

society (20% each). In fifth place -- contrasted with its top rank in previous years -- is making money (11%).

While social issues thus pushed higher onto the youth agenda, conservative views about sex-related topics reign. 89% support general testing for AIDS. 48% feel there is too much promiscuity & a similar number think pornography should be controlled.

¶ Many people who qualify as wealthy are in blue collar jobs, finds study for Cigna. "Upper affluent" are described as having a) annual household income of \$100,000 or more, b) net worth of \$500,000. Turns out these people are as apt to be self-employed as working for a company or organization -- and these jobs may include trades such as plumbing, electrical work, contractors & similar.

One reason localite folks like this (as opposed to cosmopolites) have high net worths, suggests AP business analyst John Cunniff, is that they prefer to invest in real estate -- which at today's prices can easily be worth half a million.

PROFESSIONALS ASKED TO USE WORD SKILLS
TO SMOOTH COMBINING OF PRSA/IABC:
CALL FOR COMMENTS & SUGGESTIONS ISSUED

If it turns out on closer investigation (by the task force headed by Chet Burger) that uniting the 2 major organizations in the field would be beneficial, the primary barrier may be naming the resulting entity.

Will generalists, strategists & issues handlers be content with a word like "communicator"? Will specialists, writers & internal relations experts be comfortable under the banner of "public relations"? How will "America" & "International" be reconciled?

The task force has converted these conundrums into a different question: can the field apply its skills to itself and devise a name acceptable to most of the 25,000 members involved? To shepherd such an occurrence, Dick Charlton (vp-corp comms, Parker Hannafin) & Pat Jackson (sr counsel, Jackson Jackson & Wagner) have been appointed a subcommittee.

Deadline is Aug. 15. Send your opinions & ideas to Charlton at 17325 Euclid Ave, Cleveland, Ohio 44112.

ITEM OF INTEREST TO PRACTITIONERS

¶ Real-world look at business school grads is offered by a very successful manager, chicken king Frank Perdue. "One of the biggest problems I've observed with MBAs is their inability to get along with people," he said in endowing a new biz school at Salisbury State College (Md.). He's also wary of such types going into consulting: "When I meet a young consultant without any field experience, I really can't believe it. People need to understand that they don't know everything about everything, and that it's no sin to start at the bottom and work up."

pr reporter

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CHRYSLER, SOURCE OF MANY RECENT LESSONS, NOW TEACHES ANOTHER:
HOW FAR WILL PUBLIC TRUST & POSITIVE LATENT READINESS STRETCH?

What should you do when your organization screws up? Exactly what Chrysler did... and what professionals have been advocating all along: 1) admit the error, 2) apologize, 3) tell what you're going to do about it, and how you'll see it doesn't happen again.

Lee Iacocca received favorable media regarding his handling of Chrysler's odometer-disconnect blunder. Writes the Boston Globe: "Iacocca seemed to have patched up the company's image when he did something a corporate chairman rarely does: he apologized for his company, called the odometer tampering 'dumb,' and termed the selling of damaged cars 'stupid.'"

Now Chrysler has been fined \$1.5 million by OSHA (largest in its history) for alleged health & safety violations at its Newark, Del. plant. Will this undo company's effort to neutralize the odometer blunder? Will the two events continue to do harm? Will the fact that just last Jan. the company paid OSHA a \$284,830 fine -- until then the largest? When is trust exhausted?

Measuring The Impact 1. As always, begins with audience segmentation. Separate potential car buyers, Chrysler owners, dealers & their sales staffs, shareholders & Wall Street, gov't, etc. Immediately it becomes apparent the impact varies greatly by audience. Too many executives still tend to lump people into some amorphous "general public" -- which does not exist.

2. In each public, find out how many even know about the incidents; and of those how many are concerned. Almost invariably both numbers are far lower than gut projections. Fact: people are preoccupied. Fact 2: media misses far more of the mass publics today than it hits. Only research -- like overnight studies -- can tell for sure (see prr 3/30).

3. Determine whether a response will effectively put the situation behind you -- or merely inform larger numbers, who missed the incident first time around. If a response is called for -- by the numbers, not gut feel! -- what should it be?

4. Determine whether responding might indeed add to your trust factor by demonstrating your conscientiousness & caring. This opportunity is not always present. Often trying for it has the effect of spreading awareness of the problem. But when the chance comes, taking it can be priceless. In the odometer



case, Chrysler probably found positive indicators for a response on both the opportunity & put-it-behind-us measurements.

5. The response itself is what counts most. Iacocca's was brilliant in the odometer incident. First, it was a signed ad, to usurp his public visibility & likeableness. It termed the affair "an episode" -- implying a one-time matter. It was written first-person. Admitted "I'm not proud of this." Said exactly what Chrysler would do "to make things right."

6. Extent of damage will depend on sense of personal danger or possible harm felt by various publics. Chrysler offered to replace cars or parts, extend warranties of buyers involved; and to stop disconnecting odometers on cars selected for road tests. Now what about Wall Street & others indirectly involved?

Moving Into Future Tense 7. While such actions may deal satisfactorily with a) currently involved publics & b) mass audiences, any erosion of longterm trust is still unknown. So proactive steps are necessary; you can't just hope everything will be all right. The keys now are:

8. Opinion leaders. While large segments of mass publics are increasingly unaware, opinion leaders tend to learn what's going on one way or another. Responding to them via mass media is risky, for several reasons. So direct contact with those who are aware is the rule.

9. Interested vs. disinterested audiences. The major role of mass media, find scholars of the subject, is to force disinterested people to process information they would not seek out. In Chrysler's situation, many people not in the auto market today may have negative latent readiness toward its brands when they are ready to buy. The Forget Factor is vital here: how long will they remember? Driving out the bad, old opinion with good, new ones are required.

10. Inreach is more important longterm than outreach (probably shortterm, too). Will employees & other internal publics verify, or contradict, Chrysler's posture? This is where the OSHA matters can hurt -- if workers are upset by them. When employees & others deemed insiders, and thus perceived to be in-the-know, take contrary positions to official statements by management, officialdom invariably comes out second best.

President Reagan & Jim Bakker have to be the role models for retaining trust despite acts which might destroy others. The essence is keeping trust of those who are in a position to help you -- and apparently Chrysler has. Now comes the labor movement & others claiming OSHA is passing out hefty penalties to visible targets because it has not been doing its job & wants to look good before Congressional hearings on its record, due to start soon.

SOUND PUBLIC RELATIONSHIPS AGAIN PAY OFF
ON THE VERY BOTTOM LINE, FIGHTING TAKEOVER
"GOOD" SHAREHOLDERS WILL BENEFIT, SAYS DHC

enlightened self interest -- 5% of pretax profits are used to fund social programs -- got instant response from Minnesota gov't, which enacted one of the toughest anti-takeover laws when a raider threatened the large retailer.

Then CEO Ken Macke used company's pr skills to point out that the real benefits of avoiding breaking up companies go to the stockholders. "Good shareholders look at the longterm interests," he said -- making one of the first cases against the small minority of speculators, raiders & whiz-kid fund managers whose focus on shortterm profits is widely believed to be at the base of US & Canadian difficulties in competing with overseas companies, especially Japanese.

State's law a) prohibits a hostile acquirer from selling a target company's assets for 5 years, b) restricts a raider's voting rights, c) allows directors to weigh community interests in considering a bid.

Evidence of company's standing within the state: law was enacted with almost no opposition just 7 days after Macke asked for a special session of the legislature to consider it. Donees who've had grants showed up en masse to testify, and letters deluged the statehouse. In appreciation, giant thank-you card was spread out and signed by employees in the lobby of the Crystal Court across from the company's Minneapolis department store.

APPLICABLE RESEARCH FOR PRACTITIONERS

¶ Old-fashioned longterm marriage is the norm, despite constant quotation of statistics to the contrary. Harris poll found that while up to a million US divorces may occur in a year, 54 million "other marriages just keep flowing along like Old Man River." And number of divorces peaked in '81, has declined each year since.

Survey of family life, commissioned by Philip Morris, concluded the widely decried notion that 1 in 2 marriages end in divorce is "one of the most specious pieces of statistical nonsense ever perpetrated in modern times." All the sermons & political ranting about "the death of the family" is wrong, says the study.

80% of respondents report they draw strength & satisfaction from the institution of the family.

¶ Teenagers now place making money down the list of their goals, annual survey of high school leaders finds. Top aspiration (27%) is having a successful career. Next come a good marriage, being better parents than theirs were & contributing to

This is the third memorable case where public relationships played a prominent role in takeovers. Mobil was thwarted in getting Marathon Oil because its reputation at the time was seen as negative by those involved (pr 1/18/82). Phillips Petroleum's successful resistance against Boone Pickens was credited to the groundswell of community support the unfriendly grab elicited (pr 12/24/84).