

1987 BRINGS NEW CONGRESS, NEW LEGISLATURES, NEW CONCERNS;
TIME TO UPDATE YOUR ISSUES LIST, SEE WHAT OTHERS ARE DOING

"The societal concerns of yesterday... become the political issues of today... the legislated requirements of tomorrow... and the litigated penalties of the day after," is how issues philosopher Ian Wilson (SRI, Inc.) explains the necessity for strategic planning & issue anticipation. Public affairs counselor John Paluszek (Ketchum) invites comparison with his list of 1987's major emerging issues:

1. Competitiveness of companies in the global economy.
2. "Corpocracy" -- the slimming down of organizations.
3. Workforce issues -- job stress, comparable worth, early retirement, healthcare benefits.
4. Disinvestment II. It's working in South Africa. Will Korea, Taiwan and Chile be next? Maybe even Northern Ireland?
5. Plant closings and their effect on community relations. The Metzenbaum bill, calling for extended advance notice before closing a facility, may see new life.
6. Product recalls. This used to relate to defective products only. Now there's a national psychosis on product tampering, even extortion related to the threat of tampering.
7. Macro-environmental issues. Ones that seem to require broad cooperation regionally, nationally, even internationally. Acid rain. Hazardous waste. Ozone depletion.

List varies widely from issues reported as hot in '86 to pr's Annual Survey (see pr 12/22/86). Is change in the wind?

Paluszek asks: "If you're planning for the resources you'll need a few years down the pike -- capital, plant capacity, marketing organization, R&D -- how can you not plan on two of the most important aspects of your future, people & issues?"

Issue anticipation can be broad in scope -- or as practical as lining up help you may never need, just in case. Amateur video footage of a Labor Day weekend riot gave Huntington Beach police the evidence needed to make 12 arrests, as well as a composite video showing a full account of the events.

Anticipating similar needs, Pasadena Police Department asks, in a newsletter put out by city manager's office, for local amateur photographers to identify themselves: "Please let 'In Focus' know if you are an amateur photographer who typically films Pasadena's large public events. With luck, we'll never need to call on you. But it would be a comfort to know you're there."



WHAT ARE ORGANIZATIONS DOING
TO DEAL WITH SOCIETAL ISSUES?
INSURANCE INDUSTRY GIVES 14TH REPORT

For 14 years the insurance industry has presented its "Social Report" -- analyzing what life & health carriers are actually doing to mitigate social concerns. It's the first & still the "only of its kind" & therefore a benchmark.

All-time high of 416 companies participated -- 74 more than last year. Dollar donations, employee involvement, corporate social policies & in-kind gifts are included. Report also records another new high, \$115-million contributed to social & community causes. The striking fact is how closely "insurance companies' efforts mirror the priorities of today's society," says John Pearson, chrm, Comte for Corp Public Involvement. Report is useful tool for issues managers, researchers, donors & fundraisers. Some highlights:

COMMUNITY PROJECTS BY REGION -- 1985						
Types of Projects	Total	NE	NC	S	W	Can
Arts & Cultural	82%	85%	83%	86%	47%	88%
Student & School	79	85	73	88	73	63
Youth	75	75	76	76	60	100
Local Health	74	90	72	69	40	100
Neighborhood Improvement	68	78	69	63	47	63
Race Relations	50	68	47	52	33	13
Handicapped	49	63	51	35	27	88
Drug or Alcohol Abuse	46	48	44	46	40	88
Hard-to-Employ	40	68	38	29	27	13
Senior Citizens & Retired	38	53	33	31	47	50
Safety	37	40	38	33	27	63
Hunger/Homeless	34	48	34	22	33	38
Crime Prevention	29	33	32	27	20	-
Housing	28	58	26	12	13	25
Transportation	20	23	15	25	20	38
Day-Care	19	40	16	6	27	25
Anti-Pollution	18	30	16	8	13	38
Other	18	13	20	20	13	25
AIDS	8	5	5	10	27	-
(Companies Reporting)	(398)	(114)	(154)	(89)	(29)	(12)

¶Community Projects Still Tops: 96% of companies reported involvement. Greatest activity centers on arts & cultural programs, student & school activities, local health prgms, youth activities, neighborhood improvement. A new category -- hunger & the homeless -- received substantial support from all regions, with the Northeast leading.

¶Contributions Policy Changing: Education continues to receive the largest share, followed by United Fund and Urban/Civic Affairs. One interesting development: "A new corporate philosophy of giving may be taking shape. Many companies are describing innovative policies designed to make contributions not only more effective but also more accountable. Staff advisory committees which seek out new & imaginative projects are increasingly at work."

¶EEO Coming On Strong: Promotion of both women & minorities is steadily increasing. In '85, women got 3/4ths of all promotions, minorities 20%. White males received 5% of all promotions to professional positions last year.

¶Environmental Concerns Hold Steady: 23% have environmental impact programs or procedures in place, primarily to guide their substantial investments. Northeastern

& Canadian companies are more likely to report energy conservation policies & procedures.

¶Voluntarism Continues To Rise: 56% have policies encouraging employees to volunteer. Almost 400,000 hours of employee time on either loaned or released-time basis were provided to community programs or groups.

¶Social Investments Pattern Changes: Sharp increase in funding commitments to hospitals, decline in multi-family housing reversed long trend.

¶Health & Wellness Endemic: 96% have health & wellness programs for employees and/or public. Over half have non-smoking policies for their offices. By year end, task force on AIDS had given grants for research, public info & education.

PEOPLE ARE LIKELY TO DONATE MORE TO CAUSES
WHEN ASKED FOR LESS, RESEARCH REVEALS;
CAN BRING IN 20% MORE

It is more effective in general than asking for large amounts, say psychologist James Weyant & researcher Stephen Smith. They compared three styles of soliciting -- 1) standard, 2) standard plus the words "even a penny will help," 3) standard plus "a generous contribution would really help" -- in a fund-raising campaign that included 300 door-to-door requests and 6,000 mailers.

In the mail campaign, 2nd style worked best. Those who were asked for small amounts were a) more likely to give, and b) they gave no less than the average contribution. 3rd style seemed to discourage givers, didn't increase the amount from those who gave.

The "even a penny will help" request didn't work as well door-to-door. Reason, say researchers, is because volunteers happened to knock on doors of higher income homes, weakening effect. Still, they affirm its use in both mail & face-to-face encounters. "If regularly used to solicit donations, a charity should expect a 20% increase in the total amount of money obtained... the implications for a nationwide campaign are dramatic.

"It works," says one NPO. Eastern Paralyzed Veterans Ass'n (Wilton, NH) has used the strategy "over the years, and it works better than asking for large amounts," a spokesperson told pr. Amounts EPVA suggests on its mailer are \$5, \$3, \$2, \$1.50. But EPVA doesn't use it with just any list. "Depends on recency, frequency and amount of their giving history."

NAME CHANGES MARCH ON, FOR MANY REASONS;
SOME SOUND VERY ODD... BUT APPARENTLY WORK

1986 name changes registered highest ever at 1,382 -- 33% increase over previous year's 1,041. Dominant reason was mergers or acquisitions -- 781 cases, or 57%.

In the Burroughs - Sperry merger which became Unisys, mgmt selected a name to show the relationship was a partnership rather than a takeover. "New names can instantly focus attention on a promising future rather than the past," says Joel Portugal whose firm, Anspach Grossman Portugal (NYC), initiated the study.

250 changes were for strategic/communicative reasons -- to correct false impressions, signal a change in strategy, reduce limitations to future growth, strengthen

marketing efforts. Examples include 1) USX, changed from US Steel to signal reduced importance of steel in its business mix; 2) formal adoption of its street name, Contel, by Continental Telecom, to simplify communications. "There is increasing recognition among executives that names & identities are manageable assets -- tools, like any other business tool, that can help get you where you want to go."

Bank's Name Change Harlem
Proves Profitable Savings
Bank met

with resistance in 1983 when it attempted to expand into Long Island. New building's plate glass window had to be replaced 7 times because people threw bricks thru it. "The message coming thru to us was that the name Harlem Savings Bank was unwelcome in the suburbs," explains chrm Jerome McDougal.

Demographic studies of bank's depositors showed most of its customers would be dead by 2000. To survive, bank has to attract younger people. Since it is largely a retail bank it needed a retail name. With the help of Selame Design (Boston), new name was chosen -- Apple Bank for Savings. Idea is based on NY's nickname, the Big Apple.

Mgmt realized change meant more than graphics. "In order for this name change to be successful, everybody who did business with us had to know that the institution itself had changed. Our customers had to perceive a difference in what was happening."

3 months before the change, a customer-relations training program was instituted, called Apple Source. Thru role-playing, videotaping, discussion groups & brainstorming, employees learned how to tell customers about the bank. Program is now a cornerstone to almost every other program within the bank.

Name change cost less than \$100,000 -- including all of the graphics & storyboards. Within 10 weeks, total deposits went up 10%.

----- HOW DO YOU FEEL ABOUT TRENDS IN NAMING? -----

As a practitioner & consumer, do you think USX, Unisys, Numerica, NYNEX & other "modern" names effectively represent their organizations? What good & awful examples stick in your mind? prr wants to take the pulse of professionals, because altho there is a going trend -- some predict a switch back to meaningful, dignified names. Will it happen? Why or why not? Let us

know how you see this important aspect of the applied psychology of public relations.

"When we first changed the name, I remember very vividly being laughed at. Basically, most of the criticism -- internal as well as external -- was that Apple Bank wasn't a very dignified name compared with the names of other banking companies," McDougal writes in January "Across the Board."

<u>Name Changes by Industry Group</u>			
	<u>1986</u>	<u>1985</u>	<u>% Change</u>
Manufacturing & Industrial	346	216	+ 60
Banks & Thrift Institutions	277	294	- 6
Other Financial Institutions	165	115	+ 43
Communications	100	29	+245
Technology	82	52	+ 56
Energy	72	73	- 1
Food, including Fast Food	70	50	+ 40
Retailing	57	25	+128
Healthcare	42	28	+ 50
Transportation	29	19	+ 53
Miscellaneous	<u>151</u>	<u>140</u>	<u>+ 8</u>
Total	1382	1041	+ 33