

1. 81% of parents, 62% of teachers agree that testing younger students is a good way to identify those who need special help.
2. Most teachers (79%) say test preparation is not eating into real learning in the classrooms, but 83% fear it will happen in the future.
3. Just 3% say teachers in their district currently base promotion solely on test scores.

### EMPLOYERS REMAIN DISSATISFIED, BUT OUTLOOK IS BETTER

The survey shows that employers and professors remain unhappy with how well young people are prepared for work and

college. Discrepancies between the enthusiastic assessments offered by teachers, parents, and students themselves – and the dismal judgments put forth by employers and professors – are jarring, according to report authors. For example, while high school teachers and parents voice broad confidence that grads have the skills needed to succeed on the job, just 41% of employers agree. But there's hope on the horizon as the percentage of employers in agreement climbed from 27% in 1998. (For more information, contact Leslie Gottlieb @212/686-6610.)

### ITEMS OF INTEREST TO PROFESSIONALS

¶ **Study Looks At Reputation Management.** Should it be the “new face of corporate public relations?” ask authors James Hutton, Michael Goodman, Jill Alexander and Christina Genest in *Public Relations Review*. Is reputation an enduring concept in the same way that relationships and brands are? Does it incorporate the same kind of loyalty and forgiveness (critical to long-term success and stability) that comes with brands and relationships? The authors offer these insights into “reputation,” “relationships” and “brands”:

- **Reputation** is a concept far more relevant to people who have no direct ties to an organization (i.e., strangers).
- **Relationships** are far more relevant to people who are direct stakeholders of the organization (employees, customers, stockholders and others, who usually are the organization's most important publics, i.e., friends and associates).
- **Brands** represent the middle ground between relationships and reputation; they embody strong elements of both concepts and are very relevant to both types of people – those who have direct ties to the organization and those who don't.

¶ **Sponsors Of Survey Research Must Consider The Ethical Aspects**, says Fleishman-Hillard Research's vp Robert Steen. He counsels clients about the ethical need for all results to be released, not just the findings they like. He recognizes, however, that they have the right not to publicize survey findings they consider unfavorable – “clients are not obliged to hand their adversaries or competition the rope for a public hanging.” But in truly tense situations, survey results can find their way into the courts, he says, and he warns clients that newsworthy topics involve uncertainty, and therefore risk. “The key is to have the client think through these issues at the proposal stage, not the analysis stage of the research.”

### CRISES OF MALEVOLENCE – THE BIGGER PICTURE OF TERRORISM

An understanding of global terrorism can benefit by looking at its broader context as one type of **crisis of malevolence**. Malevolent acts are intended to harm others, sometimes for self-gain but more often out of spite, revenge or hate (see box). **Terrorism is the prototype of this type of crisis**, aimed not only at government or a whole country but also at specific corporations. Other malevolent crises are product tampering, extortion attempts, corporate espionage and pirating, rumor campaigns, disinformation programs and, the newest, cyberterrorism.

### BUSINESS EXECUTIVES ARE NO STRANGERS TO TERRORISM

Terrorist acts are not just aimed at government; businesses and executives have been more frequent terrorist targets. Corporations serve as highly

visible symbols of what terrorists call the “exploitative imperialist elements or part of the repressive organizations of state.” But there's another reason: corporations have shown a willingness to pay ransom for kidnapped executives. The biggest ransom, \$14.2 million, was paid in 1974 by Exxon Corporation to Marxist guerrillas in Argentina for the release of Victor Samuelson, who was the manager of Exxon's Campana refinery. Terrorists know that at least one insurance company, Lloyd's of London, has obligingly set up an insurance market for those threatened with kidnapping by terrorists.

In 1999, out of a total of 184 U.S. casualties of global terrorist attacks, the **largest number was in business**: 133. Others were diplomacy (9), military (9), government (7), and others (26). The Office of the Coordinator for Counterterrorism reports that bombings (111) were the most frequent type of attack against U.S. facilities in which U.S. citizens suffered casualties. Next most frequent were kidnapping (20), firebombing (12), and armed attacks (11). Latin America was the most dangerous place with 96 attacks, followed by Western Europe (30), Africa (16), and the Middle East (11).

“An organization faces a crisis of malevolence when opponents or miscreant individuals use criminal means or other extreme tactics for the purpose of expressing hostility toward, or seeking gain from, a company, country, or economic system, perhaps with the aim of destabilizing or destroying it.” (From Otto Lerbinger's *The Crisis Manager: Facing Risk and Responsibility*)

### CYBERCRIME

Tens of thousands of malicious invasions of computers occur each year.

A survey of 538 managers by the Computer Security Institute and the FBI found that 85% of these managers' organizations suffered security breaches; and most suffered financial loss averaging about \$2 million. At 32 federal agencies last year, outsiders broke into and temporarily controlled at least 155 computer systems.

Cybercrime has become more dangerous because run-of-the mill hackers aren't the only ones who commit it. Increasingly, professional criminals, industrial spies, hostile governments and terrorists are



entering the field. As a nation we are highly vulnerable because computers control everything from traffic signals to food supply transport. Possible targets of terrorist or state-sponsored attacks include electric power grids, natural-gas pipelines, water supplies, dams and hospitals. Cybercrime's next frontier is breaking into cellphones, pagers and personal digital assistants like the Palm.

**STRATEGIES TO COMBAT CRISES OF MALEVOLENCE**

The following strategies, some of which are being applied in the war on terrorism, specifically apply to acts of malevolence:

- **Reduce vulnerability to the threat:** commission a "vulnerability audit," use safety-sealed tamper-resistant packages, back up computer data.
- **Engage in intelligence activities:** conduct environmental monitoring, examine country risk studies, and obtain intelligence reports from organizations such as Control Risks or the Rand Corporation.
- **Strengthen security measures:** e.g., screen job applicants, install detection systems and computer security systems, and provide employee awareness and education programs.
- **Control damage by taking defensive action:** e.g., recall products and provide facts to avoid further spreading of rumors.
- **Seek law enforcement** – or, in the case of government, military action, lobby for stronger laws, prosecute perpetrators.

**DISTINGUISHING BETWEEN CONFRONTATIONS AND MALEVOLENCE**

Confrontations between people, especially activist groups, and organizations are normal in democratic societies. However,

when the tactics used extend beyond lawful picketing, boycotts and the like to violent actions, **confrontations enter the realm of malevolence.** The eco-tactic by environmentalists of tree sitting is different from the eco-terrorist act of spiking trees that can cause injury or death to a logger. A 10-month review by *The Oregonian* in 1999 showed that "escalating sabotage to save the environment has inflicted tens of millions of dollars in damage and placed lives at risk." At least 100 major acts of arson, bombings and sabotage occurred since 1980. The most destructive act of eco-terrorism in U.S. history was the \$12 million blaze in Vail, Colorado, which, according to a message from the Earth Liberation group, was perpetrated to protect lynx habitats from destruction by the ski resort's developers.

**A CASE STUDY: BOISE CASCADE VS. RAINFOREST ACTION NETWORK**

Rainforest Action Network (RAN) has targeted Boise Cascade Corp. to stop it from logging old-growth forests. In

previous skirmishes, RAN successfully got Home Depot, Lowe's and other major companies from buying wood from the remaining old-growth forests. Now **RAN is pressuring Boise Cascade with a variety of tactics**, ranging from climbing tall buildings to putting up large protest banners, bearing such messages as "Stop Selling Old-Growth Wood," "Do Your Children Know You're Buying Old-Growth Wood?" and "Human Rights Before Drilling Rights." On October 24, 2000, RAN activists taunted Boise Cascade by floating a 120-foot inflatable balloon over the company's headquarters. Shaped like a dinosaur, it bore a sign reading, "Boise Cascade: I love logging old-growth."

**Is this eco-terrorism?** Prominent lumber and mining companies think so. They are trying to associate grassroots environmental activities with "terrorist" acts of sabotage and urging the government **to strip involved organizations of their tax-exempt charitable status.** According to the *Seattle Times*, one sympathetic group, The Frontier of Freedom Institute, is supporting the industry effort, arguing that RAN conducted protests, wrote letters, produced street theater and supported civil disobedience. The Institute is also asking funders to stop contributions.

Using a clever tactic, Boise Cascade's chairman and CEO, George Harad, asked RAN president, Randall Hayes, to sever his organization's ties to extremist groups. These include 1) EarthFirst! Organization, which praised the Earth Liberation Front (ELF) for its eco-terrorism activities; 2) American Lands Alliance, which has also been linked to the ELF; and 3) The Ruckus Society, which conducts training camps for activists in the techniques of "direct action." Business sees these techniques as a euphemism for violent intimidation and aggressive harassment (e.g., having children send Christmas-wish letters to CEO Harad asking him to stop logging old-growth forests). **What some see as eco-terrorism, others see as creative forms of confrontation.**

**DESPITE CONCERNS, SCHOOLS STICK WITH STANDARDIZED TESTS; EMPLOYERS FIND STUDENTS NOT PREPARED FOR WORK**

While schools struggle with the debate over standardized testing, a survey conducted by Pew Charitable Trust for the Public Agenda (NYC) reveals attitudes among parents, students, teachers and employers. "Reality Check 2001" finds that despite much publicized concern about standardized testing among these publics, few people want their school districts to stop raising the bar. Furthermore, social promotion is on the wane – the practice of allowing students who failed standards and academic requirements to pass to the next grade.

Pew conducted random telephone surveys of teachers (601), parents (602), middle and high school students (600), employers who hire kids right out of high school or college (251), and college professors (254). It asserts that the number of teachers who say their schools practice social promotion has dropped from 41% to 31% over the past four years and that more kids are in summer school: 28% four years ago to 37% today. "Students, parents and teachers all report a set of incremental changes in their experiences and expectations, suggesting that the standards movement has taken hold." Other highlights:

1. Just 1% of parents, less than 1% of teachers, 2% of employers and 1% of professors say local schools should stop raising standards.
2. 81% of parents, 80% of teachers, 86% of employers and 71% of professors say local schools are being "careful, reasonable" about putting standards in place.
3. While few teachers would discontinue the effort, they are more likely to want adjustments. Almost half (48%) want to continue standards initiative, but 47% would continue with adjustments.

**STANDARDIZED TESTING PRESENTS COMPLEX VIEWS**

Most parents and teachers back standardized testing to motivate students and to identify those struggling, yet both groups express concern that

learning may be neglected by too much emphasis on tests: