

# Communication strategies for stakeholders and business leaders

by

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**Public Relations Institute of Australia  
National Convention 2007**

Sydney, Australia

October 15-16, 2007

## **A. Introduction**

I am pleased to be here today to talk about the art and science of communication strategies for stakeholders and business leaders – especially the concepts, strategies, and tools for dealing with stakeholder communications.

Working at Telstra these past 27 months<sup>2</sup> has provided an opportunity to explore new approaches and tools to advance our business communications mission – which is simple:

- Convert **consumers into customers**
- Convert **employees into advocates**; and
- Convert **shareholders into activists**.

I'd like to share with you my views of the job that we are trying to do – a job that includes:

- messenger,
- spear carrier,
- scout, advocate,
- advisor, coach,
- choreographer,
- strategist,
- crisis manager,
- wordsmith,
- packager,
- story-teller.

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I am sure that many, if not all, of these roles lay on your shoulders as well.

## **B. Changing role of the Business Communicator**

The role of the “business communicator” has changed dramatically during the 20<sup>th</sup> century.

Things began to change significantly in the 1950s when the world was introduced to consumerism. And then in the 1960s came consumer protection.

Consumer protection was quickly followed by

- feminism
- the civil rights movement
- environmentalism.

Then in the 1970s, new forces were unleashed:

- the beginning of the corporate responsibility movement
- the shareholders rights movement
- the expansion of regulation by government at every level.

New forces were also unleashed inside the world of business:

- re-engineering, re-structuring, and downsizing
- de-layering in response to new digital technologies and what the experts call “disintermediation”
- outsourcing and off-shoring as business leaders sought more flexibility in managing the factors of production and new communications technologies permitted new approaches to supply chain management.

And, of course, there were corporate crises and disasters – from Bhopal<sup>3</sup> and the Exxon Valdez<sup>4</sup> to Tylenol<sup>5</sup> and Chernobyl<sup>6</sup>.

**Within the span of a decade** – beginning in the mid-1960s to the mid 1970s – **the political, social, and operating environment of the corporate executive became much more complex and much less pliable.**

This is just a nice way of saying there were **more non-market forces at work**, including political landmines, cultural time bombs, and technology risks – as well as other players who were often more hostile, less forgiving and more public.

At this point, the business of public relations began to change. When recruiting “the PR guy” the CEO increasingly wanted to be involved.

**The call by CEOs is increasingly for a trusted advisor**, someone who can:

1. provide **trusted advice on issues** that require attention by senior management as well as the operating units;

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<sup>3</sup> For the younger people in the room, the Bhopal disaster took place in the early hours of the morning on December 2, 1984, in the heart of the city of Bhopal in the Indian state of Madhya Pradesh. A Union Carbide subsidiary pesticide plant released 40 tonnes of methyl isocyanate (MIC) gas, immediately killing nearly 3,000 people and ultimately causing at least 15,000 to 22,000 total deaths. Bhopal is frequently cited as one of the world’s worst industrial disasters.

<sup>4</sup> The Exxon Valdez was the oil tanker, owned by the former Exxon Corporation, that gained widespread infamy after the March 24, 1989 oil spill, in which the tanker, hit Prince William Sound’s Bligh Reef and spilled an estimated 11 million gallons of crude oil. This has been recorded as one of the largest spills in U.S. history.

<sup>5</sup> The Tylenol crisis occurred in 1982, when seven people in the Chicago area in the United States died after ingesting Extra Strength Tylenol medicine capsules which had been laced with potassium cyanide poison. This incident was the first known case of death caused by deliberate product tampering. The perpetrator has never been caught, but the incident led to reforms in the packaging of over-the-counter substances and to federal anti-tampering laws.

<sup>6</sup> The reactor accident at the Chernobyl nuclear power plant was the worst in history, resulting in a severe nuclear meltdown. On April 26, 1986, reactor number four, located in the former Soviet Union in Ukraine, exploded. The 2005 report prepared by the Chernobyl Forum, lead by the International Atomic Energy Agency and the World Health Organization, attributed 56 direct deaths (47 accident workers, and nine children with thyroid cancer), and estimated that there may be 4,000 extra deaths due to cancer among the approximately 6.6 million most highly exposed.

2. provide a **narrative on emerging trends** and issues to inform the business planning process of challenges, opportunities and an assessment of risks;
3. generate **forecasts of political, regulatory, and social trends** for senior management and sometimes even the Board;
4. lead strategic messaging for the corporation; and
5. serve on the corporate planning groups to advise on their sensitivity to emerging issues or the agendas and timetables of other community influencers.

The CEO also wanted someone who could **advocate the company's position and explain the vision, purpose, and objectives of the CEO** and senior leadership team,

**I call this role “the S’plainer man” (or woman).<sup>7</sup>**

The new business communicator comes armed with much more than the media release. The S’plainer man also uses:

1. **the case study** that shows a situation, solution and results to demonstrate how a customer has improved his or her life using your products or services
2. **the White Paper** that presents a problem, and analysis, and a result to make the case for a company vision, strategy, product, or position
3. **the op-ed and other by-lined articles** that contain facts and data, and an opinion about an issue of importance to the company.

But it is not just a matter of tools. The new business communicator has many new channels through which to communicate to stakeholders. We have to remember that communications is about:

- Who
- Says what
- To Whom
- Through what channels
- At what cost

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<sup>7</sup> As the corporate environment changes, as the external environment became more complex, as technology and other forces drove internal change, the CEO needed a new kind of person with substantive knowledge, strategic expertise and broad communications skills sets to help the executive leadership navigate the shoals of the new business environment. Enter the communications team headed by the trusted advisor and s’plainer man.

- With what effects<sup>8</sup>

One of the most important changes for the public relations professional is the **explosion in new channels of communication** that are now available...especially digital channels, including the Internet. We are no longer stuck with the newspaper and the press release to get out the message...and, just as important, it is **now possible to have two-way communications with our target audiences.**

One of the important issues we need to consider is the interplay between **control over message** and **audience selectivity** – where the media release loses on both counts. The media release is mediated through a journalist (low control) and you have no idea who reads the news report or commentary (low audience selectivity).

That's why **business communications must give more attention to the new media.** New channels of communications provide much more than new opportunities to communicate.<sup>9</sup> New media gives us more ability to advance our message, target our audience, and also engage in two-way communications. These include:

1. Talk-back radio
2. The Internet, including:
  - e-mail
  - webcasting
  - podcasting
  - mobcasting
  - alternative websites
  - social networking (like MYSpace, or FACEBOOK)
3. Instant messaging
4. Virtual organisations of grassroots supporters

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<sup>8</sup> This is modified from Harold Lasswell's widely-used communication model that asks, "Who says what to whom with what effect?" I have added "at what cost" because the digital revolution that is the foundation for so many new or "alternative" media has greatly reduced the costs associated with the distribution or dissemination of messages. Harold D. Lasswell and Abraham Kaplan, *Power and Society: A Framework for Political Inquiry*, New Haven: Yale University Press, 1950; David Lerner and Harold D. Lasswell, *The Policy Sciences: Recent Developments in Scope and Method*, Stanford: University Press, 1951. Or see Werner Severin and James Tankard, *Communications Theories*, New York: Logman (4<sup>th</sup> edition), 1997.

<sup>9</sup> It should be noted that communications channels tend to complement, rather than replace, each other. The Internet, for example, does not displace news media; it simply provides a new channel that is not mediated by journalists. Put another way, an advantage of the Internet is that it gives organisations more control over messages and channels because organisations can run their own websites.

Consider the Internet and the Web 2.0 world. At Telstra, we are increasingly using new media tools as a way to communicate in the Web 2.0 world.<sup>10</sup>

Take BigPond for instance. There is the world of:

- **The BigBlog** – where BigPond members can blog with the benefits of exclusive Telstra functionality like MMS Videos and photos, and SMS text, images, video and sound files.
- **Second Life** – where BigPond has the most visited branded site in the world
- **I-pond** – that helps users build their own personal web home page as the one place where all their favourite information is assembled, summarised and continuously freshened through the power of RSS feeds<sup>11</sup>.
- **BigPond Movies and BigPond Music** – where poplists allow members to share their opinions of the best and worst of what they have watched or listened to, or members can browse thousands of user reviews
- And of course there is our own **alternative website**, called **nowweareretalking.com** that I will speak about a little more in a moment.

**The Internet provides lots of new advantages.**

- The Internet permits **more timely, more high-fidelity messages**.
- The Internet is important because it allows organisations to **communicate more directly, at more levels** and at greater and more varying depths, with more control over the message than provided by traditional channels.
- the Internet **generates metrics** about who visits your site and the attributes of the visitors – and who downloads what information.

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<sup>10</sup> The phrase Web 2.0 is used to refer to the transition of websites from isolated information silos to sources of content and functionality. It is also used to refer to the social phenomenon embracing the approach to generating and distributing web content itself. It is characterised by open communication, decentralisation of authority, freedom to share and re-use, and “the market as a conversation”.

<sup>11</sup> RSS (Really Simple Syndication) is a family of web-feed formats used to publish frequently updated content such as blog entries, news headlines or podcasts. An RSS document, which is called a “feed”, “web feed”, or “channel”, contains either a summary of content from an associated web site or the full text. RSS makes it possible for people to keep up with their favourite web sites in an automated manner that’s easier than checking them manually.

So even if you can't select the audience, you can know who selected you.

The result: We are all now publishers and broadcasters because the Internet now allows a multiplicity of new forms of publishing and broadcasting, providing outlets that are of growing significance to many of the publics on which we depend.

In December 2005, Telstra launched its alternative website **nowweareretalking**. This is our **corporate education and advocacy website**, which uses

- blogs,
- polls,
- user-generated content stories,
- multi-media,
- discussion forums to encourage dialogue and facilitate feedback.

The characteristics of the site are that it is:

- **Informal, discursive, irreverent and invites disagreement** – things that never used to be in the Telstra values
- **Interactive, conversation-based and personalised**. It invites intimate dialogue with visitors
- Provides a **listening post** for customers and stakeholder insights
- Makes us a **publisher of news, changing the dynamic with journalists**
- Brings us **closer to customers, shareholders, consumers and staff**.

The nowweareretalking website attracts an average of **25,000 visits per week, with peaks of over 45,000 visits**. These peaks have been linked to our other communication efforts, such as Telstra's full page advertising directed to our shareholders.

On the 10<sup>th</sup> of June this year, the nowweareretalking website attracted visitor # 1 Million.

**But we measure our success by the extent we influence the agenda** – not just by the number of visitors.

## C. Changing organisation

Across the industry, the public relations and communications function is changing. At Telstra, the public relations and communications team now includes a broad range of functions – including some combination of

- **public relations,**
- **media relations,**
- **government affairs,**
- **community relations** (including the company’s philanthropic foundation and sponsorships),
- **stakeholder relations** (including relations with industry associations, shareholders, and interest groups),
- **internal corporate communications,**
- **international** (media, public affairs, risk assessment),
- **corporate social responsibility (CSR)**
- with the evolution of **new media**, the responsibility of the company web site and the Internet.

As the business of communications – both internal and external – became even more important to **shareholders** with the expansion of non-market liabilities, reporting relationships changed. For example, the corporate head of business communications<sup>12</sup>:

- Increasingly reports to the CEO,
- Sits on the senior executive team,
- Participates in corporate policy making,
- And often sits as an observer at Board meetings.

## D. The CEO and agenda-setting

More than ever, the agenda for the business communicator comes from the CEO and the leadership team. The advisor and the s’plainer man cannot freelance.

Because of **the central role of the CEO as the “idea person” in the business, it is very important for the business communicator to be**

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<sup>12</sup> This function goes by many descriptions: Public Policy and Communications; Corporate Affairs and Strategy; Corporate Affairs and Human Resources; Public and Consumer Affairs; Regulatory and Public Affairs; Public Affairs and Corporate Marketing; Corporate Affairs; etc.



**able to get inside the head of the CEO – and the leadership team for that matter.**

CEOs come in many sizes and shapes –

- the commander,
- the architect,
- the coordinator,
- the coach,
- the premise-setter and judge,
- the traffic cop.

One thing is for certain: **The days of the celebrity CEO are over.** Today's successful **CEO is more likely to be a work horse than a show horse.**

Result: the challenge for the business communicator is to **amplify** and make interesting the work that is being done *inside* the company and what it means for customers and shareholders.

In the words of Jim Collins, the author of the best-selling book *From Good to Great*,<sup>13</sup> most effective CEOs are hedgehogs, not foxes or celebrity CEOs.

Hedgehogs, according to Collins, are leaders who “**know how to simplify a complex world into a single, organising idea...** [one who engages] an iterative process of piercing questions, vigorous debate, resolute action, and **autopsies without blame** – a cycle repeated over and over by the right people, infused with brutal facts, and [driven by the passion to be **best in the world**, to nurture the economic engine, and to attract deeply passionate people].”

Hedgehogs tell the truth. If disclosure is constrained by legal, ethical or proprietary considerations, then they say nothing.

Hedgehogs stick to their knitting, adding value and making the business work for customers and shareholders.

## **E. Strategies**

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<sup>13</sup> Jim Collins, *Good to Great: Why Some Companies Make the Leap and Others Don't*. New York: Harper Collins, 2001.

There are many strategies to deliver this. I want to address some of the ways we can think about our challenges and the strategies we can use in business communications challenges. Here are some ways of thinking that I find useful.

1. **The inside-out, action-is-character strategy.** This involves amplifying the activities and achievements of your leadership team in pursuing the consumer, shareholder, employee, and community-related objectives of the CEO and the leadership team.
2. **The change-the-conversation strategy.** This involves recognising the cul-de-sac for what it is – a dead end – and the need to enlarge the arena of dialogue, or sometimes, the arena of conflict.

**These images are of advertisements** that we placed in national and metropolitan newspapers to change the conversation. We wanted our shareholders and all Australians to understand the facts, and ensure that we had high control over the message.

We even bought **scoreboard displays at AFL games** asking fans to “barrack for high-speed broadband”

3. **The change-the-process strategy.** This approach gives credence to the overwhelming evidence from many sources that the decision process affects decision outcomes. This lesson is found in studies of comparative politics at the macro-level to micro-level studies from game theory and the art of negotiation. This approach tries to shape a decision process with participants and rules where you have a chance to win and, if you are losing, to act to change the process or the participants – or both.
4. **The use-leverage-where-you-can-find-it strategy.** This involves understanding the dimensions that define any relationship – interpersonal as well as inter-institutional relations are fundamentally *political* relationships. They are political because they typically involve an effort by one or both to gain more *power* or ability to influence the course of events as a product or by-product of the relationship.

## **F. Public Relations and the Management of Controversy**

**Public relations can use controversy as a strategy to clarify ideas and the character of people.** It's not just the well-known idea that you have to break eggs to make an omelette. I like to think about it this way:

- Thomas Aquinas wrote that “Civilization is constituted by conversation – that is, by argument.”
- However, G.K. Chesterton reminded us that arguing is not the same as quarrelling. According to Chesterton, “The principal objection to a quarrel is that it interrupts an argument.”
- Theologian Michael Novak says **civilized people** treat each other as reasonable – and they argue...about everything. **Barbarians** club each other, as if values are mere “preferences” – and reason is no where to be found.

So when people disagree, we should welcome the argument, and if the other side doesn't want to engage, well, that tells us something too.

## **G. Influence on civic society**

I should at this time say though that I have been very **surprised by the complacency of civil society and civic institutions.**

**I am surprised that more attention is not given to the work of think tanks, peak industry groups and other non-governmental organizations that address many of the critical issues of the day.**

Many of these issue areas – telecommunications, nuclear energy, climate change, water, ports and other critical infrastructure – where decisions will have an impact for generations to come, are too important to be left to governments.<sup>14</sup> **They deserve broad public dialogue that is timely, civil and informed.**

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<sup>14</sup> For the role of think tanks in Australia, see I. Marsh, “The Development and Impact of Australia's Think Tanks.” *Australian Journal of Management*, (December 1994); Georgina Murray and Douglas Pacheco, “Think Tanks in the 1990s” and “The Economic Liberal Ideas Industry: Australasian Pro-Market Think Tanks in the 1990s,” *Journal of Social Issues*, May 2000; and Sharon Beder. “The Intellectual Sorcery of Think Tanks.” *Arena Magazine* (June/July 1999). For an outstanding study of the role of think tanks in the US, see James A. Smith. *The Idea Brokers: Think Tanks and the Rise of the New Policy Elite*. New York: The Free Press, 1993.

Put another way, I believe that **democratic societies are stronger when the civic order can challenge the public order.**<sup>15</sup> By “civic order” I mean:

- commercial, industrial and other economic groups;
- social, philanthropic, and cultural groups – including voluntary associations;
- place-oriented groups, such as neighbourhoods.

The civic order must provide venues where serious people can come together to investigate and **discuss issues of national importance around the rule of reason informed by facts and data.**

**This is commonplace in most democratic societies**<sup>16</sup> – including Great Britain and Japan, where you also have the fusion of powers in a parliamentary systems or the US with the separation of powers in its presidential system.

**Let me give you a brief case study of what I am talking about – an early but stunning example of an active civic order. It is called The Clapham Circle.**

The Clapham Circle was a closely-knit group of prominent and like-minded English advocates of political and cultural reform. They were active in Great Britain at the end of the 17th and beginning of the 18th centuries.<sup>17</sup> The Claphamites were led by William Wilberforce

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<sup>15</sup> On the distinction between the civic order and the public order, see the writings of Harold D. Lasswell – for example, Harold D. Lasswell and Abraham Kaplan. *Power and Society: A Framework for Political Inquiry*. New Haven: Yale University Press, 1950; Daniel Lerner and Harold D. Lasswell. *The Policy Sciences: Recent Developments in Scope and Method*. Stanford: Stanford University Press, 1951; Myres McDougal, Harold D. Lasswell and Ivan A. Vlasic. *Law and Public Order in Space*. New Haven: Yale University Press, 1963; Harold D. Lasswell. *A Preview of Policy Sciences*. New York: Elsevier, 1971; . Robert Rubinstein and Harold D. Lasswell. *The Sharing of Power in a Psychiatric Hospital*. New Haven: Yale University Press, 1966.

<sup>16</sup> For perhaps the best discussion of democratic pluralism, see Robert Dahl. *Who Governs?* New Haven: Yale University Press, 1970.

<sup>17</sup> The group’s name originates from the town of Clapham, located in Greater London and home to the group’s three most prominent leaders – banker Henry [Thornton](#) (1760-1815), Anglican rector and spiritual leader John Venn (1759-1813) and Wilberforce – and the venue for periodic meetings, dinners and what they chose to call “Cabinet Councils.”

Regulars at Clapham gatherings included clergyman and author Thomas Gisborne (1758-1846), business administrator Charles Grant (1746-1823), estate manager and colonial governor (India) Zachary Macaulay (1768-1838), playwright and educator Hannah More (1745-1835), scholar and administrator Granville Sharp (1735-1813), pottery maker Josiah Wedgwood (1730-1795), and Chancery Master James Stephen (1758-1832).

(1759-1833), an abolitionist Tory parliamentarian and social reformer,<sup>18</sup> but the rest were private citizens.

The core members of the Clapham Circle included:

- **Josiah Wedgwood** – of Wedgwood pottery fame – and the creator of the famous plate showing a slave in chains with the plaintive but disarming inscription, “Am I not a man and a brother?”
- **John Newton** – a former slave trader and author of the hymn *Amazing Grace*.
- **Thomas Clarkson** – perhaps the greatest and the most overlooked of all the abolitionist activists, whom the poet Samuel Taylor Coleridge called “a moral steam engine” and “a giant with one idea”.
- **Henry Thornton** – a banker and financial genius who gave generously to support the work of the Clapham Circle.
- **Zachary Macaulay** – philanthropist and estate manager in the West Indies who was disgusted by Jamaican slavery and whose financial support was also key to the work of the Clapham Circle,

This group typically met together around the Wilberforce dinner table.

**Claphamites were civic leaders -- in business, education, government and the arts.** They included both men and women and were prime movers in the **abolition of the slave trade** (achieved in 1807) and the **emancipation of slaves** in the British Empire (achieved in 1833).

Claphamites also advocated and **achieved literally dozens of additional humane and political reforms.**

**The Claphamites, by some measures, invented modern “policy research” –**

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<sup>18</sup> Wilberforce is one of history’s most inspiring civic leaders who was also a statesman. See Kevin Belmonte. *Hero for Humanity. A Biography of William Wilberforce*. Colorado Springs: Navpress, 2002; or John Pollock, John. *William Wilberforce: A Man Who Changed His Times*. McLean, VA: The Trinity Forum, 1996.

- **problem-focused studies** to spotlight the moral and economic implications of social pathologies;<sup>19</sup>
- published a journal, the *Christian Observer*; and **pioneered techniques to mobilize public opinion** – including the
- **petition** to exert pressure on Parliament
- **advocacy groups** – the use of voluntary societies to advocate causes (including the RSPCA, which still exists around the world) – strategies that are now commonplace in democratic political cultures.

**That was then. In contemporary society, we typically take a more formal approach to organizing the civic order** by mobilizing talent, information, and money through formal institutions – such as

- think tanks,
- peak industry groups,
- private advocacy enterprises and the like.

In Australia, it looks like there are many, though not an abundance, of what I call “**civic leadership institutions**” that do very good policy research and hold forums where serious people can come together to address issues of national importance.<sup>20</sup> Examples:

- There are **international think tanks** such as the Lowy Institute for International Policy (Sydney) or the Australian Institute for International Affairs (Canberra). With their focus on international policy issues, I would like to see these groups address how the rapid deployment of advanced communications platforms and services will affect Australia’s ability to project economic and political influence in the next decade and beyond.
- There are **domestic policy think tanks**, such as the Institute for Public Affairs (Melbourne), the Tasman Institute (Melbourne) and the

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<sup>19</sup> A secret of Wilberforce's success was his capacity for bridge building, often joining with philosophical opponents in pursuit of common goals. An example is prison reform, where he joined with Utilitarian philosopher Jeremy Bentham. "Measures, not men," was a favorite saying of Wilberforce – i.e., the use of facts and data can bring people together, that people of different worldviews need not preclude collaboration on shared goals.

<sup>20</sup> Georgina Murray and Douglas Pacheco, cited earlier, cite research by B. Herd estimating a total of 80-90 think tanks in Australia (and 6 in New Zealand). They employ 1,600 people, publish 900 reports and discussion papers and hold “almost 600: conferences and symposia a year -- but with a collective budget of around \$130 million they are not well funded.

Australia Institute (Canberra). Like many think tanks around the world, these groups often have a philosophical or ideological stake in the ground (e.g., around issues like free markets or sustainability or civil liberties) and often march to their own drummer, addressing cardinal issues of the day, such as Australia's telecommunications future, from their own perspective. That's good. It provides another angle on the challenge that can be fed into the public debate and the policy making process.<sup>21</sup>

- There are **peak industry groups** that do policy research and hold forums – such as the Business Council of Australia (BCA), Committee for Economic Development Australia (CEDA) and the Public Relations Institute of Australia (PRIA). These groups are membership organizations, and their members include perspectives, skills, and information from all points on the compass.
- There are **independent institutions** that hold forums, but don't do research – such as the Sydney Institute, the Global Foundation of Australia, the National Press Club in Canberra, Trans-Tasman Business Circle, or Davos Australia. These kinds of groups assemble influential opinion leaders from all walks of life – the very people who should be exposed to balanced discussions or even formal, Oxford-style debates of the cardinal issues of our day, of which investment in telecommunications is certainly one.

### **Why are these other venues needed, one might ask.**

When issues are taken up in the **media**, they are almost always discussed either in personal terms or political terms – as in a “horse-race,” who's winning. This approach makes serious public discourse difficult.

When issues are taken up in forums dominated by **lawyers or regulators**, they are typically discussed in strictly legal terms that often drive out common sense and shrink the opportunity for the creative, no-fault or win-win solutions.

Once issues get to the **courts**, a whole new dynamic, including new rules of evidence, take over. A court is what happens when politics fail, and

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<sup>21</sup> I've noticed that the media and other opinion leaders sometimes tend to dismiss their findings and conclusions as “predictable.” That is unfair and unfortunate, based on what I have seen of their work. These critical issues of government regulation and the impact advanced communications technologies need to be addressed from every vantage point – and not just from the point of view of the regulator or the government administrator or the competitors. At the end of the day, there is the national interest.

democratic policy-making gives way to the judicial process. Put another way, a legal filing is simply politics by other means.

**So, what surprises me is this:**

**Australia has a wide range of accessible and capable civic leadership groups that do not seem to have as much impact as they should in sparking public debate, shaping the public dialogue and influencing public policy.**

**Maybe the two years I have been here are a bad sample of time.** That could be. But I have also been told by elected leaders from different political persuasions and by public servants who have been around for a long time, that the influence of civic leadership groups has waned in recent years -- that they used to play a larger role in agenda-setting, the clarification of alternatives, the assessment of results. This is what I call **the “intelligence function” in the policy process.** And governments everywhere govern better when they cast a wide net to serve the intelligence function – especially in advanced societies such as those in the OECD orbit.

Speaking to the telecom issues I care most about professionally, **I am surprised by the relative lack of interest in the long-term benefits of the digital revolution** and its importance for the future of the people, enterprises, and communities of Australia. Instead people talk about regulation and whether or not Telstra is a monopoly or a community property. Or they say “structural separation is the answer” without ever specifying the question.

That, I think, is unfortunate, because, once again, **the issues are too important to be left to government.**

**Finally, I am not surprised but I am dismayed by what seems to be a tendency to accept the status quo.**

For example, **when we talk about our view** – the Telstra view that technology has changed, consumer needs have changed and **national requirements have changed but regulation has not** changed– we are often faced with the view that Telstra management and our shareholders should just grin and bear it.

I am sometimes asked **“why don’t you accept things as they are”.**



Of course, the first answer is, **we will always obey the law and abide by regulatory requirements** – so in that sense, we do accept things as they are.

The second answer is that we tried appeasement for 10 years before 2005 – and it didn't work. That's why we turned to education, engagement and advocacy.

**But, the world has changed enormously in the decade since Australia began designing a new regulatory regime for telecommunications.**

Given all the changes over the past decade, it is not unreasonable to consider that perhaps the regime needs to be re-examined so that it will not:

- discourage investment,
- stunt innovation,
- slow growth and
- impede the international competitiveness of Australia's businesses and communities.

Now there have been examples throughout Australia's history where a small group started to advocate for change and reform, and everyone dismissed them – and then slowly, over the years, a majority came around to adopt the reform positions they were advocating.

In Australia, the float of the dollar and trade liberalisation are examples. And of course there is my favourite example of all – where someone prevailed against the odds – when Darryl Kerrigan, in *The Castle*, never gave up. He rallied his friends. He rallied his neighbours. He never lost faith. In the end, he prevented the authorities from confiscating his home and his property for public use, so they could expand the airport.

**So, you've been through this before. I've been through this before. Changing things is never easy** – whatever it is:

- your own personal habits,
- the culture of a company, or
- the policy of a nation.

But, still, we all need to try – and as public relations professionals, you have the tools at your finger tips to assist you in doing that. **The best way to succeed is to:**

- **practice transparency** and trust the good judgment of most people most of the time,
- **believe in the marketplace of ideas** and the ability for the good ideas to beat the bad,
- **give people the knowledge and tools** to become change agents themselves.

**That's the way most democracies work.** That's the way it has worked in Australia historically on other issues.

**People see a need for change and they try to persuade others.** They are not anti-government or anti-competition or anti-regulator or anti-anything.

**They just have a different view of what is best for citizens, shareholders or others where they have a responsibility. So they engage.** They have a conversation. They argue. They may even quarrel from time to time.

## **H. Conclusion**

Clearly, the strategies and approaches we can use to **advance public understanding of our business leaders and their issues number in the hundreds.**

When we **segment the public** into consumers, institutional investors, mum and dad shareholders, special interest groups, suppliers, community influentials, and other stakeholders, **we have to use messages that care about and press them through channels they value, trust and use.**

The important point is that **our job has changed** as the challenges faced by business institutions, their consumers and shareholders have changed.

At Telstra, **the regulatory threat to our financial performance and share value of more than 1.5 million shareholders is real.** We need to use all the skill and resources available to widen the arena of discussion, to bring all the stakeholders into the debate, to rip away the regulatory jargon of economists and lawyers, and the biz babble of the communications industry so that people can actually see what other people want to do with their savings and investment.

That has been the focus of our communications strategy for the past 27 months, and will continue until the job is done.

I'd like to leave you with the thoughts that motivate our team when it comes to communicating:

- Communicate quickly... holistically
- Communicate clearly... make sense of the chaos
- Communicate collaboratively... it's dance, not a battle
- Communication persuasively... accurately... intuitively
- Tell stories that entertain... that move people
- Communicate feelings, interactively...
- Communicate with parables... metaphors
- Communicate... by telling stories

Then, having done our job, let the chips fall where they may.

Thank you