

financial benefits to the consultant (who was paid \$230,000 for 6 months work, according to media reports); 2) disrupting morale & team work; 3) conflict of interest, steering the candidate toward supporting issues Garth also represented.

AEI HEAD SEES HANDS-OFF APPROACH BY GOV'T THE ONLY CONSISTENT PHILOSOPHY, FEELS ITS CURRENT APPLICATION IS WORKING

Social, economic & environmental pressures are changing our world, but who has responsibility for leadership thru these changes? Bill Baroody, pres,

American Enterprise Institute (DC), sees a new philosophy taking shape that is jointly guided by economic & social concerns:

Economic: "Major new federal programs -- such as an industrial policy or an aid program for basic industries -- would further drain the federal treasury. Many of the problems that industrial policy proposals are designed to address can & should be handled in the private sector. US industries are going to have to compete in a changing world economy, one in which the US is capable of leadership but must earn it."

Social: "It seems clear that we as a society have wasted some of our most valuable resources by relying so heavily on government programs. Under the old public philosophy, we allowed government to supplant the mediating structures of society -- family, church, neighborhood groups, voluntary associations & ethnic subgroups. These private, value-generating institutions had been the primary source of social services for 90% of our history."

"Public relations executives are among the most important thought leaders in the country. In many cases you are directly involved in crucial corporate decisions, and many of you articulate your company's vision of society and your role in society. You need to maintain a creative idea of what is possible. An openness on your part to new ideas & to your organization's interests in community involvement would have a significant impact on the perception of what's possible."

Baroody cites education as an example where different non-gov't organizations are working together to find creative solutions. A major study by AEI on private sector initiatives reports that last year AT&T had 14,000 employees taking courses in basic writing & math on company time at an annual cost of \$6 million. Illinois Bank & Trust was offering a 20-week course in spelling, punctuation & grammar to all new employees. These were indicative of the kinds of remedial education being given by business.

"The key point is that the private sector is becoming more active in social programs and it has not been detrimental to private organizations or to the programs. It often serves the direct needs of both." (For copy of speech, write prr.)

ANNUAL REPORT IDEA?

"I think another line or two ought to be added to every annual report which would tell the people in very simple terms how many jobs that company provided in that year as opposed to a year or two years ago. That would be a much more meaningful measure of performance for the company than the stark and insistent reference to a profit bottom line, however important that line might be." -- Thomas Donahue, AFL-CIO sec'y-treas, at PRSA Nat'l Conf.

ANTI-REGULATION ATTITUDE OF SOME INDUSTRIES IS ALSO ANTI-SOCIAL RESPONSIBILITY & THUS ANTI-PR, ARGUES FTC COMMISSIONER

Commissioner Pertschuk of the FTC berated Pres. Reagan's "theories of regulatory nihilism" at PRSA's Nat'l Conference with an account of today's marketplace players as seen by tomorrow's historians: "At the turn of the next century a distinguished historian will outrage environmentalists by proclaiming James Watt, not Theodore Roosevelt, the true progenitor of the nation's lasting environmental movement. The historian will evoke not a little outrage by awarding the most valuable consumer player award to Philip Morris -- the dual purveyor of Marlboro & Miller -- for its marketing genius & zeal in exploiting the commercial possibilities of licit drugs. A close runner up will be the new generation of children's advertisers & programmers who have succeeded in making violence marketable to 5-yr olds on children's television. In third place, of course, will run Reagan's deregulators who by their judicious abdication of all efforts to restrain the greed of the above will have made it all possible."

"It is possible that in the year 2000 Philip Morris will be singled out by our mythical historian for diverting a revived consumer movement in the 1980s & 1990s by manifesting a high degree of commitment to the 'public interest.' Based upon the track record to date, my money stays on Philip Morris as the champion irritant that helped launch the great consumer revival of the 1980s," says Pertschuk about the only mega-corporation whose CEO is a public relations professional, George Weissman.

"Is there a realistic chance of public backlash?" asks Pertschuk. "Grassroots groups like Mothers Against Drunk Driving are proving a surprisingly formidable political force. In the 60s the persistence of cigarette advertising on tv probably did more to provoke consumer regulation of all advertising than any other single phenomenon." And "that dangerously radical journal, Newsweek," called "Kidvid" a "form of child abuse."

Pertschuk cited the new book Confidence Gap as a study in public opinion & gov't regulation. After extensive analysis, authors Seymour Martin Lipset & William Schneider conclude that while Americans don't like gov't regs, the majority believes they are essential to restrain business overreaching. This belief is fueled by the entrenched conviction that economic self-interest alone motivates business behavior. Says Pertschuk:

"Lipset & Schneider believe that business' crusade to refurbish its image through massive doses of propaganda on the happy & benign qualities of a regulation-free marketplace is doomed to failure. They note dryly: 'the negative image of



business institutions does bear some relationship to their actual behavior.' They suggest: 'to regain confidence ... business and other key institutions must not only deliver the goods in terms of economic prosperity, but they must also manifest some degree of commitment to the public interest, as conceived by a better-educated, more socially-conscious public.'" (For copy of speech, write prr.)

MANAGEMENT-EMPLOYEE TEAMWORK "CO-OP"
GENERATES ENTHUSIASM AT HOOVER

Two years ago Hoover Co. began a "cooperative effort between management & employees to improve quality & productivity. We call it Circles of Opportunity Program -- CO-OP for short," quality circle mgr Jim Bedard told prr. 34 circles involving 380 employees function within the plant. Employees volunteer to join their dept's CO-OP group which meets regularly -- once per week -- to solve work-related problems. "We're really excited about the ideas that have been generated, the cooperation, team spirit & improved quality. A lot of it isn't measurable. But there are a lot of ideas & cooperation that are."

Logo was the idea of one of the CO-OP groups. They suggested doing it to let other people know that we have 4000 people here who care about the quality of the products we produce. They proposed it to management and designed it." Logo is used on cartons, is beginning to be put on instruction booklets.



Last month Hoover celebrated its 75th anniversary with an open house, inviting employees & families to tour the plant. "It was basically handled by our employees & the CO-OP people. They gave speeches, were tour guides. And they did it after work on their own time. We're really pleased about their enthusiasm."

MATCH COMMUNICATION STYLE
TO ORGANIZATION'S MANAGEMENT STYLE,
ADVISES JIM HAYNES. HERE'S HOW:

In order to effectively support the organization, communication strategies must be compatible with management styles, according to consultant & teacher Jim Haynes.

Management Styles. Most businesses and organizations can be placed in 1 of 4 stages -- emerging, developing, mature & declining. The management style for each is different, and the style of the management will generally influence how long a business will remain in any one stage.

1. Emerging & developing organizations are usually managed in an entrepreneurial style, typified by risk acceptance, innovativeness, opportunism. They are highly venturesome, minimally controlling.

2. Mature companies are led by a sophisticated manager, usually moderately conservative, moderately venturesome, effective & efficient and team-participative.

3. The declining company is headed by a critical administrator whose style is to avoid risk, highly conservative, autocratic, pragmatic, efficient vs. effective & minimally participative.

Communication Styles expected by management varies with the stage the business is in.

1. Entrepreneurial managers in emerging businesses have an aggressive communication style typified by personal, fast, informal, spontaneous communications utilizing limited media.

2. The sophisticated manager leading a mature business expects more formal communications to take place -- which are less personal, slow but well thought out, based upon formal plans, using a full range of media.

3. Administrators of declining org'ns tend to favor reactive communications using restricted & trusted media, impersonal techniques, limited subjects, a low-key posture.

The implication of these style differences, Haynes finds, is that the public relations/communication person must be a) aware of the style differences; b) know what stage a business is in and c) the operating style of the management; and d) adapt the communication posture & programs to the needs of the business & the management. Compatible styles work more effectively -- the entrepreneurial manager of an emerging company won't be satisfied with a conservative, low-risk, low-key communication strategy.

POLITICAL CAMPAIGN AIDE ECHOES OFT-HEARD
PRACTITIONERS' CRITICISMS OF "MEDIA CONSULTANTS"

Do hot-shot political media gurus so mold candidates to the norms -- or their interpretation of them -- that voters are denied fresh approaches? The press sec'y to John Anderson's '80 bid for the presidency says so in "Diary of a Dark Horse," soon to be published by Southern Illinois U Press. Author Mark Bisnow notes Anderson was at 25% in the polls when David Garth was hired -- and finished with only 7% of the vote.

Once public relations practitioners managed or worked in most candidates' campaigns. Now that is a rarity. "Media" or "political" consultants who have taken over rarely have professional pr backgrounds. A major cause for the change is the apparent philosophy of these consultants that any action is acceptable to win -- the end justifies the means. Of course, this approach can only work if voters do not hold candidates accountable -- but it has seemingly soured pr pros on political candidates.

Besides making Anderson "just another candidate" & destroying the marvelously effective "Doonesbury" cartoon approach that got the campaign going, Bisnow charges Garth with 1) self-interest, moving to the typical television campaign because of

Public relations people sometimes complain that they aren't into mgmt's mainstream enough to discern the communication style expected by the CEO. Haynes says 6 steps are necessary to enter the management mainstream:

1. Learn to think like a manager while retaining an independent perspective.
2. Know mgmt skills: speak mgmt's language.
3. Be more than a technician.
4. Broaden your knowledge, interests & perspective: concentrate on your orgn's industry or specialty.
5. Become issue-oriented (learn to look at the whole picture).
6. Think results.