

being lumped together as "liberal" initiatives; many have support of large majority. 4) There were more independents (35%) than Republicans (25%) in voter registrations; Democrats led with 40%. The many independents clearly voted for Reagan, that doesn't mean they've bought GOP, and especially party's current right wing leanings. 5) Referenda & initiatives in numerous states illustrate public mistrust of legislative process, gov't in general; and 6 of 10 tax-cut or spending limit proposals lost. 6) Some Abscam-tainted congressmen were reelected, Penna. voters returned a convicted state senator, belying righteous call from religious right. 7) Popular vote was not a landslide: Reagan 51.6%, Carter 41.7%, Anderson 6.7%. Winner managed meager plurality. Question is whether Congress will convince itself there has been a shift to the right and react accordingly.

¶Power of well-phrased argument to convince is demonstrated by Bill Buckley's rebuttal to those who felt Reagan would lead us to war. He writes, "We thought it on the whole unlikely that Reagan had struggled so hard to achieve the White House for the purpose of being in it when it disappeared in a whiff of nuclear dust." On other side of political spectrum, says J.K. Galbraith skeptically: "There is no indication that Ronald Reagan's advisors have a better formula for combining high employment with stable prices -- unless, as is now widely held, God is a conservative."

¶Secession may be ultimate expression in U.S. of worldwide trend to have voice in decisions that affect people's daily lives. 5 of 8 N.J. counties voted overwhelmingly in nonbinding referendum to form new state of South Jersey. One county turned down idea, 2 others didn't act on it (pr 10/27). Elsewhere, the Alaska State Commission is also considering secession. "To those people who say we're out of line, the sovereignty of this nation is not vested in the bureaucracy in Washington -- but in the 220 million or so people in this country," AP quotes a commission member as saying. They're mad as hell and they're not going to take it anymore!

#### WHO'S WHO IN PUBLIC RELATIONS

HONORS. The First Shirley D. Smith Book Awards to Becky Collyer of Brigham Young Univ (undergrad) and Larry Jahns of Univ of Wisc (graduate).

IPRA President's Award to Foundation for Public Relations Research and Education. Previous recipients were Nobel Peace Foundation, Int'l Red Cross & Edward L. Bernays.

ELECTED. PRSA officers for 1981 are: pres, James Little (pres, Diversified Communications, Findlay, Ohio); pres-elect, Joseph Awad (gen dpr, Reynolds Metals, Richmond, Va.); sec'y Judith Bogart (vp, Jewish Hosp of Cincinnati); treas, Stephen Baer (mgr, pub & empl rels, So. Calif Gas, LA). New board members are Arthur Merrick (vp, Jay Rockey & Co, Seattle), Frank LeBart (2nd vp, John Hancock Ins, Boston) & David Ferguson (central area dpa, U.S.

Steel, Chi). Gerald Voros (pres, Ketchum MacLeod & Grove, Pittsburgh) is Assembly delegate-at-large, and Roy Cottier (vp-corp rels, Northern Telecom, Mississauga, Ont.) is delegate representing Canadian members.

1981 officers of Foundation for Public Relations Research & Education are: pres, William Marsh (Rockey/Marsh Public Relations, Portland, Ore.); vp, Ellis Brandt (dir of business comms, Dow Chemical, Midland, Mich); treas, James Fox (pres, Fox Public Relations, NYC). Allen Center, former pres & long-time trustee, named honorary trustee. New trustees for 3-yr terms are Kalman Druck (chrn, Harshe, Rotman & Druck, NYC), John Felton (vp corp comms, McCormick & Co, Hunt Valley, Md); Gerald Wollan (vice chrn, Padilla & Speer, Mpls) was reelected.

#### CONSORTIUM REPORT ON STATURE & ROLE OF PUBLIC RELATIONS FINDS GREAT OPPORTUNITIES, SELF-INFLICTED BARRIERS; WILL FORM BASIS OF ACTION PROGRAM FOR PROFESSION

Eleven public relations professional associations have co-sponsored reports & recommendations of the Task Force on the stature & role of public relations. It compares current status of the field to that of medicine early in the century. Then, the Flexner Commission's study proposed programs that "set off a surge in public esteem for the medical profession based on people's awareness." To approach a similar outcome for public relations, the report:

1. Analyzes present perception of field as a) subordinate to other functions, b) visible mainly for atypical roles such as presidential press secretaries or press agency, c) unable to be objectively evaluated.
2. Discusses methods of achieving recognition including a) licensing -- not supported by committee majority, b) accreditation, or c) systematic education of external publics -- which Task Force proposes.
3. Calls for "official" consensus definition, suggests simple but high-level one such as "public relations helps an organization and its publics adapt mutually to each other" or "public relations is an organization's efforts to win the cooperation of groups of people."
4. Strongly recommends adopting "public relations" as generic umbrella term, rather than the many euphemisms which cause "self-imposed confusion." Regardless of specialities, report notes that doctors & lawyers refer to themselves as attorneys-at-law and physicians respectively. World wide use of term today is cited as evidence of its acceptance & understanding by the public.
5. Urges practitioners to stop using nickname "pr." Doctors do not call each other "doc" or lawyers "legal beagles" or "mouthpiece."

"Sophisticated public relations is a vital influence for accommodating the conflicting sources in society. If it functions at the decision-making level of all organizations and institutions, it forestalls conflict and facilitates adjustments. If its true benefits are by-passed because decision makers slight its role, the future of the social system will be affected adversely."

Report emphasizes the need for the generalist approach to practice, calls it a "cross-cultural switchboard" between an organization and its environment.

Counselor & author Philip Lesly (Chi) chaired blue ribbon group of 21 well-known professionals from all sectors of practice. They and others are now charged with planning an attitude-change program based on the report's recommendation. Co-sponsors

are: Academy of Hosp Pub Rels, Agricultural Rels Council, American Society for Hosp Pub Rels, Ass'n of Canadian Univ Info Bureaus, CPRS, Council for Advancement & Support of Educ, Florida Pub Rels Ass'n, Nat'l School Pub Rels Ass'n, PRSA, Religious Pub Rels Council, and Southern Pub Rels Federation. Copies of the report will be widely distributed.

INVESTOR RELATIONS ROUNDUP:  
EXPERTS SEE KEEN COMPETITION FOR CAPITAL,  
SIMPLIFICATION, NOT REMOVAL, OF SEC REGS

The need for capital formation is the dominant theme among investor relations experts these days. They are trying desperately to convince Americans to

invest their dwindling savings dollars into common stocks, says Peter Osgood, pres. of the National Investor Relations Institute and pres. of Newsome & Co. (Boston). The personal rate of savings in the U.S. dropped to 4.3% in 1979, down from 7.5% in the first half of the 1970s. In sharp contrast, Japan's is 25% and France's, 17.2%. SEC commissioner Stephen Friedman, who cites these statistics, points out that savings are only one part of the rubric of capital formation. Some other related problems and issues are decline in innovation, aged & inefficient plants in certain industries, structural unemployment, and the disturbing shift in corporate debt-equity ratios.

U.S. corporate debt has been growing twice as fast as shareholder equity, reports Financial Relations Board chrm Theodore Pincus in a talk entitled "A New Era in Competition for Capital." Thousands of companies, he said, face a dire need for the double benefit of equity financing (selling new common stock): to better balance their rising debt burden, and to provide fresh funds for continued growth.

Pincus estimates that 10,000 U.S. public companies will spend an estimated \$2.5 billion on investor communications in 1981, up from an estimated \$1.99 billion this year. About \$550 million of it is for printed financial materials such as annual reports, fact books, etc. One of the most important ways to systematize investor relations to make it more efficient is to develop a market intelligence system. It can determine where and how top management can best devote its efforts in personal communication with investor professionals instead of taking a "random walk."

Simplification of disclosure requirements, but not deregulation, is all that can be expected from the SEC. Osgood says compliance with SEC regulations will remain a concern of investor relations people. While regs will stay, efforts at simplification are undertaken. For example, the income statement in the annual report need not be duplicated in the 10-K form; a note can indicate its availability in the annual report. Another change making integrated disclosure easier is agreement on time periods for different financial statements. These are 2-yr balance sheet, 3-yr income statement, 3-yr changes in financial position, 3-yr segment information, and 5-yr selected financial data.

SEC Commissioner Friedman carefully points out that security laws are not consumer legislation but related to capital formation: they are a means of "preserving the critical role of the public markets in raising and allocating capital."

Helpful materials available: 1) White Paper on New Regulations for Annual Reports from Mary McAboy, Georgeson & Co., Wall St. Plaza, NYC 10005; 2) Checklist for 1980 Annual Reports, from Jan McLane, Doremus & Co., 120 Broadway, NYC 10005.

UPWARD MOBILITY OF PR PROFESSIONALS  
HAMPERED BY LACK OF ADMINISTRATIVE SKILLS,  
SAYS SCOTT JONES AT FOUNDATION ANNUAL LECTURE

Lawyers, engineers, sales, financial & marketing people win out over "crack communications professionals" in getting the top jobs in organiza-

tions. Public relations people have more of the personal attributes required of managers than do others, said Scott Jones in the Foundation for Public Relations Research and Education annual lecture; but top management contends that professionals lack administrative training and the appropriate educational background. "Public relations, they say, is too narrow a discipline for movement up the ladder."

Another, and possibly more important, factor that may explain the low level of advancement potential for pr practitioners is "the low expectations set for us by top management." Jones referred to study by Group Attitudes Corporation, a Hill and Knowlton opinion research subsidiary, which indicates that top management has a higher regard for the function of public relations but a less than high regard for public relations people as individuals. Some quotes from 54 executives interviewed so far are:

"Most pr people die in their corporate pr position. They just don't have the training in business."

"They do not have administrative capabilities. They can function in an advisory capacity, but decisions must be left to the decision makers."

"PR people are held back by their narrow educational background. They should be trained as jack-of-all-trades."

"They should maintain a continual self-education program. They underestimate the sophistication of their various publics. Publics change and so should the pros."

Scott Jones offers 2 prescriptions, assuming that practitioners care about growing and advancing to decision making levels: one is a good, hard reevaluation of public relations education by consortium of educators, professional practitioners and sympathetic and concerned organizational leaders. Key questions are:

How much emphasis to give to skills and tools?

How large a dose of economics, of social & political science, and even the arts, should be injected?

When and where should administrative and management training be given?

His second prescription is to get into futures research which is fast emerging as a strategic planning requisite. It must become "part of our thinking, part of our skill and an integral part of our profession. And we should do this before some other discipline does it first."

ITEMS TO ACCURATELY FOCUS ELECTION PERCEPTIONS

"Before we completely lose objectivity on "great conservative swing" supposedly indicated by presidential election, some balancing considerations. 1) Evidence throughout campaign suggests people voted against Carter, not for Reagan. 2) Only one-quarter of electorate voted Reagan in; barely half the voters were lured to the polls. 3) All studies show long continuing popularity of many social programs, now