

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

Ladies and Gentlemen, I am greatly honored to be here delivering the Vernon C. Schranz lecture in the last year of this century and following in the footsteps of many very distinguished speakers.

We are standing on the brink of the 21st century – a time of enormous change, not least for those who have chosen public relations as a profession. As Bill Clinton said in his inaugural address in 1993, “the urgent question of our time is whether we can make change our friend and not our enemy.”

We must not wait for the change and the future to overtake us but try to understand their implications by embracing what is happening in the world today.

Peter Drucker put this thought best. “Looking ahead is not about predicting the future but about understanding the implications for the future of current events.”

This, therefore, is a time to look forward, leave history aside. So, today, I am going to take the simple path and talk about my vision for public relations in the 21st century.

I believe the only way to make public relations truly relations truly effective and valued is really to understand the opportunities which face companies whether they be clients or our direct employers and which as public relations professionals we aim to serve. So, I am going to devote a large part of this talk to challenges facing companies and the way these will demand changes in how professionals go about their business. The interdependent drivers for our clients and employers are globalization, technological progress in general and in particular the Internet. Hopefully, you will leave tonight appreciating why I believe my vision for public relations in the 21st century is realistic and why I am green with envy for those studying public relations today – for these dreams will be their reality.

I want to begin by reading you something that first appeared on the Internet. It was also reproduced in an excellent book, from which I have drawn heavily for this lecture, *The Lexus and The Olive Tree* by Thomas L. Friedman. It is part of a fictitious press release which, although humorous, underlines a serious point about the changes sweeping our world today.

REDMOND, Wash., October 21, 1997 – In direct response to accusations made by the Department of Justice, the Microsoft Corporation announced today that it will be acquiring the Federal Government of the United States of America for an undisclosed sum. “It’s actually a logical extension of our planned growth,” said Microsoft chairman, Bill Gates. “It really is going to be a positive arrangement for everyone.”

Microsoft representatives held a briefing in the Oval Office of the White House with U.S. President Bill Clinton, and assured members of the press that changes will be “minimal.” The United States will be managed as a wholly owned division of Microsoft.

An initial public offering is planned for July of next year, and the Federal Government is expected to be profitable by “Q4 1999 at the latest,” according to Microsoft president Steve Ballmer.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

In a related announcement, Bill Clinton stated that he had “willingly and enthusiastically” accepted a position as a vice president with Microsoft, and will continue to manage the United States Government, reporting directly to Bill Gates. When asked how it felt to give up the mantle of executive authority to Gates, Clinton smiled and referred to it as a “relief.” He went on to say that Gates has a proven track record” and that U.S. citizens should offer Gates their “full support and confidence.” Clinton will reportedly be earning several times the \$200,000 annually he has earned as U.S. President, in his new role at Microsoft...

... When asked if the rumored attendant acquisition of Canada was proceeding, Gates said, “We don’t deny that discussions are taking place.”

An amusing but unlikely scenario – certainly in the immediate future! However, it raises many pertinent points. Most importantly, the shift of power away from governments toward global corporations who through the exploration of the Internet have grasped global power far beyond national government boundaries. Public relations must, therefore, harness technological skills and be on the cutting edge of their application if we are to meet the demands of the new global corporations in an increasingly ruthless business environment.

Globalization and its drivers

The buzzword of the moment is “globalization.” What do we actually mean by this term that peppers nearly every discussion of world affairs? I found a definition, again in *The Lexus and The Olive Tree*, which sums up its true meaning:

“...the globalization system, unlike the Cold War system, is not static, but a dynamic ongoing process: globalization involves the inexorable integration of markets, nation-states and technologies to a degree never witnessed before – in a way that is enabling individuals, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before, and in a way that is also producing a powerful backlash from those brutalized or left behind by the new system.”

You know what I like about this definition? Globalization is described as a positive energy, “faster, deeper and cheaper,” an energy which provides so many opportunities, especially for those in our profession. However, the warning note is there at the end – “producing a powerful backlash from those brutalized or left behind by the new system” – we, in public relations, cannot afford to be amongst this group of people. We must be in the group of people who have realized that globalization is not a choice. It is a reality and we must embrace that reality and exploit it. In other words, “we must make change our friend not our enemy.”

Globalization, and more specifically economic internationalization, has been a force at work for most of the 20th century. John Maynard Keynes wrote in 1919 – 80 years ago – about the European elite...

“The inhabitant of London could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early

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delivery up on his doorstep; he could adventure his wealth in the world... The projects and politics of militarism and imperialism, of racial and cultural rivalries appeared to exercise almost no influence at all on the ordinary course of social and economic life, the internationalization of which was nearly complete in practice.”

So, the dream of globalization is not a new phenomenon but the shift of power from the West to the East and technological advances have made this dream a reality at the opening of the twenty-first century.

The Shift of Power from East to West and its Implications

Let me first deal, therefore, with the shift of power from west to east. Most economic commentators agree that China will be the largest economy within the next 20 years. Nicholas Kristoff, the former Beijing correspondent for the New York Times, tells us to think of China as “Greater China” – including Hong Kong and Taiwan. Estimates suggest that Greater China will have a GDP of \$9.8 trillion compared with \$9.7 trillion GDP in the U.S. in 2002. The power of Ethnic Chinese but this 4 percent own 70 percent of the domestic capital and control over 150 of the top 200 companies.

In about 50 years it is estimated the world’s population will be between eight and nine billion, of which nearly two-thirds will be in the so-called third world. During this period of two to three billion people in the Eastern world will be emerged from poverty for the first time. That means two to three billion people will need education, roads, power. They will, therefore, want televisions, cars, computers. They will expect choice in food, clothing and other consumer products.

There will be important changes in the Western population too: longer life spans, better health, higher incomes and an aging population to feed, house and who will demand financial support. Did you know that in the United Kingdom at the start of the 20th century, life expectancy was no more than about 45 years whereas life expectancy in the late 1990s is about 80 years?

Our clients and employers will be wanting to make the most of these new market opportunities both in the East and the West. We need to be there with them, understanding the problems and the new cultures in which they will be operating a key issue of commercial power from West to East which will involve every public relations professional in the world is that of global business ethics.

On the one hand, the host country welcoming a new employer will be asking questions about that company’s global ethnic stance on a wide range of issues. On the other hand, the employees who move to the host country will want to be sure that they are satisfied with these ethical standards as will the consumers who buy the products.

It is now appropriate and acceptable to ask questions like: “what sort of company is this?” “Would I like to work for a company like this?” “Is this the sort of company I want to buy from?”

Let me illustrate this with a story recounted by Glen Peters of PriceWaterhouseCoopers in *Waltzing With The Raptors – A Practical Roadmap To Protecting Your Company’s Reputation*.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

He tells us of a girl called Tumini from an Indonesian island south of Java – a paradise island with one serious drawback – no employment. Tumini is one of seven children, all daughters, and her parents need to find her a husband in the next couple of years otherwise Tumini might bear the stigma of being a spinster for life. One problem – there is no dowry. Without a dowry – no husband.

One day an agent from the personnel department of a large Western-based electronic company comes to Tumini's village and offers Tumini the change of a two year contract on the island of Batam next to Singapore, hundreds of miles from her home. Tumini knows she has to go to earn the money to secure her dowry and hence her reputation.

On her arrival, she passes lots of factories belonging to huge global corporations and her bus stops at a colony which closely resembles a concentration camp – wooden huts for dormitories, guards and a 12 foot high barbed wire fence. Even the women and men separated. Tumini works 10 hours a day, six days a week. What does she get for this? A financial package of two and a half thousand dollars for two years work (about 50 cents an hour). Tumini knows that if she saves all this she can go home and have a good dowry, build a home and everyone will be proud of her. She will have the pick of the men in her village as a husband.

How differently Tumini views her situation from how we might view it. Tumini thinks she is lucky too have this chance of a better future whereas we might think she is being exploited. This is most clearly demonstrated by the accommodation she lives in – we might think such conditions are barbaric, whereas in fact Tumini regards the “concentration camp” for her protection – Batam can be a nasty place at night.

Would you want to take one of the company's in Batam as a client? Would you buy their products? Would you want to be employed by them as a public relations intern? How would you deal with this story if it broke on the capital Internet? Could you debate the cultural differences in the press and make people see Tumini's viewpoint?

Even if the problems of reconciling cultural difference were not enough, think also of the financial pressures facing our clients and employers in the West. They will increasingly be accountable for short-term financial results with short-term liabilities to be met in the morn of pension payments. What governments used to do by providing pensions, corporations have to do now by making profits and pressure to make these profits will often make them vulnerable to accusations of exploitation in far flung corners of the world.

Technology as a Driver

One trend that will be more difficult to predict is that of the technological revolution because we cannot see the limits of technological power. Just 20 years ago Bill Gates was ridiculed for saying that there would be a computer on every desk and, indeed, he had this vision when he was no older than any of the students present this evening.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

Today's children don't give the television a second glance when they arrive from school – no, they head straight for the computer and the Internet world. The Internet provides a myriad of information on any subject and access to books, music and entertainment. Indeed, if you believe some predictions of life in the next century we will all be on a metaphorical desert islands, in virtual office, where our only contact with other people is through the screen in front of our eyes.

The Internet has no gatekeeper and no editor. Information is available instantly around the globe and there is no one to vouch for its validity. The Internet can transcend all cultures and standards that have previously acted as natural barriers to communication. In the past, geography alone made it possible to say something to one geographical audience and tailor it to be more acceptable to the culture and morals of another – no longer.

The Internet is the most exciting innovation of modern times as well as a potentially lethal weapon. It is imperative that we understand this technology fully because there are so second chances with the Internet.

Whenever I hear a forecast regarding Internet usage or e-commerce, I mentally multiply it by a fairly large factor! There are 6,500 new websites going up every hour and 100 million Web users in the United States alone which will double in two years! Remember it took radio 75 years and television 25 years to reach an audience of 100 million.

I read in the newspaper recently about the launch of a microchip with components 500 times smaller than a human hair which will double the speed of computers. In the Fifties, computers were able to make 500,000 calculations a second and crossing the Atlantic in a liner took five days. This new microchip means that a computer can make 735 million calculations per second! This means that if air travel had been developed at the same pace as computers, crossing the Atlantic would now take five minutes!

The Internet: Opportunities and Threats

Opportunity abounds. One of the greatest opportunities is the Internet's immediacy. We now talk about the same things in the world. There's a common international news culture developing. Everything now happens in real time not a few weeks ago, not a few days ago or even a few hours ago. Events unfold in front of us – unlike the ancient Greeks who had to wait for Pheidippides to run from Marathon to Athens to announce the Greek victory over the Persians, we can now watch war in action; Princess Diana's death was known worldwide within seconds, whereas in 1865 it took 12 days for the news of Lincoln's assassination even to reach London!

Even one of the most accepted means of receiving news – the newspapers (only a day time lag!) – is seeing a serious downturn in readership figures. According to the 1998 Media Usage Study by the Newspaper Association of America and the American Society of Newspaper Editors, 67 percent of the population read a daily newspaper in 1977; 20 years later that figure had reduced to 51 percent and I bet that figure has fallen significantly since 1997 as the Internet's grip has tightened. People want news now, as it happens – yesterday's news is old news. This morning's news is old news!

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

The print newspapers have realized the battle on their hands and are fighting back. What they have lost in falling readership of physical newspapers, they are trying to make up by attracting on-line readers in countries where access to their publication before the advent of the Internet was high impossible and also, of course, on-line readers within their own. For examples, I am told that over 300,000 of the over two million worldwide readers of the Wall Street Journal now pay to read it online. In the United Kingdom, the growth of on-line media is also rapid – the Financial Times recorded nearly 173,000 unique users of their on-line edition in August 1998; a year later that figure was close to 650,000 – not bad growth in a month which is traditionally a holiday in the British Isles! This news, however, is still yesterday's news.

The structure of communication is changing and we, in public relations, now have a hugely powerful tool which we can employ – we can now take our messages anywhere in the world immediately. A global profile is inevitable. It is our challenge to make that profile favorable, not unfavorable. The natural barriers to communications previously imposed by geography no longer exist. A public relations professional's dream has come true – the voice of our client or employer has the potential to be heard everywhere and anywhere. Our task is to have it heard loud and clear.

A word of warning though – real time means that crisis communications will be one of the public relations' consultant's key skills in the 21st century. Take the example of Argos, a United Kingdom retailer, who recently found themselves advertising televisions for sale on their website for £3 instead of correct price of £300 – of course, thousands were snapped up. A court case is now looming for Argos as to the legitimacy of renegeing on the unintentional bargain price. This is the sort of public relations nightmare that we are increasingly going to face.

Privacy issues will also come to the fore. For example, I read in a recent McKinsey Quarterly report that GTE in 1998 inadvertently published on the net the unlisted telephone numbers and addresses of up to 50,000 customers in California, thereby possibly endangering the anonymity of vulnerable people like police officers or crime victims. The blunder provoked 25,000 calls, 400 e-mails to the company and 1,500 requests for new phone numbers. These sorts of errors are inevitable with no time lag before information dissemination and we will be in the hot seat when they occur!

In the United Kingdom, we too have seen the damage that the Internet can unleash. Earlier this year a list of alleged MI6 agents were deliberately published on the Internet despite a court injunction obtained by the British Government to shut down the website. Even governments have lost control over information.

Immediacy combined with global reach mean that some event that only have made news in its home country before the advent of the Internet, can now make world news within seconds. There can be no cover-ups. We may longer face only a communications crisis in one place but worldwide with no time to implement any damage limitation exercises. A frightening thought – although we do at least have one major advantage over others in the industry abroad – English is the language of the Internet.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

The advent of the Internet also means volumes and volumes of information are now at everyone's fingertips. There are an estimated 3.6 million sites to surf. We will all need to find a way to demand – and get – attention. That means researching, understanding and targeting our audiences in a much better way than in the past and structuring consistent messages. That is a real opportunity for the talented amongst you.

Perhaps the greatest opportunity of all offered by the Internet is ecommerce. Forester Research forecasts that world Internet commerce is expected to explode from \$80 billion of goods and services in 1998 \$3.2 trillion in 2003. In 1997, almost none of Intel's business was transacted over the Internet; in 1998 for the year as a whole, 21 percent of its business operations were transacted over the Internet; in 1999, Any Grove estimates that more than 40 percent will be transacted over the Internet – from 0-40 percent in two years – that is quite a change in the operating structure of one of the worlds largest companies and one, lets not forget, at the forefront of technology.

Andy Grove has gone as far as to say at a recent address of the confederation of British industry in the United Kingdom. That “there will be no such thing as Internet companies because all companies that will be operating will be using the Internet in their business and in their internal operations.” The implication is clear. Harness the technology or go out of business.

If any company still needs persuasion, listen to Larry Carter, Chief Financial Officer of Crisco System, who claims that Crisco is saving over \$500 million per annum by using the web and currently over 80 percent of customer and partner queries are answered on-line.

Costs are coming down in all industries: a recent study in the U.S. calculated the average costs in financial services as \$1.08 at a bank branch, 54 cents for call centers, 26 cents for a dedicated PC link and 13 cents on the Internet.

Take another example: Processing an airline ticket though a traditional travel agent costs \$8, on the Internet it's a buck! British Airways has projected that half of its bookings will be online by 2002.

Even consumer durables such as cars, are selling on the Internet. Chrysler projects that one in four of its cars will be sold on-line within a couple of years!

The potential for ecommerce is starkly evident in the stock prices of the companies that are at the vanguard of new technologies. Charles Leadbeater in his 1999 book, *Living on Thin Air*, states that at the time of writing:

“The stock market capitalization of Microsoft, Intel and Crisco Computers is almost three times that of Detroit's big three car companies, even though the car firms' sales are more than 10 times greater than those of high tech companies.”

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

It is not just the buying and selling of physical goods and services which have revolutionized the world. One of the most enduring images from Thomas Freedman's book *The Lexus and the Olive Tree* is that of the "Electronic Herd" – millions of mouse-clickers who move money around the world in a split second. The Bank of International Settlements latest report claims that daily forex trading in 1998 was about \$1.5 trillion a day! Just as governments have lost control of information so they can no longer control money flow – borders do not exist in the world of ecommerce money flows.

So traditional national governments are losing power. As we have seen, global corporations are gasping it and the Internet is being exhausted as the great equalizer, everyone has a voice. Even this, noble as it sounds, creates problems. For example, pressure groups, environmental groups, news groups and advocacy groups are all able to obtain access to a global audience to whom they can air protests and grievances – a right, some will say, they should have but one that can bring serious headaches for you and me. A pressure group with a global audience can be one person – a disaffected employee, and unhappy consumer, an inconsiderate troublemaker – who can trumpet his views worldwide using the Internet, searching for like-minded people to pressurize companies, governments, trade unions – any group they choose. Whereas before we would plan crisis communications, it is now a full time occupation.

Take the example of Intel – you probably remember the story. A few years ago, a teacher in Virginia noticed a flaw in one of Intel's premium microchips. He contacted Intel to report the flaw and then awaited a response from the company. He received none. So, he sent an e-mail reporting the flaw to colleagues, who, in turn, posted the message in a CompuServe forum – the first public disclosure of the flaw. The response from Intel? None. Stories of the flaw soon spread from Intel-specific news groups to more highly trafficked Internet sites. Mainstream media picked up the story and it became front-page news. The result – Intel was forced to recall all the chips with familiar flaws at a cost of half a billion dollars and the company, of course, suffered a severe blow to its credibility.

Where will the Technology Lead?

Technology is already moving on. I mentioned, when talking earlier about the shift of power from West to East, how the demand for western style goods will increase over the next few years and how many more people will begin to have access to information that they never had before. This access will become much easier thanks to a company, Teledesic Corporation, created by Bill Gates and Craig McCaw, the founder of McCaw Cellular Communications.

Their plan is to launch 840 communication satellites to wire the world, "The Internet-in-the-Sky." At a cost of \$9 billion, they intend to launch satellites shortly after the year 2002 create a system carrying interactive voice, data and video service. If it works, there will not be a single corner of the world that cannot obtain instant information from anywhere else on the planet!

The Importance of Branding

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

I have said how important it is that your message stands out in the cluttered, noisy world of the Internet, but it is also vitally important that your brand stands out. The world of information overload, electronic commerce and global markets companies will live or die by the power of their global brands.

The Yankee Group, a technology consultancy, this year questioned 250 large and medium-sized U.S. companies across a broad spectrum of industries about their attitudes on e-commerce – 58 percent of corporation makers consider the web to be important or very important to their business strategy. Although only 13 percent thought it was not important in the least – that is far too high a number. More reassuringly 83 percent said that “building brand awareness” and “providing market information” are key jobs for their Web sites – at least they are identifying the key tools for success.

My friend and colleague, Maurice Saatchi, introduced in an article last year the idea of a news force at work in a world of global competition – “marketing Darwinism.” This is the theory that in every product category in the new global marketplace, only one and at the most two global brands will survive. All others will become extinct.

To understand the nature of your brand, it is necessary to express it in no more than four words. As Saatchi says,

“...pick one characteristic your brand stands for, own it, know everything that there is to know about that one emotion, all over the world. Express it simply, do not dilute or complicate the message that way you will avoid extinction.”

He uses the example of Mars’ “Snickers.”

“[Mars] decided that there was a rich commercial prize at stake in global ownership of a single human need: hunger satisfaction. From Hong Kong to Lima, people would know that Snickers was ‘a meal in a bar.’”

Reputation is Key. What does all this add up to? What is the meaning of the globalization trends we have identified? It is this – the most valuable asset a company will have in the 21st century is its reputation. Our employers and clients will want to conquer new markets, they will want to stretch their brands and have geographical diversification. Their challenge will be to persuade these new markets that they are good, responsible companies. The reputation behind the brand and behind the corporate identity will come to the fore.

Our job will be to manage reputations. At IPR, we have three companies, Golin/Harris, Shandwick and Weber Worldwide. One of these, Shandwick has built its public relations position around the notion of global reputation management. We believe that building, maintaining and at times defending a client’s reputation is the key to adding value for all stakeholders in a business. Reputation makes the difference between a merely “good” company and a company that is a market leader.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

Respect and trust are the building blocks for reputation. A good reputation can lead to greater sales, premium prices, better payment terms, higher quality employees and many other benefits. On this subject I recommend you to Professor Fombrun's new book titled Reputation. It is his belief that "by developing strong and consistent images, well-regarded companies generate high assets – or reputational capital – that gives them a distinct advantage."

May I briefly mention that Shandwick, with Professor Fombrun of New York University Stern School of Business and Harris Interactive, have identified, based on thousands of interviews, 20 key drivers of any corporation's reputation. These drivers have been distilled into six key categories, which are the foundation of their Reputation Management practice. Here they are in the order of importance to most corporate stakeholders: Corporate Appeal or Personality (ethics, trustworthiness, friendliness, credibility); Products and Services; Social Responsibility; Workplace Environment (corporate culture, employee treatment, moral); Vision Leadership and lastly Financial Performance. Notice that financial performance the hallmark of most leading indicators of corporate admiration today was rated last. Those interviewed believe that if the first five categories are addressed properly then financial performance follows.

Whilst reputation is an asset, it is also an extremely fragile one – it needs constant management and care – that's our job!

My Vision for PR in 2020

Let's now draw all these thoughts together and I will give you my vision for our industry in the next century, taken the year 2020 as the point in time I have in mind.

So here we go – firstly let's consider the world of the public relations consultancy (although, of course, all that I say about top caliber employees harnessing technology skills and training applies equally to those in-house as well).

I believe there will be only three to four major global agencies. Expect further serious consolidation within the industry. Our clients will demand global reach and a fully integrated public relations service, which only a few agencies will have the resources to provide. Smaller agencies trying to provide a rival service will, I believe, get squeezed out or bought out! That is not to say that there is no role for niche players catering to the specific needs and localized geographies of clients – I think there most definitely is. We have seen this in the banking industry – the large players getting larger – the Goldman Sachs and the Merrill Lynchs and the emergence boutique players who cater to clients who want a more individualistic, tailored approach to a specific task.

The way we work will change dramatically – the virtual office world. Businesses will question seriously the need for overheads such as office buildings. It is already common in the management consultancy industry for firms to operate a "hotdesk" system. The ultimate is the virtual office where

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

all employees work from home, communicating electronically – gathering information, talking to clients and exchanging ideas with colleagues.

As for us, I believe we will be home-based, client-based or market-based rather than office-bound as so many of us are at present.

Another likely feature of the virtual corporation will start to emerge – fewer management layers allowing employees to make quick, independent decisions.

There will be further integration and communication skills. It will no longer be good enough to know how only certain journalists in your hometown or country. All public relations practitioners, consultant and in-house, will need to harness all the technology skills I have spoken about this evening – manage the Internet and the demands of real-time news. Our clients will not be able to wait for the overnight mail delivery or wait until the next day to see the person they want to talk to. No, they will demand a real-time agency advice instantly and globally. We will have to draw on all our resources to access the information required in whatever form and language the client wants immediately. This is where the truly global public relations firms will have the advantage.

These demands will mean that the industry will need top caliber employees who are able to think creatively, expansively, be innovative, problem-solving and act quickly. Of course, the pull of these people is being fished by others such as management consultants and accounts that are also setting up reputation management partnerships. Recruitment of top caliber personnel will be vital to public relations success as in industry. A corollary to this is, of course, the importance of training for those entering our industry and indeed the continued training of those already practicing public relations is an excellent example of commitment to training.

This new virtual world will give rise to what I call “PR mercenaries.” I expect to see the rise of powerful, high-earning public relations specialists who are “parachuted” into client situations in any part of the world at any time. Clients will be able to say this situation demands someone with specialists knowledge and I want this person for my public relations.” It is no longer the case that the specialist requested will need to travel across the world in a minute’s notice and spend weeks, sometimes months working on a clients special situation. Advice can be dispensed from a home base. This will mean that the truly talented, innovative, creative public relations practitioners amongst us have huge opportunities to earn professional reputations on a global scale – and large salaries too! Just don’t tell any of my staff!

Fees will continue to rise sharply but they will be less based on retainers and more project driven and success based. It may be that public relations moves more toward a system used by the legal profession in the United States – “No win, no fee.” Whatever, competition will be intense and there will be no room for any “laissez-faire” attitude toward clients.

The professional role will change – already we are seeing the role of public relations consultants invaded by management consultants, investment banks, lawyers and accountants. Competition

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

means that we have got to be better not just than the traditional competitors but new competition too. The importance of global reputation is key to our professional role in the future. I expect we will see large companies increasingly appointing Chief Reputation Officers to the board which will give those in agencies a welcome direct line to top management and those working in-house a career path to the top of the corporate ladder!

Let's now consider the internal role – the in-house public relations person.

The in-house public relations consultant will need to be well-informed about all the developments I have talked about tonight. They will have to appreciate fully how these changes contribute to the success of their employer's business. I am not saying that they will need to be computer whiz kids or geeks but rather must understand the implications of new technologies and what they can achieve.

Internal departments will become leaner. As public relations agencies become more professional and have global reach, then increasingly the internal public relations practitioner's role will be buying work from outside consultants. As companies broker out public relations activity, your skill more and more will be an identifying managing and evaluating external agencies. In addition, as the amount of information exchanged between companies and suppliers increase, you will look for more exclusive contracts with suppliers to ensure control over issues such as confidentiality.

One of the key roles for in-house practitioners will be the development of intranets for internal communications and extranets for smooth running of relationships between companies and suppliers. Extranets whilst allowing companies to communicate with their suppliers, will also allow suppliers to communicate with each other, making for smoother service with guaranteed confidentiality.

There is a need to develop a worldwide-accepted method of evaluating public relations programs. Shandwick has developed a global standard for measuring corporate reputation based on the six categories of reputation I talked of earlier. This Reputation Quotient, or RQ as it is known, has already been adopted by the Wall Street Journal. Increasingly, I believe, such tools will be in demand as a measure of public relations' success.

So, a different world, but an exciting one. The reality of a global marketplace is upon us and change will continue to accelerate.

For public relations practitioners this translates into newly defined roles as keepers, promoters and defenders of reputations on a global basis. If all the trends I have outlined prove correct, the decision now for all of you is where you want to play. As I see it, this rests on two different bases – your personal career plans and your role as a member of the corporation you join. A word of choice is out there for you.

*Vernon C. Schranz Distinguished Lecture in Public Relations
Lord Chadlington – 1999*

There are unique opportunities to be truly successful for those who are wholly committed and those who grab all the chances that materialize.

My one piece of advice to you all would be to set your sights high and take risks. A recent survey in the U.S. of people over 60 years old found that one thing that over 90 percent of them most regretted was not taking enough risks. I have always found in life that if the goals you set yourself are always slightly beyond your reach, you'll achieve so much more. You have all chosen to work in an industry with limitless possibilities.

I am reminded of the dialogue between Alice and the Queen in Lewis Carroll's famous masterpiece, *Through the Looking Glass*. It encourages dreaming the impossible dream. It goes like this:

"I can't believe that!" said Alice.

"Can't you?" the Queen said in a pitying tone. "Try again, draw a long breath, and shut your eyes."

Alice laughed. "There's no use trying," she said. "One can't believe impossible things."

"I dare say you haven't had much practice," said the Queen. "When I was your age, I always did it for half an hour a day. Why, sometimes I believed as many as six impossible things before breakfast."

Grab your opportunities, believe the impossible and commit to all that this brave new world promises. I would like to finish by sharing with you my favorite quotation. It is by Goethe and it is appropriate for us as the Millennium dawns, but particularly for those in public relations where courage in our convictions is vital and dedication is crucial.

"Until one is committed, there is hesitancy, the chance to draw back, always infectiveness. Concerning all acts of initiative (and creation) there is one elementary truth, the ignorance of which kills countless ideas and splendid plans: that the moment one definitely commits oneself then Providence moves too.

All sorts of things can occur to help one that would never otherwise have occurred. A whole string of events issues from the decision, raising in one's favor all manner of unforeseen incidence and meetings and material assistance, which no man could have dreamed would have come his way.

Whatsoever you do, or dream you can, begin it. Boldness has genius, power and magic in it.

Begin it now."