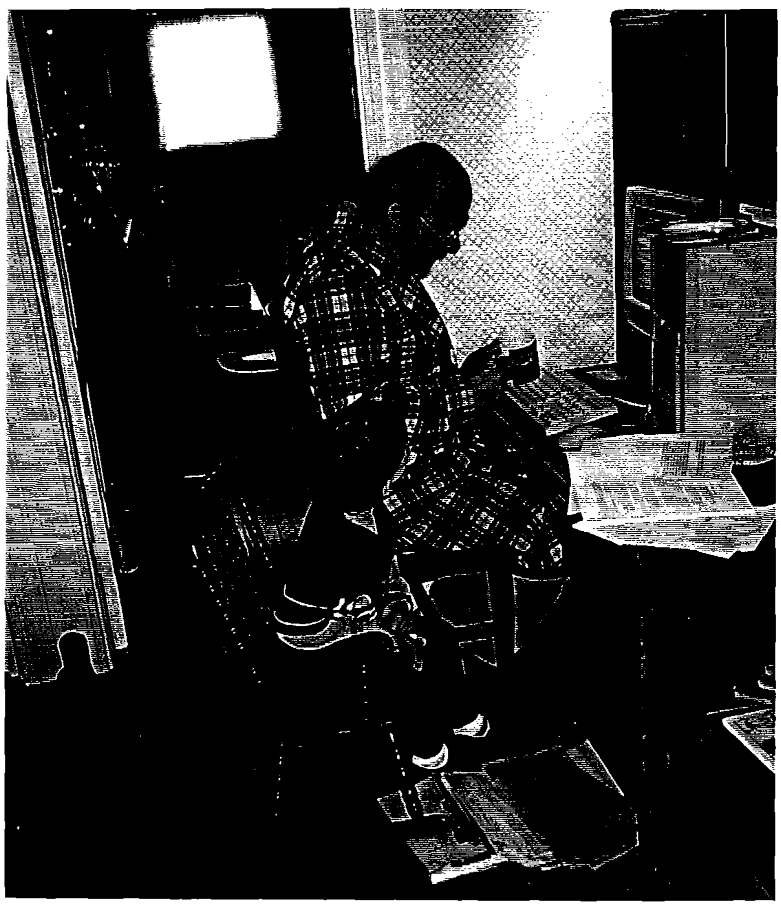
Chapter 6:

FIRST-OF-THE-YEAR ISSUES

Every year end, Pat would spend serious time thinking about the big picture for the coming year and reflect on what had happened in the past year. He would write the entire issue, often sitting at his computer until the wee hours of the morning, putting his thoughts on paper. Though some of these are included in other sections (since often the entire issue focused on a specific theme) they are here in date order – to show the progression of his thinking and of the profession.



Pat, with son Jeremy watching, creates a First-of-the-Year Issue.

Vol.22 No.1
January 1, 1979

A PR Reporter Special Report:

TECHNOLOGY AND SOCIETY PROMOTE RISE OF PERSONALIZED MEDIA OFFERING INFORMATION TO ERODE CONTROL OF MONOPOLY MEDIA EMPHASIZING ENTERTAINMENT; IMPLICATIONS FOR PUBLIC RELATIONS WILL COME INTO FOCUS DURING 1979

"The microprocessing revolution is equivalent to the industrial revolution," believes John Naisbitt of Center for Policy Process (DC). "Americans have an appetite for information," says tv newsman John Chancellor.

Chancellor's Law: new forms of information-passing don't drive out old, merely change them. For instance, books still important, even booming; tv didn't kill radio. Effect of better info systems is to let people use time differently. To do this, people must control media, not be controlled by them.

Two factors are bringing this about. Technology is moving toward instant recall of data, entertainment, education anytime viewer desires. Economically this is possible because investment has shifted to audience (for equipment), whereas before it was in the hands of the medium. Newspaper plant, for instance, costs millions while reader buys copy for pennies. "Radio and television have had to be built upon entertainment, with information and education being squeezed onto the schedules," researcher Anthony Smith notes.

Second factor: shift from self-denial ethic to self. Fitness and jogging, self-fulfillment cults, even change from barbers to hair stylists express this, says Robert Marbut, pres. Harte-Hanks Communications (San Antonio). So does search for religion, adds futurist Willis Harman. "More people want more information – but it's not the same information," Marbut told PRSA Institute. Today's info market is personalized, fragmented. As a result, "mass media are on the way out." Readers are "less loyal, more demanding, selective, occasional."

Recent study, "The Home Terminal" by International Resource Development (New Canaan, Ct.) concludes power of tv networks will "significantly decline" in next 10 years as access to viewers becomes more diffuse. Marshall McLuhan's electronic village is near, allowing everyone to customize everything all the time. Irony: that impersonal monster, the computer, is what makes such individualizing possible!

NEWSPAPERS AS WE KNOW THEM WILL DISAPPEAR, EXPERTS PREDICT

"Information consumers" care not what medium "information provider" uses, since all media are in information business. Marbut says this won't destroy newspapers, but will shift role and probably reduce circulations – just as mass circulation magazines gave way to smaller, special interest publications.

Prototype is Louisville Courier-Journal and Times' "tailored" newspaper. Subscribers receive core section containing general news, can order variety of special sections that come with it. From million words of news in computer language now discarded weekly, special sections are typeset at touch of button. Publisher Barry Bingham, Jr., says goal is to deliver each subscriber what s/he wants, less of what they don't read. Also has separate Saturday paper: a daily publishing a weekly. Ultimately, material will go straight from newspaper's VDT to tv sets in home. Economics will dictate due to savings in newsprint, energy, transportation.

Bingham sees this freeing public from media monopolies. "Anyone can become a publisher." Only advantages of existing papers will be reputation, reader loyalty, skilled news staff, morgues. Deregulation of broadcast media (except engineering aspects) is required, he feels. Otherwise electronically-distributed newspapers would fall under fairness, equal time requirements.

PR TECHNIQUES ALREADY EVOLVED FOR WORKING WITHOUT MASS MEDIA

97% of U.S. dailies are monopolies. Chains own 59% of dailies with 71% of readership. Item: Combined Communications (2 dailies, 7 tv and 12 radio stations, outdoor advertising) plans merger with Gannett (77 dailies). In Canada, France, situation is even more monopolistic. One right-wing ex-Nazi collaborator controls four of five Paris dailies, Parade reports. While broadcast has always been basically entertainment, print media have moved strongly in that direction. Arts, living, similar sections or articles predominate in newspapers. Personality stories, with accent on celebrities, are trend in magazines, wrote Amelia Lobsenz in 11/6/78 t&t.

Public relations response has often been to set up **alternative communications methods**. NYC employment agencies hired counsel to reach employers, job-hunters during recent newspaper strike. Jules Witcover tells of Nixon communications director Herb Klein's success in overcoming expertise of large media, which reported Nixon negatively. Klein worked with editors of small town media – "soft underbelly of American journalism" – for successful end run.

Internal communications emphasis is partly response to mass media's inability or refusal to cover business, institutional news and views. Managers realized employees constitute highly credible communications medium. Though recent study suggests execs haven't realized potential beyond such problem solving (prr 12/18/78), IABC claims oldtime house organ has diversified into explosion of sophisticated media types dealing with real issues (prr 9/18/78).

Major alternative is rise of personal media: face-to-face sharing of ideas built on personal relationships. During 1978 Texaco's investor relations program began stressing personal contact. Employee recruitment plans offered incentives for present workers to speak personally to friends or to network in community. GM continued its Civic Leaders meetings. Lobbying – major personal medium – continued to grow in importance. "There's nothing like personal contact," advised 7/17/78 t&t on lobbying. Census Bureau found conversations their second most effective vehicle, after newspapers, for informing public.

IMPLICATIONS OF MEDIA REVOLUTION FOR PUBLIC RELATIONS

1. Deregulating tv, or cable, or teletext will **make television like radio** – an essentially local medium serving local audiences. Adding diversity of this kind will destroy networks, Karl Meyer believes.

2. Will word processing **make individually typed letters suspect** as mass-produced? Because machines can turn out letters so fast, will they pollute channels of communication with unwieldy volume? Even personal correspondence is coming under attack.

3. Revolution **may reach newsletters within four years**, George Lutjen of McGraw-Hill estimates. Result will be newswires – data teletyped into side-band FM radio-actuated teleprinters on subscribers' desks. Cuts production costs, ends reliance on post office.

4. To meet info explosion, **tv news may become 24-hour operation** available on all channels, Chancellor thinks. He agrees new tech will fragment tv into specialized audiences just as tv did to radio and mags.

5. Modern electronic writing **requires better journalistic product**, cautions Business Wire. E.g., some editors judge stories by abstract printouts, which may be first 30 words. Overlong leads, or those with key facts buried, will not see print. AP/UPI style is requisite.

BACKWARD LOOK: COMMUNITY RELATIONS RIVALED GOVERNMENT REGS IN 1978

pr reporter said last Jan.2, "A broad based **campaign against regulation** is shaping up as the public affairs issue of 1978, as economic education was in 1977." Two events verify that this did occur. Opinion Research Corp. held a briefing last month to reveal that by a 2 to 1 margin public now feels less regulation is needed. Respondents to the 14th Annual Survey of the Profession rated regulation/government relations the year's most pressing problem, with 1 in 5 so stating.

For dramatic occurrences, however, **rediscovered interest in community relations** surpassed other 1978 issues. prr reported on the following in the last few months: Impact of city-formed block clubs in Grand Rapids, Mich., neighborhood groups in Sun Belt, Renaissance Center and midtown mall in Detroit (6/17) ... PRSA Institute discusses "The Unheavenly City," with presentations by Toronto mayor, others (7/24) ... Sierra Club takes up urban issues (7/31) ... Banks do turnaround, support recycling of buildings, neighborhoods (8/14) ... Grand Central Terminal case decided, several others reviewed (9/4) ... 5th annual Back to the City Conference scheduled (9/18) ... Community "health motivation" undertaken by hospitals (10/2) ... Municipalities themselves add pr staff, hire counsel (10/9) ... GM announces $20 million urban revitalization project (10/16) ... Study finds rising community involvement for hospitals and their trustees (11/6) ... Neighborhood Response Program launched by insurance industry (12/18).

ACTION DURING 1979 WILL REVEAL WHERE WE'RE HEADED

Though technology, economics may be forcing them together, "tube and type are natural enemies like dog and cat," claims Saturday Review tv critic Karl Meyer. For instance, network evening news contributed to downfall of pm newspapers. Chicago Daily News was 6th largest daily in the U.S. yet it quit last march despite 327,000 circulation. Bingham notes advent of tv caused decline in reading of newspapers. Average 36 minutes daily are now devoted to his papers, down from 48 minutes a decade ago. Indications:

- TV nets went before FCC in November to **urge approval for teletext** or similar system. Chairman Charles Ferris assured them agency encourages development. Expert Kenneth Edwards (U of

Alabama) believes possibility of developing large ad revenues for system are good. He feels print media are worried.

- Mel Goldberg of ABC told AAPOR work in UHF technology could **expand number of tv channels** available. (See prr 1/30/78).

- U.S. Department of Justice has intervened in Postal Service **proposal for electronic mail** due to "significant competition issues" raised. Justice supports FCC move to greatly reduce prices networks pay for relays via satellite.

- Newspaper Ad Bureau urges publishers to **develop alternative delivery systems** to distribute "undailies" such as weekly papers, shoppers, penny savers, books, records, ad inserts.

- Suit by Universal Studios and Walt Disney Productions against Sony, **charging taping and replaying of tv programs is copyright infringement**, could have major impact on future of video cassette recorder.

- Development of three award-winning **computer languages for non-experts** – Samantha, Upgrade, Focus – should help overcome criticism computing is too complex for average citizen, stimulate interest in viewdata, personal computers, related technology.

- **Van Deerlin Bill to rewrite Communications Act of 1934** will get intense debate. Broadcasting industry is fighting hard against it to keep out competition. US Catholic Conference wants "fourth network," public broadcasting, to be assigned new responsibilities. Department of Justice favors deregulatory aspects. AT&T, ITT deeply involved.

NEW MEDIA SAMPLER

Example of smaller, segmented medium for special audience is quarterly *New Brooklyn.* Gives borough long in shadow of Manhattan own voice following demise of Brooklyn Eagle in 1959. *McCall's*, once flashiest mass magazine success, illustrates how it stays successful by moving with market. On spine and content page, but not cover, it dubs self "the magazine for suburban women." Media specialization can serve anyone.

PBS pushes ahead with **closed captioning units for deaf**, due out late 1979 following authorization by FCC. Units will print across screen dialog deaf viewers cannot hear. Like libraries' **talking books**, project will bring disadvantaged audience into mainstream.

Gannett-Combined Communications merger will create very special local medium when WHEC-TV (Rochester, NY) is sold to meet FCC rules. Will be first VHF network-affiliated **tv station owned by black-controlled company**.

Potential of rifle-shot media is seen in **18-30 age group**, which Marbut reports spends more time reading magazines than watching tv.

Vol.23 No.1
January 7, 1980

TAKING STOCK: 80s OFFER ONGOING OPPORTUNITIES FOR PUBLIC RELATIONS BUT CHANGE WILL BE CONTINUOUS AND UNSETTLING TO SOME

Where is public relations really heading in these changing times? Quick glance over decade of 70s spotlights the trends: 1) **increased respect** and position of higher authority in many organizations, particularly businesses; 2) adoption of programs and use of professionals by **all types of organizations**, from local school boards to churches to activist groups; 3) **geographic spread** of practitioners on to Main Street everywhere, with counseling firms in every state and province; 4) popularity of **formal public relations education**, with courses offered by over 300 U.S. colleges (and the first sequence established in Canada in 1977); 5) **expansion of technical skills** to encompass trend forecasting, "issues management" training.

Symbolic of the new posture of the field is adoption of pr programs by each of the Big 8 accounting firms; and retention of counsel by many law firms, even some doctors. That every organization requires counsel in the court of public opinion is becoming a truism. Illustrative of the changing nature of the pr function: separate surveys by pr reporter and PRSA found that over a third of practitioners do not perform any publicity or media relations tasks (including their supervision).

PERSPECTIVE

It was the late, respected Tommy Ross who once stated in an interview with Fortune magazine that, "Unless you are willing to resign an account or a job over a matter of principle, it is no use to call yourself a member of the world's newest profession ... for you are already a member of the world's oldest."

– J. Handley Wright,
Accepting the Gold Anvil

ARE THE BIG CONSULTING FIRMS STILL THE BELLWETHERS?

Once, anyone wondering where the field was heading would simply look at the major counseling firms. Leading consultants are the showcase of every service profession, be it law, engineering, architecture. One change in the 70s was loss of monopoly on such leadership by the big pr firms. They are **now rivaled by crackerjack corporate departments and outstanding independent counselors**. Practitioners in other kinds of organizations or government are not so often seen as leaders of the profession – yet – but are coming on strong.

If a leader is defined as one who influences others – either practitioners or clients/employers – it is clear as the 80s begin that few individuals accorded this stature are resident in large firms. Who are the present-day strategists and philosophers? Ed Bernays, Phil Lesly, Howard Chase, Jim Fox are counselors – but independents. Carroll Bateman, Betsy Plank, Bob Fegley, Kerryn King, Frank Wylie are leaders – but corporate practitioners. Scott Cutlip, Ken Smith, Otto Lerbinger and their fellow educators are rising influencers, with the real power of new knowledge. Nonprofit, healthcare, education, government have developed their own leaders – like Carl Spitzer, Lew Riggs, Mike Radock, Ralph Frede, Jerry Dalton, Dave Brown, to name a few. prr's 1978 sociometric survey – first ever conducted for public relations – listed Harold Burson, Dick Cheney, Bill Durbin and George Hammond from large firms among top 17 practitioners in respect of their peers.

ISSUE NOW LINK TO AD AGENCIES; WHAT IS EFFECT ON OVERALL FIELD?

Purchase of major firms by ad agencies Raises question whether linkage will blunt the drive to professional status for public relations. Ironically, prr's Annual Survey for the past two years reveals counselors are most concerned with field's standing. They view attainment of professional stature as way to overcome credibility problems caused by denigrations from media, public figures.

One result of ad-pr mergers is to strengthen the move toward "total communications." Principally a phenomenon of business, it links pr to marketing and sales promotion as well as advertising. Even before acquisitions, most larger firms were viewed as **service** providers (of publicity and promotion) with **counsel** they were asked to give mainly in sales area.

Longtime exec of a major firm told prr why that organization has been emphasizing publicity with less interest in counseling and issues. "Its size created such an overhead nut that volume activity rather than quality counseling became paramount."

A study of large companies last spring by Research Strategies Corp. found they rated firms highly on traditional tasks, less favorably on new wave assignments. By 2 to 1 respondents felt funds more wisely invested in the internal staff than in use of firms. "They are falling behind the parade," one commented.

An example of the split personality firms develop as change engulfs them is **Harshe-Rotman & Druck**. Echoing traditionalist views, chmn Morris Rotman says, "Press relations remain terribly important; it's still the heart of the pr business." Meanwhile his partner Kal Druck created the career track approach and is responsible for PRSA's new professional development matrix.

Hill and Knowlton's approach is enlightening. Not only is it the world's largest firm, H&K has been an advocate of sophisticated new techniques. For 1980 it plans to strengthen its "newest services": 1) public issues/public policy group; 2) expanded organizational communications function; 3) new proxy solicitation and shareholder analysis section; 4) Group Attitudes Corp., its research subsidiary; 5) **helping select candidates for corporate boards of directors**. But H&K told prr it has also "greatly increased our marketing services, especially in collateral materials."

> "Public relations problems used to arise from the marketplace or the organization itself. Public relations problems now arise also from the intellectual community, government, activists, interveners, the people who file the lawsuits and seek the injunctions. As a result, the questions for both executives and public relations specialists are changing. Obviously, then, the answers, too, may not be the same."
>
> – James Fox, counselor (NYC)

WILL ADVERTISING SPOIL PUBLIC RELATIONS? SOME VIEWPOINTS

PRO

"Unfortunately, yes. Since advertising budgets are usually far larger than public relations budgets, the best talent in a firm providing both services must gravitate toward advertising.

"Corporations increasingly realize that public relations is the broad function. Communication is one part of public relations, and advertising is one part of communication.

"A public relations firm can best support its clients' management goals when it is objective, independent of any other discipline, and credible with the media and all of its publics."

– Loet Velmans, pres.,
Hill & Knowlton (NYC)

"Where a client retains you for both advertising and public relations, problems always develop. An account executive managing a $20 million account almost inevitably feels and demonstrates frustration at the fact his contacts are with the client's marketing officer while public relations – at a fraction of the fee or profit – deals with senior corporate executives.

"Secondly, when an agency pitches for a major account under fiercely competitive conditions, it is quite understandable that the president may feel prompted to 'throw in' public relations as an additional inducement.

"Try as hard as it may, the advertising profession is a tool of the marketing function – not a systems approach to more effective participation in the broad public policy process."

– Howard Chase, counselor and editor, drawing on his experience as founder of a firm owned by a major agency.

CON

"The great debate between advertising and pr people is nonsense. I have been a pr practitioner for 14 years **and** an advertising agency executive for 6 years. The two fields are not oil and water.

"PR people snobbishly view advertising people as 'mechanics' who work in one small area of the communication process. They fail to acknowledge the massive impact advertising has on our controlled, free-enterprise economy.

"Advertising people view pr people as holier-than-thou nuisances because they (ad people) fail to recognize the importance of pr in directing the conscience of business and government in our economy.

"If pr people want to be professionals, they ought to go after a serious licensing process."

– George Arnold, pres., Kerss, Chapman, Bua & Norsworthy (Dallas)

"You suggest that 'advertising is strictly a business.' But in the same issue, Herb Schmertz of Mobil is quoted as saying that successful pr now requires that you know as much about business and line managers do. Schmertz is 100% correct.

"Our clients hire us for our philosophy as much as for our expertise and capabilities – we approach every assignment, corporate, institutional or product, as a marketing problem that needs a marketing solution. Our creativity is in helping to achieve client bottom line (business) goals through well-conceived pr strategies and programs.

"To suggest that the achievement of business goals, or the knowledge of business, lessons pr professionalism is ludicrous. This is not an ivory tower profession; we are held accountable for our programs and our results."

– Mark Rutman, pres., Grey & Davis (NYC)

IS COMMUNICATIONS WHAT THE FIELD IS ALL ABOUT?

"The challenge today is to convince the top managers of all enterprises that their most important role is outside of the organization among those external publics who will, inevitably, decide the fate of the organization. This means skillful technicians must run the enterprise while the people at the top set the course.

"The public relations field needs its share of skilled technicians. **But the public relations people who lead the way will be strong generalists**. They will have the guts and ability to successfully counsel management on the issues, problems and opportunities that human relationships can affect. **That** is where the most critical action is."

– Marshall Doswell, vp corp com'ns, Springs Mills, (Fort Mill, SC)

"Communications involves professionalism in technique but does not necessarily suggest involvement in **what is communicated**, whether or not it should in fact be communicated nor how. On the other hand, those who counsel and can't, when necessary, perform the communications role with similar professionalism – and this might include non-journalistic public affairs oriented practitioners – tend to become theoreticians. It takes an unusual blend of both – e.g. the intellectualism to analyze and extrapolate and the pragmatism to produce (or perform)."

– John Budd, vp pr, Emhart (Hartford)

"The purpose of public relations is communication. The overriding objective is the advancement of the organization that employs it through the most skilled and effective use of group communications. Therefore, public relations as an instrument of management must be intimately incorporated into the highest exercise of corporate or institutional decisionmaking, policy development and communications practice."

– Gordon Davis, consultant (Roscommon, Michigan)

"Too often, public relations is approached as if people were all intellect; as if right actions coupled with factual information were enough. This approach will not suffice in a world where millions are crying out for meaning and compassion. We have to learn how to touch the heart and lift the spirit.

"We will see more of what I call macro public relations – that deals with broad, sweeping issues, too large for any one company or even one industry to handle. Public relations people will have to serve as the catalysts for coalitions of organizations or segments of society in these situations. We must also quit creating artificial chasms between public relations and management. We are management."

– Joe Awad, gen'l dir pr Reynolds Aluminum (Richmond, Va.)

"Most corporate public relations officers agree that public relations has changed significantly in the past five years – away from traditional media relations and toward involvement in the public policy process, issue management, advocacy communications and corporate policy problems. With this in mind, the new public relations professionalism has the opportunity to contribute something **more substantive than communications** and **less contentious than mere advocacy**."

– Marshall Lewis, dir corp com'ns, Union Carbide (NYC)

Vol.24 No.1
January 5, 1981

PERHAPS THE QUESTION FOR 1981: DOES IT MATTER WHETHER PUBLIC RELATIONS IS A PROFESSION OR JUST AN ENTERPRISING, USEFUL WAY OF MAKING A LIVING?

Here's the scene as a new year opens. Public relations has been adopted by every sector & section. Business & gov't are no longer the only ones wise enough to employ its techniques. Its philosophy has filtered down to the broad general public, with people demanding to be informed and have a voice in decisions that affect them. Colleges around the world teach the subject. Publications & research expand the body of knowledge almost daily (you should see our mail). And the scope of the field is broadening rapidly, far beyond the staple of media placements & preparation of communication materials.

On the other hand, the term itself is still pejorative -- in the minds of some. Unfortunately, among these are practitioners and their bosses who choose confusing euphemisms for titles & departmental designations. Internecine arguments over accreditation, licensing, membership in professional societies & continuing education show signs of dealing with the issues -- but muckraking publications & disgruntled individuals sometimes prefer to turn this positive discussion into dissension & divisiveness. And many practitioners say they care little whether or not the field is considered a profession.

A JOB FOR OUR EDUCATORS

Law schools have a dictum for empowering & equipping their graduates to deal with any situation. They educate every law student as if he or she were going to be chief justice of the supreme court. In contrast, the complaint is often heard that public relations curricula in most universities is tilted more toward vocational training than toward professional education. Many dep'ts aren't even titled public relations.

It Does Matter In Our View prr believes that it matters a great deal, and may be the most important topic the field will have to deal with this year. Here's our rationale:

1. What persons think of themselves determines how others perceive them. As psychologist Tom Tutko told PRSA's Institute last summer, (a) we create our own images and (b) how we see ourselves shapes our actions.

2. To argue that professional status is unimportant defies the basic theory of public relations itself: that opinions & reputations do influence behavior and therefore must be constantly, positively cultivated.

3. PR's organizational problems, such as non-professionals sometimes getting the top jobs, or reporting to lower officers, are illuminated by comparing how lawyers, accountants, engineers & other recognized professions fare in similar circumstances.

The vp-pr of a huge financial services company told prr recently why his dep't usually comes off second best to legal. (He's not a professional, by the way, so is objective.) Lawyers, even the most junior, have the self-confidence of their profession, he finds. They realize the respect paid their calling. This comes out in policy showdowns.

PR Qualifies As A Profession

What is a profession? Edward L. Bernays defines it as "An art applied to a science in a way that places the public interest above pecuniary gain." After a century of practice, public relations has the art. Its foundation in the behavioral & administrative sciences, among others, gives it a sound body of scientific knowledge. Merely to practice in the field is in the public interest, because the 2-way information flow & public participation which this makes possible is the essential element of democratic society. While wage scales are good, those motivated primarily by money have far more lucrative fields to choose from.

More cogently, public relations qualifies as a true profession because it is an inescapable fact of life that every human must confront. Whether we like it or not, everyone has reputations & relationships -- from day of birth. We may ignore this fact, at our peril. But it is part of life. Therefore public relations as a philosophy & technology is useful to everyman. It belongs not to its practitioners, or their clients & employers, but to the people.

This is the ultimate test of a profession. It is why law, medicine, clergy, teaching, engineering & architecture are recognized as such -- because every person in human society must deal with orderly behavior, health, theology, learning & physical technology. This is why public relations' sub-systems of advertising & marketing cannot on their own be considered professions. People can -- and even today many do -- live their whole lives without needing or seeing an ad, for instance. These are not endemic human experiences ... but public relationships are inescapable.

Tom Jefferson Is On Our Side

The argument is sometimes made that it's mainly a practitioner's performance that counts. "Do your job well and colleagues & management will respect & trust you." That's fine within your organization. (Everyone, in whatever post, has to do that anyway.) But how about outside the organization? When new people come onto staff? When you want to change jobs? Then it could mean a great deal that public relations is accorded professional recognition.

CODES MAKE THE POINT

PRSA's Code of Professional Standards, first adopted 27 yrs ago, states that members "base their professional principles on the fundamental value and dignity of the individual, holding that the free exercise of human rights, especially freedom of speech, freedom of assembly and freedom of the press, is essential to the practice of public relations.

"In serving the interests of clients and employers, we dedicate ourselves to the goals of better communication, understanding and cooperation among the diverse individuals, groups and institutions of society.

"We pledge: to conduct ourselves professionally, with truth, accuracy, fairness and responsibility to the public; to improve our individual competence and advance the knowledge and proficiency of the profession through continuing research and education."

IPRA's Code of Athens, adopted in '65, pledges members to abide by the United Nations Charter's expression of "faith in fundamental human rights, in the dignity and worth of the human person."

So this is not an idle question. It is not intellectualizing. It is an eminently practical application of public relations knowledge to the field itself. And high time: if practitioners can stop the infighting, agree on terminology & a definition, then reach concensus on ways to apply their own strategies to their own field, public relations can attain recognition & respect for what it truly is -- a universal, socially valuable, ennobling philosophy of life. It postulates that (a) individuals are important, (b) mankind is educable & capable of great progress, and (c) everyone should be able to participate in relevant decisions. Thomas Jefferson said it well: If there is a millenium, this is probably the way to get there. He called this method the free, democratic society. Jefferson also first used the phrase public relations. In his Seventh Address to the Congress in 1807, he crossed out the words "state of thought" and substituted "public relations." With such a patron, the field should aim high -- and build its self-confidence by acting like, and thinking of itself as, a profession.

PREDICTION: YOU'LL BE USING WORD PROCESSING BY END OF YEAR OR BE BADLY OUTDATED; HOW ONE MEDIUM-SIZED OFFICE MADE THE SWITCH

Regardless of the size of your office, word processing can increase cost efficiency, in the experience of Jay DeBow, chrm, & Robert Way, exec vp, DeBowSpencerWood (NYC). Firm employs 8 professionals, administrative staff of 7. Chose Wang Model 25 with 3 terminals & a printer. Cost to lease is $1400 per month. Good secretary in NYC is $1250 to $1667 per month. Cheaper systems, or fewer terminals, are available. Many report lower investments with Radio Shack or Apple systems.

DeBowSpencerWood claims these results from gearing up last year:

1. Increases productivity. AE Suzanne Hayat says she formerly used a secretary to "type draft after draft," now eliminates that step completely by correcting work right on the VDT.

2. Elevates staff jobs. Secretaries do more important work than typing all day, become administrative ass'ts to professionals, which increases output & quality.

3. Eliminates printing, substitutes personal letters. Once copy is set, plug in names & addresses and "let it run all night" producing typewritten originals.

4. Handles variety of work. Not just writing but time sheets, billing, recordkeeping. This reduces need for clerical help.

5. Saves clients money -- or reduces budget -- because machine time is charged as production cost at lower rate than secretarial.

6. Provides information retrieval. Subscription to many databanks is available.

7. Transmits hard copy. Installing dataphone makes this possible, in seconds.

8. Improves work styles. Poor typists, who prefer scrawling on yellow pads, find less fear of mistakes because of instant correcting on VDT. One AE says this "stimulates my creative writing," is certainly much faster.

Firm reports standing room only at terminals, will add more this year. Word processing is flexible, can add work stations or printers any time. DeBow "strongly recommends" it for consideration by other firms.

PREDICTION: ENVIRONMENT WILL BE BACK AS MAJOR TESTING GROUND FOR BUSINESSES & PUBLIC INTEREST GROUPS ALIKE

Several indicators point to its resurgence. In U.S. renewal of Clean Air Act is expected to bring industry requests for lower standards. Internationally, struggle of Third World nations for economic survival will combine with emergency energy initiatives to threaten what many respected studies call a perilously poised environmental disaster. Pres-elect Reagan's nomination for Interior Sec'y of a lawyer who made his career battling environmental groups will start the fight when Senate confirmation comes around.

Practitioners who believe environmental damage is not a real issue must deal with the Global 2000 Report by State Dep't & Council on Environmental Quality. Based on no change in current policy, study is not prediction but actual projection. It uses term environment to include definition of Brandt Commission on International Development: "An equal danger (to war) might be chaos -- as a result of mass hunger, economic disaster, environmental catastrophies & terrorism." Glaring disparity in personal income is also a factor. Report sees difficulties affecting N. America from (1) population growth, (2) income gap, (3) doubling of food prices, (4) loss of croplands, (5) conversion of forest lands, (6) extinguishing of 20% of genetic species of earth, (7) severe water shortage.

1980 polls indicate Americans are not ready to sacrifice the environment, despite economic uncertainties. U. of Chicago's Nat'l Opin Res Ctr found 50% feel "too little" is being spent on environmental problems, only 15% think "too much." A Roper & Cantril poll found 73% agree "an endangered species must be protected, even at the expense of commercial activity." (A booklet, Public Opinion on Environmental Issues, summarizes Roper & Cantril's study, compares other polls over the past decade. Available from Council on Environmental Quality, 722 Jackson Place, D.C. 20006. Global 2000 Report from same source.)

Roper & Cantril confirm '77 findings by ORC and a '78 survey by Harris that there is no sign yet of the backlash predicted once costs of environmental protection became known. Environmentalism is not a fad, concludes the study.

Social costs -- once an arcane term -- are now better understood. Those desirous of weakening regs will have to deal with this topic. Nat'l Wildlife Federation's Thomas Kimball told UPI last week: "While industries complain that they cannot afford to comply with clear air regulations, they fail to mention how much consumers have to pay to repair air pollution damage." CEQ study found $16 billion spent complying with clean air standards, but $21 billion saved in health & property repair expenditures. Here we go again.

MILTON FAIRMAN: A MAN NOT TO BE FORGOTTEN

He was 1951 pres of PRSA, a founder & molder of Foundation for PR Res & Educ, longtime editor of Public Relations Journal, and for 30 yrs dpr, later vp, of The Borden Company, where he organized the public relations office in 1937. He died Dec. 15 leaving no relatives. But this pathfinding professional will long be remembered by his peers. In the 1973 Foundation Lecture "The Practice of Public Relations," Fairman foresaw the present situation and its challenge: "America today is a badly shaken society; there are few indications of a return to stability. Tremors that now unsettle the political structure will eventually undermine the foundations of all institutions. These shock waves, already felt in business & education, originate in the ideas, beliefs, enthusiasms and biases of people and can be countered only by reestablishing in the public mind the worth of each institution. And this counteractivity evokes public relations, which must do its work in an ambiance of mounting scepticism of all information, whatever its source."

Vol.25 No.1
January 4, 1982

PRODUCTIVITY: THE KEY WORD IN 1982 FOR ALL SECTORS OF THE ECONOMY; WHAT IS THE ROLE OF PUBLIC RELATIONS IN IMPROVING IT? FIRST, GETTING THE "RULES" OF BEHAVIORAL SCIENCE ADOPTED IN THE WORKPLACE

Every organization needs increased productivity in the current economic climate – or "innovation and productivity" to use the more positive phrase. Corporations require it to meet worldwide competition. Nonprofits to survive as traditional funding sources, especially government, fall off. Government agencies to meet demands that public sector costs be reduced. If ever there was an opportunity for public relations professionals to demonstrate counseling and change-agent skills, this is it – because managers everywhere are signaling their inability to grip, even understand the issue. Flogging the employees and blaming scapegoats won't do the trick.

Cases in point: 1) Many managers are slow learners. Productivity techniques so touted in Japanese industry were developed in the U.S. and U.K. beginning in the 1950s. They've been taught in American colleges for a decade – especially business schools. And, as consultant John Cicco points out, small business has traditionally employed them.

2) Ads for Michael Maccoby's new book, *The Leader*, claim the new managers "set people-oriented goals," are "concerned more with building trust and generating long-term productivity than 'winning the game' and advancing their careers." The "dominant management model of the next decade" will be "humanizing work." That executives still need to be told such things is an indictment. That Maccoby wrote this book also says something. His previous bestseller was *The Gamesman*, and he did job enrichment studies at Harvard in the 1960s.

CONVINCING IS NEEDED

Evidence that managers haven't caught the spirit is provided by a Fowler-McCracken Commission survey. Reps of leading international businesses were asked to rate 46 wide-ranging proposals "to increase the innovation/productivity capabilities of companies in the U.S. marketplace." "Ranked 9th was "worker participation in problem-solving," behind tired suggestions like "reduce regulatory red tape" (#1) and "stability and predictability in regulatory guidelines" (#2).

Top five choices blame government regs for the problem. Improving managers' understanding and skills wasn't even in the survey. It appears that 40 years of research on what motivates or inhibits workers has not convinced executives of the human factor. Frederick Herzberg's classic studies don't mention regulation. They found employees turned on by such qualities as achievement, recognition, advancement, growth; and turned off by company policies and administration or poor supervision – all human factors.

Hopeful note. Respondents gave 6th position to "develop executive compensation system to reward managers for long-term profitability, as opposed to short-term financial gains."

PRODUCTIVITY EQUALS DESIRE – THAT IS, ATTITUDE

Easy technological advances are hard to come by in the Information Era. Those available also carry productivity inhibitors. Robots, for example, cause job loss which will hardly motivate remaining workers, and effect of unemployment on GNP negates the gain. The answer, as every foreman knows, is "work smarter, not harder." Increased productivity is a matter of psychology, not technology. It is the people factor that counts. **It is an issue for public relations.**

Reviewing the publics involved, practitioners must ask whether it is the work force or management – or both – whose attitudes need adjustment if the goal is to be attained. The standard definition of management is "getting things done through people." This suggests that even if the workers in a particular place are slowing productivity gains, it still is the responsibility of management. The public to concentrate on, therefore, is managers.

THE RESOURCE POOL IS BEHAVIORAL SCIENCE

Ironically, trained managers have studied Argyris, Herzberg, McGregor and other proponents of the human side of workplace performance right along. But have not applied what they learned, or rejected it for macho management styles still so noted among MBA graduates. If all practitioners can do is gain managerial acceptance and application of the two "rules" of psychology in their organizations, the impact will be great:

1. **Involvement leads to commitment**: people will carry out those decisions they participate in making. (How are decisions made in your outfit?)

2. **There must be a payoff**: people will do those things for which they are rewarded or compensated. (Does increasing one's productivity – or the department's – truly pay off in your organization? Is it in job descriptions . . . performance reviews . . . wage increase formulas?)

AS BUSINESS AND THE ECONOMY MOVE ONTO PAGE 1, EDITORS' PREDICTIVE SKILLS SHARPEN, SAYS H&K

Ability of business editors to foresee what will be news is shown in Hill & Knowlton's 9th annual survey. Last year respondents correctly predicted five of six issues:

Key 1981 Stories, As Predicted

1) Reagan administration's handling of the **national economy**; 2) runaway **inflation** at the international level; 3) serious decline of the U.S. **auto industry**; 4) crisis in **housing**; 5) growing **unemployment**; and 6) sharp increase in the **stock market** (wrong).

1982 Predictions

1) Reagan administration's handling of the **recession**; 2) spiraling **unemployment** and its social and economic consequences; 3) gyrating **interest rates** and the degree to which inflation can be brought under control; and 4) sharp increases in the number of **mergers, acquisitions** and business failures.

Toney File, svp for financial media rels, feels "the business media is growing immensely in sophistication. There has never been a time when so many of the people who report business developments have had the degree of financial education and plain business savvy they now use routinely. We're seeing the same trend in both print and broadcast reporting of business news. It means that business is getting more space and a fairer shake in the media than it ever has before."

THE PRACTICE OF PUBLIC RELATIONS, 1982

In the revitalization of the court of public opinion underway since the 60s, a broader scope has been opened to public relations professionals. The innumerable case problems shared with us each year mandate six roles for the contemporary practitioner:

1. **Researcher**. All sound pr begins with research. And ends with it, in the form of evaluation. More than half the steps in the public relations process involve research. (Additional training needed: informal research techniques, automation.)

2. **Counselor**. The basic skill whatever your job. Does no good to be a great tactician or strategist if you can't persuade colleagues to adopt your ideas. (Additional training needed: O.D., organizational behavior, systems theory, policy sciences, diplomacy.)

3. **Strategic Planner**. Enables organizations to move from reactive to proactive. Major policy-making influence. (Additional training needed: trend analysis, futures research.)

4. **Educator**. Public relationships are not created or "handled" by us but by everyone in the organization, at every level. They must be made aware of this responsibility and trained to carry it out. Our job is to do the teaching. (Additional training needed: learning theory, group psychology, motivation.)

5. **Communicator**. Our original assignment, now immensely complicated by emerging technology. Internal, external, print, film, broadcast, mass, personal – practitioners must master all. (Additional training needed: diffusion process, the six methods of persuasion, graphic psychology, advertising.)

6. **Cheerleader**. Every group needs cheering on or up. Basic human psychology. Who is better able, or situated, to do it? (Additional training needed: cultural anthropology.)

IT LOOKS LIKE NO BROADCAST MEDIUM WILL BE WITHOUT ADVERTISING AS CABLE, PUBLIC RADIO AND TV BUCKLE

Cable was originally sold as programming free from commercials. Viewers are seeing more ads as a way of keeping costs down, advertisers see it as the welcome wave of the future. Much of the paid time appears as show content, not commercials.

Cable for advocacy, institutional ads offers the ability to expand on material at length, instead of a 30 second spot. Without the regulatory constraints of tv, advertisers can develop "thoughtful, convincing commentaries," says Robert Finehout, vp, Modern Talking Picture Service. He explains that the 30 second vehicle does not do "justice to the gravity or significance of the message." Messages can **be** "the show" on cable. Presented with flair and style, they use celebrity hosts and "cable-oriented graphics."

Two Modern Satellite Network shows cater to this type of advertising. "**Viewpoint**" provides a forum for business and industry spokesmen to address their concerns and attitudes. Show is done in interview segments.

"**The Home Shopping Show**," cable's first smash hit, is blatant product promotion. Hosted by celebrities, "guests" are advertisers who **demonstrate** their products. Instead of the compact selling of broadcast tv, advertisers can take 9 minutes or a full half hour to demonstrate the product in-depth. Audiences have been loving it since September 1980.

Temporary Commission on Alternative Financing for Public Telecommunications, mandated by Congress, will involve 10 radio and 10 tv outlets in an 18-month test of advertising. Commercials would be clustered so as not to interrupt programs. Problem has been finding stations to participate. Most fear effect on audiences accustomed to freedom from commercials.

ITEMS OF INTEREST FOR THE NEW YEAR

¶ **Public opinion survey for promotional purposes**: is it legit? "The Merit Report" asks 10 questions on life style and issues every other week. Sponsor is Philip Morris' Merit cigarettes. GASP (Group Against Smoking Pollution) charges this is "a clever way to get around the 1970 ban on tobacco advertising on tv," where survey results are aired.

¶ **World's Fair in Knoxville is viable '82** happening, as China signs up for its first appearance ever at such events. Eighteen other nations including U.S., Canada, Japan, U.K., Saudi Arabia, will join four states, 27 corporate and association exhibitors for 6-month run starting May 1. Lodging reservations are going fast, reports Fair management. Over $100 million in corollary construction is going up in the city. Tie-in possibilities are endless, and of course encouraged. Energy is theme, Sunsphere is central structure. PRSA's annual Institute will take place nearby in June.

¶ **To be sure clients know the difference**, The Adams Group's letterhead proclaims the firm's work to be "Advertising, Public Relations, Marketing Communication."

¶ **"Bibliography 1982" contains 236 publications** in 30 categories. Books, directories, periodicals in public relations, public affairs and communications are listed with prices and publishers. New listings are marked for quick reference. Annual compilation is a service of PRSA's Information Center.

LANGUAGE LESSON

"Roy L. Williams, a black who heads the Urban League in Detroit, formerly was on the staff of Gov. William Milliken. His job was to serve as liaison between the white governor and the black mayor (Coleman Young): 'I was the one who "married" the odd couple. My job was to make sure for the governor that when he said "gosh darn" the mayor understood he was good and mad. And when the mayor called him a "mother-______," he (Milliken) understood that the mayor didn't mean anything dirty.'" – Boston Globe 12/20/81

Vol.26 No.1
January 3, 1983

A PR REPORTER NEW YEAR'S INQUIRY ON PERCEPTION MANAGEMENT:

1) EIGHT WAYS PR CONTRIBUTES TO THE BOTTOM LINE: A LIST AIMED AT SHAPING POSITIVE PERCEPTIONS OF THE FIELD

In its continuing effort to 1) be accountable, 2) contribute to organizational objectives, 3) be measured for effectiveness, the field of public relations has devoted itself in recent years to devising methods of evaluation. These range from counting clips to exasperating mathematical formulae. No method has proven useful enough to become widely accepted. The reason may be that there is a missing ingredient: a benchmark against which to measure. Before we can ask what public relations has accomplished, we must know what public relations can accomplish. Here is a list of provable ways pr can make or save money for every type of organization:

1. **Publicity and Promotion.** Paving the way for sales of products and services (or for fundraising or stock offerings) is a traditional activity of the field. It has such direct impact on the bottom line that some companies like IBM are considering sales quotas for product promotion personnel (prr 11/29/82).

2. **Internal Motivation.** Building morale, enhancing productivity and creating team spirit among employees, members, shareholders and other internal publics may have the most direct effect on the bottom line, since these folks are the organization. Such efforts reinforce marketing publicity, for example, because public relationships are in fact based on the interactions of all team members with numerous publics and countless individuals. Practitioner-researcher Bill Banach's studies suggest as much as 90% of a professional's time today can profitably be spent on internal publics (prr 8/2/82).

3. **No Surprises.** As the manager assigned to interpret the organization to its publics, then interpret these publics to the organization, no one is better placed to provide the all-important early warning system. A single surprise issue or unplanned-for social/ political change can drain enough resources to put the organization in the red. Practitioners can positively influence the bottom line by avoiding such disruptions.

4. **New Opportunities.** Because they interact with more internal and external audiences than anyone in the organization, public relations pros have a conning tower from which to identify new markets, new products, new methods. Something as simple as learning during a research project or promotion campaign that an untapped ancillary market may exist – which happens all the time – can add unexpected sales volume, as one example.

5. **Protection of Present Position.** In our constantly changing society, issues will arise. While an organization is under attack, public relations is the only department that can keep things moving ahead despite the battle. Proctor & Gamble did not suffer declining sales, morale or stock values during the tampon debacle, for instance, because of expert public relations handling. Nothing the lawyers, accountants, production managers or other executives could do would have gained this benefit – because what was involved was public perception of the company's true values.

6. **Overcoming Executive Isolation.** Probably the biggest bottom line boost is a with-it management. In the sharp

competitive climate of 1983, it can make the difference between success and survival. An inescapable assignment of every practitioner is opening the eyes and ears of management to what's really happening.

7. **Change Agentry**. Managing change is critical. Organizations must change regularly to stay competitive and efficient. But change is threatening, often resisted. Practitioners can use OD, QWL and other techniques to be change agents. Smooth transition through a necessary change is a real dollar-saver.

8. **The Double Bottom Line.** Social responsibility is now understood to have a traceable effect on economic success for every type of organization. Philip Morris coined this phrase to explain the relationship (prr 3/22/82). The leading role in social accountancy is usually played by public relations staff.

2) PROJECT FOR 1983: GETTING PUBLIC RELATIONS TO MOVE BEYOND INFORMATION TRANSFER TO PERCEPTION MANAGEMENT; DO WE HAVE THE TECHNIQUES TO DEAL WITH THIS MOST POWERFUL FORCE?

"The first fundamental rule of Washington," says Treasury Secretary Donald Regan, is this – "perception is reality." He might have called it the fundamental rule of Anywhere. Perception is the most powerful force in human society. Everything humans do or think is based on it. It is the shaper of relationships. The interpretive screen of information. The spark of motivation. The basis of beliefs.

Perception is rational – rather than just logical – combining all our senses and capabilities: brains and logic, heart and emotion, gut and intuition. Fact is weak in comparison. It's often difficult or impossible to discern what "the facts" are. They are "logical," equated with "truth," by nature historical – something that occurred then and there. Perceptions are here and now.

There are numerous influences in forming a person's perceptions. A useable, simple paradigm of how perceptions are shaped will be needed. It will probably be something like this:

Influences in Shaping Perception

1. Attitudes: stored-up opinion
2. Information: current opinion molder
3. Social Force: opinion validator

Scholars will object as always that this is not strictly true or provable, but practitioners need a rule of thumb that is applicable to the great majority of cases. The real issue is whether we

Contrast between reality and perception is shown by a study that appeared last year in *Scientific American.* Researchers asked three groups to rank the risk factor among 30 potential sources of injury. Article presented these perceived risks with the actual deaths occurring from each source. Pesticides, for example, was ranked 9th by League of Women Voter members, college students gave it 4th place, business and professional persons ranked it 15th. In fact, pesticides was 28th. Each group felt it a greater risk than power mowers, surgery, alcoholic beverages, hunting and other factually greater risks.

Where did these misperceptions on the danger of pesticides originate? From some basic attitude about chemicals as dangerous in some corrosive way? From hearing inaccurate information? From an influential book like *Silent Spring*?

have the reliable studies and behavioral science theories on which to base a strategy of perception management.

3) WHY PERCEPTION MANAGEMENT? HOW MIGHT IT WORK?

Perception management begins in the faith public relations has mastered the skills of communicating information or positions through carefully structured messages and well-targeted media. The constant difficulty is to get publics to hear, accept, respond and act upon our messages. Focusing attention on the perceptions held by publics– which constitutes their understanding of the situation and thus readiness to act – may be a key. Perception management is therefore other-directed. It stresses the need to penetrate others' minds and hearts, not flood the scene with our communications. Its precepts are:

1. Facts are less important than opinions, no matter how erroneous or unproven those opinions may be.
2. Logic is less important than human nature.
3. Acceptance of people and the world as they are, not the way your client/employer would like them to be. . .true even if your client is a social reformer.
4. Tough adversary stances are generally to be avoided, since the perceptions they create are primarily negative; cooperation, friendliness and patience are the order of the day.
5. Opinion is less important than attitudes, and attitudes are less important than behavior; the ultimate test of public relationships is how people behave, not what they think or feel.

WHY PERCEPTION IS THE BASIS

"The act or faculty of apprehending by means of the senses or the mind; cognition; understanding."
– Random House Dictionary

SOME TECHNIQUES THAT MIGHT BE APPLIED

Since the scope of influence on perceptions is so wide, a first principle in managing them is to undertake actions that will narrow this scope. For instance, toning down public expectations of an organization. Understatement becomes more effective than bragging.

Abuse lists provide a red-flag system to avoid venturing into those subject areas that will cause publics to react negatively. The technique stems from sociological theory: "Any change in the relationship between two groups is the result of an abuse on the part of one." Abuses need not be real, of course; they may be perceived as abuses by a public when the organization doesn't see them that way at all. Write down 1) those historical abuses that have occurred between the organization and the particular public; 2) any current abuses; 3) future actions that might be seen as abusive, such as a cut in wages for employees. Listing abuses by publics creates a means of managing your actions and communications so they do not contribute to harmful perceptions, or rejuvenate old negatives.

Expectational research is more valuable than opinion surveys. This is true anyway since it appears people's expectations are more constant than their opinions. For perception management it provides a needed longer-term benchmark.

THREE SCHOOLS OF CONTEMPORARY PUBLIC RELATIONS PRACTICE AND A PROPOSAL FOR UNIFICATION

1. **Communication School**, or messenger class – a) emphasizes writing ability; b) concentrates on house publications, media placement; 3) stresses sales support and constituency communication.

2. **Victory School**, or warrior class – a) emphasizes adversary stance; b) concentrates on public attacks on opposing views or those who hold them via mass media including advertising, plus rallying supporters through targeted media; c) stresses "winning" by passing legislation, avoiding regulation, overcoming competition.

3. **Participation School**, or diplomat class – a) emphasizes accommodation and mutual understanding; b) concentrates on research and behavioral science to achieve dialogue and co-authorship of public and organizational policies; c) stresses strategy, gaining consent.

Needed is a unifying 4th school: **integrationists** who combine the best legitimate aspects of all three.

One way to get there would be to recognize that **management or clarification of perceptions** is the basal technique used by each school. To bridge the gap between "marketing pr" on the one hand and "issues management" on the other, the profession might concentrate on "perception management" – that bundle of theories, strategies and tactics common to all successful public relations practice, yet still very sparsely understood.

THIS INQUIRY IS NOT INTENDED AS A PHILOSOPHICAL DISCUSSION

It aims to get practitioners to seek out a better, and uniform, way for public relations to approach its task – consistent with the realities of how humans think, learn and behave. To that extent it springs from a growing concern that too many practitioners are stuck on the information model – which assumes (incorrectly, in our view) that people given the "right" information will respond, and in a useful or helpful way. There is little if any evidence favoring this model in social science.

Why do we cling to it? Perhaps because it's easier. Perhaps because texts and handbooks in the field do not cover topics like perception. According to their indexes, no current public relations text discusses perception – with one exception. Robert Reilly's *Public Relations In Action* lists three "concepts for understanding human behavior," which are 1) motivation, 2) perception, 3) learning. Of perception he states, "A large share of public relations problems are rooted in misperception."

Ed Robinson's seminal text, *Communications & Public Relations*, gave several pages to perception in 1966. In coming weeks, prr will explore the topic further, concentrating on examples and case studies. Readers' contributions are solicited – and, as always, your opinions pro or con are welcomed.

Vol.27 No.1
January 2, 1984

FOR PUBLIC RELATIONS PROFESSIONALS, ORWELL'S YEAR MAY BE TENSE CONSIDERING THE MASSIVE, OFTEN HIDDEN ISSUES TO BE NEGOTIATED

Edward L. Bernays has been saying for a decade that to do their jobs, public relations practitioners must be "societal technicians ... with the skills to bring about accommodation ... in the court of public opinion." Whether your job is anticipating issues, helping to manage their impact or communicating about them, 1984 looks like a year with plenty of hot topics to practice on.

Emerging Issues That Affect Everyone: Equal Pay Is The Big Surprise

With gigantic public relations & other ramifications, equal pay was rammed to the head of the list by a federal court that has ordered Washington state to end wage discrimination against women employees immediately. External publics may be upset at the $70 million annual cost plus $1 billion back pay & benefits -- to be borne by taxpayers. For practitioners, dealing with internal disruptions in morale & productivity may be the bigger headache. Especially if the practitioner is female and may have, or be perceived to have, a vested interest.

Amer. Federation of State, County & Municipal Employees believes the ruling may affect 83,000 gov't units across the US. Aside from male (& female) chauvinists who may feel their position is under attack, sheer effort of communicating the change in philosophy -- and gaining acceptance of it -- appears huge. Ruling goes beyond equal pay for the same job. It eliminates so-called women's jobs. Under that classification, women at the top of the secretarial pay scale got less than men performing less-skilled jobs washing walls or driving trucks. The new standard is "comparable worth."

Even if the ruling is overturned on appeal, this long-smouldering issue will not recede -- especially in an election year when other women's issues are in the spotlight. One likely target is the field of public relations itself. Every salary study shows discrepancies between male & female wages. As prr's Annual Survey of the Profession points out, "With the 1983 median salary for men at $45,000 and women's at $30,000, there's a lot of explaining to do. Our sample of 1,060 comprises 70% men & 30% women. The women are younger than the men, have spent fewer years in pr and hold fewer top level positions. These factors provide some answers to the salary differential."

But '80 census found a woman with a college degree earns only 62% as much as a male college graduate, on average.

A job for futurists: If women's pay catches up, will that stimulate or repress the day care movement? Will employers still find it valuable to sponsor or otherwise be involved in childcare for employees? Or will higher wages make it more attractive to use other facilities or different means of caring for children of working parents, especially single mothers?

more . . . . . .

HOW A TOP MANAGER VIEWS THE TASK

"We now live in the most powerful, most complex system ever known. It is made up of countless interacting institutions and organizations. Will this conglomeration of elements drift ever faster without guidance, or will some sort of new consensus evolve?

"This depends on how managers of our organizations see the patterns evolving, how they shape their policies to serve these patterns, and how well they communicate to achieve understanding and support.

"These three factors are the elements of public relations. Recognition of their importance is behind the rapid growth of public relations and public affairs in the consideration of managers." -- Gaylord Freeman, honorary chrm, First National Bank of Chicago, in the foreword to Lesly's Public Relations Handbook.

Another Sleeper: Corporate Taxes

"Unitary" tax systems are one way beleaguered state gov'ts can increase their income without asking voters to ante up. California started it years ago. Unitary rates make it difficult for multinationals or conglomerates to use bookkeeping entries for inter-subsidiary dealings as a way to avoid taxation. Corporations are taxed on their worldwide profits, not just the portion accountants might allocate to a particular state. On Dec. 5, US Supreme Court refused to consider the matter, leaving unitary taxation intact.

About two dozen states use the method. With federal taxes on corporations reduced under the Reagan administration, the tax fight shifts to the states. This development could stir a confrontation between dollar-starved states, booming companies, & human service providers staggering under growing caseloads & dwindling budgets.

Some far-sighted companies favor the unitary tax. Caterpillar Corp says, "Regardless of the revenue impact, the most important consideration is this: The combined method is the fairest, most accurate method."

"Fronts": An Issue Again?

Same day Supreme Court passed over unitary tax case, it decided another California matter which impinges on public relations ethics. It is okay, ruled the justices, for broadcasters to air public issue commercials that do not identify the true sponsor.

Tobacco industry had run ads in the '80 battle over separate smoking areas in public places. Proponents protested the ads urged defeat of the initiative without revealing the industry paid for them.

This appears to be another extension of "corporate free speech" -- but questionable. PRSA's Code of Professional Standards is clearly against such practice. Article 8 mandates "identify(ing) publicly the name of the client or employer on whose behalf any public communication is made."

And Article 9 bans "(making) use of any individual or organization purporting to serve or represent an announced cause, or purporting to be independent or unbiased, but actually serving an undisclosed special or private interest of a member, client or employer."

Another difference between law & public relations: it may be legal but that doesn't make it ethical.

SPILLOVER: SOMEONE ELSE'S ISSUES WITH MEANING FOR US ALL

Who has the toughest public relations job these days: 1) Manville Corp & Continental Airlines, who are attempting to use Chapter 11 bankruptcies for purposes far different than normal (Manville to escape huge damage claims from victims of asbestos poisoning, Continental to get rid of its unions)?

2) Electric utilities with nukes now coming on line, who spent years touting nuclear power as the inexpensive alternative & now must ask for gigantic rate increases when the opposite turns out to be the case (e.g. Long Island Lighting requested 56% ... then settled for 12% ... which in itself must be a nightmare for pr staff to explain)?

3) Telephone companies, any telephone company, trying to make us understand the effects of dereg?

It's a tough call, but Ma Bell's practitioners may win the prize. Not one of their publics is really prepared for the outcome: not shareholders, not employees, certainly not customers. Since even the companies can't be sure, what do you communicate? Because consumers & stockholders will be deluged by competing phone services & brokers seeking their business, the internal audience is predictably the hard one. How do you change behavior patterns from monopolistic to competitive?

Mountain Bell chartered a task force of longtime managers who really know the company to look at the problem. Their response was the Easy To Do Business With program. Research found high dis-

more...

PUBLIC RELATIONS' RESPONSE TO THE MARKETING REVOLUTION

In both corporate & nonprofit organizations, the structural tension of the last decade has been the questing of "marketeers" into all aspects of operations & policy. As Peter Drucker points out, their cover-all use of the term marketing is erroneous and has led management down many muddy paths. Public relations is one of the departments that has sometimes been victimized.

But marketing, however broadly defined, is concerned with one public: customers. There are four critical tasks public relations is concerned with that marketing isn't:

1. Internal relations & communications . . . which is the organization.

2. Non-customer constituencies . . . publics that may not use your services but set the political, social, community environments which constitute the operating climate of every organization.

3. The practical human nature/people approach . . . which is essential for building trust & loyalty, as opposed to dehumanizing number crunching.

4. Advocacy . . . when the organization cannot pander to the needs & values of its publics, but for policy, ethical or operational reasons must attempt to change opinion.

Ironically, these activities are the best marketing of all -- because they position the organization and give it a U.S.P. (unique selling proposition).

satisfaction with the company's services, primarily due to lack of teamwork & too much departmentalization. Top management took the giant step of deciding that the answer is not persuading customers to view the company differently, but altering attitudes internally. The official statement is far-sighted for any organization, revolutionary for a utility:

> "Stakeholder perceptions can only be changed by the mechanisms that create them -- internal management activities and the resulting effect on stakeholders. Accordingly, a commitment must be made to use the Stakeholder Process as a means to revise & improve internal management, not as a means to change stakeholder attitudes."

At Manville & Continental (both also Denver), how can their dpr's square Chapter 11 with social responsibility? In the airline's case, employee relations problems of morale & productivity must be fierce. Teamwork may seem a hollow term meaning you team up to work for us.

For electric utilities, recent studies find that as much as 60% of the decline in residential energy consumption is linked to behavioral changes and therefore "largely permanent."

After all the nuke plant battles, at least 2 companies may go broke because they "won" and got permission to build. Cincinnati Gas & Electric's $1.6 billion Zimmer plant and Public Service of NH's $6 billion Seabrook plant are the killers. And Cambridge Energy Research Associates reports many nukes will produce power at rates equivalent to double or triple the price of OPEC oil.

¶What public relations strategies do you call on at times like these? The asbestos & utility cases are new versions of the Love Canal syndrome whereby organizations lose public support because they failed to see into the future. Projects begun with public approval under one set of standards become nightmares years later when new standards reign.

ONE ANSWER: PR JOBS ELEVATED TO SENIOR MANAGEMENT SPOTS, REPORTS EXEC SEARCH FIRM

CEOs are upgrading the public relations function, finds Lamalie Associates (NYC). Exec search firm is increasingly asked to find vp-level pr candidates. Compensation routinely runs into 6 figures. This trend is identified in The Lamalie Letter:

"The newly emerging public relations staff, now as often called communications, public affairs, issues management or another abstraction, is in the midst of a carefully planned effort to identify political & social pressures before they reach the company. Sophisticated adaptation of long-range planning and other modern management techniques is lending an intellectual substance to the public relations function and giving it the credibility to help lead the corporation's interaction with issues of greater subtlety.

"Senior management is recognizing that public relations represents a valuable instrument for providing an early warning system to identify emerging issues and for helping to deal with them. They see the function helping the entire organization operate more effectively in either normal or crisis-laden atmospheres. They recognize that political, economic and social issues are with corporations for the long haul."

Vol.28 No.1
January 7, 1985

OPPORTUNITY '85: BRING RIGOR OF PROCESS MANAGEMENT TO BUILDING PUBLIC RELATIONSHIPS BY CREATING AN EASILY-APPLIED & SIMPLE-TO-EXPLAIN CONCEPTUAL FRAMEWORK

As the new spirit of total competition deepens, the primary response in most areas of endeavor has been the "marketing revolution." For public relations this has generally been positive, with its theme that the three most important publics are "customers, customers & customers." Yet even as organizations trim & shape themselves to meet their customers' needs & values, two old problems surface: 1) how to discipline & motivate the organization so it 2) makes them regular, repeat, loyal customers.

Once the legitimate but somewhat simplistic appeal of marketing wears off, managements everywhere find themselves once again facing the need, the essentiality of building long-term public relationships -- not only with customers but other key publics. Marketing, alas, with all its basic lessons & strengths, is not a panacea. A more holistic model is needed, one that a) takes all elements of modern organizational life into account, b) allows stability thru the stresses of constant change in product/service, environment, demographics, lifestyle, c) provides for the process management of public relationships.

MODEL OF THE SUCCESSFUL ORGANIZATION

Begins with, & invests much energy in, a

1. DEFINITIVE MISSION STATEMENT (Values)
   - the distilled essence of the organization's reason for being
   - implies its USP, positioning, goals, policies.

This is carried out by

2. CORPORATE CULTURE (Shared Values)
   - demonstrated by role models, heroes
   - reinforced by rituals, stories
   - the source of teamwork, morale, productivity.

This in turn lets the organization speak with One Clear Voice to penetrate the changing & competitive environment by building

3. POSITIVE PUBLIC RELATIONSHIPS (Expressed Values)
   - more than marketing or communication
   - the source of loyalty, credibility, trust.

Over time this creates

4. REPUTATION (Understood Values)
   - generates latent readiness to like, accept, trust, believe
   - a serendipitous, self-powering force that lies at the core of all human interface
   - epitomized in the old Squibb motto, "The priceless ingredient of every product is the honor & integrity of its maker."

Process management means standardized methods -- a process. It implies carrying thru to closure, to finishing, i.e. completing the process since the "product" is valueless without it. In a foundry, for example, castings must be polished. In accounting, figures must be audited. Public relations must be evaluated and give evidence it caused some outcome. The irony is that by institutionalizing the process, practitioners are free to concentrate on outcomes, not process.

ABOUT THIS MODEL 1. It offers an orderly process.

2. Is value-centered. Critical since if an organization doesn't broadcast (& act on) its values, people will fill the vacuum by ascribing values for it -- probably unflattering ones.

3. Describes any organization regardless of age, product or service, etc.

4. Focuses on the organization itself -- a group of people working together over time -- regardless of changes in product or service, management or ownership, environment.

5. Emphasizes basics: constant attention to interaction & communication in order to build relationships.

USEFUL TECHNIQUES
To find out realistically where your organization stands in relation to the model, do a simple comparison. 1. From internal documents, make a list of what the organization stands for. 2. Then conduct some research to discover what the organization is known for among key constituents. 3. Compare the two and you have both an agenda for the public relations dep't & a mandate for management.

For practitioners, it provides badly needed priorities & division of labor. Note that the internal audience is top priority public ... for until members of the organization share its values & are trained to speak about them in unison -- and behave accordingly -- external relations remain fragile, subject to contradiction. What a waste to spend large budgets telling people how caring you are, only to have them find out differently from contact with your switchboard or sales dep't -- or from an employee gossiping at a cocktail party. While this may always remain a challenge given the vagaries of human nature, an instilled corporate culture at the least provides a proactive defense.

Critics of this kind of model usually suggest it won't work in large organizational settings. Yet even there most interaction is one-on-one: a supervisor to a worker, a clerk to a customer, and so on. Further, examples of the model working successfully are all around us. Consider the Japanese style with its rituals of morning exercises & company songs aimed at creating a value-intensive culture which works toward meeting the needs of customers. And -- truthfully -- how many organizations large or small really have taken the time to create definitive mission statements that are understood & looked to for guidance in daily operations? (See prr 2/14/83 for Johnson & Johnson's reliance on its credo during the Tylenol crisis.)

This model provides a macro view of how organizations function -- & how to keep them healthy. Next step is to determine public relations' role in operations.

<u>PROCESS MANAGEMENT OF PUBLIC RELATIONSHIPS MIGHT BE TERMED HOW TO MANAGE YOUR PROGRAM FOR RESULTS</u> Today results must be behavioral. The object of public relations is stimulating behavior, reinforcing or modifying it. Influencing opinion or attitudes, showing that messages were received -- or even securing positive feedback -- are no longer enough. Public relations needs to give evidence some <u>action</u> occurred.

8 WAYS PUBLIC RELATIONS CONTRIBUTES TO THE BOTTOM LINE

	Process	Principal Activity	Outcome
1.	Awareness & Information	Publicity, promotion, audience targeting	Pave the way for sales, fundraising, stock offerings, et al
2.	Organizational Motivation	Internal relations & communications	Build morale, teamwork, productivity, corporate culture; work toward One Clear Voice outreach
3.	Issue Anticipation	Research; liaison with all publics	Early warning of issues, social-political change, constituency unrest
4.	Opportunity Identification	Interaction with internal & external audiences	Discover new markets, products, methods, allies, positive issues
5.	Crisis Management	Respond to or blanket issues, disasters, attacks; coalition-building	Protect position, retain allies & constituents, keep normal operations going despite battles
6.	Overcoming Executive Isolation	Counseling senior managers about what's really happening; research	Realistic, competitive, enlightened decisions
7.	Change Agentry	O.D., QWL, corporate culture, similar techniques; research	Ease resistance to change, promote smooth transition, reassure affected constituencies
8.	Social Responsibility	Social accountancy, research, mount public interest projects & tie-ins	Create reputation, enhance economic success thru "double bottom line"

<u>SPECIFYING THE LEVELS OF DIFFICULTY & COMMITMENT IS REQUIRED TO ACHIEVE VARIOUS OBJECTIVES</u> The rigorous requirements to affect behavior eliminates the luxury of cogitating over everything, of inventing creative new responses every time a situation comes along. It calls for systematized response to organizational needs or -- far superior, a system for proactive <u>anticipation</u> of those needs.

When engineers or accountants see certain things occurring, they automatically respond in certain ways. Public relations can too.

With drunk driving, seat belts, productivity, healthcare cost, new product & other campaigns, very often unrealistic expectations of public relations activities are widespread. Decades of research into the relationship between information & behavior change is often unknown or ignored -- such as the studies of Jim Grunig (prr 1/31/83 & t&t 2/7/83). This creates a major opportunity for practitioners.

One reason management is sometimes critical of the field is because practitioners have not established a hierarchy of public relations -- a useful frame of reference for planning, positioning, explaining objectives & getting needed resources allocated to the work. Such a tool can keep expectations realistic by calling attention to the difference in complexity of various types of campaigns.

6 LEVELS OF PUBLIC RELATIONS ACTIVITY	
1. Awareness	1-way communication; emphasizes all types of media to reach as large a percentage of target public as possible; primary message strategy is believability, e.g., "you need to know about this."
2. Information	Basically 1-way communication but feedback devices useful to answer questions; media emphasized; primary message strategy is relevance, e.g., "this affects you for these reasons."
3. Education	Still 1-way communication but uses opinion leaders to motivate public to accept the subject as one they can apply to their daily lives; usually involves uncontroversial topics, or one view of an issue presented in a non-debate format; message strategy is memorability.
4. Reinforcement	2-way communication with accepted leaders & role models enhancing the resolve of people known to be favorable to continue their present attitude or behavior; media less useful, unless targeted to avoid simultaneously reinforcing the opposition; message strategy is shared values.
5. Attitude Change	Major application of 2-Step Flow, using media to raise questions & peer groups to offer social rewards/punishments; primary message strategy is to avoid stiffening resistance, secondary is to offer validation for the switch.
6. Behavior Modification	Uses all available public relations tools to ask for a willing suspension of resistance to change; adds "enforcement" & "engineering" factors to seek congruence between attitudes & actual behavior; message strategy is repetition of the benefits.

Much more is needed, of course, to produce a complete process. But models like these give us a conceptual framework. Readers' comments are solicited to further develop the process management approach.

Vol.29 No.1
January 6, 1986

AS INTEREST IN MEDIA FLUCTUATES AMONG STRATEGIC PRACTITIONERS, WHAT ARE REALISTIC PUBLICITY / MEDIA POLICIES, BASED ON RESEARCH? OPPORUTNITY 1986: LEARN THE TRUE ROLE AND POWER OF MASS MEDIA

Media, society and our knowledge of both have changed – are changing – dramatically. Public relations practice has also changed. But on the subject of media use/publicity there is an unsettled feeling. On one hand, many practitioners concentrate on publicity, limiting the field to a one-tool mentality. Most college curricula prepare "journalists" to enter public relations. Some publications essentially define public relations people as those who handle calls from the media.

On the other hand, practitioners have had outstanding success using only direct communication methods. Others follow the dictum of "make news, not news releases." Thought leaders in the field have been moving away from communications toward applied behavioral science.

Where does this leave the working practitioner? Fortunately, scholarly study of the effects of media and of communication generally has been growing. While there may never be a cast-in-bronze solution for such a fluid situation, adequate guidance exists for each professional to establish a personal (or organizational) media policy.

NEED FOR A WORKING POLICY

Today's managerial approach means public relations must be measured behaviorally. What did someone do, not do, or let your organization do as a result of public relations efforts? The objective is stimulating behavior, reinforcing or modifying it. Influencing opinion or attitudes, showing that messages were received – even securing positive feedback – are not enough, except as way

HOW PRACTITIONERS SPEND THEIR TIME

Spend Most Time On (Rank Order)	% Spending 25%+ Time
Managing publicity	24.8%
Public relations planning	19.3
Advertising and marketing	18.6
Counseling	16.3
Writing/editing employee pub'ns	14.8
Strategic planning	14.0
Community relations	12.8
Issue management	12.3
Promotions and special events	11.2

Note: Of nine activities on which respondents spend 25% or more of their time, five deal with planning, counseling or issue management.

* * * * * * * * * * * * * * * * *

THE SPECIALTIES: Important functions but not engaged in by generalists	% Spending 5% Or Less Time
Preparing video/info programs	84.6%
Fundraising	83.8
Photography	81.6
Lobbying	81.5
Audio visuals	78.8
Consumer affairs	77.9
Graphics	75.9

– from pr reporter's 21st Annual Survey of the Profession, 1985 stations toward behavior. Public relations needs to give evidence that some action occurred.

- The question about mass media, about publicity is therefore: what power can they exert on people's behavior?

THE SEMINAL RESEARCH

Diffusion Process, or the Two-Step Flow of Information and Influence, remains the basic underpinning. Though the original work of Lazarsfield, Katz and others is 40 years old, and contemporary scholars like Everett Rogers are refining the usefulness of the theory regularly, the essence is intact:

1. Information by itself has almost no power to influence behavior or attitudes.
2. Impersonal media like print and broadcast are effective and efficient ways to a) create awareness and b) satisfy the information-seeking that follows awareness.
3. To gain adoption of an idea, product or behavior, personal media (people, experts, opinion leaders) are necessary in order to provide psychological support and social acceptability.

The six steps in Diffusion Process are a map of how people (and groups) make decisions:

Phase I **Awareness**	**Phase II** **Information**	**Phase III** **Evaluation**	**Phase IV** **Trial**	**Phase V** **Adoption**	**Phase VI** **Reinforcement**
Learns about an idea or practice but lacks detail.	Gets facts, develops interest, sees possibilities.	Tries it mentally, weighs alternatives.	Social - acceptability, experimenta-tion.	Full-scale use, adopts it.	Continued commitment, unswerving.

Mass media are effective only in phases I, II and VI, according to the research.

AGENDA-SETTING FUNCTION

If media are not able to get publics to act, what is their utility to practitioners? According to studies by Max McCombs and others

> ...while the media may not tell us what to think, they are stunningly successful in telling us what to think **about.**

Summarizing his research in Public Relations Review (Winter 1977), McCombs wrote, "Considering that the overt goals of mass communication are primarily to inform and to entertain, the fact that the mass media have more impact on awareness and knowledge than on attitudes and overt behavior is not that surprising."

Media can't persuade us how to vote, but they do have a voice in determining which candidate gets talked about at the cocktail party, church supper or water cooler discussion where **personal media** are at work.

He also estimates the time lag between appearance of a topic in the media and its appearance on the public agenda as three to five months on average. This depends greatly on the salience of the topic, the extent of its coverage and competing agenda items, however.

THREE TYPES OF NEWS Various forms of social communication distribute 1) need-to-know, 2) nice-to-know and 3) entertainment (or The Passing Parade) information. They are judged as essential in this order, although their recreational value is inverse. The extent to which a medium carries each type of news material determines its value for a practitioner's purpose of the moment.

This approach destroys the myth that people eagerly await newspapers or news broadcasts. If they do, found Jim Grunig in 1978, it's not because they need – or can even use – the information. He concluded, "There's nothing in mass media that people have to know. For example, most national politics don't affect them directly, nor do floods, disasters and other news items."

Instead, people's **level of involvement** in a subject determines whether they will seek information – or merely **process** it when it crosses their paths. Grunig says practitioners who ignore this fact may be reaching the wrong audiences, wasting time and budget in the process. He stresses these implications:

1. If aiming at a **low involvement public**, which **doesn't need the information** (most broad public issues fall in this category). . .**use mass media**, especially tv, because it forces audiences to process the data.

2. If aiming at **involved publics**, who are **actively seeking information** on your subject. . .**use specialized publications** such as trade or subject magazines, newsletters, direct mail.

If you don't need a car, argues Grunig, tv ads are effective because they make you aware of available models and brands even though you don't need that data for the moment. But if your car is ready for trade, would you spend the day in front of your tv waiting for car ads?

CONGRUENCE / SELECTIVE PERCEPTION For many years studies have shown that media – in fact all communications – face an awesome task in persuading because of human reluctance to be persuaded – at least on subjects where prior knowledge exists. This is because of "selective perception." People tend to agree with media coverage that is congruent with their pre-existing opinions, and disagree with coverage that contradicts those opinions. Thus

> ...media stories are most persuasive with people who have already adopted the viewpoint they present, rather than converting those with opposing views.

Again, the **reinforcement** value of media.

TOO MUCH MEDIA COVERAGE BACKFIRES The more media cover an issue, the more negative opinion becomes – even if reporting is positive and accurate. Every controversy has two sides. Allan Mazur of Syracuse University contends that one side is the "establishment" and the other is the "challenge." On each side are passive members (who might express their view in an opinion poll) and active members (who try to influence the public). On issues where there are clearly opposing sides, 1) the media serve as a link between the activists and the wider public; 2) therefore, media coverage of an issue increases during periods of activism, 3) and activism peaks when there is national interest in the issue under protest. Mazur's study concludes that

> ...as media coverage increases, the public's attitude becomes increasingly more negative. In other words, public **opposition** on a given issue is a function of the **quantity** of press coverage the issue receives.

This is true even if the issue is not portrayed negatively by the media. A controversy has opposing sides and both claim to be correct. When the issue holds potential danger for the public, it is likely the public will embrace the safer of the two sides (as Maslow taught).

THE THIRD PERSON EFFECT

If the mass media are limited in their ability to persuade, why do they seem so powerful and important? Because of the phenomenon known as the "third person effect," identified by Davison in 1983.

When scholars study the impact of media on target publics, they find it minimal as a rule. But if they study the impact of the same material on managers who feel media coverage is relevant to them, a completely different result occurs.

Executives tend to be media watchers – or have it watched for them. Coverage relevant to their organizations (and others they are familiar with) inevitably comes to their attention. The circles in which these movers and shakers travel are populated with fellow movers and shakers. They notice the coverage, good or bad, which they and their peers get – and mention it to one another. These "third person" comments imply the media coverage has power. The assumption is that if their friends have seen the story, everybody has.

MEDIA USERS CAN SUCCEED IF:

1. They **assume target publics are only mildly interested, or not interested at all**, and plan accordingly.

2. **Specific, reasonable goals are set.**

3. **Systems are set up**, such as skills or knowledge testing, so info received can be translated into behavior.

4. **Specific target audiences are delineated.** This includes demographics, psychological attributes, lifestyles, value and belief systems, mass media habits.

Who says so? Harold Mendelsohn, whose studies linking info to research have given new value to communication campaigns.

Vol.30 No.1
January 5, 1987

AN INVESTIGATIVE CASE PROBLEM IN ORGANIZATIONAL CULTURE: CAN IT BE ACHIEVED FOR A GROUP SUCH AS A PROFESSION WHERE MEMBERS ARE DISPERSED WITHIN OTHER ORGANIZATIONS?

Can public relations develop a "corporate culture" to which its practitioners adhere even tho they work inside employing organizations which have their own cultures? Has this already happened? Do other professions have such overriding cultures? What are the advantages?

Every once in a while, even in a pragmatic publication like prr, it doesn't hurt to look inward -- to review the state of the practice of public relations. If ever there was a year that provided feedstock for such strategic reconnoitering, it was '86. As it ended, there was ample evidence the profession is on practitioners' minds. Consider:

-- ethics abuses, not just the Deaver & Franco cases but the Boesky scandal, Iran-contra stonewalling, Thiokol-NASA o-ring tragedy, et al.

-- new interest in licensing, mandatory accreditation and similar, culminating in PRSA's Symposium on Demonstrating Professionalism and CPRS' attempts to begin applying its innovative 5-year plan.

-- acquisition of some of the last major independent pr firms by ad agency-owned biggies, including H&K swallowing Byoir, Gray & Strayton; and Doremus adding Weiner & Porter Novelli.

-- professional topics ranked highest among current concerns of practitioners in prr's Annual Survey of the Profession (see prr 12/22/86).

Are there potential disadvantages? One that comes to mind is analogous to academe, where professors are usually more loyal to their discipline than to the college at which they teach. For a profession this might be a distinct advantage -- arming pr pros with mores, jargon & techniques that clearly set them apart. Adherence to the ethics & disciplines of a strong profession would be one way to show that pr brings something special to the table. Essentially, it is just such membership in an outside "club" that gives lawyers & CPAs their standing.

How Might A Culture Of Professionalism Arise?

The field has learned much about the ingredients that go into a culture. Foremost are 1) heroes, 2) role models, 3) rituals, 4) stories, 5) training (the military unabashedly calls it indoctrination; for new members most organizations label it orientation).

Take them one at a time:

1. Heroes pr has, many of them. Ivy Lee, Arthur Page, Paul Garrett, Earl Newsom & many others were truly bigger than life. Even seamier predecessors of today's practice,

whether P.T. Barnum or Ben Sonnenberg, offer lessons every practitioner should know. (Yes, in today's cynical world, heroes are usually dead...so their feet of clay are beyond the spotlight of a tv special or 20/20.)

2. Role models are also numerous and arguably most important. For a list see story on pages 2 & 3.

3. Rituals are not yet universal -- but are more firmly in place than may be realized.

A. Membership in a professional society is not endemic but, on analysis, much higher than usually acknowledged. Assuming the US census figure (a self-selected universe) is high, postulate that the body of truly dedicated practitioners numbers 75,000 with fringers removed. Unduplicated membership in all pr organizations national, regional & local is by prr's reckoning about 40,000 or over 50% -- not the 10-15% often cited.

B. Accreditation has so far been attained by about one-third of the members in PRSA & CPRS, smaller percentages in the other societies that offer it. But there is a new enthusiasm for taking the exam, reported by organization after organization. More important, key educators are almost all accredited. Doctoral degrees notwithstanding, they have sat for the test & condition students to do likewise as soon as they're eligible. There are no more eager candidates for accreditation than graduates of public relations sequences. As they will one day constitute the vast majority of practitioners, universal accreditation seems assured.

C. Licensing is still anathema to scores of practitioners. But support is growing -- and adherents are both vocal & activist. Texas PR Ass'n plans to file legislation in the upcoming session. That's right, Texas...home of rabid independence.

D. A common definition is missing. But the "description" promulgated under Joe Awad's initiative in '82 has been widely accepted, including official endorsement by several societies. It is sufficient.

There may be no pr song, handshake or ring (thank heaven!)...but rituals do bind us together, far more than we may be aware.

4. Stories, instructive ones, funny ones, inspiring ones abound. Who doesn't know what Sonnenberg told Ford about the Edsel -- for a $50,000 fee? Or how Bernays saved Schrafft's from serious loss of business when rumors of sanitation violations were spread? Such incidents are convincing -- and show that public relations has a long & honorable history of developing its techniques.

5. Training (professional development in the pr argot) is a growth industry, as it must be in a field growing & changing so fast.

PRACTITIONERS ARE READY

Nearly half of current practitioners are ready to go beyond voluntary accreditation to demonstrate the professionalism of public relations. 42% of respondents to prr's 22nd Annual Survey prefer mandatory accreditation, periodic recertification or licensing. With 37% opting for voluntary accreditation, this reduces the number who feel no credentialing is necessary to 22%.

MANY NEW ROLE MODELS BUT SAME OLD NAMES STILL AT TOP; ROOM FOR YOUNGER ONES, WOMEN, NEW SPECIALTIES

prr's 3rd sociometric poll finds the 6 "most respected" practitioners were all within the top 8 in both its previous studies ('78 & '82). But it is clear no one or a few role models dominate; there's ample room for many more. Only 3 women are within top 30, only 9 on leadership list. And a number of new names (not mentioned in either previous poll) are rising, including 3 in the top 14 places:

¶Regis McKenna, hi-tech guru
¶Bob Dilenschneider, H&K head
¶Jim Tolley, Chrysler wizard

Also coming on in esteem of their colleagues are these new names:

¶Counselor & lecturer Larry Newman
¶Researcher & theorist Jim Grunig
¶Johnson & Johnson hero Larry Foster
¶AT&T pr chief Ed Block
¶Educator Douglas Ann Newsom
¶Publicist Steve Booke
¶Counselor Paul Alvarez
¶Higher education leader Fred Volkmann
¶Canadian counselor Luc Beauregard
¶Publicist Dick Weiner

Long-respected leaders still near the top are:

¶Ann Barkelew, education & corporate
¶Washington point man Bob Gray
¶Bill Banach, education & research
¶Roger D'Aprix, internal relations
¶Issues pioneer Howard Chase
¶Don Bagin, education, teacher, newsletter publisher (Communication Briefings)
¶Investor relations guru Dick Cheney
¶Newsletter pioneer Denny Griswold

"Expert & respected professionals" from 216 nominations by 585 respondents in 3 categories (entire field, within industry, within specialty):

Name	Mentions	Rank '82	Rank '78
Edward Bernays	122	1	2
Pat Jackson[1]	64	3	8 tie
Harold Burson	47	6	4 tie
Philip Lesly	38	2	3
Chet Berger	37	5	4 tie
Herb Schmertz	32	-	8 tie
Scott Cutlip	21	NA*	1
Ron Rhody	18	7 tie	-
Tony Franco[2]	18	-	-
Regis McKenna	16	-	-
Bob Dilenschneider	14	-	-
Jim Tolley	13	-	-
Allen Center	10	NA*	4 tie
John Wherry	9	-	List

[1]Because he edits the newsletter conducting the study, name association could have suggested him to respondents; therefore this listing is parenthetical.

[2]Study was conducted before his SEC case became public.

*'82 study covered only active practitioners, excluding educators.

Highly Respected By Industry Or Specialty

¶Banking: Fraser Seitel, Grant Horne
¶Corporate: John Budd, Joe Nolan, Jack Felton, Jack McNulty, Lynn Cunningham
¶Counselors: John Francis, Dick Truitt, Davis Young, Joe Epley, Bill Ruder, Dan Edelman, Barbara Hunter, Jim Fox, Leone Baxter, Jim Dowling, Elias Buchwald, Kal Druck, David Finn, Brian Kilgore, Peter Hollister, Ruth Hammond

¶Educators: Glen Broom, Ray Simon, Otto Lerbinger, Dennis Wilcox

¶Financial Relations: Gershon Kekst
¶Healthcare: Ken Trester, Frank Weaver, Shirley Bonnem, Judith Bogart
¶Higher Education: Bob Reichley, Art Ciervo, Jim Fisher
¶Insurance: Mechlin Moore, Frank LeBart
¶Media Relations: Mike Klepper
¶NPOs: Sunshine Overkamp, Virginia Pie
¶Religious Organizations: W.C. Fields
¶Research: Walt Lindenmann
¶Schools: Larry Ascough, Bonnie Ellison, Bill Jones, Gary Marx, Ned Hubbell

---

CHANGES IN FIELD MAKE INDIVIDUAL ROLE MODELING ESSENTIAL

1. Vocation began as freelance function, not integrated into organization -- e.g. Edison & Westinghouse hiring press agents, The Publicity Bureau, Lee, Dudley, Bernays. Had problem-solving role.

2. Started moving in-house primarily in business -- e.g. Arthur Page, Paul Garrett -- & human welfare org'ns -- e.g. Social Work Publicity Bulletin of 1923 (now Channels) & Religious PR Council of 1929. Retained problem-solving orientation but moved steadily toward media relations.

3. As almost all org'ns embraced the function, publicity & promotion dominated problem-solving. Counseling firms grew in number & location and, because of their breadth of experience, became the diffusers of new techniques -- the role models.

4. Now the large firms are almost entirely subsidiaries of publicly-held ad agencies. Pressure to produce profits so parent companies can report good quarterly earnings may be moving them away from objective counseling role, into service marketing emphasis. Such firms cannot be role models for a profession -- tho individuals within them might.

5. Increasingly it has been the single practitioner, wherever employed, who has taken on role modeling responsibility. Whether it's Larry Foster & Tylenol, Jim Tolley & Iacocca, Frank Weaver & hospitals, Ron Rhody & corporate free speech...this is the source of major learning for the field today.

ACTION LIST: WHAT TO DO TO MAKE PR'S CULTURE A VIABLE TOOL FOR ALL

1. Write a book compiling the pithy, elucidative stories about the heroes & great events of the field.

2. Urge societies to which you belong to adopt the uniform code of ethics. A project coordinated by North American PR Council aims to put before clients & public a single, easily understood, promotable code. (Write prr for draft.)

3. Be a role model. 5 traits of the ones named in our poll are that they a) share experience, good & bad, by writing & speaking, b) mentor students & young pros, c) stimulate debate on pr topics, d) promote the field to others, e) develop new techniques.

4. Gain a reputation so you can represent public relations to your publics. The sociometric studies show this is achieved by writing, speaking, lecturing, service in professional societies.

1. A universally shared professional culture for public relations practitioners is inches away. All that is needed is desire.	2. Academic & technical support are in place. Imperfect, yes, but once a culture is shaped & adopted it will in turn shape these support systems for the profession.	3. If practitioners will drop their diffidence and start taking charge of their field, public relations can emerge as perhaps the most useful profession of them all.

Vol.32 No.1
January 2, 1989

IN 1989 MORE THAN BEFORE, PUBLIC RELATIONS WILL BE EXPECTED TO AFFECT BEHAVIOR: A REVIEW OF THE TOOLS AVAILABLE

The "value added" by public relations is understanding people and how they are likely to act or react, as individuals and in groups, given the stimuli of varying situations. Call it **human nature**.

Since it doesn't matter what people think or feel unless they act on their thoughts or feelings, the only reliable test is their **behavior**. And that's the challenge – primarily because most practitioners are trained in communications.

But communication theory deals with cognitions, not behaviors – i.e., what goes on in people's minds as a result of communicating. As Richard Winett put it in *Information and Behavior*, such studies "leave us with a consumer lost in thought; rarely do we see the flow through from stimuli, to cognitive processes, to actual purchases."

The simplistic, linear, stimulus-response model of communication theory needs to be contrasted with a non-linear behaviorist model. Several public relations techniques, based on a combination of these models, are now proving themselves.

SEEKING BEHAVIORAL RESULTS MEANS ALTERING WORK HABITS

The first thing most practitioners do when attacking an assignment is to arch their fingers over a keyboard. We are word and wringing oriented. But they are the process, not the outcomes. Instead, push away from the keyboard and ask the basic question: **What behaviors am I trying to elicit – from whom?**

That is the start of behavioral public relations: a list of very specific behaviors needed. . .from a tightly targeted group of publics. . .in order to attain the objective. For example, if the objective is a 5% increase in sales, the necessary specific behaviors might be:

- From new customers, 15% increase in inquiries, responses to mailings, etc.
- From present customers, $10 higher purchase per order
- From employees, better customer satisfaction, fewer complaints generated
- From management, sufficient budget to support these activities

In an actual plan, both publics and behaviors could be much more finite. The point is that breaking the objective into concrete actions that must occur makes it possible to plan programs that directly elicit these actions. The alternative is the naive belief that some "powerful message" or "smashing placement" will somehow get people to do these things. If pr is seen as soft and fuzzy, this is the reason.

TYPES OF BEHAVIOR Publics can be asked to a) **do** something, b) **not** do something, c) let your organization do something. Phrased differently, public relations can 1) motivate new behaviors, 2) reinforce existing behaviors, 3) modify negative behaviors. Obvious as this sounds, it's an essential framework for planning.

BEHAVIORAL TIME FRAMES Desired behaviors may occur a) immediately; b) eventually; c) on a fixed date, such as voting. Because people as a rule do not act without some preparation – even response to fear follows psychological preparation – the research requirement is to determine **latent readiness** to act. (Since conventional polling and surveys rarely probe latent readiness, they are less useful here.)

A recurring fallacy in current practice is automatically assuming publics are ready to act if only we can be persuasive. Discovering whether in fact they are or not quickly tells which time frame applies. A model for eventual behavior – to motivate publics that aren't ready yet:

Phase 1 = create positive latent readiness
Phase 2 = spring a triggering event that calls forth behavior

Since the fear is that someone else may spring a triggering event, bulletproof programs need to include:

Phase 3 = risk management, full-blown issue anticipation to be sure nothing destroys the positive latent readiness being built

FOUR BEHAVIOR SCIENCE RULES Major behavioral influences need to be checked in each public as a practical guide. Most useful are these:

- **Rule of Abuse**, from sociology: Any significant change in a relationship is the result of an abuse (real or imagined) by one of the parties. Until abuses are removed or at least surfaced, publics won't even hear your appeals for behavior.
- **Rule of Participation**, from psychology: People will only get behind those decisions they've had a voice in making – or feel they had a voice. To get them to act, give them ownership.
- **Rule of Rewards**, from psychology: People will do that for which they are rewarded.
- **Rule of the Cheerleader**, from anthropology: There has never been a successful society or organization without cheerleaders. Build them into plans because even the most willing audience falters sometime.

OVERWHELMING SOCIAL ROLE Research from several sources makes it clear that very few decisions today are made by individuals acting alone. Despite the myth of the totally independent cowboy and the lone wolf, in contemporary life is lived inside organizations, it is no surprise that this would shape our decisionmaking style.

To be successful in organizations, one learns to make accommodations to others' views. In addition, few of us are arrogant enough to think we know it all – so we seek the advice of others. Therefore, a key in behavioral public relations is reaching these "others" so they can help stimulate behavior among those they influence. A program that omits active stimulation of the influencer role is bound to falter. **Five types of influencers have been identified**:

1. Role Models – gain admiration and emulation
2. Opinion Leaders – provide peer pressure, desire to go along
3. Power Leaders – strength is fear due to ability to reward or punish
4. Cheerleaders – boost morale and action, even in difficult situations
5. Celebrities – attract attention and provide awareness

They have clout in this order, as a rule. Occasionally one person will occupy more than one of these positions in a group – but rarely. Power leaders, for instance, have formal leadership positions. This generally reduces their credibility with the "gang" to the point it is difficult for them to be opinion leaders. Instead, one or more information leaders – not in positions of legitimate authority – become the opinion leaders.

A MODEL FOR MOTIVATING INTERNAL BEHAVIOR THROUGH PR TECHNIQUES

Assimilating several scholars' work, in several disciplines, a practical how-to emerges for motivating, reinforcing or modifying behavior in organizations:

1. **Positive reinforcement** starts it – by building **self-confidence**. This is necessary to prepare people for behavior change, since those who lack self-confidence are likely to resist, at least wait for others to show the way.

2. **Foot-in-door** technique gets them **practicing the behavior**. As a trial, even in a small way, get people doing what is desired. Example: In mergers, employees of new entity receive paychecks, answer phone with new company name. Though loyalty is not yet built, actual use of new name begins to break down old habits and create new ones.

3. **Motivation** techniques are now required to **retain** the behavior. Herzberg's classic studies differentiate true motivators (achievement, recognition, responsibility, advancement) from mere hygiene factors (salary, work conditions, supervision, company policy) but the latter are often mistaken for motivators by the uninitiated.

4. **Role models** now assume the task of **reinforcing and hardening** the behavior. These key players become the focal point of meetings, internal media, presentations.

5. **Culture** takes over when rituals, heroes and recited stories **solidify** the behavior with the force of social acceptance. Desired behavior becomes the norm – and now it is **failure** to perform the behavior that is oddball – and socially punished.

The practitioner's first task in affecting behavior change inside organizations is to train managers at all levels in a) understanding why positive reinforcement works, carping and griping at employees is counterproductive; b) how to give reinforcement. In sum: **behavior change begins with managerial behavior.**

FOUR STEPS TO PUBLIC BEHAVIOR CHANGE THROUGH PR CAMPAIGNS

The work of Jim Grunig, Harold Mendelsohn, Brenda Darvin, Maxwell McCombs and many others suggests this approach:

1. **Coalition Campaign**, so target audience gets the feeling everyone who counts is trying to persuade them, that it is obviously the thing to do socially. Appeals in such a campaign must follow three phases:

   A. **Problem (or opportunity) recognition**: graining widespread under standing the issue is an opportunity or problem.

   B. **Problem/opportunity personalization**: making target audience realize it involves them, they could be affected.

   C. **Constraint removal**: letting them know they can do something about it.

2. **Enforcement**, establishing rules/laws mandating/outlawing the behavior.

3. **Engineering**, enact a structural change to work around the situation, e.g. raising drinking age to reduce drunk driving accidents by young drivers.

4. **Social Reinforcement**, when the behavior becomes the societally accepted norm and social rewards and punishments take over the job of enforcing it.

THREE EMERGING TOOLS

Training is in the forefront. PR staff today is most valuable as strategizer and coordinator – with as much responsibility for building trusting relationships pushed down to employees and off to operations managers as possible. They're the ones who interact with key publics – where behavior occurs on both sides – so the fate of the relationship is in their hands regardless. But this means continual managerial and employee training. PR alone cannot build relationship that motivate behavior.

Customer satisfaction models can elicit their behavior by conditioning employee behavior. Departments or other relevant units hold brainstorming sessions to build a model of a satisfied customer. They answer such queries as: What would he or she be feeling or thinking after the transaction? What is their likely next action? How can we stimulate that next action?

Then a panel of customers is called in to evaluate the model. Resulting finished model is used to establish norms of customer service – from not letting the phone ring more than three times to positive handling of complaints. The priority question becomes: will this satisfy my customer? Works for internal as well as external customers. Gets ownership by employees for proper behavior toward customers – because they designed and tested the model.

Constituency relations programs also use employees, at all levels, to personally carry out direct outreach to key opinion leaders in publics most important to the organization. Twice a year the contacts sit down with these assigned influencers to listen to what's on their minds, what they're hearing, their positions on issues or marketing topics. Just one-on-one dialogue. After the visit, the findings are put into a database. Potential for sending forth these opinion leaders to trumpet the organization's cause is unparalleled. And the database may well be the best research available.

Vol.33 No.1
January 1, 1990

First of the Year Issue:
IN NEW DECADE OF PERSONALIZED RELATIONSHIPS AND COMMUNICATION, CHANGES IN TECHNIQUES, STRATEGIES AND PRACTITIONER ATTITUDES ARE PREDICTABLE: HOW TO REACH THOUSANDS OR MILLIONS PERSONALLY?

The Nineties, for public relations practitioners, may well be shaped by two prior occurrences:

- **decline of mass markets and mass media**, which had dominated since WWII, into a continuing fractionation of publics; this means targeting smaller and narrower groups;

- **sense of empowerment** felt by more and more individuals, or at least a firm desire to have a voice in decisions that affect them; which means appealing to them personally, not just to some socioeconomic grouping they are assumed to be part of.

The prime example on a macro scale is events in the Eastern Bloc nations. Even in stern dictatorships like Rumania's, when public consent goes, nothing can withstand it. Note the risk people were willing to take, once consent turned in another direction. These spectacular events demonstrate three principles of emerging pr of the 90s:

1. In any organization or social grouping (but especially one ruled by fear), **80-90% of the members only give passive consent**. They are followers. Decision leadership is taken by 10-20%. They must find either consensus or a clear majority, though they may debate and disagree so long as it doesn't upset the larger group. Once the passive consent of the masses is eroded, however, anything is possible.

2. **Mass media had no role** in the Eastern uprisings – in fact, they were on the other side. One may argue that their media aren't trusted – but then, are ours?

3. What spread the revolution was **personal contact – face-to-face communication and relationship building**. Diffusion research, concentric circles theory and others show how this personalized distribution of new ideas passes from the opinion leaders to the followers, until passive consent ends.

As one scholar of the field puts it: "PR no longer means Public Relations, in the sense of reaching mass publics. PR now means Personal Relations – or at least Personalized Relationships.

ADVANTAGES OF PERSONALIZED PUBLIC RELATIONS

The Achilles' Heel of mass communication has always been that appeals, which turn some people on, turn others off. There's no way to keep the second group from seeing the message – so every communication amounts to two steps forward and one back (or, heaven forbid, vice versa).

The way to be sure the majority of the audience is turned on is to conduct research. But the profession's aversion to it – or is it just to spending money on it? – is illustrated by the appearance just last year of the first two book-length treatises on pr research.

And personalized appeals, however delivered, can be aimed more directly at those known to want to receive and act on them. They start quietly behind the scenes – just as the opinion changers in the Eastern Bloc had to do. By the time they go public, a critical mass of believers, purchasers, voters or whatever has been shaped.

> Personalized pr still requires research – but many of its techniques combine action with data gathering, a double punch.

ALSO WIDENS PR'S ROLE

Applying public relations skills at the small group and individual level alters the realm of practice. **All relationships acted out in a public setting** now become the realm, whether this means organization-to-customers, CEO-to-opinion leaders, department-to-department or individual-to-individual.

An immediate benefit – once one acquires the techniques to pull it off – is ability to intervene between, say, two warring executives. So often these personal battles do immense harm to organizations. Among other damage, they hurt pr efforts or even keep them from going forward. If we view the field as dealing with these situations – because they involve **relationships** and are acted out in **public**, albeit between individuals – pr makes an immense contribution.

SUMMARY OF PERSONALIZED PUBLIC RELATIONS TECHNIQUES

1. **Opinion leader theory** is primary, since clearly the individuals to concentrate on should be those who can influence others. Five types of influencers have been identified, with clout in this order:

   a. **Role Models** – act out the behaviors you seek;

   b. **Opinion Leaders** – are trusted to set the patterns;

   c. **Power Leaders** – can reward and punish so no one wants to cross them, though they're rarely really trusted;

   d. **Cheerleaders** – create results we didn't know were possible;

   e. **Celebrities** – provide instant awareness for ideas.

2. **Opinion Leader Lists** are arguably more powerful than ubiquitous media lists. Computer sorting/reporting files make it possible to gather immense amounts of relevant data about all five types of key players in any public. Sociometric studies, or plain old street research, identifies the OLs; trial and error plus work experience corrects and updates the lists.

3. **Networking Charts** are an immediate outcome of OL lists. Once you know who interacts with whom, who's related to whom, and other influence and flow-of-idea factors, you begin to truly understand how public opinion is formed. Leading work here is being done by college fundraisers, as well as some issue practitioners.

4. **Organization Development (OD)** has been touted in these pages before as an obvious addition to pr techniques. Basically, it facilitates interventions between individuals and among groups, both inside the organization and with external publics. Its prime tactic is to surface what people are truly feeling, to eliminate the facades and play-acting that impede relationships and communication. It also builds teams, aids participative decisions, facilitates tough meetings and much more. A mother lode of new value-added for pr.

STRATEGIES THAT EMPLOY PERSONALIZED TECHNIQUES

A. **Good Old Employee Relations** – under a wider new guise of internal relations we hope, but certainly not in its narrow form of employee communications. Relationships among everyone in the "family" are now the most vital – for many reasons:

- Productivity, competitiveness and other "musts" of the 90s depend on effectiveness and participative working relationships.

- Loyalty has been battered as overpaid executives get benefits even when they fail (e.g., golden parachutes) while everyone else gets fired – as even *Fortune* now admits

- Hierarchical management is passé, pushing decisions down the organization and "flattening" are everywhere . . . but superb internal relationships are the grease that makes them go.

- External publics, it is now seen, can be most effectively reached by "the family." Employees, retirees and their circles of influence are a powerful medium of persuasion and communication.

- You can't achieve customer satisfaction if the organization exhibits worker dissatisfaction, at any level.

B. **Organizational Community Relations or PR Teams** send workers and allies into the community, marketplace or legislature to perform effective peer-to-peer activities that practitioners and executives simply haven't the standing with those publics to pull off. School pr teams have proven especially effective. Teachers, bus drivers, custodians, perhaps some parents or businesspeople, become the outreach arm of a school – leaving the distant, impersonal school district out of it. They gain support for programs, win bond issues, attract volunteers into the classroom as helpers – whatever is needed.

Coors Brewing Co. shows **how well this applies to corporations**. Its VICE (Volunteers In Community Service) squad of employees was so successful that retirees demanded their own group, ADVICE). That added such synergy that people with no connection to the company asked for a team to be formed for them! When beer sales need a push, PULL teams move into a community to persuade people to try the brand. All volunteer effort – and everyone loves it: company, participants, community, retailers and distributors, consumers. Find an impersonal pr activity to beat that.

C. **Customer Satisfaction Programs** begin with an OD research method. Insiders are asked to model what a satisfied customer looks like, how they feel and think, etc. If it stopped here, the seed would be set for sensitivity to customer needs and desires. But there's more: a customer sample is then asked to create the same model, and they are compared. From this "gap" emerges new behavior patterns to lead to "100% customer satisfaction" – as decided participatively by the work group. It may be small advances, like answering all calls and letters the day of receipt; or major changes in policy. Thus the work group manages its own response to this critical competitive factor.

A second phase is redefining the customer. This is particularly useful to escape hierarchical structure. Each former "boss" becomes the servant of his/her former "employees" – they now become the "customers." The CEO's customers are the division presidents or exec vps, their customers are the vps or group directors, the supervisors' customers are their work forces, etc. The theme is: one doesn't give orders to or mistrust one's customers, one serves them and helps them meet their needs. External customers are the ultimate beneficiaries.

THERE'S SO MUCH MORE

Among techniques, add lobbying, door-to-door community contact, house meetings, neighborhood networks, open houses, service club/community organization spirals, training – to select a few. Among strategies, add constituency relations programs, baseline surveys with regular updates, user groups, CEO breakfasts – and on and on.

> **The point is**: today, people demand participation. Or at least to be spoken to personally (in fact or perception). Few respond to messages for the masses.

Vol.34 No.1
January 7, 1991

First of the Year Issue:

PR AS POLICY INFLUENCER: SITTING AT DECISIONMAKING TABLE MEANS TAKING THE LEAD, AND THE RISK, OF SPEAKING TO THE ISSUES THAT REALLY MATTER; DO PRACTITIONERS PREFER SERVICE ROLE?

Whether or not '91 proves to be the "R" year (recession), it will be tough on pr in other ways. One more time the question is being debated: are public relations professionals decisionmakers? A renewed split between the service and counseling roles is possible. In recent weeks various sources report:

- the head of one large pr firm feels pr's role is not in decisionmaking but in communicating decisions to persuade publics to go along with them;
- another large firm is starting to concentrate on clients where counseling is the major need, downplaying some once highly-touted service functions;
- while some promotion/publicity firms and departments are cutting staff, those specializing in issues are having banner times.

The service side, principally communication, will always be needed by organizations, but it can be performed by persons with less training and comparatively narrower experience than the counseling, or decisionmaking, role. It is a legitimate question, then, **whether practitioners want to aspire** to the uncertainties and turmoil of managerial leadership.

What is also clear is the **dire need** in most organizations for the pr philosophy and viewpoint. Decisions are made without it almost as a rule. Many boomerang – which public relations foresight could circumvent.

> Failure of both the Challenger spacecraft and the Hubble telescope have been officially ascribed to poor internal communications cultures – closed systems where workers and managers didn't talk to one another. PR staff there apparently were publicists, not counselors or change agents. Then no amount of pr razzle dazzle could save them from the resultant actual – as well as public relations – disaster.

STEPPING UP TO THE PLATE ON ENVIRONMENTAL ISSUES IS A PLACE FOR DECISIONS

Public relations differs from marketing: it does not pander to current opinion but often advocates a longer view. As pr futurist Bill Banach suggests in his top ten issues for '91, "Decisionmaking in the decade ahead must be based more on fact than opinion." In other words, going along with erroneous ideas, however popular, is bad policy – though superior skills in dealing with public perceptions will be called for to suggest another course.

The assignment for pr to educate, persuade, change behavior here is obvious. But first correct organizational decisions must be made – and pr has a key part to play by counseling managers when and how to challenge prevailing (or apparently prevailing) opinion. Examples: Is styrofoam "bad" so don't use it? Is recycling always "good"? Are chemicals necessarily "dangerous"? Each of these popular assumptions is under serious question from impartial scientific sources.

Ethics is critical here, to differentiate between attempting to alter opinion 1) because it is shortsighted for the public interest, or 2) because it's in the short-term interest of the client or employer. Part of pr's poor reputation stems from campaigns that were clearly not in the public interest, such as opposing auto safety devices, then looking foolish by promoting them later.

IS A SMALL ENVIRO BACKLASH COMING?

When nearly every product, substance or process is attacked as harmful, a retreat to some more reasonable position is inevitable. One method being used to sort the smart moves from the dumb ones is full cost accounting. Applied to disposable diapers, it shows they use less energy and water, create far less air and water pollution – but generate much more solid waste for disposal. A formula for informed decision, one way or the other.

Applied to energy independence, full cost accounting would add the social costs of pollution plus the billions for Persian Gulf military operations to the price of a barrel of oil – since consumers end up paying for them anyway. Figured at this real out-of-pocket cost to consumers, oil is much more expensive than investing substantial sums to develop solar cells, for instance.

Evidence someone is raising questions in important places comes from last fall's National Garden Club Federation board meeting in Little Rock. These "original conservationists" were lectured by scientists about the ozone layer, acid rain, the Alar scare. Their conclusion: "Don't be swayed by sentiment or panic, even if your favorite movie star is trying to sell you. Be sure of your facts."

Ever read the copy on a box of Rainforest Crunch? Product is financed by Working Assets Funding Service, "another ***business*** committed to social change." Profits are split between a number of peace, environmental and social causes. Like socially conscious mutual funds, idea is similar to a) chemical companies making products from what used to be their waste stream, b) recycling and c) similar closed systems.

SOCIETY MUST BE HEALTHY FOR ORGANIZATIONS TO BE

Yes, money is tight. Things look a bit scary. But have we got our priorities straight? In four years, 70 people have been shot to death in US schools, another 200 seriously wounded. Michigan reports one of six women there lives in poverty, 100,000 are beaten regularly by abusive males. Census Bureau reports 23% of children under six live in poverty, 19% of kids 6-17. 11% of US school kids are in special classes for the handicapped – 4,376,000 of them. And on and on.

What if some company or industry decided its social responsibility project was to rid the world of, say, child deaths by dehydration or measles. UNICEF says smallish amounts of money can accomplish this. With a major volunteerism and awareness campaign, even less money would be required. Or pick any human scourge of the 90s.

That scourges exist in our era of wealth may be the ultimate public relations problem, which can have dire effects on every organization. **Ask any business, hospital or school that's been through a riot.**

THE MEDIA ARE DANGEROUS NOW; THEY'VE BECOME PART OF THE PROBLEM

With all the issues on which the public needs information, pack journalism leads to the same "news" from every medium, driving audiences away. Top story of 1990, finds a reader poll, was the Gulf situation (67% followed it). Only 38% followed November elections or the drug war. 30% at maximum followed the changes in Eastern Europe. But 75% knew about Pres. Bush's dislike of broccoli.

60 Minutes and Natural Resources Defense Council are being sued by Washington apple growers for irresponsible reporting leading to the Alar scare. Yet other media simply repeated the allegations rather than doing the journalist's job by questioning them.

Every practitioner has his favorite similar story of media abuse – yet thousands of us continue to chase the media. However, an increasing number of wise heads are opting for a low media profile – going directly to key publics via the many communications techniques now available.

This is an important decision for every organization – which requires public relations knowledge at the senior management table.

BEDSIDE MANNER IS THE TECHNIQUE OF THE DECADE

Personal with a cap P. Humanized. Local. The feel of the one-room school, the corner store, the country doctor. Examples:

1. Local police are adopting "**community policing**." Officers are assigned to neighborhoods, rather than beats – with responsibility for getting to know the folks, help them deal with personal problems, become part of the family. Not only does this build effective police-community relationships, it deters crime – and helps police know likely victims and perpetrators in advance, so crime may be avoided.

2. Planned Parenthood used to thank every donor with a personal, **hand-written note from a volunteer** – so identified in the missive. Now the fundraising is done the same way. To add a touch, volunteers write their names above the indicia on the business envelope used. A far cry from the batches of computer mail most of us get.

3. Now that school board and city council meetings are regular fare on cable, **interactive hookups** are being tried again. Less sophisticated than pioneering efforts of the past, method might be nothing more than staff taking phone calls from viewers with queries or comments.

4. **Computerized phone messages are linking teachers with parents**. Teachers record what's being studied in class, what parents might find interesting to study with their children, what assignments were given. Callers can then leave a message for the teacher. Or get another general update on school events or the lunch menu. System can also be programmed to call parents. Businesses are prime funders – and in some schools half the parents reportedly call every day.

5. Large national drugstore chain has pharmacists take a color snapshot of themselves in the store, send it to **everyone on the prescription list.** Message is simply "Happy Holidays." Oldest idea around – but did you get a card from your druggist?

TRAINING IS THE MOST IMPORTANT TOOL IN THE DECISION PROCESS – AND PR BACKGROUND IS IDEAL FOR IT

Fourteen years ago, when your editor and publisher took the reins, we wrote a series of articles urging practitioners to find training roles within their organizations – or for clients. Objective then was to demonstrate specialized skills that would move them into decisionmaking circles.

Proving the soundness of this approach is Jack Pyle, ex-dpr, Michigan Department of Transportation. Linking the relationship philosophy and sound management, DOT assigned him to create a new **leadership skills training** academy for the Department – the **incubator** for senior managers. Now he's setting up to offer the service to others, as **Peak Performance** Associates (Mason, Mich). Note well the words in bold; how much closer to influencing policy can pr get?

Vol.35 No.1
January 6, 1992

First Of The Year Issue:

IN THIS "UNFORGIVING DECADE," RISK MANAGEMENT AND COMMUNICATION MAY BE PR'S HIGHEST SKILL. . .OR IS *ALL* PR NOW RISK MANAGEMENT? WILL THE SOFT ECONOMY FORCE THE PUBLIC TO BE LESS FEARFUL ABOUT RISK?

Even if your organization or client doesn't run nuclear plants, operate landfills or make chemicals, it nevertheless creates risks in the minds of its publics. The concept of risk embraces both what people fear will occur **and** what they're afraid will not happen. Even the schoolhouse on the corner, for instance, poses perceived risk to parents that Jane may be harmed by violence or drugs; and that Johnny may not do well in his studies.

Real world, **these cause more headaches** than worry about carcinogens or greenhouse effect. But most organization don't apply what we're learning about risk management to these situations. That may be a mistake.

SITUATION RAISES AN INTRIGUING QUERY: IS ALL PR BASICALLY "RISK MANAGEMENT" NOW?

Specifically, "risk management" denotes explaining the risks inherent in a product, service or action – especially to publics whose perceptions (or misperceptions) are crucial (prr 12/2/91). Practitioners evolved its tenets in a "fear" arena, involving chemicals, nuclear materials, pollution and contamination. Does this body of knowledge now provide the opportunity for a broader application?

Sooner or later, everything carries a "risk." What poses perceived risk for publics is also risky for organizations that create the risk. Today, there are three guidelines for strategizing risk management:

1. ***How real is the risk?*** For toxics, this divides into two categories: 1) ***toxicity*** and b) ***proximity***. The most poisonous substances pose little real risk if people can't get close to them. Everyday, often overlooked "risks" are more dangerous because they can affect so many people.

2. ***Can people be reasonably expected to manage*** their lives to avoid the danger level? Again, there are two categories:

    a) What are they likely to be willing to do personally (balanced by their probable motivations to do so, e.g., employees can be expected to do things that residents of the neighboring community have no motivation to do).

    b) What can the organization do to reduce danger to the minimum affordable level; here the theory of "conservative engineering" comes into play – requiring the balancing act of planning for "worst case" scenarios versus "realistic" probabilities.

3. ***Can the risk be separated from fear***, however irrational? Is ***theoretical*** risk felt so strongly that ***real*** risk is not taken into account? For instance: ask most people if they're afraid of sharks or

tigers and the answer is yes. Ask them if they are often exposed to sharks or tigers and they're likely to answer, "I live in Kansas which has neither."

Can we develop methods for "seeing around the corner" in order to determine – at least to estimate – what effect impending actions or decisions will have on key publics, not only ***immediately*** – but ***over time***? If so, over how long a period of time?

If we can, will they be useful for ***all types*** of "risks"?

TECHNIQUES THAT HELP APPLY RISK MANAGEMENT THINKING INCLUDE PROJECTIVE SCENARIOS, ISSUE ANTICIPATION, RESEARCH

- **Projective Scenarios**: Nothing makes cases real like writing them as if they've already happened. And nothing makes the situation as clear to others. This variation takes a completed near-time scenario and asks: Over time, what could realistically occur to change the equation? Altering the scenario to account for the changes provides insight into possible future risks – things that seem alright today but could boomerang or become negative later on.

  It can get complicated when trying to account for multiple alterations over several time periods. (Seeing into the future isn't supposed to be easy.) One solution is to look for three benchmarks:
  1) **risk now**
  2) **risk short term** (1-3 years)
  3) **longterm risk**

> Some strategists have argued, including your editor, that trying to plan beyond three years is fruitless when things change so fast. **Classic risk management is stretching this timeframe**. Pollutants with long half lives, policies whose impact won't be felt for five years, an economy that may take years to fully recover – such circumstances now argue for longer range thinking.

- **Issues Anticipation**: The 4-step model dovetails nicely here, simply viewing possible trends in light of the risks they will pose for publics – and thus for the organization. The steps are, in order from most distant to here-&-now (see prr 8/3/87):

  Latent Issues ***Emerging Issues*** ***Hot Issues*** ***Fallout Issues***

  IA studies supply more accurate data for building Projective Scenarios.

  [When prr's Annual Survey asked respondents to define risk management, most confused it with issues/crises. Maybe misunderstanding of the term (prr 12/2/91) wasn't so far wrong after all!]

- **Behavioral Research**: Determining what will drive publics and opinion leaders to ***do something*** often has no timeline. Whenever the triggering event occurs, they are motivated to act. Of course, circumstances may facilitate or restrain them from actually taking action, but the trigger must be known in order to manage risk.

  Several methodologies work here:

1) ***Close-the-Gap Studies***, which seek to discover where a public is now in relation to taking action, and how much patience they have left – which constitutes the "gap."

2) ***Reaction to Scenarios***, which simply asks respondents to verify or challenge your projective scenarios. One benefit is that they can provide a critique of the scenario at each time period – thus revealing a) their sense of the likelihood of various changes in circumstance, b) potential response to the changes and c) to your proposed corrective actions.

> Practitioners applying techniques like these ... to the very real problems of risk faced by every organization ... will be part of the senior management council. **Managing risk means structuring the future of the enterprise – and only at that level can such a vital task be undertaken.**

- **Understanding Perceptions Before Communicating**: Perception management means respecting others' perceptions – however "wrong" they may be in relation to your "facts." The way to show this respect is also the most efficient way to improve communication:

  1) ***Listen*** first, bite your tongue and listen hard, in order to learn what their perceptions are. Find out, also, how deeply held they may be.

  2) ***Demonstrate in your response*** that you have heard, that you understand their perceptions – right or wrong. That will usually win at least a willing suspension of disbelief, so they can hear ***you***.

  3) ***Begin a dialogue***, exchanging viewpoints and jointly examining them.

  Though this is easier face-to-face, it is essential in written and other impersonal media as well. Throwing your fact bombs at their perceptions merely closes their minds and ears.

  Risk management begins with a clear understanding of what key publics and opinion leaders feel the risks are, and how much fear is being engendered. ***Both "risk" and "fear" are perceptions.***

SOME FEEL RISK CONSIDERATION IS UNIMPORTANT NOW BECAUSE A DOWN ECONOMY PUSHES THESE FEARS OUT OF MIND. DOES IT?

Question: When worried about putting bread on the table, do people:

- ***Let perceived threats slip by*** that otherwise they would object to?
- Or ***use them as a pressure valve*** for venting economic frustrations?

Second Question: If activists and critics are distracted by the economy:

- Can organizations ***safely push through plans*** that under other conditions would be challenged?
- Will public interest organizations ***fall off publics' – and donors' – agendas***?

Answers offered by three practitioners noted for strategy:

1. ***The '90s are "the unforgiving decade,"*** warns Ann Barkelew (vp-corp pr, Dayton Hudson). "***Someone*** will blame you for nearly everything you do." This strongly implies that if something is done now because opposition is immobilized, backlash will be sure and potent.

2. Way back in 1924, Arthur Page noted that organizations must somehow find the means to conduct their affairs today with one eye to how they will be judged 10, 15, 20 years hence. ***Publics will "reinvent history"*** then – as Love Canal and other cases show. At Love Canal the company had exceeded the chemical disposal standards of the day. When standards rose in subsequent decades, it was savagely attacked – even though it no longer owned the property and others had caused the chemical leaks that led to the outcry.

> **The real meaning of ethics** – acting in the best interests of others as well as yourself – is more important when others can't pay attention to what you're doing. Getting away with things could be suicidal longterm.

3. In managing the human climate No. 132 (prr supplement), Phil Lesly says ***anticipating trends is essential, "inoculating" publics in advance rather than reacting when attacked.*** This and other items on his "1992 mosaic" are "adapted and augmented" from advice he offered in 1971 – so perhaps their time has come at last!

Many questions remain to be answered. Risk management is an evolving body of knowledge. But, it may be able to pull together and clarify much of pr's disparate techniques in a manner that a) unifies the practice, or at least the process and b) crystallizes its importance to our managerial colleagues.

Vol.36 No.1
January 4, 1993

First of the Year Issue

PR NEEDS ITS OWN RESEARCH MODES, NOT BORROWED ONES

As the need for adding "science" to "creativity" becomes clear in pr practice, interest in research is increasing manifoldly – to add *pre*cision to *de*cision in both spheres. But this raises a number of questions about what constitutes *public relations research.*

All research is a function of time & money. When are the findings needed, what's the budget. Insufficient availability of both is cited as holding back research usage. Practitioners need data immediately, in many instances. Research allocation in most budgets is embarrassingly slim. Does this inevitably push pr research toward quicker, less formal methodologies – at least for "everyday" use?

PUBLIC RELATIONS RESEARCH IS DIFFERENT, BECAUSE ITS USES ARE

There's confusion about pr research – partly because vendors of specific types naturally want practitioners to buy theirs, even if it may not be well suited to pr needs. PR research must be differentiated from:

- **Opinion Polling**: Often offers untrustworthy projections – latest example is miscalling key Colorado referenda questions on the Nov. ballot. Usually surfacy in its probing and its findings. Measures the wrong things for actionable response and decisionmaking, by and large. Has become a politicians' tool – an ethically questionable one – whereas 99% of pr issues don't get settled with a vote on a date certain but are fluid over periods of time. (See prr 4/20/92)

- **Academic research**: Seeks underlying theoretical causes, rather than useful data for immediate application. Timeframe is semesters, not ASAP. Must be replicable by other scholars, whereas pr research is usually very proprietary. Statistical overkill is the current norm. Vital for pr's body of knowledge but rarely for use in a pr project.

- **Market research**: Has become a catchall name, but the original type seeks common denominators or norms among large, diverse publics who are potential purchasers of a product or, as marketing concepts became applied more widely, of an idea or position. Number crunching to the point of silliness is a problem. Everything is *not* quantifiable – and for pr use qualitative, evocative data is often more useful anyway. Marketers don't care specifically *who* buys as long as projected market share is achieved. But pr practitioners must deal with static publics: employees, actual customers, shareholders, public officials et al.

- **Audience research**: Main problem here is inaccuracy. What gets measured basically is whether the set is turned on. Diary or people meter methodologies are outmoded. Buyers of tv/radio research apparently don't *want* accuracy because it would show far fewer viewers/listeners, paying much less attention, than they claim. After all, every ratings point supposedly represents 931,000 households.

- **Advertising research**: Talk about ethical problems...have you ever seen ad "research" that didn't show the campaign, theme or layouts were sure to do the trick? Though leaders in **pretesting** messages and materials (which pr could use far more widely to its benefit), ad studies on "most noted" or "recall" tell nothing about whether the action objective was achieved (and are being criticized by ad leaders).

Each of these may have a role at some point in pr – usually to sketch in details. None provides the basic fabric of strategy-building, **actionable** information practitioners require in order to a) build **relationships** that b) earn **trust** and c) motivate mutually supportive **behaviors**.

WHAT DIFFERENTIATES PR RESEARCH? BASICALLY, NEED FOR ACTIONABLE DATA

1. **To answer questions essential to *planning* projects, programs, campaigns**, e.g. who are the real target audiences, what's their latent readiness to behave in certain ways, how do they get information and make decisions on the topics involved, where and how can they be reached for awareness or participation etc.

   These are action-oriented, not descriptions of "feelings" or "opinions."

2. **To test and, if possible, *deflate assumptions*.** Conventional wisdom (perhaps of senior management) is so often wrong, yet too seldom checked out. Maybe we're going in the wrong direction. Perhaps we should do nothing. Possible they do understand our position, and that's why they're opposing it.

   This is essential strategic information, and the methods listed above do not elucidate it.

3. **Baselines to permit accurate *evaluation*.** Where are we now vs. where we want to be? What's the gap, how can we close it? Is the process working, and why/why not? Are we achieving behavioral goals?

   The only acceptable way to show pr adds value.

PR research cannot just measure "public opinion" and feel it has done its job. It must provide specifics on how to reinforce or change it. Explain the linkages, *if any*, between opinion/attitudes/ feelings and behavior. And most importantly, **always find out why**. Says longtime pr researcher Walt Lindenmann of Ketchum: "For most practitioners, 'why' is far more important than 'what' or 'how'"... because we have to do something about it.

SOME TECHNIQUES (AMONG MANY) THAT MEET THE PR RESEARCH CRITERIA

A. **Open-ended questions that provide verbatim responses.** Researchers dislike them because they're harder to code and analyze, compared to predetermined response options. But nothing rivals respondents' own words.

B. **Mendelsohn Effect.** Shows how to make mass communication into a dialogue using intermittent surveys of target audiences. Woefully underutilized.

C. **Pretesting.** Fog, Flesch and similar techniques eliminate ineffective communications at the front end. Lindenmann's 1988 study of actual use of research found only 8% apply pretests regularly. (See prr 10/19/92)

D. **Survey feedback.** Basic OD data gathering method in which a facilitator interviews group members or key decisionmakers individually, then feeds back results anonymously to the group. Provides rich data that objectivizes emotions, lets people know they are heard, shows where positions are shared or dissimilar, stimulates collaborative decisions.

E. **Gyroscope.** Research design that follows respondents through a decision cycle or process, so mid-course corrections can be made to ensure effectiveness. First used for college enrollment campaigns to find out whether materials and personal contacts were working.

F. **Rolling research.** Rather than surveying the entire sample at one time, spread interviews out at key dates, quarterly, monthly etc. Provides a measure of change over time, allows comparison that shows direction.

G. **800 numbers.** Better than a random sample because it sorts out those who feel strongly enough to do something, i.e. call. When responses are charted, comparison over time gives valuable data – as do topics discussed and semantics used by callers.

H. **"Agree and disagree" asked.** A response category that captures a cell of opinion, which is often determinative – since respondents who both agree and disagree on a point have clearly given thought to the subject. In addition to noting who agrees, disagrees and doesn't know, this adds "both agree and disagree" – and then records the reasons.

I. **Environmental scan.** First step in any planning. Charting what else is happening that will divert attention or indirectly influence behavior and thinking is crucial information. Not doing a scan implies there's a vacuum out there just waiting to deal objectively with your topic – a circumstance rarely recorded in human history.

J. **Force-fiend analysis.** Formal listing of facilitating factors and barriers to provide an overview of pressure points and opportunity areas. The more research findings available to include, the more useful it is. Some researchers make it the end product of baseline or other broad studies, to put the findings in actionable perspective. Helps answer the question, exactly what should we do/not do. (See prr 2/3/92)

K. **Delphi studies.** Discovers willingness of participants – usually but not necessarily opinion leaders – to alter behavior or opinion to conform to the group. (See t&t 6/29/92)

CLASSIC SURVEY RESEARCH: STILL RELEVANT

A quick way to answer that question is to read *The Superpollsters*. Author David Moore operates a state-of-the-art, university-based surveying facility while teaching political science. His book exposes the misuse of polls while defending the basic technique. Its many down-to-earth stories give a fascinating glimpse inside the research fraternity – and help non-researchers grasp the real issues.

Difficulties posed by question order and question wording effects, respondent refusal, media manipulation by pollsters and many other issues are presented in a historical and case-study setting that makes this one of the most practical books yet on research.

JUDGMENT IS STILL KING, NOT STATISTICS

Research can provide only a model of reality. Users must apply their knowledge and judgment – which can be done either at the front end in shortcutting around unnecessarily formal design, or at the back end in interpreting the findings.

Often even a small percentage of respondents who see a problem or oppose your position require action – so all the 42.6% vs. 12.5% is meaningless. If 5% of customers are mad, it's no good saying, well, a larger percentage is happy – unless you want to risk losing 5% of your business.

PR research, in short,

> ...doesn't just ask what people believe, think or feel ... but **why** they do ... **how** they developed these positions ... and, most critically, will it **translate** into behavior, and when?

As early researcher John Scott Davenport told prr a decade ago, "Informal research studies *know universes* (customers, employees, shareholders) for which there are *benchmarks of observable reality.*" This knowledge is "the crucial ingredient for saving time and money in public relations research."

Purists may never give up demanding random statistical samples and "projectable" results. But then, research firms have a vested interest in selling "statistical calisthenics": it ups the price. Anything that gives practitioners some better data than the zero they often have now, should be pursued – and embraced, so long as its level of validity is known.

¶ **It's time to codify pr research as a distinct category – then promote its widespread and continuous use by practitioners.**

Truly, all sound pr practice begins – and should end – with research.

Vol.37 No.1
January 3, 1994

First of the Year Issue

PUBLIC PARTICIPATION: ANTITHESIS OF POLITICAL CORRECTNESS?

Holiday card from pr/advertising firm Duval Woglom Brueckner Partners (Boston) humorously attempts to find a politically correct greeting:

Merry Christmas
No! Too Denominational!

Season's Greetings
It's not for a whole season, just a couple of days.

Happy Hanukkah
Same problem as Merry Christmas.

Noel
Is this the right spelling?
Anyway, too ethnic.

A Yuletide Greeting
Reference too obscure; too ethnic.

Happy Holidays
What about the homeless? They never have a nice day.
There are serious problems in the world
and this just makes light of them.

A big HI from Santa
Sounds too pompous
Too male-oriented & the ASPCA will have a
problem with the way Santa treats the reindeer.

Hi.

That's a light poke at a growing phenomenon. One whose ramifications can negatively affect how organizations operate and build relationships. **How can any organization participate fully in the court of public opinion while tiptoeing over land mines?**

To protect itself, *LATimes* has issued "Guidelines on Ethnic & Racial Identification. But as Jim Spencer, Newport News Daily Press writes, "Without a philosophical context, words don't produce heresy any more than they produce racism, homophobia, misogyny or any of the other societal ills that the *LATimes* thinks it can help eliminate by refusing to print certain terms."

WILL A PROBLEM GO AWAY IF GIVEN AN ACCEPTABLE NAME?

PC movement seems to be a symptom of an underlying issue – people's sense of powerlessness.

If I can't affect change, I feel powerless.	Powerlessness affects my internal identity; loss of control brings discomfort, anger.	To assuage anger and discomfort, I may gain *seeming* power by controlling words.

If, instead, people felt *empowered* (as consumers, in their workplaces, by local and federal government) would there be less concern for PC terminology? Would our fragmented society be more inclined to "hash out ideas" using whatever words describe their thinking/feeling at the time, secure in their own worth and ability to attain their needs or affect change?

STUDY SHOWS PEOPLE AREN'T APATHETIC

They care, Kettering Foundation found, but they don't know how to affect policy (prr 9/2/91). A recent Kettering study shows that people get involved with public concerns through discussions and interactions with friends, relatives, neighbors – classic participation psychology (prr 10/25/93).

- **Can greater public participation by organizations** help arrest the insidious infiltration of political correctness – a placebo that feeds anger and disempowerment?
- **Is public relations' role** to fight against the natural inclination to appease publics at the expense of a less appealing reality – i.e. candor and honesty – even if it means taking hits from some?

IS THE PUBLIC TIRED OF BEING TOLD WHAT TO DO? GROUPTHINK AND THE NEW McCARTHYISM POSE PR CONUNDRUMS

Don't say that! You can't eat this! Better not do that! Watch out for this! Don't think like that!

Then, the next irrational step: People who *do* do these things are clearly out to get you, trying to harm you – they're not treating you fairly and their motives are obviously nefarious.

Ann Barkelew's prediction the 90s would be The Unforgiving Decade (prr 11/11/91) has proven true. What does this imply for organizational policies and operations? For public relations strategies?

- Does it mean **pandering** to political correctness?
- Since media and politicians are the main drivers of this groupthink, is going around them **directly to key publics** now more vital than ever – if you want to be taken at face value and let people make up their own minds about you?

- Does it become the responsibility of public relations professionals to **speak out** against this totalitarianism in order to preserve a functioning court of public opinion?

CROSSTREND: EMPOWERMENT AND ACCOUNTABILITY IN THE WORKPLACE

The workplace – that all-encompassing master – may be a liberating factor now. Its trend toward empowering individuals, making them responsible and accountable, puts people in charge of their own destinies. That means thinking for oneself and taking risks – the antithesis of PC. But there are complications:

- **Downsizing can be a cruel survival of the fittest**, often a test of a different kind of political correctness: slavish commitment to the current organizational philosophy.

- **Employers are increasingly the designated enforcers** of our legislated groupthink, from no-smoking policies to relations between the sexes to (maybe) healthcare.

Thus, two massive ironies are in play:

1. **A society trying to remove barriers between its members and give everyone an equal chance ... appears to many to be impinging on the personal freedoms and privacy that have been its hallmarks.**

2. **The workplace, that "enslaver of us all" ... offers a glimmer of hope for restoring a balance between Rights & Responsibilities -- which has been lost in society at large, where only Rights seem to matter.**

TRANSPARENT COMMUNICATION + PARTICIPATION + POLICY = ANSWER?

Reams are being written now about this topic. This prr issue could easily be filled with recitation of various PC and "don't" activities. But the question is: what can practitioners do about it beside wring their hands? Suggestions:

1. **Get serious about adopting truly participative dialogue and downplaying one-way communication**

   Most give this lip service. But when you look at actual programs, publications and other communications "products" and media relations form the bulk. Consider the multiplicity of opportunities:

   Checklist of One-on-One Participative Activities

   - Face-to-face employee programs involving supervisors/managers
   - Meeting networks inside the organization
   - Skip level meetings to overcome gatekeeping, Town Hall sessions
   - Targeted speakers bureaus

- House meetings in supporters' homes
- Formal constituency relations programs
- Ambassador programs
- Hotlines, 800 numbers and similar
- Opinion leader advisory boards
- Membership networks where employees formally join organizations
- Open houses and tours
- Allowing use of facilities for meetings and events
- Customer satisfaction matrixes

2. **Make all communications *transparent***

   Open is no longer enough, as Bruce Harrison notes (prr 9/21/92). Better is to be transparent – i.e. showing the reasoning behind statements and decisions, so people can participate in the thought patterns.

   To gain trust, this sometimes means letting stakeholders in on the options *before* decisions are made.

3. **Establish a policy on what is politically correct for *your* organization**

   Do it participatively, of course. Then continually communicate it, transparently. Questions to be addressed include:

- When does necessary advocacy cross the line into McCarthyism?
- If you have a smoking policy, explain that the old rule applies: one person's rights end at the tip of the next person's nose. Since the smoke and smell from tobacco cannot be stopped from going beyond those limits, banning them is not Big Brotherism or taking away freedom. (Perfume is next for such a policy.)
- If you believe PC is a good intention gone wrong, say so to let activists know it isn't their goals you deny, just their methods.
- State strongly your support of inclusion, respect for individuals and anti-discrimination, but define what diversity means *in your organization*

Example of the last point. Obesity is the latest condition to have its loud advocates. But if you're a healthcare provider, or have a wellness policy, doesn't having obese people in the organization amount to not walking the talk? Isn't it like the doctor who urges patients to quit smoking while puffing away? Doesn't this mean *diversity is situational*: a university offers inclusion to an administrator or teacher who is overweight (non-medically); but a hospital doesn't?

Or is this another example of enforced behavior – like laws about wearing seatbelts or bikers' helmets.

Another diversity problem: enlightened employers often encourage support groups among special interests – black caucuses, gay rights forums etc. Now "Christian" support groups battle the gay support groups – publicly. The Latino support group demands to make statements about municipal policy they don't like and march in parades – using the organization's name and authority.

The battle between the sexes. Experience suggests stating emphatically that while sexual harassment is taboo and will be punished, using harassment policies to get even or advance one's cause will also be punished. [Then, having wordsmithed that one, go the next step and settle the problem of juvenile oversqueamishness on sexual matters: "We're adults here, right? Sex is a natural part of life, right?"]

OTHER STEPS TO TAKE, WAYS TO STAY INFORMED

BOOK ADDRESSES POLITICAL EMPOWERMENT

People are angry at being shut out of the political system. They have a low opinion of politics-as-usual. Yet many look for ways to "take back the system" and work with others to solve problems. *Politics for People*, by Kettering Foundation president David Mathews, is about creating a politics that is relevant to citizens' everyday concerns, where they do more than vote: e.g., reviving town meetings in their neighborhoods (not on tv) where political debate is turned into public dialogue – "an open, exploratory, civil deliberation that can help the public define the public's interest. Who else should do that?"

Book also responds to critics who either doubt that the public exists or believe citizens have neither the intellectual nor moral capacity for self-government. It's not a call for direct democracy or what used to be called "citizen participation." Rather, it resurrects the missing link in democracy – the politics that lies between direct citizen control and representative government. A politics that is public in character and deliberative in practice. ($9.95 paperback, $24.95 cloth; U of Illinois Press, P.O. Box 4856, Hampden Post Office, Baltimore 21211)

EMPOWERMENT THROUGH FINANCIAL DECISIONS

Individuals can affect change by where they invest or spend their money. In 1993, "investors with a conscience" invested over $650 billion in socially-screened portfolios or utilized their leverage as investors to advocate social responsibility, according to Interfaith Center on Corporate Responsibility. Its newsletter, *The Corporate Examiner* (Vol.22, No.5, 1993) lists socially responsible mutual and money market funds and investment services. And their returns are as good if not better as unscreened investments.

Customers can choose where they buy based on their convictions. Look at all the green marketing, attempting to woo environmentally concerned customers – which illustrates the potential power of convinced customers. According to research by Green Seal (a nonprofit environmental labeling and consumer education organization), four of five consumers are more likely to purchase a product with the Green Seal logo when choosing between competing brands of equal quality and price.

Boycotts are back. Want to stamp out smoking? Supposing the powerful anti-smoking coalition (led by Heart Association, Lung Association, Cancer Society) mounted a full-press boycott against cigarette companies' food units, e.g. RJR's Nabisco and Phillip Morris' Kraft and General Foods? Coop America feels this is the pr weapon of choice now.

PUBLIC PARTICIPATION HAS ITS OWN ASSOCIATION

Established in 1990, **International Association of Public Participation Practitioners** (IAP3) offers networking opportunities and practical info on designing and conducting public involvement programs.. "We realized there wasn't much of a place for those of us committed to participation. Public relations organizations didn't fit the bill. Neither did groups of business communicators. We weren't necessarily mediators or negotiators.

"It was time to develop **a professional organization devoted solely to the participation of the public in decisions being made by government and industry all over the world**. We are practitioners. While we may learn from theory, we're most interested in talking about actual experiences, designing and conducting public participation programs. We have stopped talking about whether opportunities for participation should be offered, and now focus our time on how to do it best."

SUMMARY: TIME FOR PROFESSION TO STEP UP TO THE PLATE

A. **Perception is powerful but...** in a democratic society, its views are enforceable only when an *overwhelming majority* have *overtly* agreed to enact them as *public policy.*

B. **It is true that *whatever* an organization does today, someone will attack the action.** In prr's First of the Year issue 1992, we suggested that all pr activities and messages today be formulated according to the rules of risk management: hazard + perception = risk. There seems every reason to repeat that counsel.

C. **The problem with PC and all the "don'ts" is its McCarthyism aspect:** many, often most, people don't agree either with the goal or the method of attaining it – but are afraid to speak up for fear of being attacked. This doesn't mean everyone is a coward. Many just don't have the time or energy to invest in fighting off zealots, or don't want to clutter other issues they are involved in.

D. **Thus, we have turned over policy to the loudest zealots.** Often tiny minorities in an organization or community run things – the antithesis of democracy.

E. **Is this largely the fault of pr practitioners**, who either advise capitulating for fear of "bad press"; or don't train fellow managers in how to push zealots aside in order to let others be heard? When the court of public opinion and communications channels are polluted, the group most at risk is practitioners....

Vol.38 No.1
January 2, 1995

First-of-the-Year Issue

RE-ENGINEERING PR TAKING ON LARGE NEW DIMENSIONS

Whether the goal is to

1) build a world class operation,
2) survive in a new era of measured accountability, or
3) do more with dwindling resources,

elements now at play both within the profession and in society conspire to make a fresh look not only necessary but revolutionary. Call it re-engineering, zero-based strategy or what you will, it is part of every practitioner's fate in 1995.

Forces shaping the process are the subject of this issue.

RE-ENGINEERING: DOING *DIFFERENT* THINGS, NOT JUST *BETTER*

Changing focus is critical. Is pr proposing **activities** that support organizational strategy – or become part of the strategy? Or only **communicating** about strategy?

- The latter is vital, yes. But pr has *always* done it, in a support role that can easily be outsourced or given to other departments that lack the depth of understanding about relationships, reputation, perceptions and behavior pr pros have.

- To demonstrate this understanding – to bring it to bear on effectiveness as a value added by pr – means that **programmatic ideas embodying it** must come from us.

Example: Customer satisfaction or "delight" is on everyone's goal list. Very few organizations are getting anywhere close. Just communicating the need or browbeating employees with repeated messages accomplishes little.

But 1) customer satisfaction modeling, 2) two-way interaction projects with the customers we want to delight & 3) self-conducted work group research have proven highly effective to change customer service behaviors.

¶ *Does pr stand around waiting to communicate such activities after someone else suggests them...or do we propose and design such programs **and** provide communications to support them?*

Re-engineering demands the latter course. And applying it in **areas where the organization is currently failing is the opportunity.**

DOING THINGS BETTER ALSO IMPORTANT -- BUT CHOOSE WISELY

PROCESS IMPROVEMENT. Chuck Sengstock's Quality journey at Motorola demonstrates how pr process can be improved. It means concentrating on the three Quality variables: 1) cycle time reduction, 2) zero defects, 3) customer satisfaction.

Quarterly reports to shareholders as recently as 1991 took 10 days to produce. In 1993 that cycle time fell to less than two days. *That's* re-engineering the process, for sure.

As he points out, wringing out costs in this way is how practitioners can cope with downsizing and other do-more-with-less initiatives. See t&t 4/2/90.

AVOIDING THE ROMANCE OF HI-TECH. Using computers speeds up communication, right? Wrong. Voice mail is quicker then e-mail – you don't have to type it, merely talk. And recipients get the added, personalizing touch of a human voice.

Faxes are also quicker than e-mail – and recipients don't even have to log in to receive them.

E-mail has the advantage when a) it's a document you want the recipient to edit, or b) the recipient may want to circulate it to a network of people, whether or not he or she edits it first.

> ¶ *The reality of electronic networks/the information highway is dawning. Just because it's some new glitzy feature doesn't mean it's* ***better****. In most cases, hi-tech is depersonalizing and destroys face-to-face relationship opportunities.*

Re-engineering means **pr must stand up to the MIS nerds and techno-whizzes**.

PR'S EMERGENCE IN FEDERAL GOV'T: TITLES TELL ALL

They form an instructive sequence describing the re-engineering and maturing of the profession from propaganda to co-authorship:

- Originally, we were **press secretaries**.
- Then we became **public information** officers.
- In 1980, after the military had pioneered the term, we became **public affairs** operatives.
- A few years later, our focus shifted to **public participation**.
- Now, the trend is to **stakeholder involvement**.

The supposed "federal order" that prohibits use of **public relations** – issued, some sources say, in 1913! – is de facto the rule, since no one ever proposes calling these positions by this generally accepted title.

RE-ENGINEER STRATEGIES TO FOCUS WHERE ORGANIZATION IS FAILING

Re-engineering pr focus begins by asking, "What *isn't* working?" Areas often fitting that category are customer service, employee relations and "empowerment," getting supervisors to practice the new management paradigm including face-to-face communication with their work teams, decentralization that is not held accountable, etc.

- In the latest of its Excellence studies, IABC Research Foundation finds a "new generation of CEOs" that **expect practitioners to "help develop strategies** that more effectively communicate the changes that come from quality improvement, re-engineering and organization development programs." (Phase II Qualitative Study from 1-800-776-4222)

- As organizations re-engineer, "**CEOs get more comfortable with hearing new, radical ideas**," points out Jean Farinelli, head of Creamer Dickson Basford. "This may be your golden opportunity to show your CEO the full potential of what public relations could achieve" for the organization.

She cites the example of ensuring that employees stay tuned in to corporate vision and values in the midst of major change. "Decentralized organizations still need a common set of values, a global state of mind. Especially in the kind of horizontal organizations we have today, a company is only as strong as its weakest link – the person who has the least information."

> "Ask yourself why the CFO and general counsel have more access to the CEO. Part of the reason is that accountants and lawyers are more inclined to think of themselves as problem-solvers and policy-shapers. Does a general counsel talk to the CEO about depositions and briefs? Does a CFO talk about debits and credits? We, on the other hand, talk about press releases." – Jean Farinelli

RE-ENGINEER COMMUNITY RELATIONS TO DEAL WITH THE ULTIMATE

Political analyst Haynes Johnson posits in his book, *Divided We Fall*, the possible demise of democracy. Or at least of many democracies, including the US. This potential disaster is visible all around us – and would be disastrous for organizations, and particularly for pr. The symptoms are:

1. **An angry populace that lashes out** at anything and sometimes everything, but has no insight beyond simplistic non-solutions – like "throw out the incumbents" or "build more prisons."

2. **An elected "leadership" that panders to the mob** and offers no real leadership; that asks the electorate "what do you want?" instead of proposing honest solutions from their position of superior access to information.

3. **An economic/political system increasingly serving the top 1-5%** and diminishing the position and future hopes of the great majority.

EVIDENCE FROM AROUND THE WORLD

- The 53rd Italian government since WWII, a rightist coalition, falls to corruption. While Italy's multi-party system and reputation for unethical behavior may not be replicated elsewhere, this is one of the large, successful democratic nations. It has averaged a new government every year.

- Eastern Europe, "freed" for democracy from the coils of communism, finds that the accompanying market economy means mafiosi, rampant crime, poverty and joblessness.

- The recent US election cannot be explained rationally.

BOOK CITES SPECIAL INTERESTS UNWILLING TO COMPROMISE

The challenge, says Johnson, is "whether Americans can overcome the narrow competing interests that divide and make them increasingly incapable of resolving problems. Failure will almost surely lead to more fragmentation, to more public frustration and cynicism...."

Through grassroots interviews, he portrays the "frayed American fabric of the 1990s." Conclusion: "failure to address America's increasing racial and ethnic tensions, economic inequities and the rapidly widening gap between the haves and have-nots will inevitably result in new and greater explosions. The Los Angeles riots of April 1992 were not an aberration."

- "People confuse the lack of consensus with the breakdown of the system," says political scientist Bruce Cain. "They don't understand that the system is designed to operate a certain way when there is disagreement – namely, that it's designed *not* to do anything."

- Education about the political system "is out of our hands." Beyond university classes, people "get their understanding of the system from talk radio stations." And they, says Cain, are dominated by the whoever-talks-the-loudest form of political discourse that passes for serious discussion of complicated issues.

JOURNALISTIC SENSE OF HUMOR?

Or so caught up in typical attributive style that irrelevancies pass unnoticed? The awful NYC subway fire of 12/21 had its heroes, one an off-duty transit cop, Denfield Otto, who was on his way to choir practice at the time. News reports noted that "Otto, a baritone, was commended by Mayor Giuliani...."

RE-ENGINEERED ROLE OF COMMUNITY & EMPLOYEE RELATIONS

Cain's concern is where pr comes in. **Teaching civics 101 to communities and employees must become a major organizational thrust** – in its own self-interest.

Surely this is in the interest of practitioners, for pr thrives only in democracies. But democracies depend on an educated populace.

Vol.39 No.1
January 1, 1996

First-of-the-Year Issue

INFO HIWAY ISN'T THE REVOLUTION, SERVING FRONTLINERS IS

Computer mania seems to have overtaken pr – but the real revolution isn't electronic communication. The reasons quickly become clear if the profession will think about its research base rather than follow the crowd:

1. **John Naisbett's dictum about "hi tech, hi touch" has not changed**, because human nature hasn't. Above all, we are social animals. That – expressed in the ability to work together as groups – is why *homo sapiens* has survived while far fiercer competitors like the sabertooth tiger didn't. We could cooperate in teams to do them in.

2. **Electronic communication is still just that, communication.**

   - Research has long shown people ultimately make decisions and undertake actions based on relationships (peer interactions), not just information. While communication is important to nurturing relationships, *electronic* communication mainly transfers information.

   - Such impersonal information transfer rarely leads to productive *relationships* – any more than communicating in print, audio or video did. It cannot, since *trusting* relationships begin with face-to-face and require occasional eye contact, examination of body language, and the albeit-unconscious analysis of pheromones (yes, humans have them as well as animals).

3. **Electronic communication may offer important advantages, but is an incremental change – not a new way of life**, as some would like us to think (primarily those with something to sell!).

THE BOTTOM LINE ... is that electronic communication merely transfers **words and paragraphs** from printed page to computer screen. It still requires **reading**, so faces all the obstacles print does.

- In some ways, print may even have an advantage. A piece of paper can be put in a pile on your desk but it's still "there," nagging. Messages in a computer are totally invisible (and those who claim they cruise their files to be sure they've dealt with it all are very unconvincing – or else have more time available than most of us do).

What is truly revolutionary is when organizations <u>including senior managers</u> actually focus their energies on the front line workers who produce and deliver the products and services, starting with team leaders (formerly "supervisors"). Managers have responsibilities *to* them, not prerogatives *over* them.

WHY CHANGE BEGINS WITH THE NEW MANAGERIAL PARADIGM

The attention is going to glitzy, global electronic toys, but the problem to be solved remains inside the organization – employee and managerial communication and productive relationships.

1. Significant research and review of case after case suggests the Quality movement, re-engineering, downsizing et al have in final analysis been top-down programs which – if they've succeeded at all – have existed and been supported primarily at senior management level.

2. But managers are a tax on production. They don't themselves produce anything. Frontline workers do that – the folks who make, design, sell, deliver the product or service.

3. The "management" level that matters is the team leader (formerly "supervisor") at this frontline level.

Everyone else in the organization exists to support them.

SUPPORTING RESEARCH SHOWS WHY ONLY THIS APPROACH WILL WORK

1. **Loyalty Studies**. Most workers are **loyal first to their work unit, immediate colleagues and team leader**. Study by Billings & Becker (prr 2/28/94) found this local commitment often more powerful than commitment to the overall organization, since that is vague in behavioral terms. Other studies suggest commitment to, say, GM, GE, the Army, the University is really only shorthand anyway for commitment to one's own portion of the whole.

2. **The Pelz Effect**. In their book *Communicating Change* – one of the most sensible pr books in years – the Larkins reminded practitioners of 1952 research that is particularly relevant today. Pelz set out to discover what managerial style was most effective for first-line supervisors with their employees. What he found was a force far stronger than any style:

The defining factor in whether workers have confidence in and will follow a supervisor is whether s/he is plugged in, has a voice in decisions, and is listened to by senior managers.

Subsequent studies show working for such "powerful" supervisors increases:

A. *trust* in the supervisor
B. *desire* for communication with him or her
C. *belief* that the info they impart is accurate

> It's like the Army, where **the leaders that really matter are the sergeants.** They run the show. Generals wade ashore for the tv cameras, in a symbolic charade – but the sergeants led the troops that took the beach!

4. **Communications Research Findings.**
Virtually every organizational or industry study ever done finds employees' preferred source of need-to-know, and even nice-to-know, info is their immediate supervisor/team leader. Most recent TPFC/IABC study rates this at 90%, and the #2 preference, small group meetings, at 59% – to point up the primacy of face-to-face communication with supervisors.

RESULTING STRATEGY is clear. Senior managers must be servant-leaders of frontline managers and their teams – not their "bosses" or perk-laden "superiors." Yet who would deny that, in the majority of organizations, despite all the "programs" and rhetoric, the old hierarchical system still reigns.

THE NEW MANAGERIAL PARADIGM

Until now, managers and supervisors were selected primarily for their skill and knowledge in the work their unit performed	With workers empowered and accountable, this is no longer necessary. In fact, it's counter-productive	Checking up on work done by others is obsolete, so managers/ supervisors are now **team leaders**...with a new focus

NEW FOCUS IS AN INTERNAL COMMUNICATIONS STRATEGY

If communication is what binds a group of people together and makes them into a producing organization	And if face-to-face is what employees want – primarily from their immediate team leaders	Then the first and foremost role of all "managers" is to be communication centers

NEW PARADIGM REQUIRES A NEW EMPHASIS

1. Three-way communication channel: up, down, laterally	2. Coach, trainer, champion, cheerleader	3. Conflict manager (**not** resolver)

The number 1 opportunity for practitioners is therefore:

- showing top managers how their own interests are better satisfied
- by treating frontliners as their customers, not "my people."

A CASE PERSPECTIVE: One suspects at least a reason Bob Allen split AT&T was the possibly insoluble difficulty of getting 317,000 employees around the globe connected – as he was known to feel internal relations/communication was one of the company's biggest challenges.

- Won't e-mail, the net, the web solve this?
- Can it? Does it capture the new managerial paradigm, worker loyalty, and the Pelz effect? Or is it just an electronic version of the company publication, the memo system, the bullboard?

IS MELTDOWN COMING FROM UNMOTIVATED, UNREWARDED WORKERS?

Managers admit they are unable to engage them. And pr/internal communication deserves some of the blame, finds a survey of 611 managers and 905 workers by Kepner-Tregoe management consultants.

Workers and managers agree employee morale is the *lowest* company priority out of eight listed on the questionnaire. Both agree on the top priority: customer service. Other findings:

> "**Unless things change in how we manage people**, we may be headed for a performance 'Ice Age' in which once profitable companies remain frozen in place, unable to capitalize on new opportunities to grow their businesses," says T. Quinn Spitzer, president.

- **Out of Touch**. Only 37% of workers feel supervisors know what motivates them to do their best work; but 44% of managers say supervisors do know.

- **Recognition is Major Barrier**. 96% of workers get a lot of satisfaction out of knowing they've done a good job. But when they do a job well, only 40% say they are rewarded or recognized by their supervisor/manager. The clincher: Only 49% of managers say they reward or recognize workers for jobs done well. *"Unless this issue is addressed, the goal of achieving a high-performance workplace will remain unattainable."*

- **Don't Feel Valued**. Not surprising with the reengineering movement, over 40% of employees say their company does not value them as individuals. Only half as many managers (21%) believe their companies do not value employees as individuals. A large gap is evident between the perceptions of employees and managers here.

- **Flow of Information Gets Very Low Marks From Workers**. Either they aren't given the info, or it's not presented in a useful fashion:

  a) 33% say they don't receive info on the *production performance* of their site. Of those who do, 74% say it's "not at all" or only "somewhat" useful.
  b) Info on site's *financial performance* is never received by 40%; 76% of those who do get it find it "not at all" or only "somewhat" useful.
  c) 20% never receive info on *how the company as a whole is doing*; 73% of those who do feel it is "not at all" or only "somewhat" useful.

- **Managers Confirm Workers' Responses About Flow of Info**:

  a) 16% say site's production info was never transmitted to employees; of those who did send info, 74% say it was "not at all" or only "somewhat" useful to workers.
  b) 27% say financial info was never given to workers; 84% said when given it was "not at all" or only "somewhat" useful.
  c) 11% said info on the company as a whole was never given; 80% say info was "not at all" or only "somewhat" useful when given to workers.

(More from Kepner-Tregoe, P.O. Box 704, Princeton, NJ 08542; 609/921-2806)

TO AVOID LONG-TERM DISASTER, KEPNER-TREGOE OFFERS THIS ADVICE:

Install a consistent, company-wide management procedure, enfolding the employer and employee in a dynamic feedback loop, linking expectations with end results in order to:

- motivate workers with recognition *and* consequences;
- commit the organization to its workers by equipping them with training, resources and info to do the best job;
- align performance measures with company goals;
- provide an ongoing coaching system;
- communicate clearly and specifically performance standards, rewards and consequences.

THOUGHTFUL ITEMS ON THESE TOPICS FROM SEVERAL SOURCES

- **Cyberspace Can As Easily Be Cyberbunk As Cybernetics**. Consider that now you can get "publicity/builder" software that includes 15 sample press releases, a prefabbed press kit, and thank-you letters to editors. "Have we become so trivialized that a client needs only a Mac?" asks our in-house cynic John Budd.

- **A Georgia State U Economist Complains That Internet's E-mail Is So Crowded** it's cheaper and faster to pick up a phone and call. The digerati, it's said, are falling in love with "what" instead of "what for."

- **Gannett Is Banking Heavily On Old-fashioned Ink and Newsprint**. Recent nearly $2-billion acquisition gives it 93 dailies with total circulation of 6.6 million. Maybe it is prescient because US newspapers in October reported the best first-half ad revenue growth in 7 years. Yet the industry is still asking whether new tech will either put them out of business (see next item) or change their role entirely.

- **Half of Today's Retail Stores Will Disappear By 2000 As Consumers Flock to "Meta-Mart,"** the commercial lanes of the info hiway, predicts World Futures Society in its 1996 forecasts. Who, then, will support local media with advertising? Will they, *can* they find a way to exist on subscription revenues or other sources? How sophisticated will computer shopping get? You'll be able to feel the fabric of the suit you're buying, futurists claim, just by touching your tv screen.

- **The Web Already Has Major Problems**. 1) Its inventor, Tim Berners-Lee, told 4th International Web conference the problems of size demand dividing it into manageable, independent pieces. 2) IBM's John Patrick tried to put web usage into perspective: "As a percentage of the world's population, the number of people on the web [now 18 million] still rounds to zero." 3) More web sites may be shutting down than are being added, reports a panel at the Comdex show. 4) Business and tech writer Rosalind Resnick points up the difference between students chatting via web and an organization maintaining a site. She quotes one analyst, "If you don't have a revenue stream from advertisers, then you need subscribers, which nobody has really figured out how to do yet on the Internet." Users for pr purposes may avoid this problem, but unless overall web develops, where's the audience?

US MANAGERS DRAG THEIR HEELS ON SHARING POWER

So reports Association for Quality & Participation. This reluctance is hurting the bottom line, find studies by U So. Cal's Center for Effective Organizations. Current status of moving decisionmaking from management to the front lines of sales, marketing and services:

- 37% of large employee sample are not involved in employee involvement activities and have no share in managerial power.
- 31% are responsible for recommending improvements to management – but have no voice in decisions.
- Yet 83% of organizations with power-sharing programs report "positive" or "very positive" results. Only 1% report negative experience. 16% are neutral.

BOTTOM LINE NUMBERS FROM EMPOWERING FRONTLINERS IMPRESSIVE

Companies with 40-60% of workers in power-sharing programs (high use) "consistently outperform" those with 20% or less of employees so involved (low use):

- In return on sales, high-use companies get 10.3% vs. 6.3% for low-use. When sales are in the millions or billions, four percentage points make a huge difference.
- In return on assets, spread is 6.9% vs. 4.7%.
- In return on investment, it's 14.6% vs. 9%.
- In return on equity, difference is 22.8% vs. 16.6%.

In the face of such data, why would any management avoid power sharing with frontline supervisors and workers?

CONCLUSION There is no magic bullet, no easy way out. Mass publicity wasn't one, electronic communications isn't either.

It may end up bringing great advantages – such as instantaneous interactive communication despite geography. Of course, we already have long distance phone and teleconferencing....

The situation appears to be that we are forced to do the hard work: Getting to know people, and earning their trust. Cyberspace won't do that.

Vol.40 No.1
January 6, 1997

First-of-the-Year Issue: Regaining Trust

NEW COMPACT WITH EMPLOYEES CAN IMPACT ALL STAKEHOLDERS

1996 showed there's no quick fix, no glitzy magic that can undo damage from downsizing, reengineering and similar organizational trauma. It requires putting programs in place that **demonstrate behaviorally – not rhetorically – the organization's concern for**

(a) **the double bottom line** (i.e. social responsibility equated with profit, such as family responsive policies internally)
(b) **communicating authentically** (face-to-face with team leaders and frontliners internally, with all stakeholders externally).

MS&L's Warner study *(below)* details the loss of trust/honesty; Fukuyama *(next page)* talks about the cultural aspects of this. It's a BIG problem that pervades everything. But organizations can change this pervasive cynicism – by making conscious choices to grow trust. It's good for business, as J&J and FelPro studies show *(see following pages)*. Without internal trust and external permission, no business strategy is going to be as effective as it otherwise could.

Regaining trust also requires focusing on leadership in changed (and continually changing) organizations, as Center for Creative Leadership explains in this issue. Most important, **organizations can manage for loyalty**.

THE PROBLEM: PERCEPTIONS OF HONESTY ARE "WAY DOWN"

Especially for business, media and public officials, according to *A Study of Honesty in the Workplace* by Roper Starch Worldwide, sponsored by Manning Selvage & Lee in the annual Warner Ethics Series (see also prr 11/18/96):

- 61% say **politicians** make false promises (compared to 52% in 1988)
- 31% say **government officials** take payoffs (18% in 1988)
- 20% believe **corporations** make illegal political contributions (15% in 1988)
- 20% say **employees** take company supplies (up from 17%)
- 52% say they are "not at all confident" they can depend on what the **press** reports (up from 40% in 1976)

MOTIVATIONS FOR DISHONESTY

What drives people to be untruthful? 28+ million say "there are circumstances" where being dishonest is ok:

a) to prevent embarrassment (53%)
b) prevent losing your job (31%)
c) for good of organization (24%)
d) negotiate better deal (18%)
e) negotiate higher wages (17%)
f) when you know you won't get caught (15%)
g) give yourself an edge (10%)

NORTHEAST WORST Is the Northeast more dishonest? Or just more honest about lying? Compare these stats of Northeasterners who believe it's acceptable to lie – which do fit popular perceptions of New Yorkers and Washingtonians if not also Philadelphians and Bostonians:

- to prevent embarrassment, 67% vs. about half the people elsewhere
- to prevent losing your job, 46% vs 22% Midwest, 29% South, 34% West
- to negotiate higher wages for self, 34% vs. 17% in other areas
- when you know you won't get caught, 29% vs. 15% elsewhere
- to give yourself an edge over others, 20% vs. 10% elsewhere

Honesty is also a victim in big cities:

- Metropolitan area residents are 20% more likely than small towners to lie to save embarrassment (58% vs. 38%)
- To lie to prevent losing your job (38% vs. 18%)
- For good of the organization (28% vs. 18%)
- To negotiate higher wages (25% vs. 6%)

CONCLUSIONS & IMPLICATIONS Communicating credibly is tough and getting tougher. "The public will discount what is said in almost any venue, by almost any medium, by a considerable amount – **30-50% of the message will be immediately discounted**. That means it is harder and harder to communicate forcefully and convincingly to a much more skeptical America," notes Roper's Tom Miller. His implications for pr:

- As employees in the Northeast are more likely to justify dishonesty, management and counselors there have to work smarter to be believed.
- **Management credibility is most suspect on issues that threaten the organization**, i.e., government regulations. Severe doubts exist that management will be honest with regulators and other officials about regulatory violations. Thus crisis management will become a more important discipline for pr to focus on. Extra efforts will be necessary to gain public trust.
- **Internal credibility gap is partly due to management's remoteness**. Thus management should 1) make themselves more accessible – management by walking around; 2) keep employees in the loop, keep them more informed, creating an atmosphere of inclusion and openness.

ERA OF CYNICISM DAMAGES EVERYONE

(% saying are misinformed or overcharged "quite often" or "almost always")

	1996	% change since 1979
Auto mechanic	51%	+16
Auto dealer	50	+14
Lawyer	35	+18
Real estate salesperson	28	NA
Insurance agent	28	+15
Plumber	28	+11
Electrician	26	+10
Doctor	23	+8
Dentist	18	+5

(More info from Lou Capozzi, MS&L, 212/213-0909)

IRONY: "SOCIETY OF JOINERS" LOSING SENSE OF COMMUNITY

Though US residents perceive themselves as individualistic (like China and Italy), the reality is we are highly conformist and group oriented (like Japan and Germany), notes Francis Fukuyama, senior social scientist at Rand Corp. Especially in the corporate world – we are "a society of joiners."

- In the last 30-40 years, however, there has been a dramatic change in American attitude and willingness to trust one another. This, in turn, **affects our ability to associate with one another in groups and organizations** (see MS&L research on previous page). This is also reflected in the diminishing membership of many groups – labor unions, service organizations like Shriners and Masons, PTA, Red Cross, Boy Scouts, as well as in church attendance and volunteer work.

> "**We have lost a sense of community**. We don't have the same degree of moral connection as a generation or two ago." Technology plays a role, making people slaves to tv, computers, even air conditioning -- once people had to be out on the stoop at night because it was too hot to be inside.

- Add to this an equally serious decline of the family, e.g. 32% of children are born out of wedlock. Social science research indicates the "**decline in trustworthiness and association with groups is related to the decline in family life** because fundamental values like truth telling, honesty and reliability are formed less in the school system than in the family itself. Chaotic family situations make it much harder for a society to transmit those values from one generation to another."

- Though we are richer than ever before, inflation is down, unemployment relatively low, life is not as competitive as in the 80s, still **people have a sense of unease**. (See *NYTimes* data, box on next page)

- While economics and technology play a role in the decline of social trust, they are not the fundamental problem. **Culture is the root** – the idea that individual "rights" come with little corresponding community responsibility. Entitlement as opposed to citizenship.

DOLLARS-&-CENTS CASE FOR SPENDING ON LOYALTY "POWERFUL"

Short-term thinking, quarterly-report mania, are losers, reports Fred Reicheld of consulting firm Bain & Co in *The Loyalty Effect* (Harvard Business School Press). What creates profits and longterm value is customer loyalty. That is impossible without employee loyalty. And investors are loyal to companies that create these loyalties.

- It begins with a **set of principles** to which the organization is loyal. Vision and values lead to a solid bottomline, whatever the naysayers think.

- "Loyalty-based management is a rational, viable strategy for generating cash flow, profits and growth" ... but it is **mainly "about people."** Whatever the conventional wisdom about the death of loyalty, data here show a compact of loyalty with workers and customers is eminently possible.

Case histories of State Farm, Leo Burnett, A.G.Edwards, Lexus and others show eye-popping payoffs from investing in and working for loyalty. Book interprets in actual settings much of the research prr has carried, e.g. a small improvement in customer retention (i.e. stopping customer defection) can double profits (see prr 9/12/95, 6/10/96 & 8/26/96).

¶ This is one of the few business books in years your editor could not give the famous five-minute read and glean its contents. And – one more time – a management book that touts the philosophy and strategy pr has long espoused.

A LOOK AT ONE SOLUTION: FAMILY-RESPONSIVE PROGRAMS

Johnson & Johnson began its *Balancing Work and Family Program* in 1989. Its components include:

- Childcare resource and referral
- On-site child development centers
- Dependent care assistance plans
- Family care leave
- Family care absence
- Flexible work schedules
- Adoption benefits
- School Match (resource and referral service)
- Elder care resource and referral
- Relocation planning
- Employed spouse relocation services

Managers and supervisors are given work-family training to help them understand the business case for work-family policies; and to help them implement the policies. To assess the Program's impact, employees at four J&J locations were surveyed in 1990 and again in 1992. Some highlights:

- Employees who "strongly agree" they feel comfortable bringing up personal or family issues with their supervisor rose from 18% in 1090 to 38% in 1992.

- For employees who have used J&J's flexible time and leave policies, the importance of family-supportive policies in deciding to stay at J&J are "very important" for 71%, "somewhat important" for 27%, "not at all important" for a mere 2%.

> **Fear of job loss** is a huge drain on morale. And low morale equates to accidents, errors, lowered productivity. *NYTimes* yearend review article 12/29/96 finds 67% feel economy is good – but *half of all workers are still worried about layoffs*, same as a year ago when economy was dicier.

- **Having a supportive supervisor and a family-friendly work culture** are far more powerful than the effects of using specific work-family programs. Study shows employees who feel their immediate supervisors are more supportive of their personal and family needs: 1) are less stressed; 2) experience less negative spillover from jobs to family life; 3) feel more successful in balancing work and family responsibilities; 4) are more loyal to the company; 5) are more likely to recommend J&J as a place to work; 6) are more satisfied with their jobs.

> Two years after introduction of the Program, employees report their jobs interfere less with their family lives. This decrease in negative spillover from work to family has occurred despite the fact that the average employee worked longer hours and harder in 1992 than in 1990.

FOR $700/YEAR FEL-PRO GETS EMPLOYEE PERFORMANCE AND LOYALTY

U Chicago studied effects of employee loyalty program at Fel-Pro, a Skokie-based manufacturer of automotive sealing products. Study shows that

> *"...while family responsive policies make a positive contribution to both traditional and non-traditional job performance, they are more strongly related to the latter. This finding is particularly meaningful because non-traditional job performance involves voluntary behaviors that are conducive to organizational change. Put another way,* ***when workers are supported by their employer, they in turn are supportive of their employer****. They exhibit the flexibility and adaptability needed to adopt quality improvement initiatives."*

FINDINGS

- The greater employees' use of benefits, **the greater their citizenship behavior at work**, i.e., the more they help out co-workers and their supervisor, volunteer for tasks and show initiative.

- Researchers also found the more challenging workers' jobs are, **the greater their participation in and support for organizational change**. Workers with less challenging jobs have a hard time supporting changes.

- However, regardless how many benefits workers *use*, the more they *appreciate* the benefits **the more they support the organization's efforts toward change.** This link held up regardless of race, gender, marital status, job characteristics or length of employment.

> **Fel-Pro's benefits include:** on-site child care; elder care resource and referral service; sick-child care and adult emergency care service; subsidized tutoring; college scholarships for employees' children; summer day camp for employees' children; income tax preparation assistance; counseling services; a health/fitness program and center; smoke-cessation program; weight loss program; drug and alcohol treatment programs; legal info service. Fel-Pro's cost is about $700 per employee each year.

- High benefit users (those using 5-16/year) have **the highest performance evaluations** and lowest intentions of leaving. Also few have received disciplinary actions. On the flip side, workers using few benefits have lower performance ratings, greater intentions to leave and a larger proportion have been subject to disciplinary actions.

- 66% disagreed or strongly disagreed with the statement, "I'd rather have more profit-sharing and fewer benefits."

- 92% say benefits make it easier to balance their work and personal lives.

- **To be effective, benefits must be communicated and supported at the supervisory level.** Also, one program or policy doesn't make a company supportive. Key is offering a range of benefits across the lifecycle. This supports good work performance and employee well being. However, benefits cannot compensate for unchallenging stressful jobs, insensitive supervisors or unsupportive colleagues.

"FUNDAMENTAL CHANGE IN THE WAY PEOPLE CONNECT WITH ORGANIZATIONS"

"That's what we're experiencing. Whatever we call it, it is clear that our basic beliefs about such things as loyalty, motivation and commitment, which were honed under the old reality, now require some redefinition in order to be relevant," writes David Noer, senior fellow at Center for Creative Leadership, in its newsletter *Issues & Observations*. He offers these thoughts:

¶**Organizations of the new reality** are not orderly, rational places where logic, analysis and cool contemplation are the underpinnings of management action. They are chaotic, confusing and filled with conflicting values, choices and demands.

¶**Cultivation of leaders with the ability to facilitate transitions** is what will make the difference between those organizations that make it in the new reality and those that don't: their own, those of their fellow employees and the organization's.

- **Self-transition**: needed is self-awareness; primary tool is valid feedback (authenticity again).
- **Workgroup transition**: Help the people within your sphere of influence to let go of the past, refocus their self-esteem from where they work to what they do, and move their attention from internal politics and relationships to helping serve customers. Skills needed are empathetic listening, giving and receiving feedback in a nondefensive manner, reflecting feelings and emotions, and coaching & counseling.
- **Organization transition**: Needed is the ability to stimulate and engage in a true collective dialogue. Requires courage and discipline to go against old-reality expectations. Have the patience to refrain from taking individual action until the community reformats and redirects the issues.

Communications: Top managers send far too often and receive far too seldom. It is a two-pronged problem.

1. Top managers get hooked because employees keep asking for "communication" when what they are really seeking is hope and assurance.
2. They control the internal media and what better way to get all their own "oughts" and "shoulds" off their chests. Resist. When parts of the organization are two or three transitions behind you, they are not interested in your current vision or where you are on your current transition effort. Instead, receive information, listen, discover where other people are in their transitions. If you don't do that and only send, you are not only flying blind, you are preaching to the deaf.

(More from Center for Creative Leadership, P.O. Box 26300, Greensboro, NC 27438-6300; 910/545-2805)

Vol.41 No.1
January 5, 1998

First Of The Year Issue

PREDICTION : 1998 WILL SEE PR PROFESSION DECIDE ITS FUTURE

For several years the field has been undergoing two critical changes:

1. **Finding its way beyond print-oriented mass communication** practices that overcommunication, new technology and changing personal interests and values have made obsolete and ineffective – toward relationship-building activities that can motivate stakeholder behavior

2. **Sorting out the role**, size, personnel makeup, assignment mode and services package of pr firms, while simultaneously reengineering the role, size, budget and accountability of internal pr departments

As prr has phrased it, the field is searching for the balance between (a) communications products manufacturing and (b) strategic counsel and training of all members of organizations for their communications responsibility – since relationship-building is everyone's job.

WHY THIS MAY BE THE YEAR IT ALL COMES TOGETHER

- Two major firms adopted slogans that are harbingers. Burson-Marsteller says its skill is perception management. Ketchum touts its ability to change minds and modify behavior

- Harold Burson told a Boston U group recently that 35% of the firm's work is now strategic, which he expects to rise to 65%

- The proposed trade association for pr firms is being formed in conjunction with leaders of PRSA's Counselors Academy, auguring a reasonable division between promotion and lobbying and professionalism; if it became just one more pr organization, that would be divisive

- Pressure from consulting wings of accounting and management consulting firms is forcing pr firms and departments to move more boldly

- Outsourcing of communication products continues apace, resulting in leaner, more focused staffs *and* a growing cadre of specialists and boutiques to use for projects

- Strategy is the fastest growing element of internal departments, according to Tom Harris' survey (prr 10/6/97)

- Budgets are growing almost everywhere, according to several studies

- PR is outperforming advertising and other techniques, especially in the sales arena as that moves to one-on-one relationship marketing

NOT EVERYTHING IS ROSY

- There's still a shortage of top flight pros to fill senior positions, which too often go to non-professionals
- Some trade publications still argue that the role of pr is media relations
- Efforts to bring diversity to the practice continue to receive strong support, but have not yet found the key to attracting minorities in sufficient numbers that pr reflects the publics it works with
- Too much of the tactical follow through for bright new approaches like Reputation Management is still old, tired, one-way information transfer

PR SOCIETIES HAVE MAJOR OPPORTUNITY IN 1998 As agents to unify the profession in its new direction, PRSA, IABC, CPRS et al have a chance to really prove their worth. For some it may be a stretch – but the totality provide a powerful potential voice and venue.

- **PRSA**, the largest and pr's traditional bellwether, has unmatched resources – if they can be targeted. It is beginning to recapture senior members lost sight of when it started to focus on membership quantity; and on beginner skills and glitz in its most visible symbol, a publication called *Tactics* that replaced the venerable *PR Journal*. It remains a US organization
- **IABC** has overcome financial problems, but still faces the challenge of becoming a truly functioning international organization. *Communication World* has cut back some but remains among the best publications
- **NIRI** and the **Arthur W. Page Society** are booming as smaller gatherings with plenty of focus and a large chunk of the profession's leaders
- Regional groups like **FPRA, SPRF, TPRA** and others are holding their own, and can add strong voices to a consensus statement about the field
- **CPRS** isn't growing much, but its programming is strong – and it has far more sensitivity to the global realities
- Specialty groups remain strong influences: **NSPRA** came out of its deficit hardier than ever, with a new owner-occupied HQ and vibrant programming; **CASE** is battening down the hatches for an assault on higher education now brewing – but *CASE Currents* may be the best magazine in the field overall; **ARC** continues but may be well advised to find a partner due to its smaller size
- **WICI** metamorphosed but as a collection of journalists, pr pros and others may have a lesser role in defining pr's future
- **Foundations** affiliated with PRSA and IABC, plus the **Institute** for PR Research & Education, are as strong as they've ever been in many ways – if only they can now find a way to raise significant funds for significant projects
- **North American PR Council** is there to coordinate, and has some notable successes like new universal accreditation and the uniform ethics code

INTERCONNECTEDNESS OF PROFESSION STIMULATES UNIFIED GOALS

As pr practice becomes very similar in every type of organization, and socio-economic-political impacts are global in effect, practitioners in one area now need to understand and care about what's happening in the others.

- Corporate pr cares about schools, because education is a business concern
- Since they are important supporters, school pr must know about corporations
- Corporate pr also must know healthcare, a major cost and employee benefit issue
- Higher education pr has to know all the above, since they're taught on campus
- All interact with pr in NPOs, far beyond the United Way campaign level, because social responsibility projects lie there – as does volunteerism
- All must understand government and its pr, as they attempt to influence policy

And on and on. Evidence of this is far easier access to jobs between industry areas. Practitioners move from schools to corporations, from military to higher ed, from NPO to government etc.

INSTANTANEOUS INFO ANOTHER PUSHER

Change in structure of pr units is responsive to the absolute need for One Clear Voice – in an era where something said to a single member of one stakeholder group can be worldwide within the hour.

- Boxes separating employee relations, media, community relations etc are either disappearing in favor of problem-solving teams – or tighter coordination is introduced
- Influencing this movement are rightsizing and cost reduction, with smaller staffs dropping low-return tasks to focus on the Big Opportunities

Strategies like Total Relationship Management, Integrated Communications and Reputation Management turn these influences into positive programs. A strategy begins to emerge – one that started in school pr and now fits almost everywhere:

UNIFORM 5-STEP RELATIONSHIP-BUILDING STRATEGY

1. **GO DIRECT** to stakeholders, around the three gatekeepers that want to interpret your message for you: media, politicians, special interests

2. **TARGET *KEY* STAKEHOLDERS**, the ones able to give supportive behaviors now or in the short term

3. **FOCUS ON REACHING THE OPINION LEADERS** in these groups, since they drive decisionmaking anyway – and there's neither time, budget nor the mechanisms for reaching everyone

4. **USE THE EMPLOYEE FAMILY** as the outreach arm that builds relationships, carries out community and industry projects, satisfies customers, leads grassroots lobbying, serves as sales ambassadors – the whole nine yards

5. **ALL ACTIVITIES ARE LOCAL**, because all issues and concerns are – but a network of local action adds up to a large national/global impact

PROGRESS: STUDIES FIND EMPLOYEE RELATIONS NOW 2ND PRIORITY

The dictum *inreach before outreach* has never been truer. And rarely have practitioners had such an opportunity to deal with the major bottomline issues of just about all organizations today as they have in concentrating on motivating workers. Prediction: the new direction of pr will make this primary. For now, surveys show the *opportunity*, at least, is recognized.

- 4th and final report of *Corporate Communications Benchmark 1997* from Northwestern U, ORC and Edelman PR (prr 3/31/97, 6/16/97, 8/25/97) looks at six functional areas as ranked by respondents in order of importance in achieving *corporate* goals and objectives): 1) financial communications and investor relations; **2) employee communications**; 3) media relations; 4) crisis/issues management; 5) corporate branding; 6) public/government affairs.

- Tom Harris/Impulse Research found internal communication second only to media relations (by 2%).

BUT REPORTED EMPLOYEE COMMUNICATION PRACTICES ARE BEWILDERING

Rampant skepticism and mistrust continue because the internal relations practices as reported have been shown ineffective in dealing with them.

The problem isn't transferring workaday info and data to employees, but truly communicating with them and hearing their feedback – in order to build teams that grasp the vision and mission and show pride in what they're doing.

But the Northwestern study reported:

1. **Employee newsletter/magazine** is still the favored means of employee communication.

2. ***Communication between employee and supervisor or manager was not mentioned by a single participant.*** 50+% indicated only moderate levels of involvement by supervisors and mid-level managers in communicating corporate goals and strategies to employees; 30% did indicate high levels and 20% low levels of this form of employee communication. Yet report states:

   ¶ "Survey data indicate there is a positive relationship between higher levels of involvement by supervisors and mid-level managers in the employee communications process and the overall effectiveness of employee communications programs.

   ¶ "Furthermore, those companies that provide supervisors and managers with tools such as specific messages or corporate goals, communications training, and pre-packaged meeting content (such as videos, scripting, hand-outs, discussion guides, etc.) are also much more effective at having messages delivered and acted upon by the employee audience in a positive manner."

3. **Only 33% measure employee satisfaction.** Effectiveness of those programs that measure satisfaction is higher (3.44, where 5 is highest) compared to 2.81 for programs that don't measure satisfaction. Virtually none measure employee productivity or retention.

MAJOR REPORT FROM PRR EDITORS AVAILABLE NOW

A Probing Look At Employee Relations Today: How To Shape World-Class Internal Relationships & Communications, the third in prr's continuing series of special reports, is now complete. The 337-page compilation is divided into three sections:

- **"The State of Employee Relations Today"** – deals with the strategic importance of employee relations as a key aspect of organizational excellence. It examines the changing social contract in both the workplace and society, the effects of downsizing and diminished employee loyalty as well as the continual struggle to find a balance between worklife and homelife. Offers several strategies for re-engaging employees.
- **"Trends & Issues Affecting Employees"** – extensive discussion of pr's role in re-engineering and organizational change. Close attention is given to trends toward participative management and increased employee involvement. Numerous current workplace issues are also covered, including work/family concerns, diversity, women, sexual harassment, ethics and the growing interest in soul and spirit in the workplace.
- **"Tactics For & About Communicating Internally"** – practical methods of and recommendations for implementing trusted two-way communication between management and employees. **Case studies** illustrating tactics are abundant in this, as well as the other sections.

(Available from prr; $80; 603/778-0514)

CASE: HAPPY EMPLOYEES PROVIDE CUSTOMER SATISFACTION AND SALES

Without happy employees, it's difficult to build and maintain good customer relationships. "**Customers *and our employees* must feel like the irreplaceable stars of this business**," says Jerry Welsh, customer experience director at Gateway, the direct computer sellers (N. Sioux City, SD).

¶ In August, his idea to answer sales calls with a live human was instituted. 150 of them answer all sales calls during regular sales hours *on the first ring*, according to an article in Gateway Mag.

"When the goal becomes building a life-long relationship rather than minimizing cost, the price of live reception turns into an investment rather than an expense. And, when you consider that satisfied customers also bring in more business through referrals, investments in service and relationship building become very cost effective." Gateway's number-one source of new business comes from customer referrals, according to its CEO.

RESEARCH: POLLING NOW TAKING HEAT FOR FUELING MISPERCEPTION

Another foundation of the field, growing by the hour and bound to be part of the emerging consensus of what pr is and does, is research. But again, currently popular methods will require rigorous reexamination.

Running a government – or an organization – based on what polls say stakeholders think has become increasingly dangerous in a *research* sense – since people often don't know what they want, don't have sufficient info to answer accurately, don't follow through behaviorally on their intellectual responses, can be misled by question order and other methodological issues.

Now, more voices are questioning listening too closely to polling findings as a *strategy and policy* matter.

If the poll is king, asks a political pundit, why have elected representatives? In today's complicated environment, rarely do stakeholders understand the issue. They simply cannot keep abreast of huge topics like education reform, the national deficit, healthcare change and many others. There is a need for public officials and organizational managers whose role is to consider carefully the total outcomes of proposed actions.

Polls discover gut-level "feelings of the moment." To pander to them equates to instant democracy, better known as mob rule – quick passion over considered decisions.

Says a leftwing candidate, the next two years will bring a struggle for the soul of the political party, "and its soul must not be a poll."

> This does not mean avoiding listening to stakeholders but rather using more enlightened research methods to probe their aspirations and behavior. The perils of polling reminds us that the need is for leaders and advocates, who facilitate democratic debate, which results in decisions the great majority can live with. **This is where public relations practitioners take their vital place in society.** Management by polls is a diminution of pr as well as of sound decisionmaking.

POLLING STILL GETS NUMBERS WRONG AND THAT CAN BE MORE THAN MISLEADING

A right wing commentator pointed out early last year how far off the mark poll results can be – especially early in a subject debate. That segment of democratic populations who simply want to "go along" and be with the winning side are relieved of their responsibility to consider the issue when erroneous polls show one side far more popular.

Case: polls in the 1996 election showed Clinton over Dole by 16-30 points throughout the campaign. The vote, however, gave him a bare eight percentage points. Even the final polls, taken the weekend before the election, gave Clinton a 12-18 point lead – off by 50 to 125%.

British pollsters got the outcome wrong in the 1992 UK vote, when they predicted a Labor win that didn't happen. So in the 1997 election they tended to be cautious. They reminded voters that the dangers in polling process must be taken into account – namely the domain of sampling error, statistical glitches and the laws of probability. To say nothing of partisan polls with questions carefully worded to provide the best result.

Vol.42 No.1
January 4, 1999

First-of-the-Year Issue: A Millennium-Size Challenge

IN AN ERA OF MISTRUST AND SKEPTICISM, MAKING YOUR ORGANIZATION ONE THAT PEOPLE *CAN* TRUST IS THE ULTIMATE DIFFERENTIATOR

The problem at the base of nearly every pr case today is lack of trust.

- Workers don't trust managers
- Which is often deserved, since few managers seem to trust them
- Doctors don't trust healthcare administrators
- Faculty and scientists inherently distrust anyone in management or even support services – second class people to them
- Teachers and staff have little confidence in the fairness or even honesty of superintendents or school boards – finding them disingenuous at best
- Customers are bombarded with rhetoric about delivering satisfaction, but greeted with behaviors that don't
- Communities fear businesses located there will leave at any moment
- Almost nobody walks their talk

GOVERNMENT MISDEEDS STARTED THE TREND Triggering events for public mistrust are well known: Watergate, the Pentagon Papers case proving government lied about Vietnam, Iran-Contra, J.Edgar Hoover's FBI spying on Martin Luther King and others, political contributions seeming to skew the will of the people etc.

- To make it worse, the Reagan and Thatcher administrations promulgated the idea that government employees were incapable

THE RESPONSE is seen in demand for term limits, California's turn to referenda on subject after subject as symptom of voter mistrust in representative government, the rise of independent candidates. Jesse Ventura's election as governor of Minn is dramatic – but his predecessor broke from his party and won as an Independent also. Maine's Independent Gov. King just won a 2nd term, Vermont's sole Congressman for several terms is Independent.

- **Distrust of others rebounds**, as ardent distrust raises questions about the persons who are untrusting. Case in point: Pew study in March found that today civil servants are trusted over the politicians who painted them as the bad guys by a gigantic 67% to 16%! (prr 3/23/98)

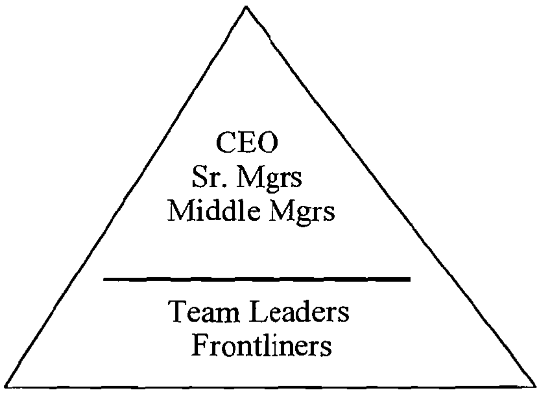
WALL STREET KEEPS MISTRUST GOING Shareholders appear to believe management is easy and attack any executive team that doesn't deliver ever-increasing dividends or stock value. This puts tremendous pressure on management to act in expedient ways that destroy loyalty and trust. And this sets a managerial pattern that spreads across all sectors. The proverbial vicious cycle.

THE HARD TRUTH ABOUT TRUST: IT BEGINS INTERNALLY

Outmoded as it is – and trained managers know it is – the pyramid (below) is the descriptor of most organizations, with its hierarchies, silos and other flaws.

1. **If we dare to look at organizations realistically**, it is quickly apparent that the most important people are those at the bottom – the frontliners. They and only they make the product, deliver the service, sell the goods, provide essential support mechanisms. In short, *they* more than anyone *are* the organization. *Not* the CEO or COO or CFO or CIO or vp-pr or anyone else.

2. **In truth, if (as below) you draw a line above the frontline team leaders** (whether called supervisors, managers or whatever), everyone else is **overhead**. The top of the pyramid is *cost* not income-generating. That is, the other positions exist to support what the frontliners do.



A few years back, the primacy of frontliners was dramatically shown at the annual meeting of an automaker. A shareholder activist angrily asked why workers were getting a raise and shareholders weren't. "Because," replied the chairman, "they know how to make cars and you and I don't."

3. **Therefore, if management wants to earn trust**, it must acknowledge this truth – then formulate policies and processes that prove and continually symbolize it to the frontliners.

4. **This affects the trust level of external audiences also**, since the great bulk of contacts between any organization and its stakeholding publics takes place on a daily basis between frontliners and individual stakeholders.

5. **But the reality is** that frontliners are the lowest paid, least trained, least often consulted and least respected – fodder for cutbacks, downsizing, takeaways, while senior managers get huge stock options for doing such violence to the organization.

Now, were we talking about motivating trust??? Everyone wants it with customers, government agencies and other external publics – but this requires the hard effort of earning it first inside the organization.

NEW BOOK PROVES IT ALL OVER AGAIN AND TELLS HOW

Stanford Business School prof Jeffrey Pfeffer's *The Human Equation: Building Profits By Putting People First* (Harvard Business School Press) damns yet again the management strategy of doing things because "everyone else is doing it."

"First, it is almost impossible to earn above-normal, exceptional economic returns by doing what 'everyone else' is doing – prosaically put, you can't be 'normal' and expect 'abnormal' returns.

"Second, it is almost impossible to achieve some lasting competitive advantage simply by making purchases in the open market (i.e. outsourcing) – something that anyone can do."

THE SEVEN PRACTICES THAT LEAD TO SUCCESS FOR ANY ORGANIZATION -- AND TO TRUST

What everyone can't do, so it is a competitive advantage, is put in place this list that emerges from Pfeffer's research:

1. Job security: permanent fulltime jobs
2. Careful hiring
3. Decentralization and teamwork
4. Good pay based on team, not individual, performance
5. Training, training, training!
6. Low differences in both status and pay
7. Systematic sharing of information (best practices, a learning organization etc)

RESULTS: RESEARCH SAYS IT IMPROVES PERFORMANCE IN ANY ORGANIZATION BY 40%

Why do it any other way, then? Why do these seven policies work so well? Three reasons, readily deduced from the seven practices above:

A. **People work harder**: having control over one's work leads to commitment

B. **They work smarter**: developing skills they can use on their present jobs

C. **Empowerment and responsibility reduce management**, bureaucracy and other costs caused by an alienated workforce with adversarial relationships to management

> One reviewer's summation of the book turns out to be a prime indicator of how to earn trust where it begins – between management and frontliners:
>
> "The single most important factor in whether organizations succeed or not is the way they manage their people – not fancy growth strategies or modern technology.
>
> *"Unfortunately, managing people is what many are least good at."*

SECRECY DESTROYS TRUST; TRANSPARENCY BUILDS IT

During the worrisome days of the recent stock market fall – when Asia was on the skids and a rogue hedge fund nearly put confidence into a tailspin –money managers at one of those international crisis meetings were still divided whether transparent communication, aka telling the truth, was a wise policy.

Might scare people if they knew the facts, some argued. Translation: they're not smart enough to handle it. Considering how the "bright" financial minds, like fund managers, are spooked by even a shadow of a rumor, perhaps those arguing this way had a point. But not usually, and not for long.

MOYNIHAN SETTLES THE ARGUMENT In *Secrecy,* the senator from NY traces the results of government secrecy policies. One example: because the data was kept classified, no expert or academician could argue with CIA forecasts that USSR's economy was strong and about to surpass ours. There was much evidence the opposite was true – but no way to see the data. Result: between 1982 and 1988 the US "went on history's greatest peacetime weapons spending spree, transforming itself from the world's greatest creditor nation into the leading debtor" – the great National Debt still facing us.

- Transparency and the ability to check the data could have avoided this. Free democratic discussion works!
- Secrecy "erodes confidence" because mostly its purpose is to protect the reputations and careers of policymakers, notes the book.

For practitioners, the relevance is: Are there situations at your organization/client where confidence has been eroded and mistakes made in the foolish thought that it is even possible to keep secrets inside organizations today?

WHAT IS KNOWN ABOUT EARNING TRUST FOR ORGANIZATIONS?

STRATEGIES. Any prescriptive list sounds trite, but research and cases presented in prr in the 90s suggest these overall rules:

1. **Words, rhetoric, grandiose statements do not gain trust**
    - CEOs who want to promulgate such words *without realizing what total commitment to living them means* can destroy trust right down the organization
2. **Only symbolic actions – behavior and adhered-to policies – can**
    - Major reason why internal teams and task forces, along with community relations, volunteerism and similar social responsibility programs that get employees and execs rubbing elbows with one another and with opinion leaders and stakeholders are essential
3. **Building relationships** is the only way trust can be earned, say psychological studies
    - Letting stakeholders see us as people, and see *for themselves* that our behaviors do walk our talk
4. **Still, without some words to live by** – vision, values or guiding principles – neither internal nor external audiences have a ruler to measure an organization with

- Language, words, writing are still important; they just can't stand alone anymore (even on fancy Web pages, though that's a good place to feature them)

- Remember the power of Squibb Pharmaceutical's marvelous theme, in the days before there was an FDA to assure drug quality: *The priceless ingredient in every product is the honor and integrity of its maker*

TACTICS ALSO APPEAR VERY BASIC

Or is loss of trust in part because organizations moved away from old-fashioned virtues?

1. **Face-to-face is the key. Nothing can replace it, as strategy list implies**

    - Practitioners' role in coaching team leaders and execs in this, plus preparing videos, charts, agendas and other presentation aids is now a top assignment (e.g. see prr 7/17/95)

    - List of internal venues is long: MBWA, focus groups, Lunch With…, town halls, award presentations, employee annual meetings et al

    - Externally, case after case shows how the toughest problems are resolved when execs and employees press the flesh with stakeholders – from winning fishermen's support for oil drilling to pipeline right-of-way issues (e.g. see prr 4/20/98)

2. **Opinion leader support is vital.** Only third party advocates bring trust to issues now – not the disputing parties

    - The formal opinion leader list continues as PR Tool #1

    - Formalized Constituency Relations, Envoy and Ambassador processes create third party advocates – they're "ally development" programs

TOP TRUST-BUILDERS AND TRUST-DESTROYERS FOR MANAGERS

1. Communicates openly and honestly, without distorting info
2. Shows confidence in people by treating them as skilled and competent
3. Listens and values what is heard, even though may not agree
4. Keeps promises and commitments
5. Cooperates, looks for ways people can help each other

1. Acts more concerned about own welfare than anything else
2. Sends mixed messages so never know where s/he stands
3. Avoids taking responsibility for actions
4. Jumps to conclusions without checking the facts first
5. Makes excuses or blames others when things don't work out

– Survey on trust by Development Dimensions International, 1995

3. **Consistency is the basic ingredient in trust**

   - We trust people with whom we don't agree when we can count on how they will respond to a situation or issue; they're consistent
   - People we cannot trust are those who come down on all sides and we never know what they'll say or do
   - Recommended research project: Read your organization's or CEO's pronouncements for three to five years back. Are they, above all, *consistent*?

4. **Patience is essential in building trust -- especially rebuilding it**

   - A newly minted Statement of Guiding Principles doesn't take the organization back to square one, enabling it to start over with folks giving the benefit of doubt; bad history lingers

---

TWO FINAL THOUGHTS THAT MAY SET THE TRUST AGENDA NOW

1. **Public is particularly prone to distrust business – even more than government**

   - Sept 1998 ORC research for GCI finds over half ready to conclude industry guilty of something if being investigated by government agencies
   - Similarly, over half feel corporations are probably guilty when lawsuits are filed against them
   - Concludes GCI's Litigation Communications Group: this is the "inordinate public opinion power of the 'bully pulpit' of government"

2. **Way to win employee commitment/trust now is helping with work/life balance**

   Aon Consulting's 1998 America @ Work survey identified these drivers of workforce commitment as key among 17 such factors:

   - Does management recognize the importance of personal and family life?
   - Are employees allowed to balance the job and other parts of life?
   - Does the organization encourage co-workers to support an employee's personal needs?

(See prr's 1997 First-of-the-Year Issue for Johnson & Johnson's work/life program)

Vol.43 No.1
January 3, 2000

To Start the Year, Let's Explore This Major Challenge Together:

MANAGEMENT'S DEMAND FOR PROOF OF RESULTS AND WALL STREET'S TURN TO NON-FINANCIAL INDICATORS MAKES MEASUREMENT AND EVALUATION 2000's PR TOPIC No. 1

Several attempts are underway to devise ***practical*** evaluation methodologies that are ***meaningful*** – which is vital, since both management and investors have shown a penchant for grabbing at numbers even when there's no substance in them.

■ **Now being tested, in initial usage, or planned:**

1. For measuring relationships, the Grunig-Hon scale (prr 10/11/99)
2. For measuring reputation, Reputation Quotient (prr 10/18/99)
3. For measuring overall pr effects, an IPR Commission on Evaluation and Measurement project funded by Council of PR Firms
4. For measuring employee engagement, Ketchum's Relationship Index (prr 6/15/98), Gallup's Q12 (same prr issue) and others

■ **Their pioneering and theoretical forerunners include:**

1. Swedish PR Association's Return on Communications (prr 3/10/97)
2. Ernst & Young's "Measures That Matter"
3. Elaine Dixson's Key Matrix system (prr 7/27/98)

Typically, the movement is led by publicly held corporations, since investors are demanding to know more about future prospects of the companies whose stocks they hold. But a minority of practitioners work for corporations, so methodologies must also be created for NPOs such as healthcare institutions, public service entities, schools, universities, co-ops and government agencies.

FIRST STEP, DETERMINE WHAT CAN BE MEASURED THAT DOES MATTER

For example, measuring reputation per se is dubious. To what extent can we show reputation influences behavior? When? Precisely whose behavior? And what exactly is reputation? How stable is it? Yet large, multi-faceted, across-the-board topics like reputation are appealing research targets for the hope of summing up a hugely complicated situation with one easy measurement.

Thinking of a Reputation That Matters method – i.e. meaningful reputation – one might postulate doing Q sorts (prr 12/20/99) with a structured sample of stakeholders whose behavior can undeniably impact an organization's success, such as

- Customers
- Stockholders
- Regulators
- Employees
- Vendors
- Neighbors and the municipality/ community

Reputation measurements tend to ask members of the general public how they perceive an organization. But many respondents have no relationship with the organization, so can hardly impact its success. It's the old mindset of treating organizations as if they were candidates for office and everyone shows up to vote.

- You may have a very low opinion of University X for some reason, but it's halfway across the nation, you have no connection with it, are unlikely to be asked to recommend students or contribute ... so its reputation with you is meaningless

- Using Q-sorts will help bring the useful aspects of reputation into focus since it allows respondents to really participate in the data-gathering "discussion" which research is

Another factor in measuring reputation is differentiating between brands or services reputation and organizational reputation. The latter – which includes management skill, policies, risk-taking, employee engagement etc – is an entirely separate, but highly important, measure from the former.

FOR STARTERS, CONSIDER CUSTOMER LOYALTY A VERY USEFUL MEASURE

In every industry and sector it has been shown that customers don't begin to pay off for the seller until their 3rd or 4th purchase. Acquisition costs, setting up customer records, getting them to understand how you do business – these eat up the gross margin in the beginning of the relationship. This is as true for schools and hospitals as for retailers and manufacturers.

- Therefore, retaining customers is one of the most cost-effective, profitable things an organization can do – which is why customer delight programs and other attempts to stimulate loyalty are rife

- Studies demonstrating it only takes $1 to keep a customer vs. $6 to acquire a new one add to the bottom-line punch of customer loyalty

Many programs have evolved to achieve loyalty – but how to measure it is more sophisticated.

AMONG THE MANY VARIABLES THAT MUST BE CONSIDERED

Various sectors have different types of "customers." School systems, for example – already struggling with one type of measurement, mandatory student testing – have two levels of customers: *community residents*, all of whom support schools with taxes, so are the system's true *customers* (the ones who pay the bill); and *parents*, who pay taxes but also have an added relationship with schools and thus become *supercustomers*. But this added status ends when their kids leave school, so is a temporary variable – an always moving target.

For schools, and probably other public institutions and NPOs, customer loyalty is not defined by ***longevity of purchase*** but by ***involvement***. Residents who pay taxes but don't become engaged in school affairs are dangerous customers – the ones who vote down bond issues and improvement initiatives. Parents – who would appear to have a naturally limited span of interest as supercustomers – must also be engaged, but then a longevity possibility opens up. Can schools keep them engaged *after* their own kids have left?

SCHOOLS MAY BE SPECIAL CASE, BUT BUSINESS IS NO LESS COMPLICATED

- Measuring businesses' customer loyalty levels must be tailored to each ***type of purchase***
- Assume a measure of loyalty is ***repeat purchase***; how else can loyalty be evaluated *behaviorally*?
- The evaluation purpose is to discern how ***stable*** the customer base is likely to be

Consider these purchase cycles – and don't confuse *choice* (when the purchase is decided) with *use*:

a) Soft drinks = daily choice and use, or very regular purchase cycle whatever the interval
b) Long distance calls = daily use but infrequent choice (how often do you want to change vendors?)
c) Cars = daily use, 3 - 10 year choice (new-car-every-year buyers have mostly disappeared)
d) Real estate = very infrequent choice

Take car buying as a case. The implication is that loyalty here needs to be measured in multi-year cycles, or this is at least one variable to be considered. (For real estate, in contrast, measuring the extent of word-of-mouth recommendations that stimulate referrals could be the item to evaluate.)

To determine repeat car purchases, state auto registration records may be the key. If John Jones bought Oldsmobiles in 1989, 1994 and 1999, that's a trustworthy indicator. If neither he nor anyone of the same surname at his address registered any other brands, that's pretty good proof of loyalty.

How to structure the audit of these records is another nuance, but since non-financial indicators may be part of the annual financial audit, the big accounting firms can figure that out.

Drag out your old marketing text to review purchase decision models and the other variables involved – e.g. high social and ego involvement vs. low. It may guide you in designing customer loyalty and similar evaluations for your specific organization.

APPLY THIS BREADTH OF THINKING TO HEALTHCARE, EDUCATION, UTILITIES ETC

Immediately another variable pops up: does the consumer *have* a choice, as a practical matter? If not, loyalty is not a meaningful measure. Even with **electricity** dereg, the T&D utility (transmission and distribution, or the company whose wires come into your house or business) will not change in the foreseeable future. You may have a choice of Gencos (companies that generate power and put it into the grid) but they're apt to be miles away and, depending on the billing system, you may have little contact with them (prr 11/29/99).

In healthcare, you can usually choose a PCP (primary care physician). As a rule, however, the doctor will send you to a facility of her choice for special tests, in-bed treatment, surgery. Then there's the issue of how to predict how many people will need which treatments, when. There are epidemiological statistics giving averages, but usually they're years old and not necessarily relevant to Hospital X. So perhaps an involvement measure of some type will be the loyalty measure for healthcare, since repeat "purchases" omits many variables.

Final point: while the state of customer loyalty may be a critical non-financial indicator for execs, investors and trustees/directors, for practitioners there remains the issue of the extent to which pr activities contribute to this state. For what will we – never mind *can* we – be held responsible?

RESULTING RULES FOR MEASURING CUSTOMER LOYALTY (FIRST DRAFT) :

1. To measure customer loyalty, or any similar characteristic, you must first

   (a) Establish a list of all the ***variables***, then
   (b) List the ***influencing factors*** on each variable. This means
   (c) Walking step-by-step through a ***psychological and behavioral model*** of the purchase environment

   - This type of incisive, scientific thinking has not been standard operating procedure for practitioners. It is hard intellectual work. BUT – if we don't do it and set our own standards and procedures, someone else will – with results we may find onerous.

2. No method can be applied universally, but must be tailored to each type of purchase, e.g.

   (a) A ***spur-of-the-moment*** purchase, like a soft drink or candy bar
   (b) A ***discretionary*** purchase, like a set of golf clubs or extra clothing
   (c) ***Essential*** purchases like an automobile or a house (and note that the line here between essential and discretionary must be marked, since one may have a perfectly good car but want to use funds in a discretionary way to get a new, or better, or different car)
   (d) ***Repeat or habitual*** purchases, like food items
   (e) There may be ***other types*** (Check your marketing text to see if it offers such a list.)

OTHER ITEMS THAT NEED TO BE MEASURED

All this covers only one measure, customer loyalty – i.e. the probability your organization will remain a viable entity by having a willing market for its goods and services. While it will most likely be included in whatever evaluation protocol evolves, there are other items to be measured.

Measures That Matter **lists eight categories, including**

- Strength of organizational culture
- Quality of management
- Quality of investor communications (read donor communications for NPOs, taxpayer communications for government)
- Level of customer satisfaction (loyalty is a better measure since it's behavioral)
- Quality of products and services

PR has a role in each, so pr activities will be a factor in measuring them.

THANKFULLY, WE'RE NOT STARTING WITH NOTHING

1. **Some behavioral measures naturally exist** – e.g. who shows up at an event pr was responsible for, or which opinion leaders were persuaded to support an issue campaign. Also whether employees

demonstrate engagement by volunteering to be ambassadors, participate in community or trade relations efforts and similar.

But these are not necessarily **outcomes.** 20% of your employees can be active in structured community efforts, and still you can't get support to improve the road to your loading dock.

- **Question:** to predict likely future success for an organization, is it enough to show that it has relationships with opinion leaders, has engaged employees? After all, stakeholder publics may deny an organization something it feels it needs even though they are generally supportive of it. So must measurement show that processes led to outcomes?

- Remember, outcomes *is* the rule we apply to counting clips. "So what?" we ask, seeing your big publicity scrapbook. Did anyone *do* anything as a result? Is consistency necessary, or "the hobgoblin of little minds"?

2. **Measuring outputs and the awareness they create has long been standardized**, though quicker, cheaper methodologies are needed – e.g. dipstick research using mathematical models or structured samples vs. the time-consuming, costly "pure" statistical sample

3. **Demonstrating likelihood to act in certain ways is possible** – though again, more trustworthy and simplified methodologies need to come into standard use

   - **IPR's three volumes describing existing methodologies ought to be in practitioners' libraries.** They are:

     a) Guidelines and Standards for Measuring and Evaluating PR Effectiveness
     b) Guidelines for Setting Measurable PR Objectives
     c) Guidelines for Measuring Relationships in PR

     (Order from Institute for PR, 352/392-0280, www.instituteforpr.com)

CONCLUSION It's reasonable to believe ultimate evaluation protocols will feature:

1. **Objective measures** – elements that can be planned for and then measured without too many caveats

2. **A review of processes and systems** – are the organization and its pr staff organized along best practice lines

3. **Have these systems delivered positive outcomes,** given the industry or sector and the current environment; here such caveats are essential to accurately evaluate pr

4. **Are relationships established** that will ease the organization over the inevitable bumps in the road

SOME PREDICTABLE BARRIERS

A. **Refusal rates.** As more research on stakeholder groups is conducted, more resistance to responding is occurring. Refusal rates are reported from 30% all the way to 70% – and the written response rate is abominable, by and large. E-mail surveys may ease this situation – but it is becoming a major source of overcommunication itself, so maybe not (prr 11/29/99)

B. **Survey weakness.** Measurement research will be far more critical to organizations – and practitioners – than any other. Programs, jobs, paychecks, position in the organization will be at stake. Skewed response situations, or low response rates, cannot be permitted. Question: **To what extent can measurement be done without having to conduct surveys?** This may be the ultimate solution, since objective databases and behavioral outcomes are far less subject to researcher error.

   In fact, the thought arises that any surveys done for evaluation demonstrate a weakness in the system, because it indicates no objective or behavioral measure is available (or possible). Take strength of relationships as a key measure. How might they be measured without having to ask a sample of stakeholders?

C. **Privacy vs. transparency**. While organizations strive for transparent communications with stakeholders as a vital element in earning trust, stakeholders are greatly concerned about their privacy. This is demonstrated behaviorally in refusals to respond to surveys, in the high rate of unlisted phone numbers, and in opposition to access to databanks. But it could also manifest itself in a general antipathy to all the number crunching and testing or measuring now flooding society. People are tired of being treated as demographic statistics and constantly being rated or evaluated.

   If key stakeholders don't care whether management or investors or whomever can get accurate evaluation data, the M&E thrust could be hindered.

PEER REVIEW A POSSIBILITY ?

Research institutions and university departments have long been evaluated by peer review teams, made up of acknowledged experts in the subject matter. There's usually some objective data available to the team – e.g. enrollment statistics, course completion rates, publications and citations. But basically the team sits with staff and management and delves into all the topics covered here – and more. Could it work for pr?

Vol.44 No.1
January 1, 2001

First-of the-Year Issue

MILLENNIUM - SIZED CHALLENGES FACE PR AS NEW ONE BEGINS

Yes, 2001 is the first year of the millennium – not 2000, which was the last year of the 20th C. But this is an unimportant detail in light of the jumbo issues practitioners will deal with during this new year.

- The knuckle breaker is, of course, preparing to handle a decline in the economy (prr 12/11/00). Who can help management determine if it will be a soft or hard landing – or if the accumulating evidence the economy is headed downward is only a blip?

From the many other trends and issues that might be highlighted – the issues list does grow exponentially these days, for a variety of reasons – here are four biggies.

1. SORTING OUT E-WORLD & "NEW ECONOMY" = BACK TO BASICS

Adjacent copy in *The Wall Street Journal* last week showed how trends today *fade* as rapidly as they *start*. A review of *The Coming Internet Depression* (n.b.) appears directly above an ad headlined: "Want to be a winner in the next economy? Going digital is the last thing you should do."

- The former may be typical e-world overstatement. But the latter can't be taken lightly, because it's an ad for another book, *How Digital Is Your Business?* – written by Mercer Management Consulting's Adrian Slywortzky and David Morrison. The book postulates:

- "**Start with the critical problems faced by customers, then focus technology on solving those problems.**" *The dot.com collapse, say the authors, is caused by companies with no business plan, i.e. solving no customer problem. Proof: bricks and clicks (online versions of real stores that succeeded before digital because they served a need well) are running away with e-commerce*

- Their subsequent *Fortune* article titled "Going Digital? Think First" turns out to be a double entendre, meaning both a) think about your basic business plan before going digital – but also b) the major problem with doing things at e-speed is it eliminates time to think, which would appear to be the explanation for the foolhardy, faddish acts by entrepreneurs, Wall Street and venture capitalists the last few years

- **Organizations, from companies to school systems, should go digital only if they're really solving customers' problems**. Digital tools are more-then-ever pull, not push, media. Dot.coms go broke because promotion to get people to their sites is too costly. But where a solution exists, these costs are minimal since once stakeholders use the Website, Intranet or whatever, they come back again and again because it's in *their* interest

- Makes sense – and demonstrates why doing anything because it's "the thing to do" or "everybody's doing it" is nonsense. Worrying about "real time" in a vacuum can defy common sense (note how often that word appears in this sentence … for good reason)

- Authors' rule: **Don't go digital until you're ready**

THE OUTLOOK NOW Last year at this time the vaunted e-conomy was to change everything. Does this twist hold meaning for pr's use of hi-tech tools as well as for the economy and individual organizations? Council of PR Firms' study, out two weeks ago, says no – Net will double size of profession ... by 2003. Granted, study was being done before e-conomy trended downward – and by one of the firms that was hyping it before.

- But even if only those digital tools that make sense survive, there would appear to be growth here for pr – though maybe not to the extent or date the above study reports

- **The pace may slow, but by all means don't fall off the wagon** (More from www.imtstrategies.com/presentations/PRwhitepaper3.pdf)

HOW BROADLY BOOKS NOW DELIVER MESSAGES AND VIEWPOINTS

How Digital Is Your Business? is published by Crown, but also available as an e-book and as a Random House AudioBook. More info and downloading of excerpts from www.howdigitalisyourbusiness.com. And – it spawned a series of articles in *Fortune*, *The Standard* and other media, plus book reviews. Mercer is, of course, using it in its consulting practice as well. Handled this way, books have become even more powerful tools; instead of destroying books, the e-world has added to their reach with print, audio, ebook, Web excerpts, articles, reviews (and the last two are also on the Web as well as in print).

2. GOOD OL' RADIO MAY BECOME AN IMPORTANT PR TOOL AGAIN

Prediction: local stations will revert to news and talk, especially the opinion-leader reaching NPR affiliates, as the only way to differentiate themselves – because of two imminent triggering events:

1. **Launch of two national radio channels**, XM and Sirius, this month. These are *national* channels, broadcast via satellite. Each will have 100 stations, expected to be half music, half talk formats. Sound will be digital quality (think CDs). You'll need a special radio or adapter to get them at first, and they may be by subscription initially ($10/mo) – but once tuned in you can drive from Eastport, Maine to San Diego, from Seattle to Miami without moving the dial or any interference or fading

2. **Launch of low power super-local FM stations**. The first 255 licenses were granted in 20 states last month and will become operable within weeks. Those in the other 30 states will be granted early this year. Covering only about 3-1/2 miles of territory, they are being awarded basically to public interest organizations, churches, universities, schools and the like

IMPLICATIONS FOR RADIO Whatever music format local radio uses – there are few talk radio stations left – it will be available with multiple choices on national radio. Even specialty formats like Spanish language will have maybe 20 choices. The classical music/jazz/folk backbone of public radio will have dozens of national competitors.

But a station that switches to covering local news, offering once-popular local talk shows and featuring local talent can probably prosper by "putting Jones County on the air."

There are issues. Will all national ads go to national stations? FCC estimates 18% of radio ad dollars now are national. Whether or not national ads are lost, can local ad revenue cover the cost of news operations? It's far more costly than flipping discs – but talk and call-in shows aren't much more expensive than disc jockey shows. Will low-power specialty stations draw off enough listeners to destroy regular local stations? (That's why the broadcasting industry forced Congress two weeks ago to severely cut the number of local licenses FCC originally planned). Will more than a handful listen to low-power radio? Indeed, will enough tune in or subscribe to national stations to make them viable?

- **One thing's certain: There will now be AM ... FM ... XM ...and Sirius all after the nation's ear. And don't forget Internet radio, which is moving from simply carrying existing stations to real stations with their own programming**

IMPLICATIONS FOR PR Radio will now be a medium of supertargeted, segmented stations, not just by geographic area but *within* geographic areas. Like magazines and cable tv, there'll be a specialty outlet for every interest – locally and nationally.

1. This will be a **huge new outreach opportunity** for practitioners, like the old days when radio placements were important

2. The audience will be **pre-selected for targeting**

3. **The need for content will be immense.** Stations will embrace pr pros who can provide balanced, objective material and not over-hype their client/employer

One media irony: Despite their fragmented and badly declined readership, newspapers are now the major "mass media." The exception is a few occasional network or syndicated tv events, but placements there are rarely available – well, a few "product display" opportunities, maybe.

This is no fly-by-night. Both XM and Sirius are $billion investments to date with very large broadcasting facilities ready to go, e.g. XM has 80 studios. XM's investors include DirecTV, GM and Clear Channel, with Hughes providing the satellites. All car brands have agreed to build in receivers.

---

3. MINORITY AND INCLUSIVITY ISSUES BACK WITH A VENGEANCE

US has made real gains – but a new generation that did not experience the civil rights and women's rights struggles is demanding instant gratification. Since this is a posture US society strongly imparts to its young, the situation should not be unexpected. Some of the events that suggest these issues will be big:

1. **Workplace lawsuits** simultaneously against four major Atlanta companies – Coke, Georgia Power, Lockheed Martin and Home Depot – with participation by big name attorneys and request for class action status, appear to be part of a concerted effort

2. **Similar suits elsewhere including one against Kodak,** which is significant since the company was the defendant in the first major action of this type decades ago and seemed to be a leader in policies of inclusivity. A court in the Burger King case decided against plaintiffs – but that probably only increases bad feelings and perceptions of unfair treatment, whether actual or not

3. **Mitsubishi's celebrated sexual harassment issue**, supposedly resolved, is getting media coverage again suggesting the company didn't adequately follow through – or maybe take the incident seriously enough. Could explode once more, stimulating cases elsewhere

4. **State flag issue that beset S.C. is starting in Mississippi.** Methodist, Catholic and Episcopal leaders are calling for a new flag that omits the Confederate battle emblem, which they feel is racist. Others see it as simply Southern heritage

5. **Pres-elect Bush's almost total rejection by African Americans** (90% voted for his opponent) and loss to Gore among women and Hispanics (excepting Miami area's anti-Cuban faction). Naming two blacks, a women and an Hispanic as his first cabinet choices is seen so far as too obvious a ploy by leaders of these groups. His performance may be critical to holding inclusivity issues in balance

6. **Harvard law professor's proposed suit for $trillions to compensate for slavery**, due to be filed this year if plans mature, can only enflame the issue however right its justification may or may not be

7. **War on Drugs, harsh prison sentences, death sentences, profiling** for motor vehicle stops by police all seem aimed at minorities, particularly blacks. Arab Americans are reportedly subject to airport search or detention far more than other travelers. Such items are daily news and passions are rising – not just among minorities but civil libertarians and fair-minded citizens, as letters-to-the-editor, lawsuits and statements of outrage demonstrate

8. **Immigration** will "enflame passions and become a major polarizing political force" predicts *The Trends Journal*. Ironically, this contrasts with rising anti-Americanism abroad due to American culture's "emphasis on violence, mindless consumption, fake sex and real stupidity" which are viewed as "numbing and dangerous"

Open question: will Hispanics/Latinos/Chicanos join in this year? Without a successor to Cesar Chavez, there have been no visible issue-raisers – to date.

PR HAS AN ETHICAL AND VERY PRACTICAL ROLE

Coke's settlement for $200 million, on the heels of Texaco's earlier costly case, should make the CFO an ally, even if others in senior management are focused elsewhere. Evidence in the cited case and others shows many execs assume inclusivity issues were resolved long ago – particularly since most organizations have policies in place. Practitioners will do themselves and their organizations a huge service by making the time to:

1. **Carefully review the policies** – or better yet, get a reliable, experienced, independent outside source to conduct a review. Equal employment, hr and other concerned offices should be involved, of course, but it is reputation and public relations that get battered when cases arise. PR has an obligation to take the lead here, as well as a self-interest

2. **Inject yourself into whatever unit is assigned to monitor policies** – usually hr or EEOC – to be sure managers and employees are walking the talk. Nearly always the reputation-damaging issues appear because management got overconfident or slipshod. These are New Century issues, not left behind in the 60s. When they hit, they hurt

3. **Be sure communication, sensitizing and training in showing respect and dignity** to all are not only in place, but fresh and effective. This is a customer, vendor and supplier, and community issue as well as a workplace one

4. **Remember, inclusivity is more an opportunity than a problem!**

---

4. ENVIRONMENT IS A LIVE ISSUE, BUT WITH NEW PERSPECTIVES

Not a big topic in the elections – but mentioned, even hotly on occasion, by the major candidates. And remember the three million that voted for Nader's Green party. One of Pres Clinton's final decrees will be to make vast acreages of national forests roadless. One of the first of Pres-elect Bush's initiatives may be to attempt opening the Arctic wildlife preserve to drilling.

- **Symbol**: head of TVA, US' largest electric utility, predicts combination of deregulation of electric industry with resultant power shortages, price rises in both natural gas and oil, and clean air requirements may revive *nuclear power* – once the most emotional issue of the era

- **Augury**: EPA has begun filing suits against *colleges and universities* for pollution discharges or mishandling of toxic substances. Agency is also, after years of discussion, promulgating rules to require power plants to control release of mercury by 2004

- Global climate change (industry's semantics) or global warming (public's phrase) could be the new mantra – and even the oil industry is divided on this one. BP's stakeholder-friendly approach is to advertise that its initials stand for Beyond Petroleum. Others in Big Oil want to avoid the subject

WHERE THE PUBLIC STANDS Wirthlin Worldwide's tracking study finds "2/3rds of Americans surveyed feel that environmental standards cannot be too high and continuing improvements must be made, regardless of cost."

1. Water and air pollution remain atop the list of public concerns

2. Hormone disrupting chemicals and global warming are the fastest rising topics

Another issue that didn't go away with the 70s. (More from www.wirthlin.com/publicns/library.htm)

OTHER TRENDS PRACTITIONERS SHOULD BE AWARE OF

THE MOST COMMUNICATED TOPIC EVER SHOWS HOW INEFFECTIVE WE ARE

AIDS has been described as such. It's part of comic strips and sitcoms, safe sex is taught in schools etc etc etc. Is this info transfer working? Consider these data, showing adults and children living with AIDS/HIV at end of 2000 – and percent increase *in the last year*:

North America: 920,000 (+5.1%); Latin America: 1.4 million (+12%); Western Europe : 540,000 (+5.9%); Eastern Europe and Central Asia: 700,000 **(+55%)**; North Africa and Middle East: 400,000 (+25%); Sub-Saharan Africa: **25.3 million** (+17.7%); East Asia and Pacific: 640,000 (+25.5%); South and SE Asia: **5.8 million** (+16%); Australia and New Zealand: 15,000 (+3.5%)

UN's AIDS unit, source of this data, calls it a global epidemic. Drug companies are donating $millions in medicines – but sooner or later individual workplaces, educational institutions and other organizations will have to make this a survival priority – perhaps in 2001. Just read the numbers ...

SIGN THAT RELATIONSHIPS AS THE BEDROCK OF PR IS BETTER ACCEPTED?

Jack O'Dwyer, unyielding advocate of the thesis that pr = media relations, or at least information transfer, wrote this in his final newsletter for 2000:

> *"Among the trends and developments in 2000 was this one: the shift in pr from urging clients to provide information to their customers to urging them to 'build relationships' with their customers."*

Highlighting the difference in philosophies and approaches to the field – which many observers cite as the reason it has been so difficult for pr to get the organizational and public recognition it deserves – is that prr began advocating for relationships over information transfer, or even two–way communication (which is not the same as building relationships), in the 70s.

It should be noted, however, that in his 1966 book, *Communications and Public Relations*, Boston University pr instructor Ed Robinson already postulated that the only goal for pr is *behavior*.

SIMPLY IRONIC, OR MIGHT OTHER USE OF NAMES OVER TIME HAVE IMPACT?

A major global issue in the early years of the millennium will be genetically designed seeds, cloned animals and similar manipulations of nature. The first round is being fought over seeds and the resulting crops, as seen in the ongoing struggle to locate which grocery products may have erroneously included genetically modified corn.

Irony: these seeds and crops are referred to as GE (genetically engineered) or GM (genetically manipulated or modified). Will the giant global corporations with those same initials feel an emotional, if not actual, spillover? Will it start opponents of GE or GM food materials paying special attention to any perceived bad behavior by the two corporations? The power of semantics and association are well known in pr.

FOR FIRST TIME SINCE ITS ORIGIN IN 1887, AT&T IS REDUCING ITS DIVIDEND

Reason given is debt reduction, following its buying binge to become the largest cable company. But AT&T isn't an old economy outfit, for that very reason – plus its use of both Roadrunner and Excite at Home fast Internet connectors and other projects. Never mind that the string is broken, is there another company with such a record? Defunct Scovill Brass, headed by the lionized Mac Baldrige (the Baldrige Awards), claimed it had paid dividends since the 1790s – but it was acquired and merged several years ago. Most of the former big names seem to have some success fatigue.
