



Speech to the Bell Telephone System's General Operating Conference
May 1928

Page, A. W. (1928, May). Public Relations. Speech presented at the Bell Telephone System's General Operating Conference.

Summary

Page highlights the company's public relations' challenges and stresses the importance of streamlining the company's message.

It is not feasible to eliminate every manifestation of public displeasure; therefore, the best public relations strategy is to implement a good offense. Page believes AT&T has been successful in convincing the public that the telephone business has to be a monopoly, but it has not succeeded in alleviating the public's suspicions of a monopoly. The importance of having a consistent and clear message that resonates with those inside and outside the company is important. The "Dallas speech" which outlines the company's philosophy, has streamlined the company's message and has helped employees and the public gain a better understanding of the company's perspective. Each employee should consider themselves as part of the sales department. The company should continue to communicate with employees within the organization as well as those outside the organization as both influence public opinion.

Key Topics

Company Philosophy - Dallas Speech
Employee Relations
Corporate Power - fear/suspicion of big business
Sales
Public Relations - Message - streamlining your message
Monopoly - suspicion of monopolies

Page Principles

Listen to the customer
Manage for tomorrow

Public Relations

General Operating Conference
May 1928

PUBLIC RELATIONS

The list of troubles which Mr. Gifford outlined to you the other day, such as rate cases in California and Texas, and bills introduced in Washington, and other similar things, is one indication of the deficiencies in our public relations; there is a further indication made up of those things which we would like to do, which we think we ought to

do, but which we are afraid to try to do. Added to this you have to realize that the present is a peculiarly favorable era for all big business, not only ours, but every other one. So that amount of trouble which we are having at present is a good deal less than we would have if we were doing the same things in certain other times. So while it is particularly good sailing now, it is a fine time for us to get ourselves in order.

It seems to me almost hopeless to endeavor to correct the troubles that arise in our public relations by running around trying to put salve on each manifestation of public displeasure. That means meeting one kind of attack here, another kind over there, and being continually and all the time on the defensive.

It is for that reason, it seems to me, that a constructive policy which will forestall and prevent public attack, is the only answer to the problem, on the theory that the best defense is an offence, and that is why the affirmative policy of the Dallas speech is so important to us. It is simple enough to explain, as the personnel people have already to a large measure explained it, to the whole personnel of the Bell System; and with that policy almost anybody in the Bell System can explain affirmatively what we are trying to do and also to defend any of the practices which we are engaged in. That means that with such a philosophy well in the minds of the people, it is perfectly safe to allow a very much greater latitude in talking to the press, to the public, or to any agency of the public, than it was when each case had to be considered separately and some particular answer made for it.

Let me give you an example of how this thing works. There is a local manager in Asheville, N.C. who two or three months ago started going around the town getting hold of the key people, a newspaper editor or two, some of the more prominent lawyers, and a doctor, and so forth. He explained to them that there was going to be an adjustment or raise in rates in Asheville. About that time the Dallas speech came out and as a part of the routine he got it to the newspaper editors. About ten days later, when the editor of the Asheville Citizen had had time to go over the policy, there appeared an editorial in the Citizen discussing the philosophy of the Dallas speech, quoting that part of it which said that the policy did not mean that one of the parts of the System should bear the burden of another part, explaining that that applied to the situation in Asheville, that they had been growing very rapidly, the thing was not paying its way and they were going to be confronted with a raise in rates, and that that was the basis on which it was coming. If we had sat down and spent a week trying to explain that thing we wouldn't have done as good a job, and it was entirely voluntary on his part.

Of course, you probably won't get 100 per cent performance like that, but I don't think such a thing is possible without your general philosophy. It now is possible. The only question is how near to the possible maximum can you get?

At the Publicity Conference we discussed the necessity of reaching these thinking leading people, of watching for every opportunity to bring the Dallas Speech to their attention. I don't believe that you can just set out and visit one of them after another in office hours and tell them your story, because that won't work in just that way. But if you know who you are after and what you want to tell them, you will find a great many opportunities to reach them.

Of course, this won't be done unless it is planned and checked, engineered, and supervised. But it can be done if the various companies are really seriously engaging in

watching for it and endeavoring to work it out. It might take a little time, but it won't take a large force, and it can be, I think, effectively done, and when it is done it lays the groundwork for the future in a way that I don't think any other public relations method will do.

By doing this, you reach the public, of course, in two ways. One of them is directly, and when you talk to the public, as someone said this morning, you also talk to the personnel in the Bell System because they are all part of the public. Also, when you talk to the personnel in the Bell System you talk to the public, because they all see the public. So that those two jobs are entirely synchronized. They have to go together. They have to tell the same story at the same time.

This thing that I have outlined to you is the first and largest thing we have on the program of the Publicity Department. It was discussed for a couple of days at Pinehurst, and I think that you will find that all of your Publicity Departments are willing and eager to go on.

If Mr. Wilson will excuse me, I am going to trespass upon his preserves a minute or two.

We have convinced the public that the telephone business has to be a monopoly. We haven't, however, freed the public mind of its suspicions of monopolies. It suspects monopoly of tending to commit various crimes against society, (1) in trying to get too much money out of the public for the service which it renders, which is one of the common reasons for the existence of a monopoly. I think the Dallas policy answers that. (2) It suspects monopoly of lacking incentive and energy for improvements and desire to serve the public. We have set up the laboratories to produce the material improvements, and I think that is the answer to that: the Laboratories, and the staff. But the desire to serve to the fullest extent is usually based on the desire to sell. That is the manifestation of it which the American public most easily recognizes.

I think we have to push our wares exactly as if we had competition. It is characteristic of the monopoly to give the public what it thinks the public ought to have. It is characteristic of other business to give the public what it wants. This second attitude is essential to good public relations. I think it is more fundamental than anything else, except the Dallas Speech, and as a matter of fact it is an essential part of the Dallas Speech, because in the Dallas Speech Mr. Gifford said we were going to give adequate telephone service, and if we don't give them all that they can profitably, comfortably, and conveniently use, we aren't really fulfilling our job.

In this general picture, I should like to read you something that was written a little while ago by a shovel manufacturer. I think it has pretty clearly the ordinary business point of view about selling.

"Quite a few months ago I was asked, What is the relative importance of the sales and manufacturing departments? It then developed that this question was asked because the superintendent of the company had endeavored to determine the point. He had created an issue because of a few decisions contrary to his recommendations concerning certain matters of company policy.

“The question strikes me as being a foolish one. In my opinion, this thought should not be allowed to exist in any form. The superintendent should have been promptly answered to the effect that there isn’t any relative importance; we all belong to the sales department. That is all we are in business for, to sell the product that we manufacture. However, it is not necessary to have opposition or jealousy between departments, in order to develop a dangerous attitude. Indifference is just as harmful, and indifference prevails in too many organizations. I refer, of course, to indifference as to what another department is doing, and indifference to the part that any department plays in the whole scheme.

“What becomes of a concern, the manufacturing department of which thinks that its sale mission is to match wits with the cost sheets, and that it has to answer only to the superintendent, whose role in turn is entirely apart from any other in the plant? How can an organization possibly be successful when the plant executives feel that what ever happens after the product leaves the factory is the problem of the sales department? Similarly, what becomes of the concern whose auditing department deals only in figures, and has nothing further in view than the end of the fiscal year? What becomes of the concern whose purchasing agent is interested only in the lowest bid, and who is not interested at all in the preservation of good-will?”

I think that is the ordinary state of mind of most American business, and if we do not wish to be peculiar and present for ourselves an exceedingly difficult public relations problem, I think we have to conform to that general conception.

The desire to sell has another bearing also. Mr. Barnard said the other day that there was no one in the Bell System below the general manager with an overall business point of view. When everybody is selling, at least on one point, everybody from the office boy up will have an overall business point of view. So that the sales psychology not only has the advantage of selling, but produces a common objective which crosses all functional lines and knits the whole organization together. And certainly what we were told this morning proves that the Bell System people can not only sell stock, which they have done, but they can sell telephones, which they know more about.

We agreed at the Publicity Conference that unless the Bell System was selling what it had to sell as hard as it could, there would be a bad hole in our public relations, and we discussed how we could cooperate with the selling program which Mr. Wilson is outlining, or any other which you took up. What we can contribute actually isn’t a great deal. There are pamphlets and advertisements, either in the papers, or by mail, and in other ways, such as Mr. Chesterman described that Mr. Schauble has helped him with; there are stories for the magazines—and in that connection, I think that the publicity departments everywhere have to start working on a changed psychology toward the telephone, that is, a psychology that the normal man or the normal family ought to, have all the telephone facilities that they can conveniently use, rather than the smallest amount they can get along with.

That kind of campaign, which is partially advertising and partially publicity, has often been carried on in the United States. Campaigns of that kind have increased the sale of California fruit. They have built up habits amongst the public to use certain things. There are a great many cases where such things have happened, and there isn’t, the slightest reason, if we are all serious-minded about this and really mean to do it why we can’t accomplish it.

I was interested in something Mr. Stoll said. He explained that there were 142 different kinds of switchboard cables, which the Western Electric delivered last year to the Associated Companies. From what he said (I don't know very much about his work) I gathered that was quite a degree of personalization in the service. And I couldn't help thinking at the same time that the associated companies were getting that amount of personalization of service, they were giving to the public one black desk set, a hand set, a wall set, and one of those black buttoned intercommunication systems. In other words, it seemed to me in discussing standardization that you have concentrated more on the public than on the operating forces. The emphasis might be changed a little bit and it might help with our public relations.

In this selling business there is a phenomena that has disturbed a good many people in the last ten years and that is Henry Ford. He seems to be an exception to all rules. He made one little black instrument, too, and it did just what ours did: when it got started, it went fine, and so did ours. But, you know, Henry has recently come to the point where he realized he had to make a change and I think now that he has made a lady out of Lizzie, we might dress up these children of the Bell System.