

Public trust: a battle for business

By SHARON PENLAND-MACE

To restore flagging public confidence in the free enterprise system, the Eaton Corp. has initiated a high-priority public relations program called Comm/Pro.

The purpose of the program, explains public relations director Patrick J. Brophy, is to "put a face on business" by sending business people out into their own communities as ambassadors, telling the "business side of the story."

"There are many people talking about business, but too few speaking for business and we decided to be heard," Brophy says in a company leaflet.

LAST YEAR Eaton discovered through a Harris survey that the public's opinion of business has fallen to an alarmingly low level. This attitude, the company feels has manifested itself in widespread feelings of distrust and hostility that are being "translated into mass social demand for restrictive legislative controls and regulations."

Eaton chairman E. Mandell de Windt initiated the program over a year ago after speaking about business to an extremely hostile audience of young people. He decided business was "misunderstood" because the public was "uninformed and misinformed."

Brophy feels this misunderstanding is due largely to the media's misrepresentation of business. He also feels that business has not been listening to people, preferring in the past to remain both aloof and invisible to the general public.

IN PREPARATION for this program locally, the Eaton's Southfield office recently conducted "dialog" training sessions for their officers, managers and key personnel.

Communispond, Inc., a subsidiary of the J. Walter Thompson Co. advertising agency, has created a special series of speeches for the community action program. In addition, Communispond conducts sophisticated workshops, relying heavily on videotape training methods to help the future speakers in persuasive communication skills.

As a result, more and more business people from Eaton Corp. and other companies which Eaton can induce to participate, are going into their communities and speaking to just about any group that will

listen, including churches, schools, labor unions, trade groups and civic organizations.

ACCORDING to Communispond instructor Jim McGuirk, the question and answer period after each speech is very crucial to the communication that must be developed between speaker and audience. "But," he adds, "it is also the most threatening part of the program to be faced by each speaker. Some of the audiences will be extremely hostile and will be asking very tough and probing questions about business."

"A person has to be trained to face hostility and criticism," McGuirk continues. "The speaker must keep his defensiveness under control and cope with his feelings under this type of stress."

In this context, eye contact is stressed. "If you keep your eyes under control," McGuirk explains, "your brain will be under control. When a speaker becomes out of control, he becomes nervous. This makes an audience uncomfortable, and, as a result, the speaker immediately loses credibility."

Credibility is a word often heard in these training sessions. The speakers are encouraged to put themselves into the speech by drawing from their own experience, using the format that is provided by the company for each speech. This, according to McGuirk, will increase credibility because the speaker will sound sincere and not canned.

THERE IS an almost evangelical fervor about this program. At present, there are three official speeches executives rehearse. One of them, a tub-thumping, flag-waving talk in defense of corporate profits, makes the much-maligned word profit seem almost sacred.

Eaton claims business profits are misunderstood. This appears to be a very complicated issue, with two distinct viewpoints.

Eaton laments in one Comm/Pro speech that the public thinks business profits, after taxes, were close to 28 percent of sales, but that, in reality, profits were only five percent of sales on the average.

Countering Eaton's statement, Ms. Esther Shapiro, president of the Consumer's Alliance of Michigan, says, "In reality, corporations do actually earn a 28 percent profit, and sometimes even more. The two deceiving words are 'on sales.'" Brandishing a letter from A CPA on the subject, she explains that

corporate profits, just like individual profits, are determined by the income on investment.

"CORPORATIONS are not being truthful when they claim to their shareholders that they have made a big profit, while at the same time they are informing the general public that they have made a very small profit," Ms. Shapiro claims. "Corporations use two figures: one which shows high profits as compared to investment; the other, low profit as compared to sales."

Barney Reilley, vice president of Eaton Corporation, and a graduate of the Comm/Pro program, defends the position of business in stating their profits as they do. He explains that "this is a very technical issue. We have to use something that people understand. If we start using 'return on investment' or 'capital earnings' then it is very difficult for the layman to understand. When we talk about percentage on sales, we feel it is easier to explain in terms that people can relate to."

While the public's mistrust of business is one of the central reasons for the existence of Comm/Pro, the consequence of this mistrust is another aspect. Business' fear of federal consumer legislation and controls, however, is not talked about publicly nor is it willingly discussed.

HOWEVER, in report "Why Must Business Speak Out?" this fear is clearly revealed. The report states that the drop in public confidence and trust has generated an "unrelenting flow of legislation and controls," not only supported, but demanded by an increasingly hostile American public.

Implying that the government regulation of business threatens the free enterprise system the report concludes that, "Business must make every effort to find and employ... meaningful methods of communication the American business story to the American public."

This is apparently the role of the Comm/Pro program, which Eaton and other businesses hope will create "a dialog of give and take... not only telling, but listening and effectively answering the questions that are at the base of the public's distrust of business."

"THE WHOLE QUESTION of dispelling an atmosphere of suspicion against business is not going to be done with public relations," Ms. Shapiro said. Business still has not gotten over this feeling that if people would only see their point of view, they would understand and be very sympathetic and stop throwing rocks at business.

"If Eaton is only conducting this program on the basis of trying to find the 'smart' answer to the complaints they are hearing from people, it will be really too bad... The situation is not going to be changed with logic and arguments. When business recognizes what is going on with consumers, and works with them instead of against them, everyone will be much further ahead."

Citing Comm/Pro's goal of committing business to a leadership role in solving community problems, Ms. Shapiro remarked that problems such as "poison in foods, inflationary prices, misrepresentation in packaging, water and air pollution, racial and sexual discrimination" are community problems business can approach.

DESPITE the apparently fearful tone used to describe some legislation as "anti-business" in company-supplied literature, Brophy denies that the program is designed to discourage all consumer protection legislation.

"It is only when the legislation is 'anti-business' that we are against it," Brophy said. "But we are certainly going to lobby against anything we feel is not in our best interests. Legislation really establishes ground rules so that business products and services conform to a certain standard. Business should not be against good consumer legislation. If it is good, it is good for everybody, including the industry."



Patrick J. Brophy

Ms. Shapiro agrees that the adversary position that has developed between the consumer and business is "all wrong."

"WHEN BUSINESS takes the position that consumer legislation is automatically 'anti-business,'" she said, "what they are saying is that business can't operate unless it is allowed to be harmful."

"Right now in Washington, for example, the business lobbyists who are attempting to crush the proposed Consumer Advocate Agency in Congress have been formidable," said Ms. Shapiro. "Just about every lobby in the entire country has been converging to defeat this agency from being created." She adds the lobbying campaign against the Consumer Advocate Bill also has been ferocious.

"Business has not been responsive to the public in the past," Brophy concedes. "It has to be a two-way communication. The frustrations that people have regarding business will have an opportunity to be vented... Most of the time, people are just complaining to people who can't do anything about the problems. This program is designed to correct that. It will be, ideally, an early-warning system, a chance to do something before we get a big boil of anti-business feeling."

"THE COMMUNICATION aspect is the most promising element in this program," comments Ms. Shapiro. "It would seem that these business people are making a real effort to communicate with the community. The biggest danger is that the communication aspect could get lost in translation as it filters down and the whole program could deteriorate into an empty public relations program."

"A lot depends on business' definition of communication," Ms. Shapiro said. "Does communication mean 'I am talking to you,' or does it mean 'I am listening and reacting?' The ideal, of course, is both. But usually what business means by communication is 'I have something to say and I want you to listen.' I'm afraid that's what most of these public relations programs are all about. The real test of communication is whether or not it creates change."



Learning to speak in front of an audience often creates anxiety and discomfort in the usually-poised business people



Kevin Daley, president of Communispond, Inc., leads the topped session of the dialog workshop



Jim McGuirk gives private individual feedback in the videotape viewing sessions

photographed by David A. Franklin