

VIDEOTAPE, HARVARD BUSINESS SCHOOL PROGRAM
ADVANCE RISING INTEREST IN ETHICS

To make that often gray line between ethical & unethical behavior clearer (when does a gift become a bribe?

At what point does casual conversation become collusion?) a videotape seminar has been developed. It dramatizes situations to help managers spot dangers. By industrial psychologist Mortimer Feinberg & Bureau of Business Practice, seminar consists of 7 segments on 2 videotapes with 96-pg case workbook. ("Business Ethics: Guidelines & Commitment" from BBP, 24 Rope Ferry Rd, Waterford, Ct. 06386)

In response to the recent ethics crisis, outgoing SEC chrm John Shad, who made a fortune on Wall Street, is donating most of the \$30 million needed to support a Harvard Business School program on ethics. He hopes the program will help curb abuses on Wall Street: "I've been very disturbed most recently with the large numbers of graduates of leading business & law schools who have become convicted felons," reports the Christian Science Monitor.

USEFUL ITEMS FOR PRACTITIONERS

¶Rising use of healthcare as one word gets a boost from proposed new name for New England Hospital Assembly. It will now be New England Healthcare Assembly to "reflect the expanded purposes that go beyond hospitals to include all healthcare fields." Tho "healthcare" was chosen to preserve traditional logo & acronym, fact is the separation between "health" & "care" is waning -- and why not?

¶Is the profession finally coming of age? Note these remarks from a career advice column in Working Woman: "After a few years I discovered that my advanced degree in music prepared me only for sporadic employment as a newspaper reviewer of local arts events. I changed careers, choosing public relations as having the best potential, but found it difficult to persuade employers that my writing and interpersonal skills were sufficient for an entry-level job in the profession."

¶Further verification that perceptions speak louder than facts. Writes Emmett Barker, Farm & Industrial Equipment Institute president, to his members: "Those of you who use a pencil and paper (versus my computer) immediately caught the fact in (his newsletter) that the average loan size by industry credit corporations should have been \$11,165 instead of \$111,654. With all the talk about how much farmers owe, the larger number did not seem out of line ... but that's why we need to focus more clearly on facts and not perceptions!"

¶Super targeting in mass media: Sunday NYTimes supplement for upscale Jewish market. 80-pg, 4-color magazine will appear September 13 to celebrate Rosh Hashona, December 6 for Hannukah, & March 20 for Passover. Projected shelf-life is 4 months. Called "A Guide to Elegant Jewish Living." Written mostly by outside contributors, it will be produced by Sheldon Reich at Mark Weisz Corp, 175 5th Ave, NYC 10010; 212/254-5170)

WHO'S WHO IN PUBLIC RELATIONS

HONORS. John Budd of Emhart (Farmington, Ct) named "PR Professional-of-the-Year" by PR News. He was cited for "leadership, extraordinary creativity & innovation." Award will be presented May 8 at a black-tie banquet at the

Hotel Pierre, NYC. For tickets, call 212/879-7090.

PEOPLE. Bill Jones, another example of a school practitioner using broad based experience, moves to pub info mgr, Philadelphia Electric Co.

pr reporter

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PUBLIC RELATIONS PROS ARE COUNSELORS, NOT JUST TACTICAL COMMUNICATORS;
NOT KNOWING THE DIFFERENCE LET OTHERS TAKE OVER POLICY MAKING
REFLECTS ED BLOCK, RETIRING FROM AT&T, ON HIS YEARS OF LEADERSHIP

He wonders: "As society becomes dependent on advancing technologies, public relations people are going to have one devil of a time keeping ourselves and those we represent human. Can we absorb and employ the virtues of high tech yet continue to talk together? As we flourish from our remarkable technology, can we continue to deal with employees, customers, stakeholders, CEOs, colleagues, person to person? More disquieting, need we guard against becoming disinterested in doing so?"

The Founders 1. "Bernays, Sonnenberg, Page, Hill, Lee, Dudley thought of
Were Consultants themselves fundamentally as counselors, policy consultants.
That's what legitimized the function. And in the process they
codified & rationalized the techniques."

2. After WWII -- when the economy had come out of a depression & the great American dream was being realized thru economic progress and the success of business -- public relations grew into a large industry. But most of the jobs concentrated on tactical communications, the nuts & bolts. That's what we became good at, and to the extent that education followed the field, that's what was taught."

3. "Then the equilibrium was disrupted -- political upheaval, attacks on institutions, inflation, OPEC oil embargo, beginning of global competition, gov't

<p>"More of us have to retake the counseling position that Page, Hill, Sonnenberg left for us. It's where the big needs are. Arthur Page defined the function as counseling. About communications, he said, 'Somebody's got to do it so you might as well put it in the public relations dep't.' He saw them as related but separate functions."</p>	<p>"If you want to be a counselor, you've got to look up from the nuts & bolts of the job. You can't forget them, but all those tasks are part of the larger corporate governance. You cannot be an advisor to the CEO, you cannot be influential in an industry consortium, if you don't understand the business & industry you're in."</p>	<p>"After the breakup of AT&T, I was astonished to discover how many highly paid people in our own department didn't understand the business and therefore didn't really understand its new public relations needs. They were press experts or employee relations experts or media relations experts doing tasks for something called the Bell Telephone System. When the System was no more, they were lost."</p>
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intervention in non-economic kinds of regulations, trend toward deregulation. The old rules were out; business was turned on its head."

4. "But we had become so good at our tactical communications, which assumed equilibrium, that we continued doing the nuts & bolts job. We weren't up to the challenge. A vacuum was created and enlarged by the fact that during the decades of equilibrium, we had taught management the value of public relations. So others moved into the counseling function" to fill that vacuum.

Get Better At Framing Issues Take the tax reform of last year. "Proponents framed the issue as 'fairness.' The business community argued 'economic viability' and such stirring words as that. And it never got a coherent counter argument -- each industry argued its own perspective. Business advocacy is so egocentric, and the rhetoric we use is so much the vernacular of the industry, that nobody hears us."

AT&T Lessons "It used to be axiomatic that if you make a good product or give good service, treat employees & shareowners fairly, treat customers courteously, if you're a responsible corporate citizen, then you're golden. In the last 10 years that hasn't appeared to be true. AT&T, while there was no public demand or outcry for the breakup, got beat up & out-manuevered. The constituencies we thought we had simply weren't there, didn't get involved. It's a picture that has happened to other companies -- but not in such a draconian fashion."

Major Changes Have Occurred 1. "Employees' commitment is not entirely to their job, they have other options."

2. "Employees began to be looked at as an expense rather than an asset."

3. "Individual investors don't make up the investor community anymore. It's made up of large institutions, security analysts, etc, to whom a corporation is a chunk of asset -- here today, gone tomorrow."

4. "In the old days of the plant community, community relations meant more than it does today. Corporations in large urban centers have to do community relations, but it's not viewed in a proprietary way as it once was."

5. "There's much more hasseling with government authorities. Modern government is a passing parade of individuals & individual agendas. Business has to learn better how to deal with that."

NEW HOUSEMARK TIED TO PUBLICATIONS POLICY HELPS PROVIDE ONE CLEAR VOICE, RAISE FUNDS

Pennsylvania StateU's new visual identity retains the Nittany Lion & uses school's popular name -- Penn

State -- rather than its formal one. "Essentially, the graphic identity system is intended to get everyone singing from the same songbook" to unify 10 academic colleges, 22 campuses & other units, explains pres. Bryce Jordan. "It will eliminate the confusion fostered by the multiplicity of visual marks & devices currently available." And save money because "a more tightly coordinated publications system" is being instituted simultaneously.

Motivation came from committee charged with raising \$200 million to strengthen academic programs. It "understood that no institution can hope to raise funds successfully without a clear & compelling visual identity." While graphics for the campaign was its first priority, "the committee wanted the university to benefit from a visual system that would give the school a strong academic identity long after the campaign ended."

New logo will replace university seal which is nearly a replica of the Commonwealth of Pennsylvania's seal. It is indistinguishable from what appears on state police vehicles, business cards of legislators & documents of state agencies.

New identity system is based on extensive research by Downey, Weeks & Toomey. 170 indepth interviews were conducted with faculty, students, administrators, corp recruiters, college presidents, alumni, parents of students, legislators.

MORE ORGANIZATIONS REALIZE NEED FOR CRISIS COMMUNICATIONS PLANS

In '85, only 66% of 30 selected Fortune 500 companies had plans at the ready. Today, over 90% of these same organizations have them, reports survey by Strategic Information Research Corp. Other findings:

¶Biggest worry is environmental problems & major industrial accidents, similar to '85. 43% have activated their plans in response to an environmental problem.

¶Communicating effectively during mergers & takeovers or following product-tampering incidents is a growing focus. 27% have used their plans in this situation.

¶33% have provisions for dealing with rumors of insider stock trading; only 3 have had to implement them.

¶80% have programs to address possible illegal or unethical employee activities. Common element is a code of ethics or standard of practices & policy. But only 27% require employees to read & sign such statements.

¶Amazingly, 86% have established formal drug- & alcohol-abuse programs. But only a handful require urine testing for current or prospective employees.

¶Only 33% have set up programs to deal with concerns about AIDS. (Copy from SIRC, Hill & Knowlton, 420 Lexington Ave, NYC 10017)

PENNS STATE



"Penn State is the name by which the world knows the university. The public's use of this name in preference to the present official name is evidence of the natural tendency to simplify language and a warning against the impracticality of trying to impose the longer form."