Public Affairs & Communication

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The Weekly Newsletter of Public Relations,

conference at its Hartford hq. 5-min excerpt plus 90-secs of other visuals got coverage in leading markets. Satellite transmission was indicated because many areas had local interest: Seattle, where Boeing makes planes that will carry engines; Atlanta, hq of Delta which placed the order; subcontractor cities etc. (For technical details, day-by-day preparation schedule write <u>prr</u>.)

"Localism" and "reality programming" are rising needs of tv stations as competition of cable, videodiscs, teletext intensifies. 7 hrs daily of such local fare as "Tulsa Kitchen," "Crime Report" and other community involvement is the formula of KGCT (Tulsa). GM Ray Beindorf calls it "the next logical step in the growth of local tv broadcasting." Adds gen mgr Sy Yanoff of WBZ (Boston): "Commercial tv can no longer appeal to just a mass audience if it expects to compete against increasing entertainment choices." Listening to, and heeding, the needs of the community with news & news features can be economically successful, WBZ has found. What even discs & videotext cannot offer is local programming.

Remote access terminals between a nat'l ass'n and its affiliates is being tested by Credit Union Nat'l Ass'n. Immediate receipt of legislative & regulatory alerts is one use, according to Steve Swofford, CUNA dpr. Document & information retrieval from a central source is another. "We think it will save about 5 days turnaround time in mailing info," says dir gov't afrs Vicky Williams.

Teleconferences, teleseminars are getting more use. Jerry Powers, pres of a teleconferencing firm, The Darome Connection (Danbury, Ct.) says managers spend an avg of 46% of their time attending meetings. To reduce this, Public Service Satellite Consortium (D.C.) offers a 2-day, hands-on workshop, "How to Teleconference Successfully," March 23-24 in Denver. Budgeting, selecting a network, choosing a producer will be covered. (Never mind the irony that you have to fly to a seminar to learn how to avoid them in future.) PSSC reports it has conducted 85 teleconferences on its satellite since '77. Nat'l Ass'n of Mfrs used VideoNet to present a "Teleseminar" to 34 locations in Nov. Economists & business leaders discussed & answered questions about the long term outlook. 5-hr session included lunch break. A Darome affiliate, Telephone Interviews, offers hour-long group interviews with key media personnel by phone at \$150 each. Subscribers to series can choose the ones in which they want to participate. Limited to 15 for each question-&-answer session.

**Electronic phone books are coming and electronic yellow pages will have revenues of \$200 million by '85, according to report from Int'l Resource Development (Norwalk, Ct.). GT&E, RG Cable (Phoenix), AT&T are after EYP market -- which also affects volume of classified advertising. France has announced a plan to phase out printed telephone books by '95. Customers will get a simple keyboard terminal with which to request directory information on-line. Eliminating paper, printing & distribution of phone books, plus reducing information operators, will more than pay for the hardware.

WHO'S WHO IN PUBLIC RELATIONS

RETIRES. Robert Guelich, vp & dpr, Montgomery Ward (Chi), after 24 yrs of svc. Was Ward's first pr dir.

Herman Radolf, vp-pr, Newspaper Advertising Bureau (NYC), after 19 yrs with the Bureau, 12 yrs as vp-pr.

This week's supplement is prr index (Jul-Dec'80). Index for t&t, purview & managing the human climate will be published with Feb. 23 issue.

FASB BEGINS ISSUING REPORTING GUIDELINES FOR NONPROFITS;
WILL AFFECT COMPANIES ALSO IN REGARD TO CONTRIBUTIONS,
ATTEMPTS TO STANDARDIZE ALL ACCOUNTING PRACTICES

Two performance indicators for nonbusiness organizations have been promulgated by Financial Accounting Standards Board. They are 1) information about <u>inflows & outflows of resources</u>, and 2) information about the <u>service efforts and accomplishments</u> of an organization. In general, FASB finds "financial reporting should provide information about an organization's economic resources & obligations and the transactions & events that change them." This will result in "indicators of organizational performance."

The Board's Statement No. 4 sets forth "objectives of general purpose external financial reporting by nonbusiness organizations." Together with its '79 statement on the objectives of financial reporting by business enterprises, it will provide an integrated framework for all financial reporting. From the two reports FASB concludes one conceptual framework for all types of organizations, nonprofit & profit, will suffice. No entity needs a special framework. FASB is the officially designated agency to "rewrite the language of accounting" under gov't impetus. It's "client" is the user of financial reports -- shareholders, gov't agencies, donors, employees, members.

Three objectives of the new concepts are to mandate information that:

- ¶ Helps funding sources & contributors in making decisions about where to give money;
- ¶ Assesses services provided and the organization's ability to continue to do so;
- ¶ Shows how managers have discharged their stewardship responsibilities.

One problem noted in the report is that "the ability to measure service accomplishments, particularly program results, is generally undeveloped." Research is recommended to find measurements that are a) relevant, b) comparable, c) verifiable, d) neutral.

- RESULTS DISCLOSURE THE GOAL -

"The current state of the art in identifying and measuring inputs, processes, outputs, and efficiency appears to have advanced to the point of being amenable to inclusion in financial reporting.... However, the state of the art concerning results is marginal, and the inclusion of results information in financial reporting at this time may detract from, rather than enhance, the usefulness of financial reporting. This means, of course, that reporting on organizational effectiveness also is presently beyond reach. Additional research with respect to identification and measurement of service results should be encouraged, as should experimentation with various modes of disclosure in financial and other reports."

-- from FASB Research Report,
"Reporting of Service
Efforts & Accomplishments"

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Statement applies to hospitals, colleges & universities, human service organizations. state & local gov't, trade & prof'l ass'ns & philanthropic foundations. It is based on a commissioned study by Peat, Marwick, Mitchell which found:

pr reporter

- 1. Service efforts & accomplishments should be included with financial reports. But the emphasis is now on efforts, not verifiable accomplishments. Similarly, information on efficiency is more prevalent in public reports than on effectiveness.
- 2. Trend or multi-year data is rarely found in nonprofits' reports.
- 3. Many nonprofits don't publish external financial reports; those that do rarely distribute them beyond employees/members, donors & licensing bodies.

(114-pg study gives detailed findings & suggestions by type of organization. Available for \$6.50 from FASB, High Ridge Park, Stamford, Ct. 06905.)

PRACTITIONERS MAY WANT TO SHOOT J.R. AGAIN AS "DALLAS" INTRODUCES UNETHICAL "PR GAL" --BUT IT SHOWS PERCEPTION OF FIELD AS POWERFUL

Popular tv sex drama in recent episode introduced a public relations woman. Spokesman for CBS told prr her role is "to put J.R. back in

power," after being shot by his sister-in-law/sexual partner. "Leslie Stewart," as the character is named, may help J.R. but will do profession little good.

Her conduct would gain censure under PRSA's ethical code. For instance, she promises specific results in areas over which she has no control. And, naturally, J.R. propositions her. Network publicity staffers report she will appear in Feb. 13th & 20th episodes, but probably not be in script for long. "We would have been advised if she was going to be in for a long time." they said.

After failing to sell his brother Bobby, she pitches J.R. Opinion around town is that he's a has been, so she calls and tells him she can make him the most desirable, richest man in Dallas. At their first meeting, she shows up with a new logo for the company, assures him Dallas will end up being peanuts because he'll be an international personality and everyone will want to work with him.

Newspaper program announcements before her appearance tell the story: "J.R. hires a high-pressure pr woman to improve his image." John Bell, sr vp ~ corp comns, Bank of America (San Francisco) thinks the high visibility of the show may provide a platform to tell the public what public relations really is thru rebuttal. Protests should be sent to Thomas H. Wyman, pres, CBS, 51 W. 52 St, NYC 10019. There is precedent: labor unions have filed suit against networks for treating workers as slobs & boors in tv dramas. There is also a positive side: episode shows popular perception that public relations is powerful, the way to get difficult things done.

EMPLOYEES AS ACTORS IN A-V MATERIALS IS TREND; LENDS UNUSUAL CREDIBILITY

Chessie System's damage prevention training film, "Impact!," won a bronze award at International Film & TV Festival. All on-screen

roles were taken by employees. 25-min film uses the talents of actual railroaders in operations, casualty prevention & public relations dep'ts. It was the only entry not produced by outside vendors to win an award.

Gulf Power Co. walked off with major honors at Fla PR Assn's Golden Image Awards with a group of a-v & print materials which also used company personnel in on-screen roles and still photos. While acting & speaking in tv spots was as smooth as if done by pros, the look and "feel" of the on-camera personalities projected credibility & reality, said the judges. Actors are often too suave, too smiley, too good to be true.

CEO'S PERSONALITY, PERFORMANCE ARE KEY TO EVERY ORGANIZATION'S PUBLIC RELATIONSHIPS: RCA STORY OFFERS VALUABLE INSIGHTS

Swinging door executive suites at RCA made front page news this year and thru the 70s. Brutal firings of Jane Pfeiffer, Maurice Valente harmed not

"Prolonged patience without pressure

-- Herb Cohen, arbitration prac-

titioner & writer, in tv inter-

view discussing his counsel to

U.S. gov't during hostage crisis.

is perceived as paralysis."

only company but business in general by making them appear inhumane. Now the "bully & tyrant" responsible, Edgar Griffiths, has also been fired -- by the directors. A Business Week review of the situation (Feb 9 issue) contrasts qualities of Griffiths & his successor to offer a look at ideal CEO.

Griffiths' "ineptitude in handling public relations" is cited as a major factor in

decision to move him out. Here the evidence speaks for itself. But another factor is "not controlling leaks about internal affairs." As presidents, prime ministers & popes have discovered, this is near-impossible in democratic societies. Only known way is to stop the bickering & internal political emphasis that spawns it. Ex-ADVICE ON NEGOTIATING. actly that plan is attributed to AN ESSENTIAL PUBLIC RELATIONS SKILL -Thornton Bradshaw, his successor. The "most important step" is "to change "Nothing happens until you have a dead-RCA's climate" since "politics has line. So work to get your opponents to impose a deadline on themselves."

torn the company apart." To do it Bradshaw will install "meritocracy" -which "begins with an openness with people in the company and with the press," he says.

Two other tidbits surface in the article. Bradshaw, widely respected as

co-builder of Arco, was a finalist for Univ. of So. Calif. presidency. That he was rejected for an academic administrator (tho Bradshaw is an ex-Harvard

Biz Sch prof) tells something about the management problems & myopic nature of higher education.

Also evident is the Nixon syndrome, in which subordinates suffer but the top man gets pardoned. While Pfeiffer et al got the ax in precipitous fashion, the board took 6 months to "position" Griffiths so they "could make the transition easily." He got a new contract which pays his \$450,000 salary for 5 yrs as a "consultant." (For copy of article, write prr.)

TECHNOLOGY UPDATE: BYE BYE PHONE BOOKS. HELLO "TELESEMINARS," LOCALIZED TV PROGRAMMING

New services & product advances are announced faster now than an editor can keep pace with. A sampling from recent crop:

¶First video news release transmitted by satellite occurred Dec. 18 when DWJ Assocs (NYC) beamed to tv stations news of largest commercial engine order in history. Client Pratt & Whitney had video release in transmission less than .3 hrs after press