

order to take advantage of the changing environment & framing challenges

- **Media are prone to engage in diagnostic framing** after initial descriptions of problems, which might require organizations to aggressively defend their framing, or to transform their original framing
- **Claims-makers create issues by framing social problems** in ways that are in opposition to or different from the dominant framing found in a society. Such claims-makers often position themselves as victims of a social problem or issues created by others, & find it advantageous to attribute blame to others.
- **Frame contests are most likely to culminate** when issues are being heard in the public policy arena, at times policy-makers are in a position to allocate resources or realign policies that favor particular frame contestants
- **Despite the best efforts to maintain control** over how an issue is framed, the process is often beyond the control of the organization if it is unable to avoid inadvertence error (when error is inadvertent but org'n doesn't get that across)

(More from Kirk Hallahan, Dep't of Journalism & Technical Com'n, Colorado State U, Fort Collins 80523-1785; e-mail: hallahan@lamar.colostate.edu)

## IS SPORTSMANIA IN DECLINE, SINCE ALL MANIAS DO END ?

A *WashPost* poll finds 72% of Marylanders oppose using tax dollars to build football stadiums for the Washington Redskins & Baltimore Ravens. Similar opposition has surfaced in several cities (pr 3/9). Also consider:

- Nike is now seen by many as more a pariah than a glamour leader, based on the way it treats foreign workers, realization that spending \$175 for sneakers is asinine & resistance-stiffening comments by its CEO -- and a push from Doonesbury
- Even sportswriters find the overcommercialization too much. Some choice quotes from these usual athletic acolytes around the nation:

¶ "Over at Your-Name-Here Arena..." begins a column in the *SFChronicle*

¶ "Let's talk about the greedy hypocrites in charge of the Rose Bowl, which yesterday became the latest sports entity to announce it was selling out. The last bowl game not to prostitute itself for a sponsor will now be known as 'the Rose Bowl presented by AT&T.' You should hear the brass congratulate themselves about not changing the name to 'The AT&T Bowl.'" (Portsmouth, NH, Herald)

¶ "How about we catch a game over at the Nations Bank Vault presented by the good people of Jiffy-Lube in cooperation with the fine owner-operators of your neighborhood Burger King restaurants, sponsored in part by Coca-Cola, AT&T, General Motors, Reebok and Gatorade." (The State, Columbia, S.C.)

## "COMMUNICATION IS THE TOOL TO CHANGE A COMPANY'S CULTURE"

CEO Paul Tellier of Canadian National Railways (CN), speaking from his own experience, told CPRS conference attendees modern CEOs must do 4 things:

1. Be intimately involved with messaging
2. Be able to speak with the conviction of the head & heart
3. Apply their own values & perceptions to the story line
4. Provide their unique understanding of the issues

### A QUICK HISTORY

Tellier entered gov't service in '67; was Canada's top public servant as clerk of the Privy Council & sec'y to the Cabinet since '85. In the fall of '92, he was appointed CEO of CN (a Crown corp). That year CN lost \$840 million on revenues of \$3.9 billion. Tellier set about changing CN's culture.

First step was to get out a very simple message: CN is in business to make money. Not as many railroaders believed it -- they thought the job was to run trains. CN could run trains with precision but wasn't making money. By '95, CN was becoming profitable. In '96, it went public & since then the price of shares has tripled.

### LESSONS LEARNED

1. **Face-to-face builds trust.** There must be trust & honesty on both sides, otherwise communication won't happen. And the best vehicle is face-to-face meetings. "You cannot hope to effect this magnitude of change unless you meet employees, look them straight in the eye & let them assess you as an individual. You must convince them of your sincerity, integrity & determination. You must show that you are capable of doing what you say you will do," he told the Conference Board.
2. **Management By Walking Around personalizes CEO's strategies.** At least once/yr, Tellier tours CN's operations in Canada & US & talks to employees in person. "More importantly, I listen. Listening is the first step of communication." He comes alone or with 1 or 2 other execs. More than that sends the wrong signal, he believes. "A CEO must be able to meet employees without an interlocutor, & explain in language everyone can understand. He or she must be entirely candid & honest. No glossing over the bad news. Employees are willing to hear the bad news -- even news about forthcoming layoffs -- provided it's delivered honestly & directly."

3. **Tackling the tough questions is vital.** Last winter he met with employees at 18 locations; had 12 meetings with frontline supervisors; 20 shop floor meetings; & 4 town hall meetings, each with about 2,200 people. Usually he talks for 15 mins, then Q&A for 45-50 mins -- or an hour & a half, depending on the environment. "Some questions are tough; some provocative. A CEO must face them without flinching."
4. **The CEO must actively support communication strategy or it will have little chance of succeeding.** CN signed a merger agreement with Illinois Central Railroad (IC) in Feb & a mktg alliance between CN, IC & Kansas City Southern RR. The night before, he & the CEOs from the other 2 railroads sat together to produce the key messages they were to deliver the next morning. "We had the advice of public relations professionals. We had the help of a facilitator. But in the end, it was up to the 3 of us to boil down the communications package to these simple, positive messages each of us could state with conviction."
5. **Effective messages must be simple & transparent. Easy to remember. No hidden agendas.** "Openness & transparency should be more than communications strategy. They should become a core value. The speed of modern communications technology places tremendous pressure on open communications -- & on the need for discretion until the time is right. If you don't get your message out quickly to all your target audiences, someone else will beat you to it. Their spin will be different than yours. You'll be left with a communications nightmare simply to clean up the misinterpretations."

#### QUARTERLY STATEMENTS -- A COM'NS OPPORTUNITY

Tellier uses them as an opportunity to talk with management & employees. When statements come out he:

- **Flies to NY to meet with analysts.** "The majority of our shareholders are in the US." He also talks face-to-face with analysts in Toronto.
- **Makes a conference call to the top 200 officers in CN.** "We talk about the results together. More importantly, I say, 'I'm just coming back from NY where I spoke to a hundred analysts, & these are the questions they asked.'"
- **Makes another conference call to CN's frontline supervisors.** "I can't emphasize enough the importance of solid communications with these middle-mgrs... Our employees are spread out in 400 work locations. Their most trusted source of company information is the frontline supervisor. They are the immediate bosses for most of our employees. They are the best people to tell company news -- whether good or bad. But they can only shoulder this task if they're part of the information pipeline that starts at the top. They also have to be skilled communicators. We're training our frontline supervisors in communications, including coaching, leading & creating a sense of team," as well as courses in business.
- **Makes a conference call with union leaders.**

(More info from Gail Dever, 514/399-4698, or CN's Web site [www.cn.ca](http://www.cn.ca))

## MORE AWARENESS OF NEED FOR NON-FINANCIAL INDICATORS

Article by Thomas Stewart (*Fortune* 7/6) is titled "Real Assets, Unreal Reporting: Why Generally Accepted Accounting Principles generally do an unacceptable job of accounting for the principal activities of knowledge-intensive companies." Stewart uses the phrase "intellectual capital" as an overall term for "intangible assets."

- Hans Johnsson, who managed the Swedish project "Return on Communications" ([pr](#) 3/10/97), prefers the term "mind-based assets" to include both intellectual & emotional capital. "Both categories are part of the 'intangible assets' that are so important to most org'ns today."

In Creamer Dickson Basford's Hidden Value Index ([pr](#) 6/26/95), companies are ranked according to analysts' ratings of 8 non-financial factors:

1. Concern for & relations with its employees
2. Ability to reduce costs
3. Ability to avoid regulatory problems
4. Ability to increase revenue
5. Customer satisfaction & loyalty
6. The brand equity of the company & its products
7. Ability to increase productivity
8. Research & development, intellectual capital & ability to innovate

This growing movement to stop evaluating org'ns strictly on past financial performance is putting pr & what it provides in an entirely new light. (More from Hans Johnsson, Sound Communications, 51 Forest av, Old Greenwich, Ct. 06870; 203/698-2270. Or from CDB, 212/367-6840; [www.cdbpr.com](http://www.cdbpr.com))

## THE RELATIONSHIP OF FRAMING & ISSUES / CRISIS MANAGEMENT

"Altho it could be argued that practitioners *implicitly* engage in framing of positions, explicit framing-based approaches to understanding crisis & issues mgmt are absent from the literature. This is ironic since researchers concerned with social movement org'ns -- the activists who are often targets of issues mgmt initiatives -- have already developed considerable theory related to the importance of framing," notes the Hallahan-Steele framing study (last week's [pr](#)). It draws these conclusions to help practitioners keep abreast of framing usage:

- **Crises & issues are social constructions** that exist primarily in terms of how they are *framed*
- **Framing a problem in a favorable way is a fundamental strategy** that must be addressed by crisis & issues managers early in the response period
- **Official sources enjoy an advantage** in the early phases of a crisis or issue, particularly when media & others are still in the discovery phase & the primary emphasis is merely to identify the extent of the problem
- **The framing of crises & issues is subject to change**, with the passage of time. A critical issue confronting an organization involved in crisis or issues management is whether to alter the original framing of an issue in