

2003 Arthur W. Page Society Hall of Fame Lecture

“Truth and Confidence” Bill Nielsen, Corporate Vice President Johnson & Johnson

Thanks to all of you for this wonderful honor. I am very deeply touched by being selected for induction into the Arthur W. Page Society’s Hall of Fame.

The Page Society has had a profound effect on me over the past dozen years that I have been involved. It has given me a great sense of meaning and purpose about my career and it has brought me in contact with so many people I admire and enjoy being with.

Many of you know that there is a very close parallel between Arthur Page’s philosophy and principles and the Johnson & Johnson Credo, which was written in the same period of time by General Robert Wood Johnson. Both men advanced -- early on -- the idea that businesses must align themselves with the public interest.

It is also significant that my predecessor, Larry Foster, who is also a Hall of Fame honoree, was the first non-AT&T person to be elected president of this Society.

So, I appreciate the opportunity to share a few thoughts with you about our profession and the Society at this 20th Annual Meeting.

I have titled this little talk, “Truth and Confidence.” I believe “truth” and “confidence” – self confidence -- are the linchpins of success in our profession. Truth, of course, being the fundamental starting point in communications and building sustainable relationships; and, confidence, defined as self-assurance, poise, buoyancy and coolness. And, of course, these are personal qualities that begin to describe Arthur W. Page.

As we celebrate the milestone of two decades in the history of the Arthur W. Page Society, it is important to set a context for our observance. So I’d like to begin by offering some thoughts about that context, and, in the process, to return the favor of your recognition by acknowledging the contributions of some people who truly deserve our thanks and appreciation.

First, at age 20, we’d have to say that the Arthur W. Page Society has certainly achieved preeminent standing and influence in professional public relations circles. But, of course, this was not the work of the man, Arthur W. Page.

His was the labor of defining the practice of public relations – by the example he set – and of articulating some just plain practical ideas about the standards that ought to apply to that practice. But he probably did not visualize a professional society or a body of members gathered in his name; or, that his practical ideals would become principles. As Ed Block has said, he’d probably be embarrassed by this turn of events.

That work came later. It was visionaries, like Ed Block, Jack Kotten, Jean Handley and Jerry Blatherwick, who conceived of an organization, and later sought to extend its membership beyond Page’s company, AT&T.

But, it is also true that today’s Arthur W. Page Society is not the work of these visionaries who formalized Page’s principles and gave them life and breath outside of the womb of Ma Bell.

The modern ascendancy of the Page Society will probably be traced to more recent leadership – that of Jim Murphy and Dave Drobis.

As one of those of those who helped lead the transition of this Society from ideals to reality – along with Larry Foster, Marilyn Laurie and Kurt Stocker – I can tell you that we, the four of us, stand in awe of the rapid maturation we have witnessed in this organization over the past four years. It’s a tribute to strong

leadership from Jim and Dave, a dedicated Board of Trustees, an increasingly active membership, and the executive staff direction we have gained through Paul Basista.

Just look at the richness of the programs conducted at our Spring and Fall meetings, the number and variety of the committees that now exist to pursue the mission of this organization. Look also at the financial soundness of the organization, which now enables us to truly invest in the development of our profession and extend its reach and impact. And, we'll all want to watch the work of Valerie Di Maria and Anne Barkelew who created a special task force on diversity. The issue of diversity is so important in all of our companies. It's wonderful to see the Society taking such leadership on this cause in the public relations profession.

It should also be said that this gift we have in the Page Society would not be ours to cherish had it not been for the vision and leadership emanating from AT&T.

So, we can all be very proud and agree that we have much to celebrate at this 20th annual gathering.

Because all of this has come to mean so much to me, I would like to offer some thoughts about Arthur Page and how I would define his true legacy. I'd also like to speak with you about our profession – I think we should stop calling it a practice. And, I would like to bring a new dimension to our vision of the Society for the future. I have some observations about the role agencies play in our profession and I would like to suggest a more significant inclusion of agency practices and work in the Society.

First, it is well to pause for a few moments to consider how special this Society is to our profession – that is, how special this Society is compared to the other professional organizations in such fields as Law, Finance, Human Resources, Engineering and even Medicine. These professions all have important roots and traditions, but there are qualities about our Society that distinguish it among professional organizations. It turns out that we have something very important going for us.

Consider the Page Principles – tell the truth, prove it with action, listen to the customer, manage for tomorrow, conduct public relations as if the entire company depends on it, and, my favorite, remain calm, patient and good-humored. These principles make up the very core of what we do – defining, in fact, what we do.

The point is that the legacy of our Society stands on something very different when compared to other professions. Our profession wasn't built on cases in law or verbose decisions by old judges. It isn't about cash flow, financial performance or return to stockholders.

The bedrock of this Society is to be found in individual character, as epitomized by a simple, practical man who applied common sense and good judgment with persistence and tenacity to the issues that confronted him and his company in their time.

That Arthur W. Page could achieve the authority he apparently did is a tribute to the strength of his character, his integrity, and the self-confidence he undoubtedly possessed. And, I believe it is THAT aspect of Page that is most important for me and for you.

Arthur Page had no cases in law to support his counsel and advice. He had no labor law. He had no Financial Accounting Standards Board or SEC rulings to back up his recommendations.

The core of Arthur Page's counsel was derived from his personal character and values, his good judgment, and the self-confidence he must have exhibited in providing counsel to management. More than the principles that have been codified and credited to him, I think the importance of Arthur Page to all of us, was the confidence he exhibited that allowed him to act on the strength of his convictions. His self confidence was, of course, constantly reinforced because of the good judgment he possessed.

I believe his model is terribly important and should be emulated by all of us in this profession today on a personal level, and by all those who seek to enter this profession.

This is so critically important – especially given the magnitude and consequence of the issues we deal with today – that we need to find ways to instill these qualities in all those who aspire to assume the top positions in our profession.

We can argue about whether good judgment can be taught, but I believe it can be acquired by paying close attention to the experiences we have throughout our careers, by distilling the lessons we learn through every day experiences, and then developing an understanding of how to apply that cumulative experience to the situations that confront us, with confidence.

Our Society can play a crucial role in providing a framework and format to encourage this kind of learning.

I mentor many young people who enter our profession because they believe that public relations is a career that can give meaning and purpose in their work lives. I tell them to pay attention to what they are doing, to learn from every experience -- the good ones but especially the bad ones -- and to think about how those experiences might translate to other situations. Most are focused on learning and climbing to success, but I encourage them to watch every step along the way.

The strength of one's character breeds confidence and self-assurance, and I would submit that when these qualities are exhibited by the chief public relations officer in the management mix, the effect forms a kind of glue that helps hold well managed organizations together today. It works, as we work, in between the absolutes of laws, organization and management processes -- in the gray spaces.

As such, our work is not altogether manageable or always predictable. And, it is not measurable in its absolute value. And yet, it forms such an essential bond.

It is certainly about values. It's about integrity. It's about consistency and persistency. It's about knowing that you're right and having the confidence, as Arthur Page did, of acting on that knowledge and the strength of your convictions.

What we're about is more art than science. In fact, it is art; it is not science.

And so in this belief, I resist attempts to put process around what we do. I reject the assertions of others that if it isn't measurable, it isn't worth doing. Some believe all recommendations and programs must come with measures. But I would submit that if the complicated issues we deal with, and are expected to handle, could be simply placed in a process to be predictably resolved to the satisfaction of management, then I don't think we have a profession. I don't think we have a role. The function becomes marginalized and the inevitable voids that develop between black and white are not filled or bridged.

I would suggest that the erosion of influence that we see in the role of public relations in many organizations today is due in very large part to this factor. This is not to say that there aren't processes that can make execution more efficient and effective. But if we're not careful, process engineering in public relations can destroy the role of good judgment and take away the possibility of fortuitous opportunity.

I think we need to resist this kind of thinking. I know this is provocative and controversial. It is so even with members of my own staff and management at Johnson & Johnson. But, I would argue that we need to be sure that the balance in decision-making on the tough issues always tips in favor of good instincts and good judgment born of values and integrity and rooted in the truth. I use a very simple mantra or framework to organize my thinking when confronting tough situations: What do we know? What do we believe? And, what are we going to do?

I also think, by the way, that we need to continue the struggle to adequately identify and explain what we do, because we're becoming confused about what public relations is really all about. Some would say we've been confused for a long time.

In my own organization, I hear business managers talk about adding PR to the marketing mix because it's so much cheaper than advertising. What are they talking about?

Marketing communications has a role in any successful organization, but that's not public relations. Let's not confuse the two; let's not allow management to hold such a simplistic view about what we do.

Page practiced public relations as if the whole organization depended on it. And it did, and that's where we belong. You can be very confident about that.

I don't know what Arthur Page thought about the role of outside counsel in the management of public relations. But, in our vision and mission for the Society, you can't find a reference to the role of counsel, and as we look ahead to the next decade, I'd like to offer a few comments about that.

Over the past several years, we have sought to assure that the focus of the Arthur Page Society was firmly aligned with the role of the Chief Public Relations Officer in a corporation. We have promoted the mission of the Society, "To strengthen the management policy role of the corporate public relations officer..." The Board of Trustees and the membership committee have sought to manage overall membership so that the majority of members would come from the largest corporations. I believe this was proper and important and certainly should continue to be the aim of the Society. But, I also believe that we have not paid enough attention to the role of agencies in the public relations mix. We have not acknowledged the unique contributions that sound agency counsel can play in the execution of public relations in the management policy role of the corporate public relations officer.

Dave Drobis, as Chairman and CEO of Ketchum, broke something of a glass ceiling by being the first career agency person to be elected president of the Arthur Page Society. But, I remember several of us counseled Dave that in his role as president, he should think and act like a corporate person. I don't think that was wrong but it does suggest that agency executives and their part in our profession hasn't been accorded the same standing within the ranks of the Society as have Corporate members.

I'm not advocating wholesale change, but I do think the Society could benefit by more fully acknowledging and embracing what a number of us view as the essential role agencies play in our profession. An agency study initiative within the Society, for example, isn't a bad idea. Some focus on improving client/agency relationships might be considered. Certainly we should work to be sure the values and principles we espouse are commonly held and practiced by the well-managed agencies that represent us.

My regard for outside counsel is deeply held, as you would imagine, because that's where I was born in this profession. I spent 16 years with Carl Byoir and Associates and about two years with Hill and Knowlton after our firms merged. Carl Byoir has disappeared as an organization but, thanks to our friends at Hill and Knowlton, we have preserved a bronze bust of the man that used to be displayed at headquarters. The folks at H&K were cleaning out closets recently and the 75 pound bust now resides in my office, waiting for the day when someone creates the museum of public relations.

Carl Byoir & Associates, at its peak of performance in the 1970s, was the third-largest PR firm in the world and was winning more Silver Anvils, in its time, than any other agency or organization. The firm's orientation was always to the top of its clients' organization, and as account executives, we resided with our clients and were expected to have frequent direct contact with our client CEOs and to always know what was on their minds.

How many of us today allow agency executives to have direct access to our CEOs? Harold Burson still roams the halls of executive management suites as though nothing has changed. Harold is, of course, an exceptional individual, but he shouldn't be exceptional with regard to his access to corporate leaders.

I think we've lost something. I think most Chief Public Relations Officers of the companies we represented earlier would tell you that our agency relationship helped to elevate the importance of PR in the organization. And Harold can tell you about helping the careers of any number of corporate public relations people because he had the ear of the CEO.

What we've lost, at least among big companies, is the idea of partnership with our agencies. We have come to regard agencies as vendors – suppliers of services. And we're insisting that they have measures to forecast and prove return on investment, sometimes well beyond what we would demand of ourselves. The term, ROI, when applied to public relations makes me shiver.

The truth is that agencies today are so much better equipped with skilled people and technology than they were in earlier times. They spend more time thinking strategically about public relations than many of us on the inside who are caught up in the day-to-day running of our businesses.

Agency people are exposed to wide ranging issues and can help client organizations to see themselves as others see them – a critical aspect of changing perceptions. Agency people can also say things about client organizations that clients can't say about themselves.

We ought to have the confidence to let them get closer without feeling threatened. The Page Society would do well to offer opportunities for chief public relations officers of corporations to learn about agency relationships and to become comfortable and confident about including this important resource.

I think there is room for a lot of nurturing in the relationships we maintain with public relations agencies.

At Johnson & Johnson, we're going to experiment with an effort to build mutual understanding and awareness between clients and agencies by staging a unique workshop. The idea is to take management and key staff from the PR departments of three companies – my company and two others in different industries -- and put them together with management and key staff from three agencies. With this joint group of some 30 people, over two days, we expect to talk about such topics as setting realistic objectives and expectations, the creative process, the formulation of recommendations and programs, the budgeting of those programs and how to evaluate results. Notice, I said, "evaluate;" I didn't say "measure."

There is obviously risk involved for everyone. We're hoping the agencies will give us their very best people for the workshop, and we'll match them with our best. So, we'll probably find some bright prospects in the agencies; but we'll be exposing our best and brightest to them. I actually think agency management should help groom and support the movement of top performers into corporate positions. So, I think we'll all grow from this workshop experience and I'm really excited about the prospects.

And, what does this have to do with the Arthur Page Society? Again, I don't know what Arthur Page would think about such an exercise, but the Page Principles will provide an excellent framework for this meeting. And, I think some more active integration of agency work and corporate work could be a useful expansion of the work of the Society. I believe agency people should be able to see themselves in the context of our Society just as corporate people do today.

The Arthur W. Page Society stands alone in our profession for the clarity of its vision and mission and what it has come to represent in our profession. Many people over the past 20 years can rightfully share in the credit for the growth and development of this organization. The challenge for leadership in the years ahead is to hold firmly to the core values and principles and to build on the base.

I believe that public relations is a calling and I think we all find a real sense of meaning and purpose in our work through the ideals on which this Society is based. The challenge for each of us is to carry the Page model of self-confidence about what we do into each of our organizations. We may not have the force of law or established policy to back up our counsel and advice. What we own, though, is the truth and the sense of responsibility that comes with it. Each of us needs to take inspiration from the firm foundation for public relations, which is embodied in the Arthur W. Page Society. We need to stand our ground and we need to act on the strength of our convictions.

I am deeply honored to receive this Hall of Fame designation, and I want to sincerely thank all of you for this recognition.

I believe the Arthur W. Page Society has enormous potential. I believe our profession needs the anchor of principles and values we espouse. And, I'm confident that our future is limited only by our imagination. And that's the truth. Happy 20th to us all.

Thank you.