

**TABLE 4: MEASUREMENTS OF SUCCESS USED TO JUDGE PRACTITIONERS' ACTIVITIES**

<u>Generalized statements</u> about: research & evaluation (18%); obtaining results or feedback (15%); supporting organizational goals (10%).	43%
<u>Media coverage</u>	22%
<u>Behavioral measures</u> : sales/marketshare/billings/new business	15%
<u>Other specific outcomes</u> : funds raised/budget allocations/enrollment & membership/achievement/employee retention/attendance at events	13%
<u>Intermediary effects</u> : awareness/opinion change	9%

**TRENDS IN THE PROFESSION SEEN AS PRIMARY ISSUES TO WATCH IN 90s** They include: a) pr and ethics; b) changes in media relations; c) pr education; d) the feminization of the profession. Some notable quotes:

"MBAs and lawyers are trying to take over pr counseling -- MBA-mania!"

"There must be salary parity for females in the profession." (from a 32-yr old male from Calif!)

"The apparent drop in the intellectual ability of new recruits as well as the poor quality of education."

"Changes in pr education -- the mass communication theories and techniques no longer answer needs."

"The growing practice for every Tom, Dick, & Harry firm to have inside pr rather than use outside, objective counsel."

"The need for more and better pr research will become apparent."

"We must check our 'Fortress America' mindset."

**Other Major Concerns** What surprises prr is environmental trends -- which everyone seems to be watching (toxic waste, greenhouse effect, etc.) -- didn't make it into the top 3 concerns. Industries which do indicate them as first concerns are Industrials (25%), Federal & State Gov't (23% & 15%), Transportation (25%), Travel & Tourism (22%).

Interesting also is that social & public issues -- aging, minority rels, etc. -- which we've been calling top agenda items, rank low. Academics show the most concern in this area, 27%. Even social agencies indicate more concern about management trends.

**Annual Survey Part II:  
IS YOUR DEPARTMENT A LEADER, ABOUT AVERAGE OR BEHIND THE TIMES?  
PRACTITIONERS TELL WHERE THEY STAND ON CRISIS PLANS, MANAGEMENT TECHNIQUES, MEASUREMENT & EVALUATION, ACTIVITIES HANDLED**

**PR'S ASSIGNMENT PORTFOLIO IS BROADENING**

A major worry expressed by respondents to the 25th Annual Survey of the Profession is the old one that pr duties are being taken over by other disciplines. Not only is the opposite true, but pr is clearly breaking out of its confining job description of promotion & media relations.

For instance, 70% report pr/pa handles employee communication, while only 22% say such duties go to HR departments. 83% handle community relations; 73% indicate they handle issue anticipation. PR can still gain ground in stockholder and investor relations. Only 60% and 57% report involvement in these arenas.

**TABLE 1: WHO HANDLES PR FUNCTIONS?**

	PR/PA	Mktg	HR	Other*
Institutional Advertising	62%	27%	2%	10%
Advocacy Advertising	72%	17%	2%	9%
Employee Communication	70%	4%	22%	4%
Stockholder Relations	60%	5%	2%	34%
Investor Relations	57%	3%	1%	39%
Community Relations	83%	5%	2%	9%
Corp Contributions	60%	7%	6%	30%
Issues Anticipation	73%	9%	3%	15%

\*Advertising, communication, community relations, administration, executive, corporate offices & legal departments.

Percentages represent applicable responses, e.g. social service agencies have no contribution function & similar.

Complacency is dangerous, however. prr's prediction that the profession's turf war of the 90s will be with HR is illustrated by two comments from respondents, both from Industrials:



1. "Our company was purchased by a foreign company. PR has been dismantled and some pr duties have shifted to human resources."
2. "The department title 'public relations' has changed to 'human resources.'"

In addition, some say they now report to HR, where before they were independent or reported elsewhere. However, a few who formally reported to HR now have been moved to other lines of authority. Clearly, this relationship is heading for a period of clarification.

**DOES YOUR ORGANIZATION HAVE A CRISIS PLAN?**

Most do. In fact, many practitioners (24%) report they have a very detailed one. Such respondents include: Consumer Products, 35%; Industrials, 32%; Utilities, 56%; Banks, 32%; Transportation, 33%; Hospitals, 65%; Local Government, 36%.

Yes, a very detailed one	24%
Yes, limited to comm	15%
Yes, general	20%
No, we're working on one	10%
No, none is planned	22%
No response	8%

Many others, including Insurance, Education, Federal & State Gov'ts, have communication or general crisis plans. Most PR Firms, Ad Agencies, Financial Firms, Travel & Tourism, Associations & Social Agencies have none at all -- and none in the works.

**RESTRUCTURING IS KEEPING ORGANIZATIONS IN FLUX; PR ROLE OFTEN SCRAMBLED**

Restructuring, downsizing mergers have affected many but it is far from the

pandemic problem recent rhetoric would suggest. 24% report having been impacted by downsizing and 13% by mergers, acquisitions or leveraged buy outs. Most of the impact has fallen on PR Firms -- where 23% say they've been affected by merger/buyouts. Other service providers have borne the brunt: Ad Agencies (15%) & Banks (10%).

Industrials (15%) have, as expected, been most often the place where mergers took place. Industrial practitioners also show the biggest cut from downsizing (13%), but Utilities (12%) and Hospitals (11%) have also felt the effects. Practitioners explain changes in this sample of 214 comments:

1. "Decrease of customers." (Consumer Products)
2. "Lost clients due to M&A, downsizing, reporting changes on client side." (PR Firm)
3. "Reorganization has placed me under membership and under 2 supervisors who don't know anything about public relations." (Association)
4. "We're restructuring with sister hospital to combine pr and marketing efforts." (Hospital)
5. "Consolidation of 4 corporate areas into 1 department with the communicative function for the entire company." (Insurance)

6. "Less involvement in discussion at board and senior management level, CEO wants total control, afraid of pr input." (State Government)
7. "Merger of 2 large banks created major financial services firm." (Bank)
8. "Heavy attrition." (Healthcare)
9. "Company eliminated 280 positions and \$15 million in operating and managing expenses annually in 1988." (Utility)

**CHANGES REPORTED IN CHAINS OF COMMAND**

For 18% of respondents, restructuring has scrambled reporting lines. Of those with new alignment, 13% moved up to report to their CEO. Another 10% moved up to other officers. However, 19% report downward shifts. An unfortunate 3% now report to the chief legal officer.

"All directors now report to vp," explains one respondent, exemplifying consolidation. And some saw their bosses move to the top: "Top communications person moved to sector presidency." Others represent organizations which now fall under an umbrella entity, e.g. U of Baltimore now is part of the U of Maryland system. Practitioners most affected by such changes are Education (15%), Industrials (12.5%), and Insurance (10%).

**EVALUATING PRACTITIONERS' EFFORTS MOVES IN SEVERAL DIRECTIONS BUT NO CLEAR STANDARD IS EMERGING**

The vast majority of respondents agree with the assertion that pr is increasingly being tied to "the bottom line" -- whatever that is for their type of organization. The largest segment (43%), however, simply refer to using research & evaluation, obtaining feedback or supporting organizational goals as their measurement method.

Slightly over one fifth still refer to the traditional evaluator of pr success, namely media placement. But 15% are now evaluated behaviorally -- by sales, marketing goals, billings, client retention. An additional 13% mention such other specific outcomes as fundraising, budget allocations, enrollment, membership increases, employee retention, attendance (specific outcomes for sporting events, concerts, etc. which yield box office receipts).

Finally, a small percentage mention measuring intermediary results such as awareness, improvement of corporate image & opinion change.

TABLE 3: MANAGEMENT TECHNIQUES & STYLES USED IN PR DEPARTMENTS

MBO (Management By Objectives)	34%
PERT Charting	6%
Management By Consensus	20%
Charge Back System	13%
Quality Circles/ Team Tasking, etc.	17%
Customer Satisfaction Programs	21%