

Opportunity for wide tv visibility & exclusivity. National Television News offers video news background package on what's new in various segments of the economy as '87 comes to a close. Will go to all US tv & 1,000 radio newsrooms. Each segment will consist of 4-5 minutes of footage, opening with a couple of minutes of "b-roll", followed by a minute or so of the best sound bites selected from an interview NTN will conduct with a top exec. There will be only 1 interviewee representing each industry or segment of the economy. \$15,000 cost to participating org'n includes on-location videography & sound recording for a maximum of 2 days. Location shooting scheduled for 10/15-11/15. Distribution mid-December. (Contact Howard Back, NTN, 23480 Park Sorrento, Calabasas Park, Calif. 91302; 818/883-6121)

Positive semantics color how messages are received. Lie-detector tests for employees can stir up all kinds of negative reactions. Reid Psychological Systems (Chi) instead administers "honesty testing services" to employees. "Routine" drug testing doesn't stiffen the resistance as does "mandatory" drug testing. Similarly, "alcohol misuse" doesn't carry the negative connotation of "alcohol abuse".

Looking to hire a recent pr graduate? Those with experience in PRSSA student firms are good candidates. Recent survey of 150 PRSSA chapters shows that a few firms began operating in the mid-70s, but most formed in the last 4 years. Guidelines require firms to follow PRSA's Code of Professional Standards, develop revenue accounting systems, provide for quality control in operations, comply with all state & federal laws, operate under a set plan of objectives. Students are involved in weekly client meetings, staff & creative meetings, billing their clients & budgeting for projects.

Melting ice sculpture dramatizes building demolition, announces construction of United Bank of Arizona's new headquarters. Event featured a contest in which participants guessed exact time the 40-pound block of ice (carved in the shape of the old bldg) would melt. To top it off, publicist firm Nelson/Ralston/Robb Communications arranged for a theatrical-effect "snowstorm" to fall when ice had completely melted. August "snow & ice" was a real attention-getter for hot & dry Phoenix!

WHO'S WHO IN PUBLIC RELATIONS

HONORS. PRSA's top awards to: Chester Burger (Chester Burger & Co), Gold Anvil Award for significant contributions to the public relations profession; Herbert Bain (consultant), Paul M. Lund Public Service Award for contributions made to the common good thru public service; and Anthony Fulginiti (Communication Briefings), Outstanding Educator Award for the advancement of public relations education.

ELECTED. Women Executives in Public Relations 1987-88 officers: pres, Shila Kelley (svp, Doremus Porter Novelli); pres-elect, Rose Sexton (Rose Sexton Public Relations); vp, Angela Tedesco (public relations consultant); sec'y, Rose Reichman (vp-mgr, Parsons Brinckerhoff); treas, Marilee Reiner (dir-dev, NYC Mission Society).

DOWNSIZING & MERGER MANIA CHANGING ORGANIZATIONS' WAY OF LIFE; WHAT IS ROLE OF PUBLIC RELATIONS AS CORPORATE AMERICA RESTRUCTURES?

Driven by the need to cut costs, business is trimming overhead & staff, "flattening the pyramid" in effort to remain competitive, or in some cases, to survive. Tho some reductions are cost effective & necessary, general attitude seems to be "make a buck today & worry about tomorrow when it comes." Result is splintered lives, bitter feelings & dehumanizing "asset maximization" mentality.

As always, a few highly visible cases have made downsizing trendy even in organizations where it is not strictly required at this time. Still, record corporate name changes reflect "a continuing frenzy of acquiring, selling & restructuring" finds the semi-annual survey of Anspach Grossman Portugal. 919 were reported in the first 6 months of '87, breaking all previous records. Mergers & acquisitions are the leading reason (54%) but name changes reflecting divestiture, sale of assets, spinoffs increased 127%. (Copy of study from AGP, 711 3rd Ave, NYC 10017; 212/692-9000)

America, the Land of the Greedy?

Thru the stock market, short-term next-quarter mentality is evident. Inside traders & corporate raiders have become the new buccaneers, pursuing profit with little thought to consequences. An SEC survey of large Wall Street firms that speculate on takeovers showed 80% of those firms also help underwrite the deals. Says Sen. Proxmire, "Something's amiss when the jockey bets on the race." Even union/worker pension fund managers push for immediate gain at expense of longer-term stability, thus hurting the very employees they're supposed to help.

Focus today is on investments, money-making potential (e.g., USA Today business section is titled "Money") while long-term productivity issues are back-burnered. In making decisions that can affect hundreds of employees or whole communities, many business owners act like they have absolute, not limited, rights -- forgetting that their right to do business is a social contract. Many companies are handling it well -- but where are the corporate spokespersons out there saying, "We must compete in the long-run as well as the short-term!"

One opportunity for practitioners in mergers & acquisitions: As restructuring leaves fewer but larger organizations, public relations can influence the whole tenor of society by inculcating good human relationship policies & programs. These will then set the tone for the lives of many people. They in turn can influence society to make such policies the norm.



Role of
Public Relations
in Downsizing:

Public relations practitioners need to take the lead in demonstrating concern over long-term human impact of downsizing, as Richard Armstrong pointed out in last week's issue.

1. Relate to management as "voice of conscience" in the organization. This means getting vocal. Can't just salute & carry out orders. Part of our role is to be advocates of policy change when we see things are out of sync. We need to understand that interdependence is what makes a society work & be sure organizational policy reflects that fact. Must decide we are responsible for behavior of the organization -- not just the words it communicates through reports, speeches, publicity.

2. Assert the role of public relations in monitoring operations. Someone must oversee that everyone in the organization is responsible for quality. Is customer service responding promptly, politely, effectively? Is management cutting out just flab, or is muscle going with it?

3. Place special focus on needs of employees. From actions of some companies, seems we're back to treating people like interchangeable parts. With dislocation a new fact of life, employees learn to live with instability. When coming to work, they leave their humanity at the door. Result is sagging morale, loyalty & productivity -- not easily repaired. Exxon experience showed employees who remain after cuts have harder time adjusting than those who lose jobs. Recent union contract with Ford showed workers valued job stability more than any other factor.

4. Make sure management understands never-ending importance of corporate culture. It's like public relations: you have it whether you want it or not. Questions are a) is it working for or against you, and b) is company realistic enough to face facts & manage the culture? Because internal criticism leaks outside fast, it's essential to resolve culture problems resulting from downsizing.

Public relations efforts
take it on the chin:

A. Staff reductions. The long-range impact may be beefed-up staffs in public relations (pr 10/5), more immediate downsizing effect reported by Wall Street Journal & Fortune is staff cuts in these areas. Irony is that it eliminates the very people & departments that focus on quality, customer service, other "In Search of Excellence" values that are part of the customer-based marketing trend.

B. Public relations on project basis. Organizations may tend to view public relations more affordable as a quick fix-up, rather than for building on-going relationships. Problem is: relationships aren't built overnight -- particularly ones built on trust that lead to desirable behavior.

C. Watch for activist backlash. Workers, consumers, legislators won't sit quiet forever. Sooner or later, loud voices will be heard demanding a multitude of changes. Organizations that abused others will suffer, and good old public relations will be expected to pick up the pieces.

Social responsibility is factor in stock investments, reports John Paluszek, Ketchum Public Affairs (NYC). To the tune of \$300 billion, say industry sources. One example is Union Carbide's stock after chemical spill in Bhopal. 3 months later, its stock lost 16 points while market surged ahead with a 10 point average increase. UC's 14 point increase over the whole year was behind the market average gain of 23 points. Quoting '87 VALS research, Paluszek notes that US is moving toward an "inner directed" social values system. Increasingly investor rels mgrs & their companies must develop a communications plan to cope with political pressures within a socially-conscious society. Other examples of consumers' power to impact investment policies are disinvestment in South Africa and Northern Ireland.

LESSONS TO BE LEARNED FROM
BORK NOMINATION SPECTACLE

1. General statements of his qualities -- even by Supreme Court justices -- are not as effective as personal, from-the-heart testimony. When a successful Black such as ex-Transportation Sec'y Coleman points out what would have happened though his career if Bork's criticism of civil rights issues had prevailed, that's persuasive.

2. Citizens took action because they felt they could make a difference by putting pressure on senators. Grunig's 3-step communications system applies: a) identify the problem, b) personalize it, c) then tell what people can do about it.

3. Intensive exposure of the nominee was harmful, proving Alan Mazure's rule: in any issue involving personal safety or fear, high awareness & communication aid the negative side. Polls show this -- particularly in groups not likely to have an interest, i.e. young people.

4. Present celebration of the Constitution heightened the issues. Timing was bad from Pres. Reagan's side. Bicentennial is praising our freedoms at same time a Justice is in nomination whose writings question certain of those freedoms. Basic environmental scan might have warned that the 2 issues would come together.

5. For these reasons, many other groups such as women campaigned openly and unceasingly because they felt potential decisions by Bork could personally affect their lives. How often do we see citizen involvement in a Supreme Court appointment?

ITEMS OF INTEREST TO PRACTITIONERS

Possible repeal of Florida's Service Tax will have mixed short-term ramifications for some counseling firms & possibly municipal public relations staffs. Cities were promised large slugs of the proceeds, which stimulated work for firms & staff. Now they see that income may not live up to expectations so are putting projects on hold, may cancel if repeal goes through, according to Florida counselor Peter Hollister.