

Chapter 7:

PR STRATEGY AND TACTICS

Paramount when deciding what public relations should do in a situation, wrote Pat, is to define your strategy based on the goals (outcomes) you wish to achieve. The underpinnings that support your strategy are found in the profession's body of knowledge of psychology, sociology, anthropology and other behavioral sciences. This foundation then guides the tactics to be used.

TWO CURRENT EVENTS RE-PROVE POWER OF PUBLIC RELATIONS, HELP IN EXPLAINING ITS ROLE AND ESSENTIALITY TO OTHERS

1. Reputation Confers True Power. The public's interest & joy in birth of a royal child shows that "soft," psychological, emotional events shape human actions & public opinion just as much as "hard facts." English monarchy has no governmental power. Royal family is purely ceremonial. Queen & her brood cut ribbons, sign state documents, raise charity dollars. They have no real power -- except example -- yet they command respect, trust, attention, loyalty of millions... and therefore are ultimately powerful. They are symbols of the state, personifying the nation -- a role model for CEOs who today must go beyond spokespersonship to being living symbols of their organizations.

2. Opinion Useless Unless Translated To Behavior. Apparent defeat of ERA despite majority support shows that public opinion must be mobilized in order to rule. Favorable opinion is not the goal: behavior is. Nationwide studies and polls in states which defeated ERA ratification this month -- Florida & Illinois -- find significant majorities in favor. The need is for sponsors of a measure to motivate supporters to express their feelings to legislators, to put their opinions to action. Several topics of current debate further illustrate the point. Polls show small groups oppose gun control & abortion -- less than 20% in each case. Yet by acting on their beliefs, these minorities have ruled so far. Effective public relations today must be concerned with behavior mod, not opinions.

Vol.26 No.8
February 21, 1983

"CULT OF PERSONALITY" REMAINS SOLID PUBLIC RELATIONS STRATEGY
WHETHER PERSON IS SEEN AS JOVIAL OR CULPABLE:
"JUST SPELL MY NAME RIGHT" (& SHOW MY PICTURE OFTEN)

Bill Agee is in the news again -- this time because he quit or was fired. Like his now-wife Mary Cunningham, it no longer matters what event he is involved in or position he takes. People pay attention because he has achieved the creation of a public personality.

In fact many disagree with much of what Agee has said & done. His sense of public relations is not good -- some would say disastrous, to the point that after helping build Bendix to a \$5-billion giant, he risked wrecking it with a take-over scheme that backfired. To make matters worse, he reportedly had a "golden parachute" deal that assured him millions even if the average employee & shareholder had taken it on the chin.

And what is his "punishment"? People follow his exploits. They listen to what he says, at least giving him a willing suspension of disbelief. And he's a hot employment prospect. Notoriety's appeal is immeasurable. We hate but watch Howard Cosell. Root for Jesse James & other well-publicized bad guys. Listen to the political opinions of Jane Fonda, Robert Redford, Paul Newman -- whose qualification to speak is that they are ... movie stars.

Headhunters say that despite his controversial image, William M. Agee, 45, is a hot property, according to AP. "Having a high profile doesn't mean much anymore in the business community," says Sam Bader, mgmt consultant. "He will be able to create his own market," adds John Carlson, placement exec. "And his appetite and ambitions will probably lead him to a situation where he's running the show. I'd be surprised if he has to give up much ground in terms of salary."

"Hey, Aldo!
Aldo Cella!"

We are drawn in by non-existent personalities like Betty Crocker and now Aldo Cella is proving once again how powerful "personal media" -- other real life, or lifelike, human beings -- can be in persuading us to buy this or consider that. After featuring the portly, mustachioed, vividly dressed Italian executive incessantly in tv commercials, Cella Wines began using huge point-of-purchase photos of Aldo. Now he is traveling the nation -- visiting stores where he autographs the labels on bottles of his wine. Plus media interviews, public appearances & all the other attention-getters possible only because of our "cult of personality." People can relate to people. Yet so much public relations output remains objective, rational, impersonal.

Vol.28 No.4
January 28, 1985

WESTMORELAND-CBS TRIAL SHOWCASES COMPLEXITY & Pervasiveness
OF PUBLIC RELATIONS IN TODAY'S DEMOCRACY, WHERE COURT OF LAW
IS SECONDARY TO COURT OF PUBLIC OPINION

The trial is about one aspect of public relations, media reliability. Are media accurate? Do they, as often asserted, slant the news? Further, it is investigative reporting -- that bugbear of the past two decades -- which is really on trial, in the person of its most renowned tv practitioner, Mike Wallace.

Second, the decision in the court of law, as usual, will likely affect mainly the litigants. But the decision of a higher court -- public opinion -- could have lasting affects not only on defendant CBS, but on all broadcast & even print journalism. If the credibility of media is seriously eroded (or eroded further, since studies show little trust now placed in media); and if Westmoreland wins & substantial damages are awarded, editors & news directors could be far less willing to counter official news sources. Many would describe that as having a chilling effect on the First Amendment.

Third, public discussion of the contrast between the courts of law & public opinion helps push public relations to the forefront by gaining awareness of its importance in a democratic society.

Fourth, to prove the point, CBS is using a "pr team" to woo reporters while its law team handles the trial. The team itself has been the subject of major media coverage. One side-effect is that journalists are learning about the role of public relations. Reporter Mark McCain wrote last week, "CBS public relations man Jim Noonan's job is to defend CBS in what it calls 'the court of public opinion.'"

Jack Anderson, who ought to know, says in his 1/23 column that libel suits are shutting off investigative reporting:

"In editorial offices across the 50 states, investigative stories are being discarded or ignored....In Ohio, an investigative reporter obtained affidavits and tapes from witnesses who confessed they had bribed a local judge. His newspaper wasn't interested. In Illinois, a newspaper was told about misconduct in a sheriff's office. The editor refused to investigate.

"The clear intent of many multi-million-dollar libel actions is to intimidate the press and discourage critical inquiry. The tragedy for America is that the strategy is succeeding."

"Is this good news for practitioners because now investigative reporters may leave us alone? Or is there a larger principle here than the inconvenience of adversary journalism?"

To practitioners, it may seem odd anyone would need to explain this concept in the 1980s. So McCain may be telling us something about the knowledge & understanding of both press & public.

One other consideration. The coverup CBS's reportage accused the general of ordering was itself done for public relations purposes. Ex-CIA officer Geo. W. Allen testified: "I felt the CIA sacrificed its integrity on the altar of public relations & political expedience...to keep numbers (regarding enemy strength) at a level that would not excite public interest or produce an adverse press reaction."

How Is CBS's "PR Team" Viewed? Westmoreland's lawyer, Dan Burt, is reported as "seething with anger over the network's public relations campaign: 'Of course it ends up slanting the news coverage. Why do you think CBS has Scanlon and those other creeps around?'"

Charles Feldman of Cable News Network writes: "They certainly get an A-plus for effort -- running up to you in the hall when they think CBS has scored a point in court. But, if anything, there's a counter effect, because the more they try to push something in front of your nose, the more you are apt to be skeptical."

Westmoreland uses an old friend, David Henderson, called "a Washington public relations consultant" in news reports. Henderson is reportedly doing the job pro bono.

The CBS team is Daniel J. Edelman's NYC office. John Scanlon, sr exec vp, and Noonan, acct supvr, are personally working the courthouse halls along with aide Sarah Vass.

Was The General Well Advised? Henderson says he urged the Vietnam commander in chief to counterattack. Since the filing of the suit, Atty Burt has made media a major priority -- despite his belittling remarks about CBS doing the same. But -- the 90-min special, "The Uncounted Enemy: A Vietnam Deception" drew the smallest audience of all primetime shows the week it aired in Jan. '82. In Greenville, SC, where Westmoreland filed his suit, it was preempted for a basketball game. Within a short period, the subject would have been over & forgotten -- even among the small proportion of the public which saw the show. Now, the charges against the general are repeated nightly on network news & read about in major print coverage. Of course, so is the general's defense of himself. In the case of an individual, facing the judgment of history, the decision may have been wise. What about an organization or individual which requires current working relationships & ongoing viability?

COMPARING PUBLIC OPINION OVER TIME
CAN BE PERSUASIVE DEMONSTRATION THAT SUPPORT
IS RISING, FALLING OR UNCHANGING

"It is important for leaders -- as background to their decision-making roles -- to become thoroughly familiar with citizens'

thoughts and beliefs on the subject at hand," says the foreword to National Education Assn's report, "Money for Public Schools -- Over Three Decades of Public Opinion Polling." By analyzing the past, implications for the future may be seen.

Eight state initiatives to reduce public school funding were rejected recently. That's not surprising when one knows that as far back as 1949 the public saw the need for increased school funding and expressed willingness to pay higher taxes to aid schools. NEA projects that this opinion will continue thru the year 2000.

Vol.28 No.27
July 15, 1985

COKE'S DIFFICULTY WITH ACCEPTANCE OF NEW FORMULA
ILLUSTRATES IMPORTANT PUBLIC RELATIONS THEORIES,
SHOWS HOW NUMBER-CRUNCHING OVERLOOKS HUMAN NATURE

In this world, perception is all. Not facts. Certainly not numbers manipulated by marketers. Whether readmission of old Coke under a new name turns out to be "the greatest marketing blunder since the Edsel" or "a brilliant line extension" whereby Coke now has two tastes to offer against competitors, the case shows convincingly that public relations principles are more important than marketing hype.

1. Even the most successful media coverage only opens a subject for discussion. It doesn't presage positive decisions. Through fantastic media manipulation, more people were aware of Coke's formula change than can name the governor of their state. Yet word of mouth -- that most powerful factor which is the all-important second step in the 2-Step Flow of Information & Influence -- was negative. A Leo Shapiro study found that 3/4 of those who've tried new Coke prefer old -- and said so.

2. Opening a subject for redecision fosters cognitive dissonance. Pepsi, RC & others loved having Coke ask drinkers to recompare products. Then, when response seemed to be negative, Coke furthered the dissonance with Diet Coke tv spots claiming that Diet Pepsi had changed its formula. Wasn't the net effect to remind people of Coke's own change?

3. People don't care about facts. The key finding by Shapiro (for Ad Age) was that 94%

A capsule of the perceptual realm surrounding Coke's switch back may be these statements by Rocky Mountain News columnist John John Coit:

"It has been suggested that the big switch was all a clever little marketing scheme: hype this new taste deal, get blown away by bad public reaction, then give the people back the old taste, while keeping the new taste . . .

"That way Coke gets some of Pepsi's market, but retains the old core customers. I think that's nonsense.

"A company as big and conservative as Coca-Cola doesn't play games like that. Coke brass really believed the market research which is useless when you're talking about a product that has become a personal habit and holds great attachment in the popular culture. I once picked Pepsi over Coke in a blind taste test. Didn't matter. I was a Coke drinker and I was going to buy Coke no matter what. And now I'm going to buy Classic Coca-Cola because I love it.

"But occasionally, I'll pick up Pepsi or RC or Shasta, all brands that filled the bill while we were engaged in combat with the Coke brass. I'm going to buy the other brands, because I want to keep those folks down in Atlanta in line. They're not going to have undivided loyalty again."

of those who haven't tried new Coke prefer the old! Word of mouth had given them such negative latent readiness that their minds were made up before they even tried the new formula.

4. Psychology surrounding a product is as important as the product. Maybe more. Reputation & loyalty are perceptions. So is taste, but perceived "better" taste is influenced by these other factors. Proof: Many products change ingredients or taste without announcing it and few consumers notice the difference.

5. Behavioral science could help anticipate possible issues arising from the change. For instance, the sociological "rule of abuse" (changes in relationships are the result of a real, perceived or feared abuse by one of the parties). Did old Coke loyalists feel abused by the company? The psychological "rule of participation" might also have helped. (People will get behind those decisions they've had a voice in making.) Could loyalists have participated in the decision somehow? Then there's the psychological "rule of rewards." (People will do that for which they are rewarded.) What was in it for old Coke drinkers?

6. Marketing statistics are still only guesstimates. Marketers may treat them like bronze castings, but research is a model of reality -- not reality. The true reality is human nature, and it is pr's job to understand, even attempt to predict it. The research on which Coke said it based its decision to change formula is what prompted prr's questioning of the decision (4/29). The company said those who took blind taste tests preferred new Coke by 55-45%; and new Coke over Pepsi by 56-44%. For established hard-competing products, making such a major change on such slim research margins seems extremely questionable.

Bottom line, the publicity job cannot be gainsaid. Magnificent! But the behavioral effect of such publicity seems to be negative. Outcomes count, not process. Coke probably won't be another Schlitz, which went from 2nd-best-selling beer in '74 to 1% of the market today due to its formula switch. But -- number-crunching can be people-crunching.

Vol.31 No.15
April 11, 1988

AIRLINES NOW FRONT PAGE – MOSTLY FOR BAD NEWS; IN THE ERA OF COMPETITIVENESS, ARE THEY A HARBINGER?

Do any of these airlines conditions apply to your sector?

- A. Industry is now a **cartel**. And acting like it. With the low-price carriers pushed out, along with about half the old competition, the surviving dozen or so lines end up 1) successfully deregulated, 2) starting to raise fares wherever possible, 3) forcing most passengers to go through hubs, resulting in at least one stop and thus longer travel time; direct flights are practically nonexistent to many cities where a few years ago they were frequent.
- B. But the industry faces a **strategic marketing conundrum**. After all the hassle of deregulation, bankruptcies, takeovers, near-misses and great employee strife, airlines succeeded in lowering fares – for the occasional traveler. Regular (business) customers have been punished by little if any decrease in fares – and far worse traveling conditions, including heightened safety fears.
- C. Thus, two major publics have not benefited: employees and regular customers. **For whose benefit** was all this done, then – stockholders? Well, profits are spotty – and 1988 is predicted to be a volatile year.
- D. In the public relations arena, such **dissatisfaction with performance** has arisen that the government now demands monthly reports on a) on-time records, b) bumped passengers, c) lost baggage, d) complaints. This is a regular news feature in media everywhere and a topic at point-of-purchase – airports and travel agencies.

Several other sectors have some or all these warning signs. Here are some successes and failures in airlines pr tactics that bear considering:

1. **Going around the media by going direct to target publics.** With most coverage unflattering if not hostile, several airlines have been using computer letters to customers. Eastern's yearend series also took a friendly poke at the way media report on it.
2. **Taking initiative when bad situations arise.** American's svp-marketing wrote to passengers aboard flights caught in a Dallas ice storm and delayed up to 24 hours. Ground personnel handled the situation poorly, however, so for some the letters backfired – reminding customers of their anger and distress.
3. **Being more responsive (sometimes) to complaints.** Those who wrote to complain about the AA Dallas problem received \$100 vouchers to cover their hotel costs. At least squeaky wheels get grease.
4. **Forming user groups of better customers** – frequent flyer programs. Major benefit may be mailing lists for monthly promotions. First class upgrades, other bennies help offset cattle car traveling conditions, other gripes.
5. **Decimated pr staffs can't cope – so industry is trying a coalition effort.** At dereg in 1981, staffs were reduced by half or more. United, e.g., cut 10 field offices. Ex-staffer Don Cannalte told pr

work had focused on issues like noise abatement, environment. “Before, it was so proactive. Airlines took on the tough issues and did so in a professional way. But deregulation ended that. Everyone got defensive and it became marketing driven with the emphasis on filling seats.”

So far, coalition – working with Burson-Marsteller – hasn’t gotten started. But its statements suggest it will do collectively what pre-dereg staffs did.

6. **Sticks-in-the-mud become risk takers to compete.** What else accurately describes Northwest’s smoking ban, above and beyond new regs?
 7. **Is removing or restricting a heavily promoted benefit bait-and-switch?** Frequent flyer programs reportedly are threatened. Many travelers have stuck to certain carriers or taken specific itineraries to win triple mileage or get points for a vacation trip. How will they react if airlines carry out threat? Marketing still doesn’t understand relationships – or, some might say, ethical practices.
-

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 outs?
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.

HOW THREE BASIC PR SKILLS CAN SAVE YOUR ORGANIZATION BIG BUCKS

All the Quality, rightsizing and re-engineering programs still leave organizations wasting huge sums on inefficient and ineffective internal communications methods. Three basic skills available to every practitioner can save these dollars – **and more importantly** increase productivity:

1. BRIEF ACTION-STEP MEMOS

Long, rambling, dull, paragraphic memos still rule.

Not focused or reader-friendly, therefore not read,

or not clear and not acted upon. This is no joke: the time lost in writing and trying to read these horrors is vast. The cycle time lost in non-action is equal or larger. E-mail notes are no exception. Even relatively short ones require deciphering: wasted minutes.

PR can join the waste-busters by leading the charge for new memo styles, or standard memo forms, or training in writing effective ones – or all three.

2. TIME-GOBBLING MEETINGS

Too many and too long. Inadequate notice or

preparation means bad, amended-later decisions or

no decisions. Failure to communicate action steps or to followup leads to system failures, lost time and opportunities. Even *allowing* coffee adds a hefty percentage of unproductive chatter – which is different from needed small talk (what psychologists call “the expression required before communication”).

Better meetings can do more to aid decisionmaking and free up productive hours than anything – and pr can take the lead in a better-meetings campaign, then train facilitators and attendees in how to achieve them.

3. IGNORING THE POWER OF FACE-TO-FACE

People on the same corridor

e-mailing one another rather than

picking themselves out of their chairs and going to talk to a person who is next door. Waxing prolix in a memo – which takes time to go through the mail system, reach the top of the pile, get read (if it does) – rather than walking to the person’s office (or even phoning them) and seeing the topic through to decision in minutes.

Department managers sending everyone a memo when a 10-minute stand-up meeting would give everyone the *same* information at the *same* time direct from the source – while allowing questions that achieve clarity.

Everyone knows face-to-face works best – and pr can provide training, a plan and “substitutes for willpower” to make it happen.

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 than 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 GOVERNMENT: 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 AND 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.

IS A NATIONAL PR CAMPAIGN OR PROGRAM POSSIBLE TODAY ?

With relationships, customer delight and similar person-to-person activities the ultimate techniques now – not just information transfer – how do you craft a program for a whole country, unless it's Andorra or Luxembourg?

Does this imply that pr must move out into "the provinces," whatever they may be for your organization? Consider the emerging model:

- Business is decentralized with operations and decisionmaking bucked downward
- Education is moving to school-based management, away from rule by central office
- Reinventing government means the devolution of responsibility from federal to state/province or even local venues

DEJU VU ALL OVER AGAIN

Until fairly recently, localized pr was the norm. GM had regional and even state pr offices. The Bell System had customer service and pr operations in every town. Now staffs are smaller and all at headquarters. Local offices are shuttered. Is this why telecommunications has so many pr issues?

WHAT'S DRIVING THE CHANGE ?

A. First is recognition of the tenet that "all issues are local." E.g. "the economy" means

investment return in the Northeast, saving manufacturing jobs in the Midwest, fueling more growth in the Southeast, regaining its position as the world's 7th largest economy in Calif.

B. Language is another factor. Words take on different meanings in different locales. Phrases are daily argot in some places that simply would have no meaning elsewhere. Running even an info campaign from NYC (or any central location) has a huge risk of falling into the chauvinistic or xenophobic belief that everyone talks and thinks the way we do "here."

C. Emerging basic strategy cements the move. A 5-point methodology is at work:

1. **Go Direct.** Avoid the three vicious gatekeepers that would mold your message and intent to their purposes – the media, politicians, special interests – by directly communicating with and building relationships with stakeholders. Why do you need an interpreter or mediator to talk to your audiences?
2. **To Key Stakeholders.** Supertarget the stakeholders that can give, or withhold, needed support and behaviors now, because constant change and tight budgets make anything else potentially superfluous. This will vary geographically.
3. **Via Opinion Leaders.** They guide group decisions and behavior, so identify them and build relationships through participative pr activities. They are local heroes.

4. **Using the Organizational Family.** Employees, their families, retirees, vendors, key customers become the communicators and relationship builders through ambassador, constituency relations, customer satisfaction, volunteer programs.
5. **On a Local Scale.** That's where people interact with people. Think globally with One Clear Voice themes and uniform standards – but act locally.

HOW TO GET THERE

Does this mean larger staffs spread around the territory? In some cases, perhaps. Maybe it only means practitioners quickening the pace toward a new role as strategists, counselors and trainers – delegating communicating and relationship-building to managers, employees and others in the *local* worlds they live in.

PROFESSOR : 2-WAY, SYMMETRICAL PR DOESN'T ALWAYS WORK

"It's time to question the canon of our field that two-way symmetrical communications (pr 9/6/93) is widespread, feasible, effective and inherently the most ethical approach. I want to argue for a **contingency theory**," says Glen Cameron (U Ga, Athens) – one that acknowledges the value of two-way symmetry but understands conditions may qualify this approach.

HOW IT WORKS

Cameron proposes a theory based on a continuum from

Pure Advocacy _____ Pure Accommodation

1. **Accommodation is not capitulation**, but willingness to give some ground to a particular public under certain circumstances. "Underlying the concept of two-way symmetrical pr is the willingness to reach out and accommodate, to be prepared to meet part-way, or to entertain the other side's position. Accommodation is probably the link between the contingency theory and the two-way symmetrical model."
2. **Contingency is a "dynamic model"** in two ways: 1) You can move across the continuum over time. 2) You can be on a different place on the continuum for different publics.

IT DEPENDS

Where an organization is on the continuum depends on many internal and external variables ("contingency factors"). Over 80 have been identified from the literature, the IABC Excellence Project, writers in the field and interviews with practitioners. Asked how they decide what stance or position to take with a public, practitioners kept answering "It depends." It depends on:

- "what my boss will let me do"
- "how much I like the people in the public we are dealing with"
- "how much of a threat they are"
- "how powerful they are"
- "what kind of coverage in the media they have been getting."

Some contingency factors are proscriptive variables, which make accommodation impossible. These include:

- moral conviction that public is wrong
- regulatory constraints
- moral neutrality in face of contending publics
- legal constraints
- prohibition by senior management against accommodative stance
- separate departments for accommodations (issues management, labor relations, etc).

“The concerns I have deal mainly with how you determine a stance for an organization. What are the pressures on it? What are the realities? Not necessarily that we shouldn’t strive for some degree of accommodation but that we should recognize certain pressures.”

TO ILLUSTRATE: CASE OF ATLANTA COMMITTEE FOR THE OLYMPIC GAMES

1. **ACOG announced volleyball would be played in Cobb County.** But the Cobb County Commission (CCC) had condemned the gay lifestyle, so a day later a protest was mounted by a gay activist group, soon joined by civil and constitutional rights supporters. Flap heated up quickly. Within a week letters and stories were coming to ACOG from all over the country.
2. **CCC dug in its heels, said it would be flexible but wasn’t.** County is Baptist-based with enormous, powerful churches. Community liked what CCC had done so commissioners felt comfortable sticking to their guns, quoting from the Bible. The activists were also having a hey-day because CCC and ACOG were handing them “the world’s largest bull horn” so everyone everywhere could hear and see this issue and debate it.
3. **Dick Yarbrough (ACOG director communications) attempted to soften the hard edges** of each public by finding moderates to deal with. For over a year he tried to work with them. Eventually, even Congressmen were saying “get out of Cobb County.” But ACOG was concerned about setting a precedent – an important contingency factor. ACOG didn’t want to make the Olympics a venue for debating ethical or moral questions – and then have the ACOG Board decide what is right and true. It simply wanted to put on the best Games ever – while remaining neutral on these issues.
4. **Then a 3rd public emerged: the dominant coalition, the decisionmakers, i.e. management.** ACOG had invested \$4 million in Cobb County. Schedules and transportation plans were already in place. ACOG’s COO told Yarbrough “fix it.” A resolution was finally brought forward between the contenders that softened the hard lines. But the night before it was to be announced, a daily in Cobb County came out with a vicious attack on the head of CCC for being spineless. He called Yarbrough and said “It’s off, the hell with them, I’m not changing the resolution.”
5. **Yarbrough had to advocate moving out of Cobb County.** ACOG agreed. He went to the scheduled news conference, announced the move, said he would take 5 minutes of questions and then not talk about Cobb County again. Viewing media as a public, he adopted advocacy as a stance toward them.

ANALYSIS ON THE CONTINGENCY THEORY SCALE:

- **Commissioners, gay activists and ACOG began with full-blown accommodation**, holding meetings, talking, being reasonable, trying to come to some accord. Problem is, with diametric views, how do you accommodate to any extent one public, when this is then viewed as adversarial to the other?
- **Over 20 contingency factors were at work** (powerful members; societal base; negative publicity; source credibility; previous success, extremism; media coverage; moral ambiguity; high stakes; setting precedent).

- **Moral neutrality is a related factor.** ACOG felt it was not in the business of taking an issue that somebody might want to focus through the Olympic Games and coming up with a position. It is not the “Supreme Court of Human Values.” So when asked, “What do you think: What’s your position?” Yarbrough kept saying “It doesn’t matter what we think.” “We all have some discomfort with that,” notes Cameron, “where you have to say you are up to something else, whether it is measurable objectives, knowledge, attitude or behavior. But on the other hand, what is he supposed to say?”

(More from Cameron, College of Journalism & Mass Communication, U Ga, Athens 30602-3018)

STATUS REPORT: HOW PR IS DOING ON 3 HOT TOPIC AREAS

1. TRUST IS *THE* PROBLEM, BUT ARE WE DEFINING IT CORRECTLY?

Practitioners are finding that trust has a large emotional component, of a very personal nature, reflective of the “chemistry” of the situation, the environment in which trust is sought and individual psyches. Also, it is linked to motives and value systems, which are not always apparent and often disguised or misunderstood (why organizations need Value Statements).

As such, it may be asking too much to expect trust – meaning the trust inherent in clichés like “I’d trust her with my life” or “I’d trust him with my wallet.” Particularly in an era as rightly skeptical and distrusting as the present:

- The clashing combination of rapid change, overbusyness, overcommunication, seeming inability to control such keenly felt topics as work/life balance and healthcare (to mention only two), morbid fear of pollution, terrorism, crime – this makes a little paranoia a sensible quality
- In organizations, The Unforgiving Decade continues, in which every decision – no matter how “right” and how fully approved by many – will be attacked loudly by someone, who can usually get the ear of politicians, media and activists

A WORKABLE ALTERNATIVE: SEEK CONFIDENCE IN COMPETENCE

With mistrust and downright distrust rife, organizations may do better to work on gaining stakeholders’ *confidence*. This is

more than semantics; consider the human nature evidence. Employees may have confidence in senior management, based on their demonstrated *competence*. But do they trust them to be fair and unselfish, or to avoid ego or power tendencies in decisions? These possibilities can deeply annoy, but do not destroy workers’ experience of managers’ underlying competence.

Asking trust questions in research may be a major error. Querying respondents about an organization’s competence, then asking whether their rating of it is sufficiently strong to engender confidence – this is a more behavioral, less emotional line of questioning, apt to provide more actionable data.

WHAT CURRENT RESEARCH FINDS

The Grunig-Hon Relationship Measurement scale defines trust as “One party’s level of confidence in and willingness to open oneself to the other party.” Note the word “confidence” and the emotional state reflected in the latter part of the description. The scale cites three dimensions to “trust”:

- a) **Integrity:** the belief an organization is *fair and just*
- b) **Dependability:** the belief an organization *will do* what it says it will do
- c) **Competence:** the belief an organization has *the ability to do* what it says it will do

That trust and competence must be differentiated is self-evident: each of us knows organizations whose competence we will grant, but yet we do not trust them. The quality we assign to them is confidence, because it is related to their capability. What we don't trust is their *motives*. We're confident they *can* do the job ... *if they want to*.

2. RELATIONSHIPS ARE THE BOTTOM LINE, BUT TO WHAT PURPOSES?

Organizations build relationships in order to earn trust/confidence (see above) and motivate behavior. But exactly what behaviors should be sought from those with whom relationships have been created?

There appear to be four desirable behaviors made possible through relationship-building:

Access	>	Exchange	>	Communal interests	>	Supportive activity
--------	---	----------	---	--------------------	---	---------------------

Access is the ability relationships provide to be in touch when necessary or desired. If the organization needs info about a group or topic, or wants to impart information, access is a valuable quality – especially as a way to surmount the walls of overcommunication. It is also an invaluable feedback device when they contact the organization

Exchange is what marketers seek: we exchange our product or service for your dollars. This is the shallowest element of relationship – because the exchange may be so impersonal there is no real relationship. This can also be the first step in the process, when stakeholders self-identify through an exchange – then we get their names and attempt to build a relationship that will provide mutual access

Communal interests are those in which the parties develop care and concern for one another beyond the exchange level. Customers become loyal not just because they're well served but because they appreciate an organization's policies, social responsibility efforts, leadership on an issue they care about and other qualities pr programs can provide that add emotional, reputational or perceived value to the organization

Supportive activity – again, beyond just exchange support, even at the loyal customer level – means a relationship so well developed that an organization can ask and probably receive support on an issue, endorsement and other extremely valuable 3rd party advocacy

3. NEW SKILLS: HAVE WE IDENTIFIED & ARE WE MASTERING THEM?

pr reporter will go out on a limb and suggest the three most important skills for present and future practice:

- A. **Triggering Events (TE).** Ability to motivate, modify or reinforce behavior by realizing awareness, understanding, even acceptance or longing for something still does not motivate behavior in most cases. People today are too busy, otherwise preoccupied or unable for other reasons to undertake the behavior spontaneously. They require a TE to move them to it.

- Thorough understanding of the four types of TEs, and skill at applying them, will be a hallmark as practitioners increasingly are evaluated on their ability to motivate behavior (pr 11/4/96)

B. Opinion Leaders (OL). Ability to identify, make effective contact, and engage OLs in sharing what they know, see, feel and in accepting messages puts pr directly in touch with the early adopters, the movers and shakers who indeed drive decisions, attitudes and behavior in the groups who follow their lead. Sociology 101 had long made this clear, and over the past decade practitioners have created many exemplary programs to provide their organizations/clients this valuable constituency relations.

- The key is realizing that OLs are doing this anyway, all the time. Now practitioners can accept the challenge of attempting to influence this natural social process. The alternative is to hope somehow they'll come to your aid on their own – highly improbable!

C. Symbolic Communication. Words, rhetoric – almost no one pays any attention now. Stakeholders don't read, view, listen – with research showing 90% of any target group is indifferent, even when vital interests are at stake. What gets their *attention* and can also prove *intentions* beyond doubt are actions that symbolize your messages. Symbolic communication can take many forms. It may be nothing more than adopting a policy that pleases key stakeholders or disarms opponents. It may be dramatic action like IBM's then-new CEO appearing in a blue shirt before employees who until then were required to wear only white shirts/blouses – which said quicker and more powerfully than any words could that change was the order of the day there.

- Words can be, and usually are, dissected and analyzed to the point of meaninglessness. Doubters are experts at this, and can spread disbelief. Symbolic actions overcome or avoid this. Ability to communicate at least the critical points in this way is the key creative outlet for pr today
-

ARE THERE CIRCUMSTANCES WHICH PERMIT ORG'NS NOT TO PRACTICE SOUND PR & STILL PROSPER – OR APPEAR TO?

If relationships are the real bottom line, and behavior motivation is the true goal of pr, how to explain the seeming success of some organizations famous for ignoring both? Often they operate in closed information mode, care little about real communication, use top-down micromanagement styles, show cursory if any concern for customer or other stakeholder satisfaction, ignore outside and even employee, shareholder or member input – i.e. operating in a 50s mode and apparently getting away with it in the 00s.

FOUR CONDITIONS ALLOW IT – TEMPORARILY, AT LEAST

1. **MONOPOLY.** Organizations with no competitors, whether by government license or insufficient market need, have a history of, first, ignoring public opinion, then of putting on a caring face but often failing to walk their talk. State public utility communication dockets are full of evidence. Or, if you're the only store in town that carries petite or big-&-tall clothing, you may be able to get away with actions, attitudes or policies retailers with real competition couldn't.
 - **BUT the day of reckoning comes.** A general clothing store hears repeated complaints about those so-and-so's down the block – and adds a petite line
 - **In the case of utilities,** regulators can right the balance. Still-regulated electricity suppliers realize complaints cost money – in handling, responding, appearing before the regulators. Now, in a *deregulated* market, complaints can drive away customers from the gencos (power suppliers); and may have even more impact on discos (local distributors with the wires to homes and businesses). It's conceivable discos will soon be paid on a capitated basis – so much per hookup – as some healthcare providers are now. Then, every complaint's costs will impact the bottomline. And discos will probably remain regulated
2. **INNOVATION.** If you introduce a new product and have no competition, or there are too few competitors to supply demand, pr may seem unimportant. Hi-tech industries are examples. Imagine what consumers and regulators would do to the auto industry if its products performed as unevenly as computers and software often do. But, the car makers got away with the same over-hyping and under-delivering in the Teens and 20s when they were the new hi-tech.
 - **BUT as markets mature,** organizations without established relationships slip behind and often fail
 - **In the stodgy insurance field,** e.g., innovators like AIG and direct-write companies often ignored pr principles as they grabbed market share. Old-line competitors have now caught up – and these once-innovating companies are falling back on good old pr to stay ahead
 - **And consider NML** – long the undisputed industry leader. Its pr programs are exemplary, customer loyalty tops in its field, relationships such a major tenet of its field agents that it's continually rated among the two or three leading sales forces in the nation

- **How about e-world companies?** While they start with heavy pr, it's usually only for sales purposes. Yet internally their employee relations policies are out of the box, often cutting-edge. As they age and become sophisticated businesses, they're forced like everyone else to adopt strong pr strategies to survive and prosper. Case in point: HP, with highly praised relationships
3. **MOMENTUM.** Of all tickets to say "stakeholders be damned", this is the most powerful. Some organizations have been around so long, amassed such financial power, become a force of habit, that their bad pr doesn't seem to matter. Take the # 2 and #3 companies on Fortune's list, GM and ExxonMobil.
- **GM's fall from its pinnacle of dominance** – Ford was about to pass it in sales before the Explorer issue arose – is often ascribed to relegating once-proud pr programs and departments to lower priority. Of course its leaders never said so, but observation makes it clear this occurred over a decade or two. Now, pr is back big time to help the giant turn itself around and climb back up
 - **Few have been accused of worse pr than Exxon at Valdez.** Company breezed past it, thanks to sheer momentum. Rumor has it 40,000 customers dropped their credit cards then – but the company merely signed up a large new trucking account that brought it more business than the 40,000. ***BUT suppose its non-financial indicators were as great as its balance sheet.*** At little cost, wouldn't this increase stock value and enhance competitiveness as the industry consolidates? Or will the hard-nosed legacy of founder John D. Rockefeller, Sr. prevail?
 - **AT&T has always had one of the leading pr staffs.** While their influence on *policy* seems evident, they've lost influence on company *practices*. Sales offers are called deceitful by consumers (blame marketing and industry practice?). Lack of customer service is reported widely by word-of-mouth and appears in consumer columns regularly. When they were the only game in town, poor service got them dismembered. Once their rapidly changing industry gets sorted out, will they have a pr philosophy worthy of their revered pr pioneer Arthur Page? Or will momentum in the form of being the biggest broadband provider let AT&T off the hook?
 - **THEN consider Wal-Mart, #1 on Fortune's list.** Its success, as a relatively new company, is due to the way it treats customers, employees, communities. Remember its revival of floor walkers? Use of employees in advertising? Hiring the handicapped? So strong is its reputation that when it gives small donations, say \$5000, media coverage is assured. Competitor Target gives more and more often, yet people talk about Wal-Mart's generosity. Company has passed the long-established GEs, GMs, AT&Ts and ExxonMobils in size: ***Could its pr approach be the augury of successful futures even for behemoths with momentum?***
4. **COST and CONVENIENCE.** Most temporary of the four, it does happen. You hate the way the bank across the street treats customers – but the alternative is two miles away. You always shop at Joe's, but this week Nancy's has incredible prices. Yet sooner or later, relationships matter most.
- **A model of how organizations with exceptional pr can prosper against powerful competition is FedEx** – as explained in last week's t&t
 - **And again there's Wal-Mart, which offers the lowest prices as a rule, but still relies on pr**
-

HOW PR TACTICS CAN HELP ORGANIZATIONS COPE IN A SOFT – OR HARD – ECONOMIC LANDING: A CHECKLIST

While economists and government officials seek to determine whether the predicted soft landing is turning into a hard one, or whether the economic boom has really slowed at all (as some were saying last week), business execs have decided it's enough of a bear market that layoffs, downsizing and other cutbacks are everywhere. Similarly, *practitioners must get ahead of the curve* – whichever way it goes. A checklist:

1. **HYPER ISSUE ANTICIPATION.** Issue defense is costly enough in good times – in dollars, personhours and distraction from goals. In a down economy, the added impact of sowing distrust and a blemished reputation can cool sales or other vital efforts just enough to make harder times really bad
 - **Yet often one of the first tasks to go is anticipating issues.** Instead, Issue Anticipation Teams need to be extra vigilant (see [pr 12/13/99](#)). If your organization isn't using this outstanding, zero-cost method, this is a great time to start – since everyone is attuned to external events now
 - **IA Teams also place the CPRO in a highly visible position,** which will allow him/her to find willing ears for other initiatives pr can undertake to speed the plow in tougher times
2. **DON'T SYMBOLIZE BAD TIMES.** It's common wisdom, at last, that we can talk ourselves into an economic depression, just as we can into a psychological one. Makes sense, since economics *is* psychology – however much practitioners of the Dismal Science deny it. The new Bush team worried many by seeming to do just that in order to sell its programs at first
 - **Keep up cosmetic touches.** Not the time to save on small things like landscaping, lobbies and other visible symbols of success. How about publications? Many wouldn't be missed – but choosing this time to drop them may cost more in what it seems to signal than the savings
 - **Trick is to symbolize cost-effectiveness and thrift,** particularly if you've had layoffs, missed earnings or fundraising goals, or fluffed other visible indicators. Cuts made “in fairness” or for “prudence just in case” may fly. Selecting them requires investigation, creativity and perhaps research to test stakeholder reaction. Explaining them, or deciding not to, is also a challenge
3. **SALES and PROMOTION.** What special things can pr contribute? One opportunity may be to take up the slack of reduced ad or marketing spending – a chance to show the organization need never go back because pr delivers more for less
 - **Split some market segments off for pr only.** Let publicity, events, relationship marketing, value-added marketing and other pr sales boosters handle the segment without ads or other methods. There are ample case studies demonstrating what pr can do by itself, or as the lead

- **Bump up pr for all markets.** Save the bucks often wasted on costly other methods. If pr supertargets, gets opinion leaders mobilized and employs surgical media and event strategies, sales volume will not suffer, may expand even in tough times

4. SOCIAL RESPONSIBILITY OPPORTUNITIES. Dropping or cutting these programs now – whether volunteers, in-kind or contributions – can signal that the organization doesn’t really believe it has a social responsibility since it only plays in boom times. But three special opportunities may exist:

- **Use the slowdown to embrace tightly focused strategic philanthropy.** It’s easy to explain this strategy when things aren’t booming – because it makes sense. This is also a good time to establish rigorous giving guidelines, and to design a formal “contract” clearly outlining what is expected of donees – e.g. taking the lead in publicizing your generosity and involvement. But keep these policies when the economy rebounds – because they’re both efficient and effective
- **Call Forth Social Responsibility Partners** of the past to help inform stakeholders of your *actual* situation. They’re a credible voice – and it’s important stakeholders don’t misread your situation in this very uncertain economy, either as too dire or not serious enough. Take them into your confidence – which will be important anyway if your activity must be reduced
- **Establish an “Alumni” Program for All Past Recipients** of social responsibility actions. You may not be able to keep assisting them as before, but you can sponsor a conference or other learning opportunity, or assist them as a group in some way. This is a good tactic anyway since every organization must change recipients from time to time – and this retains the relationship

5. EMPLOYEE RELATIONS. Setting expectations is critical – but how to do it without harming productivity and morale? Some economists now feel the very high growth in productivity since 1995 will lead to more layoffs now than if the productivity rate had been lower. Constant news of job cuts elsewhere has workers as skittish as in the 80s, many report

- **Use this Situation to Introduce Team-Leader-As-Key-Communicator.** The only voice that can keep workers going when they’re fearful is the supervisor/team leader. Resistance to this very effective program should be low now, when everyone is searching for solutions
- **LBWA (the old MBWA) Also Works If...** senior managers can be candid, not just mouth truisms. This needs careful planning, as it could look phony if mishandled. As a symbol of comradeship and concern it can be valuable and calming. (L = leadership, where M = management)
- **Hand Out Copies of *Everyone Is Self-Employed*** as was done during the 80s “rightsizing” craze. Judiciously, of course, and with a bulletproof explanation

KNOWING THE BUSINESS SUPER-IMPORTANT

When everyone’s itchy, those felt not to have in-depth understanding will have a hard time getting a hearing. Old networks will rally, fending off outsiders. Practitioners who have a less-than-adequate knowledge of what really occurs at all levels of the organization are well advised to remedy that lack immediately. Two suggestions:

- **Find A Mentor**, or several. Tell 'em straight that to fully contribute the value added by pr you need to bone up on (or be sure about) operations. If you have a mentor(s), stay close – and give them the same message
 - **Partner With Key Units as Never Before.** Take the lead in arranging it. Be bold. Sell your goal of *mutual advantage* by offering them assistance. Ask what special role you can play that neither of you may have explored or even thought of before
-