

**PROBLEM: PLANNING TOOLS DON'T WORK WELL**

"All the tools evaluated are highly used, considered very important -- but perform moderately."

1. 98% have **mission statements**, goals & assumptions which are very important -- but have moderate performance ranking.
2. 93% perform **competitor analysis**, consider this to have high importance -- but moderate performance.
3. 50% use **five forces** to assess industry attractiveness, consider this to be moderately important -- but performs low to moderately.
4. 50% use **value chain** to analyze internal capabilities & goals. Considered moderate in importance & performance.
5. 30% use **buyer purchase criterion** (BPC) -- considered low in importance & performance; 37% determine the performance in satisfying customer BPC (low in importance, moderate performance).

**DEFINITIONS OF THE LESS FAMILIAR METHODS**

**Five forces:** evaluating an entire industry on the 5 external competitive factors that affect shareholder returns:  
a) new entrants,  
b) suppliers, c) substitutes, d) buyers,  
e) competitors.

**Value Chain Analysis:** disaggregates a specific business into its strategically-relevant activities to understand cost leadership & differentiation (ie, competitor analysis).

**Buyer Purchase Criteria:** what products/services must do; what buyers/clients require. Key purchase criteria based on key purchase indicators (KPI).

6. 93% have a **formal process**; it plays a major role in decisionmaking 66% of the time.
7. **Strategic planning frequency:** annually (65%); as needed (18%); as underlying assumptions change (13%); every other year (4%).
8. There is a strong desire to **speed up the strategic planning process** & have an org'n which can act quickly to take advantage of opportunities.
9. Strategic planning is **not an exact science** but an art of mixing tangible & intangible information.

"With only 25% of the participants viewing their current planning efforts as effective, no wonder business must look for innovative ways to improve in this critically important area," says project mgr Michelle Piatt. Mentioned most as having achieved "best practice" status: GE, Hewlett-Packard, Texas Instruments, Shell Oil. (\$20 from AP&QC, 123 N. Post Oak Lane, Houston 77024-7797; 713/681-4020; fax 713/681-8578)

**FALSE FRONTS, TRYING TO BUY RELATIONSHIPS Demean Profession**

"The ethical challenge inherent in lobbying in the US has never been greater," Mary Ann Pires of The Pires Group (Ardsley, NY) told IPRA conference attendees. She refers not to proscribed practices but more subtle ethical concerns:

- **Slick, quick-results techniques:** "Lack of client sophistication -- or ethics, as the case may be -- often tilts the scales in favor of them."
- **Unrealistic expectations & time frames:** "Rather than *building* relationships over time, they opt to *buy* them, overnight. The result is not citizen *participation* --- but citizen *manipulation*. And that subverts the process."
- **Induced mail responses not real:** Rather than grassroots lobbying, **astroturf lobbying** "is making a fortune for direct mail companies, but much of it has become a matter of 'Computer A' answering 'Computer B.'"
- **False fronts:** "Groups with names that sound great, like The American Smokers Alliance and Consumers For World Trade, but which are really captives of a given company or industry." An estimated 200 are in the US now, some documented in *Masks of Deception* (1991, published by Essential Information -- a Ralph Nader-funded research & citizen activist org'n). Organizations that create these fronts "refuse to spend the time & a relatively modest amount of money to cultivate genuine relationships with activist groups. They'd rather spend millions, in the heat of legislative battle, using hired guns, to create the impression of wide support for their cause."

**BOTTOMLINE PROBLEM:  
PR IS SUBVERTED**

These tactics "cost more, often accomplish less, & pervert the process of developing genuine relationships, support & consensus. They rely not on the honest brokering & persuasion which is our specialty, but upon artificiality & co-option which distort real communication. They diminish our value as professionals.... We should reject & denounce these tactics.

"At the moment, only the news media are spotlighting them. Sadly enough, with one or two exceptions, our own profession has not only failed to criticize & disown these practitioners...we've seen fit to honor them with awards!" (Copy from pr)



## RESEARCHERS RESEARCH PR RESEARCH, IDENTIFY TOP NEEDS

In '79, Mark McElreath (Towson State U) did a Delphi study to identify research priorities in pr for the 80s. 30 practitioners participated. First of 3 waves generated 100 research questions. Next 2 waves rank ordered them. Evaluation headed the list. Sources of info where practitioners could go to answer these questions were identified.

Ten years later he did it again; this time 50 practitioners participated. Original 1980 priority list was used. Participants were asked for additional questions & to rank order these.

In the 3rd wave, Foundation for PR Research & Education got involved. It wanted to use the info to set its agenda in terms of what research to fund. New participants were added expanding the panel to more than 80 members. They were asked to select from 6 areas the top 3 questions that were of most interest to practitioners -- practical "news you can use" type research, not the academic stuff.

McElreath told pr top question each time survey is done remains:

**"What criteria are used or would be appropriate to use to evaluate the contributions public relations makes toward the achievement of organizational goals & objectives."**

### ANSWERS TO 18 METHODS GIVEN

Latest study is reported in *Journal of Public Relations Research*, includes 2nd & 3rd wave rankings of all questions & a look at **where answers to the top 18 questions can be found**. "With the PRSA Body of Knowledge as a core to look at, but also looking at more recent social science, we went thru those 18 questions & answered what's available & pointed out what's missing."

Study is being replicated in the UK (pr 5/2) & in Australia. (Copy of article or more info from McElreath, Speech & Mass Comn Dep't, Towson State U, Towson, MD 21204-7097; 410/830-3803)

## EMPLOYEES STILL SAY THEY AREN'T GETTING THE MESSAGE

Communicating with employees. Simple in theory, but there's much to bog it down in practice. How do you eliminate the road blocks? Council of Communication Management surveyed 70 member organizations in February. Of 705 responses, **half** agree that "change in my organization is not communicated well to employees." Other findings:

- 61% feel they are not sufficiently informed about their orgn's plans.
- 47% say communication about change in their org'ns is not timely.
- 54% think top mgmt does not do a good job explaining the reasons behind important decisions.
- And when there is communication, 64% often don't believe what mgmt says!
- However, 89% feel their org'n is making changes necessary to compete effectively.

"While employees see the need for change, management is largely missing the mark in getting them engaged. It's obvious that management needs to focus on employee understanding with clearer, more timely communications to overcome employee skepticism," explains Allan Csiky, CCM pres. (More info from CCM, 17W703/E Butterfield Rd, Oakbrook Terrace, Ill. 60181; 708/268-0707)

### ONE TACTIC: RECOGNIZING THE INVISIBLE WORKFORCE

75% of employees often work unnoticed behind-the-scenes but have a powerful impact on the bottom line, according to

Vanderbilt U's 3-yr review of more than 500 companies. Findings are detailed in the newly released book "Managing the Hidden Organization: Strategies for Empowering Your Behind-the-Scenes Employees" by Terrence Deal & William Jenkins (\$10.99 from 1-800-759-0190). Most business reforms falter because they are directed at the *visible minority* working in *management*, authors say. Also:

- **Workers treated like pieces of equipment will** a) retire on the job; b) be absent more; c) sabotage or steal; d) strike; e) quit.
- **Employees work harder & smarter if they know how their work relates to the orgn's purpose.** Mission statements should be: a) written by employees; b) easy to understand; c) highly visible to all; d) part of repeated company values; e) integrated into daily operations.
- **Excessive rules are counterproductive.** Smart managers should a) stress values over rules; b) empower employees to make decisions; c) reward good decisions, not just positive results.
- **Employees hold performance secrets.** When asked how managers could help employees improve performance, they said a) listen to us; b) keep us informed; c) be trustworthy; d) know what we do; e) acknowledge us.
- **Hidden workforce needs someone to champion its cause with mgmt.** She or he should: a) be strongly commitment to service; b) have pride in the workers; c) willingly help at all levels; d) honor worker achievements.

By paying more attention to the neglected part of its workforce, US could realize \$200 billion in added economic value, authors estimate. A 1,000-employee org'n could expect a \$2.5 million improvement. Behind-the-scenes workers (a) saved American Airlines over \$31 million in '88; (b) reduced Mercedes Benz defects by 50%; (c) saved Xerox \$200 million in inventory costs.

## ONLY 25% SAY THEY HAVE EFFECTIVE STRATEGIC PLANNING

68% say *somewhat effective*, finds a survey by American Productivity & Quality Center (Houston) and The Planning Forum (Oxford, Ohio). 20% of 400 Fortune 500 companies surveyed responded. **Strategic planning process** is defined as *using a number of planning tools & analytical steps like situation analysis, planning assumptions, strategy development, alternatives & choice, action steps, & linkages to an overall strategic management process.*