

- **Understand past events** (social, economic, political) that have shaped the thinking of your audience. Research reports consumer confidence in what corporations say at an all time low. They trust what companies say about as much as they trust automobile salesmen.
- **How the AR works is more important than how it looks.** Design is the process of communicating. The starting point for achieving good design is to understand the audience/user's needs & expectations as well as the organization's culture.
- **Give information in context.** Never assume either interest or industry knowledge on the part of the reader.
- **Investors invest in potential earnings,** particularly professional investors. For them the future is everything. Yet for so many companies, ARs continue to be about where they've been, not where they're going.

5 key ingredients of first-class ARs:

1. Improve what has gone before.
2. Portray the character of the company, not the designer.
3. Delight, inform & reassure readers by communicating management's strategy & ability to direct resources at the best opportunity.
4. Offer a fun, enjoyable read. Don't be patronizing.
5. Don't assume interest on the part of the reader.

ITEMS OF IMPORTANCE TO PRACTITIONERS

¶ **NEW CENTER FOR PUBLIC AFFAIRS MANAGEMENT** is being launched to mark Public Affairs Council's 40th anniversary. Center will be national clearinghouse for the most current "best practices" data on public affairs management, including benchmarking, strategic planning, measurement. Data will be collected the first 6 months of '94. By mid-year, database should be ready to allow companies to benchmark themselves against their peers. Center will also conduct workshops on managing pa dep'ts. To participate in the initial benchmarking, contact Peter Shafer at 202/872-1790.

¶ **AGILE CEOs ARE STILL THE BEST PR RESOURCE.** Bell Atlantic's Ray Smith, clearly the CEO of the moment, was asked one more time the question most often raised by opponents of phone co. involvement in the info hiway: Will you just be the carrier, or will you go into the news & entertainment business also? Reply: "Can you imagine a movie made by the telephone company?"

WHO'S WHO IN PUBLIC RELATIONS

ELECTED. US reps on IPRA Council for '94 are Mary Ann Pires (The Pires Group, Ardsley, NY) & E. Bruce Harrison (E. Bruce Harrison Co, DC).

AWARDS. 1st PRSSA Medallion Award

for contributions to the student society to Betsy Ann Plank (Betsy Ann Plank PR, Chi), Jon Riffle (Rifco International, Pacific Palisades, Calif) & Frederick Teahan (Villeneuve-lez-Avignon, France).

NEW INTERNAL COMMUNICATIONS STRATEGY IS TAKING HOLD

Long-predicted move away from the memo/publication/bulletin method of disseminating organizational info is finding managerial support -- to the extent of changing the role of supervisors & managers. Makes sense:

If communication is what binds a group of people together & makes them into a producing org'n	And if face-to-face is what works, & what employees want -- primarily from immediate managers	Then the first & foremost role of managers is to be communication centers.
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Not "supervisors" or checker-uppers or look-over-the-shoulder types who make sure people are doing it right. In short, trainers & coaches, not bosses or cops. And above all **instigators & stimulators of 3-way communication -- up, down & sideways.** Lateral communication is most vital today -- in flattened organizations working toward self-directed work groups -- because it begets teamwork & cooperation across boundaries.

In many organizations, this culture change is driven by practitioners. In every organization, it is a great opportunity for practitioners.

CCI's ONGOING ROUNDTABLES VERIFY PR ROLE

Most recent addressed organizational communications' effectiveness as a strategic tool -- not to just impart information, but to inform in a way that results in meaningful change. (More info on this or upcoming roundtables from CCI, POBox 43, Rowayton, Ct 06853; 203/838-9091). Some thoughts from recent roundtable participants:

- "We're introducing the idea of **change agent** -- training people to be **key communication vectors.** We're not training them in the traditional sense of how to deliver information, but how to surface & manage resistance to change. And not to see resistance as a negative, but as a necessary step in the change process." -- Susan Tynan, Commerce Clearing House (Riverwoods, Ill)
- "We've asked 'Who is your preferred source of information?' The consistent answer has been 'The manager.' But **they're not looking for information, they're looking for interpretation.** That's the difference. The challenge is how do you get a large group of managers to buy into corporate goals, values & structures as opposed to just parroting whatever the latest news is." -- Don Frischmann, IBM (White Plains)



PANELISTS OUTLINE FORMALIZED PROCESS MODEL

- **Conducting research.** "Take the research that you've done as a way of putting a stake in the ground and demonstrating that thru the things that you've done you can effectively move away from that stake in a positive direction. Research is critical." -- Jim Donahue, Duracell International (Bethel, Ct)
- **Understanding & fulfilling employees' needs.** "You have to start with the employees. If they don't believe, if they don't understand what you're saying, if they don't buy into it, you're wasting a lot of time & money. In the past when senior management wanted to communicate, we'd take their words & simply publish them. We've done a lot of research & now we're going out to our employees & asking, 'What do you care about? What do you want to hear? What are your issues?' Then we go back & look at what senior management wants to communicate & put that in words the employees have told us they want to hear. And we're changing everything we do. **We've gotten rid of a lot of our publications. We're doing face-to-face.** It's much more effective. We're doing a lot of electronic communications, because that's what our employees have told us they want." -- Don Frischmann
- **Managing expectations.** "Overnight we raised the awareness of total quality to the point where people were off doing things that were good, but were creating internal issues because they were clashing with the way the culture had worked until that point. We didn't think thru the ramifications of what it would be to get people all juiced up about total quality. As a result, it took a couple of years before we got back on track with a responsible way to get people excited & channel that energy into effective ways of changing the organization. It took **getting involved with the rest of the organization & not simply approaching it as a communications sales pitch**, but as an integrated change management process." -- Jim Donahue
- **Building informal, cross-functional relationships.** "Take part in operations. Get out of the office. Spend only one day a week there instead of five. **Help conduct training. Be a support mechanism rather than a communications vehicle.** People now will say, 'Can you help me with this specific communications issue or can you help figure out how we might introduce this event?' Those are healthy relationships that wouldn't have occurred ten years ago when everybody was in their box. I don't see any great infrastructure changes at Duracell -- traditional departments still exist. What I have found, however, are formal & informal alliances forming between people who realize something is happening here & they need to make a change in order to succeed." -- Jim Donahue

"I literally do a diagnosis of how the company currently talks to its employees. And I do it in chart form. Then we look at the employee research and, if that's what they want, you now have a way to talk to the employees to move the culture from here to there. It really gets buy-in from managers. If you can chart out the current way you talk, where you're heading, and what an employee wants, and then how you have to talk to them to get there, the managers can intellectually buy into the process much more easily." -- Susan Tynan

MEDIA OF THE FUTURE GO DIRECT TO TARGET PUBLICS

For instance, *PHYSICIANS FAX NETWORK* will provide a direct link to 250,000 AMA physicians. Users will be able to broadcast documents cost-effectively & fast, transmitting to more than 100,000 locations overnight via Sprint.

- Initial stages will offer Broadcast-Fax (**messages faxed to targeted physicians**) & **Fax-on-Demand** (physicians use an 800 number to select documents from a menu, receiving them in minutes).
- PFN will initially be marketed to the pharmaceutical industry, which will use it for **product recalls, special FDA announcements, new product awareness, special events, corporate & industry news briefs.** Future PFN services will be offered to healthcare & personal-care manufacturers & service providers.
- The **database will be expanded** to include pharmacists & hospitals, drug wholesalers & other medical professionals.
- "We also intend to offer **marketing support & advertising research services** which will enable users to identify, track & communicate with high response participants and thereby create new opportunities for marketers," explains John Banghart, exec vp, Steritek -- the company offering this service, which began Jan 1. (More from Banghart at 201/460-0500, fax 201/507-1016)

Is this direct communication the purview of pr, marketing or advertising? Or another reason the walls are crumbling into integrated communication? If departmental cells do survive, perhaps product promotion messages will go to advertising (or marketing will do it, eliminating advertising units); and other messages will go to pr.

ANNUAL REPORTS SHOULD DEFINE COMPANY'S CHARACTER

The annual report's relevance has to do with validating profit models but, more importantly, defining the character of the company, believes David Stewart of Addison Corporate Annual Reports (NYC). To develop a successful AR, Stewart recommends the following:

- **Target ARs' primary audience: professional investors.** They represent individuals who are investing in other vehicles such as mutual funds -- which are seeing incredible growth. In the first 6 months of '93, \$130 billion of bond & equity purchases were made via mutual funds. By June '93, there were 4,224 funds to choose from. In '87, only 2000.
- **Typical investor** is 43, has some form of college education, holds a portfolio consisting of 3 or 4 stocks valuing just over \$11,000.
- **Speak to investors about their priorities, their reasons for investing.** Usually it's to pay for their children's education, a home, an emergency.
- **Organize information** using brevity, impact, making it easier for people. Layer info to appeal to those that have no time & those that do.