

low-paid work being performed by highly-paid people. Other steps involve revision of goal setting & compensation systems and a far-reaching realignment of the organization's structure. He predicts fewer corporations will downsize in the near future.

¶Despite years of research, the old argument about publicity continues. "The bottom line in public relations is media publicity" proclaims the headline in an ad touting Lobsenz-Stevens (NYC). "It's narrow outlooks like this that put pr beneath-the-salt in the corporate arena," writes John Budd (Emhart). Asked to explain the statement, Art Stevens told prr: "We believe the media represent one of the most effective means of communicating an organization's products, services & messages. When we say the bottom line, we refer to it as the methodology & technique. Ultimately the goal is to alter, aid & abet messages, and to reflect a change in perceptions based on those messages. And the media is the passage way to alter perceptions. Obviously this is an ad. It's intended to be dramatic, to gain immediate attention. We use the words 'bottom line' to reflect the importance of our ability to generate our clients' messages thru the media."

¶The Issue Exchange is a new forum for practitioners, activist leaders, academicians & elected officials to discuss & find solutions to corporate & institutional public issues. Periodic "Issues Dinners" (mbrs only), an annual conference, subscription to LINC (Linking Issue Networks for Cooperation) are part of \$125/yr dues. Advisory board of 6-8 issues mgmt leaders will be announced. A larger exec comte will activate programs. Patrons will comprise a Golden Pyramid Council. (Info from T. Yancy Crane, Issue Action Publications, 105 Old Long Ridge Rd, Stamford, Ct. 06903)

Another once conventional organization goes activist. PTA has 6-million members that once held bake sales & other safe activities. At 90th convention this summer, PTA used theme "A New Era Begins." Push for new members centers on non-Whites. More visibility & clout in educational & social decisionmaking are goals. Subjects like AIDS, curriculum, school budgets, family needs, single parents -- the tough issues surrounding kids, families & schools -- are on the agenda. Convention adopted resolutions on sex on tv, lie detector tests for teenagers, school health clinics.

¶There's a "growing trend of lawyers practicing public relations," Elizabeth Murfee of American Lawyer Newspapers Group writes in a letter to prr. Law firm Shanley & Fisher is branching out, reports the NJ Law Journal. It will set up a wholly owned, non-lawyer subsidiary called Issues Management, Inc. run by an associate who has specialized in public affairs, politics & gov't for years. He explains, "The basic idea is that this is an extension of what the firm does, which is solve problems. However, it's a service that seeks to tackle a crisis or solve a problem before it reaches the litigation stage." He lists IM's services as gov't rels, opinion research, community organizing, public relations, crisis management, direct mail marketing & public issues campaigns. "For those of us who promote issues & ideas, this is certainly a trend we will want to keep an eye on!" writes Murfee.

WHO'S WHO IN PUBLIC RELATIONS

RETIREES. George Ball (ass't to pres & sec'y of Bd of Trustees, Univ of Akron) after 30 yrs there. Received a Lifetime

Membership Award from CASE for his contribution to public relations & fundraising in higher education.

pr reporter

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EXECUTIVES LIKE TO MAKE DECISIONS BASED ON GUT FEELINGS OR INTUITION RATHER THAN REPORTS & STATISTICS, UNLESS RISK IS INVOLVED, STUDY FINDS; THEY VALUE PUBLIC RELATIONS, BUT ARE CONFUSED ABOUT ITS ACTUAL USAGE

80% don't like written reports. When they want input from somebody, they'll visit or call, finds a survey of 349 execs from service, manufacturing & other industries. Tho sample is small & self-selected (it was a mail questionnaire), results have advantage of including companies of all sizes -- instead of the usual Fortune 500 sample. Thus they may reflect what organizations of many types are experiencing. Undertaken by The Pinnacle Group, survey reveals:

1. When decisionmaking involves risk, 67.6% of execs describe their method of analysis as "quantitative," 40.4% say "gut feel."

2. Public relations is given "large consideration" (31.2%) or "some consideration" (47%) in developing business plans. 57.3% include the function at the outset. Service industries & high-growth companies tend to give pr greater emphasis.

3. Most execs say the reason for success in their markets is consumers'

psychological perceptions of the company's products or services. Next in importance is the physical characteristics of company's products or services. Ability to maximize shareholder returns is least important.

4. 41.8% believe it's definitely possible to impact the psychological perceptions of their company or its products or services in a given year. 50% of execs from high-growth companies responded "definitely."

5. Most important in influencing those perceptions are: customer service (53.6%); product performance (41%); advertising (30.1%); public relations (29.5%); customer testimonials (16%); stock performance (13.8%); technological breakthroughs (6.3%). (Note the differentiation between customer service & public relations, when operationally the former is a responsibility of the latter.)

6. Companies using pr for corporate image, community relations, product positioning, customer relations or business development believe it's more effective than advertising in changing company perceptions. PR scores almost equally with adv'g

<u>Respondents most rely on public relations for:</u>	
Corporate image	73.6%
Community relations	55.3
Customer relations	44.4
Product introductions	37.5
Business development	31.2
Product positioning	28.1
Government relations	16.9
Issues management (N.B.)	16.3
Stock offerings	14.0
Other	4.6



for issues mgmt & gov't relations. (But study after study shows ads ineffective in most crisis or issue campaigns.)

7. In a budget crisis, 41.3% say public relations would be unlikely to go. But 50.4% say it would be most likely or likely to go. Yet when offered a choice, most said they would cut personnel & adv'g before pr. Exceptions were execs working for companies with 500-1,499 employees. They would cut pr first.

Public relations was not defined in the questionnaire, so responses may also reflect lack of common understanding among execs. Several answers suggest they took it to mean publicity. For example, tho 57% said the function was included in the outset of planning (no. 2 above), when asked "Is it a tactical function to be implemented after plans are formulated?," 66.5% answered yes. (Copy of survey from The Pinnacle Group, 1250 TCF Tower, 121 S. 8th St, Mpls 55402)

The urgent need for educating managers, indepth, about public relations is shown again in the Pinnacle Group's study. PRSA's 2-year "Demonstrating Professionalism" review urges a nationwide effort. (Copy of Jerry Cooper's task force report is available from PRSA hdqtrs, 33 Irving Place, 3rd Floor, NYC 10003.)

Nashville Chapter is a model with a focused program of publicity, ads,

print materials & personal visits with CEOs. Sept. 23, Minnesota Chapter will hold a "Take Your CEO To Breakfast" featuring PRSA pres-elect nominee John Paluszek on "9 Reasons Why The CEO Should Take A New Look At Public Relations." Two Mpls CEOs will respond. Good start. But what might happen if every public relations organization -- & practitioner -- made this priority one?!

DESPITE ALL THE TALK,
NEED FOR BEING A GOOD LISTENER
IS SHOWN IN SEVERAL STUDIES

Principle" -- developed by the Italian economist Alfredo Paretho, holds that 80% of the problems in any enterprise are caused by 20% of the people -- shows that poor listening habits are a major reason substantiating the "80-20" rule.

The problem is that people generally listen at 25% efficiency, Frank DiSilvestro, U of Indiana (Bloomington) told the Nat'l School Board Ass'n. 75% of the message "goes in one ear & out the other." He offered this advice for improving listening:

1. Intend to listen. Make it a conscious decision, even to the point of setting goals for listening.
2. Concentrate on what is being said...carefully & actively. Look at the speaker. Don't let your mind wander or be distracted. Use eye contact. Remember, on average, people speak 150-200 words/minute but can listen to as many as 600 words/minute. This disparity means you have to work hard to keep focused on what's being said.
3. Control your emotions. Keep an open mind thru the entire thought. And don't interrupt. Understand the speaker's position. You don't have to agree with it.

4. Check for understanding. Do this by summarizing what the speaker has said. Ask questions -- preferably open-ended ones. A good exercise: with a partner, pick a subject on which you disagree. 1st person expresses his viewpoint. 2nd must summarize it to the satisfaction of the partner before he can state his differing viewpoint.

5. Use memory aids. Listen for ideas, not facts. Take notes if appropriate. "Don't leave everything to memory."

DELTA DEALS WITH AIRPLANE NEAR MISSES
BY SHARING INTERNAL MATERIALS -- VERBATIM

After a bizarre series of "puzzling & frustrating" near misses, the airline long noted for its internal relations/public relations policies wrote on July 31 a memo from the president to "all members of the Delta family." Then, on Aug. 14, it was sent with a cover note to all frequent flyers.

The cover note highlighted a) that the recipient was "part of the Delta family" because of regular patronage, b) that the airline "felt an obligation" to share the internal memo; c) ended with strong point that "all of the slashing comments, jokes, political cartoons & questionable reporting cannot erase the fact that Delta has the finest service record of any airline in the world."

Another paragraph thanked the recipients for their "cards, letters, phone calls & comments" -- and, more importantly, the number of positive responses they had given to media inquiries.

The letter to employees iterated the company's response to the problem & individual employee's responsibilities -- in a very positive way. It noted "the media has singled us out to monitor almost every flight in our system, and we have such things as flat tires & loose monkeys in the cargo bin appear as front page or prime time news."

USEFUL INFORMATION FOR PRACTITIONERS

¶ Journalists are again the major speakers at PRSA's conference, despite all the talk in recent years about broadening the agenda (and some interesting experiments in that direction). When are we going to hear from the policy makers, decisionmakers, advocates, behavioral scientists, our own public relations scholars, the researchers and so on -- i.e. those who are shaping public relations practice & the environment in which it is conducted? Journalists are by definition observers. Anything of value they have to say has already been said in their columns or broadcasts -- or better have, if they're doing their primary job. Are program planners & attenders media-star groupies? The '87 theme is credibility. If media credibility is a topic, what but a defense can we expect from media people? For objective insights, get Jim Grunig, Max McCombs, Leo Bogart, et al.

¶ Survivors of corporate downsizing suffer greater work loads, finds survey of 50 major companies by Cresap, a Towers Perrin company. 80% were downsized during the past 2 yrs. Most concentrated on eliminating managerial & professional jobs. 75% of these companies divided the work of the dismissed professional among survivors -- "producing stress & inefficiency," says vp Allan Prager. He suggests: analyze all work activities, eliminate those where costs outweigh benefits and reassign