

of CSR are needed to prove its contribution to value creation and return on investment. (More info from www.echoResearch.com)

INTEREST IN HEALTHCARE INFO HIGH, MEDIA USAGE RISES

Nationwide survey of tv stations' health producers and reporters by DS Simon Productions reveals that 88% of stations polled use healthcare Video News Releases (VNRs) and 50% use healthcare Satellite Media Tours (SMTs). Other findings:

- 82% of tv stations are using the same or more medical VNRs than a year ago
- These are more likely to air on evening newscasts (42%), noon newscasts (25%), followed by night, morning & weekend (each 11%).
- 71% of tv stations are airing the same or more health-focused SMTs than a year ago.
- 55% are aired live; 35% air on morning newscasts, 30% on mid-day newscasts.
- 35% edit the interviews for other news programs.
- 72% of stations say they are most likely to cover medical breakthroughs such as FDA approvals, clinical trials and studies in medical journals.
- Skepticism still exists when covering alternative medicine. 35% say these stories are either newsworthy or very newsworthy.
- 50% of stations say surveys are newsworthy or very newsworthy.
- 68% look for doctors and patients together in a medical story.
- 52% report that patients are more important than doctors.
- 47% say celebrities are not important or not very important when deciding whether to cover a medical story.
- Other visuals that are important or very important: laboratory footage (62%), drug manufacturing footage (68%); animation (58%).
- 65% want a local angle to the story. (More info from DS Simon Productions at 212/736-2727)

ITEM OF INTEREST TO PROFESSIONALS

¶ **International PR Association Measures Transparency Of World's Media** through an online survey of 242 practitioners in 52 countries. US and Canada receive highest scores. Lagging, caught in the practice of zakazukha (a Russian word meaning the acceptance of bribes by journalists in exchange for editorial) are Southern and Eastern Europe, Central and South America. Regarding media *having a written policy about receiving free gifts & travel*, 70% of respondents from the US & Canada say this is generally or always true. These policies do *not* exist or are *not* followed say respondents from Africa/Middle East (73%), Central & South America (59%), Southern Europe (55%), Eastern Europe (50%). "Public relations has a vital check and balance relationship with journalism. It is the responsibility of pr practitioners to help keep the media ethical, transparent, responsible and accurate, just as the media and the journalism profession has a public responsibility to inform and question and analyze the behaviors of the organizations and governments advised by pr consultants. Our goal is to eliminate the cash-for-editorial practice worldwide," says David Turnbull (Seneca College, Toronto), spokesman for IPRA's Campaign for Media Transparency. (More from Turnbull at 416/491-5050 ext.3068)

DUKE ENERGY PROVIDES MODEL FOR INSPIRING VOLUNTEERISM, BUILDING COMMUNITY RELATIONSHIPS

When Duke Power and Pan Energy merged in 1997, each company brought with it rich traditions of community activism and relationship building. "Both companies have a history of volunteerism," Scott Carlberg, dir community relations, told *pr*. And partnering with area residents is an essential exercise for utilities, since the nature of the business requires shoulder to shoulder contact, "that is, if you're going to maintain power stations, install lines, erect transmission towers, etc., you need to learn to be a good neighbor. We have to interface with the public on a very personal level."

GLOBAL SERVICE EVENT

For that reason, Duke, headquartered in Charlotte, NC, with facilities worldwide, decided to decentralize its philanthropic efforts and dollars, **allowing the various facilities to decide which efforts are best for their communities**. The Global Service Event (GSE), now in its fifth year, has just as much to do with cleaning up a park in North Carolina as it does with helping to preserve an historic amphitheater in California. "Some philanthropic budgets are run out of a headquarters and concentrated. But we put together a program where we all have access to funds for a variety of community projects." Carlberg says this strategy allows different communities to build on their own strengths.

Departments at Duke use GSE as a **team-building opportunity**. More than 260 projects were done in 2001 by 7,000 Duke Energy volunteers in 85 cities. This year, early estimates indicate 8,000 volunteers. Company surveys show a 60% volunteerism rate among employees. Activities include:

1. **Community Assistance:** drives for food, clothing, blood; Habitat House; landscaping for schools; serving food at homeless shelters; working at food banks; sorting donations at a local organization; cleaning graffiti from walls; painting public facilities.
2. **Education:** book drives, assistance with computers at schools, supply drives, playground and building repairs; painting projects; working at child development centers (cleaning toys, building shelves, painting, etc.); participating in safety programs; assisting in summer reading classes.
3. **Elder Assistance:** meals on wheels; making repairs, providing entertainment (games, music, etc.) at senior citizen centers.
4. **Environmental Aid:** cleaning up along a trail, park, creek; adopt-a-highway programs, etc.

A Boys and Girls Club in Charlotte needed a library/reading room. Duke volunteers collected children's books, then renovated a room in the building to include dividers, shelves for books and rugs. They painted a mural to show a safari theme. "Now the club has a dedicated library room that's bright and friendly."

ESSENTIAL ELEMENTS

A few key pieces make Duke's volunteer program successful, notes Carlberg:

- **Top Down Involvement.** "Everyone from the executive vice president on down is working shoulder to shoulder." Employees are encouraged to offer their input about various activities – "what works, what doesn't" – and projects are adjusted accordingly.
- **Training.** Enabling volunteers to help in the best way possible.
- **A Variety of Talents.** Volunteering can involve making a quilt for a children's hospital, or collecting shells for a wreath to hang in an eldercare facility or to sell at a fundraiser. Volunteers are encouraged to put their talents to work.
- **Community Volunteer Grant.** Provides corporate funds for charitable projects of employees and retirees. The program pays up to \$1,000 for supplies and materials for one-time, hands-on projects or contributes \$1,000 to an eligible nonprofit organization on behalf of a volunteer who has completed a project that made a dramatic improvement in the nonprofit's operations or programs.

Charlotte Junior High gives Duke an A. "The retirees adopted a middle school. The principal said, 'I would do anything for this group of volunteers. I would walk on hot coals for Duke Energy. All we have to do is ask, and they serve us. I can call on them and always get a positive result.' We're very proud of our people. We're looking great in that respect. Sometimes the *public* observes a project going on and *they* show up and get involved."

LESSONS TO PASS ON

First of all, says Carlberg, a) realize that it takes several years to make it sing. "Don't expect an overnight success." Also, realize that b) "you can never hit all of the communication channels. There are about 10 or 12 options in each community. Look at what's appropriate for the project." c) Finally, **don't forget to tell the story.** "Sometimes, the projects become an end in themselves. People get so caught up in it that they forget to tell others (e.g., employees, opinion leaders and members of the community) what they do." (For more information, contact Scott Carlberg, sccarlbe@duke-energy.com or call 704/373-7930)

HOW TO RAISE PUBLIC CONFIDENCE IN BUSINESS: HIRE A "CHIEF GOVERNANCE OFFICER"

Companies are taking a battering in the stock market. Trust is at an all-time low. Current perception is that earnings reports can't be believed. "What's needed is a CGO (Chief Governance Officer)," says Ron Karr, of Karr Associates (Fort Lee, NJ). According to Karr, the CGO would: a) be an independent exec brought in from the outside who does not have any political ties or obligations within the organization; b) report to the Board of Directors, *not* the CEO; c) be an **in-house watch dog or chief whistle blower**; d) vigilantly oversee the operations of the organization; e) protect the interests of the Board of Directors and investors.

Working with David Preng, president of the exec search firm Preng & Associates, Karr has developed these standards for a CGO candidate: a) must be above reproach, and b) be compensated at a sufficient level with incentives based on adherence to corporate governance standards to ensure

independence. c) If the organization is found to be guilty of misdeeds, the CGO will pay the price. d) Candidate must be versed in regulatory issues, executive compensation, risk management, audits, accounting best practices and governance issues.

"As part of our executive search business, we are **already getting requests** from clients to recruit high level executives whose mission will be to make sure the organization is adhering to all governance rules and regulations," notes Preng.

While most companies are doing things right, notes Karr, they can't afford not to address this problem. With a CGO on staff, the company shows investors that it has nothing to hide and that it seeks to protect investors' interests with an internal watchdog. "After all, perception sells and perception is the reality." (More from ron@ronkarr.com)

ALSO NEEDED: GREATER EFFORTS TO MANAGE CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility (CSR) has become more important to corporations globally and has gained a more positive profile in the business media since September 11, according to data collected from China, France, Germany, South Africa, UK and US by Echo Research. Other factors affecting the rise of CSR are the Enron collapse and the rise of demonstrations against globalization at international meetings. "Our data show that **corporations are making greater efforts to manage CSR effectively**, but opinion is split about whether the impact of September 11 will produce a more caring corporate society over the long term," says Sandra Macleod, Echo CEO. Some findings:

- **"Ethical investment."** Investment based on a corporation's social and environmental bottom line is growing in prominence and will be a strong beneficiary of CSR in the future. Media interest in ethical investment climbed steadily between the beginning of 2000 and the start of 2002, with a year-to-year growth of 92%.
- **Is CSR win-win?** Increasing in favor within corporations is the view that CSR must be aligned to business strategy and be justified in terms of business benefits. Macleod notes, "This raises the issue of trust which has been severely shaken by the Enron affair. People are asking, 'Can a corporation which justifies CSR on business terms, act in the wider interest?'" Over 80% of corporate CSR decision makers are very confident in the ability of good CSR practice to build corporate image and reputation and to support the recruitment, retention and motivation of employees.
- **Most admired companies for their CSR efforts** in the 2001-2002 study are Ford, BP, IBM and GlaxoSmithKline. BP and Ford also held top position last year.
- **Much of CSR media coverage is positive** – a surprising finding to CSR decision makers. There was 52% more media coverage on CSR, especially its social and environmental impact, in the 2001-02 period as compared with the previous year. Most corporate respondents said media take an overly negative approach to CSR.
- **Skepticism about the strategic importance of CSR remains**, which makes CSR vulnerable to cost cutting in times of recessionary pressure. Better ways of measuring the corporate contributions