

Strategic Public Relations Center



UNIVERSITY OF SOUTHERN CALIFORNIA
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FIFTH ANNUAL PUBLIC RELATIONS GENERALLY ACCEPTED PRACTICES (G.A.P.) STUDY (2007 DATA)

GAP V

SECTION V: CHARACTERISTICS OF GOVERNMENT AND NOT-FOR-PROFIT AGENCIES

By

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SECTION V: GOVERNMENT AND NOT-FOR-PROFIT AGENCIES

Introduction:

For the second time in the GAP series, this study breaks out data from government and not-for-profit agencies. To the authors' knowledge, the GAP study is the only concerted effort to analyze the PR practices of such organizations.

Section V divides the not-for-profits into three categories (large: \$580 Million to \$6 Billion; medium: \$100 Million to \$580 Million; and small: Less than \$100 Million), on the basis of their answers to the question, "State your organization's gross revenues in whole dollars for the most recently completed fiscal year (i.e., 2006/2007)." However, the reader should bear in mind that the term "gross revenues" may be interpreted by these organizations in different ways, i.e., "operating budget," "operating income," etc.

Government agencies are grouped together in the "all" category because of limited responses in various size categories, so it is important to bear in mind tremendous variations in their size and scope of responsibilities.

V/A-1 and A-2: Respondents by Organization Size and Category

Participants were asked to state their organizations' gross revenues in whole dollars for the most recently completed fiscal year (i.e., 2007). Not-for-profit respondents were grouped into three categories based on their responses to this question. However, these organizations may interpret the term "gross revenues" in different ways, i.e., "operating budget," "operating income," etc. Government agencies are considered as a single group due to the large range of government operating budgets.

Table V/A-1: Respondents by Organizational Size: Operating Budgets/Income,* Year-Over-Year						
Type	Revenue Categories	Average (in Millions)			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	\$1,689	\$988	(\$701)	19	9
	\$100M-\$580M	\$302	\$196	(\$106)	29	29
	Less than \$100M	\$30	\$30	\$0	38	107
Government Agency	All	\$1,453	\$329	(\$1,124)	12	43
*Operating Budget/Income refers to the data provided by non-profit and governmental respondents in answer to the question, "What were your organization's gross revenues in the most recently completed fiscal year."						
Not for profit base: All not for profit organizations providing operating budget/income data (excludes one Not for Profit organization with an operating budget/income of \$14B)						
Government agency base: All governmental agencies providing operating budget/income data						
Data source: Q13 by Q1 and Q13 (as categories): see Appendix for question wording						

Table V/A-2: Respondents by Category, Year-Over-Year					
Type	Percent of All Respondents			Respondents	
	2005	2007	Dif 05 & 07	2005	2007
Not for Profit	28%	36%	8%	139	189
Government Agency	5%	11%	6%	23	57
*Other	67%	53%	-14%	326	274
Total	100%	100%		488	520
*Other includes public and private organizations					
Base: All organizations					
Data source: Q1; see Appendix for question wording					

Findings/observations in 2007:

- a. This question was answered by 43 government respondents, and by 145 not-for-profit respondents.
- b. Government agencies were combined, here and elsewhere in this section, into a single group to assure valid results from that category as a whole.

On a year-over-year basis:

There was a large increase in the smallest not-for-profit respondents (in the revenue category “less than \$100M”) – rising from 38 in 2005 to 107 in 2007.

The data suggest to us that:

Because of extreme variance in size among government agency respondents and the small number of such respondents who completed the survey, attempts to project the data are extremely problematic, as are any comparisons between government agencies and not-for-profit organizations.

V/A-3: Geographic Parameters of Respondents' Responsibilities

Participants were asked to specify the geographic parameters of the communications organizations for which they have responsibility. This change was instituted in 2005 to facilitate comparisons among like-sized organizations.

Table V/A-3: Geographic Parameters of Respondent Responsibilities, Year-Over-Year										
Parameters	Type: Not for Profit									
	Revenue Category: \$580 Million-\$6 Billion					Revenue Category: \$100M-\$580M				
	Percent			Respondents		Percent			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
US - Local or regional	43%	71%	28%	10	5	65%	69%	4%	26	20
US - National	22%	14%	-8%	5	1	13%	14%	1%	5	4
North America (US, Canada, Mexico)	4%	0%	-4%	1	0	3%	0%	-3%	1	0
Americas (North, Central, South)	0%	0%	0%	0	0	0%	0%	0%	0	0
International/Global	30%	14%	-16%	7	1	20%	17%	-3%	8	5
Total*	99%	99%		23	7	101%	100%		40	29
Parameters	Type: Government Agency									
	Revenue Category: Less than \$100M					Revenue Category: All				
	Percent			Respondents		Percent			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
US - Local or regional	61%	68%	7%	35	72	83%	89%	6%	15	50
US - National	21%	22%	1%	12	23	17%	4%	-13%	3	2
North America (US, Canada, Mexico)	5%	3%	-2%	3	3	0%	4%	4%	0	2
Americas (North, Central, South)	0%	0%	0%	0	0	0%	0%	0%	0	0
International/Global	12%	8%	-4%	7	8	0%	4%	4%	0	2
Total*	99%	101%		57	106	100%	101%		18	56
Note: Percentage columns may not total to exactly 100% due to rounding										
Not for profit base: All not for profit organizations providing operating budget/income data and geographic parameters (excludes one not for profit organization with an operating budget/income of \$14B)										
Government agency base: All government agencies providing geographic parameters										
Data source: Q2 by Q1 and Q13 (as categories); see Appendix for question wording										

*** Findings/observations in 2007:**

- a. The vast majority of government agency respondents (89%) had only local or regional responsibilities.
- b. The not-for-profit respondents who answered this question were more diverse in terms of the reach of their responsibilities, with 14 having international/global responsibilities.

The data suggest to us that:

Attempts to draw broad conclusions from the government agency data, and some categories of not-for-profits, would be highly problematic due to the limited number of respondents. In these cases, the data should be viewed as directional and representative of those governmental organizations that responded to the survey.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/B-1: Total Average PR Budgets

Respondents were asked to provide their PR budgets in two ways: 1) including salaries and related costs (i.e., benefits), and 2) excluding salaries and related costs (i.e., benefits).

Table V/B-1: Average PR Budgets, Year-Over-Year											
Type	Revenue Categories	PR Budget						Respondents			
		w/ Salaries			w/o Salaries			Provided PR Budgets w/ Salaries		Provided PR Budgets w/o Salaries	
		Average			Average						
		2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	2005	2007
Not for Profit	\$580 Million-\$6 Billion	\$7,018,744	\$4,764,286	(\$2,254,458)	\$5,082,564	\$2,760,714	(\$2,321,850)	17	7	17	7
	\$100M-\$580M	\$2,019,895	\$775,322	(\$1,244,573)	\$1,031,433	\$414,328	(\$617,105)	37	27	35	27
	Less than \$100M	\$641,688	\$425,195	(\$216,493)	\$310,050	\$239,339	(\$70,711)	49	93	51	92
Government Agency	All	\$2,680,613	\$475,962	(\$2,204,651)	\$1,388,484	\$187,709	(\$1,200,775)	17	47	16	44
Type	Revenue Categories	PR Salaries*			PR Salaries as % of PR Budget*			Respondents			
		Average			Average			Provided PR Budgets both w/ and w/o Salaries			
		2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005		2007	
		2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	2005	2007
Not for Profit	\$580 Million-\$6 Billion	\$1,532,192	\$2,003,571	\$471,379	47%	46%	-1%	16		7	
	\$100M-\$580M	\$917,213	\$360,994	(\$556,219)	48%	51%	3%	34		27	
	Less than \$100M	\$330,302	\$199,808	(\$130,494)	53%	52%	-1%	49		89	
Government Agency	All	\$737,503	\$301,066	(\$436,437)	55%	67%	12%	16		42	
PR Salaries and "PR Salaries as % of PR Budget" calculated using organizations reporting PR budgets with and without salaries											
Not for profit base: All not for profit organizations providing operating budget/income data and PR budget with salaries data and/or PR budget without salaries data (excludes one not for profit organization with an operating budget/income of \$14B)											
Government agency base: All government agencies providing PR budget with salaries data and/or PR budget without salaries data											
Data source: Q14 and Q15 by Q1 and Q13 (as categories); see Appendix for question wording											

* Findings/observations in 2007:

Other than the somewhat larger frequency (67%) among government agencies, the percentages of PR budgets dedicated to salaries are wholly consistent with other GAP findings.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

The data suggest to us that:

The differences in the percentages of resources allocated to salaries and related expenses by government as compared to not-for-profit agencies may be due to a heavier reliance by government agencies on internal staff, rather than on outside agencies and/or the volunteers often used for PR and marketing efforts by not-for-profit organizations.

V/B-2: Percent PR Budget Changes in Last Fiscal Year

Respondents were asked to describe in percentile terms the extent to which their total PR budgets changed (if at all) in 2007 versus the prior year.

Table V/B-2: Percent PR Budget Changes in Last Fiscal Year, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	2%	2%	0%	19	7
	\$100M-\$580M	6%	3%	-4%	37	27
	Less than \$100M	3%	5%	2%	50	95
Government Agency	All	5%	7%	1%	15	51
Not for profit base: All not for profit organizations providing operating/budget income data and PR budget change in last FY data (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing PR budget change in last FY year data						
Data source: Q16 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

- a. Government agencies experienced somewhat large (7%) budget increases, while not-for-profits experienced smaller increases ranging from 2% to 5%.
- b. These data appear to be generally consistent with cumulative findings for all respondents to GAP V.

The data suggest to us that:

These numbers would appear to reaffirm the previously mentioned hypothesis that 2005 was a healthy year of stabilization and normalization for the profession, while the period 2005 – 2007 was one of growth for all types of organizations.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/B-3: Ratio of PR Budgets to Gross Revenues: PR/GR Ratio

A common question among PR professionals is how much money should we be spending on PR, given the size of our organization, industry, etc.? To answer that question, the authors created a PR management tool called the PR/GR Ratio, which describes the number of dollars spent on PR for each \$1 million in gross revenues. They view this tool as a “work in progress” in need of further study, refinement and reader feedback, especially for the types of organizations examined in this section.

Type	Revenue Categories	Operating Budget/Income* (in Millions)			PR Budget (w/ Salaries) (Actual Figures)			PR/OB-I Ratio**			Respondents					
		Average			Average			Average			Provided Operating Budgets/Income*		Provided PR Budget (w/ Salaries)		Provided Operating Budgets/Income and PR Budget (w/ Salaries)	
		2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	2005	2007	2005	2007
Not for Profit	\$580 Million-\$6 Billion	\$1,689	\$988	(\$701)	\$7,018,744	\$4,764,286	(\$2,254,458)	\$5,105	\$6,682	\$1,577	22	9	17	7	17	7
	\$100M-\$580M	\$302	\$196	(\$106)	\$2,019,895	\$775,322	(\$1,244,573)	\$8,636	\$4,739	(\$3,897)	38	29	37	27	36	27
	Less than \$100M	\$30	\$30	\$1	\$641,688	\$425,195	(\$216,493)	\$35,291	\$40,615	\$5,324	43	107	49	93	40	93
Government Agency	All	\$1,453	\$329	(\$1,124)	\$2,680,613	\$475,962	(\$2,204,651)	\$9,128	\$17,863	\$8,735	16	43	17	47	15	39
**Operating Budget/Income* refers to the data provided by non-profit and governmental respondents in answer to the question, "What were your organization's gross revenues in the most recently completed fiscal year"																
***PR/OB-I Ratio** refers to the number of dollars spent on PR for each \$1 million in operating budget/income; calculated only using organizations reporting operating budgets/income as well as PR budgets including salaries																
Not for profit base: All not for profit organizations providing operating budget/income data and PR budget with salaries data (excludes one not for profit organization with an operating budget/income of \$14B)																
Government agency base: All government agencies providing operating budget/income data and PR budget with salaries data																
Data source: Q13 and Q14 by Q1 and Q13 (as categories); see Appendix for question wording																

* Findings/observations in 2007:

The authors believe that there is not yet a sufficiently large and detailed GAP database of organizations of these types to make the data generalizable.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/B-4: Expected Change in PR Budget in Next Fiscal Year

Respondents were asked to describe the changes they expected in their PR budgets in the next fiscal year (i.e., FY 2008) as compared with the then-current year (i.e., 2007).

Table V/B-4: Expected Percent Change in PR Budget in Next Fiscal Year, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	2%	1%	-1%	20	7
	\$100M-\$580M	2%	3%	1%	37	21
	Less than \$100M	6%	5%	-1%	48	80
Government Agency	All	2%	3%	1%	16	42
Not for profit base: All not for profit organizations providing operating budget/income data and data about PR budget change in next FY (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about PR budget change in next FY						
Data source: Q17 by Q1 and Q13 (as categories); see Appendix for question wording						

Findings/observations in 2007:

Both not-for-profit and government agencies expected their budgets to increase in FY 2008.

On a year-over-year basis: These responses suggest that these two types of organizations expected budget increases that were generally similar to those they anticipated in 2005.

The data suggest to us that:

- a. *Budget changes anticipated by government and not-for-profit agencies are wholly in line with those expected by commercial organizations.*
- b. *These numbers would appear to reaffirm the hypothesis that 2005 was a healthy year of stabilization and normalization for the profession, while the period 2005 – 2007 was one of growth for all types of organizations.*
- c. *Sustained gains in PR budgets from previous years suggest that not-for-profits and government agencies remain a fertile employment environment for the profession.*

V/B-5: Percent of PR Budget Dedicated to Evaluation

Respondents were asked to describe, in percentile terms, the portions of their total budgets that are allocated to PR measurement and evaluation.

Table V/B-5: Percent of PR Budget Dedicated to Evaluation, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	4%	4%	0%	13	5
	\$100M-\$580M	2%	4%	2%	27	9
	Less than \$100M	3%	6%	3%	35	30
Government Agency	All	3%	5%	2%	12	19
Not for profit base: All not for profit organizations providing operating budget/income data and percent of PR budget dedicated to evaluation data (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing percent of PR budget dedicated to evaluation data						
Data source: Q20a by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

These two types of organizations allocate similar percentages to evaluation, which are comparable to those of commercial enterprises.

The data suggest to us that:

One could argue that these organizations have an even greater obligation to accountability than do commercial enterprises, and should therefore be spending larger percentages of their budgets on evaluation.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/C-1: PR/Communication Function Reporting Lines

Respondents were asked to indicate to whom they report, with multiple responses allowed.

Table V/C-1: PR/Communication Function Reporting Lines, Year-Over-Year												
Reporting Lines	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Executive Office*	70%	78%	8%	80%	55%	-25%	60%	65%	5%	72%	70%	-2%
Head of Operating Unit	13%	11%	-2%	18%	28%	10%	10%	23%	13%	33%	21%	-12%
Marketing	0%	11%	11%	3%	14%	11%	7%	21%	14%	6%	12%	6%
Human Resources	9%	0%	-9%	3%	3%	0%	5%	5%	0%	11%	9%	-2%
Legal	0%	0%	0%	0%	3%	3%	3%	3%	0%	11%	9%	-2%
Finance	13%	0%	-13%	13%	7%	-6%	28%	8%	-20%	11%	7%	-4%
Strategic Planning	4%	11%	7%	13%	14%	1%	9%	12%	3%	17%	11%	-6%
Respondents	22	9		41	29		62	107		19	57	
*Chairperson, CEO, COO, and/or equivalent												
Not for profit base: All not for profit organizations providing operating budget/income data and data on PR/Communication function reporting line (excludes one not for profit organization with an operating budget/income of \$14B)												
Government agency base: All government agencies providing data on PR/Communication function reporting line												
Data source: Q6a-g by Q1 and Q13 (as categories); see Appendix for question wording												

* Findings/observations in 2007:

- a. Among not-for-profit organizations and government agencies, the majority of PR functions reported to the organization's executive office, with the highest number (78%) found among the largest not-for-profits and the lowest (55%) among mid-sized not-for-profits.
- b. 70% of all government agency respondents report to their agencies' executive offices.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

The data suggest to us that:

- a. The high numbers of not-for-profit and government agencies that report to executive offices is most likely due to the generally smaller size of these organizations, the nature of their missions, flatter organizational structures, etc.*
- b. This top level reporting line offers the PR function the opportunity to play a major role in organizational decision-making. Whether the PR leaders take advantage of that opportunity depends on the skills of the PR practitioners.*

V/C-2: How Appropriate Is This Line of Reporting?

Respondents were asked to indicate the appropriateness of their reporting lines by selecting a number from 1 (“Highly inappropriate”) to 7 (“Highly appropriate”).

Table V/C-2: Appropriateness of PR/Communication Function Reporting Lines, Year-Over-Year						
1= Highly inappropriate, 7=Highly appropriate						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	6.27	6.00	-0.27	22	9
	\$100M-\$580M	6.37	5.66	-0.71	41	29
	Less than \$100M	5.98	5.84	-0.14	62	106
Government Agency	All	6.26	6.19	-0.07	19	57
Not for profit base: All not for profit organizations providing operating budget/income data and data about appropriateness of PR function reporting line (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about appropriateness of PR function reporting line						
Data source: Q7 by Q1 and Q13 (as categories); see Appendix for question wording						

* Finding/observations in 2007:

Respondents from government agencies and not-for-profit organizations appear to be satisfied with their reporting lines to a much higher degree than is the case among commercial organizations. (See Table IV/C-2.)

The data suggest to us that:

The higher degree of satisfaction among these organizations may be reflective of the higher likelihood of their reporting to the executive office, the nature of their organizational missions, less organizational conflict, and/or greater opportunity to influence organizational direction.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/C-3: Average PR Staff Size

Respondents were asked to provide the number of full time employees in their PR organizations, at all levels, as of August 31, 2007.

Table V/C-3: Average PR Staff Size, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	26	31	5	23	9
	\$100M-\$580M	12	6	-6	39	28
	Less than \$100M	3	3	0	58	107
Government Agency	All	28	4	-24	18	57
Not for profit base: All not for profit organizations providing operating budget/income data and PR staff size data (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing PR staff size data						
Data source: Q3 by Q1 and Q13 (as categories); see Appendix for question wording						

* Findings/observations in 2007:

The average staff sizes of the largest not-for-profits (31) were notably larger than the other categories of not-for-profits and for government agencies responding to the GAP V survey, and were roughly equal in size to commercial enterprises. (See Table IV/C-3.)

The data suggest to us that:

- a. *The largest not-for-profits (revenue category \$580M - \$6B) now report staff sizes on a par with larger commercial organizations, which suggests that opportunities for the profession among such organizations are expanding.*
- b. *The authors hypothesize that the conventional wisdom suggesting that large not-for-profit organizations offer fewer opportunities than the private sector may be out of date, though this must be seen in context with average salaries.*

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/C-4: Percent Changes in PR Staff Size in Last Year

Respondents were asked to describe (in percentage terms) how the size of their PR staffs changed from August 31, 2006 to August 31, 2007.

Table V/C-4: Percent Changes in PR Staff Size in Last Year, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	2%	9%	7%	23	9
	\$100M-\$580M	3%	4%	1%	40	29
	Less than \$100M	3%	8%	5%	58	107
Government Agency	All	3%	1%	-2%	18	57
Not for profit base: All not for profit and government organizations providing data about operating budget/income and data about PR staff size changes (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about PR staff size changes						
Data source: Q4 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

Respondents from all categories reported that their PR staffs grew, on average, from 2006 to 2007, with the very largest not-for-profits reporting the greatest growth, at 9%, and government agencies reporting the slightest rise, at 1%.

The data suggest to us that:

These data reinforce the view that the very largest not-for-profit organizations (\$580M - \$6B) are an area of growing opportunity for the PR profession, particularly for practitioners who share the mission or social cause espoused by the organization.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/D-1: Government and Not-for-Profit Agencies: Use of PR Agencies

Respondents were asked to report whether or not they use outside PR agencies.

Table V/D-1: Use of PR Agencies, Year-Over-Year						
Type	Revenue Categories	Percent			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	60%	67%	7%	20	9
	\$100M-\$580M	52%	38%	-14%	40	29
	Less than \$100M	48%	36%	-12%	54	107
Government Agency	All	59%	37%	-22%	17	57
Not for profit base: All not for profit organizations providing operating budget/income data and data on use of PR agencies (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data on use of PR agencies						
Data source: Q30 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

The very largest not-for-profit organizations report an agency usage frequency of 67%, which is in line with that of many types of commercial enterprises. (See Table IV/D-1.)

The data suggest to us that:

More information is needed regarding the nature of relationships between these two types of organizations and outside agencies, i.e., the frequency with which they are pro bono rather than revenue producing for the agencies.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/D-2: Percent of PR Budget Allocated to PR Agency Fees

Respondents were asked to report the amount they pay to outside agencies, including fees and direct expenses, as a percentage of their total PR budgets.

Table V/D-2: Percent of PR Budget Allocated to PR Agency Fees, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	49%	**	**	5	4
	\$100M-\$580M	12%	23%	11%	15	8
	Less than \$100M	14%	20%	6%	23	22
Government Agency	All	14%	12%	-2%	5	14
**No data presented when based upon fewer than five respondents						
Not for profit base: All not for profit organizations providing operating budget/income data and using PR agencies and providing data about percent of PR budget allocated to agency fees (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies using PR agencies and providing data about percent of PR budget allocated to agency fees						
Data source: Q33a by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

Data for larger not-for-profits, and all government agencies, must be viewed in the context of the very small number of respondents.

The data suggest to us that:

More information is needed regarding the nature of relationships between these two types of organizations and outside agencies, i.e., the frequency with which they are pro bono rather than revenue producing for the agencies.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/D-3: Nature of PR Agency Relationships

Respondents were asked to describe the nature of their agency relationship(s) by selecting from the four options listed in the table below.

Table V/D-3: Nature of PR Agency Relationships, Year-Over-Year												
Relationship	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Agency of Record	25%	33%	8%	43%	20%	-23%	41%	43%	2%	10%	14%	4%
Multiple Agencies	25%	0%	-25%	14%	30%	16%	22%	11%	-11%	40%	29%	-11%
Pre-Approved Criteria	8%	0%	-8%	5%	10%	5%	7%	3%	-4%	20%	0%	-20%
Ad-Hoc Basis	42%	67%	25%	38%	40%	2%	30%	43%	13%	30%	57%	27%
Total	100%	100%		100%	100%		100%	100%		100%	100%	
Respondents	12	6		21	10		27	37		10	21	
Not for profit base: All not for profit organizations providing operating budget/income data and using PR agencies and providing data about nature of agency relationships (excludes one not for profit organization with an operating budget/income of \$14B)												
Government agency base: All government agencies using PR agencies and providing data about nature of agency relationships												
Data source: Q32 by Q1 and Q13; see Appendix for question wording												

* Findings/observations in 2007:

The very high frequencies of “Ad-hoc basis” are in marked contrast to those seen among commercial organizations, which generally eschew this model. (See Table IV/D-3.)

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

The data suggest to us that:

- a. The traditional agency of record model is mostly not favored by government agencies responding to the survey (14% only), suggesting that their need for outside counsel is best served on an “ad-hoc” project-by-project basis.*
- b. The tendency of government agencies to use multiple outside PR agencies (29%) or PR agencies on an ad-hoc basis (57%) may reflect a concerted effort to avoid the perception of favoritism toward one agency of record.*

V/D-4: Number of PR Agencies Used

Respondents were asked to report the average number of outside PR agencies they work with.

Table V/D-4: Number of PR Agencies Used, Year-Over-Year						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5	1	-4	12	6
	\$100M-\$580M	1	2	1	19	10
	Less than \$100M	2	2	0	26	39
Government Agency	All	4	2	-2	10	21
Not for profit base: All not for profit organizations providing operating budget/income data and using PR agencies and providing data about number of PR agencies used (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies using PR agencies and providing data about number of PR agencies used						
Data source: Q31 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

Although respondents typically do not designate an agency of record (see Table D-3), they do not report using more than one or two agencies a year.

The data suggest to us that:

- a. *Not-for-profit organizations, which commonly receive pro bono (donated) outside PR counsel, may feel it unfair to burden a single “agency of record” with the work year after year – but may find it difficult to identify more than one agency each year to take on their workload without charge.*
- b. *Government agencies, in the interest of fairness, and because of very tough government procurement rules, probably find it more efficient to bundle all outside needs into one or two procurements per year, rather than manage multiple annual competitions for agency projects in smaller clusters.*

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/D-5 and D-5a: Reasons for Working with PR Agencies and Rankings

Respondents who work with outside agencies were asked to select all applicable reasons for doing so.

Table V/D-5: Reasons for Working with PR Agencies, Year-Over-Year												
Reason	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Ability to quantify results	15%	0%	-15%	8%	18%	10%	7%	31%	24%	24%	14%	-10%
Additional arms & legs	55%	67%	12%	38%	100%	62%	40%	85%	45%	41%	62%	21%
Cheaper than adding staff	25%	0%	-25%	10%	46%	36%	14%	41%	27%	29%	33%	4%
Complement our internal capabilities	45%	67%	22%	38%	64%	26%	40%	54%	14%	59%	62%	3%
Limits on internal head count	15%	17%	2%	10%	9%	-1%	11%	31%	20%	24%	10%	-14%
Objective point of view	30%	33%	3%	38%	46%	8%	28%	46%	18%	29%	52%	23%
Resources in geographies or markets where needed*		17%			18%			41%			5%	
Strategic/market insight and experience	50%	83%	33%	30%	64%	34%	33%	80%	47%	47%	62%	15%
They offer unique expertise	50%	67%	17%	43%	64%	21%	30%	72%	42%	47%	48%	1%
Respondents	20	6		40	11		57	39		17	21	
*New item in 2007												
Not for profit base: All not for profit organizations providing operating budget/income data and using PR agencies and providing data about reasons for working with PR agencies (excludes one not for profit organization with an operating budget/income of \$14B)												
Government agency base: All government agencies using PR agencies and providing data about reasons for working with PR agencies												
Data source: Q34a-i by Q1 and Q13 (as categories); see Appendix for question wording												

Table V/D-5a: Reasons for Working with Agencies, Year-Over-Year Ranking

Reason	Type: Not for Profit						Type: Government Agency	
	Revenue Category: \$580 Million- \$6 Billion		Revenue Category: \$100M-\$580M		Revenue Category: Less than \$100M		Revenue Category: All	
	2005	2007	2005	2007	2005	2007	2005	2007
Ability to quantify results	7(tie)	8(tie)	8	7(tie)	8	8(tie)	7(tie)	7
Additional arms & legs	1	2(tie)	2(tie)	1	1(tie)	1	4	1(tie)
Cheaper than adding staff	6	8(tie)	6(tie)	5(tie)	6	6(tie)	5(tie)	6
Complement our internal capabilities	4	2(tie)	2(tie)	2(tie)	1(tie)	4	1	1(tie)
Limits on internal head count	7(tie)	6(tie)	6(tie)	9	7	8(tie)	7(tie)	8
Objective point of view	5	5	2(tie)	5(tie)	5	5	5(tie)	4
Resources in geographies or markets where needed*		6(tie)		7(tie)		6(tie)		9
Strategic/market insight and experience	2(tie)	1	5	2(tie)	3	2	2(tie)	1(tie)
They offer unique expertise	2(tie)	2(tie)	1	2(tie)	4	3	2(tie)	5
*New item in 2007								
Not for profit base: All not for profit organizations providing operating budget/income data and using PR agencies and providing data about reasons for working with PR agencies (excludes one not for profit organization with an operating budget/income of \$14B)								
Government agency base: All government agencies using PR agencies and providing data about reasons for working with PR agencies								
Data source: Q34a-i by Q1 and Q13 (as categories); see Appendix for question wording								
Note: Differences between 2005 and 2007 are not calculated because question methodology changed in 2007								

*** Findings/observations in 2007:**

- a. Some interesting comparisons looking at strategic market insight as a reason for working with PR agencies amongst various types of organizations:

<u>Type of Organization</u>	<u>Frequency</u>
Large not-for-profits	83%
Mid-sized not-for-profits	64%
Small not-for-profits	80%
Government agencies	62%
Larger public companies	72%
Larger private companies	86%
Smaller public companies	67%
Smaller private companies	77%

- b. Of the nine reasons for working with outside agencies presented, “additional arms & legs” ranked first among the mid-level and very smallest not-for-profit organizations, while that reason tied with “complement our internal capabilities” for second among the largest not-for-profits.
- c. Among government agencies, “additional arms and legs,” “complement our internal capabilities,” and “strategic market insight/experience” all tied as the top ranked reason.

The data suggest to us that:

Not-for-profits and government agencies work with outside firms for essentially the same reasons, with essentially the same frequencies, as do commercial enterprises.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/E-1 and E-1a: Use of PR Evaluation Methodologies and Ranking of Evaluation Methods

Respondents were asked to describe the extent to which they use various measures to evaluate PR's effectiveness by selecting a number from 1 ("Do not use at all") to 7 ("Use significantly").

Table V/E-1: Use of PR Evaluation Methodologies, Year-Over-Year																				
1=Do not use at all, 7=Use significantly																				
Methodology	Type: Not for Profit										Type: Government Agency									
	Revenue Category: \$580 Million-\$6 Billion					Revenue Category: \$100M-\$580M					Revenue Category: Less than \$100M					Revenue Category: All				
	Average			Respondents		Average			Respondents		Average			Respondents		Average			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
Ad equivalency of clips	3.24	3.00	-0.24	20	8	3.38	2.90	-0.48	35	29	2.57	2.81	0.24	57	97	2.76	2.46	-0.30	18	48
Content analysis of clips	4.50	5.12	0.62	21	8	4.35	3.46	-0.89	38	28	3.43	3.41	-0.02	58	96	3.88	3.80	-0.08	18	50
Contribution to market share	2.00	3.57	1.57	20	7	3.03	2.54	-0.49	33	26	2.16	2.42	0.26	55	95	1.75	1.53	-0.22	17	47
Contribution to profitability	2.29	3.00	0.71	20	7	2.38	2.12	-0.26	33	25	2.34	2.37	0.03	57	93	1.71	1.47	-0.24	18	47
Contribution to sales	2.82	2.00	-0.82	21	6	2.21	1.92	-0.29	34	25	2.55	2.45	-0.10	55	92	1.94	1.67	-0.27	19	49
Crisis avoidance mitigation	3.86	5.71	1.85	21	7	4.15	4.15	0.00	35	27	2.98	2.95	-0.03	56	94	4.56	4.02	-0.54	17	52
Influence on corporate culture	3.59	5.00	1.41	21	7	4.03	3.93	-0.10	34	27	3.57	3.32	-0.25	56	94	3.88	3.62	-0.26	18	50
Influence on corporate reputation	4.91	6.33	1.42	21	6	5.09	4.96	-0.13	36	27	4.04	4.09	0.05	58	97	4.47	4.67	0.20	18	52
Influence on employee attitudes/morale	4.27	4.71	0.44	21	7	4.03	4.23	0.20	37	26	3.60	3.43	-0.17	57	96	4.35	4.55	0.20	18	51
Influence on share of voice	3.37	3.67	0.30	18	6	2.94	3.08	0.14	32	25	2.65	2.94	0.29	55	93	3.06	2.73	-0.33	18	49
Influence on stakeholder awareness	3.77	5.00	1.23	21	6	4.24	4.58	0.34	35	26	4.00	3.80	-0.20	55	95	4.00	4.98	0.98	19	54
Influence on stakeholder opinion	4.00	4.83	0.83	21	6	4.21	4.23	0.02	34	26	3.63	3.83	0.20	54	93	4.11	5.08	0.97	19	51
Influence on stock performance	1.90	1.00	-0.90	20	6	1.04	1.00	-0.04	28	23	1.06	1.23	0.17	51	84	1.33	1.16	-0.17	16	45
Total circulation	3.71	4.17	0.46	20	6	3.22	3.68	0.46	33	25	3.31	3.10	-0.21	56	91	2.24	2.74	0.50	18	47
Total impressions	3.71	4.00	0.29	20	6	4.06	3.85	-0.21	36	27	3.75	3.33	-0.42	57	94	3.53	3.19	-0.34	18	47
Total number of clips	3.91	5.00	1.09	21	8	4.27	3.89	-0.38	38	28	4.13	3.56	-0.57	58	93	3.88	3.60	-0.28	18	47
Total number of clips in "top tier" media	5.00	6.00	1.00	20	7	3.71	3.04	-0.67	36	27	3.75	3.19	-0.56	57	91	3.94	2.91	-1.03	17	47

Not for profit base: All not for profit organizations providing operating budget/income data and data about use of PR evaluation methodologies (excludes one not for profit organization with an operating budget/income of \$14B)

Government agency base: All government agencies providing data about use of PR evaluation methodologies

Data source: Q21a-q by Q1 and Q13 (as categories): see Appendix for question wording

Table V/E-1a: Use of PR Evaluation Methodologies, Year-Over-Year Ranking

Methodology	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Ad equivalency of clips	13	14(tie)	-1	11	13	-2	13	13	0	12	13	-1
Content analysis of clips	3	4	-1	2	10	-8	9	6	3	7 (tie)	6	1
Contribution to market share	16	13	3	13	14	-1	16	15	1	15	15	0
Contribution to profitability	15	14(tie)	1	15	15	0	15	16	-1	16	16	0
Contribution to sales	14	16	-2	16	16	0	14	14	0	14	14	0
Crisis avoidance mitigation	7	3	4	6	5	1	11	11	0	1	5	-4
Influence on corporate culture	11	5(tie)	6	8 (tie)	6	2	8	8	0	7 (tie)	7	0
Influence on corporate reputation	2	1	1	1	1	0	2	1	1	2	3	-1
Influence on employee attitudes/morale	4	9	-5	8 (tie)	3(tie)	5	7	5	2	3	4	-1
Influence on share of voice	12	12	0	14	11	3	12	12	0	11	12	-1
Influence on stakeholder awareness	8	5(tie)	3	4	2	2	3	3	0	5	2	3
Influence on stakeholder opinion	5	8	-3	5	3(tie)	2	6	2	4	4	1	3
Influence on stock performance	17	17	0	17	17	0	17	17	0	17	17	0
Total circulation	9 (tie)	10	-1	12	9	3	10	10	0	13	11	2
Total impressions	9 (tie)	11	-2	7	8	-1	4 (tie)	7	-3	10	9	1
Total number of clips	6	5(tie)	1	3	7(tie)	-4	1	4	-3	7 (tie)	8	-1
Total number of clips in "top tier" media	1	2	-1	10	12	-2	4 (tie)	9	-5	6	10	-4
Not for profit base: All not for profit organizations providing operating budget/income data and data about use of PR evaluation methodologies (excludes one not for profit organization with an operating budget/income of \$14B)												
Government agency base: All government agencies providing data about use of PR evaluation methodologies												
Data source: Q21a-q by Q1 and Q13 (as categories): see Appendix for question wording												

*** Findings/observations in 2007:**

- a. Among small not-for-profits, of which there were a fairly large number of respondents, not a single methodology generated an average score higher than 4.09 on a 1 – 7 scale.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

- b. Among mid-sized not-for-profit respondents to this question, of which there were 25 to 30, the highest average score was 4.96, for influence on corporate reputation. The average then drops precipitously to 4.58 (influence on stakeholder awareness).
- c. Among government agencies respondents to this question, of which there were 47 to 52, the highest average score was 5.08, for influence on stakeholder opinion.

The data suggest to us that:

The mediocre averages garnered by all methodologies strongly suggest a lack of enthusiasm for the currently available measurement techniques.

V/E-2: PR Evaluation: Use of Data from Other Functions

In order to assess the extent to which PR is integrated with other disciplines and utilizes data from those disciplines when evaluating its activities, respondents were asked to describe the extent to which they make use of data from other organizational functions (marketing, HR, sales, etc.), by selecting a number from 1 (“Strongly disagree”) to 7 (“Strongly agree”).

Table V/E-2: Use of Data from Other Functions, Year-Over-Year						
1= Strongly disagree, 7= Strongly agree						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	4.68	5.11	0.43	22	9
	\$100M-\$580M	4.69	4.29	-0.40	39	28
	Less than \$100M	4.43	4.32	-0.11	56	104
Government Agency	All	4.47	4.61	0.14	17	56
Not for profit base: All not for profit organizations providing operating budget/income data and data about using data from other functions (e.g., Marketing, HR, etc.) (excludes one not for profit organization with an operating						
Government agency base: All government agencies providing data about using data from other functions (e.g.,						
Data source: Q22 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

As with commercial enterprises (see Table IV/E-3), government agencies and not-for-profit organizations alike make only modest use of data from other functions when evaluating communications activities.

The data suggest to us that:

The fact that these organizations make no more use of data from other functions than do much larger commercial enterprises is somewhat disappointing, given their significantly smaller size and relative lack of complexity. However, it may also be true that many such organizations simply lack useful data.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/F-1 and F-1a: Senior Management’s Views and Rankings of Nine Functions’ Contributions to Organizational Success

Respondents were asked to rank on a scale of 1 (“Does not contribute significantly”) to 7 (“Contributes significantly”) their senior management’s perceptions of the contributions to success made by nine common functions.

Table V/F-1: Senior Management Views of Nine Functions' Contributions to Organizational Success, Year-Over-Year

1=Does not contribute significantly, 7= Contributes significantly

Type	Type: Not for Profit															Type: Government Agency				
	Revenue Category: \$580 Million-\$6 Billion					Revenue Category: \$100M-\$580M					Revenue Category: Less than \$100M					Revenue Category: All				
	Average			Respondents		Average			Respondents		Average			Respondents		Average			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
Finance	5.32	5.78	0.46	19	9	5.97	5.11	-0.86	40	28	5.49	5.53	0.04	55	104	5.07	5.30	0.23	16	53
Human Resources	4.42	5.22	0.80	19	9	5.05	4.93	-0.12	40	28	4.67	4.65	-0.02	56	101	5.33	5.15	-0.18	16	53
Information Technology	5.21	5.00	-0.21	19	9	5.44	4.93	-0.51	40	28	5.42	5.08	-0.34	56	102	4.93	5.00	0.07	16	53
Legal	4.16	5.22	1.06	19	9	4.54	4.52	-0.02	40	27	4.33	3.91	-0.42	53	96	4.73	4.49	-0.24	16	53
Marketing	5.67	5.89	0.22	18	9	5.59	5.26	-0.33	40	27	5.83	5.62	-0.21	56	101	6.07	5.06	-1.01	16	52
PR	5.58	5.75	0.17	19	8	5.68	5.66	-0.02	39	29	5.85	5.73	-0.12	52	103	6.07	5.62	-0.45	15	52
Sales	4.38	4.50	0.12	16	8	4.38	3.41	-0.97	32	22	4.98	4.20	-0.78	49	90	3.80	2.28	-1.52	10	43
Security	2.83	3.33	0.50	18	9	3.68	3.67	-0.01	37	27	3.26	3.28	0.02	51	97	4.87	3.98	-0.89	16	51
Strategic Planning	4.84	5.44	0.60	19	9	5.62	5.35	-0.27	38	26	5.41	5.62	0.21	55	103	5.80	5.36	-0.44	16	53

Not for profit base: All not for profit organizations providing operating budget/income data and data about senior management's perceptions of different organizational functions (excludes one not for profit organization with an operating budget/income of \$14B)

Government agency base: All government agencies providing data about senior management's perceptions of different organizational functions

Data source: Q28a-i by Q1 and Q13 (as categories); see Appendix for question wording

**Table V/F-1a: Senior Management Views of Nine Functions' Contributions to Organizational Success,
Year-Over-Year Ranking**

Type	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Finance	3	2(tie)	1	1	4	-3	3	4	-1	5	3	2
Human Resources	6	5(tie)	1	6	5(tie)	1	7	6	1	4	4	0
Information Technology	4	7	-3	5	5(tie)	0	4	5	-1	6	6	0
Legal	8	5(tie)	3	7	7	0	8	8	0	8	7	1
Marketing	1	1	0	4	3	1	2	2(tie)	0	1(tie)	5	-4
PR	2	3	-1	2	1	1	1	1	0	1(tie)	1	0
Sales	7	8	-1	8	9	-1	6	7	-1	9	9	0
Security	9	9	0	9	8	1	9	9	0	7	8	-1
Strategic Planning	5	4	1	3	2	1	5	2(tie)	3	3	2	1

Not for profit base: All not for profit organizations providing operating budget/income data and data about senior management's perceptions of different organizational functions (excludes one not for profit organization with an operating budget/income of \$14B)

Government agency base: All government agencies providing data about senior management's perceptions of different organizational functions

Data source: Q28a-i by Q1 and Q13 (as categories); see Appendix for question wording

*** Findings/observations in 2007:**

The scores and rankings given to PR by various types of respondent organizations:

- Large not-for-profits: 5.75 #3
- Mid-size not-for-profits 5.66 #1
- Small not-for-profits 5.73 #1
- Government agencies 5.62 #1
- Larger public companies 5.36 #4 (Table IV/F-1a)
- Larger private companies 6.08 #2 (Table IV/F-1a)
- Smaller public companies 5.26 #4 (Table IV/F-1a)
- Smaller private companies 5.31 #4 (Table IV/F-1a)

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

The data suggest to us that:

- a. The fact that PR/Communications (generally) receive higher average scores and ranking among government agencies and not-for-profit organizations than it does in all types of commercial enterprise may be reflective of two factors:*
 - 1. The less complex nature of government agencies (where there may be fewer organizational functions with which to compete)*
 - 2. The larger array of communications tools (i.e., marketing) available to not-for-profit organizations*
- b. One of the benefits of working in public relations for government agencies and for most not-for-profit organizations is the extent to which senior management seems to view the importance of PR's contributions to the success of their organizations.*

V/F-2: Degree of Management Support for PR Function

Respondents were asked to rate the level of support the PR function receives from senior management in their organizations using a 1 (“Very little support”) to 7 (“Very strong support”) scale.

Table V/F-2: Degree of Management Support for PR Function, Year-Over-Year						
1= Very little support, 7= Very strong support						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5.96	6.11	0.15	23	9
	\$100M-\$580M	6.05	5.52	-0.53	40	29
	Less than \$100M	5.74	5.78	0.04	58	107
Government Agency	All	6.22	5.71	-0.51	18	57
Not for profit base: All not for profit organizations providing operating budget/income data and data about senior management support for PR function (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about senior management support for PR function						
Data source: Q9 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

The cumulative average scores for various types of respondent organizations:

- Large not-for-profits: 6.11 (9 respondents)
- Mid-size not-for-profits 5.52
- Small not-for-profits 5.78
- Government agencies 5.71
- Larger public companies 5.70 (Table IV/F-2)
- Larger private companies 5.89 (Table IV/F-2)
- Smaller public companies 5.62 (Table IV/F-2)
- Smaller private companies 5.86 (Table IV/F-2)

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

The data suggest to us that:

It appears that PR/Communications enjoys uniformly high levels of management support among all types of respondent organizations.

V/F-3: Extent to Which PR Recommendations Are Taken Seriously

Respondents were asked to rate the extent to which PR recommendations are taken seriously by senior management in their organizations by selecting a number from 1 (“Not taken seriously at all”) to 7 (“Taken very seriously”).

Table V/F-3: Extent to which PR Recommendations are Taken Seriously, Year-Over-Year						
1= Not taken seriously at all, 7= Taken very seriously						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5.83	6.11	0.28	23	9
	\$100M-\$580M	5.90	5.72	-0.18	40	29
	Less than \$100M	5.83	5.64	-0.19	58	107
Government Agency	All	6.00	5.65	-0.35	18	57
Not for profit base: All not for profit organizations providing operating budget/income data and data about how seriously senior management takes PR recommendations (excludes one not for profit organization with an operating						
Government agency base: All government agencies providing data about how seriously senior management takes PR recommendations						
Data source: Q8 by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

The cumulative average scores for various types of respondent organizations:

- Large not-for-profits: 6.11 (9 respondents)
- Mid-size not-for-profits 5.72
- Small not-for-profits 5.64
- Government agencies 5.65
- Larger public companies 5.73 (Table IV/F-3)
- Larger private companies 5.85 (Table IV/F-3)
- Smaller public companies 5.50 (Table IV/F-3)
- Smaller private companies 5.62 (Table IV/F-3)

The data suggest to us that:

It appears that PR/Communications recommendations are taken seriously to a fairly equal extent among all types of respondent organizations.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/F-4: Contributions to Strategic Decision Making and Planning

Respondents were asked to describe the extent to which PR and reputation considerations are factored into strategic and operational decision-making and planning in their organization by selecting a number from 1 (“Never”) to 7 (“Always”).

Table V/F-4: Extent to which PR and Reputational Considerations Factored into Strategic Decision Making and Planning, Year-Over-Year						
1= Never, 7= Always						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5.09	5.56	0.47	23	9
	\$100M-\$580M	5.40	5.31	-0.09	40	29
	Less than \$100M	5.34	5.50	0.16	58	107
Government Agency	All	5.89	5.26	-0.63	18	57
Not for profit base: All not for profit organizations providing operating budget/income data and data about PR considerations factored into organizational strategic decision making and planning (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about PR considerations factored into organizational strategic decision making and planning						
Data source: Q10 by Q1 and Q13 (as categories): see Appendix for question wording						

*** Findings/observations in 2007:**

- a. With scores ranging from a low of 5.26 to a high of 5.56, it is clear that respondents strongly believe that PR contributed to strategic decision-making and planning in not-for-profit organizations and government agencies alike.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

b. The cumulative average scores for various types of respondent organizations:

- Large not-for-profits: 5.56 (9 respondents)
- Mid-size not-for-profits 5.31
- Small not-for-profits 5.50
- Government agencies 5.26
- Larger public companies 5.32 (Table IV/F-4)
- Larger private companies 5.07 (Table IV/F-4)
- Smaller public companies 5.12 (Table IV/F-4)
- Smaller private companies 5.38 (Table IV/F-4)

The data suggest to us that:

Respondents believe that PR/Communications plays a somewhat greater role in strategic planning among non-profit and government agencies than is the case among commercial enterprises.

V/F-5: Likelihood of PR Being Invited to Meetings Dealing with Strategic Planning

Respondents were asked to describe the likelihood that they would be invited to meetings dealing with organizational strategic planning by selecting a number from 1 (“Never”) to 7 (“Always”).

Table V/F-5: Likelihood of PR being Invited to Meetings Dealing with Strategic Planning, Year-Over-Year						
1=Never, 7= Always						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5.41	5.62	0.21	22	8
	\$100M-\$580M	5.67	6.03	0.36	40	29
	Less than \$100M	5.25	5.67	0.42	57	105
Government Agency	All	5.83	5.44	-0.39	18	55
Not for profit base: All not profit organizations providing operating budget/income data and data about likelihood of PR being invited to attend senior-level strategic planning meetings (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about likelihood of PR being invited to attend senior-level strategic planning meetings						
Data source: Q11b by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

- a. Respondents from mid-size not-for-profits have the highest level of confidence (6.03 out of 7) that PR would be invited to meetings dealing with organizational strategic planning, but all not-for-profits and government agencies report a high level of conviction that this is so.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

b. The cumulative average scores for various types of respondent organizations:

- Large not-for-profits: 5.62 (9 respondents)
- Mid-size not-for-profits 6.03
- Small not-for-profits 5.67
- Government agencies 5.44
- Larger public companies 4.78 (Table IV/F-5)
- Larger private companies 4.96 (Table IV/F-5)
- Smaller public companies 4.66 (Table IV/F-5)
- Smaller private companies 4.98 (Table IV/F-5)

The data suggest to us that:

Respondents believe that PR/Communications is more likely to be involved in strategic planning meetings among non-profit and government agencies than is the case among commercial enterprises. This suggests that PR may have a greater opportunity in not-for-profit organizations and government agencies to directly contribute to, and participate in some of an organization's most vital activities.

V/F-6: Likelihood of PR/Communications Being Invited To Meetings Dealing with Important Issues That May or May Not Have Communications Implications

Respondents were asked to describe the likelihood that they would be invited to meetings dealing with important issues that may or may not have PR implications by selecting a number from 1 (“Never”) to 7 (“Always”).

Table V/F-6: Likelihood of PR/Communications Being Invited to Meetings Dealing with Important Issues that May or May Not Have Communications Implications,* Year-Over-Year						
1=Never, 7=Always						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	5.05	5.38	0.33	22	8
	\$100M-\$580M	5.35	6.00	0.65	40	29
	Less than \$100M	5.34	5.60	0.26	58	105
Government Agency	All	5.50	5.24	-0.26	18	55
*In 2007, "PR implications" changed to "communications implications" in question text; as such, year-to-year comparisons must be interpreted with caution						
Not for profit base: All not for profit organizations providing data about operating budget/income and data about likelihood of PR being invited to attend senior-level meetings that may have communications implications (excludes one not for profit organization with an operating budget/income of \$14B)						
Government agency base: All government agencies providing data about likelihood of PR being invited to attend senior-level meetings that may have communications implications						
Data source: Q11a by Q1 and Q13 (as categories); see Appendix for question wording						

*** Findings/observations in 2007:**

- a. Respondents strongly believed PR was likely to be invited to meetings dealing with important issues that may or may not have had communication implications.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

b. The cumulative average scores for various types of respondent organizations:

- Large not-for-profits: 5.38 (8 respondents)
- Mid-size not-for-profits 6.00
- Small not-for-profits 5.60
- Government agencies 5.24
- Larger public companies 5.20 (Table IV/F-6)
- Larger private companies 5.31 (Table IV/F-6)
- Smaller public companies 5.09 (Table IV/F-6)
- Smaller private companies 5.10 (Table IV/F-6)

The data suggest to us that:

Respondents believe that PR/Communications is equally likely, or slightly more likely, to be involved in such meetings among not-for-profit organizations and government agencies than is the case among commercial enterprises.

V/F-7: Extent to Which CEO Believes That...

Using a scale of 1 (“Strongly disagree”) to 7 (“Strongly agree”), respondents were asked to describe the extent to which their CEOs would agree with the following statements:

- PR evaluation methods are adequate
- Organizational reputation contributes to success

Table V/F-7: Extent to which CEO Believes that..., Year-Over-Year

1= Strongly disagree, 7= Strongly agree

Type	Revenue Categories	Evaluation methods are adequate			Respondents		Organizational reputation contributes to success			Respondents	
		2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	4.60	5.67	1.07	20	9	6.40	6.56	0.16	21	9
	\$100M-\$580M	4.70	5.07	0.37	40	29	6.40	6.38	-0.02	40	29
	Less than \$100M	5.10	5.02	-0.08	61	103	6.30	6.37	0.07	61	106
Government Agency	All	5.60	5.14	-0.46	17	56	6.50	5.86	-0.64	18	57

Not for profit base: All not for profit organizations providing operating budget/income data and data about CEO perceptions about PR evaluation methods and/or organizational reputation (excludes one not for profit organization with an operating budget/income of \$14B)

Government agency base: All government agencies providing data about CEO perceptions about PR evaluation methods and/or organizational reputation

Data source: Q23 and Q24 by Q1 and Q13 (as categories); see Appendix for question wording

*** Findings/observations in 2007:**

- All respondent groups reported that, on average, their CEOs mostly believe “organizational reputation contributes to success,” with the highest number given by the very largest not-for-profit organizations (6.56).
- All respondents groups also report that, on average, their CEOs believe that “evaluation methods are adequate,” but with somewhat smaller scores, ranging from 5.67 (largest not-for-profits) to 5.02 (smallest not-for-profits).

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

c. Some interesting comparisons:

- Organizational reputation contributes to success
 - Large non profit: 6.56
 - Mid-sized non-profit: 6.38
 - Small non-profit: 6.37
 - Government agency: 5.86
 - Larger public company: 6.12
 - Larger private company: 6.35
 - Smaller public company: 5.91
 - Smaller private company: 6.09

The data suggest to us that:

Respondents of all types firmly believe in their CEOs' support for the importance of organizational reputation, a fact that bodes well for the profession at a time of economic uncertainty.

V/G-1 and G-1a: All Functions for Which Respondents have Budgetary Responsibility, and Their Rankings

Respondents were asked to indicate the communications-related functions for which their departments have primary budgetary responsibility by selecting from the list appearing in the table below.

Table V/G-1: Functions for which Respondents have Budgetary Responsibility, Year-Over-Year												
Function	Type: Not for Profit									Type: Government Agency		
	Revenue Category: \$580 Million-\$6 Billion			Revenue Category: \$100M-\$580M			Revenue Category: Less than \$100M			Revenue Category: All		
	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07	2005	2007	Dif 05 & 07
Advertising - corporate image	52%	89%	37%	87%	69%	-18%	66%	71%	5%	78%	67%	-11%
Advertising - issues	30%	56%	26%	63%	62%	-1%	50%	70%	20%	61%	11%	-50%
Advertising - product	22%	78%	56%	63%	76%	13%	57%	71%	14%	61%	78%	17%
Community relations	70%	33%	-37%	70%	48%	-22%	67%	28%	-39%	83%	51%	-32%
Corporate communications	96%	78%	-18%	90%	14%	-76%	79%	82%	3%	72%	69%	-3%
Corporate ethics/ombudsman	13%	0%	-13%	0%	17%	17%	10%	36%	26%	6%	67%	61%
Corporate external web site	70%	78%	8%	82%	62%	-20%	71%	9%	-62%	78%	11%	-67%
Corporate governance/standards	9%	0%	-9%	3%	10%	7%	7%	27%	20%	28%	4%	-24%
Corporate image - Graphic standards	70%	78%	8%	87%	7%	-80%	74%	21%	-53%	78%	15%	-63%
Corporate intranet	39%	56%	17%	40%	76%	36%	28%	53%	25%	39%	44%	5%
Corporate reputation	61%	89%	28%	65%	41%	-24%	50%	15%	-35%	44%	9%	-35%
Corporate social responsibility*		11%			66%			73%			36%	
Crisis management	78%	89%	11%	83%	38%	-45%	55%	54%	-1%	67%	22%	-45%
Employee communications	87%	78%	-9%	87%	72%	-15%	45%	56%	11%	72%	67%	-5%
Executive communications	65%	78%	13%	57%	38%	-19%	45%	58%	13%	67%	13%	-54%
Government relations	26%	11%	-15%	20%	24%	4%	28%	22%	-6%	17%	82%	65%
Investor relations	0%	0%	0%	0%	14%	14%	3%	27%	24%	6%	15%	9%
Issues management	43%	78%	35%	50%	55%	5%	34%	79%	45%	39%	49%	10%
Marketing PR	70%	89%	19%	87%	59%	-28%	76%	7%	-69%	67%	66%	-1%
Monitoring and participation in online social networking*		33%			0%			61%			56%	
Monitoring and participation in other online media*		33%			28%			44%			67%	
Monitoring and participation in the blogosphere*		33%			17%			8%			11%	
Philanthropy	26%	0%	-26%	18%	45%	27%	26%	50%	24%	28%	7%	-21%
Public affairs	43%	67%	24%	67%	10%	-57%	64%	23%	-41%	72%	36%	-36%
Respondents	22	9		41	29		62	107		19	55	

*New item in 2007

Not for profit base: All not for profit organizations providing operating budget/income data and data about functions for which PR departments have primary budgetary responsibility (excludes one not for profit organization with an operating budget/income of \$14B)

Government agency base: All government agencies providing data about functions for which PR departments have primary budgetary responsibility

Data source: Q12a-x by Q1 and Q13 (as categories); see Appendix for question wording

Table V/G-1a: Functions for which Respondents have Budgetary Responsibility, Year-Over-Year Ranking

Function	Type: Not for Profit						Type: Government Agency	
	Revenue Category: \$580 Million-\$6 Billion		Revenue Category: \$100M-\$580M		Revenue Category: Less than \$100M		Revenue Category: All	
	2005	2007	2005	2007	2005	2007	2005	2007
Advertising - corporate image	10	1(tie)	2(tie)	4	6	4(tie)	2(tie)	4(tie)
Advertising - issues	14	13(tie)	11(tie)	6(tie)	10(tie)	6	11(tie)	19(tie)
Advertising - product	17	5(tie)	11(tie)	1(tie)	8	4(tie)	11(tie)	2
Community relations	4(tie)	15(tie)	8	10	5	15	1	10
Corporate communications	1	5(tie)	1	19(tie)	1	1	5(tie)	3
Corporate ethics/ombudsman	18	21(tie)	19(tie)	17(tie)	18	14	19(tie)	4(tie)
Corporate external web site	4(tie)	5(tie)	7	6(tie)	4	22	2(tie)	19(tie)
Corporate governance/standards	19	21(tie)	18	21(tie)	19	16(tie)	16(tie)	24
Corporate image - Graphic standards	4(tie)	5(tie)	2(tie)	23	3	20	2(tie)	16(tie)
Corporate intranet	13	13(tie)	15	1(tie)	15(tie)	11	14(tie)	12
Corporate reputation	9	1(tie)	10	12	10(tie)	21	13	22
Corporate social responsibility*		19(tie)		5		3		13(tie)
Crisis management	3	1(tie)	6	13(tie)	9	10	8(tie)	15
Employee communications	2	5(tie)	2(tie)	3	12(tie)	9	5(tie)	4(tie)
Executive communications	8	5(tie)	13	13(tie)	12(tie)	8	8(tie)	18
Government relations	15(tie)	19(tie)	16	16	15(tie)	19	18	1
Investor relations	20	21(tie)	19(tie)	19(tie)	20	16(tie)	19(tie)	16(tie)
Issues management	11(tie)	5(tie)	14	9	14	2	14(tie)	11
Marketing PR	4(tie)	1(tie)	2(tie)	8	2	24	8(tie)	8
Monitoring and participation in online social networking*		15(tie)		24		7		9
Monitoring and participation in other online media*		15(tie)		15		13		4(tie)
Monitoring and participation in the blogosphere*		15(tie)		17(tie)		23		19(tie)
Philanthropy	15(tie)	21(tie)	17	11	17(tie)	12	16(tie)	23
Public affairs	11(tie)	12	9	21(tie)	7	18	5(tie)	13(tie)
*New item in 2007								
Not for profit base: All not for profit organizations providing operating budget/income data and data about functions for which PR departments have primary budgetary responsibility (excludes one not for profit organization with an operating budget/income of \$14B)								
Government agency base: All government agencies providing data about functions for which PR departments have primary budgetary responsibility								
Data source: Q12a-x by Q1 and Q13 (as categories); see Appendix for question wording								
Note: Differences between 2005 and 2007 are not calculated because question methodology changed in 2007								

*** Findings/observations in 2007:**

Some interesting comparisons:

- Issues management
 - Large non profit: 78%
 - Mid-sized non-profit: 55%
 - Small non-profit: 79%
 - Government agency: 49%
 - Larger public company: 69%
 - Larger private company: 74%
 - Smaller public company: 39%
 - Smaller private company: 34%

- Monitoring and participation in the blogosphere
 - Large non profit: 33%
 - Mid-sized non-profit: 17%
 - Small non-profit: 8%
 - Government agency: 11%
 - Larger public company: 60%
 - Larger private company: 52%
 - Smaller public company: 33%
 - Smaller private company: 28%

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

- Monitoring and participation on-line social networking

- Large non profit: 33%
- Mid-sized non-profit: 0%
- Small non-profit: 61%
- Government agency: 56%
- Larger public company: 31%
- Larger private company: 26%
- Smaller public company: 21%
- Smaller private company: 22%

- Crisis management

- Large non profit: 89%
- Mid-sized non-profit: 38%
- Small non-profit: 54%
- Government agency: 22%
- Larger public company: 86%
- Larger private company: 78%
- Smaller public company: 61%
- Smaller private company: 63%

- Employee/internal communication

- Large non profit: 78%
- Mid-sized non-profit: 72%
- Small non-profit: 56%
- Government agency: 67%
- Larger public company: 85%
- Larger private company: 85%
- Smaller public company: 75%
- Smaller private company: 62%

- Corporate social responsibility (CSR)
 - Large non profit: 11%
 - Mid-sized non-profit: 66%
 - Small non-profit: 73%
 - Government agency: 36%
 - Larger public company: 61%
 - Larger private company: 48%
 - Smaller public company: 21%
 - Smaller private company: 35%

- Advertising, corporate image
 - Large non profit: 89%
 - Mid-sized non-profit: 69%
 - Small non-profit: 71%
 - Government agency: 67%
 - Larger public company: 43%
 - Larger private company: 56%
 - Smaller public company: 58%
 - Smaller private company: 60%

The data suggest to us that:

- a. *In addition to one's own personal values and missions, the functions for which one will be responsible can help distinguish between careers in the commercial and non-commercial worlds.*
- b. *With the inexplicable exception of mid-sized not-for-profits, not-for-profit and government agencies may be ahead of commercial enterprises in the increasingly important field of digital media. .*
- c. *Corporate image advertising is an important responsibility for practitioners in these organizational categories -- more important than the authors had expected.*

V/H-1 and H-1a: Integration of Communication Function(s)

Respondents were asked to describe the extent to which they believe that the various communications functions within their organizations are integrated by choosing a number between 1 (“Not at all integrated”) and 7 (“Extremely well integrated”).

Table V/H-1: Extent to which Communications Functions are Integrated, Year-Over-Year						
1= Not at all integrated, 7=Extremely well integrated						
Type	Revenue Categories	Average			Respondents	
		2005	2007	Dif 05 & 07	2005	2007
Not for Profit	\$580 Million-\$6 Billion	4.45	5.67	1.22	20	9
	\$100M-\$580M	5.10	4.90	-0.20	40	29
	Less than \$100M	4.81	4.92	0.11	54	107
Government Agency	All	5.00	4.89	-0.11	17	56
Not for profit base: All not for profit organizations providing organizational budget/income data and data about integration of communications functions (excludes one not for profit organization with an operating budget/income of \$14B)						
Governmental agency base: All governmental agencies providing data about integration of communications functions						
Data source: Q29a by Q1 and Q13 (as categories); see Appendix for question wording						

Table V/H-1a: 2007 Extent to which PR/Communications Function is Integrated with Other Departments			
1=Not at all integrated, 7=Extremely well integrated			
Type	Revenue Categories	Average	Respondents
Not for Profit	\$580 Million-\$6 Billion	5.78	9
	\$100M-\$580M	5.10	29
	Less than \$100M	4.72	107
Government Agency	All	4.75	56
Not for profit base: All not for profit organizations providing organizational budget/income data and data about integration of communications functions (excludes one not for profit organization with an operating budget/income of \$14B)			
Government agency base: All government agencies providing data about integration of communications functions			
Data source: Q29a by Q1 and Q13 (as categories); see Appendix for question wording			

*** Findings/observations in 2007:**

- a. It appears that respondents believed that the various communications functions are substantially integrated and that the PR teams are more broadly integrated, on average, with other departments.
- b. Cumulative average scores for various types of respondent organizations regarding PR integration with other departments:
 - Large not-for-profits: 5.78 (9 respondents)
 - Mid-size not-for-profits 5.10
 - Small not-for-profits 4.72
 - Government agencies 4.75
 - Larger public company: 4.97
 - Larger private company: 5.04
 - Smaller public company: 4.05
 - Smaller private company: 5.05

The data suggest to us that:

Respondent not-for-profit and government agencies are at least as well integrated, as are commercial respondents, though that finding must be viewed in the context of the smaller size and lesser complexity of the not-for-profits and government organizations.

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

V/H-2: Organizational Description

Respondents were asked to describe their organizational environment by selecting a number from 1 to 7 to express their organization's place on a descriptive scale. For example, if they see their organization as being more "rigid" than "flexible," they would circle 1, 2, or 3 on the 1 – 7 scale where 1 is "rigid," 7 is "flexible," and 4 is "neutral."

Table V/H-2: Organizational Description, Year-Over-Year										
Description	Type: Not for Profit									
	Revenue Category: \$580 Million-\$6 Billion					Revenue Category: \$100M-\$580M				
	Average			Respondents		Average			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
Autocratic - Democratic	4.25	4.89	0.64	20	9	4.38	4.48	0.10	41	29
Poor external reputation - Good external reputation	4.75	6.00	1.25	20	9	5.73	5.31	-0.42	41	29
Profits first - People first	4.55	5.00	0.45	20	9	5.00	5.31	0.31	40	29
Reactive - Proactive	3.65	4.11	0.46	20	9	4.18	3.86	-0.32	41	29
Rigid - Flexible	4.35	4.89	0.54	20	9	4.03	4.21	0.18	41	29
Tactical - Strategic	3.95	4.56	0.61	19	9	4.00	4.03	0.03	41	29
Unethical - Ethical	4.85	6.22	1.37	20	9	5.90	5.69	-0.21	41	29
Unsuccessful - Successful	4.60	5.78	1.18	20	9	5.55	5.38	-0.17	41	29
Description	Type: Not for Profit					Type: Government				
	Revenue Category: Less than \$100M					Revenue Category: All				
	Average			Respondents		Average			Respondents	
	2005	2007	Dif 05 & 07	2005	2007	2005	2007	Dif 05 & 07	2005	2007
Autocratic - Democratic	4.43	4.34	-0.09	58	106	3.47	4.14	0.67	18	57
Poor external reputation - Good external reputation	5.35	5.51	0.16	59	106	5.35	5.19	-0.16	18	57
Profits first - People first	5.16	5.33	0.17	59	104	4.93	5.60	0.67	16	55
Reactive - Proactive	3.84	4.25	0.41	59	107	4.71	3.98	-0.73	18	57
Rigid - Flexible	4.39	4.60	0.21	58	107	3.82	4.12	0.30	18	57
Tactical - Strategic	4.27	4.26	-0.01	59	107	4.94	4.28	-0.66	18	57
Unethical - Ethical	5.89	5.68	-0.21	59	107	5.53	5.46	-0.07	18	57
Unsuccessful - Successful	5.18	5.43	0.25	59	106	5.53	5.23	-0.30	18	57
Not for profit base: All not for profit organizations providing operating budget/income data and data about organizational descriptions (excludes one not for profit organization with an operating budget/income of \$14B)										
Government agency base: All government agencies providing data about organizational descriptions										
Data source: Q37 by Q1 and Q13 (as categories); see Appendix for question wording										

*** Findings/observations in 2007:**

a. Government agencies described themselves as being:

- At 5.60, more “people first” than “profits first”
- At 5.46, more “ethical” than “unethical”
- At 5.23, more “successful” than “unsuccessful”
- At 5.19, more likely to have a “good external reputation” than a “poor external reputation”
- At 4.28, slightly more “strategic” than “tactical”
- At 4.12, slightly more “rigid” than “flexible”
- At 4.14, slightly more “democratic” than “autocratic”
- At 3.98, slightly more “reactive” than “proactive”

b. Some interesting comparisons (See Table IV/H-2 for detailed corporate data):

- **Profits First – People First (1 – 7)**

- Large not-for-profits: 5.00 (9 respondents)
- Mid-size not-for-profits 5.31
- Small not-for-profits 5.33
- Government agencies 5.60
- Larger public company: 3.56
- Larger private company: 3.85
- Smaller public company: 3.61
- Smaller private company: 3.75

* Although there may appear to be noteworthy year-over-year and cross-category differences, caution must be used when interpreting these differences due to sample size and related margins of error.

- **Unethical – Ethical (1 – 7)**
 - Large not-for-profits: 6.22 (9 respondents)
 - Mid-size not-for-profits 5.69
 - Small not-for-profits 5.68
 - Government agencies 5.46
 - Larger public company: 5.91
 - Larger private company: 5.63
 - Smaller public company: 5.72
 - Smaller private company: 5.09

- **Poor External Reputation – Good External Reputation (1 – 7)**
 - Large not-for-profits: 6.00 (9 respondents)
 - Mid-size not-for-profits 5.31
 - Small not-for-profits 5.51
 - Government agencies 5.19
 - Larger public company: 5.33
 - Larger private company: 5.70
 - Smaller public company: 5.05
 - Smaller private company: 5.60

- **Reactive – Proactive (1 – 7)**
 - Large not-for-profits: 4.11 (9 respondents)
 - Mid-size not-for-profits 3.86
 - Small not-for-profits 4.25
 - Government agencies 3.98
 - Larger public company: 4.26
 - Larger private company: 4.48
 - Smaller public company: 4.16
 - Smaller private company: 4.72

- **Rigid – Flexible (1 – 7)**
 - Large not-for-profits: 4.89 (9 respondents)
 - Mid-size not-for-profits 4.21
 - Small not-for-profits 4.60
 - Government agencies 4.12
 - Larger public company: 4.27
 - Larger private company: 4.63
 - Smaller public company: 4.40
 - Smaller private company: 4.75

The data suggest to us that:

While respondents indicate that not-for-profit and government agencies are a good deal more “people first” than are commercial enterprises, they (generally) appear to be no more ethical than, perhaps a bit more reactive than, about equally as flexible as, and in possession of external reputations that are only somewhat better than those of, commercial enterprises.