

Corporate Public Issues And Their Management

The Executive Systems Approach to Public Policy Formation.

IMC Board Defines Best Practices

The Board of the Issue Management Council has issued a set of nine best practice indicators for corporations and practitioners. These are intended as “directional indicators,” suggesting a programmatic path toward implementing and stewarding corporate issue management programs that are effective and, indeed, best practice.

According to **Michael Palese**, Chair of the IMC and Manager, Executive Communications at DaimlerChrysler Corporation: “The Issue Management Best Practice Indicators make excellence actionable. They will help companies striving to be the best by helping them to define the objective and areas of focus during program development and execution.”

Governance Guidelines for “the Bodies Corporate”

IMC Treasurer **Hank Boerner**, who is Managing Director of Rowan & Blewitt’s New York Office, believes the indicators bring timely value to corporate leadership as well as practitioners: “Many organizations practice issue management in various ways,” Boerner says. “It is clear that this new environment for corporations requires more focus on managing issues and clear guidelines for the bodies corporate — from the board level to senior management to line employees — and involving all units and disciplines within the ‘body corporate.’”

“The Best Practice Indicators are all about greater corporate and institu-

tional accountability,” Boerner says, “and especially greater individual and collective accountability by boards of all corporations. There are still many important changes to come,” Boerner continues. “For example, the New York Stock Exchange is creating new governance rules for listed companies. The IMC effort is clearly a bold attempt to help corporations large, small and in between to explore, adopt and implement issue management best practices, as suitable for their own organizational structure, their unique culture and to meet geographic needs in the global economy.”

“Members of corporate boards of directors are working in a dramatically changed environment — with increased public scrutiny of the board process, a new public awareness of who board members are, and in some cases, with calls for dramatic actions

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to hold individual board members and even whole boards more accountable for corporate decisions, actions, behaviors and outcomes. The time to start the IM process,” concludes Boerner, “is now.”

Issue Management Best Practices: Origins of the Project

The project to develop the nine indicators was championed by IMC Board Member **Tony Jaques**. As Director - Issue Management at Dow Australia, Jaques recognized the emerging need for a global set of standards that could serve as useful developmental objectives for companies at different stages of implementation.

According to Jaques: “While every company has its own ideas about issues and issue management, it is essential from time to time to be able to assess your own progress against an objective measurement. I pursued this project to determine what is the overall ‘best in class’ standard.”

In addition to IMC Board member input, Jaques took a global view of best practices employed at a wide range of companies and industries. “We distilled the best concepts from the many different people and organizations which have made the greatest impact in perhaps only one or two of the areas covered,” Jaques says. “By identifying the best in each area we developed practical and realistic standards across the whole discipline.”

Relevance for Global Application

Why are these indicators important to the international application of the process? Project participant and former IMC Board member, **Janet César** of PDVSA, answers: “The application of the process goes beyond the implementation of a managerial approach. It is more a managerial philosophy that intends to facilitate the best and balanced relationship

between the business world and its stakeholders, taking into account their point of view and expectations. The IMC’s Best Practice Indicators help in this endeavor, being a good orientation and not a constraint for the application.” César adds, “The ethical guidelines for practitioners provide a ‘compass’ to avoid the manipulative use of the tool.”

“Shared Context” for Practitioners & Academicians

IMC Vice President and University of Maine Professor **John Mahon** sees the value of the indicators in the academic and corporate worlds. “The Best Practice Indicators bridge the gap between practice and research as they inform the practitioner as to the best practices and serve simultaneously as a guide to research and teaching for the academician,” Mahon says. “The Indicators help to ground both practitioner and academic in a common shared context.”

“IMC’s Best Practices initiative is also intended to address the needs of the social sector,” Jaques adds. “Beyond for-profit corporations, the expanding ‘social sector’ — including NGOs, not-for-profits, large health systems, universities, trade associations and other institutions — needs to address, assess, quantify and then manage critical issues.”

There will be a “value payoff” for companies moving quickly to institute issue management programs, according to the IMC.

“Savvy investors have learned that corporations that manage their issues are good investments, and that qualitative factors that push up ‘street’ value now include effective issue management,” comments Boerner. He cites “clear evidence” that companies that manage environmental, social and workplace issues have performed much better than companies that do not.

The IMC Board welcomes comments on the nine best practice indicators. ▲

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