Among the most important are:

- *Technical aspects.* FM stations are best suited for music formats, while AM stations tend to emphasize talk and information programming, as well as niche or specialty formats; HD FM offers superior sound quality to both AM and FM, but offers limited distribution due to low adoption of HD receivers.
- *Local-air staff, syndicated distribution, and voice tracking.* Formats can be built around local personalities or provided by a syndication service. A programme director (PD) must weigh the costs and benefits of using local talent against those of a syndicated service. Another option is voice tracking, a concept originally developed by Clear Channel (in the US), where top radio talents in one market record an entire shift for stations in other markets. This controversial practice takes away jobs and creates challenges at maintaining localism.
- *Commercial matter.* Stations must carefully determine how many minutes will be allocated to the sale of commercial time in both drive and nondrive time periods. Enough time must be provided for the station to meet expenses as well as hold listeners. Ideally, most music formats should limit commercial matters to 8 to 10 minutes per hour.
- *Marketing and promotion considerations.* A format should have strong marketing and promotion potential, regarding both advertisers and audiences. Today, managers use *branding,* a marketing technique discussed somewhere else in this Course Guide, to help establish an identity for each station. Labels such as 'classic rock' and 'news radio' are used in tandem with station call letters and frequency location to help build brand identity. Over time, the Internet has emerged as a critical marketing tool for the radio industry, along with text messaging to mobile phones.
- *Wheel or 'hot clock.'* The PD is responsible for creating the actual format wheel or clock used as on-air guide by station personalities. The wheel contains various categories of music, all commercial matter, and other programming material such as weather, traffic, and time announcements.
- *News and public affairs programming.* What (if any) is the station's commitment to providing news and public affairs programming? When and how will these elements be programmed? News content help meet the public interest requirement of a licensee. A common criticism of radio in the post-consolidation era is that too few stations offer any substantive news and public affairs programming in both developing and developed countries.
- *Network Selection.* Though not required, many radio stations are affiliated with a national network so they can provide news and

other programme features. Network material is tailored to reflect the station's format and on-air sound.

Station management regularly evaluates format variables and modifies them as conditions warrant. Generally speaking, the greatest concentration of radio listening takes place in the morning drive time hours of 6:00 A.M. to 10:00 A.M., followed by afternoon drive time (3:00 P.M. to 7:00 P.M.). Midday (.10:00 AM to 3:00 P.M.) ranks third in terms of listeners, followed by nighttime (7:00 P.M. to midnight) (Albarran, 2010). Because of this, a radio station's highest-paid personalities are found during the morning hours. Stations build on the success of their morning programme to attract audiences throughout the day.

Structurally, the radio industry continues to evolve. The 1996 Telecommun-ications Act of US removed all national limits on radio station ownership, leading to the formation of radio clusters in local markets. This has also impacted programming positions in local markets. If a group owner controls the maximum of eight stations in a local market, a single programming department can coordinate the formats across the group's stations. This eliminates the need fo r a separate programme director or PD for each station, saving expenses for the owner.

Satellite radio services finally debuted in 2001 (XM Radio) and 2002 (Sirius) after years of anticipation. Satellite radio is a subscription-based service, available for a monthly fee. Both services offer multiple radio formats in a digital environment, with many of the services commercial-free. By 2007, XM and Sirius had an estimated 14 million combined subscribers worldwide, yet neither service could produce a profitable year, leading to the two companies seeking a merger to reduce costs. The US Federal Communications Commission (FCC) allowed the two companies to merge in August 2008, renaming the new entity 'Sirius XM Radio'.

Though the industry continues to change, radio remains an important medium for both audiences and advertisers. Radio is a daily companion for thousands of adults, yet many studies suggest radio is losing younger audiences who prefer their MP3 player or Internet radio (Albarran et al., 2007; Albarran, 2010). Advertisers use radio as a cost-efficient medium to supplement other marketing efforts. From a management perspective, radio still has the ability to generate positive profit margins for stations with clear target audiences, good technical facilities, and solid brands.

3.4 Television Programming

In the broadcast television industry, it is helpful to differentiate between network-affiliated stations and independent stations. Network affiliates enter into contractual agreements with a network. Historically, this relationship was based on compensation the networks paid affiliates to carry network programmes. As programming costs have skyrocketed and audiences continue to fragment, the nature of compensation has been eliminated in all but the top markets. Where network compensation used to account for as much as 5 percent of the revenue of a large market station or 15 to 25 percent for small markets, actual compensation has dwindled to single digits to reflect the changing economics of network television (Speyer, 2008).

Efforts to further reduce compensation are ongoing between the networks and their affiliates. In a few cases, affiliates enter long-term agreements with networks in which affiliates pay the network—a practice called reverse compensation. But this practice has not become widespread. Some networks negotiate with their affiliates to give back local advertising time to the networks in exchange for compensation.

Independent stations are not affiliated with a broadcast network, and they are few in number in developed countries, given the growth of the big networks and the smaller networks. In developing countries, statistics show that they are more. Independents generate the bulk of their schedule through syndication, barter, and local production, such as news. Programme Directors in any kind of station can acquire several types of programming through first-run syndication, off- network-syndication, ad hoc networks, and local production. Each of these areas is examined below.

3.5 First-Run Syndication

As the name suggests, first-run syndication involves programmes offered directly to local television stations, thus bypassing the national broadcast networks. When programmes are successful, the penetration rate can quickly exceed 95 percent of all television stations. Successful distributors of first-run syndication programming in the US include Paramount *(Entertainment Tonight)* and King World (*Wheel of Fortune, Jeopardy,* and *Oprah).* First-run syndication is often produced at a lower per-hour cost than network programmes because of the high license fees required for the latter. Still, first-run programming contains a lot of risks. Success depends on many factors, including the national penetration of TVHH (television households), marketing and promotion, and audience interest in the series. Despite these concerns, popular series, such as *Oprah, Who Wants to be A Millionaire?* and Wale Adenuga's *Super Story,* clearly prove first-run syndication is an attractive option for programmers.

3.6 Off-Network Syndication

Unlike first-run syndication, off-network syndication represents those series that have had a previous run on a network schedule. Ideally, a series should have a minimum of 100 to 150 episodes prior to entering the syndication marketplace, which allows a local station to run the series on a strip basis (five days a week) with a minimum of two runs per year. Prices for off- network syndication have soared, with former network hits such as *Everybody Loves Raymond* and *Friends* earning millions in syndication. The most popular off-network programmes usually attract many bidders in local markets, increasing the costs for a profitable syndication product. Major markets have been known to pay millions of dollars for off-network products; as market size drops, the cost declines.

Most Programme producers will finance programmes at a deficit in order to gain a position on a network schedule, with the hope of eventually recapturing the losses in the syndication marketplace (Von Sootsen, 2006). **Situation comedies** (Sitcoms) are one of the most attractive types of off-network syndication, as evidenced by the success of series such as *Seinfeld, Friends, Frasier, Baba Ajasco and Company, Face Me I Face You, Clinic Matters,* and *Mr Landlord.* Sitcoms are popular because of their half-hour format, which can be used in a variety of dayparts. Dramatic programmes such as *ER* and the various flavours of *CSI* and *Law and Order* have found the best opportunities for syndication on cable, as opposed to local television stations, because the programmes are longer and can target specific demographic groups cable channels want to reach. Reality programmes have not fared as well in syndication.

Production companies providing first-run and off-network syndication depend heavily on barter in negotiations with local stations and cable networks. **Barter** refers to the practice of a programme being acquired for broadcast with some commercial time already packaged (pre-sold) in the programme. For example, a number of programmes are offered with several minutes of barter time included. The use of barter allows the distributor to be assured of an additional return on the programme beyond the licence fee. Though the buyer of the series (a TV station or cable channel) gives up some commercial inventory when accepting barter, the practice usually results in lower programming costs. In most cases, programmes must clear approximately 85 percent of all TVHH to make barter advertising successful (Moscow, 2000).

4.6.1 Ad Hoc Networks

Programming of interest to a state or region may be produced as part of an ad hoc network; an ad hoc network consists of stations that affiliate in order to receive certain programming. For example, college sports

events may be found on various regional networks that carry football or basketball games. Telethons, beauty pageants, and an occasional special series or production are other types of programming available through ad hoc networks.

3.7 Local Programming

Local programming varies from station to station. Most local programming consists of news, sports, children's programming, programmes targeting minority audiences, public affairs programmes, etc. In general, network affiliates are not likely to have local news operations, although some independent stations also provide news. Local programming can be expensive produce and, except in the case of news or sports, may not easily tract audiences and advertisers.

3.9 Networks Programming Strategies

Some major networks (ABC, CBS, NTA) provide the greatest part of the programme schedule of their affiliates—on average, up to 18 hours per day. Fox, for example, provides approximately 15 hours of prime-time programming, but no daytime hours. The increase in the number of networks, especially in the US and other developed countries, symbolizes the importance of distribution, economies of scale, and group ownership in delivering television programming. The elimination of the financial interest and syndication rules allowed the networks to own and di-tribute more of their own programming. All the major networks are aligned with film studios to provide a continuous source of programming for distribution (ABC-Disney, Fox-2 (or 20th Century Fox), CBS-Paramount, NBC-Universal, and CW-Time Warner). The marriage of production studios and networks creates a perfect union: The studios provide the programming (software) to be distributed through the networks (hardware)—that is, using the language of computer, for example.

To reach a large enough audience, networks need an affiliate base capable of reaching at least 90 percent or more of all TVHH. As more audience members are reached, the overall costs to produce and distribute programming decline. The networks engage in cooperative behaviour, characteristic of an oligopoly market structure (Litman, 1993). Advertising inventory and prices, compensation agreements, and license fees for programming acquired from production companies reflect areas of conduct agreement among the networks. Television ratings, promotional activities, and Programme quality represent areas that differentiate networks.

Television programme managers use many strategies in the placement and scheduling of programming in different dayparts (Eastman and

Ferguson, 2006). In prime time, particular strategies are commonly used. The lead-in programme strategy simply places the best programme at the beginning of the prime-time schedule, in the hope that the audience will remain for other programmes. Ham-mocking involves placing a new or weak television programme between two established programmes, at either the half-hour or the hour interval. The opposite of hammocking, tent-poling is a strategy to place a strong Programme between two new or weaker programmes to generate more of an audience before and after the middle programme.

Counterprogramming involves targeting a different audience from that of competitors. On Sunday nights in the fall, XBC draws male viewers with *Sunday Night Football,* while ABC,' and CBS counter with programmes geared toward women. Stunting, a practice usually limited to the sweeps, involves a deviation from the regular schedule. A series may air one or more times a week, feature crossover guests from another series, or be packaged as a movie or special. Blunting is where a network chooses to target a competitor by scheduling a programme with the same demographic appeal. Seamlessness was developed in the late 1990s to counter the impact of the remote control; by providing a seamless transition between the end of one programme and the beginning of another, programmers hope to maximize audience flow and ultimately increase ratings.

These network strategies have been used for decades, although their value has come into question. With cable, satellite, and telco systems delivering hundreds of channels in 90 percent of all *television households* (TVHH), and with DVRs and YCRS and remote control devices common in many households, it is impossible to control audience flow.

Recognizing the environment had forever changed, the major broadcast networks slowly began to make programming available on their websites, experimenting with a number of different models. At first, nightly newscasts became available online. The most popular series were available online the next day and could easily be watched via a laptop or desktop computer with a high-speed connection.

Yet another key move was the partnerships the network stations engaged with Apple to offer programmes available via iTunes for downloading for a fee. With the diffusion of the popular iPod and other hand-held media players, audiences are free to watch programmes whenever they want. Of course, in addition to the paid iTunes services, there are many peer-to- peer websites offering illegal downloads of programmes that users can access as well.

The next wave of new technologies will centre around the i-phone for the

distribution of mobile video—which is expected to be a multimillion dollar business over the next decade. Most cell phones are capable of receiving videos; it is just a matter of users subscribing. As price point s for subscriptions drop—and look for eventual, a great deal of content to be available for free— mobile video will become more commonplace and widespread. Local television stations will also respond to this trend but will likely focus their efforts on programming they own, such as news and sports and other local contents. Many local stations struggle in determining which of the many available digital platforms to pursue and-perhaps more importantly—which can be profitable.

3.9.1 TV Network Dayparts

Dayparts outside of prime time are very important to a network, especially in terms of revenues. Daytime programming is much cheaper to produce than that of prime time. Although advertising rates and audience ratings are lower, the networks still generate strong profits from their daytime schedule. During nonprime-time hours, the networks generally strive for parity; that is, they try to equal one another in terms of audience ratings and affiliate reach (Walker and Bellamy, 2006). Overall, nonprime-time network programming consists of the following segments and approximate time periods:

- **Early morning** (7:00 A.M. to 9:00 A.M.). This period is normally re served for morning news and information programmes, such as *Morning Express, Today,* and *Good Morning America*. These programmes have fairly wide appeal to adults ages 18-49, especially women.
- **Daytime** (10:00 A.M. to 4:00 P.M.). This time period features three main types of programming—talk, game shows, and soap op eras—all targeting mainly female and youth viewers.
- **Late night** (11:30P.M. to 1:00A.M.). Recently, this has become a fierce battleground with stations fighting for younger audience members (18-35) and some other programmes attracting older, more serious audiences (25-54) who want an alternative to talk shows.
- **Overnight** (1:00A.M. to 7:00A.M.). This daypart consists of some additional late night talk programmes and a combination of news programming.
- **Weekend mornings and afternoons**. Mornings have historically been devoted to children's programming, although NBC adopted a different strategy several years ago with a push toward programming for young teens. Afternoons usually programme sports or sports magazine programmes. The news departments for the networks carry a number of public affairs and discussion programmes on Sunday mornings; while sports programmes dominate the afternoon when in season.

3.10 TV Local Affiliate Programming

Because they receive the bulk of their schedule from the networks, local affiliates actually have very few hours of programming decisions to make. Still, the hours programmed by the local station are critical in terms of audience ratings and the ability to draw local revenues. The major time periods that must be filled are as follows:

- *Early morning* (6:00 A.M. to 7:00 A.M.) Stations with a news department use this time for early newscast; stations without news may offer either children's or religious programming.
- *Morning* (9:00 A.M. to 10:00 A.M.). Talk programming has become the norm during this hour, either a syndicated talk show or a locally produced version.
- *Noon* (12:00 P.M. to 1:00 P.M.). Stations in medium and large markets will likely Programme news in this time period.
- *Early fringe* (4:00 P.M. to 8:00 P.M.). The most critical time period for the local station, this daypart encompasses both local and national news and leads into prime time programming. Depending on market size, news may take up as much as 90 to 120 minutes of this daypart. Typically 4:00 P.M. to 5:00 P.M. is reserved for talk programming, first-run syndication, or off-network series, but many stations in larger markets begin afternoon news at 4:00 P.M. The prime access period of 6:30 P.M. to 8:00 P.M. consists of game shows, court programmes, entertainment news programmes, and more talk programmes.
- *Late fringe* (11:00 P.M.-11.-30 P.M.). This has been a traditional time period for late news or, in some cases, an off-network series.
- *Overnights* (varies). Stations carry a variety of programmes over night. In addition to network offerings, you may find syndicated programming, repurposed newscasts, more talk shows, movies, and even infomercials.
- *Weekends.* Building around a network schedule can be tricky; local stations use movies, sitcoms, infomercials, locally produce, programmes, and barter programmes to fill in hours between network programmes.

Local affiliate programming decisions are often made by the programme director in conjunction with other department heads, such as sales and news, and the general manager. In all dayparts, the PD attempts to maximize the size of the audience with the programming and provide a strong lead-in to other shows. To accomplish this challenging task, PDs work several months in advance to acquire programming and to provide enough time for proper promotion and marketing of new material.

3.11 Programming Strategies of Independent Stations

Independent stations face far greater obstacles than network stations in attracting audiences. While the network provides many hours a day

for programming, the independent, with fewer financial resources, must generate an endless schedule of programming. Most independents try to position themselves with a particular type of programming or counter-programme against network affiliates. Most independent programming consists of a combination of syndicated programmes, movies, and sports. Some independent stations have built a schedule around talk shows. This strategy is referred to as **stacking,** or programming a block of time with the same genre. Stacking can be used effectively with movie packages, situation comedies, and dramatic programmes, in addition to talk shows. It can also be used as a counterprogramming strategy to attract key demographic groups.

In larger markets, an independent station will often attempt to secure local broadcast rights for professional football, basketball, or other sports/ games. Sports programming can be expensive, and it carries risk. If a local team, say the Super Eagles, does well in the standings of a competition, such as the African Cup of Nations (AFCON), good ratings may follow; if the team falters, ratings often fall. Labour issues and strikes also sour fans' interest and create a scramble for programming to fill the time slots, such as the problem ABC and ESPN experienced in the US when the National Hockey League cancelled the entire 2004-2005 season; or when Mobil Exxon terminated its sponsorship status of Nigerian Tracks and Field or the National Football League.

Some independents also programme local news, although many stations have alternatively presented news at a an earlier hour than other stations in the market. In the Eastern Time zone, this may mean offering a local newscast at 10:00 P.M. versus the traditional 11:00 P.M. start for network affiliates— in Nigeria, this is the 8:00 P.M and 9:00 P.M session, so as not to run a parallel newscast to the more popular NTA news. Independent stations will usually generate far lower ratings than network affiliates, but with a combination of successful positioning and counterprogramming strategies, the independent can usually generate enough audience to interest advertisers and earn profits. The fate of independent stations is, however, not promising, especially in developed countries; with many broadcast networks to choose from, there are now fewer than 100 true independent stations in the United States, down from about 500 in the pre- Fox television era (see the merger section of Module 5).

3.12 Opportunities through Multicasting

The transition to digital television in February 2009 allows all television stations—whether network O&Os (for owned and operated networks), network affiliates, or independents—to engage in multicasting, the programming of additional standard digital television (SDTV) channels in addition to its main channel. Using digital compression technologies, TV

stations now have the ability to offer up to two to three channels of SDTV to complement their main broadcast channels. In large markets, some stations are already programming some digital channels.

Romano (2008) discussed some of the early multicast options available to TV stations for their digital channels. Among the services and the formats identified: LATV (bilingual English- Spanish programmes for young audiences); Retro TV (classic programmes from the 1960s to 1980s); .2 Network (entertainment channel offering movies); Weather Plus (service from NBC Universal); AccuWeather (another weather service); Blue Highway TV (family entertainment); Colours TV (diversity channel); Fan Vision (local sports); Funimation (anime); Mexicana (Spanish language news and entertainment); Motor Trend TV (automobiles); Ultra Latina (Spanish language entertainment); and World Championship Sports Network (less televised sports).

All of this sounds great in theory, but there are many challenges with multicasting. First is distribution. Cable, satellite, and telco providers are not required to add digital subchannels to their systems, meaning the only way consumers could access the services is through an antenna. Second, how will companies pay for these new services? Or, as the industry puts it, how can this digital spectrum be 'monetized'? Finally, there is the issue of splitting your main audience. Will the programming of additional channel actually pull viewers away from your main channel?

Multicasting holds opportunities and challenges, and we still do not have a clear idea as to how it will unfold until digital stations are completed. Electronic media station managers are, however, hopeful that multicasting will ultimately deliver new revenues and audiences.

3.13 Multichannel Programming

Cable, satellite, and telco systems deliver a series or services available to consumers at different tiers and prices. For example, 'basic' service normally consists of local broadcast channels; public, educational, and government (PEG) channels; and a limited number of other networks. Expanded tiers feature many popular cable services such as ESPN, CNN, MTV, Nickelodeon and TNT. There are also tiers devoted to high definition (HDTV) sports, Latinos, children and other specialized programming. Premium services, such as HBO and Showtime are individually priced on a monthly basis. Pay-per-view programming involves paying for material per event; popular genres include championship soccer, boxing, wrestling, movies, and special events.

All of the cable programming services discussed in this section also apply to other multichannel distributors such as MMDS and SMATV

operators, and even telephone companies. Because cable is the dominant distributor with an average of 68 percent of households in developed countries and 20 percent of households in developing countries subscribing to cable, that term is used to describe the programming in multichannel environment.

Table 5.1 : First 20 Cable Networks in the US, ranked by number of subscribers, 2008

1	Discovery	98000000
2	TNT (Turner Network	98000000
3	ESPN	97800000
4	USA Network	97500000
5	CNN (Cable News Network)	97500000
6	Lifetime	97300000
7	TBS	97300000
8	Nickelodeon	97300000
9	The Learning Channel (TLC)	97300000
10	The Weather Channel	97300000
11	ABC Family Channel	97000000
12	ESPN2	97000000
13	C-SPAN (Cable Satellite Public Affairs Network)	96500000
14	HGTV (Home and Garden Television)	96500000
15	Food Network	96300000
16	MTV	96300000
17	Cartoon Network	96000000
18	Comedy Central	96000000
19	Fox News	96000000
20	VH1 (Music First)	96000000

Source: www.ncta.com.

Programming among multichannel carriers differs from broadcast television. At the system level, the provider (cable, satellite, telco) negotiates with individual networks for carriage and arranges the various tiers of service offered to consumers. The provider normally pays each network a set fee per subscriber to carry the programming. Fees vary and depend on the services obtained. Cable TV programmers must also allocate shelf space for local programme services, PEC channels, and local origination channels as needed or required by the franchise agreement. These services may or may not be included on satellite or telco systems.

At the network level, programming decisions are made much in the same way as at a broadcast network, save for one key difference. Some

networks are known for mass appeal programming (e.g., CNN, TNT, TBS) while other services are targeted toward various niches and smaller audience segments (e.g., HGTV, Food Network, History Channel, MBC). Cable networks will put their strongest programming in prime time but will also look at counterprogramming opportunities and positioning strategies against the broadcast networks. For example, HBO found success with several critically acclaimed original series *(The Sopranos, Sex and the City, Six Feet Under).* ESPN has obtained rights to numerous leagues and sporting events. CNN aired *Larry King Live* every weeknight until the host retired sometime in 2011. Programming strategies vary by each network and type of service (advertiser-supported, premium, or pay-per-view).

The proliferation of networks has created a tremendous need for new and recycled programming. For example, mass appeal channels such as BBC, CNN, TBS and TNT use both first-run and off-network syndication programmes to fill their schedule. Channels geared toward specific audiences have also generated demand for programming. ESPN and ESPN2 feature some first-run programming, as well as programmes devoted to fishing, auto racing, and running. These networks also have a strong presence in the international market. A number of programming brands have extended into international markets. MTV has been very successful offering global versions of music television targeted to young audiences in Europe, Africa, Asia and Latin America. CNBC launched European and Asian extensions of its business news services. CNN International helped establish the network as the world's most recognized news brand.

New programming tiers of service continue to debut. Operators offer digital service to customers with specialty tiers devoted to HD programming, language-specific programming, children, and sports. Comcast became the first major cable operator to offer a video-on-demand service, with many hours of free and premium content available to audiences who subscribe to digital cable. Time Warner and other major providers have followed suit.

4.0 TUTOR-MARKED ASSIGNMENT

1. List and explain the components of radio and TV programming?
2. Discuss freely what network programming and strategies are.
3. Multicasting has several opportunities for electronic media management. Discuss.

5.0 SUMMARY

This Unit has explained the various radio and television programming formats and how to develop a niche for targeting radio audiences; it also elucidated on such technical management terms as first-run Syndication, Off- Network Syndication, ad Hoc Network, Local Programming, Network Programming, Strategies and dayparting, among many others.

6.0 CONCLUSION

Local and contemporary music, hip-hop and jazz, sports, news, edutainment, etc are common popular radio formats, while news, drama, movie, sports, and music, among others are TV formats even in Nigeria. Usually, a selection of a station format begins with a careful analysis of the marketplace. The station manager first analyses such factor as the number of other stations in the market and the ratings of competing stations, demographic characteristics and retail expenditures. Thus, the station may attempt to capture an existing audience from another station, or develop its peculiar format to reach an audience not being targeted by a competitor.

Whatever decision the station manager hopes to make, he must understand that advertisers (who eventually pay for the upkeep of the station) desire certain types of audiences more than others. In radio, for example, the 18-49 demographic is considered ideal. If one station has a large share of a key demographic group, such as women 18-49 (year-old bracket), the station manager may attempt to draw female listeners away by using a similar format. Finally, he must regularly evaluate his format variables and modify these as conditions warrant. For example, research has found that most stations build on the success of their morning programmes to attract audiences throughout the day.

7.0 REFERENCES/FURTHER READING

Albarran, A.B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran A.B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston.

Albarran, A.B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24).

Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry*. Boston: Allyn and Bacon.

Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon.

Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Eastman, S. T. and Ferguson, D. A. (2002). *Broadcast/ Cable Programming Strategies and Practices* (6th ed.). Belmont, CA: Wadsworth.

Hatchen, W. (2000). *The World News Prism* (8th ed.). Ames: Iowa State University Press. Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

Malone, M. (2008, January 14). New media, new newsrooms. *Broadcasting and Cable*. 22-23. News Diversity Project. (2004). *Recruiting for Diversity. A news manager's guide* (7th ed.). Washington, DC: Radio and Television News Directors Foundation.

Papper, B. (2007, June). Seize the pay. *Communicator*. Retrieved 15 December 2011 from www.rtnda.org/media/pdf.

Potter, D. and Gantz, W. (2000). *Bringing viewers back to local* TV *news: What could reverse the ratings slide?* Retrieved September 22, 2012 from www.newslab.org.

Reese D.E. and Gross L.S. (2001) *Radio Production Worktext*. 4th ed., Stoneham; Focal Press.

Smith, L. K., Tanner, A. H., and Duhe, S. F. (2007). Convergence concerns in local television: Conflicting views from the newsroom. *Journal of Broadcasting and Electronic Media (51)4*, 555-5 ''4.

Steele, B. (1997, September). Hidden cameras: High-powered and high-risk. *Communicator*. Retrieved August 6, 2008, from www.poynter. org.

Warley, S. (2004, July 29). We're losing our audience, hut we don't have to. Retrieved 25 January 2011from www.tvspy.vom.

Westin, A. (2000). *Best Practices for Television Journalists.* New York: Freedom Forum. Zettl H. (2009) *Television Production Handbook*, 10th ed., Wadsworth; Belmont, USA.

UNIT 3 LEGAL ISSUES IN PROGRAMMING

CONTENTS

1.0 INTRODUCTION

The media environment is a fluid one in which station managers jostle twenty-four hours for space and attention. The best one wins patronage, attention and, consequently, the most dollars. There is no other industry where 'survival of the fittest' concept is more emphasised. Due to this 'free for all' competition, government and other bodies establish restrictions or checks to the activities. Of course the broadcast media are not the only controlled groups. Every industry has its fair share of control. An examination of programming in the radio, television, and multichannel sectors illustrates the common concerns shared by programme managers in acquiring, scheduling, and evaluating contents. A section in Unit 1 above (management issues in programming) has treated some of these concerns. The current Unit shall discuss the other concerns pertaining to the law— the Unit shall look only at two aspects of these laws directly relating to programming: defamation and rights by responsibility. Other related issues such as how the government and external bodies relate with broadcast stations will be taken care of by Module 6, which generally treats the operating environment.

2.0 OBJECTIVES

After studying this Unit, you should be able to:

- Explain in your own words the issues relating to defamation and how a station manager can deal with it, should the case arise.
- Explain the various components of regulation by rights and responsibilities
- Discuss the place of copyrights in programming

3.0 MAIN CONTENT

3.1 Defamation

It is not unusual for the police, courts and other law enforcement agencies to receive reports about defamation actions from stations and people who are in conflict with neighbours or other members of their communities, and have become the subjects of vicious attacks. The area of law most implicated by that type of conduct is 'defamation of character', a cause of action which is generally defined to include libel and slander.

Generally speaking, **defamation** is the issuance of a false statement about another person, which causes that person to suffer harm. **Slander** involves the making of defamatory statements by a transitory (non-fixed) representation, usually an oral (spoken) representation, while **libel** involves the making of defamatory statements in a printed or fixed medium, such as radio, TV, book, or newspaper (Larson, 2003). Typically, the elements of a cause of action for defamation include:

- A false and defamatory statement concerning another;
- The unprivileged publication/broadcast of the statement to a third party (that is, somebody other than the person defamed by the statement);
- If the defamatory matter is of public concern, fault amounting at least to negligence on the part of the publisher/ broadcaster; and
- Damage to the plaintiff.

Furthermore, n the context of defamation law, a statement is 'published' or 'broadcast' when it is made to the third party. That term does not mean that the statement has to be in print or within the hearing of the plaintiff. Damages are typically to the reputation of the plaintiff, but depending upon the laws of the jurisdiction, it may be enough to establish mental anguish. Most jurisdictions also recognize defamation, per se, where the allegations are *presumed* to cause damage to the plaintiff. Typically, the following broadcast information (implicit or explicit), among others, may constitute defamation:

- Attacks on a person's professional character or standing;
- Allegations that an unmarried person is unchaste;
- Allegations that a person is infected with a sexually transmitted disease;
- Allegations that the person has committed a crime of moral turpitude;

While actions for defamation have their roots in common law, most jurisdictions have now enacted statutes which modify the common law. They may change the elements of the cause of action, limit when an action may be filed, or modify the defence to an action for defamation. Some may even require that the defendant or station be given an opportunity to apologize before the plaintiff can seek non-economic damages.

In the UK, if someone thinks that what you broadcast about them is either defamatory or damaging, the onus will be entirely on you to prove that your comments are true in court. In other words, if you make the claim, you've got to prove it! For example, if your station broadcasts that Taye Aminu (a notorious criminal) had never paid his light bills in his life, that would not be defamatory— or it is very unlikely to be. However, if you said the same about the Central Bank governor, that would be. Why? Because Aminu's reputation will not be damaged by the broadcast, since he is a criminal after all. Of course, his lawyers would still be free to bring the case to court, but it is very unlikely they would succeed. The CBN governor, on the other hand, runs the nation's paramount bank; hence, to say he wilfully does not pay his bills could have a detrimental effect on his person and/or career. He could be fired or his reputation damaged. Thus, It is not for the judge (at the outset) to decide how damaged he is– he just has to confirm that such accusations are false and damaging. Thereafter, the judge can decide on monetary damages. These damages are weighed up using a number of methods.

- How widespread was the news broadcast? If it was heard all over Nigeria, say through FRCN or NTA, or AIT, then it would be more damaging than if the story ran in one episode of a programme on NTA Zaria or Amuludu FM Ibadan. However, if specific key people had seen the allegations, then the spread would make no difference. Let us say it was the local government chairman of Sabo Gari, Zaria, or the illustrious son and chief of Ibadan land, then whether on network or local station, the damage would have been done.

One way of measuring damage is to see if earnings are lost as a result and/or means that future employment could be difficult.

3.1.1 Defences available for defamation

The most important defence to an action for defamation is **truth**, which

is an absolute defence to an action for defamation. Another defence to defamation action is **privilege**. For example, statements made by witnesses in court, arguments made in court by lawyers, statements by legislators on the floor of the legislature, or by judges while sitting on the bench, are ordinarily privileges and cannot support a cause of action for defamation, no matter how false or outrageous.

A defence recognized in most jurisdictions is **opinion**. If the station had made a statement of opinion as opposed to fact, the statement may not support a cause of action for defamation. But you must also note that whether a statement is viewed as an expression of fact or opinion can depend on context — that is, whether or not the station making the statement would be perceived by the community as being in a position to know whether or not it is true. If your employer calls you a pathological liar, it is far less likely to be regarded as opinion than if such a statement is made by somebody you just met. Some jurisdictions have eliminated the distinction between fact and opinion, and instead hold that any statement that suggests a factual basis can support a cause of action for defamation.

A defence similar to opinion is **fair comment on a matter of public interest**. If the local government chairman of Kaduna South is involved in a corruption scandal, expressing the opinion that you believe the allegations are true is not likely to support a cause of action for defamation. A defendant may also attempt to illustrate that the plaintiff had a poor reputation in the community, in order to diminish any claim for damages resulting from the defamatory statements.

A defendant who transmitted a message without awareness of its content may raise the defence of **innocent dissemination**. For example, the post office is not liable for delivering a letter which has defamatory content, as it is not aware of the contents of the letter. Yet, an uncommon defence is that the plaintiff **consented** to the dissemination of the statement.

3.1.2 Public figures in defamation

Under the First Amendment of the United States Constitution, as set forth by the US Supreme Court in the 1964 Case, *New York Times v Sullivan* (Larson, 2003), where a public figure attempts to bring an action for defamation, he must prove an additional element: that the statement was made with **actual malice**. In translation, that means that the broadcasting station actually knew the statement to be false, or issued the statement with reckless disregard as to its truth. For example, Ariel Sharon sued Time Magazine over allegations of his conduct relating to the massacres at the Sabra and Shatila refugee camps. Although the jury concluded that the Time story included false allegations, they found that

Time had not acted with 'actual malice' and did not award any damages.

The concept of the public figure is broader than **celebrities** and **politicians**. A person can become an **involuntary public figure** as a result of publicity, even though that person did not want or invite the public attention. For example, people accused of high profile crimes may be unable to pursue actions for defamation even after their innocence is established, on the basis that the notoriety associated with the case and the accusations against them turned them into involuntary public figures.

A person can also become a **limited public figure** by engaging in actions which generate publicity within a narrow area of interest. For example, a woman named Terry Rakolta was offended by the Fox Television show, *Married With Children*, and wrote letters to the show's advertisers to try to get them to stop their support for the show. As a result of her actions, Rakolta became the target of jokes in a wide variety of settings. As these jokes remained within the confines of her public conduct, typically making fun of her as being prudish or censorious, they were protected by Rakolta's status as a 'limited public figure'.

3.1.3 Defamation actions

Interestingly, you must know that it is not just the newscaster making the allegations who can fall foul of defamation laws. The plaintiff can sue the station, Mr X, the newscaster or programme host; the large corporation which owns the station can also be sued; if this is a syndicated programme, the list is endless. In fact, anyone who re-broadcasts the allegations can also be sued. This is important. Seeing something written or broadcast somewhere else does not mean it is true. Repeating allegations without making sure they are true is a sure way to get your station deep in litigation.

There are, of course, many grey areas. A magazine lost a famous case against a TV company because, although specific allegations made by the magazine were true, they implied that the people from the TV company were deliberately misleading the public (Porter, 2007). The allegation that was defamatory was not that certain facts were omitted by the TV station, but that it had deliberately set out to mislead. That was the defamatory part that lost the magazine people the case and their magazine. Thus, to protect the station and oneself is fairly easy. Do not make anything up; double-check sources, and check again. If something has been in the public domain for some time and no action has been taken, then it becomes much harder for anyone to claim defamation. If Mr Smith turns round in court and says, 'but two years ago this was broadcast in Radio MOY and you did not protest then; only when our station broadcast it, you are protesting...' it is a strong line of defence.

Also know that you cannot defame nicknames which people are not aware of. So, if you broadcast the same CBN governor's story but called him Mr Moneybank Fluffy, he cannot sue, even if he knows you are referring to him— unless others know him by that same nickname. Furthermore, in the UK, libel does not extend to the dead; nor is being abusive considered libellous. So a UK station can say 'the Late Pa Dada was a smackhead lover of the highest order' and it is no problem.

3.1.4 A window in defamation for station managers

Even in a situation of being guilty of defamation, a station manager might be able to dissuade the plaintiff from taking action against the station. But this in itself does not suffice for reckless broadcasting. While people who are targeted by lies may well be angry enough to file a lawsuit, there are some very good reasons why actions for defamation may not be a good idea. For example, the publicity that results from a defamation lawsuit can create a greater audience for the false statements than they previously enjoyed. If newscast or news show picks up the story of the lawsuit, false accusations that were previously known to only a small number of people may suddenly become known to the entire community, nation, or even to the world. As the media is much more apt to cover a lawsuit than to cover its ultimate resolution, the net effect may be that large numbers of people hear the false allegations, but never learn how the litigation was resolved.

Another big issue is that defamation cases tend to be difficult to win, and damage awards tend to be small. As a result, it is unusual for lawyers to be willing to take defamation cases on a contingent fee basis, and the fees expended in litigating even a successful defamation action can exceed the total recovery.

Another significant concern is that, even where the statements made by the defendant (station) are entirely false, it may not be possible for a plaintiff to prove all of the elements of defamation. Most people will respond to news that a plaintiff lost a defamation lawsuit by concluding that the allegations were true.
In other words, the plaintiff in a defamation action may be required to expend a considerable amount of money to bring the action, may experience significant negative publicity which repeats the false accusations; and, if unsuccessful in the litigation, may cement into the public consciousness the belief that the defamatory accusations were true. Thus, while many plaintiffs can successfully prosecute defamation actions, the station manager can mitigate such situation by reviewing the possible downside with the plaintiff with regard to whether or not such litigation is profitable at all.

3.2 Regulation by Rights and Responsibilities

Television, more than any other medium, by nature can invade the privacy and trample on the rights of the people it uses. The television producer makes himself responsible to the people shown on camera and to the creators of materials he might use. He must also guarantee that he will use his medium responsibly and fairly. The ability to make and distribute television programmes depends largely on the continuing trust these people have for the producer and his crew— that is, for the station itself. These rights can be divided broadly into those involving people who actually appear on camera and those involving the acquisition and use of the creative works of others (copyrights). The two sometimes overlap when musical or dramatic performances are involved. Both need some attention.

3.2.1 People on camera (TV)

In certain kinds of programmes, everyone who appears on camera does so by choice. This does not necessarily give the producer the free and clear right to use recordings made under these circumstances in any way he pleases. First, those appearing should be informed of the intended use of the recording and its potential distribution. Understanding the producer's intentions, they should then give the producer permission to carry out those intentions by signing a *release form* (Box 8.1) stating the intent of the producer and any compensation to be received by the performer. In other programmes, people may be videotaped without permission. This may be done if the following conditions are met: the taping is done in a public place; or no attempt is made to hide the fact that a recording is being made.

Box 8.1: Sample release form

General Release

In consideration of the payment to me of the sum of ₦_____, receipt whereof is hereby acknowledged, I hereby agree as follows:

1. I give and grant for a period of_____years (hereinafter referred to as the 'Term') to AandB Television/Radio Station, its successors and assigns, the right to use, publish, and copyright my name, picture, voice, portrait and likeness in a television/radio programme produced by AandB Television/Radio Station and in all media and types of advertising and promotion of the above programme.
2. I agree that all videotape/voice of me used and taken by AandB Television/Radio Station is owned by them and that they may copyright material containing same. If I should receive any copy thereof, I shall not authorize its use by anyone else.
3. I agree that no material need be submitted to me for any further

approval and that AandB Television/Radio Station shall be without liability to me resulting from the publication of my likeness.

4. I warrant and represent that this licence does not in any way conflict with any existing commitment on my part.

5. Nothing herein will constitute any obligation of AandB Television/Radio Station to make any use of any of the rights set forth herein.

_____
(Signature) (Date)

_____
(Printed Full Name)

_____
(Address)

If releasor is not yet 21 years old, complete the following form:

I, the undersigned, hereby warrant that I am_____*of , a minor, and have full authority to authorize the above release which I have read and approved. I hereby release and agree to indemnify AandB Television/Radio Station and their successors and assigns, from and against any and all liability arising out of the exercise of the rights granted by the above release.

_____
(Signature of Parent or Guardian) (Date)
NB:*Insertthewordʻparentʼorʻguardian,ʼasappropriate.

In any case, a person appearing on camera is in the hands of the producer, who has certain responsibilities toward him:

1. To respect any verbal promises or understandings made at the time the recording was made.
2. To refrain from using or editing the material in a way that alters the meaning of any statements made by the person appearing.
3. To refrain from editing the material in such a way as to misrepresent the circumstances of the recording in a way detrimental to the person appearing.
4. To refrain from distributing the material beyond the distribution agreed to and stated in the release form.

A talent release can be anything from the simple form below to a contract running hundreds of pages. It all depends on the complexity of the issues and the need to guard against unforeseen circumstances. This sample is a simple expression of good faith by both parties.

In addition, it is important to respect the wishes of people who appear on camera. It is possible, for example, that a person recorded during a traumatic event might later decide to ask that he not be used in a programme. Unless the station can make a good case for the importance of that person's appearance, it would be wise to accede to his wishes. It is also a common courtesy to allow people appearing in a programme to preview material before it is shown in public. While this does not suggest that they have any right to edit or control the product, they may be able to make suggestions for changes that would improve the accuracy or impact of the programme.

A station also has an obligation to be fair in its treatment of issues. The composition of every shot, as well as its duration, is an editorial judgment. The process of selecting and rejecting sequences for inclusion, too, implies editorial judgments. If a station has a bias, it must get it out front both in dealing with those who appear in the programme and in presenting this to the audience. No one is free of bias, but in the communications media, one has a special responsibility to the public to deal honestly and fairly with facts and with issues, as well as with people.

3.2.2 Copyright

Copyright is the great two-edged sword everyone in the media must face sooner or later. In copyright, as in most areas of law, the more you know the more confusing it can become. Copyright is designed to foster the creation and publication of ideas by allowing the author to sell his ideas on the open market (FCC, 2002). It is thought that only if the creative process can provide economic rewards to creative people can the maximum flow of ideas be promoted. Thus, to deprive an author of his right to earn money by selling his product, whether a photograph, book, song, or videotape, harms us all by discouraging him from publishing his work (Messere, 2000).

Any use of a copyrighted work without the copyright holder's permission is an infringement of his rights. In certain cases, however, such use can be defended using the principles of 'fair use.' This basically means that the use will not cause financial injury to the author and that the need of the public to have use of the material can be demonstrated to be more important than the author's right to protect his creative work. Except in broadcast news and educational situations, there is little point in considering 'fair use' further.

The proliferation of home recorders (both video and audio) has created a right to record materials for personal, private use. A station does not have the right to 'distribute, duplicate, or present (to an audience)' home recordings, except under very limited fair use guidelines. There are limited exceptions for educational use, but whether or not you make a profit violating someone else's copyright is irrelevant. The mere fact that you are not making any money does not give you permission to break the law (Umar, 2011).

A perfect and common technical violation of copyright takes place when one videotapes a child's performance in a school concert or play. As long as the recording is for personal use, only this kind of taping is permissible. If the recording will be used by the participants as part of their training, it is considered appropriate. Any public performance, distribution or duplication of this private copy (outside the immediate family of the owners) creates copyright violation.

The number one copyright rule for a station is to avoid stepping on someone else's toes. It must be assumed that anything printed or published or shown is protected by copyright. This is not literally true, but it is better to assume a work is protected until you can prove otherwise than to infringe on someone's copyright. Virtually everything in print is copyrighted. Most music, whether in sheet form or recorded, is also protected. Broadcast radio and television stations are expected to pay a licensing fee to performers association such as ASCAP (American Society of Composers, Authors, and Publishers) in the US or PIMAN in Nigeria, for the right to use music on air. Where a station has no licence to use copyrighted music, it has to resort to one of three alternatives: write and perform its own, buy limited rights for a specific recording or song, or buy a record library which it can use without restriction.

Dramatic works are a problem in that there are two considerations beyond merely purchasing rights. Not only will the licensing agent make sure a station's 'performance' of a work would not conflict with any theatrical production in the same region of the country, but the agent may also feel that a videotape recording of a work might, by virtue of its *amateurish* performance, actually harm the reputation of the work and deny permission on that ground alone. This is also true of short stories and novels, where the author has a legitimate right to impose conditions on adaptations of his work. Regardless of the type of work involved, the best way to find out who has the rights and how to acquire them is to write to the publisher of the work.

On the brighter side, as a creator of television programmes, stations are protected from copyright infringement. In order to obtain protection, the station would place a copyright notice prominently on its works. On a script or book, it appears on or near the title page. On a film or videotape, the notice may appear at the beginning or end, as long as a viewer is likely to see it. Although an explicit copyright notice is no longer required by law, if you publish or distribute a work without a copyright notice, you may give the impression you do not intend to protect your rights and are implicitly placing the work in the public domain. But technically, one is required to register one's copyright with the Nigerian Copyrights Commission or as appropriate in the country of production.

4.0 TUTOR-MARKED ASSIGNMENT

1. What would you say is the significance of syndication in modern TV programming?
2. How would you discuss defamation in broadcasting and station management?
3. Copyright is a two-edged sword. Discuss.

5.0 SUMMARY

The fluid environment in which station managers operate could be a very difficult terrain for business. The best one wins patronage, attention and, therefore, the most money. We started this Unit by explaining that there is no other industry where 'survival of the fittest' concept is more emphasised. Hence, due to this 'free for all' competition, government and other bodies establish restrictions or checks to the activities of the various actors. One of such regulations concern the l aw of defamation, which means the issuance of a false statement about another person, hence, causing that person to suffer harm; in broadcast media, this law concerns mainly slander, which is the making of defamatory statements by a transitory (non-fixed) representation, usually an oral (spoken) representation. The other one (for the print media) is libel.

Moreover, a station can regulate itself by 'rights and responsibilities'. For example, television, more than any other medium, by nature can invade the privacy and trample on the rights of the people it uses. The television producer makes himself responsible to the people shown on camera and to the creators of materials he might use. He must also guarantee that he will use his medium responsibly and fairly. The ability to make and distribute television programmes depends largely on the continuing trust these people have for the producer and his crew— that is, for the station itself.

6.0 CONCLUSION

One can reasonably conclude that some level of respect for the rights of people a station deals with in the production of television and radio programmes is perhaps the most important single responsibility of a station management. Respect for the rights of others will pave the way for your own work and the work of those who follow you. On the other hand, disregard for the rights of others will make people reluctant to work with you, on or off camera, and close doors for everyone who depends on the goodwill of the public.

On the other hand, if a station intends to distribute its work commercially or have large quantities made by a commercial replicator, it could take special care in documenting its rights. Many replicators are members of the International Recording Media Association. As one of the conditions of membership, these companies will require you to fill out a form supplied by the association (visit www.recordingmedia.org for more information) and to provide documentation of the rights and permissions related to the project.

7.0 REFERENCES/ FURTHER READING

Albarran, A. B., Anderson, T., Garcia Bejar, L., Bussart, A. L., Daggert, E., Gibson, S., Gorman, M., Greer, D., Guo, M., Horst, J. L., Khalaf, T., Lay, J. P., McCracken, M., Mott, B. and Way, H. (2007). 'What happened to our audience?' Radio and new technology uses and gratifications among young adult *users. Journal of Radio Studies, 14(2),* 2-11.

Bernard, L.E. (2007). The Foundation of Management Excel. Department of Agricultural Economics, Ohio State University Extension.

Eastman, S. T., and Ferguson, D. A. (2006). *Media programming strategies and practices* (7th ed.). Belmont, CA: Wadsworth.

Higgins, J. (1994). The Management Challenge. Second edition, Macmillan, USA.

Larson, A. (2003). *Defamation, Libel and Slander Law.* Law Offices of Aaron Larson; NY. Litman, B. R. (1993). Role of TV networks. In A. Alexander, J. Owers, and R. Carveth (Eds.), *Media economics: Theory and practice* (pp. 225-244). New York: Erlbaum.

Moscow, S. (2000, January). Remarks at 2000 NATPE Educational Foundation luncheon. New Orleans.

Navel, D. (2011). Business unionism versus revolutionary unionism. Accessed from 20 November 2012 from www.heardny.org.

Nigeria Union of Journalists (2009). Code of Ethics for Nigerian Journalists. Accessed on 13 November 2012 from www.nujnig.org

Open Oregon (2012). *Media Guide*. A Freedom of Information Coalition on Broadcast Media Regulation. Accessed 15 September 2012 from www.open-oregon.com

Porter, A. (2007). *Basic Libel for Idiots.* Year Zero publication; UK.

Radio Advertising Bureau. (2007-2008). *Radio marketing guide and factbook.* Retrieved from http://\v\vw.rab.com/public/MediaFacts/ factbook.cfm

Romano, A. (2008, March 10). Local stations multiply. *Broadcasting and Cable, pp.* 16-18. Speyer, P. (2008, May 5*).* The power of the people. *Radio Ink*, p. 13.

The Economist (2003) Opposition to a modernisation of America's media-ownership rules is wrongheaded. Accessed 23 October 2012 from www.economist.com.

Von Sootsen, J. (2006). Domestic and international syndication. In S. T. Eastman and D. A.

Ferguson (Eds.), *Media programming strategies and practices* (7th ed., pp. 80-120). Belmont, CA: Wadsworth.

Walker, J. R. and Bellamy, R. V. (2006). Nonprime-time network television programming. In S. T. Eastman and D. A. Ferguson (Eds.), *Media programming strategies and practices* (7th ed., pp. 159-185). Belmonr, CA: Wadsworth.

UNIT 4 IMPORTANCE OF NEWS IN PROGRAMMING

CONTETNTS

1.0 INTRODUCTION

News serves a critical role for electronic media organizations and for society. For the station, news establishes a sense of localism with audiences and advertisers and provides an important source of programming. For society, it helps individuals understand and interpret events that affect their lives in a local, national, and global context. Thus news and news programming are ubiquitous and pervasive. In addition to the local news presented by stations such as FRCN, NTA, AIT, Channels, Galaxy and others, there are local and regional news operations available to cable and satellite households, as well as national and international news services, such as NTA, FRCN, VOA, BBC, Aljazeera and Fox News.

News departments are under the direction of a news director, who usually reports directly to the general manager. The news director manages the department along with the assistant news director and assignments editor. Producers, anchors, reporters, photographers, and editors round out the type al news staff, and increasingly stations are putting more resources in to web-only reporters and producers. News directors deal with a number of issues in the day-to-day management of the news department. Among

the most prominent issues news directors face are dealing with the erosion of the news audience, negotiating with talent, dealing with ratings and sweep periods, facing ethical issues and ethnic and gender bias, and dealing with unions.

2.0 OBJECTIVES

At the end of this unit, you are expected to:

- Explain in your own words the importance of news management and programming in a broadcast organization
- Discuss the huge cost of managing a news department in an electronic broadcast station
- List and explain the salient issues that often arise in the management of news as programming in a broadcast station

3.0 MAIN CONTENT

3.1 The Place of News in Broadcasting

The electronic media are visible in many ways to audiences and advertisers, but perhaps they are most visible in the delivery of news and news-related programming. Over the years, society has increasingly depended on the electronic media for information. For many Nigerians, the electronic media are the primary source for knowledge of national and international events, whether delivered via traditional television or radio, or through the Internet, mobile phones, or alternative platforms. This is not so with the print media, as a majority of Nigerians are still said to be grossly illiterate.

News and news content are both ubiquitous and pervasive. Radio delivers traffic, weather, and local news to commuters during morning and afternoon drives. Local television stations may devote as much as one-third of their programming to news, beginning in early morning hours and extending to late night after prime time. Satellite-delivered news channels, like NTA, FRCN, BBC, VOA, and CNN are representative of a number of 24-hour news channels available to many households 365 days a year. According to the Association of Regional News Channels (www.newschannels.org), over 25 regional and local all-news services are available to cable and satellite US households as of early 2008. The Internet, with its ability to both deliver and archive news content produced by electronic media organizations, has rapidly evolved as one of the primary distribution points for audiences to access news and information.

This means that news still remains one enduring product of electronic media organizations. This unit examines news and news management by focussing on several topics. These topics include the importance of news as an area of content, the organization of a typical news department, and issues in news management. While news can be examined on many levels of analysis, this unit will centre its discussion on news at the local level, consistent with the direction of this text. From a career standpoint, the local newsroom of a radio or television station is the logical starting point for entry into the field of electronic journalism. Hence, an understanding of topics and issues related to local news management is applicable to students and prospective journalists.

So if we are asked why is news so important to electronic media organizations, we soon discover that there are many possible ways to address the question. From a **historical perspective**, news has been intertwined with broadcasting since its beginnings. The first radio broadcasts to achieve notoriety were the US election results of 1920, broadcast by KDKA, the nation's first licensed radio station (Albarran and Pitts, 2001). During the World War II years, radio news kept Americans informed of the campaigns in Africa, Europe, and the Pacific. The advent of television ushered in a new dimension for news with the capability of combining sound with moving pictures. Many broadcast historians rank the news coverage of the assassination and funeral of President John F. Kennedy in 1963 as a defining point for broadcast news, much in the same way CNN's coverage of the Gulf War in 1990 signified a new era of instantaneous global news coverage (Hatchen, 2000). The US terrorist attacks on 11 September 2001, and the wars in Afghanistan and Iraq continued to increase world audiences' reliance on news and information from electronic media outlets.

From a **cultural perspective**, news serves many areas of society. News provides not only information to improve learning and understanding but also aids in awareness of our societal norms, values, and beliefs. News enables listeners and viewers to experience and interact with cultures and peoples in other parts of the world. News and news contents are targeted to different segments of the population, ranging from news that is feature oriented to news focussing on business and sports. There are many ways one can examine news. In this section, we centre discussion on two important topics: localism and news as a form of programming.

3.2 Localism

More than any other type of content, news establishes a sense of localism with both audiences and advertisers. In fact, listeners and viewers feel dependent on local news sources to help learn about topics and issues of concern. Critics may bemoan the fact that most Nigerians get their news

from the foreign electronic media as opposed to local electronic and print media sources; but the reality is that what is said locally is often closer to the truth. Hence, such foreign media like CNN, BBC and Aljazeera make use of resident 'foreign' and local correspondents.

In fact, localism is the key feature that separates local and regional radio, television, and cable channels from their national and international counterparts. It is important to have access to the major networks and operations like CNN, BBC, Aljazeera and Fox News for key national and world events, but when people want to know what is happening locally that may impact their lives and the people closest to them, most will seek out their local news operations.

Further, audiences identify with local news personalities, often regarding the news anchors or weathercasters as trusted sources and even friends. More viewers are aware of local news and news anchors than they are of which network the station may be affiliated with. Local news personalities tend to be visible in their local communities, promoting and participating in various civic causes and events. This helps establish a sense of unity, or brand, with the local electronic media, promoting greater loyalty among viewers and listeners. With a more saturated and competitive media environment, the concept of *localism* is the single biggest advantage the electronic media offer their audiences. For electronic media organizations, news is the manifestation of localism and the most tangible way to be a visible, interacting part of a community.

In addition to establishing a sense of localism, news helps to build a definable brand in the mind of the audience. Logos such as 'Eyewitness News,' 'Action News,' and 'News Line' are utilized in conjunction with on-air and external campaigns promoting news anchors and reporters. Often, this means a separate brand or 'bug' that viewers see on the lower third of their television screen that becomes recognized with news broadcasts. This branding of the news operations helps not only in generating awareness and building audience ratings. It also helps in marketing to advertisers. In the television industry, stations with a local news operation typically hold a strong competition as advantage over independent stations in terms of both audience ratings and revenues. News is the main reason for this advantage.

3.3 News as Programming

News is critically important from a programming perspective, especially for television stations. The cost to produce a single news programme would be very expensive, especially in terms of capital outlay to acquire talent, equipment, sets, and so forth. But by producing multiple hours of news, stations have a very economical form of programming. By

programming multiple hours of local news, the overall costs drop considerably. This is especially true for stations in large and medium markets.

Content for the news comes from a complex internal system of assignments and reporting, but other sources are used as well. Stations use the Internet, e-mail, telephone feedback, and other sources to help identify and select stories that interest the audience. Local blogs can be monitored to gather ideas and opinions for new stories. Town hall meetings have become increasingly popular as a way of generating community interest and helping identify the key issues on the minds of many local citizens.

Television news can be found in several dayparts. Early morning newscasts begin in some media markets as early as 5:00 AM. For network affiliates, local news is interspersed with morning programming, like *Morning Express*, *Midweek File*, *Today* or *Good Morning America* (Eastman and Ferguson, 2006). The noon hour is another traditional time period for local news coverage. These earlier newscasts are among the most profitable hours of the television day. The programming is easy to sell, although talent costs for morning and noon news anchors have increased substantially for many stations, rethinking what time periods represent the best place to put their strongest news talent.

Afternoon fringe time, beginning around 4:00 P M. to 5:00 P.M., is the time when many stations will programme their first news broadcast, followed by another local news block at 6:00 P.M. Late news appears directly after the conclusion of prime-time programming, at 11:00 P.M. in the Eastern and Pacific Time zones and at 10:00 P.M. in the central and mountain time zones. Many stations repeat their late-night news at some time slot during the overnight period and resell the advertising. With the transition to digital, stations are also able to multicast local news on one of their SDTV channels.

Companies with duopoly operations, local marketing agreements, or joint services agreements tend to rebroadcast news on a sister station but at a different time period, thereby generating even larger reach and penetration in the market. It is not uncommon for news to represent four to six hours of the broadcast day for a station and its affiliates. For example, because of the lack of daytime network programming, FOX affiliates tend to programme even more hours of news. Affiliates of MyTV, in contrast, broadcast much less news; in fact, some affiliates may not have a local news department, or they may buy news programmes from other stations.

Local and regional television news coverage is growing across the United States. Some 25 local or regional 24-hour news channels exist, with many more channels available via broadband over the Internet. Audiences demand news more often, especially with so many demographic changes in regards to work patterns and lifestyles, leading to more opportunities to reach audiences at different time periods. Regardless, advertisers prefer reaching news audiences who tend to be the most loyal viewers with higher discretionary spending patterns.

In contrast to television programming, many radio stations have cut back or even eliminated news coverage over the past decade. Still, most music stations offer a minimum of some news headlines (including newspaper headlines), local traffic, and weather during drive time hours (Albarran and Pitts, 2001). News and news/talk radio stations are found in most large and medium markets, but smaller market stations also tend to devote some resources to local news, sports, and weather. Radio networks also offer news and other programming features to their affiliates.

Finally, the Internet is a critical source for news distribution for electronic media companies. The ability to archive and expand existing news material via the web offers new ways to increase the audience for news. Stations can also provide news access to individuals outside of traditional listening and viewing hours. News content can be repurposed for use on the Internet, as well as developing original news content found only via the website.

The Internet is becoming increasingly important as the primary news source for younger audiences, who are much more likely to access the web than to turn on the radio or television. A challenge for broadcasters is using the web to 'push' the audience back toward traditional broadcasting after sampling the news from the Internet. The ability to access news via wireless devices, like cell phones and PDAs, presents new challenges in packaging and delivering news in smaller and more compressed environments.

3.4 Organization of a News Department

News departments vary in size and composition from market to market and type of facility (eg, radio or television/ terrestrial or satellite) and depending on the commitment to news as a form of programming. In most organizations, news is under the leadership of the news director, who has responsibility for the unit and its performance. The news director in most markets is an upper- level manager, reporting directly to the general manager. A number of larger markets have news managers with the title of vice president or president of news.

In most electronic media organizations, the news director tends to be one of the higher- paid members of the management team with several prior years of experience, often involving a work history in different size markets. News directors usually work their way up through the ranks, with most having started as writers, reporters, and producers and having carried out- general assign merits. News directors tend to have a degree in either journalism or a related field; today many news directors may also hold an advanced degree.

According to Martha Kattan, news director of KUVN-TV (Univision) in Dallas-Fort Worth, 'news directors should have several key characteristics to be successful. These include being challenging, objective, open-minded, caring, tactful, and firm but fair' (Albarran, 2010). The news director (ND) is assisted by a number of personnel in the newsroom. Because of the variability in the size of the news department across markets, our discussion will centre on the types of representative staff found at a local television station.

The Assistant ND works closely with the news director and shares the overall responsibility of the department. At some facilities, the Assistant ND may work an earlier timeshift, with the news director working later in the day. The Assistant ND serves in *a* variety of roles, usually helping producers and reporters as they progress on their individual stories. The
Assistant ND typically assists in hiring as well as designing the newscast structure and format.

The assignments editor is responsible for assigning stories to be covered by the reporters. Some operations maintain a beat system of reporting, where a particular reporter will cover topics such as education, city government, business, or the environment, while others will use a random general assignment approach. The reporters work with the assignments editor to determine the length of their news package and other criteria. The assignments editor seeks out story ideas by monitoring police scanners, reading newspapers and magazines, following key web sites and blogs, and keeping in touch with reporters and producers.

The operations manager may not be found in all news departments, but the responsibilities associated with this position are critical. The operations manager coordinates the technical needs associated with covering stories and events such as the use of satellite time, live trucks, helicopter coverage, and other logistics.

Executive producers are found in medium and larger markets and are typically considered to be part of newsroom management. The executive producer often supervises a team of producers and will help write and rewrite all stories that eventually air. Executive producers in the top 25 markets have the final word on what goes on the newscast and the order of presentation.

As a group, producers are responsible for ensuring that all elements of a newscast are properly arranged and organized to provide a tight, coherent production. In theory this sounds easy, but in practice it can be extremely challenging, especially in situations involving breaking news stories that can totally disrupt the best-planned newscasts. As a newscast moves closer to air, producers keep in constant contact with all members of the department, including the reporters, anchors, and production staff.

Considered by viewers to have the most visible as well as most authoritative positions in the news department, anchors deliver the news by providing an introduction to stories gathered by reporters. They also help transition different segments of the newscast. The role of the anchor varies considerably; in some stations the anchor merely is the talent that delivers the news to the audience. In other operations, the anchor is directly involved in the production of the news department, perhaps even serving as a managing editor of the news in consultation with the news director. In some cases a single anchor reports the news; in others multiple anchors share the anchor desk. Most anchors have roots in reporting, and they tend to be among the highest- compensated positions in the newsroom. Anchors may also write or rewrite scripts used on-air.

Next to the anchors, the reporters are the most visible members of the news department because their work requires regular contact with the community they serve. Reporters handle a range of responsibilities, including writing stories, working with the production personnel in the shooting and editing of their package, and keeping in touch with the producers. Increasingly, reporters must also prepare Internet versions of their stories for use on the website and other platforms, and some reporters maintain their own blogs. Stations are also investing in web-only reporters to file stories and maintain blogs on station websites (Malone, 2008; Albarran, 2010) .

Production personnel are critical to the success of a news operation. On the television side, news photographers bring life to a news story with pictures of news events. In fact, anchors and reporters have very little on-camera time in most newscasts, because the pictures are what tell the stories. And news is about telling stories to audiences. Editors help in this process by editing together footage so packages are within their

allocated time. In radio, reporters gather their own interviews and handle their own editing to produce actualities, or sound bites that add realism and interest to radio news stories.

The importance of the sports segment depends on market size. In larger markets where professional sports are part of the community, sports takes on a much more prominent role, while in medium and smaller markets without professional sports franchises the coverage centres on local teams (high school, college, university). Sports personnel are limited to a sports director and perhaps one to two reporters in most markets. In larger markets, sports may produce two to four specials for the station to air in prime time, usually at the beginning of a season. Extended Sunday night sports programmes that follow local news are also popular in many large markets and allow for additional coverage and reporting beyond the limited time in nightly local newscasts. Many stations without a strong local sports connection have cut back and even eliminated sports in some markets, recognizing that 'sports junkies' will find the content they want on 24-hour TV and radio sports channels like Sports Radio, ESPN or Fox Sports, rather than try to catch the two to three minutes of a local newscast with limited information.

Audience research has shown that weather is the primary reason people say they watch local news. Tools used to report weather have become increasingly sophisticated, involving a combination of graphics and radar. In areas where weather can be volatile and subject to extremes, a good weather team can mean a bonus to ratings. Weather is usually handled by a primary weather anchor, assisted by one or two other on-air talents to cover weekends and daytime. Many weathercasters have obtained degrees or certification as a meteorologist, adding another branding element to the newscast.

3.5 Budgeting and the News Department

The news department normally manages two budgets—one budget to handle regular expenses (talent and other costs that cannot be amortized) and a capital budget for capital expenditures (news equipment, vehicles, etc.). News represents one of the most challenging areas of budgetary management, as the costs to cover live and unplanned news events can effectively kill an existing budget. The news director is faced with the daily challenge of managing the resources for the news operation while at the same time working with other department heads to increase profitability.

Many professionals trained as journalists resent the fact that news is often expected to 'pay its own way' in an electronic media facility. But as competition for audiences and advertising has intensified, news

personnel have come to grips with the realities of the marketplace and understand that ratings are critical in achieving success. By streamlining operations and cutting unnecessary costs, news managers strive to meet economic objectives for the organization while preserving journalistic integrity. Still, it is important to recognize this is a delicate balancing act to achieve. This is one reason why the news manager reports directly to the general manager. To some extent, the news operation can be insulated from other departments in terms of its revenues and expenses and contribution to profitability (or loss).

The most expensive component in a news department is the personnel. News personnel salaries typically account for around 60 percent of the budget in a network affiliate television station, less for independents, and significantly less for radio stations. Average salaries for selected categories of television and radio news personnel are presented in table 5.2. This may not be applicable for personnel in Nigeria or other developing countries, which would be far less than half of each given salary category. Equipment represents the largest capital expense, with many operations functioning in a total digital environment. News services in the form of wire services, syndicated news sources, and subscriptions represent another expense cat-gory.

There are other expenses that are either directly or indirectly tied to the news department. Overtime tends to be a common expense in the news department when news events require keeping personnel beyond normal working hours as events evolve, such as a PDP, ACN, CPC or any other party's national congress for nomination of candidates. Travel and satellite time represent other common expenses. Research in the form of focus groups is often used as a qualitative measure to obtain audience feedback, while ratings services provide quantitative measures of demographic reach and viewing trends. Other types of expenses include such things as fuel and vehicles, tape, sets, office supplies, and telephone expenses.

Table 5.2: Average Salaries for Selected US Categories of TV/Radio News Personnel (in US$, 2006)

Job title	*Television salary*	*Radio Salary*
News Director	84900	53640
News Reporter	35600	52580
Sports Anchor	52300	31300
News Producer	31900	29600
News Photographer	29600	N/A

Source: Papper (2007).

Remember that news department budgets vary across the electronic media and market size, and the budgetary items discussed in this section may not be applicable to all news operations. As a student, you can pay a visit to one or two radio/TV stations in your area, especially in Lagos, to get a fair grip of what obtains in Nigeria. However, regardless of the type of market, you must realize that budgetary management of a news department presents a number of challenges, and the ability to utilize resources in the most effective way directly impacts the overall performance of the news department. Given this range of experiences, news directors make excellent candidates for a general manager position.

3.6 Issues in news management

News directors deal with a number of issues in the course of leading their news operations. This section focuses on some of the more salient issues managers confront on a daily basis, as opposed to logistical issues associated with breaking news events.

3.6.1 Erosion of the news audience

With the number of viewing options available for today's television viewers constantly increasing, audience levels for local television news have tended to decline in recent years. This decline in audience has placed even more pressure on news managers to control costs and try to increase ratings before advertisers balk at paying increasingly higher prices to reach fewer and fewer audience members. A US national study of 500 adults found that viewers were interested in local news, but they chose to get their news from sources other than television. Newspapers were identified as the primary source of local news by 43.2 percent of all respondents, with 20.6 percent ranking television second, followed by radio at 16.8 percent (Potter and Gantz, 2000). In Nigeria, however, this is different, as most of the population, due to poverty and lack of power, still depend on radio as the major source of information.

In an evolving digital environment, news will shift to content that is not simply scheduled but that is desired by the audience on demand (Warley, 2004). While this shift will occur over time, the fact is audiences can now access news increasingly via wired (computers, cable, satellite) and wireless devices (wireless network, a PDA, or a mobile phone). According to the Warley (2004), the broadcast industry has a unique 50+ year relationship with local audiences and must adapt to this shift as changes in audience usage patterns occur. In other words, as the audience shifts, the electronic media industry will need to shift as well to maintain the relationships they have developed with their audience.

3.6.2 Convergence

Electronic media newsrooms around the world are increasingly converging news operations with other mediums, notably print and Internet. This sharing of news resources, or *convergence*, began in major markets and is now moving slowly through other markets. From a management standpoint, converged news operations make a lot of sense, as it promotes efficiency within operations and lowers overall costs (Albarran, 2010). Perhaps the one negative is that as newsgathering becomes more converged, there is less of an identity associated with the actual presentation of the news, and the audience must be educated about which former competitors may now be allies.

Some broadcast organizations have had greater success with convergence than others. For example, in the US, Media General and Belo were two early leaders in converging news operations, integrating their television news operations with radio, print, Internet, and cable partners. But by 2008, Belo had split into two companies and Media General experienced major job cuts across markets due to the global economic recession. One initial study on local television convergence found significant differences in opinions and expectations of convergence success between managers and reporters, with managers feeling that convergence was good while reporters and producers had many concerns (Smith, Tanner, and Duhe, 2007).

Convergence means reporters and producers need to be able to work in multiple platforms, generating content that could be used for TV, radio, print, or online. Increasingly, newsroom employees will need multitasking and multiplatform skills, as will managers.

3.6.3 Negotiations with news talents

News anchors and reporters often have detailed contracts specifying the terms of service, compensation, benefits, and personal services provided by the electronic media facility. An agent often represents talent in contractual negotiations in large and medium markets. News directors are usually involved in negotiations for news contracts along with the General manager.

Contracts serve to protect both parties. For the talent, the contract specifies the financial commitment the organization makes to the individual. In turn, the contract protects the electronic media facility from another entity in the market buying out an existing contract, leading to talent jumping from one operation to another. Many contracts contain what is referred to as a noncompete clause that specifies the length of time employees must remain off the air in the market if they leave their position. Several states in the US (California, Maine, Massachusetts and

others) do not allow noncompetes, so it is important to understand state regulations regarding labour and employment.

Good talent is one of the keys to a successful news operation, so management tries to do whatever it can to maintain a positive relationship with its on-air talent. This can be especially challenging with local news departments, as individuals who do find success as news talent typically have many employment options, from moving to a larger market to making the jump to a network operation.

3.6.4 Ratings and sweeps

Aside from the daily pressures of presenting news that is accurate, objective, and fair, the constant pressure associated with ratings looms over the newsroom. Everyone in the newsroom, from the news director down, knows the success of the news product is not measured by how well the news is planned and presented but by how favourably the audience responds to the news via audience ratings. You must thus understand that ratings impact greatly on the presentation of local news.

In television news especially in developed countries, sweeps is the critical time period for assessing viewing trends. TV sweeps are held four times a year, during the months of February, May, July, and November, but adjustments to this schedule may take place due to recurring events like major elections, the Olympics, or other significant events. During sweeps, news departments devote a block of time to 'special' reports on topics that run on consecutive days. Some news operations have been criticized for presenting what many feel are merely sensational stories dealing with sex, crime, and drugs. Other news operations have been lauded for presenting series that deal with important community issues regarding education, politics, health, and medicine, as well as investigative reports detailing fraud and corruption.

Determining the type of series and other strategies (eg, a new news set or news theme) to unveil during sweeps requires months of advance planning on the part of the news management team. Trying to coordinate materials for a sweep period that is weeks or months away adds another layer to the responsibilities of news management personnel.

3.6.5 News ethics

Ethical issues, as discussed elsewhere in this Module, tend to have a recurring presence in the newsroom. Ethical confrontations can occur in several areas of news gathering and delivery. Technology is one such area. Live shots are a key feature of local news, but they raise the question of whether the shots are truly needed or even desired by the audience. Knowing when to engage the live shot is more important than

the technological ability to provide a live shot. Live shots also have the potential of endangering the news crew in situations involving war, demonstrations, conflict, and severe weather.

The increasing use of helicopters in news operations, first designed for use in monitoring traffic problems and coverage of fires and other accidents, has expanded into an array of activities that confront news ethics. Many viewers remember how the infamous police chase of the white bronco carrying OJ Simpson played out on national television. TV helicopter crews have captured gunfights between the police and various suspects that have resulted in on-air gunfights and suicide.

The use of hidden miniature cameras to collect materials that traditional camera crews would be unable to obtain raises another set of questions regarding news ethics. There are some instances where the use of hidden cameras may, in fact, benefit the public, but news managers must know the proper time to invoke such a practice (Steele, 1997). Regardless of their use, part of the public will always feel the use of hidden cameras in any situation is deceptive and unwarranted.

Presenting materials fairly and accurately is a constant challenge for reporters. News directors must demand accurate research, checking facts, and corroboration of source materials before stories are broadcast. Failing to do so violates any trust developed between the newsroom and the audience. But then, we have the challenge of immediacy as a concept in newsworthiness. How does the station balance between fact verification and immediacy?

Finally, the use of video news releases (VNRs) that are, in reality, videos produced by public relations departments or government should rarely be used as a news story. One publication calls the use of VNRs a ‘threat to the integrity of news programmes’ (Westin, 2000:9). This is because of question of ‘truth’ and objectivity in the content, knowing full well that such videos have been edited to suit personal biasses.

3.6.6 Race and ethnicity issues

The Freedom Forum, a nonprofit organization funded by Gannett, published a report in 2000, titled, ‘Best Practices for Television Journalists’ and authored by former ABC News Executive, Av Westin. The handbook was based on anonymous interviews conducted with news professionals at the local and network levels throughout the United States. The research revealed a lack of sensitivity in newsrooms toward race and ethnicity, which in turn influences story content and selection (Westin, 2000). The report called for a system to create better balance in

the presentation of news stories, as well as establishing in-house diversity councils to monitor and evaluate the production and presentation of the news. As a broadcast station in southern Nigeria, for example, how do you present news story on Boko Haram that would not make the average northerner feels you are equating Hausa people and/or Muslims of northern extraction with terrorists or Islamic fundamentalists?

The issue of diversity and sensitivity is often addressed in better news operations through required seminars and other educational activities. The problem is the daily pressure to get material on-air is often apparent in descriptions of suspects that are too vague and limited to race, religion, gender, and maybe age.

The RTNDF publishes a frequently updated guidebook to help news managers improve on diversity hiring (News Diversity Project, 2004). While the industry recognizes they need improvement in addressing race and diversity issues both within the newsroom and in the content they provide, progress has been slow. An RTNDF report concludes on US broadcasting, 'RTNDF has shown that journalists of colour have made some, but not nearly enough, progress into the upper ranks of our nation's [US'] radio and television newsrooms' (News Diversity Project, 2004:3). When it comes to hiring, news directors are much more aware of balance, but the issue changes depending on the market. The conclusion is, however, that a newsroom must reflect the market, and the industry must take on different hiring practices; but sensitive issues must be seen and kept sensitive always.

4.0 TUTOR-MARKED ASSIGNMENT

1. How will you explain the importance of news management and programming in broadcast organizations?
2. In your own words, discuss the cost of managing a news department in an electronic broadcast station in Nigeria.
3. List and explain in your own words the salient issues that often arise in the management of news as programming in a broadcast station.

5.0 SUMMARY

The critical role of news in the electronic media and society is stressed in this Unit. For the station, news establishes a sense of localism with audiences and advertisers and provides an important source of programming. For the society, it helps individuals understand and interpret events that affect their lives in a local, national, and global context. Hence, due to the importance of news programming in a station, the news

department, which operates under the direction of a news director, must be closely monitored by a station's general manager. No matter the radio or TV format predominantly broadcast by a station, the component of news programming is constant. Therefore, the Unit explored the various issues regarding news broadcast, such as localism, news as programming, organization and budgeting of a news department, and certain concerns in news management.

6.0 CONCLUSION

News and news content are ubiquitous and pervasive in electronic broadcasting. Local stations devote as much as one-third of their programming to news, beginning in early morning hours and extending to late night after prime time. Today, the Internet, with its ability to both deliver and archive news content produced by electronic media organizations, has rapidly evolved as one of the primary distribution points for audiences to access news and information even when they are not 'listening' to their radio sets or 'watching' their TV. These news contents are produced and published by the stations, with members of the audience enjoined to continue accessing them 'off air'.

From a historical perspective, news has been intertwined with broadcasting since its beginnings; and from a cultural perspective, it serves many areas of society, it provides not only information to improve learning and understanding but also aids in awareness of our societal norms, values, and beliefs. From a programming perspective, the cost of news programming is expensive, especially in terms of capital outlay to acquire talent, equipment, sets, and so forth. This is because news contents often come from a complex internal system of assignments and reporting. There is the news director, assistant director, assigning editors, news anchors, production crew, etc. There could also be a cumbersome beat system of reporting (correspondence), where a particular reporter will cover topics such as education, city government, business, or the environment. The news and/or current affairs director, for example, tends to be one of the higher-paid members of the management team with several prior years of experience, often involving a work history in different size markets. But no amount of expenditure on the news department can be considered too high for a station, because, in the end, the credibility of any station is judged by its audience, based on the quality and timeliness of its news contents.

7.0 REFERENCES/FURTHER READING

Albarran, A.B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran A.B. and Chan-Olmsted S.M. (1998). *Global media economics: Commercialization, concentration and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran A.B. (2010). *Management of Electronic Media*. 4th edition. Wadsworth, Boston.

Albarran, A.B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Albarran, A. B. and Pitts, G. G. (2001). *The Radio Broadcasting Industry.* Boston: Allyn and Bacon.

Bagdikian, B. (2000). *The Media Monopoly* (6th ed.). Boston: Belcon. Bartllett B. and Bartlett J. (2004) *Practical Recording Techniques*. 4th ed., Stoneham MA; Focal Press.

Eastman, S. T. and Ferguson, D. A. (2002). *Broadcast/ Cable Programming Strategies and Practices* (6th ed.). Belmont, CA: Wadsworth.

Hatchen, W. (2000). *The World News Prism* (8th ed.). Ames: Iowa State University Press. Hausman C., Messere and Benoit P. (2007) *Modern Radio Production*. Thomson Wadsworth; Belmont, USA.

Malone, M. (2008, January 14). New media, new newsrooms. *Broadcasting and Cable*. 22-23. News Diversity Project. (2004). *Recruiting for Diversity. A news manager's guide* (7th ed.). Washington, DC: Radio and Television News Directors Foundation.

Papper, B. (2007, June). Seize the pay. *Communicator*. Retrieved 15 December 2011 from www.rtnda.org/media/pdf.

Potter, D. and Gantz, W. (2000). *Bringing viewers back to local* TV *news: What could reverse the ratings slide?* Retrieved September 22, 2012 from www.newslab.org.

Reese D.E. and Gross L.S. (2001) *Radio Production Worktext*. 4th ed., Stoneham MA; Focal Press.

Smith, L. K., Tanner, A. H., and Duhe, S. F. (2007). Convergence concerns in local television: Conflicting views from the newsroom. *Journal of Broadcasting and Electronic Media (51)4*, 555-5 ‘’4.

Steele, B. (1997, September). Hidden cameras: High-powered and high-risk. *Communicator.*

Retrieved August 6, 2008, from www.poynter. org.

Warley, S. (2004, July 29). We’re losing our audience, hut we don’t have to. Retrieved 25 January 2011from www.tvspy.vom.

Westin, A. (2000). *Best Practices for Television Journalists.* New York: Freedom Forum. Zettl H. (2009) *Television Production Handbook*, 10th ed., Wadsworth; Belmont, USA.

MODULE 5 MARKETING AND FINANCIAL MANAGEMENT

UNIT 1 CONCEPT OF MARKETING IN THE ELECTRONIC MEDIA

CONTENTS

1.0 INTRODUCTION

Marketing has been variously defined as the process by which a product or service originates and is then priced, promoted, and distributed to consumers (Robbs, 2009; Riggs, 1994; Levitt, 1986). In large media corporations, the principal marketing functions precede the

'manufacture' of a media product or service. They involve market research and product development, design, and testing. As an overview then, you must know that marketing as a concept concentrates primarily on the users, buyers, or consumers of products and services. After determining the customers' needs and desires, the media marketer develops strategies that are designed to educate the clientele or customers about a product's most important features, persuade them to buy or use it, and then to enhance their satisfaction with the purchase. In the past, marketing was thought to stop with sale, but today businesses, including media organizations, believe that it is more profitable to sell to existing customers than to new ones. As a result, media marketing now also involves seeking ways to turn one-time users into lifelong customers. To do this, many approaches and strategies are adopted by professionals. This Unit explores the concept of marketing and its strategies in the media.

2.0 OBJECTIVES

After you might have studied this Unit, you are expected to

- Be able to trace the evolution of the marketing concept, identifying the various phases of production, sales, and marketing
- Discuss in your own words personnel in electronic media marketing, such as general sales manager, local and national sales staff
- Explain how the radio and television stations arrive at their revenue projections and rates
- Discuss such sales terms media marketing as gross impressions, gross rating points, reach, frequency, cost per thousand, and cost per point

3.0 MAIN CONTENT

3.1 The Marketing Evolution

The marketing concept is the philosophy that firms should analyze the needs of their customers and then make decisions to satisfy those needs better than the competitors. Today most firms have adopted the marketing concept, but this has not always been the case. In 1776, Adam Smith wrote that the needs of producers should be considered only with regard to meeting the needs of consumers (Riggs, 1994). While this philosophy is consistent with marketing, it was not adopted until nearly 200 years later. Let us thus put marketing in perspective by reviewing philosophies that were once predominant. While these alternative concepts prevailed during different historical time frames, they are not restricted to those periods and are still practised by some firms today.

The **production concept** prevailed from the time of the industrial revolution until the early 1920s. The production concept was the idea that a firm should focus on those products that it could produce most efficiently and that the creation of a supply of low-cost products would in and of itself create the demand for the products. The key questions that a firm would ask before producing a product were: can we produce the product? Can we produce enough of it?

At the time, the production concept worked fairly well because the goods that were produced were largely those of basic necessity and there was a relatively high level of unfulfilled demand. Virtually everything that could be produced was sold easily by a sales team whose job it was simply to execute transactions at a price determined by the cost of production. The production concept prevailed into the late 1920s.

By the early 1930s however, mass production had become commonplace, competition had increased, and there was little unfulfilled demand. Around this time, firms began to practice the **sales concept** (or selling concept), under which companies not only would produce the products, but also would try to convince customers to buy them through advertising and personal selling. Before producing a product, the key questions were: can we sell the product? Can we charge enough for it?

According to the Business Knowledge Center (2012), the sales concept paid little attention to whether the product actually was needed; the goal simply was to beat competition with little regard to customer satisfaction. Marketing was a function that was performed after the product was developed and produced, and many people came to associate marketing with hard selling. Even today, many people use the word 'marketing' when they really mean sales.

After World War II, the variety of products increased and hard selling no longer could be relied upon to generate sales. With increased discretionary income, customers could afford to be selective and buy only those products that precisely met their changing needs, and these needs were not immediately obvious. The key questions became: What do customers want? Can we develop it while they still want it? How can we keep our customers satisfied? In response to these discerning customers, firms began to adopt the **marketing concept**, which involves:

- Focussing on customer needs before developing the product
- Aligning all functions of the company to focus on those needs
- Realizing a profit by successfully satisfying customer needs over the long-term

When media firms first began to adopt the marketing concept, they typically set up separate marketing departments whose objective it was

to satisfy customer needs. Often, these departments were sales departments with expanded responsibilities. While this expanded sales department structure can be found in some media stations today, other stations simply have structured themselves into 'media marketing organizations', having a company-wide customer focus. Since the entire organization exists to satisfy customer needs, nobody can neglect a customer issue by declaring it a 'marketing problem'— everybody must be concerned with customer satisfaction.

The marketing concept relies upon marketing research to define market segments, their size, and their needs. To satisfy those needs, the marketing team makes decisions about the controllable parameters of the marketing mix.

3.2 Media services as consumer products

Electronic media enterprises are constantly engaged in marketing to different audiences, advertisers, agencies, representative firms, and suppliers. Earlier, marketing was introduced as an essential skill needed by electronic media managers. As a business concept, marketing is thought of as the ability of organizations to serve consumers' needs and wants for specific products (Ries and Trout, 1986a). A business that understands the importance of marketing has two related goals: to **generate new customers** and to **serve current ones**. To accomplish these goals, firms must be able to earn profits to stay in business. For successful marketing to occur, a media firm must, therefore, be internally organized around common goals and objectives (Warner and Buchman, 1991). This is why marketing efforts follow the traditional four Ps of marketing: product, price, place, and promotion, discussed later in this Unit.

Marketing efforts once focussed primarily on the selling of manufactured products, such as cars and aspirin. But today, the service industries have grown more important to the economy than the manufacturing sector. Services, unlike products, are intangible and involve a deed, a performance, or an effort that cannot be physically possessed. Currently, more people are employed in the provision of services than in the manufacture of products, and this area shows every indication of expanding even further. In fact, more than eight in ten US workers labour are in such service areas as transport, retail, health care, entertainment, and education. In the United States alone, service industries now account for more than 70 percent of the gross national product (GNP) and are expected to provide 90 percent of all new jobs by 2012 (Albarran, 2010).

Services, like products, require marketing. Usually, service marketing parallels product marketing with the exception of physical handling.

Services must be planned and developed carefully to meet consumer demand. For example, in the field of temporary personnel, a service that continues to increase in monetary value, studies are made to determine the types of employee skills needed in various geographical locations and fields of business. Because services are more difficult to sell than physical products, promotional campaigns for services must be even more aggressive than those for physical commodities.

A key difference between a selling and a marketing orientation is the genuine recognition and goal of serving a client's needs. A sales-oriented approach focuses on the product (eg, advertising time). A market-oriented approach is designed to help clients meet the goals and objectives of their business. To achieve this goal, many firms position their account executives as professional marketing consultants rather than just salespeople pitching packages of time units.

Recognizing the needs of clients requires a clear understanding of their business objectives. During the 1980s, the radio industry introduced consultancy interviews as a tool to learn about clients and their needs. The consultancy interview evolved into what the US Advertising Bureau calls the Client Needs Analysis (CNA), which draws out information about the client's business, which is then used to formulate a marketing plan involving radio as part of the advertising mix. Consultative selling also occurs in selling television and other types of advertising. For media services, packaged as product, some scholars claim marketing has become warfare (D'Allesandr 2001; Ries and Trout, 1986a) requiring participants to recognise opponents' strengths and weaknesses in order to successfully exploit or defend against them. In the electronic media, the success of the warfare is usually measured in terms of audience ratings, market share and the strength and awareness of key brands.

3.3 The Four Ps of Marketing in the Media

In general marketing sphere, merchandise that is generally similar in style or design, but may vary in such elements as size, price, and quality is collectively known as a product line. Most marketers thus believe that product lines must be closely correlated with consumer needs and wants. Firms tend to change product items and lines after a period of time to gain a competitive advantage, to respond to changes in the economic climate, or to increase sales by encouraging consumers to buy a new model. For example, if the economy weakens, a shoe manufacturer might use cheaper parts to make his shoes more affordable. Sometimes, however, the manufacturer might alter the style rather than the quality of the item. You may wish to know that the practice of changing the appearance of goods or introducing inferior parts or poor workmanship in order to motivate

consumers to replace products is known as planned obsolescence (Robbs, 2009; Rigs, 1998). Some people object that this practice leads to waste or can be unethical. Manufacturers reply that consumers are conditioned to expect such changes and welcome the variety they offer, or they deny that poor quality was intentional.

The **product** consists of the actual good produced for customers well as the packaging of the product. Consumer research has identified the types of products to offer in the media. In the electronic media, audiences regularly evaluate content (the product) between schedules on air. The success or popularity of a programme is assessed through the use of audience ratings. Products change over time as audience needs change, affecting programme genre. In 1999, ABC debuted *Who Wants to Be a Millionaire?* in prime time with great success, only to see the programme dropped from the schedule within two years. Of course, this programme is now sold as with subsidiary right to stations in other countries, including Nigeria. The CBS programme *Survivor* ushered in a new type of reality show, where contestants face weekly elimination until there is one winner. In Nigeria, this programme became the model for *Guilder Ultimate Search*. This type of programme spawned imitators using this same idea, ranging from *The Bachelor, The Apprentice,* and the *Biggest Loser*. Other programmes such as *American Idol* and *Dancing with the Stars* follow the same idea, but focus on talent— you now know where *Arab Idol, Nigerian Idols, Maltina Street Dance,* etc came from.

The popularity of all products eventually wanes. In fact, successful products go through what is called a product life cycle, which describes the course of a product's sales from its introduction and growth through maturity and decline. Some fad products such as Beanie Babies go through all four stages in a very short period. For others, such as phonograph records, the stages extend over decades.

Because it directly impacts the sale of a product, **price** is an important consideration in marketing. If two products are similar but one is priced much higher, most customers will choose the cheaper product. In electronic media, managers make pricing decisions regarding advertising sales and charge for services offered by cable and satellite operators. Pricing decisions affect competitors, who must consider what price to charge in light of other prices available in the market.

The two basic components that affect a station's product pricing are costs of production and competition in selling. It is unprofitable to sell a programme slot, for instance, below the production costs; and it is unfeasible to sell it at a price higher than that at which other stations are

offering such airtime or slot. Other variables that affect pricing include company policy, which may require a minimum profit on new programme lines or a specified return on investments, or discounts may be offered on airtime purchases in quantity.

Because products are always aging and sales of even the most successful products eventually decline, firms must continually develop and introduce new items. One study found that over 13,000 new products are introduced each year (Abarran, 2002; 2004). But despite the millions of dollars that companies in the United States and Canadian invest in product research and consumer testing, it is estimated that more than 30 percent of new products fail at launch and 60 percent are never fully accepted by consumers, so that they disappear after a few years. The high failure rate influences the pricing of successful products, because profits from these products must help cover the development costs of products that fail.

Place is both the physical location at which the product actually sold and the steps taken to distribute the product. Some manufacturers sell products directly to customers, while others distribute their goods through wholesalers and retailers. Decisions about place affect marketing strategy. For instance, broadcasting and cable represent traditional distribution vehicles. The Internet's presence alters place in that you do not need a bricks-and-mortar location to attract customers as Amazon, eBay, and Travelocity illustrate. The growing proliferation of other digital platforms, discussed elsewhere in this course guide, make the concept of place much more complicated.

Promotion is a combination of activities that promote both awareness among consumers and the actual selling of products. Advertising is a major part of promotion. The electronic media serve the needs of many businesses by offering access to audiences through the sale of advertising. In turn, the electronic media use on-air promotion and their Web sites as well as advertising in other media (e.g., newspapers, billboards, transit media, and messaging to mobile phones) and guerilla marketing (word-of-mouth and through social communication web sites such as MySpace and Facebook) to attract audiences to their products (content). Advertising, personal (face-to- face) or direct selling, sales promotion, and relationship building are the primary methods companies use to promote their products. Because of the usefulness of these components to media stations, let us take some time to go over a few of them.

3.4 Personnel in Electronic Media Marketing

Normally, a single midlevel manager supervises the marketing department of a station. The size varies with the size of the market; the larger the

market, the larger the marketing or promotions staff. The department is responsible for marketing the station's business to its audiences. Let us take a cursory tour of the staff in a typical marketing department of a station. We are going to focus on the very important ones.

3.4.1 The general sales manager

In traditional electronic media enterprises such as radio and television, the General Sales Manager (GSM) oversees all operations in the marketing department and reports to the General Manager. Two other middle managers—the Local Sales Manager (LSM) and the National Sales Manager (NSM)—assist the GSM. Some operations may employ someone charged with developing cooperative advertising that also reports to the GSM.

Most marketing tasks are coordinated across two units—sales and promotions—run by several individuals. The General Sales Manager (GSM), a midlevel manager, usually supervises the sales department. In some media stations, other managers assigned to specific areas, such as a Local Sales Manager (LSM) and a National Sales Manager (NSM), assist the GSM. Each area has its own staff. The sales department serves primarily to market the station to potential advertising clients at the local, regional, and national levels (Brett, 2009; Ries, and Jack, 2004; Riggs, 1998).

The GSM's primary responsibilities include the development of sales policies and objectives in conjunction with the GM. However, there are many other tasks, including coordinating sales with other departments in marketing the facility; maintaining budgets and quotas; supervising personnel; new business-development, nontraditional revenues, working with advertising clients and agencies at all levels (local, regional, and national approving copy and contracts; where applicable, consulting with and selecting the national representative firm; and working with the business department on the credit, collection, and processing of various accounts. Due to consolidation, a GSM may supervise several stations (in radio) or two television stations (in cases of a duopoly). One of the most important managers in an electronic media facility, the GSM usually has several years of sale-experience. Many General Managers have prior experience as GSM, whose success is a direct result of the sales efforts at the local and national levels.

The sales and promotions managers work closely with the GM, programming (TV/ radio stations), and operations (cable, satellite and telco systems) departments to coordinate and manage marketing activities. Because each area tends to overemphasize the importance of its individual unit, conflicts often arise, particularly between sales and

programming. For example, programmers are quick to point out that it is the programmes that draw audiences, which in turn attract advertisers. Sales departments often argue that advertising generates the revenues that pay for content, salaries, and operations. In reality, the two units are interdependent and must work together to mutually benefit the organization (Levitt, 2006; Toffler and Imber, 2000).

3.4.2 Local sales staff

In the radio, television, and cable industries, the local sales staff must generate new advertising business, also called new business development. Commonly referred to as **Account Executives** (AEs) are supervised by a Local Sales Manager or a GSM. The size of the local staff varies according to market size. Larger markets tend to require larger, more specialized sales staffs than smaller markets. Regardless of market size, account executives tend to draw higher salaries because they often receive **commissions** paid as a percentage of advertising sales. Actual commission rates vary among stations and industries. For example, accounts serviced by an advertising agency will pay a low commission (3-5 percent) compared to new business development, which pays a higher rate (10 percent or higher).

Local AEs concentrate most of their efforts on what Warner and Buchman (1991) refer to as *developmental selling*, which focuses on the customer rather than the product. Developmental selling integrates knowledge of the client's needs and business with creative approaches. In addition to finding and developing new accounts, local AEs prepare and present various types of sales presentations, provide service to existing clients, and often assist in preparing advertising copy.

Sales managers find the selection of new AEs a difficult task. Employers widely agree that AEs need experience, motivation, attention to detail, organizational ability, strong communication skills, professional appearance, integrity, creativity, imagination, and persistence. Unlike the situation in many other departments, part-time AE positions and internships are uncommon. The sales assistant is one entry-level position that may lead to an AE job. A sales assistant helps prepare presentations, analyse research, and serve clients. Industry consolidation has displaced many former sales managers— returning many to the ranks of AEs or forcing them out of the business altogether (Albarran, 2010).

3.4.3 The local sales manager

The Local Sales Manager (LSM) is responsible for the performance of the local sales staff. The LSM usually reports to the GSM. In large markets, a single television station may employ several LSMs, with each manager responsible for a team of AEs. Local Sales Managers typically have several years of successful experience as an AE. In addition to

drawing relatively high salaries, LSMs often receive additional compensation in the form of an override, a term used to represent a commission on total sales achieved above monthly or quarterly goals.

The LSM's duties include administering all local sales activities, supervising local Account Executives, establishing individual projections and quotas for each AE, and evaluating individual and unit performance. Local Sales Managers may also have their own list of clients with whom they maintain regular contact. In conjunction with the GSM, the LSM establishes several important policies, such as setting revenue projections for the local sales staff and monitoring rates for advertising. In any broadcast station or cable system, the amount of advertising is limited to a certain degree and is affected by available supply, as well as demand by clients. In the radio industry, the amount of time available for advertising is referred to as inventory; in the television and cable industry, the term availabilities (or avails) is used as well. However, one advantage to selling advertising on the Internet is there are no inventory considerations. On websites, advertising can be combined with existing database marketing to tailor messages based on the user's history and preferences.

3.4.4 National sales staff

The national sales staff are smaller than the local sales staff. In some stations, the staff strength is limited to the National Sales Manager (NSM) and an assistant. To be promoted to the position of National Sales Manager, an individual usually needs several years of experience in the sales department as an AE or as an assistant to the NSM. National sales tend to be concentrated in the top 50 markets. Because smaller markets receive limited national spot revenue, there is no need for a separate NSM. In such cases, the GSM or the GM coordinates national spot sales (Brett,
2009; Levitt, 2006).

3.4.5 Representative firm in marketing

National and regional sales are coordinated with a national representative firm, also known as the *national rep* or *rep firm.* Most of the transactions for national advertising in the US, for example, occur in major media centres such as New York, Los Angeles, Chicago, and Dallas, homes of the largest advertising agencies. In Nigeria, this is mainly Lagos. Because each local station cannot afford a National Account Executive in each city calling on the agencies to solicit national business, stations contract with a rep firm to handle national sales.

In representing local stations, the rep firm acts as an extension of the local sales force in the national and regional markets for advertising. Firms

are usually contracted on an exclusive basis, meaning they represent only one station owner in a market. Rep firms are compensated through a commission on all advertising placed on local stations. Rep commissions vary from as low as 2 to 5 percent in television to as much as 10 to 15 percent in radio.

Here is an example of how the national sales process works. Reps build on relationships with agencies to solicit advertising for the stations they represent. Agencies specify the criteria they desire for a client. In most cases, the 'buy' for a client requires a particular demographic group, such as women 25-54, men 25-49, adults 18+, or teens. Usually, the buy is based on quantitative requirements, such as a specific cost per rating point (CPP) and the number of rating points required. The rep firm obtains a list of availabilities (unsold inventory) from each station able to meet the criteria desired by the client and negotiates the individual transactions for each station it represents.

Besides contracting national advertising for individual stations, the rep firm may provide other services, such as audience research, assistance with sales and promotion strategies, revenue projects and trends for individual markets, and advice on the purchase of television programming. In the US, key rep firms in the radio industry include Interep, Katz, and CBS. In the television industry, some established rep firms include Katz Continental, Petry Media Corporation and its subsidiary, Blair Television.

For both parties to accomplish their tasks, the rep firm and the National Sales Manager need to be in close communication. To compete effectively for national advertising dollars, rep firms need to be kept aware of any changes in the local station's market, programming, competition and rate structures. Being an important partner in generating national sales, the rep firm is considered a partner in the station's marketing planning and projections (Albarran, 2002). As in any business relationship, problems can occur between rep firms hence, a radio or TV station may either switch affiliations at the end of a contract period if one is unhappy with the performance of the other. Attention to detail is important in coordinating national sales. Mis- communication, inaccurate information, and failure to follow up are other common problems encountered in rep-station relations (Ries, and Jack, 2004; Toffler and Imber, 2000; Arens, 2001).

3.5 Revenue Projection and Rates

3.5.1 Radio

Let us assume a radio station has a policy of offering no more than 10 minutes of commercial matters per hour to maintain a steady flow of music to the audience. Broken into 30-second spots, the available inventory

consists of 20 spots per hour, 480 spots per day (24 hours), or 3,360 spots per week. However, this figure is somewhat misleading in that stations rarely sell much advertising during the overnight time period (midnight to 5:00a.m.) because the audience is small. Let us then assume a station sells most of its advertising time between 6:00a.m. and midnight, Monday through Sunday. With a maximum of 10 commercial minutes per hour, the total available inventory would thus decline to 2,520 spots (Arens, 2001).

Continuing this example, let us also assume that about 20 percent of the station's inventory is reserved for national advertising (discussed below). This represents 500 spots, leaving a weekly inventory of 2,020 spots for local advertising. The price for these spots depends on the demand by advertisers. When demand is high, stations can charge premium rates for advertising. Conversely, when demand is low, stations may charge the minimum amount required per spot to break even. The cost of each spot is further affected by the quantity demanded by each advertiser (clients who buy more spots usually receive a lower cost per spot), competition, and local economic conditions.

Sales Managers know exactly how many spots must be sold at the minimum price to meet all the station's financial obligation. But how does a Manager determine a minimum price? Again, let us assume that the station must generate weekly revenue to cover approximately ₦100,000 of expenses. Managers always take into account a **sellout rate** for their particular station. Sellout rate refers to the actual percentage of inventory sold over a given time. Using a conservative sellout rate of 50 percent, the station can expect to sell 1,000 spots in a week. Therefore, the minimum amount the station can offer a single spot for is ₦100 (that is, ₦100,000 divided by 1,000 spots). In other words, selling spots consistently below ₦100 would have a negative impact on the station's bottom line, while selling spots consistently above the ₦100 minimum will increase the station's profit performance (Albarran, 2010).

This simple example gives you some idea of how Sales Managers determine revenue projections and department or unit quotas on a weekly, monthly, or annual basis. While rates for individual spots are always negotiable in markets of all sizes, supply and demand of inventory has the greatest impact on advertising prices. In major markets, advertising rates can even change by the hour during periods of peak demand, much like any commodity.

3.5.2 Television

Establishing rates and revenue projections for television stations requires a similar approach, although not as simple as for radio. Several factors

make inventory much more variable in the television industry. First, the number of available spots varies according to the daypart—prime- time programmes naturally draw more viewers (and therefore advertisers) than early morning or late evening. Second, television spots are tied to ratings performance—stations guarantee that a certain estimated part of the audience will see the programme. If a station does not actually generate the promised audience, the station must provide a **makegood,** usually in the form of additional, free announcements as a supplement. Makegoods represent a cost to the station, not a benefit. When a station provides a makegood, it loses inventory that could be sold to other clients. A third factor is the reliance on barter in programme acquisition. Recall that barter is used extensively in the licensing of syndicated programmes. Though barter may provide programmes at a lowest cost, it also limits the available inventory stations can sell.

Television and radio stations depend on their traffic departments to help the sales staff maintain control over available commercial inventory. Without coordination between traffic and sales, chaos would reign. Fortunately, a number of software packages are available to provide constant updates on available inventory for scheduling.

3.5.3 Cables

The cable industry approaches local advertising differently. Local cable advertising revenues originally represented a small percentage of the cable revenue streams, but that is no longer the case. Local cable advertising revenues have steadily increased, according to the NCTA website. In 2007, local cable advertising reached $4.7 billion (about ₦705 billion), approximately 18 percent of total cable advertising revenues, according to SNL Kagan data from Broadband Cable Financial Databook (2007, cited in National Cable and Telecommunication Association, n.d.). Cable rates tend to be priced lower than radio and television spots and are often offered as insertions on a package of the most popular cable channels.

Inventory is also an issue in cable television. Local cable advertising is confined to one to three minutes per hour on most of the popular, advertiser-supported cable networks, such as CNN, BBC, MTV and ESPN. Systems follow one of three options regarding local cable advertising. One is to employ a local marketing staff to call on clients in the same way that radio and television stations do. This option is usually the most expensive for local cable systems because of the cost of salaries and benefits for marketing personnel. These local sales staff tend to be small (Schudson, 2005; Lears, 2009; Fox, 2000).

A second option is to outsource advertising sales to a company that specializes in marketing insertion advertising to local businesses.

Cable systems receive a set amount of money each month, and the company provides the necessary production and the actual tapes of all commercials sold on a weekly basis. Local clients can advertise on popular cable networks, usually at a rate comparable to that of local radio stations. Clients purchase insertion advertising for a number of weeks at a time; spots are rotated among various cable networks on a random basis and aired several times a day.

A third option involves the use of interconnects. Interconnects exist where two or more operators join together to distribute advertising simultaneously over their respective systems. Interconnects increase advertiser effectiveness by offering the efficiency of a multiple-system purchase and save time, in that only one contract must be initiated. Interconnects are widely found across the cable industry in the United States. The Cable television Advertising Bureau (2010) reported 154 interconnects as of 2009, with more growth expected.

3.6 Advertising Revenues

3.6.1 National

National advertising is another important source of revenue for the electronic media industries. National advertising also encompasses regional advertising. There are two categories of national advertising—spot and network. Spot advertising represents the local inventory on a broadcast or cable outlet that is sold to clients at the national level; this type of advertising is referred to as national spot or just 'spot' for short. Network advertising represents the advertising dollars sold by the various broadcast and satellite networks; these commercials are eventually presented during network programming.

To supplement national campaigns, clients at the national level advertise in local markets around a country. Some of the more prominent national advertisers include automobiles (Ford, General Motors, Toyota), soft drink companies (Coca-Cola, Pepsi), fast food (Mr Biggs, Tantalizers, McDonald's, Burger King), breweries (Guilder, Star, Anheuser-Busch, Coors) and various other products (Procter and Gamble, etc). In radio, national spot accounts for approximately 18 percent of total revenues, while network advertising accounts for about 5 percent. In television, national and network spot sales account for approximately 62 percent of total revenues. The cable industry commands a small portion of national spot; most systems do not separate local sales from spot sales. Network advertising is the biggest category for the cable industry, accounting for approximately 75 percent of all advertising revenues (Schudson, 2005 and Robbs, 2009).

3.6.2 Cooperatives

Cooperative or co-op advertising is another category of advertising revenue found in the electronic media, although it works differently than local and regional accounts. In co-op advertising, manufacturers share in the advertising costs with local retailers. For example. HP, LG, and Maytag manufactures appliances available in many local retailers. If the local retailers meet the specific requirements of the manufacturer's co-op plan, these manufacturers may reimburse them for part or all of their advertising costs. The money available for co-op is directly related to the amount of accruals, or naira/dollars credited for advertising, for each retailer. Tied to the amount of products purchased by the retailer from the manufacturer, accruals are usually subject to a naira/ dollar limitation. A simple 3 percent/₦3,000 co-op plan would indicate the local retailer could request advertising naira based on 3 percent of the products purchased from the manufacturer, up to a total of ₦3,000. If the retailer bought ₦60,000 worth of products from the manufacturer, then the maximum available for co-op purposes would be ₦1,800 (₦60,000 x .03 = ₦1,800).

It is estimated that millions of money of co-op advertising are left unused each year by retailers. Why? First, many retailers may not be aware of co-op opportunities. Second, many retailers tend to favour newspaper over broadcast and cable advertising. Third, retailers and stations dislike the paperwork required for co-op. Because co-op plans vary among manufacturers, stations can employ a coordinator to work exclusively on co-op plans. The co-op coordinator works with retailers to set up the individual contracts, prepares paperwork required by the manufacturer, and sees that the copy adheres to all requirements set by the manufacturer (Robbs, 2009).

3.6.3 Internet

The Internet has become a vital component of electronic media advertising. Advertising dollars continue to transition to the Internet from traditional media outlets such as newspapers and magazines, and this trend will continue for many years. According to one report (Malone, 2008), local online advertising reached $8.5 billion in 2007, while national online advertising exceeded $10 billion. By 2008, total Internet advertising had moved ahead of radio advertising in to third place behind television and newspapers.

Electronic media companies now offer online advertising options with their local and national buys, and also offer Internet-only packages. Some operations are now employing Internet-only salespeople. One new area of development has been the growth of services such as Google

Audio and eBay selling or auctioning unsold advertising revenue directly to advertisers, typically on a late or last-minute basis. Both Google and eBay started selling local advertising time in 2007 after negotiating deals with major station groups and other large clients (Carnegie, 2007). This practice began in radio, but has already transitioned to television, cable and newspapers.

3.7 Sales Terms and Indices in Media Marketing

A sales staff regularly uses audience research data to help market the station to advertisers. National sales are almost always structured around performance metrics—that is, selling by the numbers. Local sales may also be quantitatively driven, particularly in larger markets. Marketing professionals use many formulas to create an advantage over other competitors.

Common terms used in marketing media advertising include **gross impressions** (GI), **gross rating points** (GRP), reach, frequency, **cost per thousand** (CPM), and **cost per point** (CPP). Note that cost per thousand is abbreviated CPM (and not CPT)— the M is derived from the Latin word for thousand, *mille*. Gross impressions, gross rating points, reach, and frequency involve audience estimates and the number of commercial announcements in a schedule. Cost per thousand and cost per point are measures of efficiency that take into account price as well as audience estimates and commercial load (Schudson, 2005; Albarran, 2002; 2010; Business Knowledge Center, 2012).

Gross impression (GI) is a measure of the total media weight and refers to the total number of people reached by each commercial in a campaign. Though GIs can represent different time periods, they must always use the same demographic group. Primarily used in radio, GIs are calculated by multiplying AQH persons by the number of spots and summing for each daypart. The following example shows the total GIs for women (W) 18-49 across three dayparts:

Daypart	AQH	No. of Spot	GIs
6~10 A.M.	6000	12	72,000
10-3 P.M.	2400	6	14,400
3-7 P.M.	3000	10	30,000
Total gross impressions			116,400

Source: Albarran (2010: 210).

Note that you *cannot* add all the AQH estimates and multiply by the total number of spots to find the GIs; each daypart must be calculated separately, as it is in the example. Gross rating points (GRPs), another measure of media weight, is the sum of all rating points generated in an

advertiser's schedule. GRPs are used in both radio and television, but as with GIs, the same audience base must be used. Radio GRPs are calculated by multiplying the total number of spots by the AQH rating. The next example uses hypothetical data for men (M) 25-54:

Daypart	AQH RTG	No. of Spot	GRPs
6-10 A.M.	9.5	12	114
10-3 p.m.	3	6	18
3-7 P.M.	5.2	10	52
Total gross rating points			184

Source: Albarran (2010: 210).

Like GIs, GRPs must be calculated separately for each daypart. In television, GRPs are calculated by multiplying the rating for a programme by the number of spots and summing the total. Again, the same audience base (M 25-54) must be used.

Daypart	RTG	No of Spots	GRPs
Monday Night Football	13.5	6	81
Lost	6	2	12
Desperate Housewives	10	2	20
Total gross rating points			113

Reach is a measure of how many different people are exposed to at least one commercial advertisement. Think of reach as a measure of width in a media plan. A radio station's **cume** audience is equal to the size of the station's reach. Different estimates can be used for reach, such as a rating or a cume.

Frequency, used in combination with reach, can be thought of as the depth in a media plan. Frequency refers to the number of times the average person (in radio) or household (in television) is exposed to the same advertisement. Reach, frequency, and GRPs are interrelated, as seen in the following simple formulas:

Reach x Frequency = GRPs GRPs/Frequency = Reach GRPs/Reach = Frequency
Hence, if 100 GRPs are purchased to reach an audience with an average frequency of 5, the reach will be 20.

Gross impressions, gross rating points, reach, and frequency all use audience estimates. The final terms discussed in this section, cost per thousand and cost per point, take into account the negotiated price for advertising as well as audience estimates.

Cost per thousand (CPM) describes the cost to reach 1,000 people; with it, one can compare competitors, advertising media, time periods, and so forth. CPM is calculated by dividing the cost of the advertising plan by gross impressions (measured in thousands). For example, if the total cost of an advertising campaign is ₦35,000 and the gross impressions total 700,000, then CPM equals ₦50. Some texts divide the cost of the advertising plan by 1,000 and then divide by gross impressions; either way will produce the same measure. Note that CPM is a comparison tool; a single CPM calculation is meaningless. In broadcast and cable selling, CPM is often used to compare advertising costs with costs of similar competitors as well as other media (e.g., newspapers).

Cost per point (CPP), another measure of efficiency, is the cost of a single rating point. CPP is calculated by dividing the total cost of the advertising plan by the total GRPs. Another useful comparison tool, CPP serves as a negotiating point in the sales process. In the following example, if the total cost of an advertising plan is ₦35,000 and the total number of GRPs equals
630, then CPP equals ₦55.55:

CPP = Total cost (Gross Rating Point

CPP= ₦35,000.00
630 CPP CPP= ₦55.55

CPP is sensitive to the characteristics of the market. Advertisers expect to pay more money to buy rating points in Lagos or Abuja than in Bauchi or Benin. Again, CPP must be used as a comparison measure of cost estimates. Do not be intimidated by all these formulas and calculations. Most software packages generate many types of cost and audience analysis estimates for use in preparing client presentations. Understanding how to interpret the numbers and use them to your competitive advantage is far more important than doing the actual calculations.

4.0 TUTOR-MARKED ASSIGNMENT

1. Discuss in your own words personnel in electronic media marketing.
2. How would you say radio and television stations arrive at their revenue projections and rates?
3. Discuss any four of the following sales terms in media marketing: gross impressions, gross rating points, reach, frequency, cost per thousand, and cost per point.

5.0 SUMMARY

Marketing is the process by which a product or service originates and is then priced, promoted, and distributed to consumers (Robbs, 2009; Riggs, 1994; Levitt, 1986). In summary, we say that modern marketing concept focusses primarily on the users, buyers, or consumers of products and services rather than on making profits. In the past, it was thought to stop with sale; but today, it is believed to be more profitable to sell to existing customers than to new ones. As a result, media marketing now also involves seeking ways to turn one-time users into lifelong customers. This was the main thrust of the Unit on media marketing.

6.0 CONCLUSION

From the production concept to the sale concept, marketing concept evolved through the years to assume a philosophy that firms should analyze the needs of their customers and then make decisions to satisfy those needs better than their competitors. The production concept of marketing prevailed from the time of the industrial revolution until the early 1920s. From the early 1930s, firms began to practice the sales concept (or selling concept), under which companies not only produced but also tried to convince customers to buy their products through advertising and personal selling. But after World War II, the variety of products increased and hard selling was no longer fashionable. With increased discretionary income, customers could afford to be selective and buy only those products that precisely met their changing needs, which were not immediately obvious. Thus firms began to adopt the marketing concept, by focussing on customer needs before developing the product, aligning all functions of the company to focus on those needs, and realizing a profit by successfully satisfying customer needs over the long-term.

The implication of this for station management is that the traditional four Ps of product, price, place and promotion must be taken seriously with all media products and services. The success or popularity of a programme (product) is assessed through the use of audience ratings. Furthermore, if two media products are similar but one is priced much higher, most customers will choose the cheaper product. Station managers make pricing decisions regarding advertising sales and charge for services offered. Pricing decisions affect competitors, who must consider what price to charge in light of other prices available in the market— and of course, this is affected by the common factors of costs of production and competition in selling. Place is both the physical location at which the product actually sold and the steps taken to distribute it. The Internet has somewhat altered place, in that you do not need a

walled location today to attract customers (as illustrated by Amazon and eBay). And finally, promotion is a combination of activities that promote both awareness among consumers and the actual selling of products. The electronic media use on-air promotion and their websites as well as advertising in other media (such as newspapers and billboards) and through social media sites to attract audiences to their products (contents).

7.0 REFERENCES/FURTHER READING

Arens, William F. Contemporary Advertising. 8th ed. Irwin/McGraw Hill, 2001. A textbook built on real-world case studies.

Beckwith, Harry. Selling the Invisible: A Field Guide to Modern Marketing. Warner, 2007. A successful marketer discusses marketing services rather than products.

Brett Robbs (2009). Marketing. Microsoft ® Encarta ® 2009. © 1993-2008 Microsoft Corporation. USA.

Business Knowledge Center (2012). The marketing concept. Accessed 23 September 2012 from www.netmba.com

Etzel, Michael J., and others. Marketing. 11th ed. McGraw-Hill, 1996. Fundamentals of marketing.

Ewen, Stuart. All Consuming Images: The Politics of Style in Contemporary Culture. Basic Books, 1988. Rev. ed., 1999. Explores the dominance of the image in consumer society.

Fox, Stephen (2000). The Mirror Makers: A History of American Advertising and its Creators. Random House, 1984. Rev ed., 1997. From the 19th century to the mid-1990s.

Frank, Thomas. The Conquest of Cool: Business Culture, Counterculture, and the Rise of Hip Consumerism. University of Chicago Press, 1998. A thoroughly readable history of post-1960s advertising.

Hill, Sam, and Glenn Rifkin. Radical Marketing: From Harvard to Harley, Lessons From Ten That Broke the Rules and Made It Big. Harper Business, 1999. Informative case studies.

Howard H.H. and Kievman M.S. (2004) *Radio and TV Programming*. 6th ed., New York; Macmillan.

Jones, John Phillip, ed. The Advertising Business: Operations, Creativity, Media Planning, Integrated Communications. Sage, 1999. A practical guide to strategy and tactics.

Keith M. (2003) *The Radio Station*. 6th ed., Stoneham MA; Focal Press.

Lears, Jackson. Fables of Abundance: A Cultural History of Advertising in America. Basic Books, 1994, 1995. Advertising's role in creating America's vision of material success.

Levitt, Theodore. The Marketing Imagination. Free Press, 2006. Influential essays by a marketing expert at the Harvard Business School.

Ries, Al, and Jack Trout. The 22 Immutable Laws of Marketing. Harper Business, 2004. Anecdotes and advice from the authors of several popular books on marketing.

Riggs, Thomas, ed. Encyclopedia of Major Marketing Campaigns. Gale, 1998. An examination of 500 notable marketing campaigns of the 20th century.

Schudson, Michael. (2005). Advertising, the Uneasy Persuasion: Its Dubious Impact on American Society. Basic Books, 1984, 1990. Examines the development of advertising techniques and the extent of their success.

Toffler, Betsy-Ann, and Jane Imber. Dictionary of Marketing Terms. 3rd ed. Barron's Educational, 2000. Defines words and phrases. Advertising

Warner C.H. and Buchman J. (1991). *Broadcast and Cable Selling*. 2nd ed., Belmont CA; Wadsworth.

Wells, William, John Burnett, and Sandra Moriarty. Advertising Principles and Practice. 5th ed. Prentice Hall, 2000. Comprehensive textbook on effective advertising.

UNIT 2 THE STATION AS A MEDIA MARKETPLACE

1.0 INTRODUCTION

This unit examines the media station as a marketplace from a macro perspective, a complex system impacted by various market forces, mergers, alliances, and partnerships. Such a perspective is critical to your understanding media station management because the media industries, seen as a whole and part of a larger business picture, are in a constant state of evolution and transition. Electronic media managers must understand basic market economics and the markets in which they compete for audiences and advertisers. Understanding the characteristics of the market helps management develop content, advertising, and branding strategies. Mergers, acquisitions, and a variety of strategic partnerships and ventures are common to companies participating in the media industries. A competitor in one market may be a partner in another market. We had also, earlier, considered these changes and how they are affecting the electronic media industries. This Unit

begins with a discussion on how to define a market, with emphasis on media markets and their unique characteristics, or market structures.

2.0 OBJECTIVES

At the end of this Unit, you must be able to:

- Analyse the characteristics and structure of electronic media markets
- Discuss how economy, technology, regulations, society and the global environment affect the media market
- Explain the rationale for the various alliances in the market to develop and programmes and contents
- Discuss the implications of alliances and mergers for broadcast management

3.0 MAIN CONTENT

3.1 Characteristics of Electronic Media Markets

In the electronic media, the terms **target market** and **target audiences** are sometimes used interchangeably. Though not exactly synonymous, both terms reflect the goal of reaching a type of audience. Specifically, media outlets try to attract enough of an audience to obtain a dominant share of a particular market. But what exactly is a market?

The term 'market' is often associated with the study of economics. Market economists define a market as a place where consumers and sellers interact with one another to determine the price and quantity of the goods produced. A market consists of sellers, buyers, and products. In the electronic media, the sellers are the actual radio and television stations, cable and satellite operators, and telecommunication providers who offer similar products or services to the same groups of buyers, typically consumers or advertisers. The products consist of programming or content and other services offered by the sellers.

Media firms function in a dual-product market (Picard, 1989). That is, while media companies produce one product, they participate in separate goods and services markets. In the first market, the good may be a radio format, a television programme, or a cable channel. The content is targeted to consumers, and consumption is measured in different ways. For instance, some types of media content, such as a premium cable subscription or DVD rentals require the consumer to make a purchase. TV and radio broadcast content is available to anyone with a receiver.

The second market, in which many media companies operate, involves the selling of advertising. Advertisers, both local and national, seek access to audiences by purchasing time and space in various forms of media content such as radio and television programmes or newspapers and magazines. As the demand for advertising rises, companies charge higher prices to increase revenues and profits. On the other hand, a drop in audience ratings or other media usage often causes a decline in advertising expenditures and a reduction in revenues. For example, TV network rating periods, or *sweeps*, as the industry refers to them, are vital in determining advertising revenues. At the national level, each rating point represents millions of dollars of advertising. The network that wins a sweeps period (held in February, May, July, and November) can charge more for future advertising than the network that finishes in third or fourth place. Local affiliate stations also benefit from a strong performance during the sweeps.

In addition to operating in a dual-product market, electronic media companies operate in specific geographic markets. Some firms, such as radio, television, and satellite networks, operate in a national market; others, such as local radio and television stations, compete within a regional area. For radio and television stations, a regulatory agency may mandate the geographical market by granting licences to specific areas where markets are ranked according to the size of the population served (say, 1-New York, Los Angeles; 2-London, Paris; 3-Other US and European cities; 4-Lagos, Johannesburg, Abuja; 5-Port Harcourt, Ibadan, Kaduna; etc). Note that this ranking is just an example. Though labels for media markets are somewhat arbitrary, major markets are usually ranked 1 to 50; medium markets are 51 to 100; and small markets are above 100. In the cable industry, local municipalities award franchises that define areas of operation. In both cases, the potential audience is limited to the geographic boundaries of the market.

Many electronic media firms operate in a range of product and geographic markets. For example, News Corporation owns the Fox network and several television stations. News Corporation also has interests in cable programming (FX, Fox News, Fox Sports, Fox Business Channel), newspaper and magazine publishing (*Wall Street Journal*, *The Weekly Standard* and many others), motion pictures (20th Century Fox), and the social networking site, MySpace. A major player in several media markets, News Corporation encounters different competitors in each market, as well as different consumers. Defining a media market involves combining the product and geographic aspects of the market. This process identifies a specific market in which a media firm offers some or all of its products to advertisers or consumers. The number of sellers in a particular market—as well as the extent of the competition among suppliers for buyers—is affected by the characteristics of the market. Media economists refer to these characteristics as market structure.

3.2 The Media Market Structure

You must know that even though the structure of the media market depends on many factors, several important criteria help identify the type of market structure (Scherer, 1980). These criteria include the concentration of buyers and sellers (producers) in the market, differentiation among products, barriers to entry for new competitors, cost structures, and vertical integration.

Product differentiation refers to perceived differences among products. Because many media products can be substituted for one another, product differentiation is important in the electronic media. To establish such differentiation, radio stations offer unique formats, call letters and logos, on-air personalities, and websites. Marketing campaigns and technical facilities also establish differences in the minds of listeners. Television stations differentiate their local programming, especially in the area of the news, from other stations. Broadcast networks and cable services distinguish themselves through their individual programme schedules.

Barriers to entry are obstacles new sellers must overcome before they can enter a particular market. In the electronic media, barriers often take the form of capital investments. The high-quality equipment, personnel, and programming resources needed to establish or purchase an electronic media facility require a formidable financial investment, in many cases reaching millions of dollars. Sometimes barriers to entry involve regulatory policy. For example, both NBC and FCC limit the number of radio or television stations a group or individual could own in a local market relative to the number of stations in the market.

Cost structures are the expenses needed to create products in a market. Total costs represent a combination of fixed costs, those needed to produce one unit of a product, and variable costs, such as labour and raw materials, which depend on the quantity produced. To produce a single evening TV newscast, for example, the station must commit to the costs of staff, equipment, and many other resources. By expanding and repurposing (e.g., using the same content in different forms), the news operation can provide additional newscasts (early morning, midday, early evening, and late news) throughout the day, as well as repurpose the content across different platforms. Thus, the average costs to produce each newscast declines, creating economies of scale. The station obtains more local programming with little additional investment beyond that required for a single newscast.

Vertical integration occurs when a firm controls multiple aspects of the production, distribution, and exhibition of its products. For example, a movie produced by one of the Disney film studios may ultimately be

scheduled on the ABC network or the ABC Family Channel. The film can be sold as a package of feature films to other broadcast or cable networks, or even to local television stations. The website for the film offers opportunities for merchandise marketing. In each case, the company maximizes revenues through several stages of distribution and exhibition.

One can better understand market structure by analyzing the number of producers and sellers in a market, the difference between products, barriers to entry, cost structures, and vertical integration (Caves, 1992). The number of producers, or sellers, in a market explains a great deal about the degree of concentration in the market. A market is considered concentrated if revenues, or circulation, are controlled by a limited number of companies. For many years, the big three broadcast networks (ABC, CBS, and NBC) dominated the network television market in the US. As cable, other video technologies, and new networks (such as Fox) emerged, competition intensified.

Though concentration can be measured in various ways, two approaches are common in media industries. One method, using ratings data, calculates the share of the market reached by each competitor. Ratings data provide estimates of the degree of buyer concentration in the market. Highly rated programmes attract a larger percentage of the audience, leaving smaller audiences for less popular content. Another method involves calculating the percentage of revenues (sales) controlled by the top four (or eight) firms. This type of measure is known as a concentration ratio. A market is considered concentrated if the four-firm ratio is equal to or greater than 50 percent or if the eight-firm ratio is equal to or greater than 75 percent (Albarran,
2002).

The four types of market structure are monopoly, oligopoly, monopolistic competition, and perfect competition (Litman, 1988). One can present them graphically as a continuum, with monopoly and perfect competition at opposite ends, and oligopoly and monopolistic competition occupying interior positions.

In **a monopoly,** a single seller of a product exists and dominates the market. A true monopoly offers no clear substitute for the product, and buyers must purchase the good from the monopolist or forgo the product altogether. Although monopolists establish the price, all buyers may not demand the seller's product. If demand is weak, the monopolist achieves only limited market power. Barriers to entry are usually very high in this type of structure. In the electronic media, cable television historically mirrored a monopoly market structure. Many of the franchise agreements

between the cable operator and the local government were exclusive arrangements that only permitted a single operator to offer cable services in a given area. The advent of certain technologies, such as direct broadcast satellite systems, wireless cable operators, and broadband distribution, removed cable's monopolistic status.

As opposed to a monopoly, an **oligopoly** features three or more sellers of a product, which may be either homogeneous or differentiated. A market dominated by a few firms that hold a similar share is considered an oligopoly. Such firms are interdependent; that is, the actions of the leading firm usually affect the others. As such, these firms consider their actions in light of the impact on both the market and their competitors. Broadcast television stations operate in an oligopoly market structure, as do the networks. Though competition for audiences and advertisers is strong, the product itself is relatively homogeneous: reality programmes, situation comedies, dramas, movies, news, talk programmes, and so forth. Barriers to entry are significant in an oligopoly. For example, the Fox network successfully entered the national television network market despite the fact that ABC, CBS, and NBC held dominant positions with audiences, advertisers, and affiliates.

A third type of market structure, **monopolistic competition**, exists when many sellers offer similar products that are not perfect substitutes for one another. Barriers to entry are fewer compared to an oligopoly. Each firm attempts to differentiate its products to the consumer through various methods, including advertising, promotion, location, service, and quality. In a monopolistic competitive structure, price varies with both the market and the individual firms impacting decisions. Monopolistic competitive firms often lower prices in an effort to increase revenue. Among the electronic media, the market for syndicated television programming and magazines are the best examples of this type of structure.

Multiple sellers and a homogeneous product characterize the market in **perfect competition**, best exemplified by the agricultural marketplace. When no single firm dominates, barriers to entry do not exist, and individual companies operate as price takers in the market because buyers establish the price for the product. Beyond the multitude of websites that vie for individual attention, there is no example of a perfectly competitive market structure in the electronic media.

3.3 Forces Affecting the Media Market

A number of forces, functioning both independently and interdependently, have led to a state of chaotic change across the media industries during the 1990s and early into the twenty-first century. Economic conditions,

technological changes, and regulatory, global, and social forces are the converging areas driving much of the change (Albarran, 1998), as discussed in the following paragraphs.

3.3.1 Economic conditions

Economic conditions refer to a number of economic factors that affect the general business cycle in both national and local media markets. As economic conditions fluctuate, they impact consumers, as well as businesses—including the electronic media. If the local economy begins to decline, consumers tend to spend more conservatively. If retail sales drop significantly, businesses may be forced to lower the amount of money spent on advertising, which in turn causes a corresponding drop in potential revenues for electronic media companies. Key economic indicators include the rate of inflation, local employment trends, retail sales, measures of effective buying power, housing developments, and changes in interest rates and tax laws. Market survey indices, publications and websites from such bodies as the Federal Bureau of Statistics, NBC, FCC or such periodicals as the *Economist*, *Wall Street Journal*, and *BusinessWeek* help keep us aware of current economic conditions. Managers also need to monitor the economic conditions (including the stock market) of the local markets in which they operate and be prepared to adapt to fluctuations in the business cycle.

3.3.2 Technological forces

The electronic media industries utilize modern technologies to meet the primary functions of production, distribution, and exhibition. The 1990s will be remembered as the decade that fuelled the transition of the media industries from an analog-based experience to a digital environment. Congress mandated that the US television system move to an all-digital environment by February 2009; HD radio is another example of digital technology although not a required policy directive.

The transition to a digital environment and its potential encouraged the integration and convergence of the personal computer, telephone, and television into a single device (Steinfield, Baldwin, and McVoy, 1996). Broadband has become the term used to define the transmission of digital content over a high-speed, high-capacity network that is seamlessly linked to the Internet. Digital television will offer not only a richer viewing experience but an interactive experience as well to those who desire more than passive viewing. *High definition television* (HDTV) ushered in a new era of television production, distribution, and exhibition.

A number of trends are starting to take shape. Broadband distribution by wire, fibre optic cable, or wireless has become ttie norm, practically replacing dial-up connection to the Internet. With a host of portable media

devices, consumers—especially younger ones—are happy to watch video via their cell phone, MP3 player, or online. Content providers have responded, making programmes available either for free or for pay through services like iTunes. Today electronic media companies must think of themselves as multiplatform content providers, offering the audiences access through different distribution options.

User-generated content, where users can upload digital files through social networking services like MySpace, Facebook and YouTube have led to a new option of entertainment and information and an alternative to content delivered by the electronic media. Individual blogs represent yet another way to share digital content, and thousands of new blogs appear every month. User-generated content has become so important that most news operations now solicit consumer video for local news stories and other events. In addition to short videos, the Internet has become a vehicle to expose new talent and programmes at a fraction of the cost of a Hollywood production

Technological forces will continue to impact the media industries as well as society. The late management theorist Peter Drucker (1999) claims no manager can manage change, but can only be prepared to respond to change. Electronic media managers must accept that technological change is a way of life and keep their efforts centred on remaining competitive and efficient in their operations. An expanded discussion on technology and its impact on media management is presented in the last Module of this course guide.

3.3.3 Regulatory forces

Government regulatory bodies, such as the National Assembly, the courts, NBC or FCC, impact the structure of media markets and marketplace activity through rulings and other actions. Because managers must be aware of potential changes in the regulatory environment, most electronic media firms employ Washington attorneys to keep abreast of significant developments. Trade publications, such as *Broadcasting and Cable* and *Television Week*, help managers monitor the evolving regulatory climate in Washington, along with membership in trade associations, like the Nigerian Union of Journalists (NUJ), the National Association of Broadcasters (NAB), the National Association of Television Programme Executives (NATPE), among others (Albarran, 2002).

3.3.4 Global forces

Global forces can best be understood by recognizing that the media industries produce products that are marketed around the globe. The growth of trade blocks, such as the European Union (EU), NAFTA

(the North American Free Trade Agreement), and numerous other agreements, have opened up new markets for trade and commerce, including the electronic media. Many domestic markets in the United States are already saturated, in that 99 percent of all households have both a radio and television receiver; 97 percent have a telephone; over 90 percent subscribe to some television service; and over 70 percent have a computer in their home. However, this s not the case in the international arena. Regions outside the United States offer tremendous opportunities for expansion and development (Brett, 2009; Beckwith, 2007; Levitt, 2006).

A number of media powers are emerging in the regions of the world known as the triad, consisting of North America, Western Europe, and Japan/Pacific Rim (Albanan and Chan- Olmsted, 1998). Disney, Viacom, and Time Warner have become global media players. In Europe, Bertelsmann (Germany, Pearson (United Kingdom), and Telefonica (Spain) are major players, while Sony and News Corporation are the leading companies with origins in the Pacific Rim. Globalization of the media industries will continue, reflecting the fact that media companies compete in a global marketplace for content, goods, and services.

3.3.5 Social forces

Society is changing not only in terms of demography but also because of the converging economic, technological, regulatory, and global forces described thus far. Demography census data, for example, reveals that American society is growing older and much more diverse. The 2000 census clearly showed that the Latino population is the fastest-growing minority group in the country, surging past African Americans, and demographers expect the Latino population to equal 25 percent of the total US population by 2050. Interest and excitement about technology and lower costs have enabled more households to purchase computers and broadband Internet access, leading to a society that is very connected. Wireless access points seem to be in every public sphere possible, from public libraries and airports to fast food chains and churches. Traditional media usage has been severely impacted by the adoption of personal computers, adding to the challenge of measuring media audiences and their activities.

Individuals are using the Internet for a myriad of purposes, e-mail, e-commerce, surfing, blogging, and interactive messaging are among the favourite applications. Still, not every segment of American society—and certainly not global society—can afford a computer or Internet access.

Many tear we are developing a global society divided into two segments: one that is information rich, while the other is information poor. However, the cell phone may narrow this gap—it is cheaper and can provide a data (Internet) connection at a very reasonable price for even the most modest of budgets.

3.4 Synergy of Factors, Alliances and Mergers

The economic, technological, regulatory, global, and social forces affecting the modern media market (discussed above) are driving change across the communications industry. From a management perspective, creating new alliances and partnerships among media companies has become a standard practice of doing business. These partnerships are designed to create the synergy possible between two companies (Turow, 1992). Synergy suggests that two different entities will operate more efficiently as one business than separately (Davidson, 1985). First, we will look at the types of strategic alliance and partnership found across the electronic media industries, including merger and acquisition activity. The unit also discusses how alliances and merger activities impact electronic media management.

A recurring trend affecting all businesses is the formation of strategic alliances and partnerships, especially among media companies and industries. But what is a strategic alliance? A strategic alliance is as an association designed to provide benefits for each of its members. Media organizations use alliances for such purposes as sharing capital and costs, providing access to new markets, increasing shareholder value, and reducing risk. Alliances may be formed when a company wants to gain access to new geographic markets, exercise control over existing markets, or share risks in developing new products and technology (Gates, 1993; Lewis, 1990).

Strategic alliances take many forms. The most common examples are mergers and acquisitions, joint ownerships, joint ventures, and formal and informal cooperative ventures. Lorange and Roos (1992) offer a theoretical examination of strategic alliances, ranging from those involving total internalization of one company by another (such as mergers and acquisitions) to those occurring on an open, free market (such as informal cooperative ventures). An alternative approach considers the degree of interdependent e among the companies involved. Informal alliances require low interdependence among firms, while mergers demand high interdependence (Lorange and Roos, 1992).

Alliances can also be formed within industries (intra-industry) or between industries (inter- industry). For example, the consolidation that has taken place since 1996 in the radio industry is representative of intra-industry

activity. Conversely, the failed merger between America Online and Time Warner is an example of an inter-industry alliance, at the time joining a new media company known for its leadership as an Internet service provider with a traditional media company engaged in television, cable, motion pictures, and print.

Over time alliances between companies often prove to be unstable and many ultimately fail. For a strategic alliance to succeed, several criteria should be considered. Clearly the proposed alliance should be in a complementary business, and the companies involved must have similar business strategies (Cullen, 1999). Companies need clear expectations and agreement about the resources which company will commit, as well as compatible management styles. Alliances should be avoided if one partner would dominate the other (Gates, 1993). According to Klein (2003), many of these criteria were not in place with the AOL-Time Warner merger.

Strategic planning among all parties should drive the basis of an alliance. Such planning should involve an objective evaluation of each business activity, their target market, the competitive advantages and disadvantages drawn from the alliance, and strategies to implement the alliance. Without this comprehensive examination the alliance may suffer. Partnerships and alliances in the electronic media continue to develop as companies reach out to one another to share rewards and risks in a variety of strategic efforts (Chan-Olmsted, 2004). The following sections identify key categories of alliance s across the electronic media.

3.6 Alliances to Develop and Market Programming and Contents

As the costs of producing programming skyrocketed, many companies entered into partnerships to share production and distribution costs. Increasingly, television Programme production companies seek partners to share costs and risks. The shared expertise that results helps create new types of content and targets programmes toward specific demographic groups. Another way to look at this is the internal relationships between the US broadcast networks and their subsidiary partners. In the United States all of the major broadcast networks have direct relationships with movie studios to enable sharing of costs and resources. These studios also pool together to co- produce and co-market feature films and television programmes. These partnerships are also used in creating distribution agreements for different platforms, such as video distribution for cell phones, PDAs, and laptops.

3.6.1 Alliances for newsgathering

Consolidation across the media has enabled opportunities in the area of newsgathering. In markets where a company owns different media properties, more and more operations are becoming integrated. Media

General was one of the first companies to converge news-gathering with its properties in Tampa, Florida. CBS, NBC, and Fox have all increased newsgathering and news- sharing opportunities as well. CNN's Pathfire service provides a wide menu of news feeds to its affiliates around the country, who simply access the content they need via the Web. As a result of technology and partnerships, news operations and the content we see and hear are currently more integrated than at any other time in the history of journalism, enabling operations of any size to draw upon some of the best national and international resources available. User-generated content has also become an important component of newsgathering, giving rise to "citizen journalists."

3.6.2 Alliances to expand domestic and global markets

Media alliances have the goal of developing or expanding into new markets, at both the domestic and global levels. These types of alliances can occur at the production, distribution, or exhibition- stages. By expanding their market, alliance partners hope to increase brand loyalty for media products and capture a greater market share. Chan-Olmsted (2004) provides an analysis of companies pursuing strategic partnerships at a global level.

3.6.3 Alliances to develop HD radio

The HD Radio Alliance is a group of major radio companies that have pledged to work together to develop and market HD radio. Among the founding companies in the alliance were Clear Channel, Cumulus, CBS, Entercomm, Bonneville International, and Greater Media, which initially pledged $200 million each to promote HD radio. At the beginning of 2008, there were over 1,500 HD radio stations broadcasting a variety of formats in HD across the United States. There will be many more HD radio stations launching in the coming years. The big challenge for HD radio is getting consumers to buy new receivers, and working with automobile manufacturers to get HD radio as an included option in new vehicles.

3.6.4 Alliances to develop wireless distribution

The development of wireless technology is a big hit with consumers who enjoy being able to connect to the Internet through different devices without being tethered to a wire. Originally known as *hot spots*, wireless distribution makes Internet access possible through a laptop or other mobile device. Also known as *Wi-Fi*, the access is typically free or cheaper than traditional broadband, but it lacks high capacity and has certain limits such as signal strength and security issues. There are also privacy concerns, as many of the networks are public, not encrypted, and open to monitoring and hackers. Cable and telephone companies are concerned about wireless distribution and the potential loss of customers (Yang and Green, 2004). "Wireless distribution is the main driver behind

partnerships to develop content for handheld digital devices, like cell phones, PDAs, media players, and gaming devices.

3.6.5 Alliances to develop interactive TV

Interactive television will someday provide the user the opportunity to engage in a variety of Web-related activities (e.g., shopping, browsing, polling, gaming, etc.) while seamlessly watching television. Interactive TV is expected to follow the debut of digital television service in 2009, but could be delayed. Numerous companies are engaged in developing interactive television, with Microsoft and Phillips among the leading players. Interactive TV continues to attract a great deal of interest over the ability to engage in many different applications, but it is unlikely to reach any critical mass until the DTV transition is complete.

As evidenced by these examples of alliances, there is a great deal of business activity across the media industries. When one ponders the development of both a domestic and a global system of interactive, wired, and wireless broadband networks offering multiple distribution systems, the potential for media-related enterprises appears unlimited.

3.7 Mergers and Acquisition

As with strategic alliances, corporate mergers and acquisitions have helped to redefine the media industries both domestically and globally. Several mergers have resulted in the creation of huge media conglomerates, raising concerns among citizen groups and regulators over issues like concentration of ownership and the free exchange of ideas (Bagdikian, 2000). Following is a brief chronology of key transactions involving media companies that have taken place just since publication of the previous edition of this book in 2006:

- In the radio industry, Clear Channel Station was acquired by a group of private equity firms, taking the largest radio company in the US out of the public sector. Citadel completed its acquisition of most of the stations held by the Walt Disney Company.
- In the television industry, the biggest transactions involved the acquisition of Univision and Tribune, to private equity firms. While not a merger per se, both the UPN and WB networks in the US combined to create a new network, the CW. MyTV was launched as a new network under the Fox (News Corporation) umbrella.
- Comcast and Time Warner continued their dominance in the cable television arena with Cablevision attempting to become a private company.
- In the telecommunications industry, SBC acquired the assets of Cingular and AT&T, but kept the name AT&T for all of its

corporate activity.

- News Corporation started the Fox Business Channel, but more importantly, acquired Dow Jones and its premiere assets, the *Wall Street Journal* and *Barren's*, to their portfolio. Both will contribute to the development of the Fox Business Channel.

Why have there been so many mergers and acquisitions over the years involving media companies? Several factors have contributed to this phenomenon. Ozanich and Wirth (2004) identify a combination of strategic and financial factors that have contributed to the large volume of media mergers and acquisitions since the 1980s. In terms of strategic factors, Ozanich and Wirth (2004, p. 95) identify convergence, the ability to leverage content, barriers to new competitors, and globalization as key drivers. Regarding financial factors, the authors cite valuation, tax advantages, and a surplus of available capital as the basis for mergers.

Further concentration of ownership is possible in selected areas of the media economy. The FCC liberalized the cross-ownership regulations in December 2007, allowing for newspaper and television combinations in the top 20 markets if certain conditions are met. We can expect clustering of cable systems and radio stations in certain markets, but only for strategically targeted properties.

3.8 Implications of Alliances and Mergers for Broadcast Management

Partnerships and strategic alliances are routine ways of doing business for many media companies as a way to expand market share while minimizing financial risk. But how do these strategic alliances and partnerships affect the process of day-to-day management? The final section of the unit considers this question. Changes among the media companies have many implications for the process of management. As a result managers in all media industries should have the following traits: (1) a working knowledge of more than one industry; (2) the ability to effectively multitask; and (3) sensitivity toward balancing the needs of the marketplace and the public.

The rise of strategic partnerships requires managers to know not only their own specific operation but also that of their partners'. This is particularly true in cross-industry partnerships, such as Internet alliances and distribution platforms. To keep up with rapidly changing technology, managers will need to process new information quickly, using a variety of means— from reading their partner's trade publications to attending conferences and workshops for continuing education.

Handling the range of responsibilities resulting from strategic partnerships will particularly challenge managers in the electronic media. They must be willing to delegate responsibilities to other parties and carefully monitor progress. Multitasking requires managers to have excellent organizational and communication skills. Successful managers will need to handle the pressures of work, family, and other personal activities in an orderly manner.

Electronic media managers must continue to balance the needs of the marketplace with those of their audience in new ways. This dichotomy has long existed in the mass media because all electronic media enterprises operate to produce profits for owners and stakeholders. At the same time, the responsibility to serve the public remains an important principle. By nature many alliances require heavy investments of time and money by the companies involved. There is substantial pressure to generate profits with new alliances. Managers who can successfully balance the relationship between multiple ownership and the public's needs and wants will be extremely valuable to their operations.

While these changes apply to all the electronic media, each of the major industries discussed in this book presents unique characteristics in terms of how strategic alliances will impact their stations and systems. To provide some specific information on how management may be affected by strategic alliances, we will focus on the impact on managers of radio, television, and multichannel video systems (cable/satellite/telcos) using possible scenarios.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you analyse the characteristics and structure of electronic media markets?
2. In your own words, discuss how economy, technology, regulations, society and the global environment affect the media market.
3. Discuss the implications of alliances and mergers for broadcast management.

5.0 SUMMARY

This Unit has explained the various characteristics of electronic media markets, the media market structure, forces affecting the media market (such as economic, technological, regulatory, global and social forces), the synergy of factors, alliances and mergers in the media marketplace, alliances to develop and market programming and contents, as well as those for newsgathering, expansion of domestic and global

markets and the development of HD radio, wireless distribution and interactive TV, among others. The Implications of alliances and mergers for broadcast management were also discussed. The Unit thus examined the media station as a marketplace from a macro perspective, a complex system impacted by various market forces. As emphasised earlier, this perspective is critical to your understanding media station management because the media industries, seen as a whole and a part of the larger business environment, are in a constant state of evolution and transition.

6.0 CONCLUSION

Electronic media managers need an understanding of market economics, market structure, and product and geographic markets in order to effectively understand the competitive environment in which they are engaged. This macro perspective helps managers recognize the challenges and opportunities they face as the media industries change and evolve. Managers must also understand how market, technological, economic, and social forces are affecting the electronic media industries and their relationship to the audiences and advertisers they serve.

Strategic alliances and partnerships also offer opportunities and challenges for the electronic media, their managers, and the public. Strategic alliances take many forms. Among the most common are mergers and acquisitions, joint ownership, joint ventures, and formal and informal cooperative ventures. Companies often form alliances in order to gain access to new geographic markets, exercise control over existing markets, and share risks in developing new products and technology. Mergers and acquisitions significantly changed the makeup of many media industries during the 1990s.

In the radio industry, mergers have led to clustering of radio operations in many local markets. In the broadcast television industry, duopoly ownership and the transition to DTV/HDTV have set the stage for numerous partnerships. The cable, telco and satellite operators will continue to compete heavily as they try to lure consumers with various bundles of services.

Strategic alliances have expanded the role of managers, who need orientation and understanding of the other industries in which they are engaged in order to build strategic relationships. The ability to handle multiple tasks in different distribution environments is an important requirement. Finally, managers must be able to balance the needs of owners and stockholders with those of audiences.

7.0 REFERENCES/ FURTHER READING

Albarran, A. B. (2002). *Media economics: Understanding markets, industries, and concepts* (2nd ed.). Ames, IA: Blackwell.

Albarran, A. B., and Chan-Olmsted, S. M. (1998). *Global media economics: Commercialization, concentration, and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran, A. B., *andC* Dimmick, J. (1996). Concentration and economies of multiformity in the communication industries. *Journal of Media Economics,* 9(4), 41-50.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Bagdikian, B. (2000). *The media monopoly* (6th ed.). Boston: Belcon.

Bianco, A. (2004, July 12). The vanishing mass market. *BusinessWeek, pp.* 61-68.

Brandes, W. (1995, February 13). Black-oriented radio zeroes in on narrowly defined audiences. *Wall Street Journal, p.* B8.

Cabletelevision Advertising Bureau. (2005). *Why cable.* Online presentation available at www.onetvworld.org.

Carnegie, J. (2007, June 7). eBay partners with Bid4Spots for airtime auctions. Retrieved from www.rbr.com/epaper.

Caves, R. E. (1992). *American industry: Structure, conduct, performance* (8th ed.). Englewood Cliffs, NJ: Prentice Hall.

Chan-Olmsted, S. M. (2004). In search of partnerships in a changing global market: Trends and drivers of international strategic alliances.

D'Alessandro, D. F. (2001). *Brand warfare: 10 rules for building the killer brand.* New York: McGraw-Hill.

Ducey, R. V., Fratrik, M. R., and Kraemer, J. S. (2008). *Study of the impact of multiple systems for mobile/handheld digital television.*

Retrieved January 11, 2013 from www.bia.com.

Gerlin, A. (1993, July 14). Radio stations gain by going aftei Hispanics. *Wall Street Journal*, pp. Bl, B8.

Kaplan, D. (2004, June 6). *It's an interconnected world, after ail.* Retrieved from www. broadcastingcable.com
Malone, M. (2008, January 14). New media, new newsrooms. *Broadcasting and Cable,* pp. 22-23.

Murphy, J. M. (1987). *branding: A key marketing tool.* Mew York: McGraw-Hill. National Cable and Telecommunications Association, (n.d.) Cable advertising revenue: 1985-2008. Retrieved August 6 2012 from www.ncta.com/statistic.

Ries, A., and Trout, J. (1986a). *Marketing warfare.* New York: Me Graw-Hill.

Ries, A., and Trout, J. (1986b). *Positioning: The battle for your mind* (Rev. ed.). New York: McGraw-Hill.

Runyon, K. (1980). *Consumer behaviour and the practice of marketing* (2nd ed.). Columbus, OH:Merrill.

Scott, R. (1995, June 5). Radio direct marketing: Targeting the future. *Radio Ink,* pp. 30-35. Shane, E. (1999). *Selling electronic media.* Woodburn, MA: Focal Press.

Warner C. and Buchman J. (1991). *Broadcast and cable selling* (2nd ed.). Belmont, CA: Wadsworth.

UNIT 3 PRIORITY OF FINANCIAL MANAGEMENT IN STATION OPERATIONS

CONTENTS

1.0 INTRODUCTION

All firms that own electronic media enterprises operate with a common financial goal—to earn a profit on the products and services they offer. Even noncommercial entities, such as public broadcasting stations, must keep revenues ahead of expenses. Commercial radio and television stations, multichannel video systems, telephone companies, multimedia companies, and online companies are businesses. And in business, success is measured primarily by the bottom line—the amount of profit or loss that remains after one deducts expenses from revenues. Owners of electronic media enterprises want to protect their investment and receive a favourable return. To do this, owners turn to managers for assistance and expertise in meeting fiscal goals. Probably no other management task is more universal than the administration and decision making associated with creating budgets and controlling revenues and expenditures. While many tasks and responsibilities are delegated, the manager remains directly responsible for financial matters. In most electronic media facilities, this person is the General Manager (GM) or some other senior

manager who makes the important decisions that affect profit or loss. To preparing for a career in management—or any business— one must understand the role of financial management

2.0 OBJECTIVES

After studying this Unit, you are expected to:

- Understand the concept of financial management in a station, especially with regard to the huge cost of running a station and how it is expected that the station is not run at a loss
- Understand in concrete terms how to meet and implement financial goals of a station
- List and explain the various tools of financial reporting
- Know how to effectively manage assets and liabilities in a station
- Discuss the various indicators of financial growth and decline

3.0 MAIN CONTENT

3.1 Concept of Financial Management

To properly manage the finances of an organization, managers use financial management, which involves systematic planning, monitoring, and control. Though *planning* involves many areas, it mainly concerns developing budgets based on revenue history and expense projections. In planning, one also plans for new personnel positions and establishes timelines for the upgrading and replacement o: expensive items, such as equipment, vehicles, and computer systems.

Monitoring takes place through managerial review of financial statements and other reports that measure the efficiency of an organization. Later in the unit, you will learn more about financial statements—such as income statements and balance sheets—that arc commonly used in business. Managers need to be familiar with the content of financial statements and how to interpret and evaluate them. Finally, *control* can take many forms, from authorizing purchases to establishing internal policies and procedures. Control of fiscal policy helps eliminate ambiguity in an organization's financial matters. GMs work together with middle managers to administer individual budgets and evaluate performance.

3.2 Cost Analysis of Running a Station

I have said earlier that it requires huge capital and running cost to operate a broadcast station. When this cognisance is given by management staff, the issue of financial management is given its pride of place in a station. Let us take a quick analytical look at the equipment guidelines for a

local production-capable public radio station in a typical developing country. Pricing is given for the following power levels of transmission equipment: Class A transmission system; Class B and Class B1 transmission system; Class C transmission system; and Digital IBOC transmission equipment. Remember that the various categories have been provided for earlier in Module 1. However, this section is to take the equipment requirements of each.

Class A transmission system, for instance, is based on the FCC docket 80-90 for a maximum ERP of 3 KW, HAAT being 328' or 100 metres maximum. The priced system includes a 3.5 KW transmitter, 350' tower and 350' of 1-5/8f Heliax transmission line, and a 2-bay circularly polarized antenna with a 5KW maximum input power.

Classes B and B1 transmission systems are based on the FCC docket 80-90 for a maximum ERP of 50KW, HAAT being 492' or 150 metres maximum. The priced system includes a 25 KW transmitter, 500' tower and 500' of 3' Heliax transmission line, and a 4-bay circularly polarized antenna. Moreover, all Class C transmission systems are based on the FCC docket 80-90 for a maximum ERP of 100KW, HAAT being the minimum for Class C of 984' or 300 metres.

The priced system includes a 25KW transmitter, 1,050' tower and 1,100' of 3' Heliax transmission line and an 8-bay circularly polarized antenna.

The lists that follow include quantity and prices to provide basic production and transmission capability to the typical public radio station. NTIA provides these lists for your general guidance regarding quantity and pricing of broadcast equipment typically supported by the program. Applicants do not have to buy everything listed. Pricing does not reflect the following:

- Tower space. When existing tower space is available, reasonable costs for a stress study and for strengthening the tower are eligible for PTFP support. We have not provided estimated costs for these services because they vary so greatly.
- Land, building, power installation to transmitter building meter panel output, generators, air conditioning, renovation, and other facilities expenditures that are ineligible under the PTFP.
- Office and studio furniture (except for audio console cabinets), office machines, or other similar ineligible costs under the PTFP.
- Educational discounts from vendors and manufacturers. All pricing is based on basic capability and is shown at retail list price. (An educational discount of at least 10% to 15% should be expected.)

You must know that should your particular station's needs exceed the quantities or prices included here, you should clarify it with the concerned regulatory agency, such as FCC or NBC. PTFP regards stand-by power generators and uninterruptible power supply (UPS) units as essential equipment when justified as discussed here. In the US and other developed nations, PTFP supports only the minimum level of equipment required to keep a station's signal on the air. Stand-by power for STLs may be funded if their inclusion is justified in the same way as transmitters. Emergency power for origination equipment is considered in addition to transmission equipment when the proposing station demonstrates that such equipment is integral to the emergency service it provides. Stand-by generators and UPS units to provide power to entire facilities are not contemplated for PTFP support in developed nations. But you would agree that in Nigeria, they may be the steady supply, while the public supply system is treated as standby. The break down of three categories of the cost analysis are provided below in tables. You may add up the total at the end of each column to estimate just how much it is to run a standard station. Whatever you get could only mean about 70% of such cost, as space here would not permit us to treat these or those for television equipment.

Table 5.1: Cost Analysis of Radio Transmission Systems

		(US$)		
QTY	DESCRIPTION	Class A	Class B/B1	All Class Cs
	Transmitter size: Antenna: Tower and	3.5 Kw 2 Bay 350'	25 Kw 4 Bay 500'	25 Kw 8 Bay 1,050'
1	Digital Capable Analogue Transmitter with digital processing analogue exciter (Assumes High	42,000 (5 W)	73,000 (30 KW)	73,000 (30KW)
1	IBOC transmitter w/IBOC exciter for High Level Combined	69,000	107,000	107000
	System (Includes IBOC exciter and Exciter Auxiliary Switching Unit)			
1	IBOC Combiner for High Level (range is for 5 to 30KW)	7,000	9,000	9000
1	Analogue transmitter for Low Level Combining	59,000	NA	NA

1	IBOC (HD) exciter for Low Level Combining (includes Exciter Auxiliary Switching Unit)	32,000	NA	NA
1	HD Radio Processor	9,000	9,000	9000
1	IBOC licensing fees are required by manufacturer (Stations ineligible for CPB rate will be allowed $11,000)	5,000	5,000	5000
1	Analogue Transmitter ungradable to digital w/SCA and stereo generators, spare tube, and spare parts kit	39,000	72,000	72000
1	Circularly polarized antenna (no random or heaters)	3,700	14,000	30000
1 lot	Heliax transmission line and hangers	4,200	12,000	25000
1	Transmission tower	60,000	100,000	400000
1	Tower foundation cost	15,000	20,000	40000
1	Tower installation (including mounting antenna and line)	25,000	45,000	180000
1	FM Radio Processor	9,000	9,000	9000
1	Dummy load	1,900	5,090	5090
1	STL system (transmitter and receiver). Price includes two 6' dishes and feedline of 200' with hot standby	42,000	42,000	42000
1	STL tower (100' high with STL antenna, line and monitoring receive antenna installed at studio site)	25,000	25,000	25000
1	Transmitter remote control system	8,000	8,000	8000
1	6' equipment rack with side panels	1,400	1,400	1400
1	Frequency and modulation monitor system for stereo and SCA. SCA required for telemetry monitoring.	10,000	10,000	10000
1	Amplifier (audio) for off-air monitoring, including speakers (system fed from monitoring equipment)	869	869	869
1	EAS/CAP receiver and decoder/encoder	4,000	4,000	4000

1	Transmission line dehydrator	1,500	1,500	1500
1	Equipment shelter w/concrete pad	19,500	19,500	19500
1 lot	Transmitter AC power installation (assuming power at site location)	8,000	12,000	12000
1 lot	Transmitter ventilation	3,500	4,000	4000
1 lot	Transmitter installation cost including miscellaneous materials	8,000	13,000	14000
Standby power generator and UPS - Cost dependent on transmitter power and air conditioning need— but the range is usually $10,000 to $45,000				

Table 5.2: Cost Analysis of On-Air Control Room ($)

Qty	Description	Cost
1	Analogue or digital audio console	26000
1	Audio network router w/logic interface and input/output modules	55000
2	Speakers	1000
1	Monitor amplifier	500
1	Audio hard disc storage system, system cost	45000
2	Microphones with booms	1200
2	Broadcast quality CD players	2000
2	Direct-drive turntables @ $750	1500
2	Stereo turntable preamps @ $395	790
2	Turntable arms @ $120	240
2	Stereo cartridges for turntables @ $50	100
1	Custom cabinet for audio console and turntables	6000
4	6' equipment racks @ $545, plus one set of side panels @ $235	2415
4	Jack panels/wired, with jack cords	4800
2	Headphones @ $150	300
6	Distribution amplifiers @ $350	2100
1 lot	Miscellaneous wire, ground strap, and installation materials	5000
1 lot	Labour for installation of On-Air control room	10000

Table 5.3: Cost Analysis for Radio Production Control Room and Associated Studio ($)

Qty	Description	Cost
1	Analogue or digital audio console	$36,000
1	Non-linear editing system	30000
4	Speakers	2000
2	Monitor amplifiers	1000
2	Audio limiters @ $600	1200
6	Microphones with stands	2000
2	Broadcast quality CD players	2000
2	Direct-drive turntables @ $750	1500
2	Stereo turntable preamps @ $395	790
2	Turntable arms @ $120	240
2	Stereo cartridges for turntables @ $50	100
1	Custom cabinet for audio console and turntables	6000
1	6' equipment rack with side panels	1500
4	Jack panels w/cords	4800
2	Headphones @ $150	300
1 lot	Miscellaneous wire, ground strap, and installation materials	5000
1 lot	Labour for installation of production control room	10000

Given the limited funds available for grants, some stations do not give high priority to funding separate radio news control rooms. And since some regulation authorities require stations to have at least two control rooms, for instance, to qualify for community service radio status, news control rooms are usually the third— or even the fourth— control room in a station.

3.3 Meeting and Implementing Financial Goals

Financial management is needed not only to maintain fiscal control but also to meet the expectations of owners and investors. Setting financial goals is a complicated process affected by many factors beyond the control of managers and owners. Managers must consider (1) the state of the economy (both local and national); (2) technological change; (3) regulatory issues; and (4) audience tastes and preferences. Change in any one of these areas can influence the financial performance of an electronic media facility.

Take a television station, for example, that is faced with many challenges to its financial planning. First, given a flourishing local economy, competition for local advertising is generally strong. But as the economy falters, the station will be affected since advertising is one of the first things many businesses reduce or eliminate to control costs. Second, the need to upgrade key equipment may mean a sizable increase in the operating budget. Third, if the FCC should enact new policies requiring broadcasters to offer free commercial time for political candidates, this reduces the amount of commercial inventory available to advertisers. Finally, the audience may respond negatively to a new anchor or

redesigned morning show. If the audience erodes significantly, change will be necessary.

One can establish financial goals in many different ways, ranging from revenue projections to cost-cutting methods. Ideally, the process involves both senior-level management and owners, with some flexibility needed from both for unknown contingencies. Financial success can be measured in many different ways—via profit or loss, profit margins, or investor appreciation. Every organization needs financial goals in order to maintain growth.

The manager works closely with other personnel in administering the finances of an electronic media facility. The number of personnel involved varies, depending on the size of the organization. In small firms (fewer than 15 employees) a bookkeeper or traffic manager may handle most of the financial transactions. Medium-sized firms may have an accounting or business department employing several people. *Larger* firms (more than 50 employees) often have a Controller—a midlevel manager who, along with his or her staff, supervises all accounting functions and prepares reports and other materials for the General Manager. Regardless of the size of the unit, other duties beyond basic accounting functions include banking, billing, collections, payroll, personnel, tax modules, and purchasing.

Traditional electronic media enterprises are capital-intensive, consisting of a number of expensive resources. The amount of equipment, personnel, and other materials (such as content) needed to operate a radio, TV, cable, or telecommunications facility rep resents an investment of hundreds of thousands of dollars. The money that flows into a media organization, through advertising and other types of revenue, can reach staggering proportions. Tc maintain control over the constant flow of revenue and expenses, businesses use accounting systems to keep track of all financial transactions.

Sophisticated accounting systems help in monitoring financial performance. Before high- powered desktop computers, accounting was handled through manual entry. Contemporary accounting software systems offer many features and options. Many programmes combine enterprise systems (purchasing and personnel operations) data management (database functions) and supply chain management. Among the systems used by electronic media firms are Oracle/PeopleSoft, SAP, and Optimal Solutions Inc. These systems track revenues and expenses, coordinate commercial inventory and billing (commonly known as traffic), provide forecasts, and produce different types of reports. The radio industry uses some of these products, but also has its own special)

programmes that are known as revenue management systems. Among the systems are Wide Orbit, Radio Traffic, Merketron, VIERO, VCI Solutions, and Specialty Data Systems. Managers should understand the features of the accounting system and how to access information, making computer literacy an important skill needed for pursuing a career in management.

3.4 Financial Reporting

The traditional function of financial reporting was to provide business owners with information about the companies that they owned and operated. Once the delegation of managerial responsibilities to hired personnel became a common practice, financial reporting began to focus on stewardship—that is, on the managers' accountability to the owners. Its purpose then was to document how effectively the owners' assets were managed, in terms of both capital preservation and profit generation.

Once businesses were commonly organized as corporations, the appearance of large multinational corporations and the widespread employment of professional managers by absentee owners brought about a change in the focus of financial reporting. Although the stewardship orientation did not become obsolete, financial reporting beginning in the mid-20th century became somewhat more geared toward the needs of investors. Because both individual and institutional investors view ownership of corporate stock as only one of various investment alternatives, they seek much more future-oriented information than was supplied under the traditional stewardship model. As investors relied more on financial statements to predict the results of investment and disinvestment decisions, accounting became more sensitive to their needs. One important result was an expansion of the information supplied in financial statements.

The proliferation of mandated notes that accompany financial statements is a particularly visible example. Such notes disclose information that is not already included in the body of the financial statement. One of the very first notes identifies the accounting methods adopted when acceptable alternative methods also exist, or when the unique nature of the company's business justifies an otherwise unconventional approach.

The notes also disclose information about lease commitments, contingent liabilities, pension plans, stock options, and the effects of translating foreign currency amounts, as well as details about long-term debt, such as interest rates and maturity dates. A public company having a widely distributed ownership includes among its notes the income amounts that it earned in each three-month fiscal period known as a

quarter. It also includes quarterly stock market prices of its outstanding shares of common stock and information about the relative sales and profit contributions of the different operating components that make up a diversified company.

3.5 The Accounting Cycle of a Station

Modern accounting entails a seven-step accounting cycle. The first three steps fall under the bookkeeping function—that is, the systematic compiling and recording of financial transactions. Business documents provide the bookkeeping input; such documents include invoices, payroll time cards, paid bank checks, and receiving reports. Special journals (daily logs) are used to record recurring transactions. These include a sales journal, a purchases journal, a cash-receipts journal, and a cash-disbursements journal. Transactions that cannot be accommodated by a special journal are recorded in the general journal.

Step One: Recording a transaction in a journal marks the starting point for the double- entry bookkeeping system. In this system the financial structure of an organization is analyzed as consisting of many interrelated aspects, each of which is called an account (for example, the 'wages payable' account). Every transaction is identified by its two or more aspects or dimensions, referred to as its debit (or left side) and credit (or right side) aspects, and each of these aspects has its own effect on the financial structure. Depending on their nature, certain accounts are increased with debits and decreased with credits; other accounts are increased with credits and decreased with debits. For example, the purchase of merchandise for cash increases the merchandise account (a debit) and decreases the cash account (a credit). If merchandise is purchased on the basis of a promise to make a future payment, a liability would be created, and the journal entry would record an increase in the merchandise asset account (a debit) and an increase in a liability account (a credit). Recognition of wages earned by employees entails recording an increase in the wage-expense account (a debit) and an increase in a liability account (a credit). The subsequent payment of the wages would be a decrease in the cash asset account (a credit) and a decrease in the liability account (a debit).

Step Two: In the next step in the accounting cycle, the amounts that appear in the various journals are transferred to the organization's general ledger—a procedure called posting. A ledger is a book having one page for each account in the organization's financial structure. The page for each account shows its debits on the left side and its credits on the right side, so that each account's balance—that is, the net credit or net debit amount—can be determined. In addition to the general ledger, a subsidiary ledger is used to provide information in greater detail about the

accounts in the general ledger. For example, the general ledger contains one account showing the entire amount owed to the enterprise by all its customers; the subsidiary ledger breaks this amount down on a customer-by-customer basis, with a separate subsidiary account for each customer. Subsidiary accounts may also be kept for the wages paid to each employee, for each building or machine owned by the company, and for amounts owed to each of the enterprise's creditors.

Step Three: Posting data to the ledgers is followed by listing the balances of all the accounts and calculating whether the sum of all the debit balances agrees with the sum of all the credit balances (because every transaction has been listed once as a debit and once as a credit). This determination is called a trial balance. This procedure and those that follow it take place at the end of the fiscal period. Once the trial balance has been prepared successfully, the bookkeeping portion of the accounting cycle has ended.

Step Four: Once bookkeeping procedures have been completed, the accountant prepares adjustments to recognize events that, although they did not occur in conventional form, are in substance already completed transactions. The following are the most common circumstances that require adjustments: accrued revenue (for example, interest earned but not yet received); accrued expense (wage cost incurred but not yet paid); unearned revenue (earning subscription revenue that had been collected in advance); prepaid expense (expiration of a prepaid insurance premium); depreciation (recognizing the cost of a machine as expense spread over its useful economic life); inventory (recording the cost of goods sold on the basis of a period's purchases and the change between beginning and ending inventory balances); and receivables (recognizing bad-debt expenses on the basis of expected uncollected amounts).

Steps Five and Six: Once the adjustments are calculated and entered in the ledger, the accountant prepares an adjusted trial balance—one that combines the original trial balance with the effects of the adjustments (step five). With the balances in all the accounts thus updated, financial statements are then prepared (step six). The balances in the accounts are the data that make up the organization's financial statements.

Step Seven: The final step is to close noncumulative accounts. This procedure involves a series of bookkeeping debits and credits to transfer sums from income-statement accounts into owners' equity accounts. Such transfers reduce to zero the balances of noncumulative accounts so that these accounts can receive new debit and credit amounts that relate to the activity of the next business period.

3.6 Assets and Liabilities

Assets and liabilities are terms used in economics and accounting. Assets represent property or rights to property, while liabilities are debts owed to others. Assets and liabilities together determine the wealth of an individual, a firm, or a nation. The station's financial buoyancy is often measured as of a specified date and is listed on a balance sheet, with assets on one side and liabilities and owner's equity on the other. However, individuals, firms and nations do have somewhat different assets and liabilities.

For example, an individual's assets might include cash, bank deposits, stocks, rights to future pension payments, and a house and its contents. An individual's liabilities might include a home mortgage, debt incurred on a car or other personal possessions, or other financial commitments, such as income tax liabilities. The composition of assets and liabilities for a firm would be different. Included in a media firm's assets might be its transmission plants and machinery, its inventories of raw materials (including rushes) or programmes in the process of production, or finished productions not yet delivered to customers. A media firm's assets should include receivables—debts owed to the firm, perhaps for services and products delivered but not yet paid for—and income from any financial assets the firm might have, such as stocks or bonds. Moreover, a media firm could also usually be more valuable than the sum of its assets, because it expects to earn income as a result of its mere existence, that is, as a going concern, and producer of public goods and services. This is commonly defined as goodwill. On the liability side of the balance sheet, the firm will have its financial obligations—debts owed to suppliers or other obligations, such as outstanding tax liability. If the station has borrowed money from a bank or issued bonds to raise money, these obligations would be listed as liabilities as well.

A media firm and, especially a nation (such as Nigeria) have still another set of assets and liabilities— this is more so for a national balance sheet, which will not simply be the sum of the balance sheets of individuals and firms. A nation's assets also include national capital, such as public buildings (including public libraries, royal palaces, and government offices); publicly owned parts of the transport infrastructure; or certain natural assets, such as raw material deposits, or national forests. These items may not be included on the balance sheet of a media organization or any other entity. It is also arguable that since the most important asset of a nation is its labour force, it should be included on the balance sheet in some way. Obligations and liabilities between firms and individuals in the same country will cancel out— that is, one person's liability to pay is another person's asset. But a nation may own assets (physical or financial) overseas, and foreigners may own capital (physical or financial) within a nation. The accounting of a nation's

wealth, therefore, takes account of net liabilities to the citizens, firms, and governments of other countries.

3.6.1 Accounts receivable

Accounts receivable are the credit a firm gives its customers. The volume and terms of such credit vary among businesses and among nations; for manufacturing firms in the United States, for example, the ratio of receivables to sales ranges between 8 and 12 percent, representing an average collection period of approximately one month. The basis of a firm's credit policy is the practice in its industry; generally, a firm must meet the terms offered by competitors. Much depends, of course, on the individual customer's credit standing.

To evaluate a customer as a credit risk, the credit manager considers what may be called **the five Cs of credit**: character, capacity, capital, collateral, and conditions. Information on these items is obtained from the firm's previous experience with the customer, supplemented by information from various credit associations and credit-reporting agencies. In reviewing a credit program, the financial manager should regard losses from bad debts as part of the cost of doing business. Accounts receivable represent an investment in the expansion of sales. The return on this investment can be calculated as in any capital budgeting problem.

3.6.2 Inventories

Every company must carry stocks of goods and materials in inventory. The size of the investment in inventory depends on various factors, including the level of sales, the nature of the production processes, and the speed with which goods perish or become obsolete. The problems involved in managing inventories are basically the same as those in managing other assets, including cash. A basic stock must be on hand at all times. Because the unexpected may occur, it is also wise to have safety stocks; these represent the little extra needed to avoid the costs of not having enough. Additional amounts—anticipation stocks—may be required for meeting future growth needs. Finally, some inventory accumulation results from the economies of purchasing in large quantities; it is always cheaper to buy more than is immediately needed, whether of raw materials, money, or plant and equipment.

There is a standard procedure for determining the most economical amounts to order, one that relates purchasing requirements to costs and carrying charges (i.e., the cost of maintaining an inventory). While carrying charges rise as average inventory holdings increase, certain other costs (ordering costs and stock-out costs) fall as average inventory holdings rise. These two sets of costs constitute the total cost of ordering

and carrying inventories, and it is fairly easy to calculate an optimal order size that will minimize total inventory costs. The advent of computerized inventory tracking fostered a practice known as just-in-time inventory management and thereby reduced the likelihood of excess or inadequate inventory stocks.

3.6.3 Short-term financing

The main sources of short-term financing are (1) trade credit, (2) commercial bank loans, (3)
commercial paper, a specific type of promissory note, and (4) secured loans.

Trade credit— A firm customarily buys its supplies and materials on credit from other firms, recording the debt as an account payable. This trade credit, as it is commonly called, is the largest single category of short-term credit. Credit terms are usually expressed with a discount for prompt payment. Thus, the seller may state that if payment is made within 10 days of the invoice date, a 2 percent cash discount will be allowed. If the cash discount is not taken, payment is due
30 days after the date of invoice. The cost of not taking cash discounts is the price of the credit.

Commercial bank loans— Commercial bank lending appears on the balance sheet as notes payable and is second in importance to trade credit as a source of short-term financing.

Banks occupy a pivotal position in the short-term and intermediate-term money markets. As a firm's financing needs grow, banks are called upon to provide additional funds. A single loan obtained from a bank by a business firm is not different in principle from a loan obtained by an individual. The firm signs a conventional promissory note. Repayment is made in a lump sum at maturity or in installments throughout the life of the loan. A line of credit, as distinguished from a single loan, is a formal or informal understanding between the bank and the borrower as to the maximum loan balance the bank will allow at any one time.

Commercial paper— Commercial paper, a third source of short-term credit, consists of well-established firms' promissory notes sold primarily to other businesses, insurance companies, pension funds, and banks. Commercial paper is issued for periods varying from two to six months. The rates on prime commercial paper vary, but they are generally slightly below the rates paid on prime business loans. A basic limitation of the commercial-paper market is that its resources are limited to the excess liquidity that corporations, the main suppliers of funds, may have at any particular time. Another disadvantage is the impersonality of the dealings; a bank is much more likely to help a good customer weather a storm than

is a commercial-paper dealer.

Secured loans— Most short-term business loans are unsecured, which means that an established company's credit rating qualifies it for a loan. It is ordinarily better to borrow on an unsecured basis, but frequently a borrower's credit rating is not strong enough to justify an unsecured loan. The most common types of collateral used for short-term credit are accounts receivable and inventories.

Financing through accounts receivable can be done either by pledging the receivables or by selling them outright, a process called factoring in the United States. When a receivable is pledged, the borrower retains the risk that the person or firm that owes the receivable will not pay; this risk is typically passed on to the lender when factoring is involved. When loans are secured by inventory, the lender takes title to them. He may or may not take physical possession of them. Under a field warehousing arrangement, the inventory is under the physical control of a warehouse company, which releases the inventory only on order from the lending institution. Canned goods, lumber, steel, coal, and other standardized products are the types of goods usually covered in field warehouse arrangements.

3.6.4 Intermediate-term financing

Whereas short-term loans are repaid in a period of weeks or months, intermediate-term loans are scheduled for repayment in 1 to 15 years. Obligations due in 15 or more years are thought of as long-term debt. The major forms of intermediate-term financing include (1) term loans, (2) conditional sales contracts, and (3) lease financing.

Term loans— A term loan is a business credit with a maturity of more than 1 year but less than 15 years. Usually the term loan is retired by systematic repayments (amortization payments) over its life. It may be secured by a chattel mortgage on equipment, but larger, stronger companies are able to borrow on an unsecured basis. Commercial banks and life insurance companies are the principal suppliers of term loans. The interest cost of term loans varies with the size of the loan and the strength of the borrower.

Term loans involve more risk to the lender than do short-term loans. The lending institution's funds are tied up for a long period, and during this time the borrower's situation can change markedly. To protect themselves, lenders often include in the loan agreement stipulations that the borrowing company maintain its current liquidity ratio at a specified level, limit its acquisitions of fixed assets, keep its debt ratio below a stated amount, and in general follow policies that are acceptable

to the lending institution.

Conditional sales contracts— Conditional sales contracts represent a common method of obtaining equipment by agreeing to pay for it in installments over a period of up to five years. The seller of the equipment continues to hold title to the equipment until payment has been completed.

Lease financing— It is not necessary to purchase assets in order to use them. Railroad and airline companies in the United States, for instance, have acquired much of their equipment by leasing it. Whether leasing is advantageous depends—aside from tax advantages—on the firm's access to funds. Leasing provides an alternative method of financing. A lease contract, however, being a fixed obligation, is similar to debt and uses some of the firm's debt-carrying ability. It is generally advantageous for a firm to own its land and buildings, because their value is likely to increase, but the same possibility of appreciation does not apply to equipment.

The statement is frequently made that leasing involves higher interest rates than other forms of financing, but this need not always be true. Much depends on the firm's standing as a credit risk. Moreover, it is difficult to separate the cash costs of leasing from the other services that may be embodied in a leasing contract. If the leasing company can perform nonfinancial services (such as maintenance of the equipment) at a lower cost than the lessee or someone else could perform them, the effective cost of leasing may be lower than other financing methods.

Although leasing involves fixed charges, it enables a firm to present lower debt-to-asset ratios in its financial statements. Many lenders, in examining financial statements, give less weight to a lease obligation than to a loan obligation.

3.6.5 Long-term financial operations

Bonds— Long-term capital may be raised either through borrowing or by the issuance of stock. Long-term borrowing is done by selling bonds, which are promissory notes that obligate the firm to pay interest at specific times. Secured bondholders have prior claim on the firm's assets. If the company goes out of business, the bondholders are entitled to be paid the face value of their holdings plus interest. Stockholders, on the other hand, have no more than a residual claim on the company; they are entitled to a share of the profits, if there are any, but it is the prerogative of the board of directors to decide whether a dividend will be paid and how large it will be.

Long-term financing involves the choice between debt (bonds) and equity (stocks). Each firm chooses its own capital structure, seeking the

combination of debt and equity that will minimize the costs of raising capital. As conditions in the capital market vary (for instance, changes in interest rates, the availability of funds, and the relative costs of alternative methods of financing), the firm's desired capital structure will change correspondingly.

The larger the proportion of debt in the capital structure (leverage), the higher will be the returns to equity. This is because bondholders do not share in the profits. The difficulty with this, of course, is that a high proportion of debt increases a firm's fixed costs and increases the degree of fluctuation in the returns to equity for any given degree of fluctuation in the level of sales. If used successfully, leverage increases the returns to owners, but it decreases the returns to owners when it is used unsuccessfully. Indeed, if leverage is unsuccessful, the result may be the bankruptcy of the firm.

Long-term debt— There are various forms of long-term debt. A mortgage bond is one secured by a lien on fixed assets such as plant and equipment. A debenture is a bond not secured by specific assets but accepted by investors because the firm has a high credit standing or obligates itself to follow policies that ensure a high rate of earnings. A still more junior lien is the subordinated debenture, which is secondary (in terms of ability to reclaim capital in the event of a business liquidation) to all other debentures and specifically to short-term bank loans.

Periods of relatively stable sales and earnings encourage the use of long-term debt. Other conditions that favour the use of long-term debt include large profit margins (they make additional leverage advantageous to the stockholders), an expected increase in profits or price levels, a low debt ratio, a price–earnings ratio that is low in relation to interest rates, and bond indentures that do not impose heavy restrictions on management.

Stock— Equity financing is done with common and preferred stock. While both forms of stock represent shares of ownership in a company, preferred stock usually has priority over common stock with respect to earnings and claims on assets in the event of liquidation. Preferred stock is usually cumulative—that is, the omission of dividends in one or more years creates an accumulated claim that must be paid to holders of preferred shares. The dividends on preferred stock are usually fixed at a specific percentage of face value. A company issuing preferred stock gains the advantages of limited dividends and no maturity—that is, the advantages of selling bonds but without the restrictions of bonds. Companies sell preferred stock when they seek more leverage but wish to avoid the fixed charges of debt. The advantages of preferred stock will be reinforced if a company's debt ratio is already high and if common

stock financing is relatively expensive.

If a bond or preferred stock issue was sold when interest rates were higher than at present, it may be profitable to call the old issue and refund it with a new, lower-cost issue. This depends on how the immediate costs and premiums that must be paid compare with the annual savings that can be obtained.

Earnings and dividend policies— The size and frequency of dividend payments are critical issues in company policy. Dividend policy affects the financial structure, the flow of funds, corporate liquidity, stock prices, and the morale of stockholders. Some stockholders prefer receiving maximum current returns on their investment, while others prefer reinvestment of earnings so that the company's capital will increase. If earnings are paid out as dividends, however, they cannot be used for company expansion (which thereby diminishes the company's long-term prospects). Many companies have opted to pay no regular dividend to shareholders, choosing instead to pursue strategies that increase the value of the stock.

Companies tend to reinvest their earnings more when there are chances for profitable expansion. Thus, at times when profits are high, the amounts reinvested are greater and dividends are smaller. For similar reasons, reinvestment is likely to decrease when profits decline, and dividends are likely to increase.

Companies having relatively stable earnings over a period of years tend to pay high dividends. Well-established large firms are likely to pay higher-than-average dividends because they have better access to capital markets and are not as likely to depend on internal financing. A firm with a strong cash or liquidity position is also likely to pay higher dividends. A firm with heavy indebtedness, however, has implicitly committed itself to paying relatively low dividends; earnings must be retained to service the debt. There can be advantages to this approach. If, for example, the directors of a company are concerned with maintaining control of it, they may retain earnings so that they can finance expansion without having to issue stock to outside investors. Some companies favour a stable dividend policy rather than allowing dividends to fluctuate with earnings; the dividend rate will then be lower when profits are high and higher when profits are temporarily in decline. Companies whose stock is closely held by a few high-income stockholders are likely to pay lower dividends in order to lower the stockholders' individual income taxes.

In Europe, until recently, company financing tended to rely heavily on internal sources. This was because many companies were owned by families and also because a highly developed capital market was lacking. In the less-developed countries today, firms rely heavily on internal financing, but they also tend to make more use of short-term bank loans, microcredit, and other forms of short-term financing than is typical in other countries.

Convertible bonds and stock warrants— Companies sometimes issue bonds or preferred stock that give holders the option of converting them into common stock or of purchasing stock at favourable prices. Convertible bonds carry the option of conversion into common stock at a specified price during a particular period. Stock purchase warrants are given with bonds or preferred stock as an inducement to the investor, because they permit the purchase of the company's common stock at a stated price at any time. Such option privileges make it easier for small companies to sell bonds or preferred stock. They help large companies to float new issues on more favourable terms than they could otherwise obtain. When bondholders exercise conversion rights, the company's debt ratio is reduced because bonds are replaced by stock. The exercise of stock warrants, on the other hand, brings additional funds into the company but leaves the existing debt or preferred stock on the books. Option privileges also permit a company to sell new stock at more favourable prices than those prevailing at the time of issue, since the prices stated on the options are higher. Stock purchase warrants are most popular, therefore, at times when stock prices are expected to have an upward trend.

3.7 Financial Growth and Decline

3.7.1 Mergers

Companies often grow by combining with other companies. One company may purchase all or part of another; two companies may merge by exchanging shares; or a wholly new company may be formed through consolidation of the old companies. From the financial manager's viewpoint, this kind of expansion is like any other investment decision; the acquisition should be made if it increases the acquiring firm's net present value as reflected in the price of its stock.

The most important term that must be negotiated in a combination is the price the acquiring firm will pay for the assets it takes over. Present earnings, expected future earnings, and the effects of the merger on the rate of earnings growth of the surviving firm are perhaps the most important determinants of the price that will be paid. Current market prices are the second most important determinant of prices in mergers; depending on whether asset values are indicative of the earning power

of the acquired firm, book values may exert an important influence on the terms of the merger. Other, nonmeasurable, factors are sometimes the overriding determinant in bringing companies together; synergistic effects (wherein the net result is greater than the combined value of the individual components) may be attractive enough to warrant paying a price that is higher than earnings and asset values would indicate.

The basic requirements for a successful merger are that it fit into a soundly conceived long-range plan and that the performance of the resulting firm be superior to those attainable by the previous companies independently. In the heady environment of a rising stock market, mergers have often been motivated by superficial financial aims. Companies with stock selling at a high price relative to earnings have found it advantageous to merge with companies having a lower price–earnings ratio; this enables them to increase their earnings per share and thus appeal to investors who purchase stock on the basis of earnings.

Some mergers, particularly those of conglomerates, which bring together firms in unrelated fields, owe their success to economies of management that developed throughout the
20th century. New strategies emphasized the importance of general managerial functions (planning, control, organization, and information management) and other top-level managerial tasks (research, finance, legal services, and technology). These changes reduced the costs of managing large, diversified firms and prompted an increase in mergers and acquisitions among corporations around the world.

When a merger occurs, one firm disappears. Alternatively, one firm may buy all (or a majority) of the voting stock of another and then run that company as an operating subsidiary. The acquiring firm is then called a holding company. There are several advantages in the holding company: it can control the acquired firm with a smaller investment than would be required in a merger; each firm remains a separate legal entity, and the obligations of one are separate from those of the other; and, finally, stockholder approval is not necessary—as it is in the case of a merger. There are also disadvantages to holding companies, including the possibility of multiple taxation and the danger that the high rate of leverage will amplify the earnings fluctuations (be they losses or gains) of the operating companies.

3.7.2 Reorganization

When a firm cannot operate profitably, the owners may seek to reorganize it. The first question to be answered is whether the firm might not be better off by ceasing to do business. If the decision is made that the firm is to survive, it must be put through the process of reorganization. Legal

procedures are always costly, especially in the case of business failure; both the debtor and the creditors are frequently better off settling matters on an informal basis rather than through the courts. The informal procedures used in reorganization are (1) extension, which postpones the settlement of outstanding debt, and (2) composition, which reduces the amount owed.

If voluntary settlement through extension or composition is not possible, the matter must be taken to court. If the court decides on reorganization rather than liquidation, it appoints a trustee to control the firm and to prepare a formal plan of reorganization. The plan must meet standards of fairness and feasibility; the concept of fairness involves the appropriate distribution of proceeds to each claimant, while the test of feasibility relates to the ability of the new enterprise to carry the fixed charges resulting from the reorganization plan.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you explain the concept of financial management in relation to the huge cost of running a station?
2. Using a scholarly discussion format, explain in detail the management of a station's assets and liabilities
3. Discuss merger and reorganization as tools of organizational growth and decline

5.0 SUMMARY

This Unit has succinctly discussed the concept of financial management, cost analysis of running a station, how to meet and implement financial goals, financial reporting, accounting cycle, assets and liabilities; short, intermediate, and long-term financing; and issues regarding financial growth and decline. Earlier in Module 3, we stressed that one of the skills of a station manager must be financial skills. All electronic media enterprises operate with a common financial goal—to earn a profit on the products and services they offer. Even noncommercial entities, such as government stations, must keep revenues ahead of expenses; that is, they must break even. A manager that cannot bring profit is considered unprofitable and, therefore, should have no business with managing any form of business.

6.0 CONCLUSION

Owners of electronic media enterprises want to protect their investment and receive a favourable return. To do this, they turn to station managers for assistance and expertise in meeting fiscal goals. No other

management task is more universal than the administration and decision making associated with creating budgets and controlling revenues and expenditures. To properly manage the finances of a media organization, the manager plans (develop budgets based on revenue history and expense projections), monitor performance (reviews financial statements and other reports that measure the efficiency of the organization); and controls (authorizing purchases and fiscal policies).

7.0 REFERENCES/FURTHER READING

Albarran, A.B., and Chan-Olmsted, S. M. (1998). *Global media economics: Commercialization, concentration, and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran, A. B., *andC* Dimmick, J. (1996). Concentration and economies of multiformity in the communication industries. *Journal of Media Economics,* 9(4), 41-50.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Bagdikian, B. (2000). *The media monopoly* (6th ed.). Boston: Belcon.

Bianco, A. (2004, July 12). The vanishing mass market. *BusinessWeek, pp.* 61-68.

Brandes, W. (1995, February 13). Black-oriented radio zeroes in on narrowly defined audiences. *Wall Street Journal, p.* B8.

Brigham E.J. and Houston J.F. (2000). *Fundamentals of Financial Management*, 9th ed. Henshaw; UK.

Cabletelevision Advertising Bureau. (2005). *Why cable.* Online presentation available at www.onetvworld.org.

Carnegie, J. (2007, June 7). eBay partners with Bid4Spots for airtime auctions. Retrieved from www.rbr.com/epaper.

Caves, R. E. (1992). *American industry: Structure, conduct, performance* (8th ed.). Englewood Cliffs, NJ: Prentice Hall.

Chan-Olmsted, S. M. (2004). In search of partnerships in a changing global market: Trends and drivers of international strategic

alliances.

D'Alessandro, D. F. (2001). *Brand warfare: 10 rules for building the killer brand.* New York: McGraw-Hill.

Ducey, R. V., Fratrik, M. R., and Kraemer, J. S. (2008). *Study of the impact of multiple systems for mobile/handheld digital television.* Retrieved January 11, 2013 from www.bia.com.

Gerlin, A. (1993, July 14). Radio stations gain by going aftei Hispanics. *Wall Street Journal*, pp. Bl, B8.

Horne J.C. (2002). *Financial Management and Policy,* 12th ed. Hengrade, Canada.

Kaplan, D. (2004, June 6). *It's an interconnected world, after ail.* Retrieved from www.broadcastingcable.com

Keith M. (2003) *The Radio Station*. 6th ed., Stoneham MA; Focal Press.

Malone, M. (2008, January 14). New media, new newsrooms. *Broadcasting and Cable,* pp. 22-23. Murphy, J. M. (1987). *branding: A key marketing tool.* Mew York: McGraw-Hill.

Meyer, P.E. (2009). *Bookkeeping and Accounting*. Microsoft ® Encarta ® 1993-2008. Microsoft Corporation; USA. National Cable and Telecommunications Association, (n.d.) Cable advertising revenue: 1985- 2008. Retrieved August 6 2012 from www.ncta.com/statistic.

Ries, A., and Trout, J. (1986a). *Marketing warfare.* New York: Me Graw-Hill.

Ries, A., and Trout, J. (1986b). *Positioning: The battle for your mind* (Rev. ed.). New York: McGraw-Hill.

Runyon, K. (1980). *Consumer behaviour and the practice of marketing* (2nd ed.). Columbus, OH:Merrill.

Scott, R. (1995, June 5). Radio direct marketing: Targeting the future. *Radio Ink,* pp. 30-35. Shane, E. (1999). *Selling electronic media.* Woodburn, MA: Focal Press.

USDC (2011). Radio Station Construction Cost. Department of Commerce, National Telecommunications and Information Administration, Office of Telecommunications and Information

Applications, USA.

Warner C. and Buchman J. (1991). *Broadcast and cable selling* (2nd ed.). Belmont, CA: Wadsworth.

Weston, J.F. (2011). Financial Planning and Budgeting for Organizations. Accessed 23 July 2012 from www.internetfinance.com

Weston J.F., Scott B. and Brigham E.F. (1996). *Essentials of Managerial Finance*, 11th ed. HNE, UK.

Weston J.F. and Copeland T.E. (1992). *Managerial Finance*, 9th ed.

McGrawl-Hill, NY. Woodward, S.N (2009). Business Finance. Encyclopædia Britannica. Chicago; USA.

UNIT 4 BUDGETING AND FINANCIAL PERFORMANCE MONITORING

CONTENTS

1.0 INTRODUCTION

Managers need budgeting in order to achieve established financial goals and objectives. Budgeting is usually an annual process in which management projects anticipated revenues and expenditures for the firm for the following 12 months. For example, to start a new budget year in January, most of the actual budgeting process will take place over the summer months of the preceding year. Once the final budget is approved, managers monitor performance at regular intervals (weekly, monthly, and quarterly) using various types of financial statements. Keep in mind that the business year may differ from the calendar year because companies are allowed to designate their own fiscal year for tax purposes; that is, a company's fiscal year does not necessarily go from January through December. Creation of the actual budget follows a specific organizational procedure, and all managers usually participate in budgeting. By clearly understanding the financial goals of the corporate owners, managers at all

levels can work as a team toward the completion of specific financial objectives.

Managers of an electronic media facility must know how to handle its finances. Such management involves planning, monitoring, and control in order to meet financial goals.

Managers work with other personnel, such as a Controller in large firms, to administer financial management. Budgeting, one of the most important components of financial management, should involve the General Manager, Controller or other financial officers, and other managers. Budgeting consists of establishing revenue and expense projections as well as capital budgeting needs.

Monitoring of financial performance is accomplished through the posting of individual transactions in various journals and ledgers and the compiling of different financial statements and reports. Widely used financial statements include the balance sheet, the income or P&L statement, and the statement of cash flows. In financial analysis, managers use a variety of tools to gain additional insight into the financial performance of a firm. Managers should be familiar with several concepts, including ratio analysis, break-even analysis, and depreciation and amortization.

Reporting on financial performance is the final step in the process of financial management. Reports vary by company, with the most common reports consisting of executive summaries, quarterly reports, and annual reports. Auditors are used in the preparation of quarterly and annual reports. The CEO of each company must certify all financial statements prepared by auditors as required by the Sarbanes-Oxley Act of 2002.

2.0 OBJECTIVES

At the end of this Unit, you are expected to:

- Define and explain in your own words the concepts of budgeting and goal-setting in an organization
- Discuss the various instruments of financial performance monitoring
- Discuss the tools of financial planning and control in a media organization

3.0 MAIN CONTENT

3.1 Budgeting and Goal-setting

A budget is a plan specifying how money is to be spent over a designated period of time. Organizations however use budgets to make efficient use of money and other resources/assets and avoid spending more than organizational income. Budgets also help to allocate incomes between present and future needs.

In planning budgets, individuals and organizations weigh choices about how to spend or save money. They might make choices between saving for expensive programmes, equipment and/or services and using cheaper substitutes immediately. They might also decide to go into debt to purchase expensive goods and services, or save for such purchases over the long term. If a station decides to go into debt, it often finds the most economical way to finance such purchases by comparing the cost of credit offered by various institutions. By establishing a budget and following it faithfully, organizations set patterns for efficient spending and saving, and help avoid periods of severe financial stress.

Department heads (middle and some lower-level managers) normally submit an initial budget for approval to the Controller and General Manager based on the individual department's priorities and goals. Some departments have similar needs (such as upgrading technology); others have unique needs. Engineering may require diagnostic equipment while marketing may request new sales assistants for the following year. Each manager conducts a careful review of past performance of his individual unit, considering revenues and expenses as well as equipment, personnel, and other needs.

Departmental budgets are usually established with some parameters provided by the Controller and General Manager. Depending on the economy and the financial condition of the organization, managers may be asked to limit the overall increase of their budget requests to a certain percentage or to cut expenses by a certain percentage of the previous year's budget. The submission of a departmental budget is usually accompanied by a report that summarizes the budget and justifies each expense.

Budgeting is a part of the total planning activity of the firm, so it must begin with a statement of the firm's long-range plan. This plan includes a long-range sales forecast, which requires a determination of the number and types of products to be manufactured in the years encompassed by the long-range plan. Short-term budgets are formulated within the framework of the long-range plan. Normally, there is a budget for

every individual product and for every significant activity of the firm.

Establishing budgetary controls requires a realistic understanding of the firm's activities. For example, a small firm purchases more parts and uses more labour and less machinery; a larger firm will buy raw materials and use machinery to manufacture end items. In consequence, the smaller firm should budget higher parts and labour cost ratios, while the larger firm should budget higher overhead cost ratios and larger investments in fixed assets. If standards are unrealistically high, frustrations and resentment will develop. If standards are unduly lax, costs will be out of control, profits will suffer, and employee morale will drop.

3.2 Capital and Cash Budgets

Major expenses, such as the replacement of equipment, involve a separate budgeting process called capital budgeting (Eckhart, 1994), defined as the long-range planning, evaluation, and selection of projects covering more than one fiscal cycle. Managers use capital budgeting techniques to evaluate large purchase decisions. Most firms have more opportunities than resources for investing in long-term projects. Capital budgeting allows management to systematically evaluate projects that increase the value of the firm.

One of the principal methods of forecasting the financial needs of a business is the cash budget, which predicts the combined effects of planned operations on the firm's cash flow. A positive net cash flow means that the firm will have surplus funds to invest. But if the cash budget indicates that an increase in the volume of operations will lead to a negative cash flow, additional financing will be required. The cash budget thus indicates the amount of funds that will be needed or available month by month or even week by week.

A firm may have excess cash for a number of reasons. There are likely to be seasonal or cyclic fluctuations in business. Resources may be deliberately accumulated as a protection against a number of contingencies. Since it is wasteful to allow large amounts of cash to remain idle, the financial manager will try to find short-term investments for sums that will be needed later. Short- term government or business securities can be selected and balanced in such a way that the financial manager obtains the maturities and risks appropriate to a firm's financial situation.

3.2.1 Compiling the budget

The General Manager, working with the Controller and other financial managers, compiles the budget requests from each department. The-, unit requests often exceed company goals. If this is the case, the GM will often

ask for a revised budget and the process continues. The GM can reject any budget items deemed unreasonable. In compiling the overall budget, the General Manager should explain to the departmental heads what areas of their proposed budgets are being cut or modified. The General Manager must also evaluate any capital expenditures requested by individual departments. The GM prioritizes these requests and, through the use of capital budgeting techniques am: other analysis, determines which projects (if any) can be pursued over the next calendar year. Once the budget is finalized and approved by the General Manager, it becomes the blueprint for monitoring financial performance. Department heads and the General Manager meet regularly with the Controller and other financial managers to determine steps to curb overspending and encourage savings.

A budget often starts with a documented plan for weekly or monthly spending for a definite period of time, usually a year. The station may make a budget by first estimating its short and long-term income, and then estimating short and long-term expenses that must be covered by that income. The second step in keeping a budget is to set up a record of money actually spent. Together, these two steps are the basis for drawing up a balance sheet. The final step is to use the balance sheet to keep track of how the planned budget compares with actual spending, and adjust it for inconsistencies. The general goal in budgeting is to achieve a positive end balance on the bottom line of the balance sheet, so that income exceeds expenditures. If a negative balance remains at the bottom line, the station would want to find a way to spend less or earn more in order to achieve a positive end balance.

Most organizations have a number of immediate financial responsibilities and certain financial objectives. In planning a budget, they generally keep both their immediate and long-range objectives in focus. Before drawing up a budget, it helps to answer the following questions:

1. What are our earnings, what may they be in the future, and how will they affect organizational spending and saving habits?
2. What are our financial assets and liabilities?
3. How much money would we need to put aside to pay for fixed or regular periodic expenses, such as rent and mortgage payments, non-seasonal utilities charges, taxes, insurance premiums, or loan payments?
4. How much money should we keep in savings for variable expenses, such as for the purchase of equipment and other studio facilities, seasonal utilities charges, and transport/ mobility?
5. How much money should we keep in savings for unexpected costs, such as charges for hiring, staff incentives, medical emergencies, or natural disasters?
6. What are my long-term financial objectives? For example, how

much would we need to save to produce a long-running serial, send staff for training abroad, etc?

7. How much, if any, money should we invest, and what kinds of short and long-term yields can we expect from such investments?

After answering these questions, the next step is to establish a budget best suited to the station's needs. Experts on personal finance warn against following a set percentage for each item in the budget. However, budgeters may want to consider setting targets for saving and spending. Those who make a considerable amount more money than they must spend should establish goals for savings. Those with higher incomes or lower expenses should aim to put more into savings, and those with lower incomes or higher basic expenses would save less.

Organizations can base their spending goals on their *gross*, before tax, or *net*, after tax, incomes. Since taxes are not entirely in any person's control, most financial advisers recommend keeping regular monthly expenses to two-thirds or less of net income. For most organizations and individuals, these expenses would include at least rent or mortgage payments, and utilities. Depending on a person's income, needs, and wants, this two-thirds of income might also include installment payments on a car, or bigger-ticket household appliances, electronics, or furniture. Advisers recommend that such payments should never exceed 20 percent of someone's net income, and closer to 10 percent is a good goal. Beyond the basic two-thirds, most people will want to set aside between 10 and 20 percent of net income to cover periodic, but sometimes costly expenses, such as clothing, recreation, and house or car repairs. Again, depending on a person's needs and assets, such as owning a home or car, 10 percent of net income may be a reasonable goal for covering property taxes and insurance premiums.

Beyond these basic goals, budgets should be tailored to people's habits, tastes, and needs. Budgets are generally simpler for younger, single people, and become more complex for working adults—especially those with families of their own—who acquire more personal assets and liabilities.

For example, the engineering department's budgeted items might include new microphones, ENG cameras, cables, computers, acoustic devices or materials for sound-proofing the studio areas, etc. That for the production department might include money for talents and ad- hoc hosts, wardrobe expenses, hiring freelance hands, such as continuity editors and so on. Departmental budgets typically include a wide array of expenditures as well as options for building reserve income and keeping it safe. Some of such expenditures would include rent or payments on shooting equipment and location; utilities; vehicles and their maintenance;

health and insurance; and sometimes interest on debts and credit. Options for storing funds and earning money on stored funds include interest-bearing savings accounts, time deposits (which earn higher interest rates over months or years), government treasury bills and stock or mutual fund investments.

An organization which earns income in reasonable excess of its expenditures will commonly deposit earnings in two or more bank accounts, one for petty cash and usually many for writing cheques. In this case, the station sets aside a percentage of earnings to put into savings each month. This savings deposit is then listed as an item on the budget. In personal finance, keeping a balance equal to a month's salary in the cheque account as a reserve to cover unexpected changes in income or expenditures is considered a good practice. Many types of budget forms and finance computer programs are now available to help finance departments keep track of budget plans and bank account balances. It is noteworthy that the figures in a corporate bookkeeping system *must* balance perfectly. But the budget itself is a guide to the better use of income, rather than being an end in itself.

3.3 Budgeting and Forecasting

Successful budgets contain a degree of flexibility. The uncertainty associated with any business or industry, particularly the electronic media, requires such flexibility. Most managers address this uncertainty by designating a percentage of the budget as a reserve account to cover emergencies or unexpected contingents.

Budgets also help management project estimates of future revenues and expenses. This part of financial management, known as forecasting, usually covers longer periods of time such as 3, 5, or 10 years. Forecasting can be challenging because many unknown factors influence business conditions such as the strength of the local economy, competition, changes in technology, regulatory decisions, changes in demography, and social trends. Despite these limitations, internal forecasting remains an important tool in long-term financial planning.

3.4 Financial Performance Monitoring

To monitor and evaluate the financial performance of a business, management uses different financial statements and reports. Where does this information come from? All financial transactions are recorded in accounting software that mimics journals and ledgers; this information is then summarized and reported in financial statements. The individual entries or postings are completed using a software program.

Typical journals include a cash receipts journal, cash disbursements journal, sales journal, and general journal. Ledgers usually consist of accounts receivable, accounts payable, the payroll ledger, and the general ledger. Information from the general ledger is used in preparing the main types of financial statements: the balance sheet, the income statement, and the statement of cash flows.

3.4.1 The balance sheet

The balance sheet summarizes the financial condition of a firm a particular point in time, allowing a manager to compare its condition at different intervals. It consists of three sections: assets, liabilities, and owner's (or stockholders') equity. It is called a balance sheet to indicate that a firm's assets are equal to the total liabilities plus the owner's equity: that is, assets = liabilities + owner's equity

Assets represent the value of anything owned by a firm. Liabilities represent obligations to others, or money the firm owes. Owner's equity, or net worth, refers to the financial interest of the firm's owners. Each of these terms is further detailed in the following subsections: assets, liability, and owner's equity. Assets fall into three categories: current assets, fixed assets and other assets. Current assets are usually considered first when one discusses assets because they represent items that one can convert quickly into cash. Sometimes thought of as liquid assets, current assets include cash, money market accounts, marketable securities, accounts receivable, notes, and certain types of inventories (including some equipment items like cable modems and converter boxes and unsold advertising time, and programming).

Fixed assets are assets held for a long time that one cannot convert to cash as quickly as current assets. Land, buildings, and property are the best examples of fixed assets. All types of equipment found in offices and studios, vehicles, and even transmission systems at broadcast stations represent fixed assets.

Other assets are primarily thought of as intangible assets. For most businesses, other assets consist of such things as patents, trademarks, copyrights, goodwill, and any prepaid expenses, such as taxes, interest, or insurance. In the electronic media, several important assets fall into this category, including the FCC station license, network contracts for affiliated stations, and the franchise agreement for cable systems. Programming and advertising contracts are also considered assets. Finally, goodwill deserves separate mention because of the importance of the electronic media to society. Goodwill refers to an organization's public record. Electronic media organizations increase their goodwill by becoming involved in the community and maintaining a positive public

identity.

Tax regulations require all companies to dispose of their fixed and other assets over time through depreciation—amortization. Fixed assets are depreciated; intangible assets are amortized. Both methods allow firms to deduct a portion of the over cost of the asset over the life of the asset.

The second part of the balance sheet reflects the various financial obligations of the organization. **Liabilities** that can be eliminated in one year or less are considered current liabilities; long-term liabilities represent obligations of one year or more. Current liabilities include accounts payable, taxes (including franchise fees for cable operators), payroll expenses (including social security, medicare, and other types of taxes), and commission. Yearly Programme contracts and music licensing fees, if applicable, and also considered current liabilities. Long-term liabilities include loan-and mortgages on properties and structures.

Owner's equity, the third component of the balance sheet, consists of the owner's equity or net worth. Besides the owner's initial investment in the firm, owner's equity includes earned income (also called retained earnings) that has not been disbursed. This part of the balance sheet reports the amount of common and preferred stock held by the owners of the company.

3.4.2 The profit and loss statement

The income or profit and loss (P&L) statement (also called an operating statement) charts a firm's financial activities over a set period of time—usually a week, month, or quarter. The P&L statement differs from the balance sheet in that revenues and expenses are reported along with the appropriate profit or loss. While the balance sheet compares how a firm operates from one time period to the next, the P&L statement identifies where changes in the financial condition of the firm took place.

Revenues vary among electronic media organizations. For radio and television stations, most revenues come from advertising sales (local, regional, national, and political as well as online ad sales) and network compensation (if applicable). Cable systems derive revenues from several sources, including subscriber fees tor different tiers of service, premium channel subscriptions, PPV events, advertising, and equipment rental in the form of modems, converter boxes, and DVRs. Telecommunication facilities draw revenues primarily for business and consumer users, as well as from local and regional advertisers (e.g., the yellow pages).

Expense categories vary among the media industries. Broadcast stations cluster expenses into the following categories: general and

administrative, programming and production, news, sales, engineering and advertising and promotion. Cable and satellite system report expenses in areas that include general and administrative capital equipment, programming, technical expenses, and marketing Similar to those of cable, the major expense groups of telecommunication companies include general and administrative, capital expenses, technical expenses, and marketing. Other expense categories found in all electronic media organizations include Internet hosting| and marketing, depreciation, amortization, and interest expenses.

Maximizing cash flow is an important goal of all businesses (Capodanno, 1994). Managers use a statement of cash flows to track the flow of money in an organization. This statement summarizes the sources and uses of the cash flows in an operation and presents the beginning and ending cash balances. A statement of cash flows falls into three sections: cash flows from operating activities; cash flows to or from investment activities; and cash flows to or from financing activities.

Managing cash flow is difficult. Several strategies are used to enhance cash flow. Increasing revenues while controlling expenses produces more cash for an organization, as will efficient collection of outstanding client accounts, lowered taxes, and efficient management of accounts payable (Capodanno, 1994). Cash planning also helps maximize cash flow. By planning cash needs in advance, managers can shift excess cash into interest-bearing accounts (e.g., a money market account). For example, if a station has cash available in another account, transferring the money to an interest-bearing account produces additional cash and larger cash flows.

In the electronic media, cash flow is also used to determine the value of a broadcast station or cable system; that is, as cash flow increases, so does the value of the business. Sales prices for electronic media properties are routinely based on some multiple of annual cash flows. For example, if a radio station has an annual cash flow of *$3* million, a multiple of 8 to 10 would suggest the station is valued at $24 to $30 million. Albarran and Patrick (2005) offer examination of valuation models used in the radio industry.

3.4.3 The Sarbanes-Oxley Act and Media Finances

One of the biggest changes to impact the financial reporting of all publicly traded corporations in the United States was the passage of the Sarbanes-Oxley Act in July 2002. Sarbanes-Oxley imposed significant changes and protocols on different segments of corporate financial reporting and on the role of corporate auditors, and it required a certification process that each chief executive officer ‘sign off’ on the truth

and validity of their financial statements or face criminal prosecution—the US Public Company Accounting Oversight Board provides a downloadable copy of the Sarbanes Oxley Act of 2002 at www.pcaobus.org.

What does Sarbanes-Oxley mean for electronic media organizations? Since many companies are publicly traded, compliance with the new legislation is required. The implementation of the Act's requirements was initially very costly to electronic media companies. One company, wishing to remain anonymous, speculates that the total costs exceeded $1 million for each corporation. The Act has also meant more work for financial departments and puts Chief Executive Officers (CEOs) on notice that any improper reporting will not be tolerated.

To fully understand financial management, you should have a basic knowledge of the primary tools used in financial analysis. Concepts presented in this section include ratio analysis, break-even analysis, and an expanded discussion of depreciation and amortization.

3.4.4 Ratio Analysis

Ratio analysis refers to the financial ratios and margins management uses to compare their firm's financial history to that of other companies or to industry averages (Albarran, 2002). Ratios measure liquidity, debt, and capitalization, all of which one can usually calculate with data drawn from financial statements. A firm's balance sheet contains many items that, taken by themselves, have no clear meaning. Financial ratio analysis is a way of appraising their relative importance. The ratio of current assets to current liabilities, for example, gives the analyst an idea of the extent to which the firm can meet its current obligations. This is known as a liquidity ratio. Financial leverage ratios (such as the debt–asset ratio and debt as a percentage of total capitalization) are used to make judgments about the advantages to be gained from raising funds by the issuance of bonds (debt) rather than stock. Activity ratios, relating to the turnover of such asset categories as inventories, accounts receivable, and fixed assets, show how intensively a firm is employing its assets. A firm's primary operating objective is to earn a good return on its invested capital, and various profit ratios (profits as a percentage of sales, of assets, or of net worth) show how successfully it is meeting this objective.

Liquidity refers to a firm's ability to convert assets into cash. Liquidity ratios include the quick ratio, the current ratio, and the acid test ratio. Ideally, liquidity ratios should measure a 1.5 to 1 ratio of assets to liabilities. *Debt ratios* measure the debt of a firm, and in all cases, the lower the better. The leverage ratio is calculated by dividing total debt by total assets. Another common debt measure, the debt-to-equity ratio,

comes from dividing total debt by total equity. Debt ratios should be no larger than 1. *Capitalization ratios* deal with the capital represented by both preferred and common stock. Two ratios are common: dividing preferred stock by common stock and dividing long-term liabilities by common stock.

Growth measures calculate the growth of revenue and asset over time; they also document historical trends. For each growth measure, the previous time period is subtracted from the current tin] period, whereupon this number is divided by the previous time period. Financial growth is important to any business and the stronger these measures, the better for the firm or industry examined. These measures include growth of revenue, operating income, assets, and net worth. *Operating income,* a variable used ii both growth and performance ratios, refers to the operating profit (or loss) of a firm before allocating money for taxes.

Performance or *profitabilitv measures* measure the financial strength of a company or industry. Low profitability measures indicate high liabilities, low revenues, or excessive expenses. Among the key measures are the return on sales, return on assets, return or equity, the price- earnings ratio, and profit margins.

3.4.5 Break-even analysis

All companies operating for profit ask themselves how much revenue they need to break even. Stated another way, how many units of a good (such as advertising time) must they sell to earn a profit? To answer these questions, managers need a clear understanding of the cost structures of their business. There are two types of costs. *Fixed costs* represent fixed inputs, such as buildings, land, and equipment. *Variable costs*, such as the cost of labour, programming material, and supplies, necessarily change over time. Fixed costs and variable costs added together equal total costs. For example, assume a network-affiliated television station in a top-50 market has total costs of $500,000 in an average month. In order to just break even, the station must generate $500,000 per month through the sale of advertising and network compensation. If the station receives approximately 3 percent of this amount, or $15,000, in the form of network compensation, then advertising must provide the remaining $485,000. If national advertising through the station's representative firm generates another $75,000 in an average month, then $410,000 must be generated through local advertising. If the station's local inventory (unsold units) consists of 500 commercial announcements, each slot must be sold at an average price of $820 in order to break even. If inventory falls to 250 spots per week, the average price will have to double to $1,640 per spot.

3.4.6 Depreciation and Amortization

Earlier, I stated that depreciation and amortization are a way to deduct the costs of certain assets. Internal revenue services usually allow companies to depreciate over time, the costs of tangible assets such as equipment, buildings, automobiles and land. Assets are depreciated according to particular categories that represent the life of the asset. Tax laws allow the taxpaying entity to depreciate assets over 3, 5, 7, 10, or 15 years. However, tax laws are modified regularly, so always check to see if new regulations have altered depreciation methods.

Amortization is similar to depreciation, with one important exception: It deals with a firm's intangible assets, such as programming contracts. Two common methods used in amortization are the *straight line method* and the *declining value method* (Von Sootsen, 2006). In the straight line method, the same value is deducted for each run of a programme series. If a station paid $200,000 for five runs, 20 percent, or $40,000, will be amortized each run through the end of the contract. The declining value method assumes most of the value of the Programme is found in the initial runs; in this case the first run is charged a higher percentage than the second, third, and later runs.

Depreciation and amortization represent noncash expense items on the P&L statement. On the statement of cash flows, depreciation and amortization are added back to net income to determine the cash provided by operating activities. For example, a television station has paid $200,000 to use a Programme series for five years. Using the straight line method, the same value is deducted each year. The declining value method assumes that most of the value of the Programme is found in the initial runs, so the first year is charged a higher percentage than later years. The same amount of money is amortized regardless of the method used. Thus, financial analysis utilizes a number of tools to provide various types of information. By understanding the concepts used in financial analysis, station managers are better equipped to make decisions that will ultimately benefit their firms.

3.5 Financial Planning and Control

This implies the raising and managing of funds by any business organization. Planning, analysis, and control operations are responsibilities of the financial manager, who is usually close to the top of the organizational structure of a firm. In very large firms, major financial decisions are often made by a finance committee. In small firms, the owner-manager usually conducts the financial operations. Much of the day-to-day work of business finance is conducted by lower-level staff; their work includes handling cash receipts and disbursements, borrowing

from commercial banks on a regular and continuing basis, and formulating cash budgets.

Financial decisions affect both the profitability and the risk of a firm's operations. An increase in cash holdings, for instance, reduces risk; but, because cash is not an earning asset, converting other types of assets to cash reduces the firm's profitability. Similarly, the use of additional debt can raise the profitability of a firm (because it is expanding its business with borrowed money), but more debt means more risk. Striking a balance—between risk and profitability—that will maintain the long-term value of a firm's securities is the task of finance. Short-term financial operations are closely involved with the financial planning and control activities of a firm. These include financial ratio analysis, profit planning, financial forecasting, and budgeting.

3.5.1 Profit planning

Ratio analysis applies to a firm's current operating posture. But a firm must also plan for future growth. This requires decisions as to the expansion of existing operations and, in manufacturing, to the development of new product lines. A firm must choose between productive processes requiring various degrees of mechanization or automation—that is, various amounts of fixed capital in the form of machinery and equipment. This will increase fixed costs (costs that are relatively constant and do not decrease when the firm is operating at levels below full capacity). The higher the proportion of fixed costs to total costs, the higher must be the level of operation before profits begin, and the more sensitive profits will be to changes in the level of operation.

3.5.2 Financial forecasting

The financial manager must also make overall forecasts of future capital requirements to ensure that funds will be available to finance new investment programs. The first step in making such a forecast is to obtain an estimate of sales during each year of the planning period. This estimate is worked out jointly by the marketing, production, and finance departments: the marketing manager estimates demand; the production manager estimates capacity; and the financial manager estimates availability of funds to finance new accounts receivable, inventories, and fixed assets.

For the predicted level of sales, the financial manager estimates the funds that will be available from the company's operations and compares this amount with what will be needed to pay for the new fixed assets (machinery, equipment, etc.). If the growth rate exceeds 10 percent a year, asset requirements are likely to exceed internal sources of funds, so plans must be made to finance them by issuing securities. If, on the other hand,

growth is slow, more funds will be generated than are required to support the estimated growth in sales. In this case, the financial manager will consider a number of alternatives, including increasing dividends to stockholders, retiring debt, using excess funds to acquire other firms, or, perhaps, increasing expenditures on research and development.

3.5.3 Budgeting

Once a firm's general goals for the planning period have been established, the next step is to set up a detailed plan of operation—the budget. A complete budget system encompasses all aspects of the firm's operations over the planning period. It may even allow for changes in plans as required by factors outside the firm's control. See above for the discussion on budgeting.

3.6 Reporting Financial Performance

Owners and stockholders of electronic media companies need timely information on the financial performance of their investments. Re porting financial performance is the final step in the cycle of financial; management. Reports to owners and stockholders vary by company. The most common reports are executive summaries, quarterly reports, and annual reports.

Executive summaries are concise reports that one can reach quickly to gain an overview of a firm's financial progress. An executive summary is a condensed version of a larger report, usually prepared by management for owners and members of the board or directors. Rather than containing detailed financial statements, it consists of a narrative that explains the financial condition of a firm.

Quarterly reports, provided for both owners and stockholders, highlight progress from the previous quarter and explain any changes in the financial stability of the firm. Such reports contain financial statements, the most common being the P&L statement for the quarter. Stockholders may receive quarterly reports along with any dividends paid by the company.

Annual reports are provided for owners and stockholders, as well as public and university libraries and potential investors. Though it is ultimately the responsibility of the Chief Executive Officer to certify the financial statements as part of Sarbanes-Oxley, annual reports are compiled from all segments of the firm and thus involve all levels of management. Of the three reports, the annual report offers the most detailed information about a company, and thus it is prepared with care and precision.

Another important aspect of reporting financial performance concerns the role of auditors. Certified Public Accountants (CPAs) operate as auditors to verify the accuracy of the financial data provided by a firm. An auditor's statement of verification is found in every annual report and some quarterly reports. Again, the Sarbanes-Oxley Act has also impacted the role of auditing firms and requires separation of financial and consulting responsibilities.

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you define and explain the concepts of budgeting and goal-setting in an organization?
2. How would you discuss, from your own perspective, and drawing from the discussions in this Unit, the various instruments of financial performance monitoring?
3. Discuss the tools of financial planning and control in a media organization

5.0 SUMMARY

As a continuation of the previous Unit, this Unit discussed instruments of budgeting and financial performance monitoring, such as budgeting and goal-setting, capital and cash budgets, forecasting, the balance sheet, the profit and loss statement, the Sarbanes-Oxley Act and media finances, ratio and break-even analyses, depreciation and amortization, financial planning and control, as well as reporting of financial performance.

6.0 CONCLUSION

Unit 3 above has treated the need for station managers to know how to handle financial matters through the instruments of planning, monitoring, and control. They must know how budgeting affects the achievement of established organizational goals and objectives. Budgeting is often an annual process in which management projects anticipated revenues and expenditures. A budget has been defined as a plan specifying how money is to be spent over a designated period of time. Organizations use budgets to make efficient use of money and other resources/assets and avoid spending more than their income. The ultimate aim of a budget is the weighing of choices on how to spend or save money.

After the approval of a budget by, say, the organization's board of directors, the station manager monitors the performance at regular intervals using various types of financial statements. Reporting on financial performance is critical to financial management. And this is often

accomplished through the posting of individual transactions in various journals and ledgers and the compiling of different financial statements and reports. Widely used financial statements include the balance sheet, the income or P&L statement, and the statement of cash flows.

7.0 REFERENCES/FURTHER READING

Albarran, A. B., and Chan-Olmsted, S. M. (1998). *Global media economics: Commercialization, concentration, and integration of media markets.* Ames, IA: Iowa State University Press.

Albarran, A. B., *andC* Dimmick, J. (1996). Concentration and economies of multiformity in the communication industries. *Journal of Media Economics,* 9(4), 41-50.

Albarran, A. B. (1998). The coalescence of power: The transformation of the communication industries. In R. G. Picard (Ed.), *Evolving media markets: Effects of economic and policy changes* (pp. 8-24). Turku, Finland: Economic Research Foundation for Mass Communication.

Bagdikian, B. (2000). *The media monopoly* (6th ed.). Boston: Belcon.
Bianco, A. (2004, July 12). The vanishing mass market. *BusinessWeek, pp.* 61-68.

Brandes, W. (1995, February 13). Black-oriented radio zeroes in on narrowly defined audiences. *Wall Street Journal, p.* B8.

Brigham E.J. and Houston J.F. (2000). *Fundamentals of Financial Management,* 9th ed. Henshaw; UK.

Cabletelevision Advertising Bureau. (2005). *Why cable.* Online presentation available at www.onetvworld.org.
Carnegie, J. (2007, June 7). eBay partners with Bid4Spots for airtime auctions. Retrieved from www.rbr.com/epaper.

Caves, R. E. (1992). *American industry: Structure, conduct, performance* (8th ed.). Englewood Cliffs, NJ: Prentice Hall.

Chan-Olmsted, S. M. (2004). In search of partnerships in a changing global market: Trends and drivers of international strategic alliances.

D'Alessandro, D. F. (2001). *Brand warfare: 10 rules for building the killer brand.* New York: McGraw-Hill.

Ducey, R. V., Fratrik, M. R., and Kraemer, J. S. (2008). *Study of the impact of multiple systems for mobile/handheld digital television.* Retrieved January 11, 2013 from www.bia.com.

Gerlin, A. (1993, July 14). Radio stations gain by going aftei Hispanics. *Wall Street Journal,* pp. Bl, B8.

Horne J.C. (2002). *Financial Management and Policy*, 12th ed. Hengrade, Canada.

Kaplan, D. (2004, June 6). *It's an interconnected world, after ail.* Retrieved from www.broadcastingcable.com

Keith M. (2003) *The Radio Station*. 6th ed., Stoneham MA; Focal Press.

Malone, M. (2008, January 14). New media, new newsrooms. *Broadcasting and Cable,* pp. 22-23. Murphy, J. M. (1987). *branding: A key marketing tool.* Mew York: McGraw-Hill. Meyer, P.E. (2009). *Bookkeeping and Accounting*. Microsoft ® Encarta ® 1993-2008. Microsoft Corporation; USA.

National Cable and Telecommunications Association, (n.d.) Cable advertising revenue: 1985-2008. Retrieved August 6 2012 from www.ncta.com/statistic.

Ries, A., and Trout, J. (1986a). *Marketing warfare.* New York: Me Graw-Hill.

Ries, A., and Trout, J. (1986b). *Positioning: The battle for your mind* (Rev. ed.). New York: McGraw-Hill.

Runyon, K. (1980). *Consumer behaviour and the practice of marketing* (2nd ed.). Columbus, OH:Merrill.

Scott, R. (1995, June 5). Radio direct marketing: Targeting the future. *Radio Ink,* pp. 30-35. Shane, E. (1999). *Selling electronic media.* Woodburn, MA: Focal Press.

USDC (2011). Radio Station Construction Cost. Department of Commerce, National Telecommunications and Information Administration, Office of Telecommunications and Information Applications, USA.

Warner C. and Buchman J. (1991). *Broadcast and cable selling* (2nd ed.). Belmont, CA: Wadsworth.

Weston, J.F. (2011). Financial Planning and Budgeting for Organizations. Accessed 23 July 2012 from www.internetfinance.com

Weston J.F., Scott B. and Brigham E.F. (1996). *Essentials of Managerial Finance*, 11th ed. HNE, UK.

Weston J.F. and Copeland T.E. (1992). *Managerial Finance*, 9th ed. McGrawl-Hill, NY. Woodward, S.N (2009). Business Finance. Encyclopædia Britannica. Chicago; USA.

MODULE 6 MEDIA STATION'S OPERATING ENVIRONMENT

UNIT 1 INFORMAL REGULATIONS

CONTENTS

1.0 INTRODUCTION

On the face of it, it would seem hard to deny that the broadcast business has changed since 1941, when the US government wrote the first of its rules restricting the freedom of firms holding public-broadcast licences to buy other media companies. Today, foreigners view especially America's broadcast media, with its bewildering choice of hundreds of television and thousands of radio channels, as an example of the country's fondness for free markets at its most extreme. By contrast with their own heavily regulated industries, and large state-owned public service broadcasters, America's media market looks like a free-for-all. But all broadcasters, including those in America and Europe, have to operate within a complex set of rules. And changes to these can be sensitive even in Nigeria. Over the past few years, a motley collection of pressure groups—all claiming that democracy is in peril from the domination of big media companies—has combined with certain opportunism from

many congressmen to bring a much-needed modernisation of the rules governing media ownership to a shuddering halt (*The Economist*, 2003).

This Unit thus examines what I term as informal regulatory channels. Through its various branches and agencies, the federal government is the primary regulatory body of the electronic media. State and local laws also play a role in regulation— these formal channels form the discourse in Unit 2. Certain informal forces also regulate electronic media operations and management. Here, however, we shall limit the discourse to regulatory influences that lie beyond government boundaries, such as organizational core values, consumer groups, self-regulation issues, 'the press' as a body, the business plan itself, and regulation by rights and responsibilities. Beside these, I have added two legal concepts: copyright and defamation — even though these would have naturally followed in the formal regulation tools in Unit 2.

2.0 OBJECTIVES

At the end of this Unit, you are expected to:

- Identify and discuss organizational values, business plan and regulation by commonsense as tools of self-regulation by a station
- Understand how consumer groups, government, and the press interfere with the workings of a media station
- Discuss how media station management and government politics interact

3.0 MAIN CONTENT

3.1 Self-Regulation

To limit possible government involvement, the electronic media industries engage in various types of self-regulation. For many years, radio and television stations voluntarily operated under the NAB Codes, which specified various rules regarding programming, advertising, and promotional activities. The US Justice Department challenged the codes in 1979, claiming they limited competition for advertising prices and other charges. In a 1982 settlement, the NAB Codes were eliminated. Thus we shall now examine the various self-regulation strategies employed by media houses. The first is the establishment of an organizational value system, followed by a business plan and so on.

3.1.1 Organizational core values

Just as in any teamwork, the relationship between the listener and a media station depends on a mutual understanding, an agreement on shared

interests and social attitudes. Thus, everyone involved in producing materials for, or marketing, the services should understand these underlying values (Shield, 1991). A station's core values often inform a wide range of management decisions, from the design of the logo to the design of the studios, to the choice of music and the selection of presenters. The core values also influence technical parameters, such as the settings of the transmitter processing and the choice of company vehicles.

Management principles are general rather than specific to a type of firm or organization. However, management is universal only if the manager has become familiar with the specific situation in which it is applied. Production technology, customer characteristics and the culture of the media industry are examples of specifics that station managers need to learn to be effective in applying their generic management skills.

Earlier, I had pointed out that management concerns creative problem-solving. This creative problem-solving is accomplished through four key functions of management: planning, organizing, leading and controlling. The intended result is the use of an organization's resources in a way that accomplishes its mission and objectives— the core values of the organization. By this statement, therefore, management success is gained through accomplishment of organizational goals and objectives.

Fundamental philosophical concepts are deeper than tools and processes and mission statements— having a sound philosophy and ethical position determines and protects the spirit and integrity of a media organisation. When it comes to defining more detailed aspects of mission and strategy, of course, there is often a degree of 'chicken and egg'— that is, 'How can you know your mission until you validate it with your potential customers? How can you establish objectives and goals without consulting and involving your staff?' These are what the management must put in place and refine without guessing or assuming, as the planning develops.

Managers fail when they do not accomplish these core values. Success and failure are tied directly to the reasons for being in business. But you must know that accomplishing mission and objectives is not sufficient; success requires both effectiveness and efficiency. Managers who accomplish their mission and objectives are said to be effective. Efficiency describes the relationship between the amount of resources used (input) and the extent to which objectives were accomplished (output). If the cost of accomplishing an objective is prohibitive, then the objective is not realistic in the context of the firm's resources. What is the

essence of all this in the place of regulation? It means that all operations in a media station are guided by the core values, the objectives of such an organization. Operation outside these guidelines is often considered illegal (Guthrie, 2008).

Therefore, it is helpful to revisit or define the foundations of broadcast business. What are your fundamental aims and values? What is your ultimate purpose? Is your underpinning philosophy consistent with your planned business activities, operations and aims? If not, a manager decides as far as he can (because it is generally the duty of management) what they should be, because all good operations and marketing plans need to have solid foundation and legal frameworks.

One good reason of having a working and firm ethical standard is to always err on the side of what is good and right and proper; on the side of the law. Organization core values form the internal compass of what is right or wrong. In the absence of everything else — tools, processes, clarity of responsibility (who does what), etc— a sound and well-understood philosophy and ethical position will always guide the station personnel to make good decisions.

3.1.2 Business plan

This form of regulation is similar to the one above, but there are differences. Increasingly in the modern age, customers and staff are not prepared to sustain commitment to organisations whose philosophy and values are misaligned with their own personal ideals. Twenty years ago, organisational planning paid very little regard to values and philosophy. Customers were satisfied with quality at the right price. Staff were satisfied with a decent wage and working conditions.

Today, however, things are different, with globalization and consolidation of corporations and businesses. Organisations of all sorts must now cater for a more enlightened workforce and marketplace (Umar, 2011). When considering the planning stage, the broadcast organization must start from the bottom, upwards. This will help reinforce the points that planning is about building from the foundations upwards, and that the stronger the foundations, the stronger the organisation. In following this foundational plan, both staff and customers are regulated within the organizational framework (see Table 6.1).

Table 6.1: Upward business planning in station management (NB: to understand the stages, start at the foundation (point 1 below) and work upwards

8. Performance Indicators	We must translate our Targets and Objectives into the essential measurable aspects of performance and activity. And these expectations and standards must agree with the recipients and people responsible for delivery.
7. Targets and Objectives	How are our strategies comprised? How are these responsibilities and activities allocated cross our functions and departments and teams? Who does what, where, when, how, for what cost and with what required effect and result? What are the timescales and measures for all the actions within our strategies, and who owns those responsibilities?
6. Strategies	How do we achieve our goal(s)? What needs to happen in order to achieve the things we plan? What are the effects on us and from where? Like planning a game of chess, what moves do we plan to make, why, and with what effects? How will we measure and monitor and communicate our performance? What are the criteria for measuring our performance and execution of our strategies?
5. Goal (or Goals, in large or departmentalized station)	What is our principal goal? When do we plan to achieve it? How will we measure that we have achieved it? At what point will we have succeeded in what we set out to do? Goals can change of course, and new ones necessarily are developed as old ones are achieved - but at any time we need to know what our organisation's main goal is, when we aim to achieve it, and how its achievement will be measured. And again all this needs to be agreed with our people - including our customers if we are very good indeed.
4. Mission (or Missions, if there are separate services within the station)	How do we describe what we aim to do and be and achieve? What is special about what we are and do, compared to other stations? Do our people understand and agree with this? Do our customers agree that it is what they want?

3. Vision, dependent on values and philosophy	Where are we going? What difference will we make? How do we want to be remembered? In what ways will we change things for the better? Is this vision relevant and good and desired by the customers and staff and stakeholders? Is it realistic and achievable? Have we involved staff and customers in defining our vision? Is it written down and published and understood? The Vision is the stage of planning when the organisation states its relationship with its market-place, customers, or users. The Vision can also include references to staff, suppliers, 'stakeholders' and all others affected by the organisation.
2. Values, enabled by and dependent on philosophy and leadership	Ethics, integrity, care and compassion, quality, standards of behaviour - whatever the values are - are they stated and understood and agreed by the staff? Do the values resonate with the customers and owners or stakeholders? Are they right and good, and things that we feel proud to be associated with? See the section on ethics in management for help with this fundamental area of planning.
1. Philosophy, fundamentally defined by the leadership. Note that when things go wrong in a media station or any other organization, people commonly point to causes, problems or mistakes closer to the point of delivery - or typically in the operations or management. Generally however, major operational or strategic failings can be traced to a questionable philosophy, or a philosophical purpose which is not fitting for the activities of the organisation.	How does the organisation relate to the world? This is deeper than values. What is the organisation's purpose? If it is exclusively to make money for the shareholders, or to make a few million for the management buyout team when the business is floated, perhaps have a little re-think. Customers and staff are not daft. They will not be comfortable buying into an organisation whose deepest foundation is greed and profit. Profit is fine to an extent, but where does it fit in the wider scheme of things? Is it more important than taking care of our people and our customers and the world we live in? Does the organisation have a stated philosophy that might inspire people at a deeper level? Dare we aspire to build organisations of truly great worth and value to the world? The stronger our philosophy, the easier it is to build and run a great organisation. See the unit on ethical considerations for help with this fundamental area of planning. If you are an entrepreneur or leader, or anyone contributing to the planning process, think about what you want to leave behind you; what you'd want to be remembered for. This helps focus on philosophical issues, before attending to processes and profit. Whatever your philosophy, ensure it is consistent with and appropriate for your organisational activities and aims. Your philosophical foundations must fit with what is built onto them, and vice-versa.

Source: Adapted from Umar (2011).

3.13 Regulation by commonsense

There is what some have termed self-regulation through commonsense. Overall, broadcasters and cable operators take rather conservative positions regarding materials that could be deemed controversial or cause public concern. Stations routinely scrutinize advertising messages and have been known to refuse commercials considered controversial (Nadel, 2004). At the network level, programme standards and practices departments still serve as watchdogs over network advertising and programming. Codes of ethics and conduct also influence this common self-regulation component.

3.2 The Press: Industry's Associations and Unions

The general fact is that managers of broadcast stations feel a strong commitment to the public interest and their responsibilities as public trustees; hence, they usually behave accordingly. To reinforce public service interests and standards, the national associations, such as the Nigerian Union of Journalists (NUJ) often adopt a 'code of conduct' that set out appropriate principles and standards, and recognized stations and journalists that adhere to the code.

Press associations and agencies are organizations for the collection, transmission, and distribution of news to newspapers, periodicals, television, radio and other journalistic and mass communications media. These news-gathering organizations originated in a general need for faster transmission of news. But the organizations also release codes, which specify various rules regarding programming, advertising, and promotional activities, to regulate broadcast stations. For example in the US, the Justice Department challenged the NAB codes in 1979, claiming they limited competition for advertising prices and other charges. In a 1982 settlement, the NAB Codes were thus eliminated.

An industry statement of principles or code of conduct has many virtues. The most significant one is that it enables the broadcasting industry to identify high standards of public service that most stations follow and that represent the ideals and historic traditions of the industry. This set of standards can help counteract short-term pressures that have been exacerbated by the incredibly competitive landscape that modern broadcasters face in the Internet age, when compared to, say, thirty years ago. Competitive pressures can lead to less attention to public issues and community concerns. A renewed statement of principles can make salient and keep fresh general aspirations that can easily be lost in the hectic atmosphere and pressures of day-to-day station operations.

Most major newspapers in the United States used to employ at least one media critic devoted to the electronic media, but employment cuts and downsizing have eliminated many of these positions across the country (Guthrie, 2008). Magazines, trade publications, the Internet, and numerous blogs provide forums for reviews. Criticism by the press and other agents helps not only to enlighten the public but also serves as a system of informal control.

Broadcast operators are usually praised when they do something well, such as providing coverage of important news events or presenting programmes that educate and enlighten the public. At the same time, critics admonish the media for promoting questionable or tasteless programming and violating their ethical and journalistic responsibilities.

To ensure that broadcasters fulfil their obligations as public trustees, therefore, these associations endorse self-regulation by knowledgeable industry people. This serve as an effective tool to minimize government regulation. In the United States, for example, the National Association of Broadcasters, acting as the representative of the broadcasting industry, drafts set of principles or statement of standards to regulate operations in the industry. The standards are often drafted and implemented by the industry's association or union, and preferably with input from community and public interest leaders, without pressure, interference, or direct or indirect enforcement by the government. The public, the marketplace, and the court of public opinion can then judge their efficacy.

For example, conscious of the responsibilities and duties of journalists as purveyors of information, the Nigeria Union of Journalists (NUJ) gave, among others, the following code of ethics for its members (NUJ, 2009):

- *Editorial independence*: Decisions concerning the content of news should be the responsibility of a professional journalist.
- *Accuracy and fairness*: The public has a right to know. Factual, accurate, balanced and fair reporting is the ultimate objective of good journalism and the basis of earning public trust and confidence. A journalist should refrain from publishing inaccurate and misleading information. Where such information has been inadvertently published, prompt correction should be made. A journalist must hold the right of reply as a cardinal rule of practice. In the course of his duties a journalist should strive to separate facts from conjecture and comment.
- *Privacy*: As a general rule, a journalist should respect the privacy of individuals and their families unless it affects public interest; information on the private life of an individual or his family should only be published if it impinges on public interest; publishing of such information about an individual as mentioned above should be deemed justifiable only if it is directed at exposing crime or

serious misdemeanour, exposing anti-social conduct, protecting public health, morality and safety; preventing the public from being misled by some statement or action of the individual concerned.

- *Privilege/non-disclosure*: A journalist should observe the universally accepted principle of confidentiality and should not disclose the source of information obtained in confidence. A journalist should not breach an agreement with a source of information obtained as 'off- the-record' or as 'background information.'
- *Decency*: A journalist should dress and comport himself in a manner that conforms with public taste. A journalist should refrain from using offensive, abusive or vulgar language. A journalist should not present lurid details, either in words or picture, of violence, sexual acts, abhorrent or horrid scenes. In cases involving personal grief or shock, enquiries should be carried out and approaches made with sympathy and discretion. And unless it is in the furtherance of the public's right to know, a journalist should generally avoid identifying relatives or friends of persons convicted or accused of crime.
- *Discrimination*: A journalist should refrain from making pejorative reference to a person's ethnic group, religion, sex, or to any physical or mental illness or handicap.
- *Violence*: A journalist should not present or report acts of violence, armed robberies, terrorist activities or vulgar display of wealth in a manner that glorifies such acts in the eyes of the public.
- *Children and minors*: A journalist should not identify, either by name or picture, or interview children under the age of 16 who are involved in cases concerning sexual offences, crimes and rituals or witchcraft either as victims, witnesses or defendants.
- *Plagiarism*: A journalist should not copy, wholesale or in part, other people's work without attribution and/or consent.
- *Copyright*: Where a journalist or station reproduces a work, be it in print, broadcast, art work or design, proper acknowledgement should be accorded the author. A journalist should abide by all rules of copyright, established by national and international laws and conventions.

3.3 Regulation by Consumer Groups

Though the Communications Act of 1934 established the importance of serving the public interest, a landmark case was needed to demonstrate that the public has the right to participate in regulatory proceedings. During the early 1960s, WLBT-TV in Jackson, Mississippi, was accused of discriminating against blacks in several areas, including refusing to sell political advertising to a local black candidate for public office (Kahn,

1984). Local groups fought the station's licence renewal with legal assistance from the United Church of Christ *(Office of Communication of the UCC v. FCC*, 1966). The case dragged on for over 20 years, with the circuit court of appeals' ruling in favour of the UCC petition to deny WLBT's licence. Ultimately, the case established the concept of *citizen's standing*, meaning the public has the right to challenge broadcasters at renewal proceedings.

The WLBT case spawned a period of activism by citizen groups toward broadcasters. This included challenging licence renewals as well as establishing media watchdog groups like Action for Children's Television (ACT). Other groups have targeted certain types of programming, advertising and employment practices in their protests and boycotts. Consumer groups like the Consumers Union regularly challenge rate increases for cable and telecommunication services. Electronic media managers are always concerned about the impact of consumer groups and the possibility of more regulation by government bodies. The heavy consolidation within the media industries has rekindled several consumer groups advocating more diversity and lessening media control by major corporations.

3.4 Government Control and Press Freedom

All three types of government (colonial, civilian and military) that have functioned in Nigeria have implemented policies that have actually restrained freedom of the press. Broadcasters/ journalists have been harassed, detained, jailed, and repressive laws and decrees enacted. Comparatively, the British colonial administration may appear to have done the least harm, but it set in motion the kinds of repressive press laws existing in Nigeria and some other countries of the world today.

Every radio and television station management must understand the pernicious rules, laws and decrees in the operating environment, as they often give government officials legal backing to persecute, fine, detain and imprison journalists, and to proscribe media houses. For instance, the Offensive Publications (Proscription) Decree 35 1993, made it possible for the government to clamp down on six media stations across Nigeria. Sometimes in such 'madness', some government-owned stations were not spared. This kind of suppression also took place after the 22 April 990 failed coup d'état when over seven media houses were closed down.

Aside from government control of the media through laws, decrees and the courts, other means of control exist and obstruct freedom of expression. One such is what Uche (1989: 139) referred to as coopting'— 'the government uses certain preferential treatments to *buy* the most influential journalists in the country... appointing these influential critics

in the media to top posts within the government'. Coopting of journalists ensures that they are reduced to being mere stooges of government officials. For instance, it was not surprising when, in the 1990s, the editor of *the Guardian* had to publish an article reassuring his readers that his proprietor's acceptance of a ministerial appointment in the government could not influence the objectivity of the newspaper in handling issues concerning government.

It is noteworthy that other measures of government control include denying journalists access to places and persons for information, refusing to give government advertisements and dubious labelling of documents containing valuable information. All these measures have been used against media stations as punitive measures against the management.

In addition, regulatory bodies set up by government can be a source of negative control of the media. Where there are defects or loopholes in the Act that sets up such regulatory bodies, these can be used for repressing freedom of expression. It is argued that government may intentionally leave loopholes to exploit in silencing opposition. It is widely believed that one pitfall in the decree that set up the National Broadcasting Commission (NBC), for example, is the power given to the commission to revoke the licences of stations which do not operate in accordance with the code and in 'the public interest'. The decree did not specify either how to seek redress or what 'public interest is', as it is in the US Federal Communications Commission. Thus the decree allows the NBC to provide licences in perpetuity, only to withdraw them at its whim. Government officials do not hesitate to remove anyone in charge who fails to offer unquestioned support. An 'erring' station manager risks being sacked with 'immediate effect' or faces punishment for his 'heinous act'. Within one year of the elected civilian government assuming office in 1999, no less than twenty chief executive officers (station managers) of various state-owned television stations were sacked (Nwachukwu, 2005). Those who kept their jobs were 'advised' to toe the line.

Control is particularly cruel in non-democracy or in military governments. In such instances most times, control laws and decrees are made retroactively to give government officials legal backing to deal adversely with media stations and their journalists. In Nigeria, the Buhari regime did exactly this in 1984, with the famous Decree 4, which tested the resilience of Nigerian journalists. The decree was promulgated to protect public officers from publications that might be a source of embarrassment— it was almost the direct opposite of what the Freedom of Information bill intends to achieve today. The commencement of this decree was made retroactive by the Buhari government, which enabled it to send journalists to jail for broadcasting stories months before

the law was actually made.

3.5 Interests of Station Proprietors

How true is the proverb, 'he who pays the piper dictates the tune'? Private media proprietors also exert significant influence over their media organisations. Proprietors have been known to demand self-censorship by their editors. The proprietor expects those working in their stations to understand and protect their interests. Often, a proprietor's economic and/or political interests become influential in how they want their stations or newspaper houses to relate to the government of the day. For instance, in 1992, MKO Abiola, the multimillionaire politician, asked his editor, Bayo Onanuga to apologize to the then military President Babangida. The editor's article in one of the titles of which Abiola was proprietor was believed to have angered the president.

3.6 Media Station Management and Politics

With the return to civil rule in 1979, after thirteen years of military rule, the few surviving privately owned newspapers in Nigeria were joined by a plethora of titles. The newcomers appeared, in part, to serve the electioneering role played by newspapers of the 1920s. Ignoble sectional parochial rivalry ensued with reawakened political partisanship. Newspapers were used to advance the political interests of their founders, such as Obafemi Awolowo of Unity Party of Nigeria— Nigerian Tribune and The Sketch— and MKO Abiola of National Party of Nigeria— Concord Group of newspapers. The role of the newspapers were thus mainly in political party partisanship, and this continued to the 1990s. As the nation prepared for the fourth republic in the early 1990s, a number of privately owned newspapers and television emerged. These newspapers began to play significant roles in criticizing the military government and, in spite of all forms of intimidation, has turned the people's skirmishes into full battle and agitating for sustainable national development.

It is therefore correct to that both government and non-government media stations can be used for pushing forward personal agenda and objectives. Some have argued that there cannot be any strong opposition against the government in power without the use of the broadcast media (Nwachukwu, 2005). The reason for this is simple: each government drafts and influences the manifestos of all political parties; hence, these political parties cannot constitute genuine and direct opposition to government. Moreover, the government can ban any political aspirant or party at will; and it can downplay attacks on it by giving, through its own media, the opposition press tribal tags such as 'Lagos-Ibadan media' or 'Kaduna mafia media'. The tagged group is believed to be dominated by one ethnic group. This tagging could be done covertly or overtly by a group, using the management of a station to achieve its set objectives.

Certain terminologies (such as 'the elite', 'elders', 'political class', and 'leaders') could also be employed to fight political battles. The terms are used as though there is a segment of the population so designated.

This heightened political awareness has led to the entrance of military men (retired or in service) into the ownership of media stations. Uche (1989) has described that the affinity between broadcasting and politics is like Siamese twins.

4.0 TUTOR-MARKED ASSIGNMENT

1. Discuss organizational values, business plan and regulation by commonsense as tools of self-regulation in a station.
2. How do consumer groups, government, and the press interfere with the workings of a media station?
3. Media station management and government politics often interact. How true is this assertion?

5.0 SUMMARY

This Unit discussed a media station's informal regulation instruments, such as self-regulation (presented here as organizational core values, business plan and regulation by commonsense), the press industry and its unions, regulation by consumer groups, government, and by interests of station proprietors. Also discussed was the meddling of station management with politics and the vice versa. The Unit stressed that these instruments of self-regulation are necessarily to limit government influence or involvement in the industry. For example, a station's core values often inform a wide range of management decisions, from the design of the logo to the design of the studios, to the choice of music and the selection of presenters. The core values also influence technical parameters, such as the settings of the transmitter processing and the choice of company vehicles.

6.0 CONCLUSION

In conclusion, you must understand that the strongest internal control mechanism in the media environment is organizational core values. Many a times, fundamental philosophical concepts are found to be deeper than tools and processes and mission statements. This means that having a sound philosophy and ethical position helps determine and protect the spirit and integrity of a media organisation. The entire management system (or team) fails if it cannot accomplish the core values its media enterprise. This is because success and failure are tied directly to the reasons for being in business. This is the essence of having a working and firm ethical standard. Organization core values form the internal compass of what is

right or wrong. In the absence of everything else — tools, processes, clarity of responsibility (who does what), etc— a sound and well-understood philosophy and ethical position will always guide the station personnel to make good decisions.

7.0 REFERENCES/FURTHER READING

Bernard, L.E. (2007). The Foundation of Management Excel. Department of Agricultural Economics, Ohio State University Extension.

Higgins, J. (1994). The Management Challenge. Second edition, Macmillan, USA.

Larson, A. (2003). *Defamation, Libel and Slander Law.* Law Offices of Aaron Larson; NY.

Navel, D. (2011). Business unionism versus revolutionary unionism. Accessed from 20 November 2012 from www.heardny.org.

Nigeria Union of Journalists (2009). Code of Ethics for Nigerian Journalists. Accessed on 13 November 2012 from www.nujnig.org

Nwachukwu, F.C. (2005). Media ownership in Nigeria: Present and future perspectives. Toronto, Canada; World Association for Christian Communication (WACC).

Omu, F. I. A. (1978) Press and Politics in Nigeria, 1880 - 1937. London: Longman Group Ltd.

Open Oregon (2012). *Media Guide*. A Freedom of Information Coalition on Broadcast Media Regulation. Accessed 15 September 2012 from www.open-oregon.com. Porter, A. (2007). *Basic Libel for Idiots.* Year Zero publication; UK.

The Economist (2003) Opposition to a modernisation of America's media-ownership rules is wrongheaded. Accessed 23 October 2012 from www.economist.com.

Uche, Luke Uka (1988). 'Democratic process in Africa and the new information technologies: Theoretical and methodological approaches for communication research in Africa on the emergent dialogue on democratization of the media. Paper presented at the Biennial Conference of the African Council on Communication Education (ACCE), held in Jos, Nigeria.

Uche, Luke Uka (1989). Mass Media People and Politics in Nigeria. New Delph: Concept Publisher Company.

UNIT 2 FORMAL REGULATIONS

CONTENTS

1.0 INTRODUCTION

Broadcasting all over the world is one medium which still remains subject to substantial forms of content-based regulations. Justification for these regulations is usually based on the 'public interest' rationale. Essentially, that rationale is that there is a quid pro quo between the station operator ('licencee') and the government which issues the operator a licence in exchange for an obligation to serve the interest of the community. This obligation requires the licencee to 'ascertain the needs of the community' and then provide programme service to foster public understanding of those issues (Albarran, 2010). How the licencee provides programming to serve the needs is left to the licencee's discretion. This unit will briefly discuss some of these issues, drawing implications for station management.

Regulatory influences refer to institutional (e.g., government) policies that affect the daily operation and management aspects of an electronic media facility. This unit examines regulatory influences ranging from agencies such as the National Broadcasting Commission (NBC) and the Federal Communications Commission (FCC). You have read about some of these

influences in earlier units; such as those on equal employment and other labour laws and policies; those alluding to the licensing process for broadcasting and how it establishes the geographical aspects of the market; and those illustrating how policy decisions have removed barriers limiting competition and convergence. In this unit, you will see a more detailed analysis of regulation policies.

2.0 OBJECTIVES

After studying this Unit, you are expected to:

- Discuss in details the external regulatory influences in broadcasting
- Understand and explain the following terms: fairness and political editorials, obscenity and indecency in programming, lotteries and the broadcast of hoaxes in media station management
- Define and discuss television ratings and its system, especially as these impact on station management

3.0 MAIN CONTENT

3.1 External Regulatory Influences in Broadcasting

In May 2011, Nigeria became the second country in West Africa to have a freedom of information law, giving Nigerians the power and resources to unearth facts, battle corruption and hold officials and institutions accountable. Nigerian media professionals and civil society groups had fought for more than a decade for the law. However, since president Goodluck Jonathan signed the Freedom of Information Act 2011, the excitement it elicited among members of media and human rights groups is being replaced with frustration and disappointment. In an enthusiastic response to the passage of the Act, the Nigerian Guild of Editors (NGE) stated that: 'the president has more than anyone else empowered the citizens to participate in the governance of their own affairs'. The problem has been with the implementation.

The FOI bill went through one of the most rigorous scrutiny of any piece of legislation in the country, surviving hundreds of amendments through both chambers of the National Assembly. It was first introduced in the National Assembly in 1999 but took more than a decade before it was passed into law. Thus, one matter stood clear in all of this. Since independence, government officials had been reluctant to provide even the most mundane information to members of the public, including the media, hiding behind the oaths of secrecy or the Official Secrets Act, a colonial inheritance. This has meant that officials could get away with almost any misdemeanour, including corruption, without sanction. It was worse under the military, where rule by decree did not give room for any

challenge to the government's authority.

But with the FOI Act, there was supposed to be liberalised access to government documents so that the media can carry out investigations and reportage unhindered by lack of information. It was with that expectation that the NGE enthused that:

The signing of the FoI law has expanded the frontiers of press freedom for Africa's most vibrant press. No more will it be permitted for journalists to hurry to press with half-truths and misinformation when they can officially verify their facts.

However, despite the effusive praises on the FOI Act, critics now charge that the final Act has not lived up to expectations. It soon became clear that the law is actually a watered-down version of the original bill. The approved law has more ouster clauses to render it ineffective, particularly through unwholesome bureaucratic procedures. Now, this unit is not to teach the nitty gritty of the Act but to list a few of its implications for the management of electronic media station.

More than a year after its enactment, there has not been any report of a successful request for information to any significant government agency. Politicians and government officials tend to pay lip service to good governance; finding it unpalatable when questions are asked about transparency and accountability; or when the occasional leaks are made, perhaps by whistleblowers or vigorous media inquiry.

Early in 2012, *The Daily Trust* moved to test the efficacy of the FOI Act by requesting the Nigerian National Petroleum Corporation (NNPC) to provide it with information about its recruitment policy. The paper's representatives got a rebuff instead. The NNPC in a letter to the newspaper went as far as stating that it was not bound by the FOI Act. The NNPC has been facing serious allegations of corruption, and bad management practices. The provisions of the FOI Act do not avail the public corporation the luxury of fudging facts or hiding them under any guise.

All over the world, governments attempt as much as possible to regulate the activities of media companies by establishing and evaluating policies and procedures. They allude to themselves the power to levy fines and forfeitures against any erring company. To do this, the establish bodies to oversee regulatory activities for broadcasting and cable and to handle spectrum management and access. The Federal Communications Commission (FCC) of the United States, for example, has undergone regular restructuring and organization so that it can effectively regulate

the broadcast, cable, and telecommunication industries.

In the broadcast industry, the regulatory influence covers both licensing and operations. A broadcast licence remains a valuable resource, as evidenced by the high prices paid to purchase radio and television stations. The price to purchase an electronic media facility in even small markets can cost billions of naira (or millions of dollars). While equipment, land, and other assets do not warrant such high prices, regulatory bodies (licensing authorities) represent an invaluable asset to station owners. The licence is the key asset owners acquire when they obtain a broadcast station (Bagdikian, 1997).

The National Broadcasting Commission (NBC) was established by the Act of the National Assembly. The Act empowers NBC to carry out a number of duties which include, licensing, monitoring, regulating and conducting research in the Nigerian broadcast industry (NBC, 2011). It is also the duty of the commission to ensure the development, in a dynamic manner, through the accreditation of the mass communication curricula in all the tertiary and other institutions related to broadcasting. In the United States, though several federal agencies influence electronic media policy, the FCC exerts the greatest influence (Nadel, 1991).

3.2 Broadcasting Commissions

The Act of the National Assembly empowers the Nigerian Broadcasting Commission (NBC) to carry out a number of duties, including licencing monitoring, regulating and conducting research in broadcasting for the country. In the United States, the Federal Communications Commission (FCC) grants and renews licences, but it also can take them away—something that has happened infrequently in broadcast history (see *KFKB Broadcasting Association, Inc. v. FRC,* 1931; Le Due, 1987; *Office of Communication of the United Church of Christ [UCC] v. FCC,* 1966). The FCC also approves the transfer of a broadcast licence—the actual sale of a radio or television station to a new owner. The duties of NBC are spelt out in Section 2 subsection (1) of Act No.38 of 1992 (as amended by Act No. 55 of 1999). You are advised to visit the commissions' websites (www.fcc.gov and www.nbc.gov.ng or any other government regulatory agency's website— you can use search engines) to learn how the various duties are carried out. It is beyond the purview of this Unit to discuss in details each of the duties.

But suffice it to state that a few areas of concern. The functions of most government regulatory bodies often include (Federal Communications Commission 1999; NBC, 2011):

3.2.1 Licensing policies

This is usually the most significant duty of a regulatory body. The work include policies regarding reception, processing and considering applications for establishment, ownership or operation of radio and television stations, cable television services, direct satellite broadcast and other media of broadcasting. These are further discussed below.

Ownership limits: they establish limits on the number of stations an individual or company may own. The 1996 Telecommunications Act of the US, for example, eliminated national ownership limits for radio. In some local markets, the number of radio stations an individual or group controls is affected by the market size and by the number of television stations owned by the same individual or group. For the television industry in the US, no individual or group can own stations that collectively reach more than 39 percent of the national audience (FCC, 2003).

Market Share (duopoly and triopoly rules): Regulatory agencies approve the limit of share a group or individual can control in the market. In 1999, for example, FCC approved common ownership of two television stations in the same market, provided eight stations (commercial and noncommercial) remained post-merger. They also cater for whether or not duopoly or triopoly (see Module 5, Marketing) should be allowed among top stations in the market in terms of audience share. Some regulatory bodies would recommend that if two television stations are owned in the same market, the number of radio stations the same owner may hold in that market is automatically reduced. In 2003, the FCC allowed triopolies (ownership of three stations in a market), provided there are at least 18 TV stations in that market, with only one of the three stations rated among the four highest in the market.

Licence renewal: How long should the tenure of a licence be before renewal? What are the considerations for renewal? Is renewal automatic for every willing station? These and many more questions are taken care of by regulatory bodies. For example, broadcast licences for both TV and radio stations were extended to eight years under the 1996 Act in the US.

Transition to digital television: What procedures are there for existing analogue stations willing to convert to digital television transmission, or move to a new digital channel? In the US, the 1996 Act requires existing analogue stations to convert to digital television transmission and move to digital channels by February 2009. Today, over 90 percent of American households receive service from cable, satellite or telco distributors (Albarran, 2010).

3.2.2 Regulating and controlling the industry

The second group of regulatory authorities' functions concerns how they regulate and control operations or broadcast activities in the industry. These include areas of staffing; programming, as it affects the so-called principle of 'public interest' (see below); research and development; entertaining and investigating complaints from individuals and bodies corporate regarding broadcast contents and conduct of broadcasting stations; establishment and enforcement of broadcasting code and standards; promotion of indigenous cultures and community life; monitoring broadcasting for harmful emission and interference; determining and applying sanctions, including revocation of licences of defaulting stations; approval of transmitter powers, locations and areas of coverage; and ensuring qualitative manpower development in the industry— such as accrediting curricula and programmes for tertiary training in mass communications.

For example, the most recent EEO guidelines, discussed earlier, adopted by FCC in 2002 require broadcasters and multichannel video programme distributors (MVPDs or cable and satellite operators) to widely distribute information on full-time vacancies, provide notice of vacancies to recruitment organizations requesting notices, and engage in long-term recruiting initiatives, such as job fairs, scholarships, or internship programmes to inform the public about employment opportunities— you can read more on this on the commission's website www.fcc.gov.

Also, as part of their obligations, broadcast stations are often enjoined to follow strict operating guidelines. The licence may specify the channel for operation, transmitter powers, hours of broadcasting, maintenance of antenna and tower lights, proper station identification, and compliance with emergency alert systems, where applicable. Failure to follow these standards would result in fines for the owners. Now, let us take a closer look at regulations on programming— we will focus a bit on the principle of 'public interest'.

3.3 Regulations on Programming: An analytical view

Despite the prohibition against censorship, the **public interest** standard has spawned substantial regulation in a number of areas which directly relate to the content of the programming which stations broadcast. These include political editorials, obscene and indecent programming, lotteries, contests and promotions, children's programming on television, recorded telephone conversations, and prohibited advertising on broadcast stations.

3.3.1 Fairness and political editorials

For years news and issue-oriented programming was governed by the **fairness doctrine**, a doctrine which had its genesis in the political broadcast rules adopted pursuant to Section 315 of the US Communications Act of 1934, as amended. This doctrine was to ensure that all sides of controversial issues aired over a broadcast station are represented. To do this, the rules imposed certain affirmative obligation on broadcast stations to identify the 'controversial issues' of public importance in its community and to respond to programming, including different points of view regarding those issues. Thus when a station carries one viewpoint on a 'controversial issue', it has an obligation to present the contrasting view.

Although a well-intended idea in theory, the fairness doctrine soon proved a nightmare to broadcasters. With the growth of political activism, broadcast stations were constantly facing claims that they had been 'unfair' in covering issues or refusing to present contrasting viewpoints. In response, many stations simply backed away from the coverage of controversial matters. Ultimately, the fairness doctrine was repealed by the US Federal Communications Commission. But despite the demise of the fairness doctrine, two corollary doctrines remain in effect: the '**political editorial rule**' and the '**personal attack rule**.'

The political editorial rule requires that if a station editorializes either for or against a candidate for public office, the station must notify the disfavoured candidate about the editorial within 24 hours; provide a transcript or tape of the editorial tape and offer the challenged candidate an opportunity to have his representative reply to the editorial. In order to avoid creating **equal time** rights, which would be triggered by an appearance of the candidate, the political editorial rule limits the reply to a spokesperson for the candidate.

The **personal attack** rule is invoked when a person or group's character or integrity is impugned during the discussion of a 'controversial issue of public importance.' In this instance, the station must notify the person or group attacked within one week, provide a script of the programme, and offer a reasonable time in which to respond. The rule does not apply to newscasts or to commentary and analysis contained in news broadcasts. The rule is usually invoked in programmes involving panel discussions or talk shows.

With regard to **political candidate advertising**, candidates for political office enjoy certain access rights to the broadcast airways. But then the scope of these rights depends on whether the candidate is running for a federal, state or local office. In the case of a candidate for federal

office in the US, for instance, any legally qualified candidate is entitled to 'reasonable access' to use a station's facilities, including a right to purchase programme length time.

'Reasonable access' is not quantified but is subject to the circumstances prevailing at the time of the candidate's request for time. State candidates do not have quite the same benefits as federal candidates. In fact, a broadcast station has no obligation to provide any time to a candidate for state office, even a candidate for governor. However, if a station chooses to sell political time to a state candidate, that candidate's opponent is entitled to equal time on that station.

Moreover, political candidates are entitled to a **discount** on the price for the time charged by the station. This discounted rate is known as the '**lowest unit charge**,' a concept which is very complex because of the wide range of selling practices and pricing formulas employed by broadcast stations. In order to qualify for 'equal time' and 'lowest unit charge' the candidate must appear in the political advertisement. By an 'appearance,' his voice or visual likeness must appear in the ad. The appearance of the candidate constitutes a 'use.' Without a 'use' there is no access entitlement nor is there a right to lowest unit rate. Instead, the station has no obligation to sell or, in the event it does sell time on a candidate's behalf, to charge whatever the prevailing rate is for that air time.

Many regulatory bodies forbid a station by law from **censoring** the content or comment of a candidate appearing in a political spot or programme. This exemption could be absolute, so that in theory it allows a candidate to make slanderous or obscene statements. In most countries, however, the law also recognizes that a station does not have liability for the defamatory remarks of the candidate. Nonetheless, the problem is often created in the mind of the public that a station is responsible for the remarks of a candidate.

3.3.2 Obscenity and indecency

'Indecent' programming is that which is 'patently offensive as measured by contemporary community standards for the broadcast medium and describes sexual or excretory activities and organs' (Open Oregon, 2012). On the other hand, a programme material is 'obscene' if the average person, applying contemporary community standards, would find that the material appeals to the prurient interest; that the material describes or depicts sexual conduct in a patently offensive manner; or taken as whole, the material lacks serious literary, artistic, political or scientific value (Zettl, 2009). Perhaps the most distinguishing feature between obscene and indecent programmes is that almost all

stations around the world are barred from carrying any obscene programmes.

But not so with indecent material. As a result of the famous George Carlin's broadcast of the 'seven dirty words' which were determined to be indecent, most regulatory bodies now adopt a rule that such indecent programming could air but only when the number of the children in the audience is reduced to a minimum, suggesting late evening hours. The FCC, for instance, vigorously polices indecent programming and levies fines in excess of $100,000 (above ₦15 million) when it finds a station carrying such programming. Primarily, these fines have been levied against 'shock jock' hosts (that is, broadcast hosts or radio DJs who use provocative language and broadcasts their extreme views), who go through great lengths to explore sexual and excretory activities on the air.

3.3.3 Lotteries

The broadcast of any information regarding a lottery is often tightly regulated. The FCC defines 'lottery' as a contest or promotion involving the awarding of a (1) 'prize;' (2) based on 'chance' selection; and (3) for which a participant must pay 'consideration' (FCC, 2002). All three elements must be present, otherwise the activity is not considered a lottery. In law, a prize is anything of value offered in a contest. Chance is present if the award of the prize depends in whole or in part upon chance rather than skill or some other factor within a contestant's control. The final element is 'consideration' which usually presents the greatest difficulty in interpreting lottery statutes and rules.

Consideration not only involves items of value but can be found if the participant has to exert substantial time and energy in order to participate— for example, *Who Wants to Be a Millionaire*, where contestants may spend a whole year playing (and therefore, paying) to qualify. Consideration is also subject to varying interpretations, depending on whether state law is applied. Some state laws hold that requiring the presence of a participant at a drawing is sufficient to constitute 'consideration' even though the participant has done nothing more than register for a drawing. Note, however, that exerting a modest amount of personal time to participate may not necessarily meet that requirement. Consideration presents other problems because a participant need not pay money to participate in a lottery if he is otherwise required to make a purchase to participate. Thus a person purchasing a television set may have a further right to participate with other new television set buyers in a drawing for a new DVD set. The fact that the participant paid full value for one item in order to participate in a promotion at no extra cost is still deemed to be 'consideration.'

There are also **state sponsored lotteries** and **state authorized lotteries**, often controlled by regulatory bodies, such as NBC, FCC and others. Such lotteries, however, must affect broadcasting. During a time of economic recession, as Nigeria witnessed in the early 2000s and in the 1990s in the US, broadcasters could be permitted to advertise lotteries authorized or not otherwise prohibited by the state if the lottery was conducted on behalf of (1) a not-for-profit organization; (2) government organization; or (3) commercial entities, where clearly the lottery was occasional and ancillary to the primary business of the commercial organization. In Nigeria, unfortunately, despite the purported prohibition that exists, the broadcast wave is still dominated with extortionary lotteries, even using so-called national stations. In the US, this has changed. The change in the law requires that all lotteries be authorized by the state in which the station is located (Open Oregon, 2009).

3.3.4 Broadcasting of hoaxes

Broadcast regulations also usually prohibit the broadcasting of 'false information concerning a crime or catastrophe,' if a station knows that the information is false or it is foreseeable that the broadcast will cause 'substantial public harm'. Note that it does not matter whether or not and such broadcast in fact causes the envisaged harm. Instances where broadcasts have announced that radio stations have been seized by terrorists or that a volcano has erupted, or that the country was under nuclear attack, have been deemed the kind of catastrophe which will cause 'substantial public harm' (Zettl, 2009). However, stations can engage in creative programming and will not be presumed to propose foreseeable harm if a disclaimer 'clearly characterizes the programme as fiction' and is presented in a reasonable manner under the circumstances. At the heart of this rule is the goal of avoiding such public hysteria as resulted from the famous Orson Wells' broadcast of the Martian invasion in 1938 (Albarran, 2010). Generally, too, the rule is only intended to prevent false reports of crimes and catastrophes and is not intended to prevent 'harmless pranks.'

3.3.5 Children's programming (on television)

Broadcast laws have long been concerned with how programming meets the needs of children. Over the years, they adopted several policies requiring broadcasters to provide responsible contents. For example, the US Congress passed the Children's Television Act (CTA) in 1991, with FCC adopting new rules in 1996 to strengthen enforcement (Federal Communications Commission, 2002). All over the world, television and radio stations are obligated to air some percentage hours of weekly programming specifically meant to serve the educational and informational needs of children— in the US, it is a minimum of three hours daily, from 7am to 10pm (Open Oregon, 2012). Failure to air this

minimum amount of programming would attract huge fines from a broadcast station.

3.3.6 Recorded telephone conversations

Both radio and television stations today engage in active news coverage. A regular feature of news coverage is the recording of telephone conversations. Such recording brings at least three separate sets of laws into play: one, broadcast laws often allow the recording of a telephone conversation if only one party has given consent. Thus, a reporter initiating a call to a third party can record that conversation without seeking the recipient's consent. However, that does not entitle the station to rebroadcast that conversation over the air as part of its programming. Instead, two, broadcast laws require that 'all parties' must consent prior to the beginning of the conversation. It is a violation of the rule to air a recorded conversation if *prior consent* has not been obtained, *even though* the party may later consent to the airing of that conversation. And three, the laws often require that both parties consent to a conversation before it can be recorded.

Thus, even before considering airing a recorded conversation as part of a radio or television programme, the broadcaster's first concern is to make sure that all parties consented to the conversation *before* recording. The problems with recorded conversations, especially in developed countries, most often surface with morning talk shows, where hosts will make random calls to members of the public. Unless that person has been forewarned and has consented to the call, the conversation cannot be recorded or broadcast.

Another area where the unauthorized use of communications arises is in the 'interception' of information transmitted over a discrete frequency. For instance, if newsroom personnel monitor a police channel for the purpose of securing information on accidents or crimes and then utilize that information as part of a news report, the broadcaster is exposed to both civil and criminal penalties for an 'unlawful intercept' (Open Oregon, 2012). While a news organization may listen to such transmissions, they may not divulge the content of those transmissions.

The implication of this rule for media station management is far-reaching. As you may know, competition for being first with the news in broadcasting can be intense. However, the fact that one station attains a news story and airs it does not permit a competing station to rebroadcast that programming without first obtaining the *written consent* of the originating station. In practice, however, due to the current worldwide collaboration especially in news gathering, some stations do not give this rule much considerations as long as they were the first to broadcast the

story. The concern often arises where the monitoring station goes to the newsroom ahead of the story owners.

3.3.7 Prohibited advertising

In addition to the limits on the amount of commercial material which may appear in children's programmes, there are other areas of content-based commercial matter which are heavily regulated. These include the advertising of **alcoholic of beverages** and the **ban on advertising tobacco products**. While there are not many laws prohibiting the advertisement of alcoholic beverages by broadcasters, some states (especially in the US) do in fact prohibit the advertisement of alcohol other than beer and wine.

In 1986, the US Congress banned the advertising of smokeless tobacco products such as chewing tobacco and snuff. The law does not bar the broadcast advertising of pipe tobacco or cigars, provided the cigar is not a 'little cigar.' Although not addressed, it is generally understood that a station may carry advertising for cigarette papers.

Under certain regulatory frameworks, the broadcast of any advertisement for the sale of **fireworks**, the use or possession of which is 'unlawful,' is prohibited. Generic advertisement for fireworks (like the bangers used in festive season in Nigeria), which do not mention specific items prohibited, are probably permissible. Broadcast stations must be careful though because of the dual approach to fireworks regulation which could exist in different states. A particular fireworks may be permissible under state law but prohibited under broadcast law, and vice versa. Thus it is always better to play safe.

3.3.8 Television ratings and its system

The prime-time television ratings system was established by the FCC, following passage of the 1996 Act. Networks were asked to voluntarily label their programmes with codes for sex, violence, and dialogue (language). News and sports programmes are not rated. At the initial stage, some stations refused to participate in the system, but they eventually gave in later. Let us take a quick tour of two ratings, even though they fall within what had been discussed above.

First, broadcasting obscene material is against the law. Obscene material is defined in Supreme Court's *Miller v. California* (19~3i), stating that it must meet three criteria: (1) the average person, applying contemporary community standards, finds that the work as a whole appeals to prurient interests; (2) the work depicts or describes in an offensive way sexual conduct specifically defined by the applicable state law; and (3) the work lacks serious literary, artistic, political, or scientific value. By and large, broadcasters avoid any programming that one might consider obscene.

Two, indecent speech is regulated. In broadcasting laws, indecent language is defined as a: 'language or material that depicts or describes, in terms patently offensive as measured by contemporary community standards for the broadcast medium, sexual, or excretory activities or organs' (New Indecency Enforcement Standards, 1987). There is usually a problem with this definition and law regarding indecency: the failure to clearly address the types of material that are prohibited, the hours the material could be broadcast, or the specific penalties for violation. The 2004 Super Bowl halftime show brought the question of indecent content to the forefront, with Viacom being fined for broadcasting the breasts Janet Jackson. Viacom challenged the fine and asked for clear definitions from the courts as to what is indecent content. After years of controversy, the US Supreme Court brought the issue to a conclusion in 2008, in more confusing standards in media regulations (Loomis, 2008).

In the US, the 1996 Act mandated that new television receivers must be equipped with a V-chip (short for violence chip) to be used in conjunction with a rating system for television programming (Table 6.1) that would give parents the option to block out unwanted programmes. After years of deliberations on implementation and a timetable for production, the first sets equipped with the V-chip became available in January 2000.

Table 6.1: Voluntary Programming Code Ratings

Content Ratings	
FV/ V	Fantasy violence/ violence
S	Sexual situations
L D	Coarse language suggestive dialogue
Age Ratings	
TV-Y TV-Y7	Programmes created solely for children/ directed to older children
TV-G	General audiences
TV-PG/ TV- 14/ TV-MA	Parental guidance suggested/ parents strongly cautioned/ mature audiences only

4.0 TUTOR-MARKED ASSIGNMENT

1. How would you discuss the external regulatory influences in broadcasting?
2. In your own words and drawing meaning from the outline, explain any two of the following terms: fairness and political editorials, obscenity and indecency in programming, lotteries, and the broadcast of hoaxes in media station management.
3. Discuss television ratings and its system

5.0 SUMMARY

Even in today's information age, we must understand that broadcasting is one industry heavily subject to substantial forms of content-based regulations, the justification of which is often alluded to some 'public interest' rationale. This rationale assumes that there is a 'returning of favour' by station operators to the government which issues the operator a licence in exchange for an obligation to serve the interest of the community. This obligation requires the licencee to 'ascertain the needs of the community' and then provide programmes to foster public understanding of those issues. Hence, this Unit discussed such external (usually government) regulatory influences in broadcasting (such as establishment of broadcasting commissions, and licensing policies), as well as programme regulations (as seen in such laws regarding fairness and political editorials, obscenity and indecency, lotteries, broadcasting of hoaxes, children's programming, prohibited advertising, and ratings system).

6.0 CONCLUSION

External regulatory influences occur at many levels and take different forms among the electronic media. The government provides the main sources of regulatory influence in various departments and agencies. The greatest single source of regulatory influence is worldwide broadcast industry is the Federal Communications Commission (FCC) of USA, which was created by the Communications Act of 1934 to regulate the broadcasting, cable, and telecommunications industries. In regulatory bodies often specify criteria for broadcast licensing and ownership, along with a variety of technical and operating requirements. They also deal with a number of programming issues, including provisions for children's programming, obscene and indecent language, prime-time access, broadcasting of hoaxes and lotteries.

7.0 REFERENCES/ FURTHER READING

Aufderheide, P. (1990). After the fairness doctrine: Controversial broadcast programming and the public interest, *journal of communication,*40(3), 47-72.

Bagdikian, B. (1997). *The media monopoly* (5th ed.). Boston: Beacon Press. Cable Television Consumer Protection and Competition Act, 47 USCA. Sec. 521 etseq. (1992).

Children's Television Act of 1990, 47 USC Sec. 303 (a)-3(b) (Supp. II 1991).

Dreazen, Y. and Solomon, D. (2001. March 5). Court overturns FCC's ownership caps, in victory for ATandT, AOL, cable firms. *Wall Street Journal,* pp. A3,A10.

Entman, R. M., and Wildman, S. S. (1992). Reconciling economic and non-economic perspectives on media policy: Transcending the 'marketplace of *ideas.' Journal of Communication,* 40(3), 47-72.

Federal Communications Commission. (1999, June). *The public and broadcasting.* Retrieved December 23, 2004, from www.fcc.gov.

Federal Communications Commission. (1999, August 5). FCC *revises local television ownership rules.* Retrieved August 11, 1999, from www.fcc.gov.

Federal Communications Commission.. (2002) *Broadcast and cable EEO rules and policies.* Retrieved September 29, 2004, from http://www. fcc.gov.

Federal Communications Commission. (1996, August 8). *FCC adopts new children's TV rules.* Retrieved May 31, 2000, from www.fcc.gov.

Guthrie, M. (2008, April 7). The disappearing TV critic. *Broadcasting and Cable,* 10-12. Johnson, L. I.. (1994). *Toward competition in cable television.* Cambridge, MA: MIT Press. Kahn, F. (1984). *Documents of American broadcasting* (4th ed.). New York: Prentice Hall.

Le Due, D. (1 987). *Beyond broadcasting: Patterns in policy and law* (2nd ed.). New York: Longman.

Loomis, K. D. (2008). The FCC] and indecency: Local television general managers' perceptions. *The International Journal on Media Management,* /0(2), 47-63.

Messere, F. (2000, April). NAB Telecommunications Act 1 996 update. Presentation to the Broadcast Education Association, Las Vegas.

Nadel, M. S. (1991). U.S. communications policymaking: Who and where? *Comm/Ent Law Journal,* 73(2), 273-323.

NBC (2011). Our mandate. Accessed on 2 November 2012 from www.nbc.gov.ng New indecency enforcement standards to be applied to all broadcast and amateur radio licences, 2 FCC Red. 2726 (1987).

Pearl, D. (1995, June 7). Cable TV systems cleared to block 'indecent' material. *The Wall Street Journal,* p. B4.

Policies and rules concerning children's television programming, FCC LEXIS 987 (1993).

Shields, P. (1991). The politics of the telecommunications policy process: The example of the FCC's price cap initiative. *Policy Studies journal,* 79(3/4), 495-513.

Vivian, J. (1999). *The media of mass communication* Needham Heights, MA: Allyn and Bacon.

Cases Cited

Action for Children's Television v. Federal Communications Commission,58 F.3d 654 (DC; 1995).

Broadcast hoaxes, 70 RR 2d 1383 (1992). *Federal Communications Commission v. Pacifica Foundation*, 438 U.S. 726 (19-8).

Miller v. California, 413 U.S. 15 (1973). *Office of Communication of the United Church of Christ i. Federal Communications Commission,* 359 F.2d 994 (D.C. Cir. 1966).

KFKB Broadcasting Association, Inc. v. Federal Radio Commission, 47 F.2d 670 (DC, 1931).

UNIT 3 MEDIA UNIONISM

1.0 INTRODUCTION

Historically, labourers and employers have not always enjoyed a harmonious working relationship. Unions were initially organized to give workers a representative voice in dealing with management over issues related to salary, benefits, and safe working conditions. The numbers of workers who are members of labour unions have declined dramatically over the years. Unions still exist for much the same purpose—to represent workers in negotiations with management and to procure fair and equitable wages and benefits for their members. The dues paid by its membership fund the union. One can find many kinds of labour organizations throughout the electronic media. In general, guilds represent creative personnel while unions represent technical and engineering workers. The industry also refers to these distinctions as ‘above the line’ (creative) and ‘below the line’ (craft).

2.0 OBJECTIVES

At the end of this Unit, you are expected to:

- Understand the concept and trace the history of unionism and trades union especially in Nigeria
- Analyse the leadership and activities structures of unionism in the media industry
- Define and explain in your own words the concept of collective bargaining, especially as it regard the station manager

3.0 MAIN CONTENT

3.1 Concept of Unionism

Trades unions have become key components of most modern societies. The nature of trade unions and trade unionism are however quite different, even in otherwise similar societies. The United Kingdom and the United States, for example, could be considered as similar societies, but they have quite different types of trade unions and approaches to unionism whether in the electronic media industry or in manufacturing. Similarly, France and Germany, two leading 'coordinated market economies' in the West, have clearly different trades union characteristics. Coming closer home, there are distinct traits that mark the industrial relations systems and trade union practice as heritages of Africa's colonial past, ie, along English-speaking and French-speaking lines.

There are however some universal threads which define trades unions as a particular form of social organisation and trade unionism as a particular form of working class phenomenon. The explicit definition of these categories of concern (ie, trades union and trade unionism) stem from conceptions of the broader categories of industrial relations and society. The practice of trade unionism equally has been largely influenced by the conceptions of what a trade union is or, at least, should aim to be.

A trade union is an organization of employees formed on a continuous basis for the purpose of securing diverse range of benefits. It is a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives. The Trade Union Act 1926 defines a trade union (Jepsen, 2012) as: A combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business, and includes any federation of two or more trade unions.

This definition is rather exhaustive as it includes associations of both the workers and employers and the federations of their associations. Here, the relationships that have been talked about are both temporary and permanent. This means it applies to temporary workers (or contractual employees) as well. Then this definition, primarily, talks about three relationships. They are the relationships between the: workmen and workmen, workmen and employers, and employers and employers.

Thus, a trade union can be seen as a group of employees in a particular sector, whose aim is to negotiate with employers over pay, job security, working hours, etc, using the collective power of its members. In general,

a union is there to represent the interests of its members, and may even engage in political activity where legislation affects their members. Trade unions are voluntary associations formed for the pursuit of protecting the common interests of its members and also promote welfare. They protect the economic, political and social interests of their members. Features of a trade union include:

- It is formed on a continuous basis. It is a permanent body and not a casual or temporary one. They persist throughout the year.
- It is formed to protect and promote all kinds of interests – economic, political and social-of its members. The dominant interest with which a union is concerned is, however, economic.
- It achieves its objectives through collective action and group effort. Negotiations and collective bargaining are the tools for accomplishing objectives.

Trade unions have shown remarkable progress since their inception; moreover, the character of trade unions has also been changing. In spite of only focussing on the economic benefits of workers, the trade unions are also working towards raising the status of labours as a part of industry.

3.2 Trade Unionism in Nigeria: A synopsis

According to Baba-Aye (2010), the earliest form of workers' combination in Nigeria was, as with the US, by mechanics, who formed a mutual provident fund society in the late 19th century. It is however not considered as a trade union in the strict sense of the word, even though in 1921 in a new format (ie, expanded with some railway mechanics in the ranks of its subsequent incarnation), it led a successful strike against threatened wage cuts. Thus, the (Southern) Nigeria Civil Service Union, formed on 19 August 1912 is accepted as the first trade union in the country. There had however been some extent of robust trade unionism even before the formation of this union. This is demonstrated by the 1897 strike action of Public Works Department workers in Lagos, which they won. This confirms our earlier assertion that trade unionism often predates the formation of trades union, which then could deepen it.

The Nigeria Civil Service Union was considered 'soft' by a number of civil servants, particularly those in the railways who formed the Association of Nigerian Railway Civil Servants a few years after the NCSU was formed. It was however under the blows of the Great Depression that more unions were formed. In 1931, the Nigeria Union of Teachers was formed. That same year, daily-paid African marine workers as well formed their union and, in 1932, the Railway Workers' Union which would later bring M.A.O. Imoudu to prominence was as well established.

The earliest trade unions in Nigeria emerged in the public sector partly due to the colonial state's being the largest employer of labour. They were however to remain 'illegal' until 1 April 1939, when the Trade Union Ordinance passed the year before came into force as law. Trade unions had to be registered to be recognized. This was not an act of benevolence. The establishment of trade unions in the British colonies was guided by the Lord Passfield memorandum which made clear its systemic approach to trade unionism. The trade unions were to be granted legality so that they could be tutored and mentored in ways that would not make them amenable to the radical ideas of nationalist politics and liberation movements.

The 1938 Ordinance had certain mechanism for encouraging mushroom unionism by making the minimum number of persons that could form a union to be two. This was partly at the root of there being over 1,000 house unions in the country by the early 1970s. The 1940s was when the first trade union federations were formed and split. Much fuss is made by several scholars concerning this; but as we see with the first attempts at forming trade union centres even in the UK, that such early efforts failed is not at all unusual. This could be a natural learning process for a trade union movement.

The distinctness of the splits in the Nigerian trade union movement which lasted some three decades was not in the differences over methods. Only the first split and which was the only split that predated the international split along WFTU-ICFTU lines was based solely or even mainly on differences in theoretical approach, i.e. the role of the trade union movement in politics– to be (or not to be) affiliated to the NCNC. All subsequent splits were driven by and had at their centre splits over the East-West ideological divide. In 1974/75, the trade union movement itself rose to overcome this legacy of division. On 21 September 1974, S.O. Oduleye, a leader of one of the four trade union centres then, was being buried at Apena cemetery and there and then on the platform of what has become known as the Apena Declaration, the four unions decided to dissolve themselves and form one central labour organisation. This they did on 19-20 December 1975, when they formed the second Nigeria Labour Congress.

This was enough to cause the ruling elites a great deal of fright and the Federal Military Government moved in with its doctrine of 'limited intervention' and 'guided democracy'. It proscribed the formed organization and banned 11 of its leaders from trade unionism for the rest of their lives. Part of the 'limited intervention' and 'guided democracy' policy was the re- structuring of the trade unions, supposedly along industrial lines but rather in a manner to divide along junior-senior staff lines and through automatic check-off systems (for

the more militant 'junior worker' unions, establish a foothold for incorporation. It was an attempt, which however failed, to enthrone a form of systemic trade unions regime.

The NLC and senior staff unions which became organized as SESCAN and, by 2000, as the Trade Union Congress, emerged at a time that the world was entering the era of neoliberal globalization. This has had profound impact on the nature of trade unionism that has become dominant in the country. A form of yet self-unconscious social movement unionism took roots and has flourished particularly over the last decade. Trade union and social issues have become linked in a dynamic yet episodic manner. The greatest of the challenges that face the Nigerian trade union movement might be the reclaiming of the consciousness it lost, in an attempt to harmonise its radical ('progressives') and moderate ('democrats') factions, within the context of the globalization of working people's resistance. The 21st Century holds many questions and yet much more hopes. Our future is in the making and lie in our hands.

3.3 Trade Unions in the Media

As discussed earlier, labour unions are prevalent in the electronic media industries and can be found in several representative areas related to the newsroom. While actual negotiations with unions are likely to be handled by the GM or perhaps an Operations Manager, News Directors may be involved because of the importance to the overall news operation. One clear responsibility in unionized news operations is to make sure that people do not deviate from their job responsibilities. For example, camera operators are limited to their work with the camera, while the video editors handle actual editing, studio technicians handle the studio environment, and so forth. Management must be certain that duties are clearly defined and followed in accordance with guidelines agreed upon by management and the unions.

Production technicians and engineering employees are often members of local unions. Management's involvement with unions and guilds focuses mainly on negotiations over economic issues (e.g., wages and benefits) and working conditions (e.g., recognition of the union by management, grievance procedures, and job responsibilities). The heart of the negotiations, the union contract, binds union members and management for a specified period of time.

Therefore, trade unions in the media, like in other sectors, are organizations of workers who come together with the aim of bettering their lots. There are, generally speaking, five major substantive issues which are at the heart of the workers in their forming a union, these being:

1. wages and other material remuneration;
2. working conditions;
3. job security;
4. working time; and
5. respect and dignity.

Media unionism is that drive, that quest for improvements in these substantive issues. This drive precedes even the formation of the unions themselves (union of editors, union of TV workers, union of radio workers, union of broadcast employees, etc). Thus we see that while trade unionism, like the Nigerian Labour Congress, might be the 'business' of trades unions, it is actually a working class phenomenon, which precedes and even leads to the formation of the various conglomerating unions themselves. This is why some scholars defined trade unionism as 'the natural tendency of workers to economic self-defence' (Baba-Aye, 2010).

3.4 Types and Structures of Unions

A combination of different media workers in furtherance of trade unionism starts with the spread of solidarity based on their shared circumstances. Trades unions are the more lasting forms of such combinations and they then drive the trade unionism as a process.

To deal with a trade union, you must first understand its type of structure. Trade union structure itself, in industrial relations theory, is something different from the organisational structure of trade unions, although it is used as a phrase to mean the same thing. A trade union structure refers to demographic variables, bearing on the organized workforce, e.g. geographical spread and gender disaggregation of organised workers. Let us look at them in the light of the media environment.

Craft Unions: these are unions which organise workers with particular (professional) skills, such as cameramen, presenters (anchors), newscasters, artistes, and so on. The earliest unions (mainly in England) were craft unions and this is, in fact, where the term 'trades' came to signify unions . That is, because the earlier unions then emerged from guilds of craftsmen who formed 'trade clubs', to be able to restrain trade as the mercilessness of factory-based large-scale manufacture sucked them into it and rendered almost useless the petty production of the English cottage industries of those of them that tried to stay out of it. The Nigerian Guild of Editors, National Association of Radio and Television Theatre Workers and Association of Broadcast Proprietors of Nigeria are examples of unions organized as craft-based combinations of workers.

General Unions: These are unions that organise workers of different skills and across trades and (possibly) industries. They tend to be larger than craft unions (but this is not necessarily always so). They sometimes have sections or departments specifically responsible for the distinct sections of the media industry or group of skills of media workers that they cover. A good example of a general union in Nigeria is the Amalgamated Union of Public Corporations, or the National Union of Media Employees.

Industrial Unions: these are unions which organise all workers in a particular industry, irrespective of skills or occupational differences. It is considered by many trade unionists as very progressive and the cry 'one industry, one union', is a popular cry for example in the South African trade union movement. One common myth that the Federal Military Government initiated in 1976-78 is that trade unions in Nigeria have been streamlined on industrial unions. Many unionists also describe the nation's trade unions as 'industrial unions'. On the converse, the very process that was supposed to have led to the reorganisation of unions on industrial basis split all unions in industries into 'junior workers' unions and 'senior staff associations'. It as well created several unions in sectors where it was difficult to maintain the junior/senior workers dichotomy, e.g. in the health sector we have at least the nurses union, Medical and Health Workers' Union and the union of pharmacists and professionals allied to medicine, not to talk of the Nigeria Medical Association.

3.5 Collective Bargaining

This describes the process of negotiation between union and management. Normally, each group uses a team of individuals to handle negotiations. In large markets, a General Manager and corporate officials may be part of the management negotiation team, along with the station's legal counsel and other key members. Both local and national representatives and their attorneys represent the union. Ideally, negotiations will lead to a new agreement mutually satisfying to both parties. When an agreement is not reached after a certain amount of time has passed, both parties may agree to accept either mediation or arbitration. The differences between mediation and arbitration are simple to understand, though the procedures used are often complex. Although a mediator suggests alternative solutions or proposes new approaches to resolve the conflict, his or her advice is not binding. On the other hand, arbitrators produce final decisions to which both parties must adhere. This is called binding arbitration.

Unions and management have an interdependent relationship. Management must recognize the needs of workers regarding wages and working conditions and respect the workers' right to organize. The union

must recognize the responsibilities of management and respect management's obligations to its shareholders and the public. By working together in an atmosphere of mutual respect, unions and management can achieve common goals.

Unions and guilds can be disruptive to the electronic media when they engage in a strike or work stoppage. The 2007 strike by the Writer's Guild shut down most of the programming and movie production in the United States, except for reality television and the like. The strike severely impacted programming, which led to a decline in audience ratings, which in turn led to problems attracting advertisers.

One key aspect of collective bargaining as it regard the station manager concerns trade union **organizational structure**, that is, the component organs and levels of organisation, from the shop floor to the national centre of the union with which the station manager would have to interact. Nearly almost all unions in Nigeria operate on three levels: local, state/zonal and national levels. These are however not given for 'every trade union'. Indeed until 1976 most unions in Nigeria operated only at the enterprise level, ie, had only one level of operation . This is still common in most francophone countries on the continent and in Latin America, particularly Brazil. Such enterprise unions within the same or similar industries or geographical areas could then coalesce into federations. The media station owner must thus operate with, at least, the local level branch of the union and maintain a cordial relationship with it. Let us consider the three-tier level of union structure in Nigeria.

National level: there are usually three organs at this level. The National Delegates Conference (or National Congress), is the supreme decision-making organ of the union. Its meetings could be annual, biennial, triennial. In most cases, its periodicity is often the same as that for the National Delegates Conference of the trade union centre a union is affiliated to. It comprises delegates usually (or in most cases assumedly) elected from the shop floor or state/zonal council. It is vested with the powers of reviewing/amending the union constitution, determining policy and electing national officers of the union.

The National Executive Council usually comprises of the elected national officers and representative officers (usually chair/president and secretary) of the State/Zonal Councils of the union. It tends to meet usually quarterly, biannually or annually; with this periodicity usually determined by that of the NDC. It is responsible for ensuring that policies and other resolutions resolved on by NDC are operationalized, guided by the spirit and letters of such resolutions. It also generally has oversight functions on the union in-between NDCs.

The Central Working Committee usually comprises elected national officers, with – more often than not – some coopted members and the national secretariat (a general secretary and deputies, plus heads of departments and the like). While it is supposed to be subordinate to the other 'superior' organs at the national level and in the union general, it actually wields de facto power more than any other organ. This is due largely to the greater frequency and depth of its meetings. It could be argued that the extent to which internal democracy reigns in a union can be gauged by just how subordinated it is to the other broader organs.

State/Zonal levels: unions with members in all states of the federation tend to have state councils (this is the case, for example, with media unions). They could then as well have zonal structures which might or might not be stipulated in the constitution for administrative convenience or political expediency. Unions such as those in the extractive sector tend to have memberships concentrated in those particular states that are sites of their industries (although it is possible for some to be (almost) national in spread due to the distribution chains along which they have memberships). Such unions tend not to have state councils and instead have zonal councils that could cover a number of states. The organs within the state/zonal councils and the functions they perform, are very much like those at the national level; delegates conferences, executive councils and working or/and administrative committees.

Workplace/floor level: this is the major site of life for trade unionism. In most workplaces limited to one site, there are just two organs; the executive committee and the general meeting where direct democracy prevails. Where such workplace is quite large (as with a network organizations even where limited to one location) or where you have dispersal of sites, there most likely would be units as sub-branch structures.

4.0 TUTOR-MARKED ASSIGNMENT

1. The concepts of unionism and trades unions are two separate concepts. Discuss.
2. Can you list and explain the three basic levels of leadership/operations in the Nigerian trades union movement?
3. What is the importance of collective bargaining to electronic media management?

5.0 SUMMARY

This Unit has tried to put in perspective trade unionism and trades unions generally in Nigeria and specifically as they apply to the media industry in a way and manner that could give some introductory perspective

on salient issues bearing on them and the dynamics between them. It gives the historical development of the trade union movement in general and specifically in Nigeria, explaining the different conceptions of trades unions; types of unions and union organizational structure.

6.0 CONCLUSION

Having posited the possible directions towards collective bargaining of a station manager and thus limiting employees' inadequacies and ultimately changing their work circumstances and the world of media, it is necessary to point out the critical need for the entire media management in Nigeria to better understand the social movement approach to unionism so as to better appreciate and build on its blind social movement unionism.

There is also the challenge of theory and ideology. We were in a sense casualties of the Cold War, not just because of the divisions within it which swallowed our movement into its rubric, but because it led eventually to de-ideologizing the trade union movement (Baba-Aye, 2010). Theory surely matters even though we are made to believe that it does not; but such a belief itself is ideological such that de-ideologizing the movement actually amounts to denuding it of radical and revolutionary ideologies and theory. Therefore, the Nigerian media manager must know that critical theory in the sense of scientifically rooted socialist perspectives still stand clearest as the beacon for the working class. The most apt demonstration of the inadequacy of capitalism and its ideologies is in its own contradictions which the current global economic crisis is demonstrating even in the media industry. It is the duty of the manager to maintain dialogue with its trade unionists at the shop floor, build alliances with the community of workers within an a just and fair work environment, and work with class-ideological education, mandate-seeking and reporting back to the rank and file, to achieve a vibrant worker-centred media environment.

7.0 REFERENCES/FURTHER READING

Anderson, C. (2006). *The long tail.* New York: Hyperion.

Baba-Aye, S. (2010). Trade unionism and trades unions: An introductory perspective. A paper presentation at the 1-day National Industrial Relations Workshop for Total E&P branch of Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), 2 June, Lagos.

Bianco, A. (2004, July 12). The vanishing mass market. *BusinessWeek*, pp. 61-69.

Carmel Group. (2007). White papers and studies. Retrieved: 1 June 2008 from www.carmelgroup.com.

Clark, D. (2005, January 3). A new tech battle for the home. *Wall Street Journal,* pp. Bl, B4.

Ducey, R.V., Fratrik, M.R., and Kraemer, J.S. (2008). *Study of the impact of multiple systems for mobile/handheld digital television.* Retrieved 1 April 2012 from www.bia.com.

Green, H. (2010). The media and unionism. *BusinessWeek.* Retrieved 4 January 2012 from www.businessweek.com.

Jepsen, A. (2012). *Unionism and Politics*. McGraw Hill, NY.

Lieb, R. (2007). Interactive sea change. Retrieved 15 April 2009 from www.clickz.com/experts.

UNIT 4 TECHNOLOGY AND STATION MANAGEMENT

CONTENTS

1.0 INTRODUCTION

The electronic media industries continue to face a rapidly evolving environment due to many factors, but perhaps no single force has created as many challenges and opportunities as technology (Anderson, 2006). This unit examines key technological trends impacting the electronic media, discusses how technology will affect media content, details efforts to establish new business models and revenue streams, and

summarizes the key management issues associated with new technologies.

2.0 OBJECTIVES

At the end of this Unit, you must be able to:

- Trace the technological trend in the media industry
- Discuss how new distribution technologies, such as HDTV, broadband distribution, the Internet and satellite have recently been impacting on television and radio management
- Discuss how various digital platforms (such as smartphones, digital video recorders, and interactive television) are affecting modern station management
- Understand and explain in your own words the concepts of HD transition, repurposing of content, user-generated content programming, multicasting, and pay for play programming
- Discuss some paramount station management issues with regard to modern trends in technology

3.0 MAIN CONTENT

3.1 The Media and Technology Trends

Here are a few important facts to establish a context for discussion of technology trends:

- Over 92 percent of all households in the United States pay for television to a cable, satellite, or telco distributor according to the National Cable and Telecommunications Association.
- US households continue to increase their spending every year on entertainment and information technologies, and the) are spending increasing amounts of their time with media, according to statistics.
- Over 71 percent of US households have Internet access, and many of these households are spending increasingly more time with the Internet instead of traditional media.
- There are more cell phones than landline phones in the world today, especially in developing countries (United States Telecom Association, 2008).
- iPods and other MP3 players are now preferred over radio listening by most young adults (Albarran, et al., 2007).
- Consumers are rapidly adopting wide-screen digital television receivers, digital video recorders, MP3 players, and smartphones.
- Wireless technology has emerged as the preferred was to access the Internet via laptops, cell phones, PDAs, and other devices.
- User-generated content in the form of blogs and videos (e.g., YouTube) and social networking sites like MySpace, Facebook

and Linkedin are redefining the Web experience for their utility to share contacts, entertainment, and news.

- Smartphones such as the iPhone and Blackberry offer a range of functions including Internet, email, MP3 player, digital camera, calendar, address book and more opportunities for media access and consumption.

As these points emphasize, technology is both widespread and changing the way consumers access media content. This intensive technological environment is posing havoc for electronic rut media managers, who are struggling to remain competitive in a world where the audience is increasingly fragmented. This discussion on technology trends centres on two broad categories: distribution technologies and digital platforms. Both areas have implications for the electronic media industries and managerial decision making.

3.2 Distribution Technologies

Electronic media began by broadcasting a terrestrial signal that was received by an antenna. In television the antenna gavi way to coaxial cable and satellite, while in radio terrestrial broadcasting competes with satellite radio. This section examines the distribution technologies available to electronic media institutions and ho\v they are evolving early in the twenty-first century.

3.2.1 DTV/HDTV

The development and diffusion of digital television with high-definition (HDTV) capability has forever changed the television landscape (Dupagne and Seel, 1998). In the United States, the transition to DTV will finally be completed as of February 17, 2009, when the country shifts to digital from analog.

DTV offers many advantages for electronic media managers. Most stations will offer a primary HDTV channel, as well as multicasting a series of ‘standard’ (SDTV) channels. The multicast or subchannels are used to provide a range of new services, with everything from a 24- hour local weather channel, a local 24-hour news channel, a channel in another language (e.g. Spanish), or targeting an underserved demographic group. Television GMs see these additional channels as a way to generate new revenues and monetize the digital spectrum. But distribution is a challenge, as the FCC dealt a blow to broadcasters by ruling in 2005 that cable operators are only obligated to carry one channel under must carry provisions (Federal Communications Commission, 2005).

3.2.2 Broadband distribution

Broadband distribution includes a number of distribution modes, including coaxial cable, Internet, *digital subscriber line* (DSL), fiber optics (e.g. Verizon's FIOS), and wireless. As detailed earlier, broadband has become the term used to define the transmission of digital content over a high-speed, high-capacity network that also links to the Internet. Broadband delivery means multiple channels of information and entertainment available to consumers via any number of potential reception technologies—the television receiver, a personal computer or laptop, a cell phone, MP3 player, or PDA.

Consumers continue to demand more choices and options, which has led to significant growth in broadband adoption; by the end of 2009, 70 percent of all U.S. households are expected to have broadband access (Green, 2005). EM companies will need to negotiate carriage on broadband platforms so their content can be accessed by these different audiences and consider joint partnerships as a wax-to secure access. Television operators must negotiate with cable, satellite, and telco providers to make more channels available for their multicast signals. TV broadcasters continue to engage in retransmission consent with cable operators to generate additional revenues for their signals, arguing that their channels ire just as valuable as those provided by distributors such as CNN or ESPN.

While broadcasters are challenged by broadband distribution, cable and telecommunications operators are energized by the revenue and business potential associated with broadband services. Intense competition is the norm, with major cable companies (Comcast, Time Warner, Cox, and Cablevision) competing with telecommunication companies (ATandT and Verizon) to offer 'riple-play services to consumers. Satellite providers can offer digital radio and television signals but must partner with local telephone companies to add a telephony/Internet component.

3.2.3 The Internet

Consumers access the Internet in one of three ways: traditional dial-up, high-speed broadband, or wireless. Dial-up is in rapid decline as more consumers and households have moved to broadband. High-speed access, driven by cable modems, DSI , and fiber, continues to grow as does wireless.

3.2.4 Wireless

While we have always had wireless distribution in the electronic media via terrestrial broadcasting, contemporary wireless technology enables Internet access—and growing broadband or high- speed Internet

access, without being tethered to a telephone line or coaxial cable. This has allowed businesses and households to set up wireless network access using a simple router and networking cards in laptops and desktops from any point within the range of the home network (usually limited to a maximum of 100 to 150 feet). Wireless or Wi-Fi technology has become an expectation for consumers. Wireless hot spots first appeared in airports, hotels, schools, and universities; today Wi-Fi public networks can be found just about everywhere except remote rural locations. Wireless distribution makes it possible to send Internet-related content to cell phones, MP3 players, PDAs, and other enabled devices.

3.2.5 HD and satellite radio

Hybrid digital or HD radio is growing in the United States, as more and more stations move to offer the new service to listeners. Complicating the diffusion of HD is the need to buy new receivers, and the fact that most new automobiles will not offer HD radio as an option before 2009 or 2010. Radio managers hope to generate new audiences and revenues through their HD channels, much in the same way as their counterpart TV managers with DTV. HD is also hoped to thwart the competition from satellite radio.

Satellite radio, which began as two services (XM and Sirius) merged in to a single entity in 2008, Sirius XM. Both XM and Sirius failed to turn any profits during their initial years of operation, and without the merger one of the services was likely to fail.

3.3 Digital Platforms (Consumer Technologies)

While there are increasing distribution options available to electronic media firms, consumers now have even more ways to use and receive media content aside from the traditional methods of terrestrial, coaxial, satellite, and tape/video. This section reviews key consumer technology that poses more challenges and opportunities for electronic media management.

3.3.1 Smartphones (mobile phones)

There are more mobile phones in use in the United States than land lines, and there is no doubt the mobile phone is emerging as the primary consumer communications device with its many capabilities. The same scenario is true for numerous other countries. With the introduction of smartphones like the Blackberry, created by Research in Motion, or the iPhone, developed by Apple, more and more consumers are adopting phones with many capabilities: MP3 player, Internet, e-mail and messaging, digital camera, GPS, and so on. And the mobile phone is becoming a critical distribution platform for Internet, video, and audio applications. Chan- Olmsted (2006) was among the first to

review management strategies for mobile video distribution. One report by BIA Financial Network estimates that mobile/handheld video distribution could reach as much as $2 billion by 2012 (Ducey, Fratrik, and Kraemer, 2008).

The portability and ease of the mobile phone means growing numbers of consumers will access entertainment and information via a mobile phone, but that doesn't mean they will abandon their large-screen TVs or laptops. The mobile phone adds utility and connectivity for people on the go, especially business users. Electronic media companies need a clear strategy targeting mobile phone users and must recognize the important value of this growing segment of users.

3.3.2 Digital Video Recorders (DVRs)

DVR technology allows consumers to record and store content on a hard disk, and the user can play back the material whenever needed. DVRs also allow the user to skip commercial messages (much to the chagrin of advertisers) and offer a number of interesting features, such as the ability to watch one programme while recording another; stop and restart a recorded programme in real time; and seek out similar content based on preferences and desires. A growing number of DVRs can download content directly from the Internet.

The DVR revolution was sparked by TiVo, the first brand name associated with DVRs. However, cable, satellite, and trlco operators provide generic DVRs to customers as well. Electronic manufacturers will offer television sets with built-in DVR technology, as well as a built-in DVD recorder to easily archive recorded content. DVRs are estimated to be in 25 percent of all U.S. television households by 2011 (The Carmel Group, 2007). Consumers with DVRs rate the technology very highly for performance and ease of use.

3.3.3 Wireless reception devices

As mentioned previously, the proliferation of a number of consumer reception technologies, including wireless-enabled Internet and broadband devices, are leading a new era of media consumption. In addition to smartphones, PDAs, new and improved versions of iPods, and other MP3 players offer wireless reception. Other devices will follow suit. Products such as Apple TV and the Slingbox enable households to store and send video and Internet content to other rooms in a household.

As more and more consumers—especially younger people— adopt these wireless devices, there is potential for even greater fragmentation of the audience. While these technologies will be a boon to consumers, they represent yet another challenge for existing electronic media organizations

trying to capture and hold an audience and advertisers seeking access to those audiences.

3.3.4 Interactive television

Interactive television was expected to be a force by the beginning of the twenty-first century, but the technology has yet to debut to a critical mass despite a lot of ongoing research and development. Interactive television will come of age within the next decade. Numerous companies are working on interactive television, including key technology players such as Microsoft, Hewlett Packard (HP), Yahoo!, and Oracle. What it will mean for consumers will be an enhanced viewing experience where the television experience will be coupled with Internet access to allow for all sorts of interactive applications, from shopping and leisure activities to sports and news (Lieb,
2004).

This environment will create new demands regarding how-media content is created and packaged for consumers. Not every programme will have interactive capabilities, but the possible applications and innovations appear endless. For example, you could be watching a prime-time drama and have an opportunity to participate in the programme by 'voting' on which character might be the potential criminal in the show, or what you think the outcome will be. Like what a particular actor is wearing? Click on a link to take you to a shopping site where you can buy the clothing, or store the site for review later. During a newscast, you could click on an alternate link located on the lower third of the screen or on either side to learn more about a country's population, culture, and geography. Sports programming offers endless opportunities to engage fans. Interactive television will also open numerous possibilities for educational programming. It may someday be possible to design individual curriculums for students in grades K-12 to enhance traditional classroom learning.

3.3.5 The Media Centre

Microsoft, HP, and other computer and software manufacturers have developed devices capable of integrating traditional computing and entertainment options. These products, referred to as the Media Centre, combine a number of technological options for the consumer. The Media Centre becomes the control point in the household that enables the user to access digital photos, music, television (both standard and high definition), movies, and games from a single control point. Furthermore, when coupled with a high-speed home network, the device allows content to be displayed on a computer (with an appropriate video and sound card) or television in other rooms of the house.

With the appropriate software and hardware, a user can pause and play back live TV or radio, digitally record an entire TV series or programme category, watch DVDs and videos, burn CDs and DVDs, organize and play music, and show digital photo slide shows. Not all households want or need TV-PC integration. However, as households add more technologies, we can expect they will look to simplified ways to integrate and manage their reception technologies and content, as well as integrate their media centre activities with other 'smart' household devices such as lighting systems, security systems, and climate control.

3.4 Media Content

Technological innovations pose new challenges for electronic media managers as they grapple with how their content products must change and adapt. Three areas that are drawing the most attention involve HD considerations, repurposing and repackaging content, and user-generated content.

3.4.1 HD transition

With the transition to a full digital environment, HDTV is now a reality in most local markets. HD has brought many challenges to management, most notably for news production. Stations have had to adapt to larger and wider options for sets and reconfigure sets and graphics. HD also means more investment in preparing talent for on-air presentation. Talent must give more attention to hair, makeup, and clothing considerations, as all appear much clearer and sharper in an HD environment.

3.4.2 Repurposing and repackaging content

Repurposing is not a new trend, but technology enhances repurposing possibilities. TV broadcasters will be able to integrate and expand existing content through duopoly/LMA/JSA agreements (as applicable), via multicasting of SDTV signals, and integration with their local Web sites. News packages designed for broadcast can be much longer in a repurposed environment, whether on another channel, over the Internet, or sent to a mobile phone. It will take creative, new approaches to determine how repurposing content could generate new revenue streams for stations. Electronic media companies must also consider how to repackage content.

The Internet is readily accessible on a number of wireless devices. As television moves to transmit signals to smaller devices, the content will need to be condensed and repackaged to fit the specific application and distribution modes. This raises many questions. What types of content (e.g., news, weather, stock market updates, sports scores) will be demanded by users? How long should the content be? How often will it

need to be updated? Will it be possible to 'broadcast' in the same sense to a wireless device? How will the programming need to be condensed and repackaged? How much advertising should be included?

All of these considerations require a new wave of professionals with considerable skills in computing and engineering, as well as creative and innovative programming and marketing ideas. Traditional TV stations will have to expand their distribution options in order to take advantage of the growing number of distribution platforms.

3.4.3 User-generated content

As media content morphs into other forms and formats, users not only have more and more control over individual consumption and usage; they are creating and distributing their own content. User-generated content, also referred to as *social media*, consists of social networking sites (such as MySpace and Facebook) where users share personal information (photos, text) as well as preferences and tastes for music, movies, and television programmes. Growth in social networks has been unprecedented; as of 2008, MySpace was just five years old. yet accounted for 82 million users in the United States and another 1 17 million globally (Baker and Green, 2008).

Social networks, first resisted by electronic media companies, are now an important part of any entities' digital strategy.

In addition to social networks, YouTube demonstrated consumers' willingness to share original video content with one another. The phenomenal growth of YouTube forced electronic media companies to seek out content from their viewers for possible use in their broadcasts. No one is guaranteed that any content they upload to CNN or any other media organization will be aired, but user generated content is an important way to connect with the audience and is now openly encouraged. Blogging,' has also risen in popularity. Media organizations were slow to respond to blogging, but now most journalists and other key personnel offer blogs via the company website. Blogs have also emerged as an important source of news and information, especially outside of the mainstream media. There are well over an estimated 120+ million blogs, with thousands more added every day. Blogs not only carry text, but can also be used for audio podcasts), images, and video.

3.5 New Business Models

Historically, the electronic media industries have been heavily dependent on advertising for the majority of its revenues. This simple business model—selling advertisers access to audiences— continues to sustain the electronic media industries, but advertisers are very concerned about

audience fragmentation and the difficulty of reaching new audiences with their messages, and many advertisers are increasingly moving money into digital/online media from traditional media.

Technology creates opportunities for new business models and revenue streams beyond traditional media advertising. Advertising will continue to be the mainstay for revenues for the electronic media industry through both spot placement and strategic product placement, but there are hopes that new business models will deliver new sources of revenues, especially through the Internet and other digital platforms (Ganahl, 2007). Throe areas are discussed in the following section: multicasting, subscriptions, and pay for play.

3.5.1 Multicasting

The ability for television broadcasters to deliver a number of standard DTV signals raises the potential for new revenue streams. Using digital compression technologies, it will be possible for most TV stations to broadcast between two to four different SDTV channels. As mentioned earlier, these additional channels could be used to launch a 24-hour local news service, a 24-hour local weather channel, or other types of programming (local sports or children's programming). However, most of these channels would likely be dependent on traditional advertising for revenues.

There is also the potential to use part of this spectrum to transmit specialized information, such as business and information services, either as simple text or as video and audio streams. Users for these types of services will certainly be more specialized in their orientation, and these services will have to appeal to those users. Some potential opportunities exist in fields like business, medicine, law, real estate, and education.

Multicasting will create an even greater demand for content due to the additional channels in use by electronic media firms. It will also take creative marketing and promotional strategies to get these new services off the ground, create awareness—and need—among potential users. No one can predict the income potential multicasting will offer television broadcasters, but there is great hope among television managers that these additional channels will translate in to much- needed additional revenue streams.

3.5.2 Subscriptions

The electronic media industries will continue to develop subscription-based services sold directly to consumers. And history tells us consumers are willing to pay for the services they need and want. Consumers are

used to paying monthly fees for television services through cable and satellite, as well as for premium services like HBO. New subscription opportunities continue to emerge. Netflix changed the model for renting home video, forcing industry leader Blockbuster to adapt. iTunes has changed the way people purchase music. Satellite radio is another example of users' willingness to pay for media content.

As media use becomes more personalized, subscriptions will become even more prominent. Over time, we may move to an environment where the majority of our media consumption is on a pay-as-you-go or a la carte basis. Consumer groups have been advocating this model for years, claiming it is in the best interest of consumers. Electronic media companies will need to identify new opportunities for subscription-based services, whether they are in print, broadcast, online, or multimedia—and develop marketing strategies to attract customers. As with multicasting, the potential for subscription services is unknown but offers another potential revenue stream for EM companies.

3.5.3 Pay for Play

Pay for play can be thought of in much the same way as pay per view. Instead of a monthly or annual subscription, users simply pay for the actual content they consume. This model is prevalent on the Internet and will continue to grow as a business option. Price point becomes an important issue in developing pay for play content.

Companies need a pricing strategy that is attractive to consumers but still profitable. Historically, most electronic media content has been 'free' in the sense that if you had a TV or radio receiver you could access the content without any charges. Pay per play will be challenging for older audiences to accept, while younger demographics will be more open to the concept because they do a lot of commerce in an online mode.

3.6 Management Issues

The growth and diffusion of technology poses many challenges for electronic media management, involving numerous areas of oversight and administration. This section examines the key issues associated with technology and their overall impact on electronic media organizations. These issues include personnel, fragmentation, and creating value in an increasingly technology-driven society.

3.6.1 Personnel

Earlier unit discussed management as the process of working with and through other *people* to accomplish organizational goals. Employees, associates, workers, or any other term used to describe personnel represent the most important component of any organization.

Technology impacts personnel in many ways and places evolving requirements on the types of skill sets needed to be successful in electronic media firms.

Increasingly, personnel must be able to adapt to a widely changing technological landscape. In addition to basic computer skills (word processing, spreadsheets, database, and presentation programmes), electronic media personnel need a wider range of technical skills depending on their job function and department they call home. Departments like sales and marketing, engineering, business administration, and production all demand expertise with different types of software programmes and other equipment. One key challenge is not only finding new personnel with the requisite skills but continually retraining and retooling for existing employees. Management will need to invest more resources into their existing staff to keep them trained for new applications and technologies that impact their job function.

Electronic media firms will continue to demand workers who are versatile and able to adapt to different situations and who are willing to learn new processes and ways to do business. In order to serve the needs of electronic media firms, existing workers and people planning to enter the electronic media (such as majors in communications, broadcasting, journalism, or related fields) must develop a variety of skill sets from a technical standpoint to better position themselves for the best job options. Finding the best people is a constant management challenge. Finding the best people with the right technology skills will be even more demanding for management.

3.6.2 Fragmentation

The fragmentation of the audience, brought about by increasing options for entertainment and information, as well as a host of consumer-level technologies, is a killer management issue for electronic media companies (Anderson, 2006). Managers cannot stop fragmentation; they can only try to somehow minimize its impact.

As discussed earlier, electronic media managers will have to develop *A* comprehensive digital strategy, focussing on the key platforms demanded for their specific business enterprise. Managers will need to rethink packaging and distributing content beyond traditional methods. At the same time, compelling content, especially related to a local audience, provides the best means to limit the impact of fragmentation. These new efforts will require creativity, as well as enhanced marketing efforts to properly target consumers.

Advertisers are also impacted; as the audience shifts away from traditional media, reaching consumers becomes more difficult and more expensive (Bianco, 2004). Advertisers continue shifting more dollars to online and product placement at the national level in order to reach fragmented audiences, especially younger people who are less likely to read a newspaper, watch broadcast TV networks, or listen to regular radio (Rose, 2004). Of course, this also impacts the electronic media as they must seek new clients—and ultimately new revenue streams—to counter these defections.

Fragmentation is yet another basic reason behind media consolidation and conglomeration. By expanding and promoting economies of scale and scope, EM companies have some leverage by buying into new markets. NBC acquired Telemundo to reach the rapidly growing Spanish- language audience, while Viacom purchased ownership interests in video game maker, Electronic Arts, to bolster its reach to younger audiences. The big corporations can withstand the impact of fragmentation much easier than the smaller media properties that may only own a few outlets. For these operations, fragmentation is another economic threat that poses considerable challenges.

3.6.3 Creating enterprise value

All businesses operate to earn profits and continually try to increase the value of their firms, not just for stockholders and owners but to provide the resources needed to function in a competitive environment. Another key management issue is building value for their enterprise. For each of the electronic media industries covered in this text, there are a number of economic challenges that could negatively impact each area.

In the radio industry, audiences have multiple alternatives for music and information from satellite radio, online or Internet radio, and podcasting (Albarran, et al., 2007; Green, 2005). For traditional radio broadcasters, much hope is placed on the future of HD radio. HD radio will offer increased value to existing radio companies, giving them the opportunity to offer niche services such as satellite radio and even DVR-like storage and playback functions tor audio. But listeners will have to buy new receivers, which are expensive but should decline in price over time.

Broadcast television, cable, and satellite services will continue to siphon viewers away, and advertisers are following. Programming costs continue to rise, and the cost of converting to a digital environment is expensive, with no way to recapture the investment in the short time. The FCC gave broadcasters a tough challenge by not yet requiring digital must carry for multicast services. TV broadcasters hope multicasting will generate new audiences and revenues but recognize it will be a slow process.

The cable and satellite industry will continue to battle head-to-head for consumers, but they face a growing threat together from Verizon and ATandT as the big telecom giants bundle telephone and video services to consumers such as cable operators (Clark, 2005). Cable is well positioned in its ability to draw revenues from many different areas and new services, like an HD tier and video on demand, clearly adding enterprise value for cable operators (Lieberman, 2005). Satellite will remain a strong number-two service, constrained by not being able to offer high- speed Internet service. Both services will face increasing price pressures as the telecom companies target subscribers.

4.0 TUTOR-MARKED ASSESSMENT

1. Discuss how new distribution technologies, such as HDTV, broadband distribution, the Internet and satellite have recently been impacting on television and radio management.
2. Discuss how various digital platforms (such as smartphones, digital video recorders, and interactive television) are affecting modern station management
3. How would you discuss paramount station management issues with regard to modern trends in technology?

5.0 SUMMARY

This unit examined the key technological trends impacting the electronic media, reviewed how technology impacts media content, discussed new business models and revenue streams, and summarized the key management issues associated with new technologies. Distribution technologies are growing for the electronic media industries through a variety of digital platforms targeting home and wireless devices. Consumer technologies are also expanding through smartphones, digital video recorders, wireless devices, interactive television, and household media centres. Together, this environment of expanded distribution and consumer technologies offers more control to consumers and allows for greater individual and personalized services for users. In terms of media content, three areas are garnering attention of media firms. These include considerations of production involving high definition, the ability to repurpose and repackage content, and the emergence of user-generated content through social networking, blogs, and sites such as YouTube.

Regarding business models, electronic media organizations are constantly searching for new revenue streams. Multicasting holds the most promise for television broadcasters in a totally digital environment. Subscriptions are becoming more prominent across the electronic media, as consumers pay for new or specialized content. Pay for play is another

emerging business model.

Finally, in terms of management issues three key areas were discussed. People or personnel remain the most important part of any EM organization. Increasingly, technology will demand employees with a variety of technical skills. Fragmentation is a huge problem for traditional media firms, as audiences shift to other con rent providers and advertisers follow suit. All managers must be concerned with raising the value of their enterprise, and in a competitive and rapidly changing landscape there are significant challenges for each industry covered in this text.

6.0 CONCLUSION

The consolidation in the telecom industry gives tremendous economic clout to giants such as AT&T and Verizon that bundle a range of communication services to the home. However, this doesn't mean the telecom operators will necessarily win the battle. Consumers will have to be won over by more than just price, and some may not be comfortable with one company controlling all of their communication activities. While the future for services like smart-phones, high speed access, and mobile video are still very lucrative— traditional wired telephone and long-distance services are no longer demanded by many consumers.

For instance, significant management issues related to increasing enterprise value run across the electronic media industries. No industry offers a clear competitive advantage over the others, and each area will be fighting for audiences, advertisers, and their own economic future. Thus, the electronic media industries continue to face a rapidly evolving environment due to technology; and this has serious implications for media management.

7.0 REFERENCES/FURTHER READING

Albarran, A. B., Anderson, T., Garcia Bejar, L., Bussart, A. L., Daggett, E., Gibson, S., Gorman, M., Greer, D., Guo, M., Horst, J. L., Khalaf, T., Lav, J. P., McCracken, M., Mott, B., and Way, H. (2007). What happened to our audience? Radio and new technology uses and gratifications among young adult users. *Journal of Radio Studies*, 14(2), 2-11.

Anderson, C. (2006). *The long tail.* New York: Hyperion.

Baker, S., and Green, H. (2008, June 2). Beyond blogs. *BusinessWeek*, pp. D45-D50. Bianco, A. (2004, July 12). The vanishing mass market.

BusinessWeek, pp. 61-69.

Carmel Group. (2007). *White papers and studies.* Retrieved: June 1, 2008, from www.carmelgroup.com.

Chan-Olmsted, S. M. (2006). Content development for the third screen: The business and strategy of mobile content and applications in the United States. *The International Journal on Media Management, 8(2), 51-59.*

Clark, D. (2005, January 3). A new tech battle for the home. *Wall Street Journal*, pp. Bl, B4. Ducey, R. V., Fratrik, M. R., and Kraemer, J. S. (2008). *Study of the impact of multiple systems for mobile/handheld digital television.* Retrieved 1 April 2012 from www.bia.com.

Dupagne, M., and Seel, P. B. (1998). *High definition television: A global perspective.* Ames: Iowa State University Press.

Federal Communications Commission. (2009, February 10) . Second report and order. Carriage of digital television broadcast signals: Amendments to Part 76 *of the Commission's Rules.* Retrieved 3 June 2012 from www.hraunfoss.fcc.gov.

Green, H. (2008, March 7). Internet radio 101. *BusinessWeek.* Retrieved 6 March 2005 from www.businessweek.com.

Ha, L., and Ganahl, R. (2007). *Webcasting worldwide: Business models of an emerging global medium.* Mahwah, NJ: Lawrence Erlbaum Associates.

Lieb, R. (2007, April 23). Interactive sea change. Retrieved 15 April 2009 from www.clickz.com/experts.

Lieberman, D. (2008, January 23). Cable could rule if it plans its cards right. *USA Today.*

Rose, F. (2004, August). The lost boys. *Wired,* pp. 115-119.