

- By being on site, you "get very close to the client's business, you know all the political issues internally & externally. It gives you an opportunity to be one & the same with your client. It's a true **partnership**," explains Johnston.
- There's a **cost savings** to the client, Butler reports. "If we're doing spot duty, we have hourly rates. When we put a person in fulltime, the client usually will pay all the cost of the salary plus a negotiated fee on top -- which is less than the hourly rate."
- It gives clients a better **understanding of available services** from the firm. The leased professional attends staff meetings & can advise during decisionmaking how the firm can help. "It speeds up procedures & is usually more cost effective," Butler explains.
- Client **reduces head count, avoids pension liability & healthcare benefits**, "all those issues related with the cost of employment," notes Skutski.

**NEGATIVE** ● "You begin to get a bit **too reactive**. You get too much like an insider & not enough like an outsider. Instead of counseling, you're reacting to the client's needs. Sometimes when you have to react quickly on a day-to-day basis, you miss that bigger picture," advises Johnston.

- Leased employee "gets **removed from the mainstream of the firm's business** which may have disadvantages for his or her career path," notes Skutski. "The service needs to be run as a special business or department -- a temporary professional employment agency. Bringing in people who want to do that. Because that's where you have a conflict. Once they're done, they expect to move into the other work at the firm. But after being on assignment for 2 yrs, a lot happens. Prior to the project, both parties (account exec & employer) need to deal with the issue of what happens when the project is done."

### CAN SHARPER TERMINOLOGY SORT OUT OVER-MEETING PROBLEM?

As organizations become more participative & team-oriented -- which is happening even if this issue's lead article is right about rising anti-people attitudes -- the result is more & more & more meetings. 3M says Corporate America wastes \$37B/yr in lost productivity due to meetings (pr 6/6). It's a great opportunity for pr pros to establish protocols & meeting process guides in order to recoup some of this money (pr 7/11).

**Could the growing resistance to even necessary get-togethers be because we apply the term "meeting" so broadly?** Supposing we more carefully sharpen the semantics to differentiate the purpose, for instance:

- |                    |                          |
|--------------------|--------------------------|
| ● Decision meeting | ● Training session       |
| ● Update meeting   | ● Q&A session            |
| ● Team meeting     | ● Strategy meeting, etc. |

Of course, staff meeting, weekly meeting, informational meeting are already used -- and these are the ones that often go off the rails. Still....

## WORKERS AREN'T BUYING FLAVOR-OF-MONTH MANAGEMENT FADS

New survey shows result of one-after-another fad programs being thrust upon employees: organizational change is not being communicated in a way that can be heard (see pr 5/9). Proposed solution: pr pros need to facilitate meaningful, 2-way communication between top execs & workers so organizational goals can be achieved.

*House Divided: Views on Change from Top Management -- & Their Employees*, by mgmt consulting firm Kepner-Tregoe (Princeton, NJ), finds:

- **Confusing overkill.** In the last 5 yrs, 89% have undertaken 6 or more initiatives to improve organizational performance!! In the last 18 mos, 63% have undertaken 3 or more initiatives. "Executives are on initiative overdrive, and workers are feeling victimized. What's in play is a kind of cascading effect, as initiative upon initiative is piled on down thru the org'n," explains T. Quinn Spitzer, Jr, K-T's CEO.

● **Management is kidding itself about results:**

Initiative did not meet expectations	Positive Effect of Initiatives	
	Execs	Workers
Empowerment/ involvement	5%	21%
Culture change	8	25
Performance systems changes	9	27
Developing skills/ competencies	4	13
Productivity improvement	5	13
Restructuring	4	20
Downsizing/cost reduction	8	16
Total quality	6	16
Profitability	67%	43%
Quality	64	44
Customers satisfaction	60	40
Competitiveness	60	36
Internal systems	33	22
Organizational structure	52	27
Workforce skills	44	24

- **No buy-in.** Employees are largely cynical about initiatives, & execs know it. Employee morale, say execs, is: better (37%), same (36%), worse (27%). Employees' reaction to initiatives, according to execs: 3% resistant, 48% skeptical, 13% neutral, 31% positive, 5% enthusiastic.



- **Old people-don't-matter attitude.** "Despite this awareness, execs have few plans to address the human side of their org'ns. Instead they are choosing to focus on short-term profitability, shareholders & customers." Focus of major initiatives planned for next 12 months: process reengineering (31%); quality/TQM (13%); reorganization/restructuring (12%); systems/MIS/etc. (11%); customer service (11%); **teams/involvement/empowerment (9%)**; downsize/cost reduction (8%); **employee/leadership training (8%)**; manufacturing/delivery (7%).
- **Lack understanding of how people drive improvements.** In the next 12 mos, execs hope to: reduce costs, improve profitability (32%); improve customer service/satisfaction (26%); improve efficiency/systems/processes (17%); **improve decisionmaking/involvement (14%)**; improve competitiveness (13%); improve quality (10%); **all other people objectives (4%)**.

Spitzer names Chrysler's machine-&-forge facility in New Castle, Ind. as an example of "what can happen when you harness human intellect, judgment & experience." Illustrating its turnaround, defective material on parts shipped dropped nearly 70%. Within 3 yrs of its transformation effort, the plant converted a \$5 million a year deficit to a \$1.5 million annual profit.

**PROCESS VS. PEOPLE?** "Executives are spending millions of dollars to create Year 2000 business processes. But they're inserting these processes into a workplace built on 1950s assumptions about what motivates employees & how they can contribute to the organization. They're forgetting systems & processes don't drive change. People do."

Rhetoric (dishonest, at that) about "people being our most important asset" won't build the needed relationship with employees. Actions are required. Spitzer recommends 6 key ones:

1. Articulate & commit to a **common set of values**;
2. Provide direction & a **strategic context**;
3. Establish a **social contract** between the org'n & its employees outlining mutual responsibilities;
4. Design the right **performance environment**;
5. Build **infrastructure** that supports knowledge & info sharing;
6. Create a **learning environment**. "The results these org'ns achieve speak for themselves."

**ONE CAVEAT** While in some ways these findings meet the "feels right" test, response rates are a caution. 3500 sr execs in North America were surveyed by mail in late '93; 182 responded. Follow-up survey of 3000 non-exec employees was done in early '94; 198 responded. Some evidence suggests execs are more committed to the human face of the org'n ... are these only the leading edge managers? Or is this research wrong?

## DONOGHUE'S REMINISCENCES PUT HUMAN FACE ON PR IN CANADA

After 50 years in public relations, serving in Canada's military, public & private sectors, Jack Donoghue (FWJ Communications, Calgary) has documented his professional challenges in PR: *Fifty Years in the Field* (Dundurn Press, Toronto). Result is a series of case studies & a view of pr in Canada. One example:

- Donoghue's assignment during Manitoba's 1953 polio epidemic was to keep newspapers, radio stations & wire services informed about army activities. In the midst of a severe shortage of nurses & hospital staff to care for the increasing numbers of patients (which was regularly published but with little effect), Donoghue's daughter became ill with polio. "Seldom, if ever, will a pr practitioner be involved in a project that becomes highly personal. When it happens, you work with an intensity you never believed you could achieve."

To increase awareness of the nursing shortage he recommended the media visit the hospital to see for themselves the effects of the shortage "and then report the complete picture." The physical risk to participating journalists was told to each individually. No one dropped out. They saw first hand & told a personal story beyond statistics, accomplishing the purpose of the media tour. Large numbers of retired nurses volunteered. "News releases could never have achieved the same result."

## "LEASING" PR FIRM STAFF TO CLIENTS IS BECOMING WIDESPREAD

Survey of IPREX members -- a pr firm network -- notes leasing involves putting pr firm professionals inside a client office. Usually with a time limit -- 3 mos, 6 mos, 1 yr, 2 yrs. As old Byoir firm did for years.

"It's part of corporate downsizing," Karl Skutski, Skutski & Assocs (Pittsburgh), told prr. The trend is for organizations to staff only the basic functions needed to run the company, farming out more & more support functions. Filling this need is an opportunity for pr firms. "It's one more tool in the toolbox in terms of a pr firm providing full service to its clients," David Butler, Marshall Fenn Limited (Toronto), told prr.

**ADVANTAGES** ● "We have one employee currently with KPMG Peat Marwick -- Canada's largest accounting firm. It gives that person **quick access to internal records**. Our primary task is to create opportunities for articles. Somebody on the inside is better able to dig out information & interview people to create them," explains Butler.

- "We have two clients who went thru **staff cutbacks & hiring freezes**. They had lots of work to get done & felt the only way to accomplish that was to have people on staff. So they came to us knowing we know their business. We put people on site for them," Gwin Johnston of The Johnston Wells Group (Denver) told prr. "We have one woman who works almost 75% of her time at the client's office. She has a couple of other client responsibilities that she tries to execute also. We have another person who works 100% on a single client. For a small firm, that's a lot."