

the formal statement of support, letter writing campaign & pre-trial statements utilized in the Dan Morgan case (pr 4/27).

PRSA Sec'y Dwayne Summar will chair. Members (who serve as a result of specific positions they hold in the Society) are Hugh Newton, Jim Little, Pat Jackson & another person to be named.

Review board is a product of an official First Amendment policy statement adopted last month (copies from prr). It states: "The rights of individuals, organizations and corporations for the free expression of viewpoints on issues, ideas and events are essential to the practice of public relations and must be protected from any abuse or denial."

DOUBLE STANDARD: WASHINGTON POST LUMINARIES REFUSE TO BE INTERVIEWED, SAY "NO COMMENT"

Editor Ben Bradlee, publisher Donald Graham & other Post staffers refused to talk to a Boston Globe reporter

seeking to interview them for a story on the Post's finding itself in the headlines recently instead of printing them. Bradlee's words, as quoted in the Nov. 30 article, will sound familiar & ironic to practitioners who have been the subject of interest by his paper:

QUOTE

"There is more hype in Washington than on Madison Avenue. There's this whole business of pretending you know more than you do, of embellishing, of parading information. Knowing things is the currency of the realm. Lies get told and perpetuate themselves."
-- Jody Powell, Pres. Carter's press sec'y, to Boston Globe reporter Marguerite Del Guidice

"As for Benjamin C. Bradlee, he has decided that the best offense is a good defense. He would not be interviewed, either, although he did call back to say that he had decided, 'I'm not going to talk to you. Part of this national obsession is us talking to you [the press]. And I don't want to do it. I think too much has been written.'

"Did he understand why? 'No,' he said in a voice reminiscent of truck tires going over gravel. He was asked if he thought the events of the past eight months had not invited curiosity and examination, as they would at any other institution operating in view of the press. He did not answer that question, but said instead, 'I don't mean to be rude. I just can't do it. I hope you don't write a story, but I've made up my mind. Try to understand.'

"He sounded exasperated, in an understated way." (For copy of article, write prr.)

WHO'S WHO IN PUBLIC RELATIONS

AWARDS. CASE presents Cornell Univ (Henry Gayley, dir of dev'l comms) with highest award for general excellence in programming; Univ of N. Mexico (Swede Johnson, administrative vp) grand award for general improvement in all prgms; and Georgetown Univ (Wes Christenson, dpr) grand award for pr prgm improvement.

ELECTED to 2-yr terms on The Council of IPRA are Amelia Lobsenz (chrm of bd & CEO, Lobsenz-Stevens, NYC); Ronald Rhody (corp vp-pr & pa, Kaiser Aluminum & Chemical, Oakland, Calif); and Gene McCoy (chrm of bd, Ad Craft of Arkansas, Little Rock).

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CURRENT MOVE TO "FINANCIAL SERVICES INDUSTRY" & BANK DEREGULATION WILL LEAVE 3 TYPES OF BANKS -- WITH 3 VERY DIFFERENT PR STRATEGIES

What happens to banking affects everyone. As money market funds, mergers, entry of new competitors causes a blurring of lines between banks, insurance companies, brokerage firms & even real estate agents, futurists predict a unified "financial services industry" will provide 1-stop shopping for all transactions. What will this do to existing banks? A study shared with prr by McKinsey & Co., mgmt consultants, predicts 3 types of institutions will emerge, with specific corporate cultures & widely differing public relations needs:

Type	Culture	PR Strategy
1. <u>National Distribution Companies</u> (BankAmerica, Citicorp et al, but also American Express, Merrill Lynch, Sears subsidiaries)	Huge org'ns but decentralized network. Emphasis on marketing, planning, cost awareness. Quick response to competition.	Clearly enunciated corporate mission. Marketing & planning capabilities critical. Increased budgets. <u>PR theme will be products & image.</u>
2. <u>Low-Cost Producers</u> (Money market funds, commercial paper dealers, others who didn't exist prior to dereg -- compare low-cost airlines & brokers. Non-bank institutions like Merrill Lynch & American Express will also take corners of this segment.)	Aggressive & entrepreneurial. Centralized operations. Emphasis on cost control.	Price discounters. Creative & iconoclastic approach to getting business. Planning, marketing less important than opportunity. <u>PR theme will be price.</u>
3. <u>Specialty Firms</u> (Second tier banks, major S&Ls, finance companies, local financial institutions. Some Type 1 companies will also develop Type 3 positions.)	Creative & flexible. Depth of product/service rather than broad range. Favor areas not highly price sensitive so less competitive.	Service orientation. Tailored training for staff vital. Creative planning & marketing; product or customer market segments, not geographic. <u>PR theme will be information.</u>

Marketing remains underdeveloped in regulated industries such as banking, McKinsey found. After deregulation it rushes to the fore. For most present banks, the "only realistic strategic alternative" will be becoming a specialty firm in a "well-defined product or market segment." The corner "full service bank" may be called Allstate.



In a fast-shifting market, where confusion will reign, public relations effectiveness now becomes the priceless ingredient in banking. Just think of the internal communications task, as one example.

SENSING DEREG A JOB FOR PRACTITIONERS: YOU'VE GOT 5 TO 7 YRS

A prime use of trend analysis & other futurism performed by pr pros is to forecast deregulation of your industry, says McKinsey & Co. Here's why: 1) Dereg generally follows a "lengthy period of gradually changing attitudes" which gives management time to plan an adjustment strategy. 2) In 5 industries studied by the mgmt consulting firm, "clear actions" signalling changed regulatory or legislative opinions "generally occurred 5 to 7 yrs before actual deregulation."

Well-managed organizations used this time to get ready -- another role for pr strategists since relations with most publics change with dereg. Once it passes, major adjustments take only 2 yrs, "catching many participants off guard." The study concludes that strategy must be "well in place" when deregulation occurs or it may be too late to adjust. Take brokerage firms, for example: in 2 yrs following dereg, institutional commission rates plummeted 50%. (For copy of McKinsey report, write pr.)

PROVINCE OF QUEBEC USES STRONG TACTICS TO EXPRESS OPPOSITION TO NEW CONSTITUTION; BILLBOARD EVOKES ANCIENT PASSIONS

Flags are at half mast today throughout Quebec, by order of Premier Rene Levesque. What's being mourned is action by the Federal Parliament to

bring the Canadian constitution home from London where it can be amended by Canadian, not British, action. While the other 9 provinces have serious questions about some proposals for constitutional change, they are unanimous in achieving Canadian control of the document.

A powerful billboard is part of the Quebec campaign, placed by the Dep't of Communications. A hand is shown crumpling the province's blue & white fleur de lis emblem. Another hand is grabbing the first at the wrist, to stop it. The simple copy reads, "Un minute, Ottawa!" To reinforce the message emotionally, very dimly in the background can be seen the Union Jack. The billboard is not aimed at cooling passions, obviously.

Federal & provincial gov'ts in Canada use public persuasion techniques, including advertising, in a way US gov'ts have shied away from.

NEW O.D. PRE-TEST INSTRUMENT CHECKS SENDER'S ATTITUDES TOWARD RECEIVER TO CLEAR WAY FOR ACCEPTANCE OF MESSAGE

A manager (whom you know to be a friendly & helpful person) is interviewed by a reporter, who finds her uncooperative. The director of volun-

teers (an almost saintly person) is felt to be pushy by his charges. The internal publication article you fashioned so carefully turns off many workers. What happened to cause this discommunication? Center for Organization Development (Rochester, NY) has culled its experience working with 50,000 execs each year to create a pre-test matrix that can circumvent misguided messages.

The barrier, according to Gerald Fisher & Joyce DeHaan, is our unquestioning belief that we're right. "This becomes our Achilles heel, shuts other people off, ends our influence -- and we don't realize it is happening, because it's mainly subconscious." To break the barrier, we must train ourselves to think like this: "I have strong opinions, but I will present them in a way that lets others hear and then agree or disagree." Otherwise, when messages miss their mark we are apt to assign the failure to "what's wrong with them?" To test messages before they're sent, Fisher & DeHaan offer this frame of reference for "levels" of communication:

Level IV Interdependence	<u>I am learning & friendly; others are learning & friendly.</u> There are usually no absolutely right or wrong answers. No human being has yet found the "right" way for all things. We're all constantly learning, growing and trying our best. How can we listen to each other's points of view so we can grow, develop and change together -- even if it's in different directions?	<u>Behaviors:</u> Ask open questions Listen Discuss Then tell
Level III Independence	<u>I am right & friendly; others are right & friendly.</u> Other people have points of view, too. They may be right, but I'll do it my way and they can do it their way. If they work for me, they must do it my way.	<u>Behaviors:</u> Tell
Level II Dependence	<u>I am right & friendly; others are wrong & misguided.</u> I have the truth and other people will find it out when they have the benefit of my superior background, experience and decision making.	<u>Behaviors:</u> Tell Ask patronizing questions Ask loaded questions
Level I Negative relationship	<u>I am right & friendly; others are wrong & hostile.</u> I have the truth and those who disagree with me are stupid. I'll get angry, yell and even hit until people agree with me.	<u>Behaviors:</u> Yell Throw Withdrawal

Using the system, a sr vp realized he was writing Level I memos to a problematic colleague. Consciously altering his language according to the chart, he reported, "It's the first time we've ever gotten a response from Joe." Fisher & DeHaan apply the test to news releases to avoid turning some readers on but others off. Because Level IV communications allow recipients to both agree & disagree, everyone should be able to receive the message.

REVIEW BOARD WILL HEAR PR FIRST AMENDMENT COMPLAINTS

Your First Amendment rights as a practitioner will now be supported by 10,000 of your colleagues through a new review board. Established to review cases where a public relations practitioner reports that his or her freedom of expression has been denied, the committee can recommend PRSA board action -- such as