

assessing the value & pitfalls of social responsibility is required. His firm, Paluszek & Leslie, specializes in issue resolution, and "I'm meeting accounting firms more and more in the competition to provide the services management needs today."

New dialing machine can call up to 176 phone numbers, simply by dialing code name, i.e. MOM or TWA. Demon Dialer, by ZOOM Telephonics (Boston), can 1) dial busy number 10 times in the first minute, then once every 2 minutes for up to 2 hours, and sound a success tone when the busy changes to a ring; 2) dial unanswered phone once every 10 minutes for up to 10 hours, sound a tone when someone answers. Ideal for phone-weary practitioners is Silencer Cord that prevents phone from ringing "during naps, romantic evenings at home, or anytime you don't want to be disturbed." Demon \$150 to \$200, Silencer \$7 to \$9.

CEO background training shifts from financial dominance to administrative, technical & operations. Data revealed in annual study by management consulting firm, Main, Jackson & Garfield (NYC), shows a prevalence five years ago of ex-comptrollers, treasurers, auditors & accountants in top posts. Trend today is toward CEO's with technological and innovative know-how (43% of 1980 appointments were from administrative, technical & operations fields). In future, expect a "more even distribution of specialized skills in CEO talent pool, and less skewing toward a dominant type than before."

MINN. MEDIA RATE PUBLIC RELATIONS PRACTICE HIGHER THAN PRACTITIONERS DO

Do we underestimate ourselves & the profession? Practitioners in Minneapolis-St. Paul did when they gave

themselves lower ratings than area media representatives gave them. Survey by Roy Wallace & Assocs asked 25 professionals to rate performance of the field, while asking 25 media persons to rate practitioners. On scale of 0 to 4:

Item	Media	PR
Skills in media relations & communication	2.52	2.0
Understanding philosophy of management	2.75	2.0
Education of pr vs. other business people	2.09	1.78
Interest value of written material	1.43	1.88
Overall writing abilities	2.48	2.32
Openness & frankness on sensitive issues	1.62	2.09
Accessibility to media	3.48	3.4
Understanding their subject	2.92	2.46
Perception of issues & problems	2.81	2.70
Ability to properly answer questions	2.80	2.62

WHO'S WHO IN PUBLIC RELATIONS

VICE PRESIDENTS. Jane Barr, Nick Kilsby & Al Schreiber, vp/grp mgr's, Burson-Marsteller (NYC)...Gordon Smith, Hill & Knowlton (DC)...Michael Wagoner, vp/gen mgr, Epley Assocs (Greensboro, NC)...

A. William Krenn, vp/assoc dir, Ketchum MacLeod & Grove (Houston)...John Meehan, vp & gen mgr, McKinney/PR (Boston)...Shelia Sandy, Golin/Harris Communications (Chi).

REAGAN ADMINISTRATION ILLUSTRATES HOW CHANGE IN GOV'T PHILOSOPHY CAN AFFECT PUBLIC RELATIONS PRACTICE, PRACTITIONERS, ISSUES; WHETHER EMPLOYERS BENEFIT OR NOT, PROFESSION FACES SERIOUS QUESTIONS

Conundrum: Public relations is the democratic process in action. The Reagan administration is curtailing federal agency public relations activity. Yet the White House's own public relations staff & strategy are excellently professional. Also, because many administration initiatives strike at public participation, consumerism & other integers in public relationships, Washington is putting pr topics on the public agenda as rarely before. Items from a broad drama:

1. If what harms the 2-way interactions made possible by pr harms the democratic process, one must conclude the administration is hurting the profession. Deep budget cuts to social services, arts & consumer sectors force them to drop staff & programs. Public ability to get data, give feedback will suffer.
2. Consumer Product Safety Commission exemplifies impact on federal agencies. CPSC Memo, monthly newsletter begun in '78 with circulation of 25,000, has been dropped. Directorate of Communications is closing, replaced by Ofc of Pub Affrs -- but spokesperson Lou Brott told prr personnel not selected yet. Present staffers may, or may not, make it. Well-publicized Comr. Nancy Steorts aims to "stop regulation by press release," concentrate on voluntary programs by business. But -- Brott says Steorts' personal emphasis will be getting out to the public more, supposedly thru speeches & publicity.
3. Fees for service are going up. Subscription to FDA Consumer, agency's official mag, moves to \$17 from \$12, for example.
4. FTC is dropping funds for public interest groups to present their views to the Commission.
5. White House bill to clip Freedom of Info Act would "massively restrict" FOI in view of Reporters Cmte for Freedom of the Press. Included are secrecy for law enforcement, official memos, gov't lawsuits, "all commercial & financial information" which "may impair ... business interests" even if dangerous products, deceptive advertising or other threats to public welfare are involved.
6. Some federal pa dep'ts are being "dismantled" to cover up info that would otherwise be released, charges John Leslie. Altho he worked for 12 Labor Sec'ys as dpi, his dep't was scuttled.

In contrast, no administration in memory has known how to strategize & apply public relations techniques -- and so effectively. Use of 2-step flow process is an example. On issue after issue, the campaign begins with a media placement or leak for awareness, Congressional spokesmen & Cabinet members chipping in to provide information, then the President himself meeting with key people to apply "personal media" in the trial & decision stages.



Administration's big names are available for conferences & speeches in unheard-of numbers. Several Cabinet members often appear at the same meeting for emphasis. As reported in our 6/29 issue, a briefing book coordinates all messages. A special think tank study on how to deal with media (pr 4/27) is apparently being used. Practitioners report another phenomenon: White House pr staffers return phone calls!

NEW STUDIES OFFER ADVICE
ON BOTH VERBAL & STATISTICAL
ASPECTS OF ANNUAL REPORTS

Plain language is necessary because studies reveal public misunderstands most economic terms, argues American Economic Foundation (Flemington, N.J.). They propose "money we took in" instead of revenues, "tools wearing out" for depreciation, "resources gone forever" for depletion. AEF's ideological bias is seen in suggestion "gov't extravagance" be substituted for inflation, which is simply inaccurate: many factors contribute to inflation, such as defense spending, which many do not see as extravagant.

More "summary indicators" than earnings per share are required, finds a Financial Accounting Standards Board research report. Author Paul Frishkoff writes: "To communicate financial results in a clear and understandable way is an increasing challenge. It cannot be done by one bottom line or by a sole indicator of performance such as earnings per share."

AEF has devised a "functional operating report" which uses only 5 financial line items "to explain where all the money goes." This is needed, they say, because only 6 terms are understood well enough to be defined by half the readers: profits (78%), new profits (70%), liabilities (67%), dividends (59%), labor costs (55%), assets (50%). Only 49% understand depreciation, only 1% know what paid-in surplus means. Productivity -- today's buzz word -- is misunderstood by 90%. Study was done by Opinion Research Corp.

Survey last year found return on investment rivaling EPS. Also rising in demand are indicators that reflect an organization's liquidity & cash flows. Corporations, investor services & brokerage firms have developed "rich diversity" of indicators, but EPS persists as the big one only because the financial press "has persisted in its monolithic concentration" on it.

Study, one in a series as FASB "rewrites the language of accounting," intends to "stimulate further thinking about the art of communicating financial information." (Copies \$6 from FASB, High Ridge Park, Stamford, Ct. 06905)

U. OF CALGARY TAKES CLASSROOM TO PR STUDENTS
AS BASIC RULE OF PUBLIC RELATIONS REACHES EDUCATION

In a unique marketing effort, Univ. of Calgary will offer a Masters in Communications Studies during the lunch hour in a downtown location. In addition, the program is tailored to suit the career goal & need of individual students, Jack Donoghue of Francis, Williams, Johnson Ltd (Calgary) told prr. Persons employed full time can earn a masters in 3 to 6 yrs. Classes begin September '82. Already 40 people have applied. Comprehensive exam replaces research thesis requirement.

Program is designed for "practitioners seeking to meet the challenges of upper level management." Course description shows purpose is 3-fold: 1) to encourage responsible & ethical use of communications & media; 2) to encourage higher standards of critical judgment in the selection & presentation of information; 3) to provide a forum for

strengthening ties between academic research & practitioner. CPRS/Calgary participated in planning the program. Dr. Thomas McPhail has been hired from Carleton Univ. (Ottawa) to direct the program.

FACTS & FIGURES WON'T HELP YOUR CASE
IN EMOTIONAL ISSUES LIKE WASTE DISPOSAL

In its final newsletter (having been terminated by the Reagan administration) a river basins commission printed this appraisal of issue campaigns, from a speech to Amer Ass'n for Advancement of Science:

"An average citizen who is presented negative information by the mass media and who may be incapable, on technical grounds, of distinguishing good sites from bad ones, and of distinguishing good regulatory control programs from bad ones, may rationally decide to avoid the risks by opposing all sites. That decision may not be in the best interests of society as a whole, and it may have profound adverse impacts on the program to control hazardous wastes. But the decision is neither irrational nor unfounded. Moreover, since that opposition is based in part on lack of technical understanding, and on problems of credibility, it is unlikely that additional facts and figures will sway public opinion.

"This leads, of course, to a conflict when on the one hand the technical data support the need for a new facility and the safety of the proposed site, but on the other hand local public opposition is widespread and intense. All levels of government have been debating whether decisions in siting new facilities should be made on technical factors or on the magnitude of public opposition. However, it does little good to discuss whether siting decisions should be made on the basis of technical or political arguments. The fact remains that in the American democracy a sufficiently large group of voters can make any decision a political one. Democracy does not command that government make technically proper decisions, only that it make popular ones."

ITEMS OF INTEREST TO PRACTITIONERS

Withholding information so as "not to harm the program" is still guaranteed to rebound, as news reports last week on nuclear issues made clear one more time. Dr. John Gofman's new research shows "low dose" radiation from x-rays is far more dangerous than gov't has been willing to admit. 94,000 Americans die of x-ray overexposure annually, he says. "I've never seen a more flagrant misuse of data" than that by official Nat'l Academy of Sciences conclusions on the safety of x-rays. Pentagon's top lawyer tried to scuttle a bill treating low level radiation as dangerous. He said the impression such legislation would give "has the potential to be seriously damaging to every aspect of the defense dept's nuclear weapons & nuclear propulsion programs," UPI reported. Elsewhere, 3-Mile Island's owner sued Nuclear Regulatory Commission for withholding data that would have prevented the TMI accident. NRC knew from malfunction at an Ohio plant 18 months earlier that the specific combination of operator error & mechanical malfunction could occur, but withheld the info.

Trying to suppress competitors also can rebound, Chase Econometrics found in a study of auto industry problems. Import quotas on Japanese cars amounts to "some of the best advertising" they could have received.

Accountants are another group competing with public relations, John Paluszek said in a rare opportunity for a practitioner to address the Nat'l Ass'n of Accountants. With public issues dominating public relations practice, a new way of