Opponents reacted by forming the "Steering Committee on Telephone Receivers and the Hearing Impaired," with letterhead & all. Letters went to politicians, newspapers were contacted & they debated the issue with Bell on radio & tv. Even went before Canadian Radio-Television & Telecommunications Commission (CRTC) to demand that Bell

- PR = PEOPLE; ECONOMICS = MATH -

Economists & their approach to life are as antithetical to public relations philosophy as lawyers often are. Writing in a recent Fortune, an academic economist notes that one justification for restricting monetary growth "would be the objective of keeping unemployment higher for longer to reduce wage increases and the core rate of inflation." Those workers & families out there whose living depends on a paycheck are just numbers, apparently. The societal & political outcomes of treating people this way are not figured into the equation -which remains strictly mathematical.

Canada not be allowed to proceed with the receiver. Meetings with Bell, steering cmte & a representative of the CRTC brought an agreement -- Bell Northern Research would attempt to solve the hearing aid/telephone compatibility problem. Meanwhile, receivers were being installed in new telephones.

Three years and over \$1 million in R&D later, no solution had been found. Out of deference to this small but vulnerable public, Bell voluntarily reverted to the old magnetic receivers despite additional cost, even the CRTC had allowed other manufacturers to sell telephones with no requirement for compatible receivers. This issue is now before CRTC with Bell & the hearing impaired jointly insisting that all telephones should have the magnetic field.

As a result of this reactive situation, Bell made a proactive move. "We decided to find out what other telecommunications needs and problems there were in the disabled community -- not just hearing impaired but the visually impaired and those with motion difficulties. So we went out & talked, or more importantly, listened to hundreds of disabled customers tell about their difficulties in using the telephone."

Many changes ensued as a result of the talks. "I believe that any success was largely due to the trust that we had earned with some of the organizations representing the disabled, and the fact that it was a consultative process -- looking for an acceptable answer without any inflexible predetermined corporate position. It resulted in positive acceptance externally," McNeice concluded.

WHO'S WHO IN PUBLIC RELATIONS

SUPPLIERS. United Newspapers, one of Britain's leading media org'ns, will acquire PR Newswire Ass'n effective August 31. Acquisition marks group's entry into telecomns & its first major

investment in US. PR Newswire transmits press releases for 7,500+ news sources to 400 media around the country; fin'l info to banks, brokerage houses & investment community.

pr reporter

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COMPLETE OPENNESS WITH MEDIA POSES AS MANY PROBLEMS AS IT SOLVES SEATTLE-FIRST NATIONAL BANK FINDS WHEN CAUGHT IN PENN SQUARE FAILURE

National attention recently focused on Seattle-First National Bank -- unfavorably. "We were the second largest loan participant with the recently-closed Penn Square Bank of Oklahoma City. We certainly learned from this experience," Arthur Merrick, vp-mgr corp comns, told <u>prr</u>.

Background Seattle-First National Bank is the 18th largest bank in the US with assets of \$11 billion. \$400 million had been loaned through Penn Square to companies involved in the oil & gas industry. On July 5, Penn Square failed. "We became the first bank to announce & quantify our involvement (July 1, 6); to project impact on second & third quarter earnings (July 13); to announce belt-tightening measures, including up to 400 staff layoffs (July 14); and to report two related senior management resignations (July 16). Both our CEO and president held frank, separate interviews with the major dailies in Seattle. Our corporate communications department discussed the issue as openly as possible with national, local and trade media for three solid weeks -- some 300-400 calls. We learned a lot."

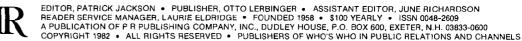
Lessons Of Candor

"In the final analysis, we received fair and balanced coverage of our Penn Square situation. While some of the other involved banks took heat in the media for stonewalling, our cooperation resulted in fair treatment — though not without its own special set of new communications challenges."

Merrick's observations:

- 1. No matter how open and candid an organization & its executives are, you can never seem to satiate the media. The more you tell the press, the more they want from you, day after day even if others involved are saying very little.
- 2. Reporting developments <u>as they hap-</u> <u>pen</u> can lead to day-after-day headlines; it can work against getting the "bad news" out all at once.
- 3. Reporting things as they happen requires speedy employee communications, as staff will read about events in the papers before receiving internal communications. Usage of our telephone Newsline set records for two weeks.
- 4. It doesn't take long to overwhelm top management with the media's demand

- for news. It's necessary to inform them of the opportunities involved in follow-up "perspective" stories -- they shouldn't brush reporters aside as media seeking "more dirt." The company cannot handle all media requests in a breaking national story. Be selective when involving senior management.
- 5. Competition among reporters for leads after the first day or two can become intense, leading to trick questions, threats, use of "informed sources" & "other unnamed bankers."
- 6. When your organization is giving out the news, you can demand fairness and decency by reporters. With a couple over zealous tv reporters, we set advance groundrules about the topics to be covered before they started taping.



HOW NOT TO HANDLE AN ISSUE CAMPAIGN: GOAL IS TO MOBILIZE SUPPORTERS, PERSUADE OTHERS; BE EFFECTIVE. NOT SELF-RIGHTEOUS

Approximately 70% of Americans favored ERA. Even in states where legislatures turned it down, similar figures were reported. A

warchest of several million was raised this year alone, a powerful coalition of unions, churches, civil rights groups & others formed. So why did ERA fail?

Tactics during debate and since defeat of the constitutional amendment shed light on why proponents were unable to mobilize the majority which supported their position:

- 1. Boycotts: In a pressure move, ERA leaders asked for boycotts of states that had not passed the amendment. Conventions were taken elsewhere -- and with them went
- local recognition & publicity opportunities for the cause. Those most affected by this blackmail tactic were the service workers -- waitresses, bellmen, cabbies, hotel employees ... people with little effect on state legislators.
- 2. Demonstrations: While the Illinois legislature sat in its last month of session, supporters chained themselves together & staged sit-ins -- literally tying their hands from working positively for action. An influx of phone calls & letters would have done more to persuade legislators than irate women stretched across state house floors.
- 3. Tantrums: After defeat, "diehards," as one paper called them, drew blood from their arms and defiled a souvenir copy of the Constitution. They sprayed red paint on marble columns at the National Archives and poured more on a female statue. Like similar property

With the ERA in temporary defeat, Ego Forums are turning their attention toward the schools: 1) keeping sex education out; 2) getting voluntary prayer in; 3) stopping teaching of the metric system; 4) ridding textbooks of "feminest influences." Formed to oppose ERA, the group's 50,000-member nationwide organization will keep right on going on these and other topics. It will campaign in support of defense policies of the Reagan administration & against a nuclear freeze. In an ironic way, the Ego Forum is boosting the women's movement. Said one state leader, "Our slogan is we're not going back to our pots and pans -- we're still going to be in the forefront." She added, "The ERA failed because of the radical tactics of its supporters."

destruction in the 60s by anti-Vietnam demonstrators, such tantrums succeed in drawing no one into the ranks but alienating many from publicly claiming "I am an ERA supporter."

In contrast stands Phyllis Schlafly. Her anti-ERA arguments were strained, many proven to be factually incorrect or even ridiculous. Yet her Ego Forums had (& have) a way of expressing thoughts that captures feelings. Schlafly's plea against sex education employs the association method: "Sex education should be taught like driver training -- you can't do it until you're the right age and get a license."

Several sources report that ERA leaders, particularly Eleanor Smeal of NOW, consistently rejected such proven techniques as well as professional public relations advice. Practitioners & ERA supporters can learn an important lesson from Schlafly: that opinions & attitudes don't count unless there is a willingness to transfer them into positive political behavior. And, as Edward L. Bernays has long argued, the first rule is "don't stiffen the resistance."

(Every time prr has written on ERA, we get impassioned but non-sequitur letters from its supporters. For the record, the entire staff here strongly supports equity for

women & this article was written by a committed "feminist" -- who thinks that word may be part of the problem.)

PRACTITIONERS NOT PRESENTLY TRAINED TO COORDINATE ALL LEVELS, TYPES OF MESSAGES, BUT MUST BE IN FUTURE, SAYS HORTON

August 9, 1982

Successful organizations recognize that their own weight inhibits communications. "Corporate communications has many components, but just

Employees go by line-of-sight supervi-

sor, then by their understanding of the

rule, then by the book and lastly, and

least of all, by what the CEO urges

them to do. "After all, who is the

CEO but a distant, remote figure with

little relevance to what one does day-

two objectives: 1) to move someone to act according to someone else's wishes and 2) to supply information for proper decision-making," explained James Horton, Robert Marston & Assocs (NYC) at the World Future Society's 4th General Assembly on "Communications And The Future." He emphasizes the need to re-examine communications philosophically from a total organizational viewpoint.

Included with messages which communicate an organization's functioning needs are messages about the organization's goals. These may or may not be stated. "They should be harmonious with the tens of thousands of messages moving through the organization but frequently they aren't. They should

direct the development and flow of all other messages, but too often they don't."

Horton calls them "strategic communications" -- messages that ask & answer

- 1) "who we are & who we wish to be," 2) "how we perform & how we wish to operate," and 3) "why we do what we
- 'do." Strategic communications supplies or modifies assumptions through continuous transmission to and from all

of its parts. Most frequently, the strategic message does not dictate actions, but

helps personnel decide how to adapt the organization to change.

Credibility of the message depends on stubborn, prolonged management insistence over a period of years which drives the message into the depths of the organization. This stubbornness defines the organization's "essence."

to-day?"

Horton feels that today's communicator is not trained to help the CEO seize the many media that an organization has to send messages. These include: 1) measurement, 2) accounting, 3) compensation, 4) training, 5) newsletters, 6) tv. "We are not wellqualified to coordinate the many levels and organizational messages into a unified whole for the CEO nor do we have the real leverage to pull the disparate elements together." The future organization, however, will need public relations professionals at its core with "wide skills and understanding who can cross all departments to implant values relentlessly in languages each section understands." (For copy of speech write prr.)

FORCED TO REACT TO AN UNEXPECTED ISSUE. BELL CANADA SUBSEQUENTLY UTILIZES PRO-ACTIVE "CONSULTATIVE PROCESS"

"A hot room, jammed with people representing 21 deaf & hearing impaired organizations, some of whom were hearing impaired themselves, listened to a Bell engineer

describe how a wonderful new receiver, good for the majority of customers, might adversely affect hearing aid users. Well, to put it politely, there was 'no sale.' They simply said to us, 'Don't change the damn receiver,'" John McNeice, dir, pub & environmental afrs, Bell Canada, recited case at CPRS National Conference.