

- **More Efficient Use of Corporate Resources:** TI's mentoring program improved minority supplier performance and provided TI with greater production flexibility

(Full report, *Business and Community Development*, is \$45 for members, \$90 for others, from The Center for Corporate Citizenship, Boston College, 617/552-8680; or www.bc.edu/corporatecitizenship)

PSAs – HOW RADIO AND TV ARE USING THEM

“PSA slots are plentiful,” says Annette Minkalis at West Glen Communications, based on findings from its survey of 284 tv and radio public affairs directors. Survey measures the trends and changes relevant to the broadcast of PSAs. Some findings:

- PSA needs are expected to remain the same (85% tv; 83% radio) and even slightly increase (7% tv, 13% radio) this year
- 55% of radio PSAs air in times other than the overnight hours, including 11% during morning drive
- Special attention is being given to patriotic PSAs since 9/11: 42% of tv stations and 31% of radio have increased airings of PSAs that promote patriotism
- 93% of radio stations want to receive CDs; 100% of tv stations prefer hard copy
- Use of celebrity or well-known spokespersons in a PSA is *not* a deal-maker. Only 3% of tv stations and 0% from radio say it is an important consideration. Celebrities only enhance a spot “when they have a publicized link to the cause”
- Community calendar listings are popular: 95% of radio stations accept them and 78% from tv

(More from West Glen at www.westglen.com; 800-325-8677)

ITEM OF INTEREST TO PRACTITIONERS

¶ **Employees’ Tenure And Productivity Are Closely Related To Their Relationship With Their Immediate Supervisor**, according to a Gallup survey of 2 million employees at 700 companies. “People join companies and leave managers,” said the primary analyst for the study. Some companies are, therefore, using “manager makeovers” to strengthen managers’ core people skills. “Change starts with holding managers at every level accountable and responsible for creating job satisfaction,” said Mark Holmes, author of *The People Keeper: How Managers Can Attract, Motivate and Retain Better Employees*. Filling a job opening takes an average of 41 to 51 days and losing an employee generally costs 50% to 200% of the employee’s annual compensation, according to a study by the American Management Association. (For more insights, see Roxanne Emmerich’s “Controlling the Costs of Mismanagement and Turnover,” *CPA Journal*, Oct 2001)

WHO’S WHO IN PUBLIC RELATIONS

AWARDS. Amanda Brown-Olmstead (A. Brown-Olmstead & Assocs, Atlanta) receives the Ball State University National Public Relations Professional Achievement Award,

which began in 1980 recognizing such giants as Patrick Jackson, Philip Lesley, Edward Bernays, Harold Burson, John Paluszek, Chester Burger and Betsy Ann Plank, among others.

THE DECENTRALIZED NETWORK OF THE CATHOLIC CHURCH UNDERSCORES THE ROLE OF LEADERSHIP, STRUCTURE IN CRISIS

There are two critical elements in containing a crisis for an organization: 1) the **maintenance of *One Clear Voice (OCV)*** and 2) the **ability to agree upon and quickly initiate comprehensive decisions** that all members of the organization can support and implement. As the crisis in the Catholic Church unfolds, both of these tripping points work to slow resolution and frustrate members.

Despite the prominent role of the Pope, the daily operations of the Church are decentralized and carried out on a local level. “We have core teachings, which are global, but the way we operate as a Church is often local,” Susan Gibbs, spokesperson for the Archdiocese of Washington, DC, told *pr*. The Pope teaches the theology, but the application of the teachings is up to the dioceses. “Child abuse, for example, is sinful and illegal, obviously, but it’s up to the individual dioceses to live that out.” Therein, she says, lies the potential for breakdown. “It is a decentralized structure and that has definitely been problematic.”

SCANDAL “SPUN RANDOMLY,” AND SPREAD TO OTHER DIOCESES

When the news broke in Boston that several priests were being charged with illicit sexual behavior toward minors, Gibbs says that neighboring dioceses watched and waited with the rest of the world. “When it started, it was a single diocesan issue and no one had any more information than what the media had,” she says. “Then, it just spun randomly, took on a life of its own and moved into a direction that no one knew where it was going.” The U.S. Conference of Catholic Bishops posted directives and Q&As on its website, but the onslaught from the media overwhelmed various communications officers. “It’s difficult to be effective when you’re getting hundreds of calls a day; it’s difficult to find people who can talk on the issue.” For their part, the various dioceses cooperated by sending one another e-mails and information alerts about breaking news.

The Archdiocese of Washington dealt with the issue on its own turf back in 1995 when three priests were charged with sexual abuse toward minors. “We got in front of the issue,” says Gibbs. “**We were upfront with it and we took the hit. It really is the best way to deal with it.**” The Archdiocese was responsive to the victims and arranged for them to have confidential interviews with a reporter from the *Washington Post*. The long-term results were enhanced relationships among the Church, the press, the victims and members.

So when the recent scandal revisited Washington with yet another priest’s admissions of inappropriate conduct, **relationships were in place**. The diocese looked to the 1995 case as a model. The press was contacted and Archbishop Theodore McCarrick broke the news to area Catholics via a letter read by priests during Palm Sunday Mass.

ONE CLEAR VOICE OR CACOPHONY?

Held together by a core set of values and beliefs, the Catholic Church is

the most multi-layered, multi-lingual multicultural group on the planet. Some tenets that would apply in another organizational environment may not hold as solidly. "Why can't the Vatican just tell the dioceses to report abuse to the authorities? There are millions of different local laws governing these issues," explains Gibbs. "It's impossible to come up with a specific policy that would be applicable everywhere."

Often in a corporate environment, the resignation of the CEO assuages injury and the crisis is abated, as was demonstrated in the recent Enron scandal. But in Boston, Cardinal Bernard Law continues to resist mounting pressure, even from some behind the pulpit, to resign. At a mass in February, Law said: "Archbishop is not a corporate executive. He's not a politician. It's a role of pastor. It's a role of teacher. It's a role of a father. When there are problems in the family, you don't walk away. You work them out together with God's help."

"The Cardinal sees himself as part of the solution, not part of the problem," Donna Morrisey, spokesperson for the Archdiocese of Boston, told prr. Meanwhile, people continue to see the Church as a single entity. "They (media) keep throwing us together without looking at what we're doing on a local level," says Gibbs. True, because despite the responsiveness and outreach initiatives of some dioceses, the evasiveness and silence of others has proved injurious to the Church as a whole.

BUSINESS AND COMMUNITY DEVELOPMENT STRATEGY IS MUTUALLY BENEFICIAL; STUDY GUIDES THE PROCESS

"Companies that link business development with community development create economic and quality-of-life improvements while *generating returns to their own business*," says Janet Boguslaw, sr research associate for the Center for Corporate Citizenship at Boston College. Boguslaw and Steve Rochlin, director of research & policy development at the Center, did a 2-year study of corporate involvement in low-income communities. From interviews with 70 corporations, they offer guidance and a framework for putting a business and community development (BCD) strategy into practice.

STAGES OF BCD

Companies typically evolve through a continuum of three stages:

1. **Awareness: traditional involvement** driven by community relations and philanthropy for community

"For years, corporate involvement in low-income community economic development has been viewed as a zero-sum game. Conventional wisdom states that such activities, be they philanthropic grants, special hiring programs, or investments in plant and site location, were bound to be a net loss – only reconciled, perhaps, by a bit of positive public relations here and there," write the researchers.

"Corporate decision makers who still hold to this view are falling behind those who turn conventional wisdom on its head. To these leaders, **low-income individuals and communities represent new business opportunities**. They view their mission as working to unleash the potential within these communities to build new consumer markets, productive workers, efficient suppliers, and high returns on investments. This approach grows the bottom line as well as the community. **Leading companies recognize this and have aligned the missions of core business lines and departments with community needs.**"

benefit, corporate responsibility and reputation enhancement.

2. **Experience:** Pilot initiatives or specific programs designed to **produce a clearly identified business and community benefit**. Includes strategic philanthropy. Corporate involvement often limited to one or two business units.
3. **Integration:** Integrated, cross-functionally aligned with supporting organizational structures and systems. Draws on a wide variety of corporate and community resources. **Clear business and community value.**

Both market and societal forces drive involvement in low-income communities. These independent forces may encourage different strategies, which leave the company at Stage One – Awareness. For example, **values-drivers** lead to charity programs; **reputation-drivers** may lead to strategic philanthropy, cause-related marketing, or partnerships; **market-drivers** often lead to isolated business initiatives. Companies that understand these motives will have a better chance at driving a fully evolved BCD strategy. Those that don't, may end up taking a reactive or piecemeal approach.

The study presents a framework for guiding companies through the process. It requires strategic responses that use a mix of core business resources and community involvement tools as the means to create high-impact, mutually beneficial ends. SAFECO formalized its BCD initiatives under an umbrella called the Diversity Marketing Initiative. It receives oversight and direction from the Diversity Marketing Committee, composed of representatives from public relations, claims, underwriting, administration, human resources, legal, marketing, the regions, and small-business insurance. The committee meets seven times a year. It works in part to identify how the functions of each department can work to leverage the other. For example, grant-making from community relations is used to support marketing. Administration signs off on a plan to open an urban facility to support community development, sales and recruitment goals.

RESULTS

Companies taking a BCD approach are breaking down the organizational barriers between their business lines and their community relations functions, **yielding higher and new returns from their investments in communities**. Some examples from the study:

- **New Markets and Sales:** JP Morgan Chase created multiple new customer markets in home ownership and small-business development
- **Workforce Development:** Advanced Micro Devices hired 54% of all grads from the school-to-work programs it helped to develop and support
- **New Products and Services:** Chase designed new lending services and products, allowing for wider access to affordable housing and small-businesses development
- **Supplier and Small-Business Development:** Texas Instruments purchased \$141 million from minority-owned businesses in FY2000
- **Returns On Investments:** AMD's investment of \$733,692 in workforce development met the break-even point; further gains are expected
- **Enhanced Reputation and Relationships:** Cisco Systems gained access to country and world business and government leaders