

- ◆ "As is the case with most labor unrest, you can probably find fault everywhere. But at the end of the day, we're the managers who are paid to manage this company."

How often do you hear such candor & understanding from senior managers?

2. **ACTING LIKE KINGS KILLS ALL RELATIONSHIPS.** Delta Air Lines CFO Warren Jenson's 3 kids & a buddy, travelling on free passes, caused a flight to be delayed half an hour, were then escorted into first class -- bumping several paying passengers. Tho he apologized, reimbursed the ticket cost & gave up his own free pass for 6 months, will this symbolic com'n ever be lived down?

- ◆ But he's considered such a good fin'l ofcr that rumors of his dismissal -- which caused Delta's stock to drop 5% -- were quickly denied by the CEO. The old "our mgmt team is so good no one else could possibly do what we do" attitude.
- ◆ That symbolic message should be remembered next time you're in a cramped seat, with lousy or no food, at very high prices. It tells precisely what mgmt's attitude is toward customers -- despite the ads & lofty rhetoric.

ITEMS OF IMPORTANCE TO PRACTITIONERS

¶ **Internal com'ns isn't just internal anymore, suggests Ken Pease** -- Navy's only 2-star admiral to head pa & now vp-comms, General Dynamics. It's as tho every internal memo should be written as a press release since once info is out there today it's fair game for external audiences.

¶ **PRSA Int'l Section launches Web site.** Located at www.international.prsa.org, site features password-protected membership directory, links to pr prof'l societies around the world, monthly feature on doing business overseas. Other services include info on upcoming events, electronic versions of *WorldView*, the section newsletter, on-line membership registration & access to info via a search engine. Tho site is being launched in English, it will soon be available in Spanish, French, German, Portuguese & other languages.

WHO'S WHO IN PUBLIC RELATIONS

HONORS. Hans Johnsson, consultant, (Greenwich, Conn) & Peggy Pavlich, prof, Northern Ariz. U, awarded 1st prize from IABC for a paper on non-material assets & pr's role in creating them.

MEMORIAL. Jack S. Hardy Leadership Lecture & Scholarship Fund established by Hill and Knowlton in memory of co-dir of its US Health Practice. Lecture series, co-

sponsored by Society of Healthcare Strategy & Mkt Development, will be part of its annual conf. Scholarship will go to a U Fla student interested in healthcare.

DIED. Leader of int'l pr profession in NYC, Norm Weissman, of cancer at age 74. Pres of Ruder Finn for 17 yrs, where he was top foreign specialist.

NON-TRADITIONAL SCHOOL PROGRAM BECOMES MARKETING SUCCESS

Campaigns to schoolchildren are tricky today -- & must be both win-win & very good to get approval. When Linkenheimer, a Santa Rosa (Cal) accounting firm, developed a basic money mgmt program for kids as a community service, it generated unprecedented visibility for the firm & a "hipper" image.

- "We wanted to do something that would set us apart from other firms & we wanted to create a name for ourselves by doing something unique," Steve Miksis, who developed the program with two co-workers, told pr.
- It took a year & a half to develop the program, including interviewing teachers & principals & testing the program in area schools. "The kids love it," Miksis notes.
- Called **\$KIDDACCOUNTS**, the program is targeted to 3rd-6th graders. Firm employees -- from CPAs to administrative staff -- teach the 3-week program.
 - Using an oversized dollar bill cut into four pieces, the staff member shows students how to save money for different activities
 - Each child receives an illustrated workbook featuring a cartoon character called Lester Lynx. Lester helps drive home the message that saving before spending is smart
 - A key to making the program work: the adults have an honest conversation with students about money, what makes a smart consumer & how advertising affects buying habits
 - Homework materials require the kids to do some comparative shopping at local supermarkets or the mall

LECTURING DOESN'T WORK WITH KIDS

A factor in **\$KIDDACCOUNTS'** success was creating a face-to-face dialogue with students. The visiting staffer sits down in a chair at the kids' level & has a conversation about money. **What didn't work:** acting like a professional, standing in front of 4th graders & lecturing them about what to do with their money.

- Miksis & his co-workers also discovered that it was difficult for many CPA types to stand up in front of a class of children, even tho they might be comfortable speaking to large groups of adults. "I told them to just be themselves. The children feel special just because someone from outside the school is coming to speak to them."



OTHER PROGRAM BENEFITS:

- **Increased visibility.** Prior to \$KIDDSACCOUNTS, Linkenheimer was respected, but didn't have a distinct image. Now the firm is known as "the guys who teach kids about money"
- **Interest from other implementers.** Publicity generated inquiries from other accounting firms -- even a local bank -- wanting to know how they could start a \$KIDDSACCOUNT program in their schools. Linkenheimer trademarked the program & developed a way to "sell" it to other firms with a caveat: the program had to be implemented just as Linkenheimer designed it -- as a community outreach program, not a marketing program. Currently 9 firms around the country are implementing the program. This fall, there'll be an additional 20.
- **Improved employee morale.** Staffers share their classroom experiences & laugh more. Miksis credits the firm's partners with being open to new ideas generated by employees. "It's made a good firm an even better place to work."
- **Built relationships with different constituencies.** Thru \$KIDDSACCOUNTS, Linkenheimer created relationships with students, teachers, other accounting firms & even biz students from a local college who are now teaching the program in grade schools. Now when Linkenheimer recruits on campus, seniors know who the firm is & what it's doing in the community.

"It takes a firm with vision that sees beyond the billable dollars that there's not a measurable return on this investment," says Miksis. "It's a long-term commitment to the community."

Future plans including introducing \$KIDDSACCOUNTS to high school seniors. Seniors would go through the same program as 4th graders, but will then be trained to teach \$KIDDSACCOUNTS to younger students. This will provide mentors for students (Linkenheimer employees take seniors with them to their own school presentations) & get them involved in community service. (More from Miksis, 707/546-0272; www.linkcpa.com)

COMMUNITY RELATIONS BECOMING MORE STRATEGIC BUT COMPANIES ARE CONTRIBUTING LESS \$\$

Annual study of issues & trends in community relations shows that companies continue to consider community involvement a strategic activity. This is countered by a decrease in the percentage of companies making contributions & offering volunteer programs, finds *The 1997 Community Relations Index*, from the Boston College Center for Corporate Community Relations.

- Change is attributed to (a) the increasing number of companies managed outside North America & (b) a growing sample of medium-sized corporations.
- **Global community involvement is nonetheless a significant issue.** 62% of respondents have multinational operations; 42% have established community relations programs in these international locations
 - **Support for community relations among CEOs & senior mgmt continues upward.** 47% say CEO support has increased in past year; 40% have seen

their CR budget increase (18% experienced a decrease); 26% had an increase in CR staff

- **Companies continue strong tradition of giving but at lower rate** than in '96. Nearly all (96%) make charitable contributions (down from 97% in '96); 92% donate in-kind services or products (down from 96%); 64% make product donations (65% in '96) & 43% engage in cause-related marketing (59% in '96)
- **Companies continue to manage & develop volunteer programs**
- **CR is linked with other dep'ts**, mostly media & pr (82%); also gov't relations, operations (site facilities), human resources, marketing
- **Companies continue to integrate CR into the overall business.** 67% include community relations in the company's strategic plan (up from 64% in '96); 40% have an employee advisory committee to assist in contributions decisions
- **Companies manage the CR function strategically.** 73% report that community relations has a written policy or mission statement. 56% have a community relations strategic plan; 44% work with external groups, such as community advisory panels, to assist in program planning

CRITICAL SOCIAL ISSUES PRIORITY CHANGES QUICKLY FROM YEAR-TO-YEAR

1997	1996
1. Education (K-12)	Education (K-12)
2. Health care	Economic development
3. Job training	Crime
4. Economic development	Health care
5. Crime	Job training
6. Environment	Substance Abuse
7. Literacy	Violence
8. Higher education	Literacy
9. Substance abuse	Higher education
10. Child care	Environment

(More from the Center, 617/552-4545; www.bc.edu/cccr)

2 CURRENT CASES SHOW HOW MGR'S SYMBOLIC COM'N SETS TONE

1. **ADMITTING MISTAKES HUMANIZES SR MGRS.** GM v.chr Harry Pearce now says publicly that last year's crippling strikes were management's fault & shouldn't have happened. With nat'l contract talks with the UAW 2 months away, this sends a signal that harmony remains the major competitive weapon in a field as competitive as cars (pr 6/29/98).
 - ◆ "One of the building blocks of the new GM has to be a much better relationship with the union -- a relationship built on trust & mutual respect."