

MGMT TRAINING, "KNOWLEDGE AS CAPITAL"
TOP 8 UNIVERSAL ISSUES IDENTIFIED
BY BANACH'S ISSUES ANTICIPATION GROUP

Issue anticipation identifies trends that could affect an organization. This buys time to anticipate change, shape developing trends & manage response. Bill Banach

heads an Issues Management Team that watches trends in education. Several of those identified have universal application:

1. Management training. Biggest challenge ahead is to recognize that the role of manager has changed to that of coach, mentor, colleague & facilitator.
2. Knowledge as capital. Thinking, problem solving will be emphasized; educational resources will become increasingly precious commodities.
3. Repositioning. Like businesses, schools & hospitals et al need to develop programs -- often in collaboration -- that let them become the resource in their field.
4. Value-induced policy reversals. Both ultraconservatives & liberals have pushed too hard and lost public sympathy. Baby boomers' activism & influence are enhanced by financially rewarding jobs. Institutions will feel the impact of these changes.
5. Overqualified people. Presents a major challenge to educators & employers. How can they be helped to lead fulfilling lives while working in non-fulfilling careers?
6. Liability. Everyone is sued over everything (see prr 2/24). Often we make our opponent's case, e.g., research on effectiveness of schools provide data which give attorneys clout when they represent clients who believe they graduated without appropriate skills.
7. Stress. Unprecedented technological growth, fragile economies & changes in societal values are "burning out" students & everyone.
8. Emerging competition. Educators, hospitals, other agencies must respond to the needs of the marketplace, switching from a public service to a competitive mode.

Issues Management Team presents seminars, publishes briefing papers, has a hotline for up-to-date info on trends: 313/286-8800, ext. 228. (For copy of "Top Issues," send SASE to Banach, Macomb Intermediate School Dist, 44001 Garfield Rd, Mt. Clemens, Mich 48044)

ITEMS OF CONCERN TO PROFESSIONALS

Fall of Philippine President Marcos brought publicity once again to the role of "pricy Washington flacks" (as Mary McGrory calls them) in representing foreign gov'ts. While these firms label themselves public relations -- and some are -- the major skill they seem to offer is political connections. Black, Manafort, Stone & Kelly got \$900,000 from Marcos. McGrory asks: "Did the firm advise Marcos to go for it and never mind the niceties? Or did the advisors content themselves with getting him on 'Night Line'?" This raises the old question of connections vs. professionalism, with a strong ethical element unavoidable in the equation.

Utilities are no longer required to include in their billing envelopes messages from grassroots org'ns (prr 3/12/84), according to a 5-3 US Supreme Court decision. Ruling extends the holding that corp'ns have constitutionally protected rights of free speech and recognizes a limited corporate right not to be forced to disseminate the views of others. A victory for utilities. A setback for watchdog org'ns whose messages -- frequently fundraising appeals -- were being distributed.

pr reporter

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"WHETHER WE LIKE IT OR NOT, VIDEO IS THE MEDIUM OF CHOICE FOR PEOPLE WHO ARE AFTER INFORMATION"; HOW ONE ORGANIZATION IS LEADING IN VIDEO USE -- AND PLANNING ITS FUTURE

Pacific Gas & Electric (SF) vp corp comms Grant Horne is motivated by polls showing 67% of Americans get their news from video. College grads spend 39 hrs & 45 mins in front of a tv set each week.

In '76, PG&E's video capabilities included 2 cameras & a switcher and 1 employee to run the equipment. Today the facility includes:

- a) 31 employees in video, slides, photography & graphic design work-groups;
- b) equipment valued in the vicinity of \$2 million;
- c) 100 video programs produced last year and
- d) 15,000 copies duplicated & distributed to
- e) 350 PG&E video centers;
- f) every PG&E facility of 9 or more employees has at least 1 video center -- monitor & tape recorder;
- g) 4,000 hrs of locally broadcast tv news & info programs were monitored last year;
- h) relevant material was played back on the utility's in-house system the following morning.

FUTURE PLANS In 1987, PG&E proposes to build a multi-million dollar media arts center at hdqtrs. By 1989, it anticipates using fiberoptics & satellite to transmit signals live throughout most of its system. And all at no increase in manpower. "One of the changes in utilities is a leveling of staff. We are learning to do more with the same number of highly skilled people properly equipped," explains Horne.

VIDEO NEWS RELEASES "We're one of the first corporations in this market to do video news releases," Marilyn Beret of PG&E's news svcs dep't told prr. "They're successful. About half get picked up by the stations we send them to." Some are recut. Some appear as sent. Depends on the subject, how it fits in with that market, and the news traffic, she explains.

"Today most of us are doing programs on videotape. Tomorrow we will be doing live programs, every day. We will be helping our companies conduct teleconference meetings daily. In the next few years, we will see a staggering growth in the training and information applications of interactive video," believes Horne.



Beret looks for subjects that have broad interest. Does environmental features as well as breaking news -- "we provide tape on a same-day basis." She uses a hard-news approach, much as the station would.

Tape's audio channels are split, providing 2 sound tracks. One track carries her voice. The other, the natural sound of the scene. Station's reporter can remove hers and "lay another voice down on the tape." Video is done so station can recut, rearranging the pictures. Entire package is made "as flexible as possible."

Beret offers this advice to org'ns planning to do video news releases:

1. "Biggest mistake is to compromise on technical quality. It has to be even better than what the station can do itself."

2. "Don't let it look like a commercial. That gives video news releases a bad name. It should be real news presented in a forthright manner."

PG&E also has an "extensive stock-tape library" available to the media. Because of security policies at some facilities, media can't get in to film. "So they call us for the film they need."

CUSTOMERS WANT PERSONAL ATTENTION;
BANK USES EMPLOYEES IN COMMERCIAL
BOTH TO EXPRESS & OBTAIN COMMITMENT

Too often banks make customers feel like numbers rather than individuals. They like the idea of a personal banker. This is what First Interstate Bank of Albuquerque found

in its survey of customers. As a result, bank is positioning itself with the umbrella theme: "We'll take care of it personally."

HOW THEY
MADE IT WORK

A. Employees are directly involved. "We filmed a commercial using 150-200 of the bank's employees," Tami Clark of Cramer-Krasselt (Phoenix) told prr.

B. To prepare the employees, teasers were sent out a couple weeks in advance telling them about the commercial, their part in it, what to expect, what to bring.

C. Filming was done on a Saturday.

D. Daycare was provided.

E. A motivational speaker was brought in that morning to talk to employees about what service means, how to relate to customers as well as to key them up for the commercial.

"By taking part in the commercial, our employees made a commitment to 'take care of it personally.' Having made it, they want to honor it. That's what we hoped would happen," Sam Kendrick, bank's vp mktg, told prr.

F. 8 employees had individual lines. Others were in group shots.

"Including the employees was a way of saying, 'You're putting yourself on the line making this commitment. Now you have to go back & make it work.' It doesn't matter what you do to promote personal care. Unless employees are actually doing it one-on-one with the customers, it's not going to work," Clark explains.

Employees are "enthusiastic." Customers are coming in saying they saw them on tv. Morale is high. "They're feeling the bank teller is just as important as the senior vice president."

Bank's other employee participation & recognition programs include: 1) honoring employees by giving them something to wear or to put at their work stations which tells why they're 1st rate -- "a public expression of this person's value to us"; 2) seeking employees' suggestions in its "Consider This" program; 3) recognizing employee of the month & 4) of the year.

INDEPTH STUDY OF PR OPERATIONS IN ONE CITY
REVEALS BUDGETS UP OR STABLE, CONSULTANTS USED OFTEN

Use of pr firms or freelancers to assist internal pr dep'ts is high. 3/4ths

of 48 organizations studied use outside help. Of these, half regularly allocate money in their budgets to pay for consultants. These are findings from a survey done by Larissa Grunig, ass't prof, Umd (College Park) on public relations operations in Washington, DC. Open-ended questions were also asked about the size of pr budgets & their comparison to the previous year's figures (see prr 1/27).

Grunig surveyed 2 practitioners in each of 48 org'ns. "My sample was drawn from all kinds of organizations -- governmental, profit making, associations, pr firms, nonprofits, etc. These were all sizes, ranging from very small (fewer than 100 employees) to the very large (more than 10,000 employees)."

Lowest amount regularly allocated for consultants is just under \$500. Highest is \$550,000. Average is between \$25,000 & \$50,000.

Budget For PR Consultants	%
Less than \$500	6
\$500 - \$4,999	25
\$5,000 - \$24,999	25
\$25,000 - \$50,000	19
Over \$50,000	24

Tho 25% never hires outside help in pr, 25% does so at least once or twice a year. 50% uses consultants at least occasionally with 14% of them hiring pr firms, freelancers on a regular basis.

Budgets range from \$3,500 to \$2.5 million yearly. Average is \$400,000. 3 are over \$1 million. Interestingly, "more than half of all respondents didn't answer this question," Grunig told prr. Reasons include, a) many don't know, b) can't separate out pr budget because it also includes adv'g, marketing, c) it is organizational policy not to divulge dollar amounts.

Size Of Budget	%
Under \$5,000	4
\$5,000 - \$79,000	6
\$80,000 - \$399,000	9
\$400,000 - \$800,000	15
Over \$800,000	5

Even with uncertainty over size of budget, most "have a good feel whether it went up or down," reports Grunig.

Budget Compared With Last Year's Figures	%
Smaller	10
Same	40
Larger	30

Size of dep'ts vary. More than half reports fewer than 5 people. 5% employs more than 50 people. Another 5% reports between 26-50 pr staff.