

- Focusing not just on strengths but on weaknesses as a key investment appeal, combined with a mgmt formula & timetable to counteract.
- Adopting a lean & hungry, restless, dissatisfied posture -- not a smug & satisfied one.
- Making employees the strongest shareholder element.
- Converting customers into shareholders.
- Identifying "your biggest fan club" -- most often overlooked -- the brokers who first put your shareholders into the stock.

ITEMS OF INTEREST TO PROFESSIONALS

Is the promise of the paperless office plausible? Computers, with electronic storage, transfer, etc, were going to make it possible. But paper production doubles every 3.3 years, reports Ass'n of Information & Image Mgmt. And within the average firm, hard-copy records are growing at a 10% annual rate. In fact, computers & com'n technologies have been a complement, rather than a competitor, to paper, observes Federal Reserve Bank of Boston's *Regional Review*. Part of the problem: "Workers today create documents, records & receipts with incredible ease. They can print fifty copies in less than 2 minutes at the push of a button; whereas in the days of carbons & mimeographs, workers cringed at the idea of one more page." Tho computers do hold huge amounts of data, "they hold just 10% of the rising corporate data pile." To deal with the paper, off-site storage is increasing 7-10% per year. A Boston lawyer is currently working to get electronic documents admissible in court...which could help "nibble away at the endless mountains of paper."

Journalists are not prepared to cover the key issues involved in the redefining or "devolution" of gov't in America, finds a new nat'l study of US newspaper execs. Editors & publishers give their reporters a "mediocre" rating in their preparedness to cover issues such as education, homelessness, welfare reform, law enforcement & finance. "Action should be taken by newspapers on all levels, particularly local papers, to improve the depth & quality of their coverage. These stories are at the heart of local news," notes Jack Cox, pres, Fdn for American Com'ns. 10% believe reporters are "very well prepared" to cover changes in aid to families with dependent children; 42%, county/municipal budgets; 22% education reform; 17%, financing comty colleges; 14%, homelessness; 13%, law enforcement. Respondents said education, economic development, infrastructure & transportation are the most important local issues in their communities; environment, the least important. 780 newspaper execs from all 50 states responded to the survey. (More info from FACS, 3800 Barham Blvd, Suite 409, LA, Calif 90068; 213/851-7372; Internet, www.facsnet.org)

WHO'S WHO IN PUBLIC RELATIONS

DIED. Jim Fox, 80, widely known counselor, past PRSA pres ('74), who retired, donated his & his late wife's professional library to Fla Int'l U & moved to Brazil in '94.

COMMUNITY = RELATIONSHIPS TO THE Nth POWER, A MAJOR MOTIVATOR

Building community is like building relationships -- on a multiple basis. Our era's most experienced community builder, John Gardner -- ex-Cabinet member, founder of both Common Cause & Voluntary Sector, etc -- finds:

1. "A community has the power to motivate its members to exceptional performance" -- the *sine qua non* of world class organizations.
2. "Can set standards of expectation for the individual; & provide the climate in which great things happen." What everyone is seeking.
3. "Can pull extraordinary performances out of its members.... The community can tap levels of emotion & motivation that often remain dormant."

A PR OPPORTUNITY, EVEN AN OBLIGATION

Thru use of "social rewards & punishments" or "peer pressure," community is a major motivator. Fostering community, whether thru coalition-building, community relations, employee volunteerism or social responsibility programs, is a pr opportunity that pays off for the reasons above.

On the flip side, Gardner describes how the deterioration of community has consequences that harm all org'ns -- making community-building a pr responsibility:

"We have seen all the disorders of men & women torn loose from a context of community & shared values. Individuals often experience it as a loss of meaning, a sense of powerlessness. They lose the conviction that they can influence the events of their lives or the community (non-community) in which they live. And one striking consequence is a diminution of individual responsibility & commitment."

Losing a sense of control is what self-esteem programs attempt to deal with -- & why they motivate positive stakeholder behavior (pr 11/27/95).

BUT COMMUNITIES ARE DIFFERENT TODAY, NOW DEMANDING:

- | | |
|------------------------------------|---|
| 1) heterogeneity | 4) fostering individual freedom & responsibility... |
| 2) surviving & even seeking change | 5) within a framework of group obligation. |
| 3) being pluralistic & adaptive | |



COMMUNITY'S BOTTOMLINE IMPORTANCE

Social theorists argue that the close-in loyalties -- to family, school, church, lodge, union, workplace, neighborhood & community -- are essential to the health of a free society, be it a city or a workplace.

They point out that among the first acts of totalitarians coming to power -- this applies equally to organizations & nations -- is to undermine the private associative links of the citizen/employee, so there is nothing left but the state/org'n & a mass of separate individuals, easily dominated. But close-in loyalties make the rise of an absolutist far more unlikely. (Copy of *Building Community* from Independent Sector, 301/490-3229)

HOW TO GET SENIOR MANAGERS TRUSTED BY THE TROOPS

In a classic study, the question was asked, "Who in your current org'n or company do you most admire as a leader?" 50% listed their current or former immediate supervisor, not their CEO. Same survey revealed people do not believe their top managers are trustworthy, honest or credible. Literally numberless studies & cases since confirm these findings.

"We believe that who we most admire as leaders & the credibility gap with higher management are related. The link is distance," says Steve Coats, International Leadership Assocs (Cincinnati), in *The New Leaders*.

BITING THE BULLET

"You must decide if getting closer to your constituents is really important to you. You can easily let the excuse of time or physical proximity justify the reasons you can't. Or you can defy conventional wisdom and take the tough steps to close the distance." Specifically, this means:

- "Being attentive to their wants, needs, anxieties & dreams."
- "Connecting the issues that are important to you or the org'n with what is meaningful for them."
- "Shifting the focus from just you being heard, to them being listened to & understood."
- "Becoming more of a feeling, caring human being in their eyes!"

"The key to effectively leading others is to become closer to them. You may be able to 'manage by walking around,' but you can only lead by *being* around."

TO BE TRUSTED BY OTHERS YOU MUST TRUST

Or, rephrase it: To earn the confidence of others, you must show confidence in them. A major reason members of organizations don't trust or have confidence in top mgmt is because top mgmt's policies & behavior too often demonstrate they have no confidence in these colleagues -- as evidenced by hierarchical structure, top down decisionmaking, little real empowerment of employees, micromanaging, taking huge salaries that symbolize "only we know how to do things", etc etc etc. The common word for such behavior is arrogance -- CEO disease. -- Pat Jackson

STUDY FINDS 6 THINGS MOTIVATE PEOPLE TO VOLUNTEER

Research by E. Gil Clary (College of St. Catherine) & Mark Snyder (U of Minn) found 6 types of motivation that stimulate volunteers

1. **Values:** acting on important beliefs, e.g. helping the less fortunate.
2. **Understanding:** seeking to learn, develop & practice new skills.
3. **Social:** wanting to fit into important groups &/or gain social approval.
4. **Enhancement:** personal or psychological development.
5. **Protective:** helping in order to avoid guilt.
6. **Career:** gaining experiences useful for job or career.

ONE QUICK PRACTICAL APPLICATION

Those who had volunteered the previous year reported their motivations were, in descending order: values, enhancement, social, understanding, protective & career. Non-volunteers reported a similar order of motivations, but with less intensity & one difference -- career was a stronger motivation for them. Thus volunteer recruiters might be more likely to interest non-volunteers by focusing on the career benefits of voluntarism. **Other findings:**

- Motivations for donating money are similar to those for volunteering.
- Younger adults are more likely to value the *career* motivation. Recruitment efforts for this group should focus on career-related benefits.
- Teen volunteers value the *understanding* motivation. Messages aimed at this group should emphasize how volunteering can help them learn about the world & better understand themselves.

NEW AGGRESSIVE STRATEGIES ARE EFFECTIVE IN INVESTOR RELS

They take advantage of "today's fundamental market buoyancy & friendlier laws," according to Ted Pincus, The Financial Relations Board. Note the prevalence of **1-on-1 relationships & the value of qualitative, non-financial variables:**

- **Sharing with investors a management vision statement** that is regularly updated, and providing ongoing details of the company's goals, business plan, growth strategies & market outlook.
- **Recognition that the CEO must personally market the company** to investors & can no longer pass the buck to others.
- **Coordinating key investor targets with routine business travel of top officers**, after effective advance work, & dropping the old fashioned "road show" & appearances at open forums -- for maximum efficiency.
- **Understanding what the audience really wants** by providing segment reporting focused on EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) & cash flow ROI, plus all the non-financial factors that money managers say now drive 35% of all investment decisions. These include management strategy, mgmt credibility, innovation, & the ability to attract & keep key talent.