



# **PAUL SEAMAN**

# **Stockholm Accords interrogated** *Paul Seaman*

Pulling together hundreds of academics, public relations professionals and business leaders to discuss the role of public relations today was a great idea.

This is a contribution to the **hub** of that debate.

Part I - Stockholm Accords interrogated

Part II - Stockholm Accords interrogated (cont.)

Part III - Stockholm Accords are useless for PR's future



### **Stockholm Accords interrogated - Part I**

This is for everyone interested in the Stockholm Accords<sup>1</sup> and the debate about the future of PR. This is a good moment to talk sensibly and creatively. But I fear a herd instinct is taking us in the wrong direction. (It's a herd instinct that's also over-intellectualised, if you'll forgive the contradiction in terms.)

Pulling together hundreds of academics, public relations professionals (let's just call them 'PRs') and business leaders to meet in Stockholm to discuss the role of public relations today is a great idea. This post is a contribution to that debate. I want to try to frame discussion.

Yes, the world is changing for our employers and clients, and especially for our best customers in big business and big government. Yes, PRs are trying to position their trade in this new world. Yes, PRs feel that the world of new media is changing the ground under their feet. However it is my contention that the current new-wave of thinking being expressed in the Stockholm Accords has not been thought-through properly. It is open to serious question and in some cases should be rejected altogether.

I have two prongs to my attack. One is that

1 http://www.wprf2010.se/

the Accords do not describe the problems well. The second is that they won't work, and that's partly because people will see that the premises are wrong, and partly because the Accord's assumptions steer our clients away from the kind of robust messaging which stands a chance of surviving scrutiny and events.

Because the proposed Accords are complex, I've decided to split my contribution into three parts. The first will interrogate the glossary of terms<sup>2</sup> which inform the overall thinking of the Accords. The second will examine the Accords themselves on Governance, Management, Sustainability, Internal and External (communication), and Coordination. The third will offer a much shorter summary of my key points of concern and some pointers to taking a more robust approach.

I've decided to print in full what the glossary says so that I cannot be accused of quoting out of context and so that people can make their own assessments by contrasting what's been said. Here goes.

2 http://www.wprf2010.se/the-stockholm-accords/glossary/

### 1. Stockholm Accords on stakeholder governance model

"It implies that a corporation's board of directors, or the elected leadership of a social or public sector organization, in the case of conflicts between contrasting stakeholder group expectancies decided which of them needs to be taken more into account, on the basis of a sound listening of those expectancies.

"The shareholder model instead – even when it recognizes that other interests beyond those of the shareholders need to be taken into account- tends to privilege, in the case of conflicting expectations, the latter."

My reply

The idea that all stakeholders are equal is erroneous. To pretend that organisations think they are is to be open immediately to charges of double-speak.

Shareholders set the objectives of firms, control them through shareholder democracy, provide the funds to run businesses and reap the rewards from their long-term success while carrying the risks from their failure. Firms and institutions have self-interest at their core and there should be no shame in saying so. Of course,

other stakeholder interests need to be taken account of to fulfill shareholder expectations because firms fulfill their objectives by providing goods or services which add value to society.

I've spelled out what's wrong with today's all-too-prevalent stakeholder doctrine<sup>3</sup> and presented a manifesto<sup>4</sup> in defence of shareholder value on my blog.



3 http://paulseaman.eu/2010/04/witherstakeholder-doctrine/ 4 http://paulseaman.eu/2010/04/manifesto-onshareholder-value-for-prs/

### 2. Stockholm Accords on value network

"In the network society, the traditional and consolidated strategic planning process based on Michael Porter's value chain model, which is mostly linear and material, is either replaced or at least integrated by another planning process based on value networks.

"This recognizes that much of the value created by the organization stems today from fuzzy (and not linear) and immaterial (rather than material) networks that normally disintegrate the distinction between internal and external publics because their components play specific and value added roles or are expelled from the value process.

"The value itself is based on the quality of the relationships which exist between the various components of each network and on the quality of the relationships which exist between the various networks."

#### My reply

Society has always consisted of a collection of social networks held together by common values and interests. The question we need to address is what's new about how they're formed and interrelate. We need to ask sociological questions rather than get obsessed with technology and novelty.

Michael Porter's supply chain model<sup>5</sup> is as appropriate today as is Adam Smith's account of the productivity boost and added value that comes from the division of labour in society (Porter just builds upon that sound logic: see also No. 14 in this text). Moreover, society is experiencing the exact opposite tendency to the one described in the

5 http://en.wikipedia.org/wiki/Value\_chain

Stockholm Accords. Value networks based on class and traditional communities are breaking down, as are old fashioned political allegiances and ideologies. But these social developments pre-date the internet and social media. They are hurting newspaper circulation, hollowing out political party organisations and undermining people's self-definition as members of this or that class or community. In that sense traditional value networks are disintegrating.

It is also a myth (approaching technological determinism6) that the internet and SM has created a new world of meaningful value networks. Take politics and public opinion. The UK election just showed that the internet is almost irrelevant to politics and to political outcomes<sup>7 8 9</sup>. The US election showed how the internet can have a major influence on politics, but not quite the way many commentators claimed. Even there it still played second fiddle to mainstream media<sup>10</sup>. It is worth noting that the US-experience was a temporary oneoff. There's no relationship being forged between Obama and the masses via social media today, because a relationship is not a relationship unless it is ongoing. Moreover, as the 50-year-old and even older Tea Party GOP veterans turn to social media to vent their anger, Obama's more youthful team increasingly condemns the medium itself<sup>11</sup>.

6 http://en.wikipedia.org/wiki/Technological\_determinism

7 http://www.google.com/search?q=iain+dale+on+internet+election

8 http://www.timesonline.co.uk/tol/comment/columnists/guest\_contributors/article7113351.ece 9 http://paulseaman.eu/2010/04/reflections-on-the-media-and-the-uk-election/

10 http://paulseaman.eu/2008/11/obamas-good-old-fashioned-use-of-tv/

11 http://paulseaman.eu/2010/02/obamas-left-turning-on-the-sm-crowd/

### Stockholm Accords interrogated - Part I Paul Seaman

### 3. Stockholm Accords on the communicative organization

"A communicative organization recognizes that even the most empowered public relations director cannot realistically hope to govern more than 10% of its communicative behaviours.

"Therefore the communication leader of the organization plays two fundamentally strategic roles:

"an 'ideological' role by supporting and providing the organization's leadership with the necessary, timely and relevant information which allows it to effectively govern the value networks as well as an intelligent, constant and conscious effort to understand the relevant dynamics of society at large;

"a 'contextual' role which implies the constant delivery of communicative skills, competencies and tools to the components of its value networks so that they improve their relationships amongst each other and with the other value networks."

for the views and activities of whomever they represent. Of course, that involves developing messages, positioning clients and defining what they stand for and wish to be known for. It also involves writing the narratives that connect with audiences. and it mostly requires us to cooperate with other groups by taking on-board their views and stances in a meaningful fashion (one that maximizes or acknowledges mutual benefits and honest disagreements). This was always so. But if there is a difference today to the past it is that the role and importance of professional PRs in ensuring positive outcomes is more understood and valued than before. Another major difference is that most post-1945 communication assumptions are becoming redundant precisely because there's fewer clearly defined value networks of substance in play. Right now there appears to be more atomization and social disengagement in society than ever, which the internet and SM for all its potential

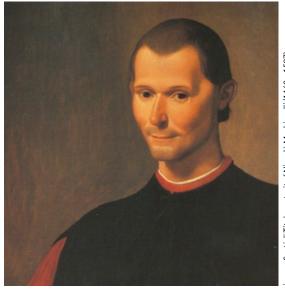
ensure positive outcomes on behalf of

their employers. PRs explain and spread understanding and attempt to win consent

### My reply

This is third-rate Machiavellian thinking. Indeed, its whole tone is the very reverse of the "listening", associative, socialised entites the Accords seem mostly to want our clients to aspire to become.

I insist PRs are not in the job of governing behaviour; not even among 10% of their audience. PRs do not and never should act like propagandists playing "an 'ideological' role" that seeks to "govern value networks". PRs communicate as advocates. PRs seek to influence behaviour; not govern it. They influence debate and opinion and try to



doesn't bridge and often accentuates.

nage: Santi di Tito's portrait of Niccolò Machiavelli (1469 – 1527)

### 4. Stockholm Accords on licence to operate

"To reach its conscious objectives every organization needs to constantly nurture and improve its 'licence to operate' by improving relationships with its stakeholder groups and society at large on whose opinions, attitudes, behaviours and decisions the achievement of organizational objectives rely on."

### My reply

This is fine as far as it goes. But it is both obvious and empty. An organisation's real licence to operate is its legality, the demand for its services and the willingness of people to deal with it. I have seen very few instances of the informal "licence to operate" being withdrawn where real-world acceptability was in place.



## 5. Stockholm Accords on boundary spanning and/or issue management

"Beyond its direct and indirect relationships with active or potential stakeholder groups, the organization needs to identify and analyse those economic, political, social, technological issues whose dynamics impact on the achievement of its strategic and tactical objectives.

"In doing this and in prioritizing those issues through a careful importance/possibility-to-influence analysis, the organization must identify those subjects who either directly or indirectly impact on those dynamics and dialogue with them to convince them to either reduce their hostility or increase their support for the organization's objectives."

#### My reply

I agree. With luck PRs do operate as antennae, spotting reputational downsides and opportunities beyond the purview of clients who may well be too busy perfecting widgets to have ears to the ground, etc. And PRs ought to be good at spotting social changes which require changes in their clients' behaviour.

### 6. Stockholm Accords on sustainability

"In organizational management speak the term (once also defined as corporate social responsibility or CSR) is used to indicate those policies and programs which ensure the economic, environmental and social being of the organization well beyond the short and medium term, and is directly connected to its licence to operate, the quality of its stakeholder relationships as well as the concern for societal and presumed future generations expectations."

### My reply

This is a minefield in which a lot of nonsense gets said. Some firms and institutions are in it for the long term and some merely (but just as reasonably) for the short term (that goes for shareholder value too). Organisational structures are rarely sustainable because they are designed to meet specific challenges at specific times; hence the saying "the only certainty is change". The word "sustainable" does not always fit comfortably with the word "development". Of course that does not mean that firms ought to sacrifice their long term interests in return for short term gains. One of the big issues in society – perhaps partly responsible for the recession - has been the pressure to boost short term shareholder value at the expense of long term business success and at the risk of business implosion and collapse.

### 7. Stockholm Accords on economic, environmental, social dimensions - transformational opportunity

"Sustainability policies and programs, even more than external consequences for the organization, represent possibly the most relevant leverage for its leadership to drive internal cultural change and transformation."

#### My reply

I think this means that being environmentally aware may achieve nothing much except for a feel-good factor within the organisation. This is OK so far as it goes but it seems (a) a bit inward looking and (b) a terrible mangling of the English language.



### 8. Stockholm Accords on stakeholders

"Are those publics which are aware and interested in dialogue with the organization because its activities bear consequences on them and/or whose activities bear consequences on the organization."

"Potential stakeholders are instead those public which, if made aware of the organizations strategic or tactical objectives, would be interested in dialogue with the organization. The prevalent communicative mode with the first is pull and for the second, at least initially, is push."

#### My reply

I have dealt with this issue above and refer readers to an in-depth piece by me here.

### 9. Stockholm Accords on advocate, listener, reporter, leader

"These four roles of the organization's communication function, as much as the internal articulation may allow, imply different professional skills and competencies.

"While the advocate needs to be highly familiar with the contents of the argument to be advocated as well as nurture rhetoric skills, the listener must know the basics of desk analysis, opinion and attitude research as well as be equipped with the skills to objectively comprehend and subjectively interpret inspired by organizations objectives the collected materials.

"In turn, the reporter needs to be an excellent narrator capable of finding the correct formats and preparing the most attractive contents to attract the attention of organizational stakeholders while the leader needs to be highly credible inside the organization as well as be a good manager in enabling other to be effective in group and project work."

### My reply

This sounds like a CV written by an overeducated and under-experienced chancer.

The real danger here is that listening and an over-reliance on research leads to confusion, indecision, caution and the abdication of responsibility by decision-makers. In a world as fluid as ours there is often not a coherent set of views, or even a clearly defined audience (never mind audiences) to examine and interpret what's in their interest. The duty of PRs is more to help their bosses lead than it is to help them listen; though listening is a must-have PR skill. The real problem is defining what the public interest is, which is far from easy. Mostly it is not definable by opinion surveys or research. The public interest is a constantly changing reality; a moving target. Moreover, PRs are not the best advocates of the public interest or in the best position to interpret it objectively because they represent their employers first and foremost. Suspicious minds might also remark that no company ever claims to act against the pubic interest and that no PR campaign ever made opposing it a positive part of its platform.

# 10. Stockholm Accords on falling boundaries between internal and external communication

"With every individual potentially being a globally accessible medium and with the constant decline in credibility of institutions and authorities, traditional internal publics are increasingly being considered as the most trusted sources of information from the organization.

"Vice versa, and for the same reasons, any customer or supplier or competitor opinion on the organization is immediately accessible by traditional internal publics.

"What is more, border publics such as shareholders, consultants, agents and partners are considered highly credible subject by both traditional internal and external publics. Most boundaries between publics are tumbling down."

#### My reply

Yes, everyone's got an opinion and it's amazing who gets attention. So yes, you want to be in touch with a huge range of voice. But – and it's a huge but – firms, governments, institutions, NGOs and all our clients still have to aim to get trusted, and they'll do it best by speaking in a trustworthy way about their work.

### 11. Stockholder Accords on leadership communication

"Organization increasingly define and attempt to implement policies and programs which imply coherent and cross functional leadership styles. This is a core and natural role for public relations professionals operating inside or working for the organization."

#### My reply

Perhaps, and certainly it's the job of PR to grease the wheels of whatever structure our clients fancy. But fashions change. One day, the business is a network or a matrix. The next it's a series of radiating lines. Like, one day organisation is by region, the next by function.

The fact is, old-style top-down management techniques still predominate the business world today for good reasons. Even socalled old-fashioned silos still make business sense and define best practice - not least for setting lines of accountability and responsibility. Moreover, successful and innovative businesses today are increasingly centralised and command and control-led: look at Apple, Google, Facebook, Ryanair and Microsoft. Some businesses do well with a decentralized and locally empowering approach, such as coffee shops and other retail chains (though only up to a point because their backbones are tight and efficient). It is worth noting that many of Toyota's recent problems were caused by



over-centralisation on the one hand, and a too loose a grip on its suppliers on the other (so there's always a tension involved in managing such challenges successfully).

At the level of the state we can expect to see lots of change (for instance, the US state may do more, the UK state less). States' management and regulation of the economy is changing fast, and unpredictably. Firms and the Third Sector may get much more involved in previously non-commercial welfare roles. The transition and restructuring that all this involves will require a lot of consensusbusting and unavoidable conflict. Such an environment requires honest and robust PR. It also requires a rejection of much of the language, logic and thinking currently being proposed in the Stockholm Accords. Increasingly, both firms and governments are going to have to be brutal to survive - let's not pretend otherwise.

### 12. Stockholm Accords on **knowledge sharing**

"The sharing of knowledge inside and increasingly also outside the organization is considered one of the more precious immaterial assets in and amongst value networks.

"This is enhanced by smooth and productive relationships amongst network components and the public relations professional in appropriately performing h/er 'contextual' role can be instrumental."

#### My reply

Holding on to intellectual property has never been more important or more difficult. But sure, firms and other institutions probably should be more adventurous in their pro bono use of their skills, wisdom and information.

### 13. Stockholm Accords on decision making processes

"Effective and timely decision making process are essential to the success of the organization. By professionally listening to, understanding and interpreting stakeholder expectations before decisions are made by management, the public relations professional allows leadership to improve the quality of those decisions, to accelerate the time of their implementation and, in those recurring circumstances in which decisions are not adapted to include a specific stakeholder group expectancies, allows the organization to better anticipate and prepare to deal with potentially disrupting actions by that stakeholder group."

### My reply

This is a statement of the obvious.

### 14. Stockholm Accords on processes and structure

"Ever changing processes and structures inside and amongst value networks are constantly framing change management programs of the organization. Change management, if and when it really works, mostly relies on sound and realistic objectives and effective relationships, which in turn are driven by good communication."

### My reply

Again this is motherhood stuff. However there could be something in this that the authors of the Stockholm Accords don't get. Some modern companies are increasingly partner-focused and dependent on integrated inter-company networks. The success of such endeavours requires collaboration and the management of processes throughout the value chain. This is very much in line with Michael Porter's thinking, which the authors of the Accords mistakenly believe is now largely redundant (see No. 2). The innovation here lies in the introduction of end-to-end data access between the various companies. In other words it is about the integration of one company's internal information systems with another's. The objective is for staff from different firms to work in sync to maximize the use of social and technological capital. Of course, this does throw up some challenges for PRs, but it is much more the realm of CIOs and other business disciplines than it is of ours. Moreover, such developments do not put a stop to command and control or top down leadership techniques, even though they encourages collaboration and real-time decision making. I'm of the opinion that it is from this fledgling field of cross-company systems integration, in which social media could play a major innovative role, that the Accords' authors grabbed the term "value network", and then bent it out of shape and made it valueless.

### 15. Stockholm Accords on stakeholder groups

"These are individuals and organizations who are aware and interested in developing a relationship with the organization because the organization's actions bear consequences on them or through their actions they bear consequences on the organization. Not necessarily a favourable relationship.

"These stakeholder groups are not chosen by the organization, but decide by themselves to be and act as stakeholders. It is clearly up to the organization to acknowledge them and to responsibly involve and/or engage with them, at its own peril."

### My reply

I have tirelessly – indeed to the point of tedium – combatted the idea that all and sundry are one's stakeholders. I do accept that it's no use assuming one's critics are one's enemies and can be ignored or fought, as opposed to schmoozed, co-opted, or otherwise engaged where possible. I think it is also true, by the way, that one's clients' supposed friends are often very false. So sure, a PR's job is to engage widely. But reticence will sometimes be useful, and it can be extremely dangerous to pretend to be all things to all men.



### 16. Stockholm Accords on situational stakeholders

"Stakeholder groups may also be situational as they form and dissolve according to social and organizational dynamics which need to be carefully monitored by the public relations professional."

### My reply

Well said. That's a pompous way of saying that a lot of one's support and opposition is temporary and opportunistic. It doesn't do to get too bogged down in today's PR battles. As is the case in bringing up children, quite often problems have just gone away long before one's worked out a clever strategy to deal with them.

### 17. Stockholm Accords on **brand loyalty**

"This is a traditional marketing term which has grown to include the quality, the trust, the commitment and the power balance of the relationship of a customer or any other stakeholder with the organization."

#### My reply

It's a big mistake to think that there is much new about brands: they were always valuable and wide-ranging. Just think of what Ford or Boots or Cadbury or ICI meant to people. Anyway the statement, like much of the wording of the Accords, reads like an assault on the English language, which does little to enhance our image as professional communicators.



### 18. Stockholm Accords on **brand equity**

"This is one of the immaterial values attributed to an organization's overall capitalization. Often expressed in monetary terms, this value is calculated by conventions amongst peers which relate monetary value to immaterial indicators."

### My reply

Agreed. Intangibles such as reputation have a direct influence on tangibles such as share price and market share.

### 19. Stockholm Accords on dialogue, participation

"An organization's stakeholder relationships may be differently categorised according to their acknowledgement, involvement, engagement, separation, divorce programs. A relationship begins with the two subjects acknowledging each other (acknowledge-

ment); then proceeds when the organization stimulates its stakeholder groups to access the information they believe stakeholder groups require to keep abreast on their relationship and are enabled to provide feedback (involvement); the organization may also decide that in order to more effectively achieve its objectives it should engage some of its stakeholder groups in direct dialogue and conversation on specific issues in order to find mutually beneficial outcomes (engagement):

"Sometimes this does not work, and there is a period of time between separation and divorce in which the organization can attempt to involve them"

### My reply

The degree to which any organisation engages with another is driven by self-interest. Of course it can be enlightened. Anyway, isn't this Accords statement a complicated PC way of saying the obvious: that you often need to sup with a long spoon?

## 20. Stockholm Accords on success, evaluation and measurement

"The most importance measure of success for public relations professionals, beyond the visible and tangible achievement of the organization's specific objectives, within a given time frame and a given amount of financial and human resources, is based one or more selected evaluation or measurement tools which today are abundant and certainly no fewer than those available to other management functions. Evaluation implies the prevalent use of qualitative tools while measurement implies a prevalent use of quantitative tools. The new frontier, as is happening for other management functions, relies in quantilitative (sic) tools which integrate both evaluation and measurement."

### My reply

"Quantilative": we can hope that doesn't last. There's an obsession with measuring intangibles which borders on nonsense. It is partly driven by the research industry itself (call it their marketing success) and partly by insecure PRs trying to justify their budgets. Much of what constitutes research and its results is self-justification and not to be trusted. Some is invaluable. Naturally enough, as a PR you will be valued when you prove yourself in a crisis. The rest of the time you're trying to prove you're valuable because of something which didn't happen, and that's a tough call.

### 21. Stockholm Accords on communicative issue

"A communicative issue is one which, in its analysis and operative process by the organization coherently with its objectives, implies and requires an above average focus on stakeholder relationships and effective communication."

#### My reply

I have a feeling that a "communicative issue" is a communication problem or opportunity. So that would be an issue involving diplomacy and messages. Do you mind if I repeat that our trade does itself no good when it wraps simple ideas in the kind of windy guff that is more in place in a third-rate sociology department?

## 22. Stockholm Accords on multifaceted, multi-stakeholder, inter-relational

"The concepts of network society, value networks and communicative organizations imply that issues are more than often multifaceted (they provide different perspectives and angles according to the single stakeholder group perspective), multi-stakeholder (individuals and organizations increasingly belong to parallel stakeholder groups who may even have conflicting interests, for example shareholders, employees and sometimes even suppliers...), and inter relational in that value network components may in parallel belong to more than one network and perform different roles which implies that relationships amongst value network components as well as different value networks may be also in conflict."

My reply

There's nothing new in the insight that society consists of a tangle of webs in which contradictory values and interests

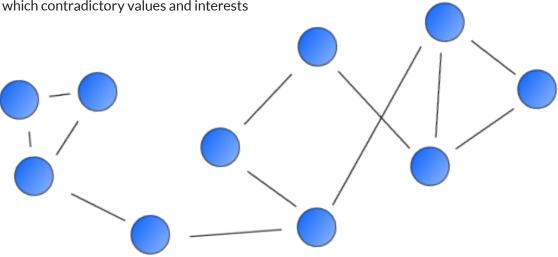
co-exist. (Bernays, for instance, was clear about that.) It has also always been the case that most people rarely grasp how their differing interests are irreconcilable or at least conflicting, or even how downright hypocritical their own views are. It was always true that customers could be shareholders, employees, activists and consumers. The truth is we can't have it all and often we don't know what we want anyway.

### 23. Stockholder Accords on networks

"Networks are today the core components of society, as well as of single public, social, private or mixed organizations."

### My reply

There's never been a society without networks. Society is networks personified.



# 24. Stockholm Accords on mission, vision, values, strategy, implementation, promises, actions, behaviour

"The mission describes the organization's identity. The vision describes the organization's aspiration to be in a defined time frame. The values are related to the defined behaviour the organization declares to abide to in migrating from mission to vision. The strategy is the path the organization decides to pursue in its migration from mission to vision; while the business plan defines the operative steps the organization plans to implement to pursue that strategy.

"The promise is what the organization claims it will deliver to and with its stakeholder groups. The actions are the operative behaviour of the organization in implementing its business plan, and communication is in itself a behaviour."

#### My reply

Almost all mission statements play down the things an organisation really has to do and play up the things its critics would like it to do. Fine: but since most mission statements also make one feel slightly sick, one can hope they either wise-up or go out of fashion.

## 25. Stockholm Accords on highly trusted sources (Edelman trust barometer)

"For many years now, Edelman Worldwide has been conducting an annual global effort to monitor the concept of organizational trust by different stakeholder groups. The overriding 'fil rouge' is that official and institutional sources are decreasing in public trust while peers and friends and neighbours are increasing."

#### My reply

The latest Edelman trust survey<sup>12</sup> points in the other direction altogether. People's trust in "people like me" is falling rapidly as a consequence of the recession as people seek authoritative sources of information and opinion. This is a trend PRs should encourage. I believe that the faith people supposedly put in "people like me" was always overblown and now it appears to be no longer even fashionable to make such claims.

I agree that PR can't altogether ignore or disparage the anti-institutional fashion. If social media networks are now what people trust, PR has to get in amongst the social media and get heard there (and, yes, listen carefully too). But the big thing to remember is that "people like me" are less likely to have means of being serious, informed, experienced or even honest than do wellmanaged, long-haul, publicly-accountable bodies of the kind PRs get paid to represent. Doctors have to stand by science-based medicine; astronomers understand the heavens better than astrologers; I'd rather fly in a Boeing than by levitation. Likewise, PRs need to value honest, serious, information: they need to know it when they see it; promote it fairly; and defend it against the shrill relativism of much social media and vox pop noise.

12 http://www.scribd.com/full/26268655?access\_key=key-1ovbgbpawooot3hnsz3u



### **Stockholm Accords interrogated - Part II**

Part II deals with the Accords themselves, following Part I's examination of their definition of terms.

Before we go on, it is worth building on Part I's theme: what exactly do the Stockholm Accords<sup>13</sup> expect to achieve? Here's what the event's website says about their objective<sup>14</sup>:

"The aim of the Stockholm Accords is to articulate and establish the role of public relations in the "communicativeorganization "[sic] within a fast-evolving digital and valuenetwork society."

In essence, the Accords suppose that we live in a new "networked society in which communicative organizations are vital to

13 http://www.wprf2010.se/
14 http://www.wprf2010.se/the-stockholm-accords/

organisational success" (forgive the clumsy words, they're theirs, not mine).

In essence my beef is that this exercise over-complicates everything. Most PR is an effort to help clients both be and appear more attractive. You can usefully enrich that proposition by noting that there are internal and external audiences; that everything about an organisation can be part of its good or bad messages; that building up a good reputation may be useful for when things go wrong (as they will). One may want to stress how non-stop and intrusive and persistent modern observers are. Perversely, the globalised, modern world is more like a village than ever: everybody thinks everything is their business.

As I argued in Part I, the Accords ignore the obvious: society is, and always has been, networks personified. Moreover, all human

interaction depends upon communication and relationships, or nothing whatever would have been or will ever be achieved. Of course, the digital bit is sort of new. I say sort of because the internet is now second or third generation. It strikes me that the Accords' authors are really saying that their thinking boils down to considering technology's influence on human behaviour. This narrow obsession has sent them and their new definition of PR's role off in the wrong direction.

There's no wisdom in a mob, but there's often treasure buried in crowds. So, of course, I accept there is something in Reed's Law<sup>15</sup>. (See: The Law of the Pack<sup>16</sup>). I accept its proposition that digital networks can scale exponentially by transforming technological platforms into social networks that add value. But in the business world, Reed's Law is just a statement of potential. It remains a theoretical construct that might prove to be hopeless if taken too far. The commercial world is in recession. It is not currently up for the risky experimentation and investment that would be required to test the weaknesses and strengths of Reed's Law. This is something I discussed in Part I N° 2 & N° 14 (without mentioning Reed). In Part I, I also cited SM's irrelevance in the British General Election and its only fleeting influence on American politics.

My charge is that the authors of the Stockholm Accords lack historical or sociological insight. Most of today's social developments from the breakdown of traditional politics, to the shift in community alignments, or the fall of religious influence, to the decline in trust in, and authority of, traditional institutions, predates the internet.

In other words, the internet and social media usage were shaped in the wake of already existing currents, including the already declining mass media. That was particularly the case with SM, which is more often used as a retreat from public life rather than as its lifeblood. That's one thing China's SM usage has in common with the West's. There's mass disengagement and passivity in society, which is the polar opposite of empowerment, which so many public relations professionals (let's just call them 'PRs') like to crow about. That's not to say SM is irrelevant, or that it does not have influence or empower people, sometimes, in this or that circumstance or usage.

It is the failure of the Stockholm Accords to look at these real world tensions during the boom and now during the recession, and the Accords' myopic worship of all things digital, which I criticise. But let me make it plain. This blog celebrates technology and advocates innovation. It is obsessed with understanding them and with exploiting their potential. But it does not endorse technological determinism<sup>17</sup>, which I believe the Accords' authors do.

15 http://en.wikipedia.org/wiki/Reed%27s\_law 16 http://goo.gl/vWucQ

17 http://en.wikipedia.org/wiki/Technological\_determinism

So, that's the preamble. Let's now look at the Stockholm Accords one by one.

### Stockholm Accords on governance

"The increasingly adopted stakeholder governance model empowers board members and organisational leaders as ultimate custodians of stakeholder relationship strategies and policies, as well as of monitoring their implementation.

"In today's value networks, a communicative organization requires timely knowledge of economic, social, political, legal and environmental developments, as well as opportunities and risks affecting the organisation, its direction, its actions and its communication.

"Public relations professionals:

- co-create organizational values, principles, strategies, policies and processes;
- constantly report on the dynamics of stakeholder involvement;
- inform, shape the organisation's overall communication abilities;
- measure, evaluate and account for results;
- deliver timely analysis and recommendations to ensure an effective governance of stakeholder relationships, enhancing transparency, trust and sustaining the organisation's 'licence to operate.'"



image: World Public Relations Forum 2010 - Gala Dinner, photo by Per Dal http://www.flickr.com/photos/informationsforeningen/4702238429

### My reply

I dealt with the above extensively in Part I. But let me now add a few brief remarks;

- » The stakeholder governance model or doctrine is seriously flawed. An organisation can't look to outsiders as the first source of its probity and efficiency.
- » Firms, governments and institutions primarily pursue self-interest. This will include a measure of enlightened and widened self-interest.
- » PR is indeed uniquely useful in our complicated, media-orientated times. But we should beware over-stating the newness of our skills and roles.

### Stockholm Accords on management

"Effective and timely decision-making<sup>18</sup> related to operations and resource management are essential for organizations seeking to enhance their license to operate<sup>19</sup>. These management choices must be sensitive to the concerns of internal and external stakeholders, seeking equilibrium between societal and organizational goals.

A communicative organization<sup>20</sup> listens to its stakeholders, uses this input to improve the quality of its decisions, and communicates through its behavior.<sup>21</sup>

"Public relations professionals:

- help understand and interpret broader societal, political and economic interests and aspirations<sup>22</sup>;
- participate to the solution of organizational issues and lead those that are particularly focused on stakeholder relationships;
- help to legitimize the organization; by increasing the communicative value<sup>23</sup> of products, processes, services; and

building financial, legal, relational and operational capital<sup>24</sup>."

### My reply

Yes, PRs are the professional diplomats of the modern organisation's internal and external relationships. But we won't do the job better by having theories and ambitions which are too fancy for the valuable but recognisable work they have to do. Way too much of the Stockholm Accords' approach brings in more posy sociology, managementspeak, media studies, post modern guff. This is the way to lose the interest of clients and audiences alike.



24 http://www.wprf2010.se/the-stockholm-

18 http://http//www.wprf2010.se/the-stockholmaccords/glossary/#decision 19 http://www.wprf2010.se/the-stockholmaccords/glossary/#licence\_to\_operate 20 http://www.wprf2010.se/the-stockholmaccords/glossary/#communicative\_organisation 21 http://www.wprf2010.se/the-stockholmaccords/glossary/#mission 22 http://www.wprf2010.se/the-stockholmaccords/glossary/ 23 http://www.wprf2010.se/the-stockholm-

accords/glossary/#communicative\_value

accords/glossary/#communicative\_capital

### Stockholm Accords on sustainability

"An organization's sustainability<sup>25</sup> is based on balancing today's demands with the ability to meet future needs, based on economic, environmental and social dimensions<sup>26</sup>.

"In this network society, sustainability leadership offers a transformational opportunity<sup>27</sup> for the communicative organization to enhance it's license to operate and demonstrate success across the triple bottom line.- economic, social and environmental.

"Public relations professionals identify, involve and engage key stakeholders<sup>28</sup> contributing to appropriate sustainability policies and programs by:

- interpreting society's expectations for sound economical, social and environmental investments that show a return to the organization (the advocate<sup>29</sup>);
- creating a listening culture an open system that allows the organization to anticipate, adapt and respond (the listener<sup>30</sup>);
- ensuring stakeholder participation to identify what information should

be transparently and authentically reported (the reporter<sup>31</sup>);

 going beyond today's priorities to anticipate the needs of tomorrow, by engaging stakeholders and management in long-term thinking (the leader<sup>32</sup>)."

#### My reply

Sustainability has to do with robustness and flexibility, which can be darn hard things to reconcile. We need to be modest: sustainability is about the future, a thing we know very little about. We should not pretend to know the recipe for survival (or to assume, for instance, that environmentalists are any cleverer at it than supposedly ungreen capitalists).

## Stockholm Accords on the new boundaries of internal communication

"Internal communication enhances recruitment, retention, development of employee loyalty and commitment to organizational goals by ever more diverse and segmented publics.

"In the network society a communicative organization goes far beyond today's traditional definition of full-time employees, understanding that internal stakeholders now include full-timers with tenure generally shortening, part-timers, seasonal employees, contractors, consultants, suppliers, agents, distributors, volunteers and more.

25 http://www.wprf2010.se/the-stockholm-accords/glossary/#sustainability
26 http://www.wprf2010.se/the-stockholm-accords/glossary/#dimensions
27 http://www.wprf2010.se/the-stockholm-accords/glossary/#transformational\_opportunity
28 http://www.wprf2010.se/the-stockholm-accords/glossary/#stakeholders
29 http://www.wprf2010.se/the-stockholm-accords/glossary/#advocate
30 http://www.wprf2010.se/the-stockholm-accords/glossary/#advocate

31 http://www.wprf2010.se/the-stockholm-accords/glossary/#advocate
32 http://www.wprf2010.se/the-stockholm-accords/glossary/#advocate

"Public relations professionals constantly address:

- how organizational leaders communicate;
- how knowledge is shared;
- how decisions are made;
- how processes and structures are created;
- and expand communication to include many boundary publics that are also often considered as highly trusted sources of information about the organization and essential players contributing to the organization's success."

#### My reply

Yes, many of an organisation's relationships are now both important and fleeting or arm's length. Actually, that will often require an unattractive wariness. The need for secrecy, privacy and caution is greater than ever and has to be communicated as well as possible.

## Stockholm Accords on the new boundaries of external communication

"The network society mandates that a communicative organization expand its scope and skills to focus on customers\*, investors\*, communities\*, governments\*, active citizenship groups\*, industry groups\*, mainstream, digital and social media\*, and other situational stakeholders\*. "Public relations professionals:

- promote, support and contribute to modify products, services or processes;
- bring the voice of the organization into regulatory and community decisions;
- adopt social networking and research skills and tools to listen to stakeholder demands and report to management so that they may be appropriately interpreted and, where relevant and effective, integrated into the decision making process;
- strengthen brand loyalty\* and equity\*, thus reinforcing the organization's license to operate;
- work with all organizational functions, through every step of production and delivery, to craft and implement effective communication programs\*.
- actively participate in dialogue\*,
   evaluate and measure results\*, and
   accordingly adjust their practices."

#### My reply

This looks like PR's pitch to stick its nose in everywhere. Nice try, and to some extent justified.

## Stockholm Accords on co-ordination of internal and external communication:

"In value networks, each communicative issue\* is multi faceted\*, multi stakeholder\* and inter relational within and between different networks\* and positioned in diverse legal frameworks.

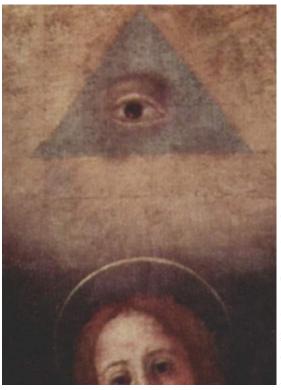
"The communicative organization must balance global transparency, finite resources and time sensitive demands dealing with dynamic changes in inside/outside territorial borders and new conflicts of interests emerging from multiple stakeholder participation\*. Dialogue with internal, boundary and external stakeholders must be coordinated with the organization's mission\*, vision\*, values\*, implementation\*, promises\*, as well as actions\* and behaviors\*.

#### "Public Relations professionals:

- research, develop, monitor and adjust organizational behavior and communication behaviors providing leadership for issues based on stakeholder and societal relationships;
- develop a knowledge base that includes social and psychological sciences, best practices and formative research to create, evaluate, measure and implement programs for continuous improvement."

#### My reply

This looks like a pitch for PRs to be rulers of the universe: all-seeing, all-knowing, etc. I don't mind this accord but it is not so much edifying and energising as yawn-making. How about: "Almost every aspect of your work will convey a message about your organisation, so expect a good PR to take an interest in everything you do."



nage: Detail from Supper at Emmaus - Jacopo Potormo ttp://commons.wikimedia.org/wiki/File:Jacopo\_Pontormo\_001.jpg



### Part III: Stockholm Accords are useless for PR's future

The last in my trilogy on the Stockholm Accords is dedicated to rebutting the authoritarian notion that public relations professionals (let's just call them 'PRs') are "ideological governors of value networks".

This view – hidden in the Accords' small print<sup>33</sup> – is much too close to Stalin's view of authors as "engineers of human souls" <sup>34</sup>for my liking. So, here's a call to dump the Accords' illiberal vision of our profession's role in society.

Before I justify my words, here's a short explanation of the flaws that lie at the heart of the Stockholm Accords, which were ratified in Stockholm last week. They want to be touchy-feely but also to talk about "governing" media processes. At

33 http://www.wprf2010.se/stockholm-accords/glossary/

34 http://en.wikipedia.org/wiki/Engineers\_of\_the\_human\_soul

the same time, and to make things worse, their talk about "governing" media (social and mainstream) is rather stymied by their admitting that they actually control no more than 10 percent of media outcomes. So the Accords have two conflicting and irreconcilable aims, one of which it is accepted by the Accords' authors that they cannot fulfill. Yet it's worse. When discussing their "governing" role, they discuss its "ideological" nature. All in all, they're using words which are either feebly post modern, modish and relativist or nastily authoritarian.

Maybe a huge amount of meaning has been lost in translation. In English (hardly a minority language for our game) this stuff sounds horrible and is reminiscent of long-settled debates. In any language, these approaches make for a very shaky "new" foundation for PRs to build on as we seek to redefine what our practice and mission is in today's world.

Here's the key Accord on the "communicative organisation" <sup>35</sup> that PRs should focus their concerns on:

"The communicative organization ensures full consistency of its storytelling by balancing global transparency, finite resources and time sensitive demands dealing with fast moving inside/outside changes and new conflicts of interests that emerge from multiple stakeholder participation.

"Communication with internal, boundary and external stakeholders is coherent and coordinated with the organization's mission, vision, values, as well as its actions and behaviors."

The Accords' authors are well aware that their text is gibberish to c-level management, the public and even to most PRs. Hence, Toni Muzi Falconi has provided an accompanying glossary<sup>36</sup> and personal explanation of what the real intent is of each of the Accords. As Toni is a prime mover behind the whole process and his is the only explanation offered on the Accords' website, it seems sensible to assume he expresses fairly well what's being said. Here he explains what's meant by the "communicative organisation":

"A communicative organization recognizes that even the most empowered public relations director cannot realistically hope to govern more than 10% of its communicative behaviours.

35 http://www.wprf2010.se/stockholm-accords/draft-of-the-stockholm-accords/36 http://www.wprf2010.se/stockholm-accords/glossary/

"Therefore the communication leader of the organization plays two fundamentally strategic roles:

- an 'ideological' role by supporting and providing the organization's leadership with the necessary, timely and relevant information which allows it to effectively govern the value networks as well as an intelligent, constant and conscious effort to understand the relevant dynamics of society at large:
- a 'contextual' role which implies the constant delivery of communicative skills, competencies and tools to the components of its value networks so that they improve their relationships amongst each other and with the other value networks."

The problem is that the the notion of PRs playing an "ideological role" comes close to saying PR plays a propagandistic function inside organisations. Moreover, the idea that PR can "govern" behaviour - even if it is only communicative behaviour - has illiberal and worrying undertones. One could argue - and I do - that this explanation of the Accords' intent reveals an attempt to redefine the role of PRs as "ideological governors of value networks". That is hardly a description of our role that's designed to win widespread acceptance or one which could conceivably encourage public trust or confidence in what we communicate. Most likely it is a description that - if ever widely promoted - would see open conversation stop the minute any PR entered a room or joined in a discussion.



In countries as diverse as Switzerland and Nigeria, I have worked in environments ranging from multinational boardrooms to environmental disaster zones.

I've managed corporate, crisis and product PR. I have dealt with every kind of media. I've counselled at the highest levels and have sorted things out at street level. I live and work near Zurich, Switzerland.

### A little more detail of a campaign life

In the 1970s I campaigned for a socialist Britain (and for various health and transport causes later). In the 1980s I did PR for a union in the finance sector. I suppose that's when I switched sides and started working on PR for the finance industry – just as it went into its late 80s meltdown. But Britain is a robust as well as an argumentative place, and it was surprisingly easy to make my case that mortgages had always been advertised as coming with risk.

Perhaps with a nose for the unpopular, I then went into PR for the nuclear industry – then a pariah. This culminated in 1996 with the life-changing experience of fronting the 10th anniversary of the Chernobyl disaster. I worked from the site itself, exploding media myths and lapping up close encounters with nuclear heroes.

For the next ten years I did PR for the IT sector, both product and corporate. So I was getting the media to flog our kit for us. And then getting them to buy into my bosses' M&A strategy. There was much less blood on the carpet but I had fun and learned a lot.

Enthused by my IT experience, I started a trading firm a few years ago. I cashed-in quite profitably. And again, I'd learned a lot.

More recently, I have taken this varied experience to work for a Ukrainian "oligarch" who was flirting (quite well) with CSR and then for a burgeoning indigenous PR house in Nigeria as it helped a huge range of firms produce world-class messages. These were vivid experiences, to say the least, and not to be missed.

What does this tell you? I love the challenge of advocacy, whatever the case, product or place. I love a scrap. I am proud of my portfolio CV. It doesn't begin to tell you how much I love team-work. It may be an age thing, but I've also loved mentoring youngsters.

Here's a conclusion. I have learned to respect people who run things, invent things, make things happen – especially when the chips are down.

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