

SUPPORTING HIGH PERFORMANCE GOVERNMENT

Leading Large Scale Change

May 18, 2005

Managing in a Fishbowl: The Press as Stakeholder

Panelists:

James Anderson Associate Commissioner, Department of Homeless Services

Douglas Apple General Manager, New York City Housing Authority

Joe Calderone Director of Communications, Press Office, John Jay College of Criminal Justice

Sandra Mullin Associate Commissioner, Director of Communications, Department of Health and Mental Hygiene

Moderator:

Colleen Roche Managing Director/Principal at Linden Alschuler & Kaplan, Inc

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Executive Summary

“Managing in a Fishbowl: The Press as Stakeholder” May 18, 2005

Introduction

Accenture and the Research Center for Leadership in Action of the Robert F. Wagner Graduate School of Public Service, New York University co-host an Executive Briefing series designed for public sector managers. This series of briefings provides an opportunity to discuss the multiple managerial and leadership challenges of implementing large scale change. The series seeks to:

- Create a networking environment that encourages the exchange of ideas between senior managers of complex change programs and those emerging leaders charged with undertaking similar efforts.
- Encourage a cadre of new leaders interested in undertaking such challenges, providing them with the insights, learning and the collegial support that will help sustain their work over time, and
- Promote further learning about how successful complex change initiatives are designed and managed, and capture this information in written reports.

Each session is organized around a central strategic and managerial question of particular relevance to large-scale change. The May 18th breakfast, held at New York University’s historic downtown Woolworth Building facility, focused on “Managing in a Fishbowl: The Press as Stakeholder.” In this session, attended by senior managers working in more than 30 city agencies, participants discussed the challenges of setting and achieving performance goals in an environment with multiple stakeholders and entrenched interests.

Colleen Roche, Managing Director/Principal at Linden Alschuler & Kaplan, Inc. (and former Press Secretary to Mayor Rudolph W. Giuliani), moderated the May 18th session. The four discussants for the session were James Anderson, Associate Commissioner, Department of Homeless Services; Douglas Apple, General Manager, New York City Housing Authority; Joe Calderone, Director of Communications, Press Office, John Jay College of Criminal Justice (former Investigations Editor for the Daily News and member of the Investigations Team and City Hall reporter for NY Newsday) and current adjunct professor of journalism at NYU, currently teaching investigative reporting; and Sandra Mullin, Associate Commissioner, Director of Communications, Department of Health and Mental Hygiene.

The following summarizes the central ideas and observations offered by the lead discussants and during the subsequent audience-wide conversation.

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Key Observation: Reactivity and Honesty

One of the major points of discussion was the need to deal quickly and accurately with issues, address their time-oriented nature (single event, or systemic issue), and be honest in one's press-related activities. This set of issues were mentioned by all of the participants, and repeated in comments received from the audience. These remarks were largely directed toward an agency's reactive posture – dealing with the press after the occurrence of a negative event.

As Douglas Apple, General Manager of the New York City Housing Authority stated: “The first strategy in dealing with the press is honesty. When responding to crises, we want to step back and figure out who knew what and when, and then we want to deal with that situation honestly.”

Sandra Mullin, Associate Commissioner of the Department of Health and Mental Hygiene concurred: “It *is* important to find out what the facts are. Then it's important to get out reliable and accurate information as soon as possible. But we need to make sure the first communication is right – the first communication sets the tone, and if you screw up initially, you have a lot of hard work just to recover credibility.” While it is important to get information to the press quickly, even more important is to get the right information to the press.

James Anderson, Associate Commissioner of the Department of Homeless Services noted another aspect of accuracy – whether or not a particular crisis is just a single event, or part of a systemic problem. “A real issue is: is this a one-shot crisis, or a systemic issue? It is very important to know this up front. You do not want to treat systemic issues as isolated events. If you do, then it's just going to reappear, next time with the press asking why you were not forthcoming with an accurate assessment previously.” Mr. Anderson provided an example from the Department of Homeless Service's Scattershot Program. (The Scattershot Program provides housing in the larger community, and consequently, this type of housing does not provide significant support services). An agency's recognition of a problem as systemic or isolated is a critical part of management and problem solving, but as Mr. Anderson's comment makes clear, it is also a critical part of an agency's press-communication plan.

Mr. Apple agreed wholeheartedly with this point. “We really need to understand if something is systemic or isolated, since the normal initial reaction is always ‘it's just an isolated incident.’ This is especially true when the incident points to or implicates a broader policy issue, for example, day care operations.” Ms. Mullin brought the point home with an example of US Secretary of Health and Human Services Tommy Thompson's initial characterization of anthrax poisoning in Florida as an isolated event. It turned out to be the first of several related anthrax terrorist attacks, and “after Thompson's initial statement, the press looked to others for accurate information – Thompson had lost his credibility.”

To this point, Ms. Roche asked Joe Calderone, Director of Communications, Press Office, John Jay College of Criminal Justice, “What if a commissioner calls and tries to correct and change information he already gave you? Sometimes not all the information is known early in the crisis response – sometimes there may be an inadvertent mischaracterization”

“The reporter won’t be happy, but he’ll be happier if it makes his story correct. No reporter likes to report incorrect information. And the sooner a mistake is realized, the sooner it can be corrected, the better.”

In agreement, Mr. Anderson noted “That’s one of those things, you just have to suck it up. And reporters will always appreciate it if you call them back and say that you made a mistake (especially on details). I’ve never experienced any blow-back from reporters on this type of issue. They take it as you’re trying to help and trying to be honest.”

There was also some discussion about who a reporter will want access to during news events. The suggestion was made that Commissioners might be more appropriate than Press Officers. “First, the press needs honesty: that’s best! In terms of access, we love to get a commissioner – flack is good, commissioner is better, mayor is best. Why settle for less. In terms of longer-term strategy – put the commissioner in front of the press, or someone else with some real knowledge – as this will build credibility with the press – as well as longer-term strength,” was Mr. Carderone’s response.

Key Observation: Proactive Contact and Exclusivity

This latter point ties neatly to the second key observation of the event – agencies should be proactive in their dealings with the press. Just as a fast and honest response is demanded in regard to crisis events, one may proactively ‘manage’ their press relations by honest dialog about issues, policies, changes, and successes without the pressure of a crisis. Instead of waiting until some crisis event hits and needs to be diffused, Press Officers and Commissioners should be meeting with reporters to discuss issues and plans and develop relationships and understandings, as well as developing communication routines.

As Mr. Calderone stated, “With regard to a working relationship, the key is honest communication from the agency to the press, and similarly, an ability for the press to communicate into the agency, especially to the commissioner’s office. You want to be proactive about this; you don’t want to build those relationships at the time the tiger is found [in a Housing Department apartment, for example]. But the worst thing is to ignore a reporter – whether there’s a crisis or not.”

Ms. Mullin noted, “Anytime you can get the agency’s commissioner to have coffee or lunch with the communications person and a reporter, there is an opportunity to build a

relationship and to get them to pay attention to the issues or policy issues we care about. . Sometimes, commissioners can use these more informal meetings with the press to try out a policy initiative idea and the reaction if such a policy were to be proposed. These types of interactions can produce great stories over time and at the very least, reduces the distrust that often exists between the press and the government.”

Mr. Calderone noted: “Well, we don’t write about the planes that takeoff; we write about the planes that crash. And you need to realize the tabloids are the papers that drive the news in this town, so reporting is most often focused on the problems, the crises, the failures. This is a challenge for press officers. Talking to the Times [City section reporter] is fine, but your agencies need to deal with the other papers as well. Keeping the lines of communication open, establishing a professional relationship will certainly help when the news is bad. And remember, the press is leery of whistleblowers as well, sometimes an off-the-record “you’re barking up the wrong tree,” from a credible press office carries a lot of weight. If you’ve taken the time to proactively develop the relationship with the press, we have reason to believe these types of off-the record remarks.”

From the audience, the following comment was received: “We’ve tried to use editorial boards to help proactively develop these press relationships. When we talk to editorial boards, we go with someone from major’s office (so they know what we’re up to), with our commissioner and our press secretary. That helps to advance our relationship with the press, as well as agency plans or activities. Then, when a crisis comes up, if you’ve established a relationship, the press knows who to see, knows there is openness and honesty – this can help a lot.”

Mr. Apple also discussed here experience with editorial boards as a proactive conduit to the press. “We’ve also had experience with editorial boards. For example, how do you deal with the ‘grandmother whose lived in a public housing building for 45 years, and who is now to be evicted because her grandson was dealing drugs in the apartment?’ There are critical policy issues. So we sometimes go to press ahead of time to inform the press about what we want to do and what we want to try to do before taking action. We find this helps drive better, more reasoned press coverage. The reporter will always come back to the displaced grandmother, but we need a more ‘thoughtful’ as opposed to easy editorial.”

In addition to the proactive discussions with reporters and editorial boards, the participants talked about the use of exclusive news feeds – providing a single paper or reporter with exclusive access or information. Ms. Roche, “What happens when you, as a reporter, see an exclusive in another paper, and you really wanted to get the story?”

Calderone: “If I’m angry and vengeful, I’ll look to the commissioner’s (or the press officer’s) expense accounts. And I might be harder in a crisis. You run that risk when you use exclusives. If you do use exclusives, try to rotate them; that might help mitigate the problem. But if there is a big deal story and it’s an exclusive, you can bet other

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papers will be taking a very close look. If it's a small story, other papers will probably ignore it entirely, denying you the coverage you were seeking. All else equal, an exclusive is always a bad idea."

Mr. Apple relayed an experience his office had. "We had a really bad experience like this. We got great press on an exclusive (in that specific paper). In that paper, it was front page, above the fold. And the next day, no other paper picked it up. We were trying to tell our story, and only one small paper (and its small audience) ever found out about the good work we were trying to promote. We never do exclusives anymore.

Ms. Mullin concurred: "We almost never do exclusives. We have only gotten burned with exclusives. We like to be proactive with press, and deal with things before they happen. But exclusives are not the way to accomplish a successful proactive relationship."

Key Observation: The Press is Not a Stakeholder?

Some rather strongly held opinion about this issue came out in the discussion, and we note it here.

Joe Calderone: "The Press as Stakeholder is a misnomer. We [the press] do not believe we are stakeholders. We think of ourselves as watchdogs, even if you want to think of us as stakeholders. So on any given day, if you can convince some watchdogs that you have a favorable story and convince reporters that you have a good idea, they'll report on it. But the next day they'll be reporting where you're not yet succeeding. So you better make sure your ducks are all in a row. Take, for example, the Dinkins Administration's Field of Dreams initiative. We found it to be an interesting (and good) initiative. So we got in a car, and went to look at ball fields. Within a half day, we found the initiative was not real – fields weren't fixed. So, announce an initiative, great. But be prepared for day two and day three, because the story will not end with your announcement. Some reporters won't call the press office for the official story, they'll call some operations office, or there will be a whistleblower; someone who isn't happy with the policy – so the press will find out when the 'policy' isn't real. We're watchdogs, we want to uncover the truth and the ways you're not supporting the public."

Ms. Mullin noted further, "I want to agree with Joe; the media is not a stakeholder, and it is not a partner. We need to realize this, and have both respect and some level of trepidation toward the press. We can't be lulled into thinking the press is anything other than a watchdog: a watchdog that can bite you."

But rather than allow the discussants the last word on this issue, we need to clarify the point. Stakeholder does not mean partner, agreeable neighbor, friend, or any other form of inherently nice relationship. Rather, the term stakeholder, as it's used in the literature, simply means a party that is involved in some way with the affairs of another party. In

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private firms, we can talk about employees, unions, customers, suppliers, lenders, stockholders, regulators, managers, communities, and family members as all being stakeholders. In other words, there are many, beyond the formal boundaries of an organization, which hold a stake in the activities of the formal organization. The same is true with government agencies.

In government, we need to always be aware that we have a great many stakeholders. Some will be active participants, some willing accomplices, and others averse to the organization. For example, if your organization has an enemy on the City Council, that person is surely a stakeholder. His or her enmity can well impact your agency, just as your agency apparently impacts that council member. You each hold a stake in the future of the other (good, bad or otherwise). In this very same sense, the press holds a stake in our agencies. For your agencies to not recognize (or to deny) this is potentially dangerous. The press is not disinterested. The press is intimately involved – be they watchdog or other. That means we always need to think of and about the press, just as we think of our clients, our benefactors, our detractors, and our general public.

As Mr. Apple observed, “You can’t ‘manage’ the press, even if you think you can. So when you talk to the press, even with a ‘good story,’ you do need to have all your ducks in order. But while I agree that you’ll never be able to control the press, and that it does serve a watchdog function, it is not correct to say we can’t enjoy a symbiotic relationship. The watchdog is not just a negative, it’s potentially also a positive.”

In fact, we do, as public servants, and as governmental agencies, enjoy (or not enjoy) a symbiotic relationship with the press. They are among our stakeholders. And when we recognize this fact, we have recognized one of the primary reasons why we should proactively engage with the press, and why we should always be honest with the press. It’s not simply about managing some people to try to minimize their potential wrath, it’s about answering to our stakeholders – a special stakeholder that watches us closely, and informs our other stakeholders when we fail to live up to our commitments (or when we do, in fact, achieve our purposes).

Key Observation: A Press-Related Component is Necessary to Any Large Scale Change Effort.

It is because of this stakeholder relationship that we turn our attention to the final key observation of the May 18th event. The press is a special stakeholder in that it communicates directly with our other stakeholders (the citizenry, our funders, our benefactors, and our detractors).

Through this stakeholder then, we communicate to our other stakeholders. This communication can be accidental and unplanned, or it can be deliberate and intentional. To the extent that we are proactive in our interactions with the press, we are deliberately communicating with these other stakeholders. To the extent that we are reactionary (only

talking to the press in relation to crises), we are communicating with our other stakeholders in a less deliberate, less well-planned, less active manner.

If we are always getting press coverage only in response to crises, our public may legitimately ask: “why are you not serving our needs; why are you always having to deal with crises instead of our larger issues?” The opposite is the fourth key observation: the press is critical to making a large scale change efforts successful. When we view the press in its stakeholder role, we can easily begin to appreciate the vital role the press plays in announcing plans, involving the public, and through their efforts, helping us to identify and respond to the needs of our client stakeholders.

Mr. Anderson: “Homeless Services has definitely done this. We have been involved in two significant long-term litigations. Plaintiffs and judges, through these litigations, have had their hands in the running of our agency for a long time. Mayor Bloomberg wanted to get them out of the management, so we could run the agency and we could articulate a new vision. So we were very proactive. We first articulated a vision that had a common sense component, and we engaged the press to communicate this to our clients, the community, and others. We did it very proactively with press, and we released a strategic plan. The Department of Homeless Services started to define the debate, something the plaintiffs had previously done. At first the press was a little leery, as Homeless Services had never tried to define the issues before. But they saw us trying, and they had to report. Regardless of any individual reporter’s beliefs, they reported our story, our news; they communicated our strategic initiatives. If nobody knew what we were trying to do, we couldn’t be serving the public very well.

Mr. Apple followed-up: “I think it’s really how you announce policy. Is it what you’ve done, or what you’re going to do? Sometimes perception is that you made change. But you may need to clarify that you are talking about need to create change. In public housing, there is a perception that projects and poor conditions are synonymous. The reality is generally different today. But we have not been proactive in communicating this message to the public, and we need to get that reality out there. The only way to communicate with the public in a city like New York is through the press. That does not mean the press will simply print our press releases. But it does mean that if we don’t talk to the press, they won’t know to say anything (except about crises), and then the public won’t know the reality of the situation. Their perception will be limited to that created in the last crisis (or the last many crises).”

Reflecting on this more involved view of the press, Ms. Mullin noted positively, “There is no doubt the Daily News contributed to some of our best programmatic changes. Even when bad stories happen, they can lead to positive change. A five day front page series in the Daily News took an exhaustive, investigative look at the Health Department’s restaurant inspections program. One finding was that the Department simply neglected to inspect annually nearly one out of every five restaurants. The expose ultimately led to several major improvements in the program. They drove needed management and policy changes.”

Other Issues Raised:

TV, Radio, Community Press and Non-Press Contact

Ms. Roche turned the discussants attention to a couple final topics which we summarize here. “What about the small community papers? How important are they to getting out your story?”

Mr. Apple stated “Small community papers are some of our best positive press. They are at the ribbon cuttings. And that popular, positive coverage works itself into the public conscious. Even if that doesn’t sway the larger tabloids, it’s still great, because it’s attached perhaps more closely to the particular constituents we need to provide direct service.” Ms. Roche noted, “The small papers may even take press releases and run them verbatim.”

Ms. Roche, “What about TV and radio? Do they figure into your communications strategy?”

Mr. Anderson, “Yes, they can be very important. They often tell the same story, but they do it in different way, a way the written press cannot. And they will tell the story with a different emphasis. This can be an effective communications medium. But sometimes the TV can be even more sensationalistic than tabloids.” Mr. Apple noted a different problem, “TV and radio are very important. But for our agency, we find it difficult to get TV to focus on longer-term issues. They are usually focused only on the tiger in the apartment.”

Ms. Mullin noted, in New York in particular, TV is critical. “NY1 is a major target for us. If they don’t show up, we often don’t think we’ve had a successful press conference.” Nonetheless, Mr. Calderone stated, with great insight, “In terms of setting the news agenda, in terms of actually communicating to the public – that’s the papers.” Perhaps that is a solid indication of the more critical stakeholder role of the press – communicating effectively between the agencies and the public about success, failure, need, and results. Only papers can give the level of attention and depth needed to communicate the many parts of a story.

Marian Krauskopf, Co-Director of the Research Center for Leadership in Action (co-sponsor of these breakfast events) followed-up with a question about additional means of communication to the public. Mr. Anderson and Ms. Mullin both noted the use of websites, brochures, and community events. However, they also noted that the press has open, established, trusted communication paths to the public and it is therefore critical that government agencies talk to the press, openly, honestly, and proactively.

Of course, that’s perhaps easier said than done. As an audience member noted, “You have to be vigilant in dealing with the press: they bite.”

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