

Mike Byrne, mpr, says newspaper insert enables Lovelace to distribute 177,000 copies in a metropolitan area of 350,000 at no cost save editorial overheads. Since he would have these using any medium, insert is a budget-stretcher. Articles are written by hospital doctors. Supplement is not planned as a money raiser but as a self-liquidating community awareness tool. Byrne warns of pitfalls for inexperienced layout editors as well as perennial problem of persuading doctors to "write for human beings, not other doctors." He said similar format used by Rush Presbyterian Hospital (Chi) sparked the idea.

SECURITY ANALYSTS = PROFESSIONAL CRITICS

. . . so any organization -- profit or nonprofit -- can benefit from their observations when preparing shareholder or membership meetings or other presentations of an organization's position at a point in time. Several points are translatable to annual reports as well. Georgeson & Co. (NYC) gleaned these suggestions thru discussions with leading analysts:

<u>Turnoffs</u>	<u>Turn-ons</u>
1. Too much hype, not enough substantive information;	1. How a company is positioned in terms of its markets;
2. Defensive management team;	2. Candid assessment of the operating environment;
3. Financial or marketshare slides unaccompanied by a handout;	3. Strategy discussions;
4. Inadequate time for Q&A;	4. Management depth;
5. Too much time rehashing figures from the annual & quarterly reports;	5. Forward-looking information;
6. Sugarcoating of news.	6. Talking in bad times as well as good.

JOB APPOINTMENTS SUGGEST WHO WE ARE STILL NOT CLEAR -- EVEN TO THOSE WHO SHOULD KNOW

In an ironic but laudatory move, Ruder Finn & Rotman (NYC) has appointed its own dpr -- a first. Most firms assign themselves as an account to various staffers, which means parttime attention -- often

on a come-last basis. "We decided we needed a fulltime executive to help us tell our story and assert our leadership role," says chrm David Finn.

So what highly knowledgeable practitioner was selected? A journalist, without experience in public relations. David Senter, a recent graduate with a degree in literature, was a reporter for the Gannett Westchester Rockland Newspapers where he won 2 awards for local stories. Obviously a fine budding journalist -- but how will RF&R now counter claims that pr is only publicity or media relations after all?

Meanwhile, at Travelers Insurance (Hartford) a new corporate communications dep't has been established, reportedly after several years of Hill & Knowlton counsel in this direction. Unit will integrate advertising, pr, employee comms, shareholder & customer comms, contributions, community rels, gov't afers & trade ass'n activities. Who will head it? Peter Libassi, Travelers' former Washington lawyer, who comes to the company from a DC law firm. He has no public relations or related experience, according to the release.

NEW FEDERALISM & PRIVATE SECTOR INITIATIVES NOT JUST A POLITICAL FAD, BUT TO RESPOND BUSINESS NEEDS MORE TIME, PATIENCE ... & COMMITMENT; NEW CORPORATE SOCIAL ROLE REQUIRES NEW APPROACHES BY NONPROFITS TOO

The private sector must set its own social agenda, concluded conferees at "The New Corporate Role in Community Affairs." But practitioners & their fellow managers must first stop kidding themselves & face some realities. Momentum toward "New Federalism" & private sector initiatives is not a political fad associated with the Reagan administration, says Ed Block, AT&T vp-pr, "but a new way America wants to arrange business." Surveys show the public (not just the current Administration) believes resources made available to the federal gov't should be diminished & federal intervention is not the best way to solve every social problem.

William Baroody, pres, The American Enterprise Institute, reinforces the theme. Our post-industrial world is too "complex, and the problems arising from it too varied, to rely only on government for all solutions to social problems." Involvement of other segments of society is required -- corporations, neighborhood org'ns, voluntary ass'ns, churches, labor union locals, small business, & ethnic groups.

But Block insists that gov't continue to support the things gov't is best equipped to do. There should be no "line-by-line transfer from the federal budget to our [corporate] budget." Instead, the private sector needs to develop its own social agenda by carefully assessing community needs.

Janet Thompson, a Citibank vp, cautions corporations to develop a "shared agenda" with local community organizations so that corporate activities don't become a new form of "19th century colonialism" (a term inspired by the Falklands crisis). That fear was indeed voiced by human services specialists alarmed that gov't dominance of nonprofits might simply be replaced by corporate dominance. One speaker inadvertently may have betrayed such a tendency when he advised corporations to "place" company personnel on the boards of nonprofits. Thompson observes that neighborhood groups with which Citibank works are typically suspicious of corporate claims of really caring about the community.

In rhetoric that harkens back to the 60s, Gale Cincotta, outspoken chairperson of the country's largest neighborhood organization, National People's Action (Chi), chastises Corporate America "for not delivering on the basics of life -- job, house, affordable energy to power our economy, equitable credit to run a business or farm." But the

PUBLIC AFFAIRS VS. COMMUNITY RELATIONS?

Thompson cautions against dominance by public affairs over community relations. When a request was made by Citibank's gov't rels office to seek grassroots lobbying support from neighborhood groups to raise the New York State usury ceiling, she turned them down: "It would have destroyed all our work."



sharing of social agenda-setting is basically what she demanded. There must be "full participation of community organizations in brokering and working out the details" of various social investments.

New Titles, Types For
"Tough, Unglamorous Trenchwork"

Corporations must realize they are social institutions and act accordingly: this common theme means new forms of social involvement must be explored. Judging from the descriptive titles of speakers, organizational arrangements are already being made:

- ¶ VP of Dep't of Corporate Public Involvement (Allison Coolbrith of Aetna Life & Casualty)
- ¶ Mgr of Social Responsibility (Ivan Silverman of Armco)
- ¶ Dir of Corporate Social Policy (Phillip Drotning of Standard Oil, Indiana)
- ¶ VP of Public Responsibility Planning & Development (Verne Johnson of General Mills)
- ¶ Dir of Corporate & Community Responsibility (Ronald Speed of Honeywell)

That "tough, unglamorous trenchwork," as Block calls community relations, is being infused with new types of people. Some have MBAs, some master's degrees in social work, sociology or other social sciences. Potential disruption: these professionals winced when Baroody suggested that corporate social programs "don't always need a lot of money, or federal guidelines, or master's degrees." But he was referring to Honeywell's effective program of using retirees as community volunteers.

Business Needs "More Time, Patience And Commitment";
As Usual, Top Mgmt Is Problem

Lloyd Dennis accuses the White House of committing a serious political error in announcing termination of the Private Sector Initiatives Program at the end of this year. Carlton Spitzer, pa counselor, notes that we're trying

GUIDELINES FOR WORKING
WITH THE LOCAL COMMUNITY

1. Choose social programs that relate to the social problems of your employees or local communities in which you have significant investments in plant & equipment. Stephen Nowlan, chrm, Human Resources Network, points out that real costs of doing business will rise as corporations are deprived of social services previously funded by gov't, e.g. rehabilitation of alcoholics. These programs should, therefore, get high priority.
2. End the monopoly of providers in the public service industry who don't face up to the dual problem of cost-control and quality-control. Ted Kolderie, Hubert Humphrey Institute of Public Affairs, advises business to venture into the public service market. Corporations could market a service directly to the population to be served, e.g. day-care to mothers. Or they could use an "intermediary" organization to provide service, limit their own role to supplying management & administrative support.
3. Provide in-kind services, not only philanthropic dollars. William W. Higginson, assoc dir, Chicago United suggests corporations share technical expertise & mgmt know-how with social agencies. Establish a nonprofit assistance center to list company resources, such as spare computer time, which could be made available to nonprofits.
4. Use existing, proven community structures when implementing corporate responsibility programs. This truly strengthens community organizations, says Lloyd Dennis, sr vp-pa, First Interstate Bank of California. Most important, make sure you provide "staying leadership." His advice is a remedy for what Baroody describes as weakened "mediating structures" caused by gov't supplanting rather than supplementing these structures since New Deal days.

to do things in an artificial time frame. Recognizing the evolutionary nature of change taking place, he feels "We will always be in that battle ... of deciding on the proper function of gov't, business, and other parts of the private sector." (See purview with this issue for a review of his just-published book, Raising the Bottom Line.)

Several speakers stated that the bottom line mind-set of operating managers is a formidable obstacle in achieving effective corporate social involvement. Block notes that CEOs are notoriously naive in making a sound connection between political and corporate issues. They often have "wacko" ideas. A recent Yankelovich survey reports that 85% of CEOs claim to control the pursestrings of corporate contributions -- tho admitting they don't know much about these matters. Edie Fraser, Fraser/Associates (DC) advises professionals to find "real needs" and not just settle with what the CEO wants. Other speakers observe that the best way to change line management's attitudes is to get them involved -- which coincides with the refrain of the conference that "Public affairs & community involvement are everybody's business."

Minneapolis is the ideal city in which to meet on this topic. As Otto Silha, chrm, Minneapolis Star & Tribune notes, the Twin Cities demonstrate the power of "energizing & activating privately inspired forces and institutions." Its 5% Club boasts 62 members -- Silha's newspaper & the counseling firm of Padilla & Speer are among those giving 5% of pretax earnings to charitable causes.

¶The 200 participants were drawn from 2 arenas that, although strategically related, usually operate separately: the political arena with its orientation to government (public affairs) and the social arena with its orientation to local communities (community rels). With new forms of business-nonprofit-government cooperation in the making, the 2 spheres can expect closer relationships. If it speeds that process, the first joint meeting of the Public Affairs Council & PRSA's new Public Affairs Section (which now has 670 members) will have found common ground.

AP RADIO NETWORK BECOMES PURCHASEABLE WIRE SERVICE VIA "WASHINGTON WRAP"

Devoted exclusively to news releases, nightly 5-minute newscast, "Washington Wrap," is carried by satellite to stations across the US. "We lease time on the AP satellite and our program is automatically received & recorded in all AP member stations -- 1,150 of them. Then it's up to the local station as to how, when & if it will be used," Richard Conn, pres, told prr.

Packaged news broadcast puts in 2 commercial slots to allow stations to sell local advertising if they choose. "This encourages them to use the news," Conn explains. They've been sending news package for 2 weeks, say program is getting heavy usage. (To participate, send news with release day & time noted to Washington Broadcast News, 979 National Press Bldg, Wash DC 20045. Cost is \$150 per story.)

AD SALES BY HOSPITAL ADVISORY BOARD FINANCE 32-PAGE NEWSPAPER INSERT

Lovelace Med Ctr (Albuquerque) uses city's 2 dailies to distribute annual 32-pg news-print health education tabloid to boost hospital's profile. Survey showed nonprofit hospital run by associated group practice of 100 physicians was not well known, especially to newcomers in rapidly growing metropolis. Ads are sold by hospital board of advisers, priced to cover production costs & newspapers' handling charge for supplements. Response has been positive tho no formal evaluation of effectiveness has yet been made. Project is in its second year.