

## ITEMS OF IMPORTANCE TO PRACTITIONERS

¶ **Knowledge Mgmt only works face-to-face, says California Management Review.** "Why Information Technology Inspired But Cannot Deliver Knowledge Management," by knowledge mgmt consultant Richard McDermott, postulates that leveraging org'l knowledge -- even when it's all computer accessible -- is more dependent on community building than information technology. Why? The most important knowledge "requires a human relationship to think about, understand, share & appropriately apply." In short, mentors, coaches, trainers, role models & the New Managerial Paradigm (pr 1/1/96).

¶ **Would you believe the White House doesn't own its web domain name?** If you were also beaten to the punch, there's good company. Typing www.whitehouse.com gets you a XXX photographer named Dan Parisi -- a "cybersquatter", i.e. one who appropriates domain names of well-known org'ns or individuals. This is possible because copyright & trademark laws don't cover domain names -- yet. Congress is working on it.

¶ **A book title that says volumes about pr life:** *Groping for Ethics in Journalism*, by U Central Fla's Ron Smith "challenges readers to determine how they would face moral dilemmas on the job," according to publisher Iowa State U. Press. This valuable practitioner read covers: (a) search for principles, (b) accountability, (c) truth, (d) objectivity, (e) errors & corrections, (f) diversity, (g) faking the news, (h) reporters & their sources, (i) privacy, (j) deception, (k) compassion (sic), (l) freebies. (800/862-6657)

¶ **"Clients pay about the same rates for vastly different products,"** Ketchum CEO Dave Drobis told an int'l counselors conference. Tho some would prefer to call them "services," he notes that crisis com'ns strategy gets charged at the same hourly rate as product announcements. Worse, "the pr industry (sic) gives away its most valuable asset -- knowledge & experience. Our strategic advice shouldn't be perceived as an add-on to our implementation services." Like mgmt consultants, pr firms compete on price for commodity services -- but should not on strategic counsel. His solution to the conundrum of showing what pr is worth: "Let's stop leaving it up to our clients to guess" & develop evaluation measures that show what pr contributes in dollar comparisons. PR firms "must commit to measuring results, whether the client pays for it or not." But he also cautions: "Can we -- or should we -- validate our results with more numbers & statistics?"

## WHO'S WHO IN PUBLIC RELATIONS

**HONORS.** Counselors Rhoda Weiss (Santa Monica) & Greg Waskul (Studio City, Cal) receive Award for Individual Prof'l Excellence from Soc for Healthcare Strategy & Mkt Development (which has dropped pr & even com'ns from its name).

PRSA's Int'l Section confers Atlas Awards for Lifetime Achievement In Int'l PR on Jacques Coup de Frejac, one of the founders of pr in France; & Dennis Buckle of UK, instrumental in developing pr in Africa.

## HOW TO MEASURE RELATIONSHIPS? GRUNIG / HON STUDY FOR INSTITUTE MEASUREMENT COMMISSION LAYS GROUNDWORK

The fundamental goal of pr is building relationships. Yet most evaluation has been limited to measuring outputs, awareness or, where possible, short-term outcomes. In the 3rd paper in its ongoing series, Institute of PR's Commission on PR Measurement & Evaluation is publishing the pioneering efforts of Jim Grunig (U.Md) & Linda Hon (U.Fla) on measuring relationships.

## SIX ELEMENTS OF RELATIONSHIPS ARE EVALUATED USING 9-POINT SCALES:

1. **Control Mutuality:** the degree to which parties agree who has rightful power to influence one another. Tho some imbalance is natural, stable relationships require that org'ns & publics each have some control over the other
2. **Trust:** level of confidence in & willingness to be open to the other party. This complicated dimension includes:
  - **Integrity** -- the belief an org'n or public is fair & just
  - **Dependability** -- the belief an org'n or public will do what it says
  - **Competence** -- the belief an org'n or public has the ability to do what it says it will do
3. **Satisfaction:** one party feels favorably toward the other, primarily because the second party is clearly trying to maintain the relationship; or the benefits of the relationship outweigh the costs
4. **Commitment:** the extent to which one party believes the relationship is worth spending energy to maintain & promote
5. **Exchange vs. communal:** (helps distinguish pr from other fields)
  - In an **exchange relationship**, one party gives benefits to the other only because it expects to receive at least equal benefits in return -- quid pro quo, typical of marketing relationships
  - In a **communal relationship**, parties provide benefits to each other because they're concerned for the welfare of the other -- even when they get nothing immediate in return -- altho they may well expect to elicit support or reduced opposition in the long run

Both of these are evaluated, so #5 is a dual measure -- bringing the total to 6 elements of relationship for which batteries of questions are formulated.



**THE METHODOLOGY**

1. Borrowing from research in interpersonal relations & psychology (e.g. mgmt-employee relations), clusters of potential questions are offered in 3 indices:

- **Short index** -- 4 questions for each of the 6 dimensions, except 6 are needed for trust to cover the 3 dimensions of this indicator
- **Medium scale** -- in which a 5<sup>th</sup> question is added for probing
- **Long index** -- additional questions for use when practical

2. Practitioners can choose the number of questions that fit their research needs -- tho "the shorter index is likely to increase the response rate"

3. Testing of the scales shows them to be good measures of perceptions of relationships, strong enough to be used in evaluating relationships

4. Questions can be used in surveys -- or more informally in open-ended formats of qualitative studies, e.g. interviews, intercepts, focus groups

5. Grunig & Hon also suggest administering the questions to managers to get their perceptions of a relationship with a specific public

**THE QUESTIONNAIRE**

Most questions are phrased positively, with 1 or more in each cluster reversed to directly gather negative perceptions of a relationship. Here are the 6 short index questions to measure Trust, to be answered on a 9-point scale:

1. This org'n treats people like me fairly & justly [*Integrity dimension*]
2. Whenever this org'n makes an important decision, I know it will be concerned about people like me [*Integrity*]
3. This org'n can be relied on to keep its promises [*Dependability*]
4. I believe this org'n takes the opinions of people like me into account when making decisions [*Dependability*]
5. I feel very confident about this orgn's skills [*Competence*]
6. This org'n has the ability to accomplish what it says it will do [*Competence*]

The reversed question in the long index is: I think it is important to watch this org'n closely so it does not take advantage of people like me

**BENEFITS FOR PRACTITIONERS**

The methodology provides quantifiable evidence of the perceptions publics have of their relationship with an org'n -- demonstrating the strategic value of pr.

- Findings can be used to manage pr programs, e.g. low scores on Control Mutuality suggest the need to increase the public's involvement in organizational decisionmaking
- The researchers & the Measurement Commission continue to refine methodology. E.g. there are differences between personal relationships & relationships with org'ns -- i.e. a main purpose of the latter is establishing 2-way access to publics or opinion leaders. This needs to be measured

- Behavior predictors can also be built into the line of questioning as the methodology matures. Sample question: Assuming I agree with its position, if this org'n asked me to support it on a public policy issue, I probably would

("Measuring Relationships in PR" is available from the Institute 352/392-0280); immediate access to complete line of questions from prr)

**LARGE DETROIT ECONOMIC CLUB MEETING HEARS PRSA's WALTZ SAY RELATIONSHIP MGMT NOW CORE ORGN'L FUNCTION -- A 1<sup>ST</sup> FOR PR**

Sam Waltz predicted at this prestigious business speaking platform that managing relationships with critical stakeholders will eclipse finance, IT & R&D in many org'ns in the next decade -- as these functions suffer "commoditization" [as are basic com'n functions like publicity, events, advertising]. PRSA Detroit obtained the venue & helped pack the house.

Observers told prr the meeting was not only heavily attended -- but attentive. Waltz' main point will be familiar to prr readers: the only way to differentiate an org'n now is by relationship-building:

- "The half-life of proprietary technology advantage from R&D is declining in many industries in 6 months, and it's imploding even from there. Similar observations can be made about finance & MIS, IT or IS functions... their ability is eroding to create an organizational differentiation that significantly impacts the bottom line
- "The undervalued essence of marketing (sic) to any stakeholder group -- from customers to employees to shareholders to opinion leaders -- is in relationship management
- "That means creating an org'n characterized by its win-win-win relationships with the groups that are important to it
- "Nurturing these win-win-win outcomes translates directly to the bottom line in lower costs & more healthy resilience in creating & retaining customers; recruiting, training & retaining employees; creating a bank of community goodwill; and increasing shareholder value"

**IMPERATIVES & BARRIERS**

1. Org'ns must (a) audit their relationships (see lead article), (b) implement strategies for each set of relationships & (c) build accountability for relationship mgmt
2. Implicit is that org'ns integrate core competencies around relationship mgmt -- including research, planning, com'ns & leadership training
3. "Many org'ns will be troubled by these developments, because their executives historically are drawn from engineering, technology & finance. But relationship mgmt draws from "applied cultural anthropology that synthesizes the breadth & depth of the social sciences of history, psychology, sociology, political science, economics, com'ns & others"

(Full text archived at [www.prsadetroit.org](http://www.prsadetroit.org).)