

# Global Issues Management in the «New Economy»

**Public Relations World Congress2000**

Chicago, IL

23.10.00, 09.45-10.45

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# Purpose of the presentation

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- Show new urgency to the organizations' issues management capabilities
- Strategies to address this urgency
- Examples, case studies for more effective internal and external Internet presence
- How to be more proactive than reactive thinking and planning
- How to maintain a coherence and consistency of message

# Structure of the presentation

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1. The changing environment - the role of e-reputation and the challenge of time
2. New organizations' Issues Management urgencies- capability to recognize early participation opportunities
3. Strategies to address this urgency- early recognition, being prepared to participate and shaping e-reality
4. Examples of e-reality shaping- e-activism, communication through the «buzz»
5. Proposal for an anticipative coherent approach

# New environment, new rules of the game

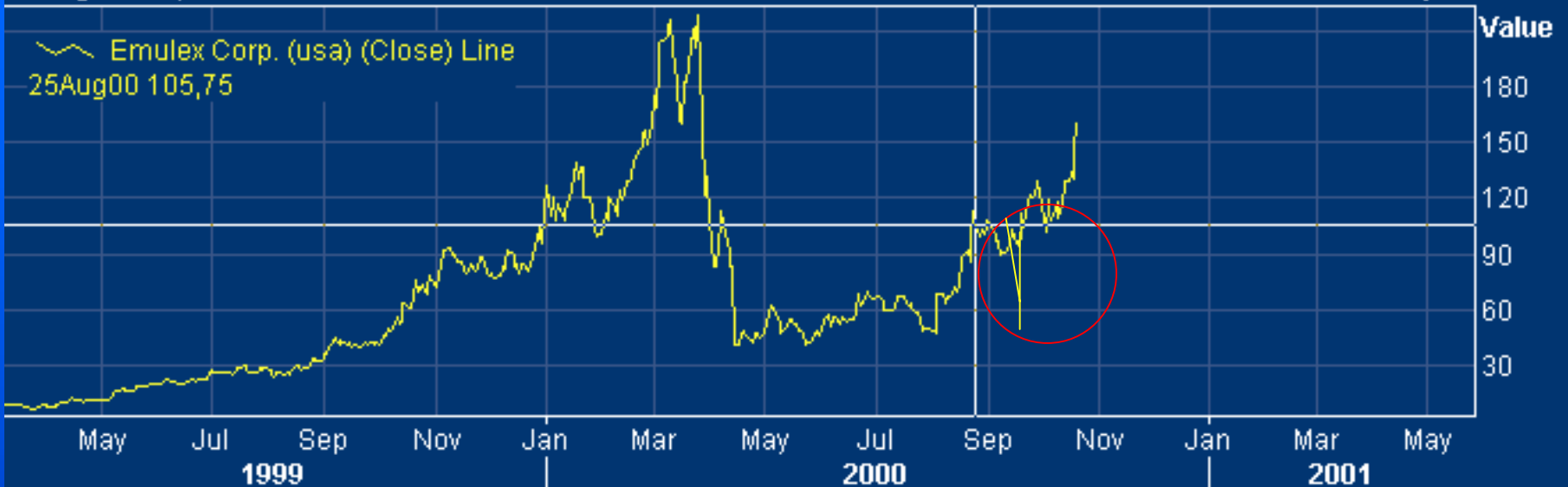
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- Global world- the global village reduces time and distance
- Political world- as resources become scarce markets are becoming more political, company behaviors are politicized
- Mediatic world- competition for public attention at any price
- The world of law- omnipresence of lawyers, size makes guilty, class actions as big business
- New technology world- almost everything is possible

## Emulex Corp. (usa) [Daily]

25Aug00 105,75

07Mar99 - 27May01



### 25Aug2000 USA: Emulex Acknowledges False Press Release.

COSTA MESA, Calif. - (Dow Jones)-Emulex Corp. (EMLX) confirmed in a written statement that a negative press release purportedly from the company was a hoax.

The false release, disseminated earlier Friday on Internet Wire, said Emulex was restating its fourth quarter earnings, was being investigated by the Securities and Exchange Commission, and that its top executive had quit.

The stock responded harshly to the false release, falling 57%, or \$64.81, before being halted at \$48.25. The fake press release cost investors \$2.4 billion.

Emulex later issued its own press release on Business Wire, in which Chief Executive Paul Folino said the statements in the fictitious press release were "categorically false."

Emulex said it completed an audit of its year-end results, and that there is no truth to the rumor that it will restate its results.

Folino said in the press release, "Emulex shareholders should be assured that our business is at record levels and the fundamentals of our business and my commitment to this company have never been stronger."

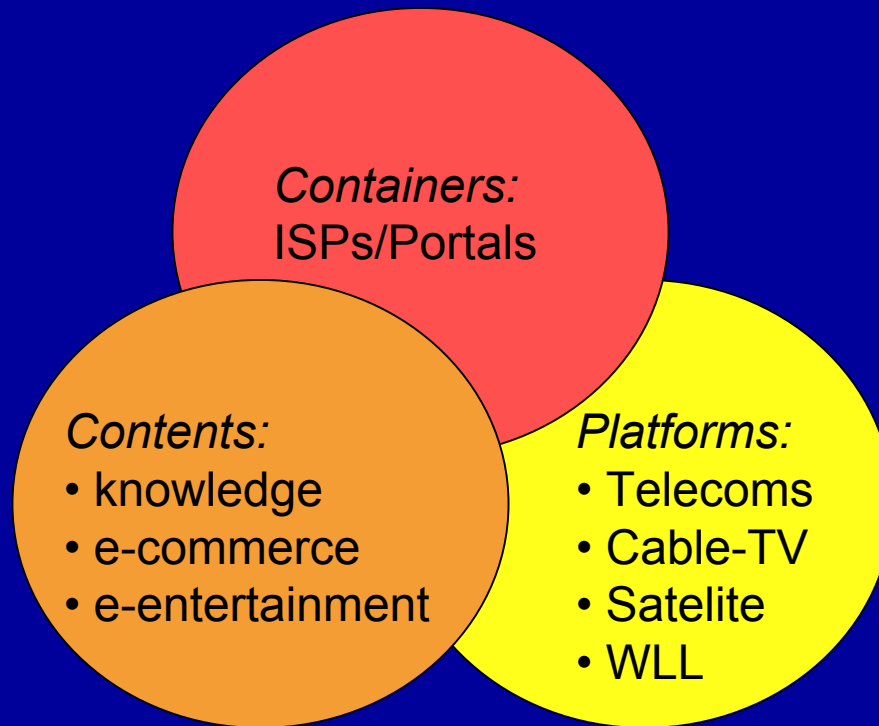
# Time is the critical factor in the new environment

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- Globalization-instant access to global supply
- Market of abundance- speed of access is key
- Digitalization- content and containers, increase of knowledge base
- Increasing Complexity-convergence of technologies
- More stakeholders- efficient interaction
- The new consumer- no time, no patience, less forgiving
- Trust- has to be earned, requires time
- e-reputation-new realities are created very fast

# Converging technologies offer new solutions with increasing complexity

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WLL: Wireless local loop

# The « new consumer» is becoming a most powerful stakeholder

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- He has no time, no patience, is less forgiving and seeks authenticity
- Market of abundance (many options of choice, global access)
- Increased information base ( web-knowledge)
- Entities' behaviour is more transparent
- Increased pressure by consumer organizations activism
- Many influencers compete for the consumer's preference ( politicians, governments, suppliers, churches, NGOs, etc....)
- Surfer's approach : free to dip in and out



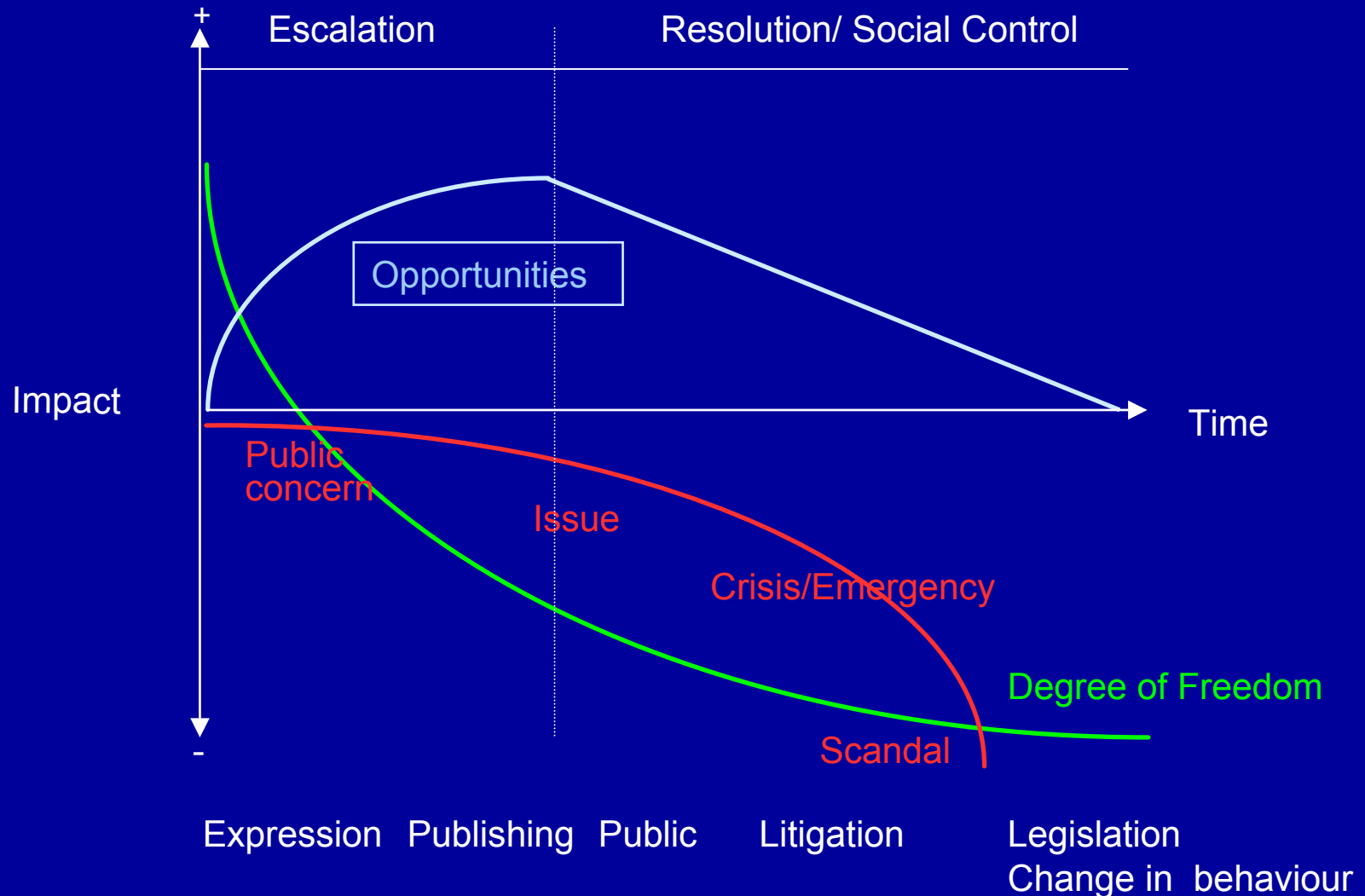
# **New environment offers new opportunities and risks affecting stronger reputation**

- Reputation is the sum of perceptions- new perceptions are created fast and easy over the web
- Perceptions create reality- a multiple one-to-one communication with customers and employees is possible now
- Perceptions determine more and more the company value- financial analysts, shareholders may adhere to pre-defined opinions
- New perceptions are created fast through the «e-buzz», through communities interactions
- More than ever reputation can be shaped-through reality, through Issues Management

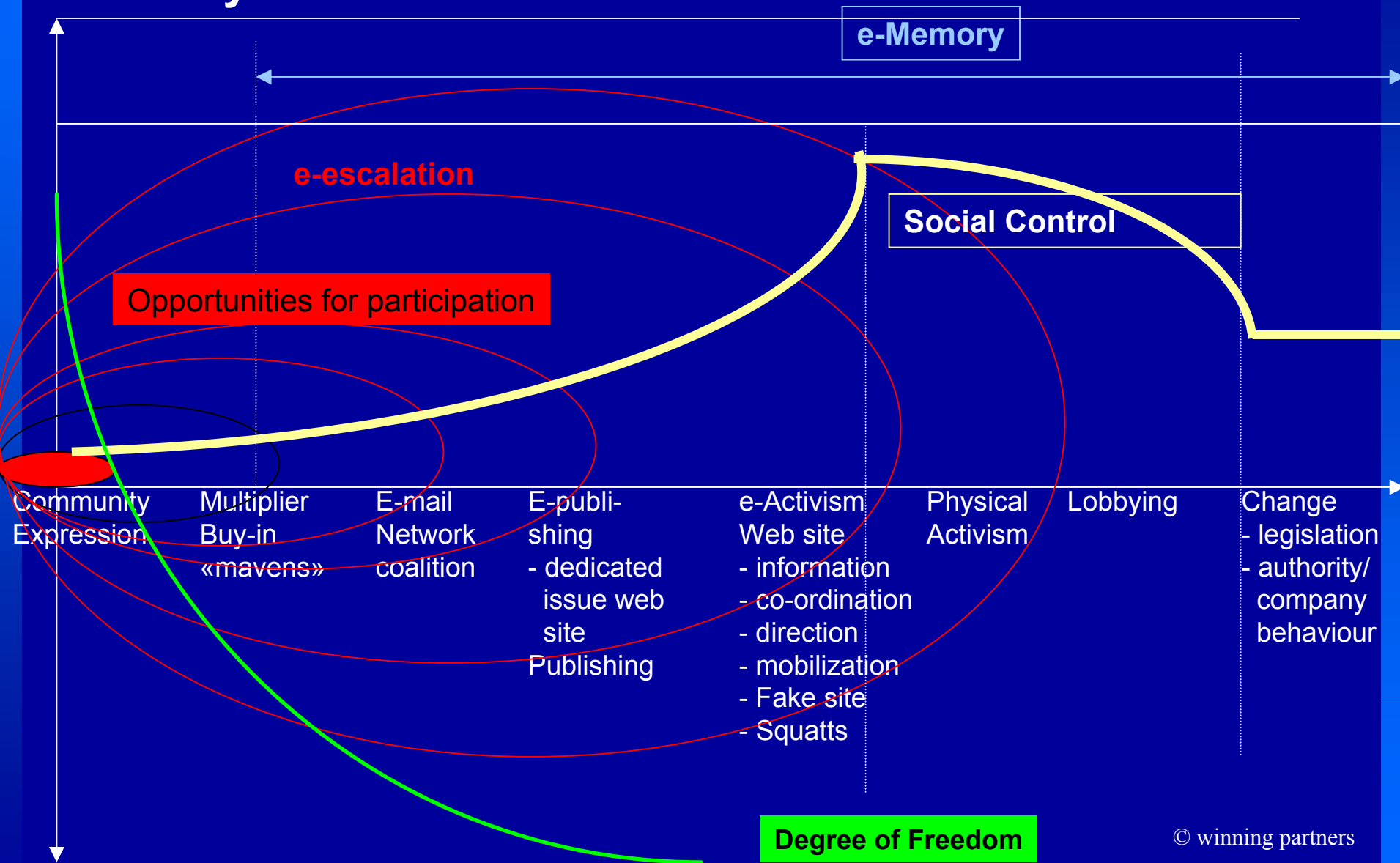
# New urgency: if the company doesn't drive its e-reputation, someone else will do it...

- The higher the company's visibility and value, the more stakeholders are interested in shaping its reality, reputation and value
- The web offers opportunities for stakeholders to create easy and fast new perceptions
- If the company is not, or only late aware of the new emerging perceptions the opportunity cost for correction increases dramatically
- Early recognition of community needs, emerging company perceptions, and perception drivers is decisive for a potential shaping
- Once formulated, pictured, perceptions are memorized on web databases. Corrections or deletes require high efforts

# Issues Life Cycle in the old economy



# e-Issue Life Cycle can escalate fast, and may stay in the system



**Degree of Freedom**

# Issue Life Cycle comparisons

## Key differences in the New Economy

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- Issues can escalate much faster (-)
- Media momentum and impact on company can be much stronger (more access to multipliers) (-)
- Synergy effect to other issues is much higher (-)
- There will most probably remain a e-memory residual on the net (-+)
- There are more and earlier participation opportunities (-+)
- There is better reach (-+)
- Momentum duration tends to be shorter, due to increasing number of overlapping issues (+)

# Analysed NGO sites suggest:

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- There is increased cyber-activism through networks allowing speedy communication
- Activism includes, organization, co-ordination and direction of actions through the web allowing fast mobilization
- The organizations are organic, decentralized and consist of inter-linked affinity groups
- NGOs are moving away from focused issue approaches. All possible issues are addressed in the battle against global players
- Opportunistic event specific alliances are taking place
- NGO claim to be part of a social early warning system, whistle blowers and citizen diplomats

# Examples of e-communication readiness

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- NGOs : Cyberactivism examples by Laura Illia, “Cyberactivism Study”, University of Lugano, Public Relation, Switzerland
- Pharmaceutical companies: Indication centred communities

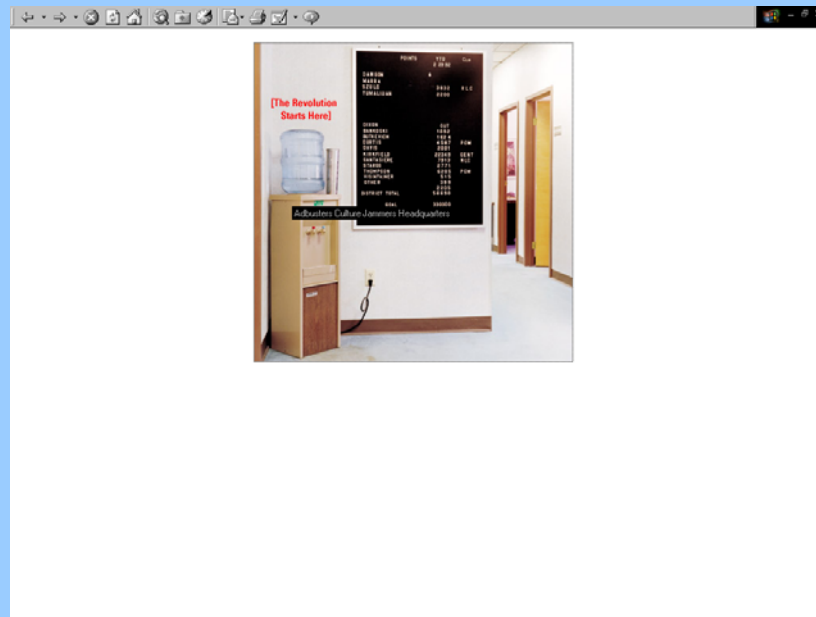
# NGOs Example: Adbusters

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## Mission/Objectives

“We are a global network of artists, activists, writers, pranksters, students, educators and entrepreneurs who want to advance the new social activist movement of the information age. Our aim is to topple existing power structures and forge a major shift in the way we will live in the 21st century.”

<http://adbusters.org/information/foundation/>

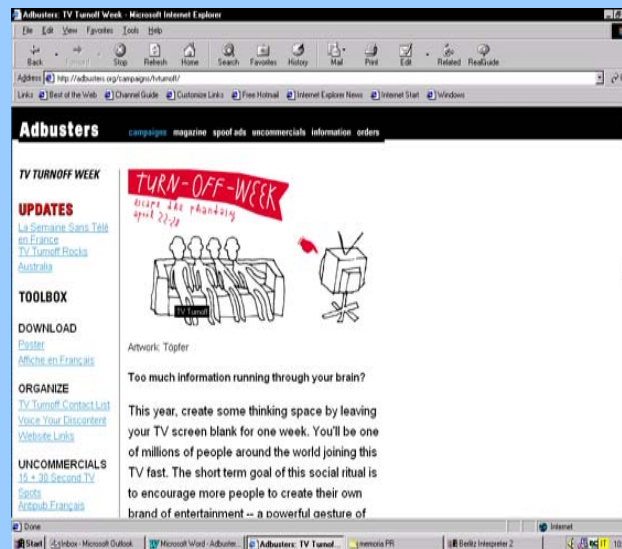




# Adbusters's «Jammers's» network

## To organize action and direct actions

Adbusters utilizes the net as an head quarter where jammers (Adbuster's participants) organize the action. Every user that decides to adhere to Adbusters' actions goes into the culture jammer network and becomes a jammer. You can say that they totally organize the action with the net. The only action organized out of net is the magazine that is published on paper. In any case the magazine is available on line. Below there are some examples on how they do this.

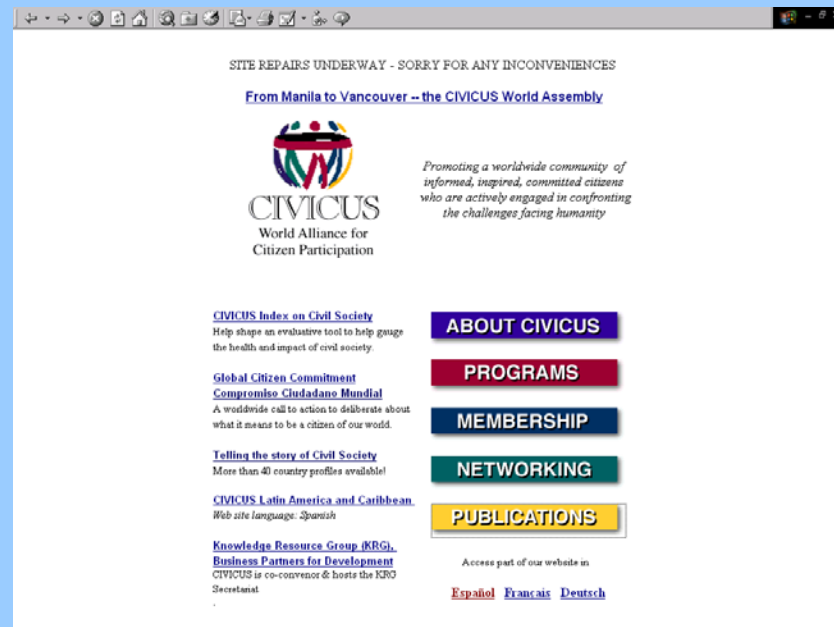


# NGO example :Civicus

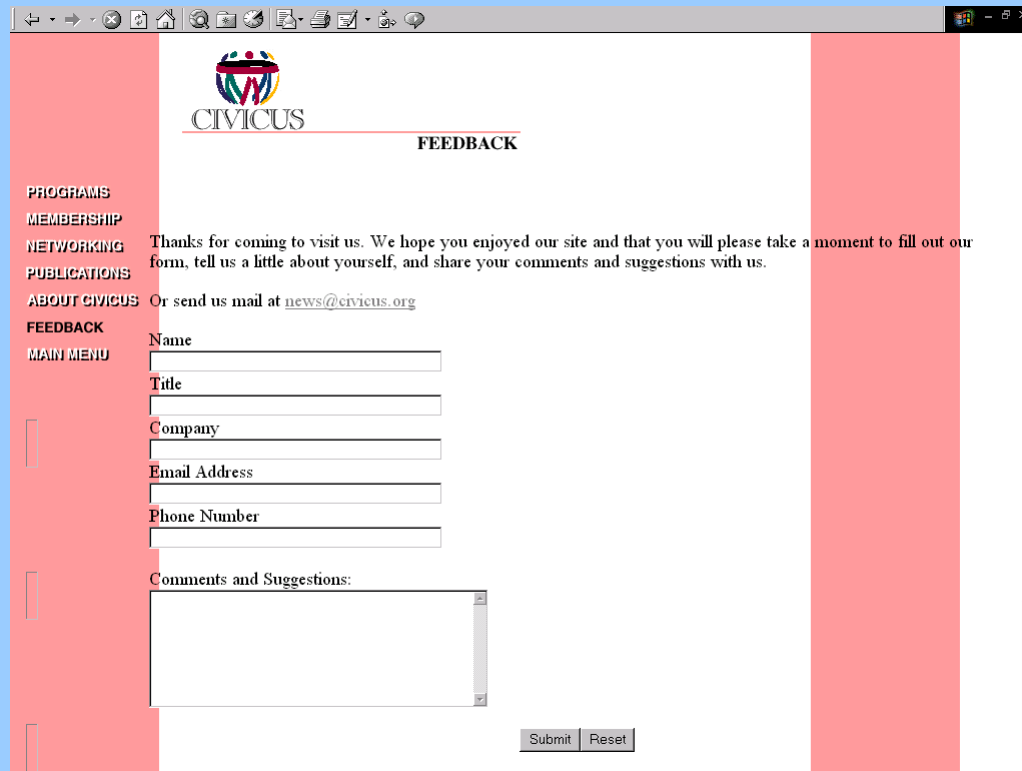
## Mission/Objectives

“CIVICUS is an international alliance dedicated to strengthening citizen action and civil society throughout the world.[...] CIVICUS' special purpose, therefore, is to help nurture the foundation, growth, protection and resourcing of citizen action throughout the world and especially in areas where participatory democracy, freedom of association of citizens and their funds for public benefit are threatened.”

<http://www.civicus.org/pages/mission.html>



# Civicus network for actions



The screenshot shows a web browser window displaying the Civicus website's feedback form. The browser's address bar is empty, and the page title is "CIVICUS". The page features a logo at the top left and a navigation menu on the left side. The main content area is titled "FEEDBACK" and contains a message from the organization, a form with several input fields, and a "Submit" button.

**CIVICUS**

**FEEDBACK**

**PROGRAMS**  
**MEMBERSHIP**  
**NETWORKING**  
**PUBLICATIONS**  
**ABOUT CIVICUS**  
**FEEDBACK**  
**MAIN MENU**

Thanks for coming to visit us. We hope you enjoyed our site and that you will please take a moment to fill out our form, tell us a little about yourself, and share your comments and suggestions with us.

Or send us mail at [news@civicus.org](mailto:news@civicus.org)

Name

Title

Company

Email Address

Phone Number

Comments and Suggestions:

# NGO Example: Public Eye on Davos

home index search contact about us

# BD

BERNE DECLARATION

Topics : The Public Eye on Davos updated: 01.02.00

TOPICS  
BD- NEWS  
New

NGO Statement  
NGO Endorsement  
Media Conference  
Media Release on the WEF

**the public eye on davos** A new NGO project monitoring the World Economic Forum

- "The Public Eye on Davos" - Program of [Activities](#)
- [Media Conference](#): NGOs launch "The Public Eye on Davos"
- NGO media release on the World Economic Forum: [Old recipes instead of "New Beginnings"](#)
- [NGO Statement](#)
- [NGO Endorsement](#)
- [Get in touch!](#)

Davos has become one of the capitals of globalization. About 2000 leading business people, politicians, academics and editors convene there every January for the Annual Meeting of the World Economic Forum (WEF). Formal and informal gatherings provide opportunities to shape opinions and prepare decisions on important issues such as international trade, financial relations, and the environment. The upcoming 2000 meeting will discuss topics such as "Building the new financial architecture", "Tackling the challenges of the Millenium Round", "How many people can the earth sustain", "What is left to privatize", and "The fate of the universe". So far, the World Economic Forum has been a closed event and has lacked any kind of accountability to the public at large. Non-governmental organizations and social movements have so far hardly been present in Davos. A new NGO project is now being launched to challenge the fundamental premises of the World Economic Forum: "The Public Eye on Davos".

"The Public Eye on Davos" is a joint project of the Berne Declaration (coordination), Friends of the Earth/US and the Globalization Challenge Initiative. It plans to carry out various activities in Davos during the WEF 2000 (see below). And it will disseminate information about the WEF to interested NGOs, social movements, and individuals around the world.

The failure of the Multilateral Agreement on Investments (MAI) and the WTO Millenium Round demonstrates that in today's world, the public interest cannot be

# Example: www.complainedomain

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## Mission:/Objectives

“To encourage consumer to stand up for his rights and cure companies customer relations”.

<http://www.complainedomain.com/why.html>

Complainedomain.com is not a non profit organization, but it's interesting to analyze because of its different approach to consumers. Complainedomain clusters consumers' complains and refers them to companies related with the complain. Consumer is sure that his complain will be heard, and the companies can subscribe to a service to understand better consumers needs. User-consumers interact with Complainedomain.com not to act against the companies, but to cooperate with them.



# NGO Example: Ruckus Society

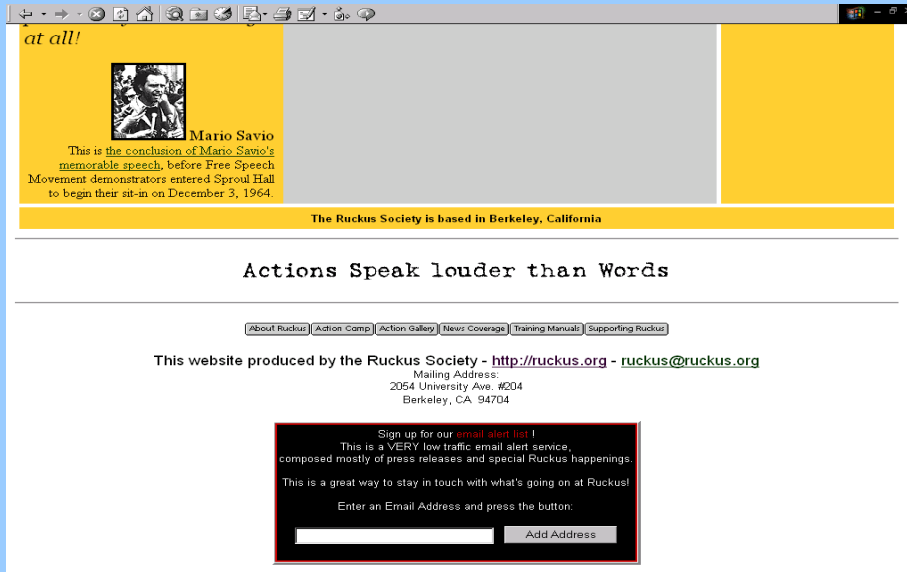
## Mission/Objectives

The Ruckus Society provides training in the skills of non-violent civil disobedience to help environmental and human rights organizations achieve their goals [...] Direct action has long been a catalyst for social change. The conscious disobedience of unjust laws can capture the depth of injustice in a single powerful moment, creating an inspiring, deeply resonating energy. From the struggle for civil rights to the development of the modern environmental movement, creative nonviolent protest has played a critical role in galvanizing activists, educating the public and shaping the debate over many important issues. Effective protest, however, does not always happen spontaneously. It often requires careful planning and preparations, and the participation of experienced activists.”


<http://ruckus.org/about.html>

The screenshot shows the homepage of The Ruckus Society. At the top, there is a navigation bar with links: [About Ruckus](#), [Action Camp](#), [Action Gallery](#), [News Coverage](#), [Training Manuals](#), and [Supporting Ruckus](#). The main content area is divided into three columns. The left column features a quote: "There is a time when the operation of the machine becomes so odious, makes you so sick at heart, that you can't take part; you can't even passively take part, and you've got to put your bodies upon the gears and upon the wheels, upon the levers, upon all the apparatus, and you've got to make it stop. And you've got to indicate to the people who run it, to the people who own it, that unless you're free, the machine will be prevented from working at all!" Below the quote is a small photo of a group of people. The middle column is titled "Headlines" and contains three items: "New! - Lots of Photos from The Democracy Action Camp in Malibu. Information about the camp is here.", "Find out more information about the groups who will be at the Democratic National Convention.", and "View Photos from The Alternative Spring Break Action Camp". Below these are two more items: "Action photos from Action Camps and Ruckus-affiliated actions are available in our Action Gallery" and "Ruckus-affiliated news clippings are available in our News Section". The right column is titled "Shortcuts" and lists several categories: "About Ruckus" (Staff, Trailers), "Action Camp" (Workshops, Application Form), "Action Gallery" (Camps, 1995 1996 1998 1999 2000, Actions), "News Coverage" (Spring Break, Action Camp and IMF/ WB), "Training Manuals" (Climbing, Action Planning, Hanging From a Billboard, Knots, Media, Scouting, Video Camera Tips), and a "LINKS" button.

# Ruckus Action organization and direction through the web



at all!



**Mario Savio**  
This is the conclusion of Mario Savio's memorable speech, before Free Speech Movement demonstrators entered Sproul Hall to begin their sit-in on December 3, 1964.

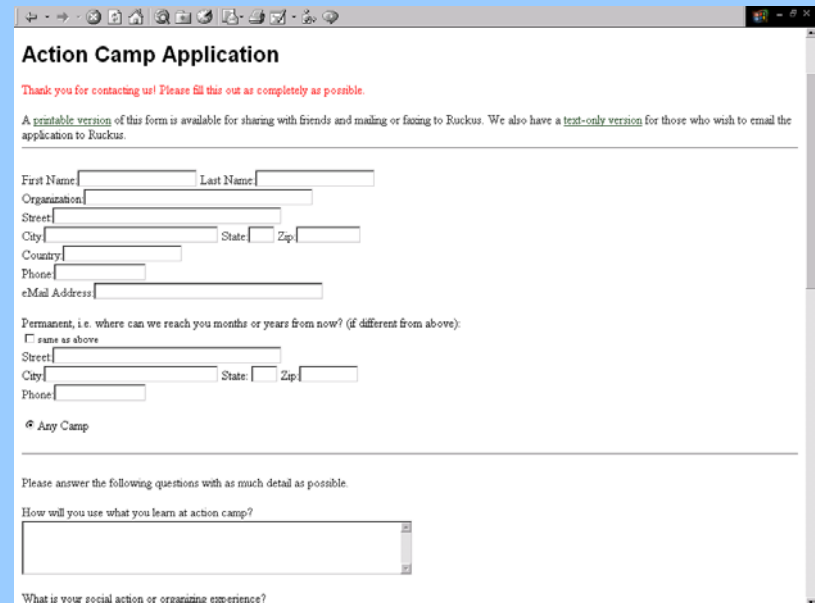
The Ruckus Society is based in Berkeley, California

**Actions Speak louder than Words**

[About Ruckus](#) | [Action Camp](#) | [Action Gallery](#) | [News Coverage](#) | [Training Manuals](#) | [Supporting Ruckus](#)

This website produced by the Ruckus Society - <http://ruckus.org> - [ruckus@ruckus.org](mailto:ruckus@ruckus.org)  
Mailing Address:  
2054 University Ave. #204  
Berkeley, CA. 94704

Sign up for our **email alert list!**  
This is a VERY low traffic email alert service, composed mostly of press releases and special Ruckus happenings. This is a great way to stay in touch with what's going on at Ruckus!  
Enter an Email Address and press the button:



**Action Camp Application**

Thank you for contacting us! Please fill this out as completely as possible.

A [printable version](#) of this form is available for sharing with friends and mailing or faxing to Ruckus. We also have a [text-only version](#) for those who wish to email the application to Ruckus.

First Name  Last Name   
Organization   
Street   
City  State  Zip   
Country   
Phone   
eMail Address

Permanent, i.e. where can we reach you months or years from now? (if different from above)  
 same as above  
Street   
City  State  Zip   
Phone

Any Camp

Please answer the following questions with as much detail as possible.

How will you use what you learn at action camp?

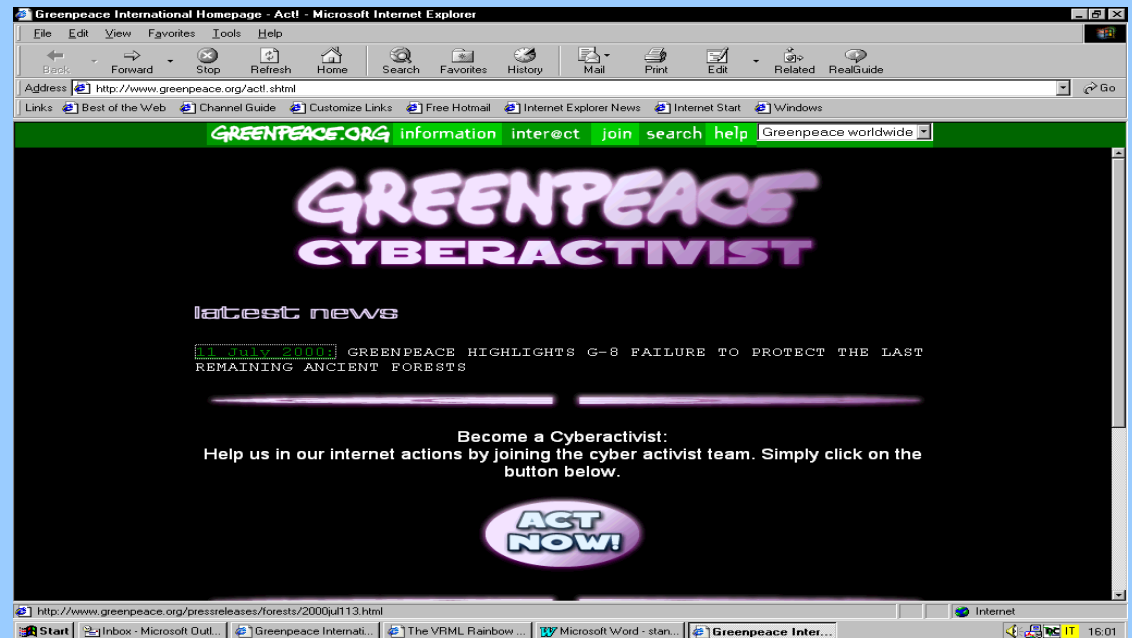
What is your social action or organizing experience?

# NGO Example: Greenpeace

## Mission/objectives

“Greenpeace is a global environmental campaigning organization. We organize public campaigns for the protection of oceans and ancient forests, for the phasing-out of fossil fuels and the promotion of renewable energies in order to stop climate change, for the elimination of toxic chemicals, against the release of genetically modified organisms into nature and for nuclear disarmament and an end to nuclear contamination.”

<http://www.greenpeace.org/report98/index.html>



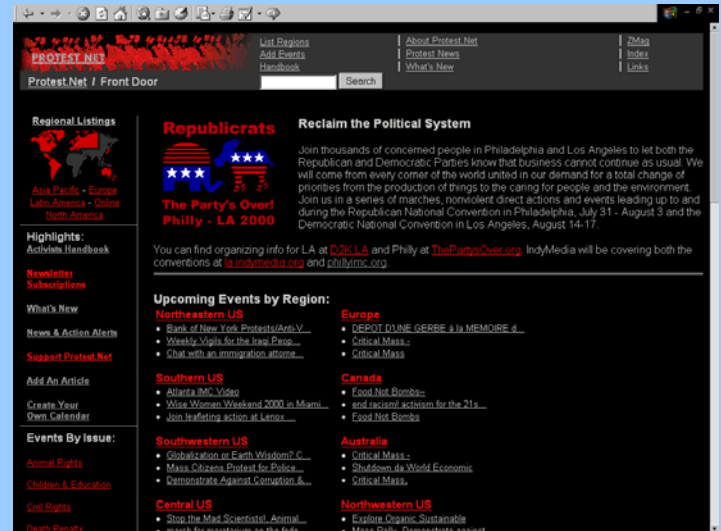


# NGO Example: Protest.net

## Mission/Objectives

“Protest.Net is a community of activists who are working together to create our own media. By publishing a public record of our political activities on the web we are taking a stand against the established media. We are standing up and showing that serious activism is alive and well at the dawn of the 21st century [...] Protest.Net was started on June 1st 1998 and it's interesting to see it's growth. In the first three months there were 150 events listed on the site, at 6 months there were 700 events, at 9 months there are over 2600, and now at one year there are over 5000.”

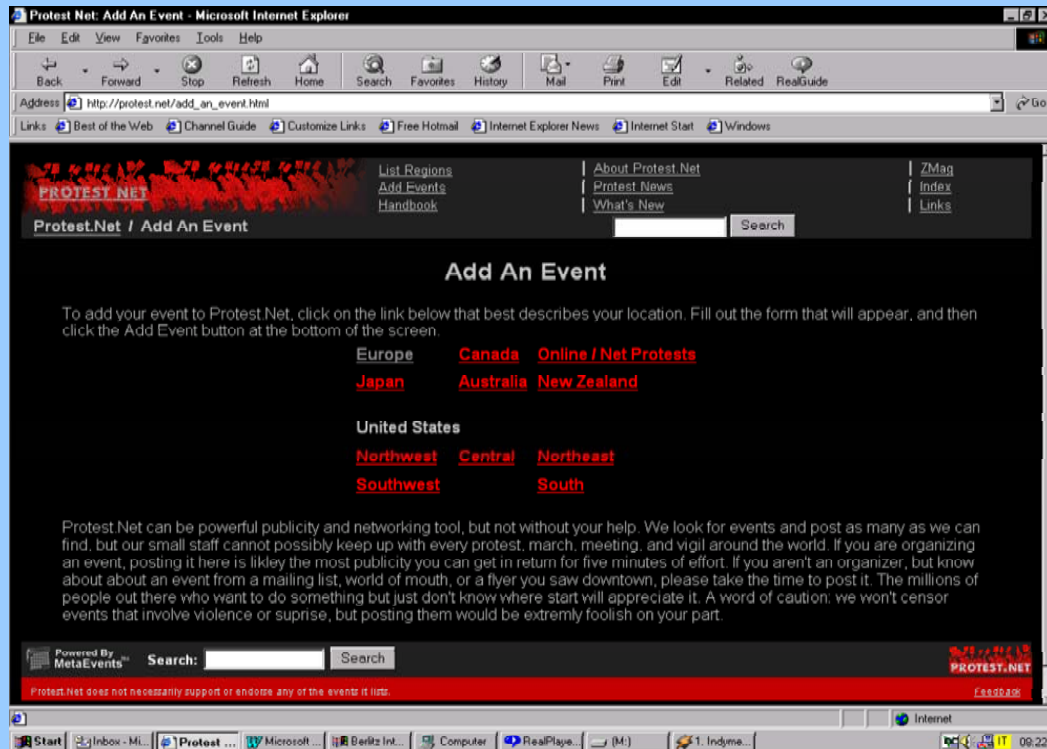
[http://protest.net/about\\_protest\\_net.html](http://protest.net/about_protest_net.html)



The screenshot shows the Protest.net website interface. At the top, there is a navigation bar with links for "Last Regions", "About Protest.Net", "ZMail", "Direct News", "Index", "Add Events", "Handbook", "What's New", and "Links". Below this is a search bar and a "Protest.Net / Front Door" header. The main content area is divided into several sections:

- Regional Listings:** A world map with links for "Asia Pacific - Europe", "Latin America - Online", and "North America".
- Highlights:** A section titled "Activists Handbook" with a link to "Newsletter Subscriptions".
- What's New:** A section titled "News & Action Alerts" with a link to "Support Protest.Net".
- Events By Issue:** A section with links for "Animal Rights", "Children & Education", "Civil Rights", and "Death Penalty".
- Republicrats:** A section titled "Reclaim the Political System" with a sub-header "The Party's Overt Philly - LA 2000". It includes a call to action: "Join thousands of concerned people in Philadelphia and Los Angeles to let both the Republican and Democratic Parties know that business cannot continue as usual. We will come from every corner of the world united in our demand for a total change of priorities from the production of things to the caring for people and the environment. Join us in a series of marches, nonviolent direct actions and events leading up to and during the Republican National Convention in Philadelphia, July 31 - August 3 and the Democratic National Convention in Los Angeles, August 14-17." Below this is a link: "You can find organizing info for LA at [D2K LA](#) and Philly at [ThePartyOver.org](#). IndyMedia will be covering both the conventions at [indymedia.org](#) and [phillyimc.org](#)."
- Upcoming Events by Region:** A section with sub-sections for "Northeastern US", "Europe", "Southern US", "Canada", "Southwestern US", "Australia", "Central US", and "Northwestern US". Each sub-section lists specific events, such as "Bank of New York Protests/Anti-V...", "Critical Mass...", "Atlanta IMC Video", "Miss Women Weekend 2000 in Miami...", "Join leafleting action at Lenox...", "Observation of Earth Wisdom? G...", "Mass Citizens Protest for Politics...", "Demonstrate Against Corruption &...", "Stop the Mad Scientists! Animal...", "March for evolution in the field...", "DEPOT D'UNE GERBE à la MEMOIRE d...", "Critical Mass...", "Critical Mass...", "Food Not Bombs...", "Food Not Bombs...", "Food Not Bombs...", "Critical Mass...", "Shutdown the World Economic...", "Critical Mass...", "Critical Mass...", "Explore Organic Sustainable...", "Mark Daily: Demonstrate against..."

# Protest.net event reporting



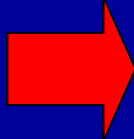
# Analysed company sites suggest:

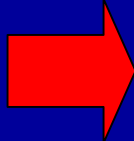
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- There is further potential to assess consumer needs, address community concerns, through community based web communication
- Web community communication may give impulses for internal R&D priority setting
- Most of the companies have potential to improve the e-communication readiness
- NGOs are by far more active over the web
- There is an urgency to have early recognition systems, be better prepared and be able for fast actions over the web

# In the New Economy «economies of time» in communication become decisive

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- Product market
  - Share of market, learning curve

economies of scale
- Opinion market
  - Share of mind, network

economies of time

*Being e-communication ready  
is key*

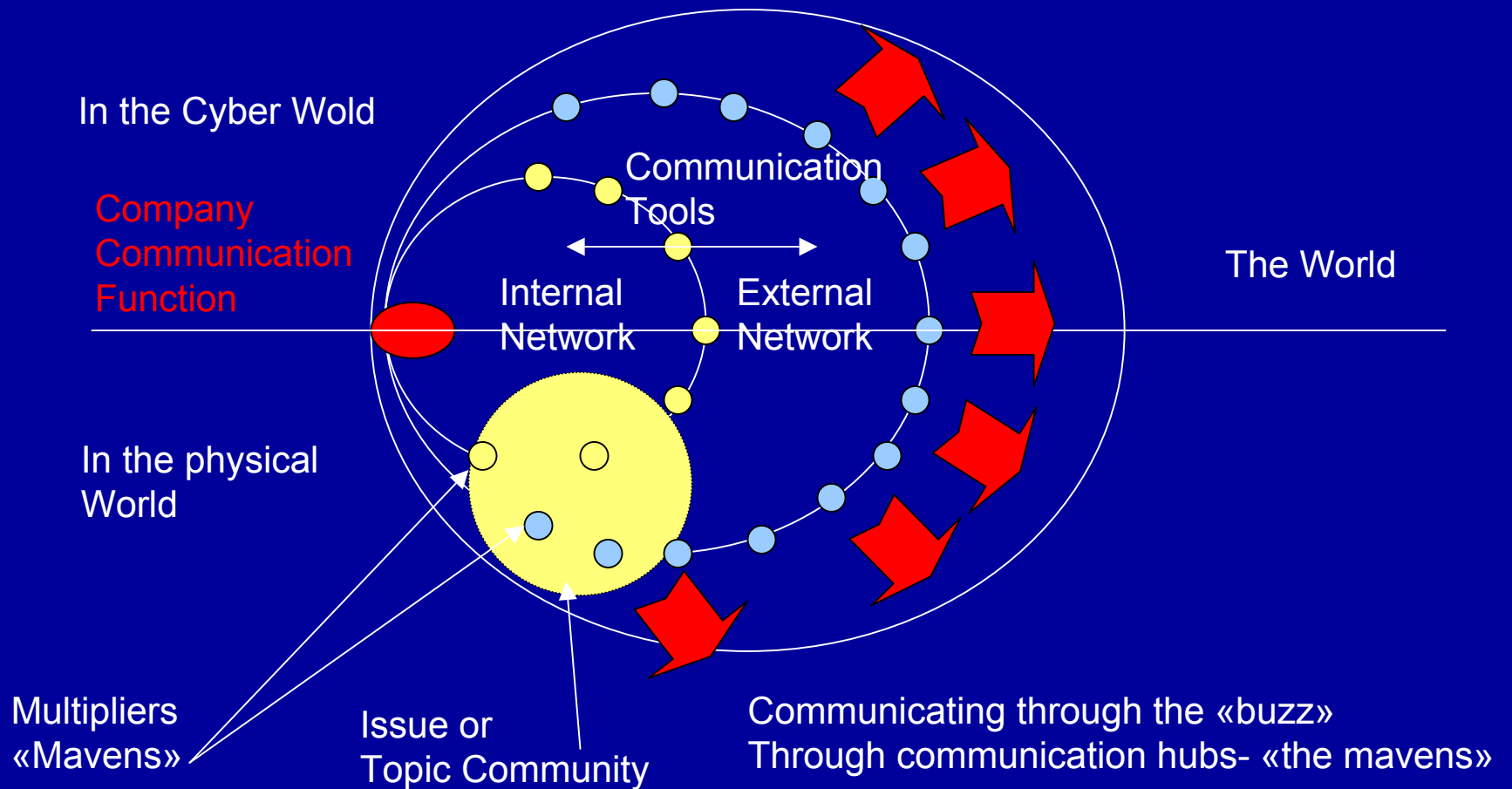
# The strategy to address the new challenges focuses on speed and early participation in the debate

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- Having an efficient early recognition system in place, allowing early identification of perception changes with communities on the web
- Being well prepared for potential issues from a content and carrier (technology) point of view
- Being able to participate early in the e-community debate
- Having an effective internal and external communication network in place- ***being e-communication ready***

# Based on an internal and external network approach



# Proposed approach focuses on speed and flexibility

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- Any one in the organization should be able to do it
- Fast action through the web should be possible
- The internal and external „mavens“ network should be established and evolve continuously
- Access to information assured through communication network
- Clear process and responsibilities
- Focused on key issues
- It should be anticipative (Capture changes and community debates)
- Leading to globally coherent messages

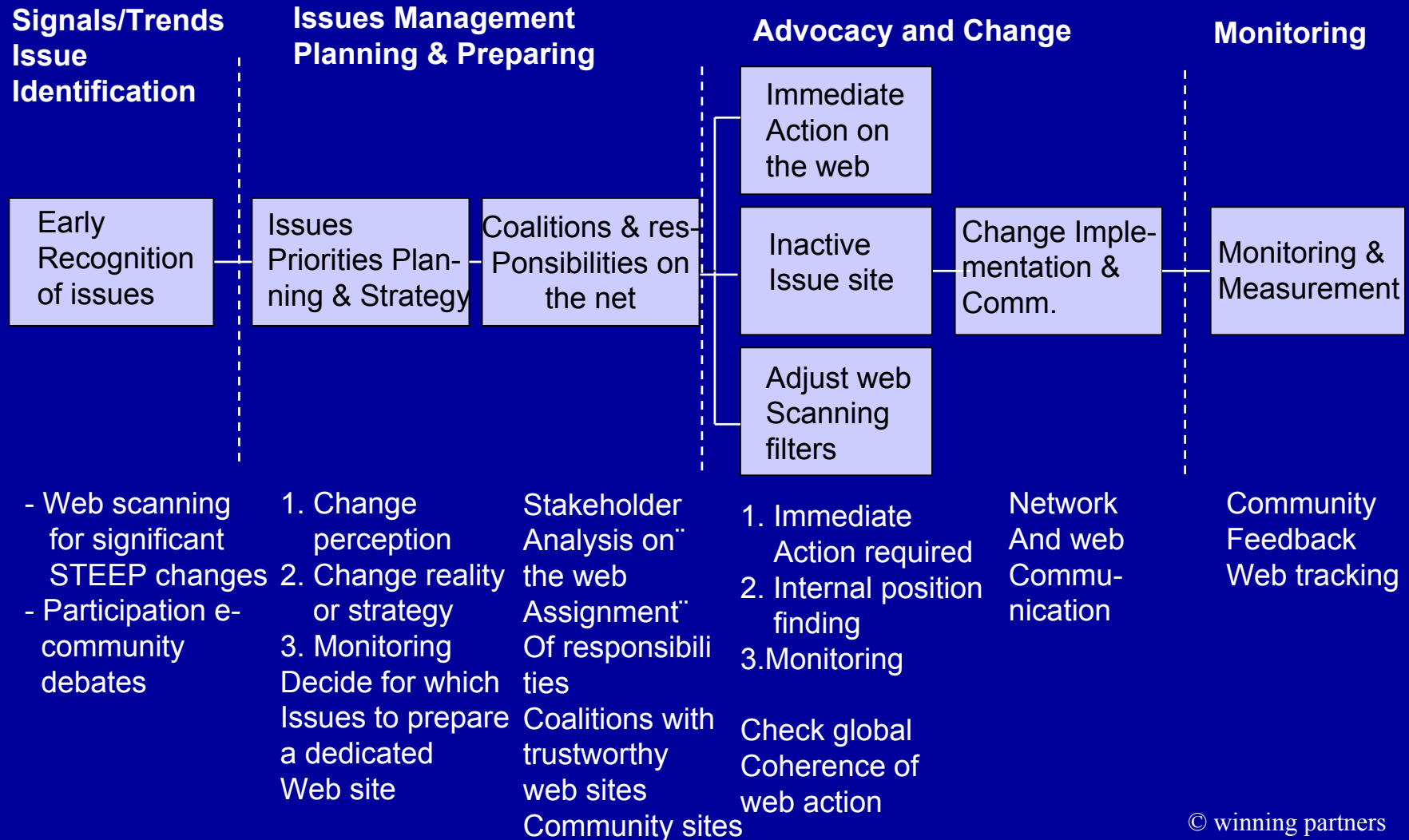
# Basic Issues Management steps in the Old Economy (anticipative approach)

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1. Early signals detection through scanning and monitoring
2. Issue Evaluation and prioritization
  - External: Momentum
  - Internal: Impact assessment (reputation, sales , opportunity cost)
3. Issues Management Planning and preparing
  - Change of strategy and or behavior (Change Management)
  - Change of perceptions, expectations (Communication campaigns, Risk Communication )
4. Issues Communication/Advocacy



# Critical steps affecting the e-component of an Issues Management approach



# Summary of key messages

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1. The new economy's global environment offers new opportunities and bears new risks with stronger impact on companies' reputation. „Time“ is the critical factor and there is an e-memory.
2. The New consumer is becoming the most powerful stakeholder. He has no time, no patience and seeks authenticity.
3. NGOs are stepping in to fill the gap in a global world without global government. Increased cyberactivism and communication through the „buzz“ is the name of the game
4. Response strategies focus on early recognition and participation in communities' debate, offering opportunities to shape the e-reality and reputation.

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