

raphers nonprofessionals, therefore eligible for overtime after 40 hrs. Professionals, according to the Act, include "top flight" writers of analytical or interpretative articles, doctors, lawyers, teachers, floral designers, actors, musicians. Similar lawsuit involving the Washington Post (begun in '88) is before a federal judge.

LOBBYISTS ARE IN NEED OF A PUBLIC RELATIONS PROGRAM

They're under attack, writes Ray Hoewing, Public Affairs Council pres, in the assn's newsletter, Impact. Adversaries "seek to dishonor it [lobbying], regulate it, hamstring it, tax it. And it must be said that they have been remarkably successful in the last year or so.... The silence from business has been deafening."

He advocates "doing a better job of educating management as to what lobbying is all about & the stake involved. It is said that in some companies **senior management is seizing on the lobbying tax change as justification to jettison the public affairs unit.** What an irony if we who take pride in our ability to communicate ideas paid the ultimate price by failing to communicate effectively on the one thing we know the most about!"

PAC's recent survey shows salaries are up. Average for Washington pa office head rose 7% to \$134,600. Range is from \$52,000 to \$300,000. Plus: 90% are eligible to receive bonuses; 80% get a special deal on parking; 78% have the company pick up the tab for lunch club dues; 78% get a mobile phone; 32% have the company pay their country club dues. The average lobbyist in a Washington corporate office earns \$81,400.

PRSA DEVELOPING NEW MEDIA RELATIONS PROGRAMMING

In response to a survey of journalists. Respondents regard practitioners as deficient in understanding the needs of media. Tho 37% gave pr positive ratings, 51% were negative, 12% mixed. **Same old stuff:** Negatives feel practitioners misdirect releases; contact the wrong journalist; do not know the publication or program; fail to follow through on a phone call; try to hard sell.

Journalists offer same old suggestions: a) keep aware of the needs of the media; b) stay alert to breaking news; c) be reliable & honest; d) cut down on phone calls. Media rels curriculum will be distributed to PRSA chapters & sections for implementation through seminars & workshops.

Does PRSA believe these responses are factual, not perceptual -- and any amount of training will alter the perceptions? Is this the real area of opportunity for practitioners? Is this why senior people leave the Society & similar organizations and find them not relevant?

WHO'S WHO IN PUBLIC RELATIONS

ANNIVERSARY. Public Communications Inc (Chicago, Tampa, Miami) is celebrating its 30th.



HEALTHCARE DEBATE: LESSON IN DISSECTING REALITY OF AN ISSUE

You have a program that's a tough sell. How do you do it? Try "the rhetoric of 'crisis'" -- a tactic "manufactured to create an issue of such magnitude that the public will accept solutions otherwise unpalatable." A focus group study of national healthcare sees this tactic being employed on that issue now.

Participants included healthcare professionals & community members (business, civic, political, nonprofit) in Hartford. Saint Francis Hospital & Medical Center sponsored the focus groups & phone followups, conducted by The Omega Group. **How the grassroots sees the issue over & above the rhetoric:**

- **Will any quick fix work?** The issue is essentially one of cost, has roots that go back decades, has evolved as a result of the public's consistent demand for "cures" -- the best in healthcare no matter the cost. Appreciating the origin of the problem, it seems obvious that it cannot be "solved" by means of one-time (or one-term) political fiat (legislation) but by grassroots, bottom-up (not top-down) approach over a generation or two.
- **Public by & large doesn't experience cost problem.** While it may seem conscious of the rising cost of healthcare, much of that stems from what they read, not what they personally experience. Because, by & large, the public is **not** sensitive to cost since they do not pay the bills. Third party insurance companies do. This presents an enormous educational problem.
- **Health professionals should take the lead.** Real reform leadership must be initiated by doctors supported by hospitals.
- **Business' deep involvement brings wrong kind of solution strategies.** As the economics of healthcare drive the agenda of discussion, it is natural to try to fix the problem, as business customarily tries to address its problems, with strategic planning & broad quantitative improvement programs, e.g., total quality. But, there is a dysfunctional nature to healthcare -- its unstructured, undisciplined character makes it unreceptive to business' conventional wisdom of reforms based on a given set of standards. It isn't production engineering.

STUDY'S PURPOSE

Ron LaPensee, sr vp, told prr focus groups were held to either "corroborate our beliefs or identify that we're off the mark. We wanted people's thoughts, opinions & visceral beliefs & attitudes." Study is part of an overall strategic comms & pr plan "to take a leadership position on the issue."



Study found "no one has really taken leadership & grabbed it by the horns." Findings are being shared internally & externally -- & with Hillary Clinton's task force.

BIG CAVEAT "We found out information that should be shared, that's applicable & relevant to most parts of the country." But in the Hartford area specifically, study found that **as important as healthcare issues are, jobs, economy & crime are of greater importance & interest.** (More from Saint Francis Hospital & Medical Center, 114 Woodland st, Hartford, Ct. 06015-1299; 203/548-4190)

Where community & business leaders get most of their healthcare info:		Sources they believe & trust most:	
general reading	75%	doctor	25%
doctors	38%	friends' personal experience	19%
books	38%	read in the press	19%
friends	31%	medical journals	13%
tv	19%	insurance cos	0%
insurance companies	6%	President	0%
medical journals	6%	First Lady	0%
		tv	0%
other: employee benefits journals; litigation-related issues; benefits consultants; clients; business assocs; health mags		other: benefits consultants; own experience; personal research; business assocs; company physician	

RESEARCH: RESTRUCTURING IS MORE MGMT FOLLOW-THE-LEADER

56% of Fortune 1000 leadership do not have formal structures in place to manage change. Only 1% have structures dedicated exclusively to change management. Yet 53% say they anticipate the need to change & act in advance. 41% handle change as it comes; 6% struggle to keep up with change.

"Are we focusing on reactions to change -- installing new information systems, cutting payrolls & expenses -- rather than the causes? Are we managing the aftermath of change, and not its *beforemath*?" asks Robert Gilbreath of Proudfoot.

Proudfoot Change Management (Winter Park, Fla) & Gallup surveyed 400 Fortune 1000 presidents, CEOs, chairmen, CFOs, directors, legal & administrative leaders in service & manufacturing industries during June-July '93. **Findings detail huge opportunity for public relations:**

- **Once again, "Its a communication problem"** (pr 11/1); only 20% feel they handle the job very well. 74% say the quality of comn to employees regarding change could be improved; 6% say their programs are poor.
- **Leading internal drivers of change:** 1) mgmt/leadership/CEO (24%);

2) profitability/financial performance (12%); 3) customer demands/needs (11%).

- **Leading external drivers of change:** 1) customer demands/needs (27%); 2) competition (27%); 3) gov't regs (20%).
- **Where (from among 14 areas) they are experiencing change;** 1) cost pressures (69%); 2) info technology (68%); 3) gov't regs (60%); 4) rising/changing customer demands (53%); 5) quality prgms (51%); 6) quality & advancement of workers (38%).

"Here we find cost pressures & info technology heading the list of change experiences, yet they rank low as change drivers. Are we controlling the impacts of other changes with cost containment & information technology rather than attacking the causes themselves? Are we simply more comfortable, or feel more in control, in these areas? Perhaps we are managing only what we know how to manage, regardless of its significance."

- **For comparison, respondents rate the importance of managing change within the same 14 areas:** 1) cost pressures (81%); 2) rising/changing customer demands (73%); 3) info technology (67%); 4) quality prgms (65%); 5) quality & advancement of workers (60%); 6) gov't regs (62%).

"Virtually the entire sample cites the quality & advancement of workers as having an important impact on the success of the organization.... Are our leaders uncomfortable with human resources that are qualitative, changeable & indeterminate? Perhaps cost control & information technology are more 'manageable.' Perhaps this is why they get the lion's share of executive attention."

NEW REQUIREMENT OF MANAGEMENT: STOP BEING CONTROL FREAKS

Leaders see accelerated change with most if not all coming from beyond their control, from outside their organization's boundaries: a) social change, b) foreign competition, c) rising or changing customer demands, d) mergers or acquisitions, d) the quality & advancement of workers.

"The significance is obvious: **these are chiefly human factors, not readily amenable to traditional management controls.** For those schooled in the science or art of control, this must be cause for trepidation. They would prefer to contain costs & downsize because those activities are more predictable & manageable. Perhaps the definition of management needs revision, from *controlling that within one's purview to that beyond it.*" (Copy of "Hesitant at the Helm" from Proudfoot, 800/448-5963 -- \$50)

PR KNEW IT ALL ALONG: JOURNALISTS ARE NOT PROFESSIONALS

US District Court ruled that the Concord (NH) Monitor must pay 12 former & current employees for the hours they worked overtime (from '78 to '80) because **they are hourly workers, not professionals.** US Dep't of Labor argued the Monitor pressured employees into not filing for overtime.

1934 Fair Labor Standards Act labels most reporters, editors & photog-